VANACORP AUST PTY LTD

ABN 36 626 487 170

FINANCIAL REPORT
30 JUNE 2020

Contents

Corporate Directory

Directors

Alexander Hewlett (Appointed 1 March 2021)
Director

James Croser (Appointed 1 March 2021)
Director

Peter Woods (Resigned 1 March 2021)
Non-Executive Director

Company Secretary

Steven Wood

Registered Office and Principal Place of Business

1202 Hay Street
West Perth WA 6005
Tel: +61 8 6319 1900

Solicitors

Steinepreis Paganin
Level 4, The Read Buildings
16 Milligan Street
Perth WA 6000

Auditors

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

Directors' Report

The Directors present their report on Vanacorp Aust Pty Ltd ("the Company" or "Vanacorp") for the financial year ended 30 June 2020.

Directors

The names of Directors in office at any time during or since the end of the year are:

Director	Title	Appointment Date	Resignation Date
Alexander Hewlett	Director	1 March 2021	-
James Croser	Director	1 March 2021	-
Peter Woods	Director	30 May 2018	1 March 2021

Directors have been in office since the start of the financial year to the date of this report, unless otherwise stated.

Company Secretary

Peter Woods held the position as Company Secretary from 30 May 2018, until 2 July 2020 when Lauren Nelson assumed the position. From 1 June 2021 the role of Company Secretary was filled by Steven Wood from Grange Consulting Group Pty Ltd.

Principal Activities

The principal activities of the Company are to pursue uranium exploration, namely on its East Canyon project in Utah.

Operating Results

The Company had a loss before income tax of $4,084 (2019: $8,503).

Dividends Paid or Recommended

No dividends have been paid or declared for payment during, or since, the end of the financial year.

Directors' Report

Review of operations

During the year, the Company continued to seek investment partners to pursue exploration at the East Canyon Project. In April 2020, a Share Purchase Agreement was executed with Red Dirt Metals Limited becoming the 100% ultimate parent of Vanacorp Aust Pty Ltd.

Outlook

The Company continues to make strong progress towards pursuing a new strategic direction to further advance its East Canyon project.

Significant changes in state of affairs

There were no significant changes to the state of affairs of the Company.

Events arising since the end of the reporting period

In November 2021 a binding term sheet was signed between Red Dirt Metals and UVRE Limited for sale of Vanacorp Pty Ltd, subject to conditions precedent.

There have been no other matters or circumstances that 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.

Future development, prospects and business strategies

The Company is pursuing an Initial Public Offering in its own right, to access additional funds and ensure adequate resources can be focused solely on exploration at the East Canyon Project.

Environmental issue

The Company's operations are subject to various environmental laws and regulations under relevant Governments' legislation. Full compliance with these laws and regulations is regarded as a minimum standard for all operations to achieve. There have been no significant known breaches by the Company during the financial period.

Options

No options over issued shares or interests in the Company were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

Information on Directors

Names, special responsibilities, qualifications and experience of current directors.

Alexander Hewlett	**Director**
Qualifications and Experience	Alexander Hewlett is a qualified Geologist graduating from the University of Western Australia. Mr Hewlett is highly skilled at project identification and acquisition and has a flair for company and investor communications. He has raised significant funds for both domestic and international projects in the mining and exploration sector and has served on several boards on the ASX. Mr Hewlett is a member of the Australasian Institute of Mining and Metallurgy.
Interests in Shares	Nil.

Directors' Report

James Croser	**Director**
Qualifications and Experience	James Croser is a qualified mining engineer, with 20 years of operations, technical and management experience in the Australian mining sector. Mr Croser is currently Director of Vaportrail Pty Ltd, a privately-owned mining consultancy business. Mr Croser has served previously on the Board for ASX-listed mining companies Kalgoorlie Mining Company Ltd & Resources & Energy Group Ltd, while also founding & developing several private mining companies across Western Australia in recent years. Mr Croser has held statutory mine management positions for Perilya Ltd and La Mancha Resources Ltd, including as inaugural underground manager for the definitive feasibility study & construction of the one-million-ounce Frog's Leg Gold Mine. Mr Croser holds a bachelor's degree from the Western Australian School of Mines and is a holder of a Western Australian First Class Mine Managers' Certificate.
Interest in Shares	Nil.

Meetings of Directors

There were no Board Meetings held during the year.

Indemnities given to, and insurance premiums paid for, auditors and officers

Insurance of officers

During the majority of the 2020 year, Vanacorp did not have any insurance policies in place. From 18 June 2020 Directors and Officers were insured under the policy of Red Dirt Metals Limited.

Indemnity of Auditors

The Company has agreed to indemnify its auditor, Bentleys, to the extent permitted by law, against any claim by a third party arising from the Company's breach of its agreement. The indemnity requires the Company to meet the full amount of any such liabilities including a reasonable amount of legal costs.

Proceedings on behalf of 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 for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration as required under section 307C of the Corporations Act 2001 is set out on page 7 and forms part of this Directors' Report.

Rounding of Amounts

The Company has applied the relief available to it under ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 and accordingly, amounts in the financial statements and Directors' Report have been rounded off to the nearest dollar.

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

Alexander Hewlett
Director
18 January 2022

To the Board of Directors,

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

As lead audit Partner for the audit of the financial statements of Vanacorp Aust Pty Ltd for the financial year ended 30 June 2020, 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

HALL CHADWICK WA AUDIT PTY LTD

CHRIS NICOLOFF CA
Partner

Dated 18th day of January 2022
Perth, Western Australia

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2020

	Note	Year ended 30-Jun-20 $	Year ended 30-Jun-19 $
Other income		1	1
Professional and corporate fees		(1,387)	(248)
Debt forgiveness		100	-
Foreign exchange gain / (loss)		(2,798)	(8,256)
Gain/(Loss) before income tax		**(4,084)**	**(8,503)**
Income tax benefit / (expense)	*4*	-	-
Gain/(Loss) after income tax from continuing operations		**(4,084)**	**(8,503)**
(Gain/(Loss) after income tax benefit for the year attributable to:			
Members of the parent entity		(4,084)	(8,503)
		(4,084)	**(8,503)**
Other comprehensive income for the year			
Items that may be reclassified subsequently to profit or loss			
Exchange differences on the translation of foreign operations		-	-
Other comprehensive income (net of tax) for the year		**-**	**-**
Total comprehensive gain/(loss) for the year		**(4,084)**	**(8,503)**

The accompanying notes form part of these financial statements

Consolidated Statement of Financial Position

As at 30 June 2020

	Note	As at 30-Jun-20 $	As at 30-Jun-19 $
CURRENT ASSETS			
Cash and cash equivalents	*5*	879	2,543
Trade and other receivables		140	140
Total Current Assets		**1,019**	**2,683**
NON-CURRENT ASSETS			
Capitalised exploration and evaluation expenditure	*6*	266,444	213,964
Total Non-Current Assets		**266,444**	**213,964**
TOTAL ASSETS		**267,463**	**216,647**
CURRENT LIABILITIES			
Borrowings	*7*	-	226,540
Total Current Liabilities		**-**	**226,540**
TOTAL LIABILITIES		**-**	**226,540**
NET ASSETS / (LIABILITIES)		**267,463**	**(9,893)**
EQUITY			
Contributed equity	*8*	281,450	10
Retained earnings		(13,987)	(9,903)
TOTAL EQUITY		**267,463**	**(9,893)**

The accompanying notes form part of these financial statements

Consolidated Statement of Changes in Equity

For the year ended 30 June 2020

	Contributed equity	Retained earnings	Total
	$	$	$
Balance at 01 July 2019	**10**	**(1,400)**	**(1,390)**
Loss after income tax expense	-	(8,503)	**(8,503)**
Total comprehensive loss for the period	**-**	**(8,503)**	**(8,503)**
Shares issued during the year	-	**-**	**-**
Balance at 30 June 2019	**10**	**(9,903)**	**(9,893)**
Loss after income tax expense	-	(4,084)	**(4,084)**
Total comprehensive gain for the period	**-**	**(4,084)**	**(4,084)**
Shares issued during the year	281,440	**-**	**281,440**
Balance at 30 June 2020	**281,450**	**(13,987)**	**267,463**

The accompanying notes form part of these financial statements

Consolidated Statement of Cash Flows

For the year ended 30 June 2020

	Note	Year ended 30-Jun-20 $	Year ended 30-Jun-19 $
Cash flows from operating activities			
Payments to suppliers and employees		(4,185)	(8,504)
Interest received		1	1
Net cash used in operating activities	*9*	**(4,184)**	**(8,503)**
Cash flows from investing activities			
Payments for exploration expenditure		(52,480)	(213,964)
Net cash used in investing activities		**(52,480)**	**(213,964)**
Cash flows from financing activities			
Proceeds from borrowings		55,000	225,000
Proceeds from issue of shares		-	-
Net cash provided by financing activities		**55,000**	**225,000**
Net (decrease)/increase in cash and cash equivalents held		**(1,664)**	**2,533**
Cash and cash equivalents at beginning of year		2,543	10
Foreign exchange movement in cash		-	-
Cash and cash equivalents at end of year	5	***879***	***2,543***

The accompanying notes form part of these financial statements

Notes to the Financial Statements

1. CORPORATE INFORMATION

Vanacorp Aust Pty Ltd.'s principal activities are to pursue exploration activities on its Uranium asset in Utah, the East Canyon Project.

The Company is incorporated and domiciled in Australia.

Vanacorp is a for-profit entity for the purpose of preparing the financial statements. The financial statements for the year ended 30 June 2020 were approved and authorised by the Board of Directors on 18 January 2022.

2. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies that have been used in the preparation of these financial statements are summarised below. The financial statements have been prepared using the measurement bases specified by the Australian Accounting Standards for each type of asset, liability, income and expense. The measurement bases are more fully described in the accounting policies below.

a) Statement of compliance

The general-purpose financial statements have been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and Interpretations, and other authoritative pronouncements. Compliance with Australia Accounting Standards results in full compliance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

b) Basis of Preparation

The financial statements have been prepared on an accruals basis and are based on historical costs modified by the revaluation of selected non-current assets and financial instruments for which the fair value basis of accounting has been applied.

c) Financial report prepared on a going concern basis

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

The Company incurred a loss from continuing operations for the period of $4,084 (2019: $8,503), net cash outflows from operational activities of $4,184 (2019: $8,503) and had a cash and cash equivalents balance as at year-end of $879 (2019: $2,543).

The ability of the Company to continue as a going concern is principally dependent upon the ability of the Company to secure funds from its Parent entity, Red Dirt Metals Limited. These conditions indicate a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

The directors are satisfied that the going concern basis of preparation is appropriate and the directors are confident of the Company's ability to receive additional funds as and when they are required, to meets its ongoing short-term obligations.

Should the Company be unable to continue as a going concern it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different to those stated in the financial statements. The financial statements of the Company do not include any adjustments relating to the recoverability and classification of asset carrying amounts or to the amount and classification of liabilities should the Company be unable to continue as a going concern and meet its debts as and when they fall due.

d) Basis of consolidation

Subsidiaries

Subsidiaries are entities controlled by the Company. Control exists when the Company has both power and rights or exposure to variable returns. Power is the current ability to direct the activities that significantly influence returns. Returns must vary and can be positive, negative or both.

The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Investments in subsidiaries are carried at their cost of acquisition in the Company's financial statements.

Transactions eliminated on consolidation

Intragroup balances and any unrealised gains and losses or income and expenses arising from intragroup transactions are eliminated in preparing the consolidated financial statements.

Joint arrangements

A joint arrangement is an arrangement of which two or more parties have joint control. Joint arrangements are either classified as a joint operation or a joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which only exists when decisions about the relevant activities require the unanimous consent of the parties sharing control. Classification of a joint arrangement as a joint operation or a joint venture depends upon the rights and obligations of the parties to the arrangement. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities relating to the arrangement. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to net assets of the arrangement.

The Company applies judgement when assessing whether a joint arrangement is a joint operation or a joint venture. These judgements take into consideration the rights and obligations provided for by the structure and legal form of the arrangement, the terms agreed to by the parties in the

contractual agreement, and, when relevant, other facts and circumstances. These judgements are reassessed and re-evaluated as facts and circumstances change regarding the joint arrangement.

For joint arrangements classified as joint operations, the Company recognises in its financial statements, its proportionate interest in:

- its assets, including its share of any assets held jointly;
- its liabilities, including its share of any liabilities incurred jointly;
- its revenue from the sale of its share of the output arising from the joint operation;
- its share of the revenue from the sale of the output by the joint operation; and
- its expenses, including its share of any expenses incurred jointly.

For joint arrangements classified as joint ventures, the Company recognises its interest in the joint venture as an investment and accounts for that investment using equity method accounting as prescribed in AASB 11 Joint Arrangements unless the Company is exempted by a specific exemption according to that Standard.

e) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

f) Revenue and other income

Revenue is measured at the fair value of the consideration received or receivable.

Other income

Other income relates to interest revenue which is recognised on a time proportionate basis that takes into account the effective yield on the financial asset.

g) Income tax

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

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company's subsidiaries and associated entities operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

h) Impairment of assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset’s carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset’s fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

i) Exploration and evaluation expenditure

Exploration, evaluation and development expenditure incurred is capitalised in respect of each identifiable area of interest. These costs are only carried forward where the right of tenure of the area of interest is current and they are expected to be recouped through sale or 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 area of interest that is abandoned, or the directors decide that it is not commercial are written off in full against profit in the period in which the decision is made.

When production commences, the accumulated costs for the relevant area of interest are 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 carry forward costs in relation to that area of interest.

j) Investments and other financial assets

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instruments. For Financial assets, this is equivalent to the date that the Company commits itself to either purchase or sell the asset (i.e., trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instruments are classified 'at fair value through profit or loss' in which case transaction costs are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

Classification and subsequent measurement

Financial instruments are subsequently measure at either fair value, amortised cost using the effective interest rate method or cost. Fair value represents the price that would be received to sell an asset or paid to transfer a liability in orderly transaction between market participants at the measurement date. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as (i) the amount at which the financial asset or financial liability is measure at initial recognition; (ii) less principal repayments; (iii) plus or minus the cumulative amortization of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method; and (iv) less any reduction for impairment.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliability predicted, the contractual term) of the financial instrument to the net carry amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss. The Company does not designate any interest in subsidiaries, associates or joint venture entities as being subject to the requirements of accounting standards specifically applicable to financial statements.

Financial assets at fair value through profit and loss or through other comprehensive Income

Financial assets are classified at 'fair value through profit or loss' or fair value through other comprehensive Income' when they are either held for trading for purposes of short term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss if electing to choose 'fair value through profit or loss' or other comprehensive income if electing 'fair value through other comprehensive income'.

Financial Liabilities

The Company's financial liabilities include trade and other payables, loan and borrowings, provisions for cash bonus and other liabilities which include deferred cash consideration and deferred equity consideration for acquisition of subsidiaries and associates.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, and payables, net of directly attributable transaction costs.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Derecognition

Financial assets are derecognised where the contractual rights to receipts of cash flows expire, or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risk and benefits associated with the asset. Financial liabilities are recognised where the related obligations are either discharged, cancelled or expire.

The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

k) Trade creditors

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

l) Issued capital

Ordinary shares are classified as equity. Costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

m) Provisions

Provisions for legal claims, service warranties and make good obligations are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

n) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

o) Leases

Group as Lessee

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of office rental (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office rental that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

a) Comparative figures

When required by accounting standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

When the Group applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements, a statement of financial position as at the beginning of the earliest comparative period will be disclosed.

b) Application of new and revised accounting standards

Accounting standards that are mandatorily effective for the current reporting period

The Group has adopted all of the new and revised Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective from 1 July 2018.

The adoption of these new and amended Accounting Standards and Interpretations did not result in any significant changes to the Group's accounting policies.

The Group has not early adopted any new or amended Accounting Standards or Interpretations issued but not yet effective.

Accounting Standards not yet mandatory or early adopted

There are no other standards that are not yet effective and that are expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The Directors evaluate estimates and judgements incorporated into the financial report 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 group.

4. INCOME TAX EXPENSE

Vanacorp forms part of the Australian tax consolidated group of Red Dirt Metals limited, and therefore has no income taxes to account for or disclose within its own right. In addition, Vanacorp's subsidiary, Vanacorp USA LLC, has no transactions during the period.

	30-Jun-20 $	30-Jun-19 $
a) The components of income tax expense comprise:		
Current tax	-	-
Deferred tax	-	-
	-	-
b) The prima facie tax on profit/(loss) from continuing operations and discontinued operations before income tax is reconciled to the income tax as follows:		
Prime facie tax payable on profit/(loss) from continuing operations and discontinued operations before income tax at 30% (2019: 30%)	(1,225)	(2,551)
Other non-allowable items	-	-
DTA not recognised (losses)	1,225	2,551
DTA not recognised (temporary)	-	-
Utilisation of not recognised losses	-	-
Income tax expense/(benefit)	**-**	**-**
Tax losses	-	-
Temporary differences	-	-
Total	**-**	**-**

5. CASH AND CASH EQUIVALENTS

	30-Jun-20 $	30-Jun-19 $
Cash and cash equivalents	879	2,543
	879	**2,543**

6. CAPITALISED EXPLORATION AND EVALUATION EXPENDITURE

	30-Jun-20 $	30-Jun-19 $
Opening Balance	213,964	-
Capitalised exploration and evaluation costs	52,480	213,964
	266,444	**213,964**

At reporting date, the Company only had one area of interest being the East Canyon project, in Utah.

7. BORROWINGS

	30-Jun-20 $	30-Jun-19 $
Opening Balance	226,540	1,540
Increases during the year	55,000	225,000
Debt forgiveness	(100)	-
Converted to issued capital (*note 8*)	(281,440)	-
	-	**226,540**

Loans are non-interest bearing and payable at call.

8. CONTRIBUTED EQUITY

	30-Jun-20 NUMBER	30-Jun-19 NUMBER	30-Jun-20 $	30-Jun-19 $
Ordinary shares on issue, fully paid	281,450	10	281,450	10
	281,450	**10**	**281,450**	**10**

As part of the executed Share Purchase Agreement signed by the shareholders and Red Dirt Metals, the existing borrowings were agreed to be converted into issued capital prior to transfer of ownership.

9. CASH FLOW INFORMATION

Reconciliation of Cash Flow from Operations with Loss after Income Tax	30-Jun-20 $	30-Jun-19 $
Loss after income tax	(4,084)	(8,503)
Changes in assets and liabilities:		
- (Increase) for non-cash debt forgiveness	(100)	-
- (Increase) / Decrease in trade and other receivables	-	-
- (Decrease) / Increase in trade payables and accruals	-	-
Net Cash (Outflows) from Operations	**(4,184)**	**(8,503)**

10. FINANCIAL RISK MANAGEMENT

The group's financial instruments consist mainly of cash at bank, payables and receivables.

The group has not formulated any specific management objectives and policies in respect to debt financing, derivatives or hedging activity. As a result, the group has not formulated any specific management objectives and policies in respect to these types of financial instruments. Should the group change its position in the future, a considered summary of these policies will be disclosed at that time.

The Group's current exposure to the risk of changes in the market is managed by the Board of Directors.

Market risks

The Group is exposed to a variety of financial risks through its financial instruments for example, interest rate risk, liquidity risk and credit risk, as well as foreign currency risk.

Interest rate risk

At reporting date, the Group does not have long term borrowings and its exposure to interest rate risk is assessed as low. The risk monitors its interest rate risk through sensitivity analysis, as outlined below.

The consolidated group's exposure to interest rate risk which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets of the group are summarised in the following tables:

30 June 2020	Floating interest rate $	1 Year or less $	Over 1 to 5 years $	Non-interest bearing $	Remaining contractual maturities $	Weighted average interest rate %
Financial assets						
Cash and cash equivalents	879			-	879	0.01
	879			**-**	**879**	
Financial liabilities						
Borrowings	-	-	-	-	-	
	-	**-**	**-**	**-**	**-**	

30 June 2019						
Financial assets						
Cash and cash equivalents	2,533	-	-	10	2,543	0.01
	2,533	**-**	**-**	**10**	**2,543**	
Financial liabilities						
Borrowings	-	-	-	(226,540)	(226,540)	
	-	**-**	**-**	**(226,540)**	**(226,540)**	

Any changes to interest rates during the year would not have a significant effect on the profitability of the Group.

Liquidity risk

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

Credit risk

Management has assessed the credit risk exposure as minimal at reporting date. Credit risk arises from exposure to customers and deposits with banks. Management monitors its exposure to ensure recovery and repayment of outstanding amounts. Cash deposits are only made with reputable banking institutions.

11. SUBSEQUENT EVENTS

In November 2021 a binding term sheet was signed between Red Dirt Metals and UVRE Limited for sale of Vanacorp Pty Ltd, subject to conditions precedent.

There have been no other matters or circumstances that 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.

12. CONTROLLED ENTITIES

Vanacorp incorporated a wholly owned subsidiary within the United Stated on 1 August 2018, Vanacorp USA LLC.

13. RELATED PARTY TRANSACTIONS

Transactions with Director related entities

Directors and officers, or their personally-related entities, hold positions in other entities that result in them having controls or significant influence over the financial or operating policies of those entities.

Details of the transactions including amounts accrued but unpaid at the end of the year are as follows:

			Nett Transactions		Balances (Owing to) / owed from	
Entity	**Relationship**	**Nature of transactions**	**2020 $**	**2019 $**	**2020 $**	**2019 $**
PRW Investments Pty Ltd	(i)	Unsecured loan.	**27,500**	107,000	**-**	(107,000)
Peter Woods		Unsecured loan.	**-**	11,000	**-**	(12,540)

(i) PRW Investments Pty Ltd is an entity controlled by former Director, Peter Woods. The transaction relates to a loan advanced to the Company, which was then converted to issued capital during the year.

Directors' Declaration

The Directors have determined that the Company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 1 to the financial statements.

The Directors of the Company declare that:

1. The financial statements and notes, as set out on pages 8 to 20, are in accordance with the Corporations Act 2001:

   a) Comply with Accounting Standards as described in Note 2 to the financial statements, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and

   b) Give a true and fair view of the financial position as at 30 June 2020 and of the performance for the year ended on that date of the Company in accordance with the accounting policies described in Note 2 to the financial statements;

2. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

Alexander Hewlett
Director
18 January 2022

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF VANACORP AUST PTY LTD

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Vanacorp Aust Pty Ltd ("the Company") and its controlled entities ("the Consolidated Entity"), which comprises the consolidated statement of financial position as at 30 June 2020, 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 a summary of significant accounting policies, and the directors' 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 2020 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.

Basis for Opinion

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

Material Uncertainty Related to Going Concern

We draw attention to Note 2(c) in the financial report which indicates that the Consolidated Entity incurred a net loss of $4,084 during the year ended 30 June 2020. As stated in Note 2(c), these events or conditions, along with other matters as set forth in Note 2(c), indicate that a material uncertainty exists that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern. Our opinion is not modified in this respect of this matter.

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 2020, 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 Consolidated Entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 2, 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 responsibility is to express an opinion on the financial report based on our audit. Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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.

Hall Chadwick

HALL CHADWICK WA AUDIT PTY LTD

CHRIS NICOLOFF **CA**
Partner

Dated 18th day of January 2022
Perth, Western Australia