Develop Global Limited

(formerly Venturex Resources Limited)

ABN 28 122 180 205

Financial Report for the year ended

30 June 2022

Corporate Directory

DIRECTORS

Michael Blakiston	Non-Executive Chair
Bill Beament	Managing Director
Mick McMullen	Non-Executive Director
Shirley In't Veld	Non-Executive Director
Michelle Woolhouse	Non-Executive Director

INTERIM COMPANY SECRETARY
Steven Wood

INTERIM CHIEF FINANCIAL OFFICER
Alan Rule

REGISTERED OFFICE/
PRINCIPAL PLACE OF BUSINESS
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ABN
28 122 180 205

WEBSITE
www.develop.com.au

QUOTED SECURITIES
ASX Code: DVP (formerly VXR)

AUDITORS
BDO Audit (WA) Pty Ltd
Level 9, Mia Yellagonga Tower 2
5 Spring Street
Perth WA 6000
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SHARE REGISTRY
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Directors' Report

The Directors present their report together with the consolidated financial statements of the Group comprising of Develop Global Limited (formerly Venturex Resources Limited) ("**Company**") and its subsidiaries ("**Group")** for the financial year ended 30 June 2022 and the auditor's report thereon.

The directors of the Company at any time during or since the end of the financial year are:

Directors - Current

Michael Blakiston	Non-Executive Chair
Bill Beament	Managing Director
Mick McMullen	Non-Executive Director
Shirley In't Veld	Non-Executive Director
Michelle Woolhouse	Non-Executive Director

Directors - Former

Anthony Reilly	Executive Director	Resigned 23 July 2021

Information on Current Directors

Michael Blakiston	— Independent Non-Executive Chair
Qualifications	— B Juris LLB
Appointed to the Board	— 9 June 2021
Experience	— Mr Blakiston is a partner in Gilbert + Tobin's Energy and Resources group. He has over 30 years' experience across a range of jurisdictions. He advises about asset acquisition and disposal, project structuring, joint ventures and strategic alliances, development agreements and project commercialisation, capital raisings and company merger and acquisitions. Mr Blakiston has served on numerous ASX listed companies and not-for-profit boards and is currently the Chair of Precision Opportunities Fund Ltd, a specialist small to medium cap fund.
Internal Committees	— Member of the Nomination & Remuneration Committee and Member of the Audit Committee
Current Directorships held	— BCI Minerals Ltd
Former Directorships in the last 3 years	— None

Bill Beament	— Managing Director
Qualifications	— BEng-Mining (Hons), MAICD
Appointed to the Board	— 1 July 2021 as Executive Director
	— 26 July 2021 appointed as Managing Director
Experience	— Mr Beament is a mining engineer with more than 25 years' experience in the resource sector. Previously he held several senior management positions, including General Manager of Operations for Barminco Limited with overall responsibility for 12 mine sites across Western Australia, and General Manager of the Eloise Copper Mine in Queensland. Mr Beament led the growth of Northern Star Resources from a 1¢ shell to an ASX50 company with a market cap of over A$15 billion. At the time of his resignation as Northern Star Resources Executive Chair, the Company was the second-biggest ASX-listed gold producer. This growth stemmed from a combination of highly successful exploration and operating excellence as well as project acquisitions.
Internal Committees	— Member of the Nomination & Remuneration Committee
Current Directorships held	— None
Former Directorships in the last 3 years	— Northern Star Resources Ltd

Directors' Report

Mick McMullen	— Independent Non-Executive Director
Qualifications	— BSc (Geology)
Appointed to the Board	— 24 February 2021 as Executive Director — 1 July 2021 resigned as Executive Director and appointed as Non-Executive Director
Experience	— Mr McMullen is a geologist with over 28 years' experience in the exploration, development, financing and operation of mining projects across Australia, Africa, Asia, Europe, North and South America. Most recently, Mr McMullen became CEO of Metals Acquisition Corp, a NYSE listed SPAC that raised US$265m for acquiring businesses within the mining sector. Before that he served as the CEO and President of Detour Gold, a 600,000 ozpa gold producer in Canada. During his tenure Mr McMullen took the market capitalisation of Detour from C$2B to C$4.5B over 9 months leading to its eventual sale. Mr McMullen was also the CEO and President of Stillwater Mining Company from December 2013 until June 2017. During his time at Stillwater, Mr McMullen oversaw an increase in equity value from US$1.1B to US$2.2B against a 10% fall in PGM prices over the same time. Stillwater was sold in an all-cash deal valued at US$2.7B. He is a former executive board member of the National Mining Association of the United States and Board Member of the World Council, and a current Member of the AusImm.
Internal Committees	— Member of the Nomination & Remuneration Committee.
Current Directorships held	— Metals Acquisition Corp
Former Directorships in the last 3 years	— OceanaGold Ltd

Shirley In't Veld	— Independent Non-Executive Director
Qualifications	— BCom, LLB (Hons)
Appointed to the Board	— 26 July 2021
Experience	— Ms In't Veld was the CEO of Verve Energy for five years. Before this, Ms In't Veld held several senior commercial, legal and marketing positions with Alcoa, WMC Resources Ltd, Bond Corporation and Bank West, including Managing Director of Alcoa of Australia Rolled Products based in Geelong.
Internal Committees	— Member of the Nomination & Remuneration Committee and Member of the Audit Committee
Current Directorships held	— APA Group Alumina Ltd Karora Resources Inc
Former Directorships in the last 3 years	— Northern Star Resources Ltd NBN Co Limited CSIRO

Michelle Woolhouse	— Independent Non-Executive Director
Qualifications	— BBus(Acc), CPA, GAICD
Appointed to the Board	— 1 December 2021
Experience	— Ms Woolhouse has spent 25 years in financial markets, specialising in the natural resources sector. During this time, she has established an extensive skillset in risk and financial analysis and managed a substantial portfolio of ASX-listed and international resources companies across a range of commodities. Ms Woolhouse has significant experience in project and corporate finance in the mining and metals sector, including evaluation, debt structuring, technical considerations and sustainability. She previously held a range of senior positions with the Commonwealth Bank, including Executive Director, head of Perth Resources and Energy client coverage, and head of WA Natural Resources project finance for the Institutional Banking and Markets division.
Internal Committees	— Member of the Nomination & Remuneration Committee and Member of the Audit Committee
Current Directorships held	— None
Former Directorships in the last 3 years	— None

Directors' Report

Interim Company Secretary
Steven Wood - Appointed 23 August 2022

Interim CFO
Alan Rule - Appointed 1 September 2022

Company Secretary/CFO
Trevor Hart - Appointed 5 April 2013, Resigned 23 August 2022

Directors' Meetings

The following table sets out the number of Directors' meetings held during the year and the number of meetings attended by each Director while they were a Director.

	Directors' Meetings		Committee Meetings – Audit		Committee Meetings – Nomination & Remuneration	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Michael Blakiston	14	14	2	2	1	1
Mick McMullen	14	13	N/A	N/A	1	1
Shirley In't Veld	15	15	2	2	1	1
Michelle Woolhouse	9	9	1	1	1	1
Bill Beament	13	11	N/A	N/A	1	1
Anthony Reilly	1	1	0	0	0	0

Principal Activities

The principal activities of the Group during the year were the acquisition of the Woodlawn Zinc – Copper Project in New South Wales and the progression towards the development of the Company's Sulphur Springs Zinc - Copper Project with a major drill program completed.

The Underground Services Division was established with the appointment of a Management team and securing the mining services agreement at Bellevue Gold.

Strategy

Develop's 5-year business plan includes a hybrid business model consisting of Mine Ownership and Mining Services Strategy.

- Build world-class underground capability.
- Be one of the most socially responsible and ESG friendly companies on the ASX.
- Produce some of the world's cleanest energy transition metals.
- Aim for annual metal output in excess of 50,000 tonnes copper equivalent and establish long mine lives, 7-10 years.
- Mining services capability to operate 5 to 7 projects (2-3 for third parties to generate free cash flow).

Significant Changes in the State of Affairs

During the period, the following changes occurred:

Key Management Personnel:

- On 1 July 2021, Bill Beament was appointed as Executive Director.
- On 1 July 2021, Mick McMullen moved from Executive Director to Non-Executive Director.
- On 23 July 2021, Anthony Reilly resigned as Executive Director.
- On 26 July 2021, Bill Beament moved from Executive Director to Managing Director and Shirley In't Veld was appointed as Non-Executive Director.
- On 1 December 2021, Michelle Woolhouse was appointed as Non-Executive Director.

Directors' Report

Name of the entity:

- On 23 September 2021, the name changed from Venturex Resources Limited to Develop Global Limited.
- The name reflects the Group's new strategic direction, corporate culture, and project-related initiatives, which have positioned it to play a key role in this era of global decarbonisation.

Underground Services Division:

- On 9 March 2022, Develop registered Dev Mining Services Pty Ltd ("**Dev Mining**") as a new 100% owned subsidiary that will specialise in providing a range of underground mining services to cater for both Develop's own requirements and to service other Australian projects on a contract basis.

Woodlawn Zinc-Copper Project:

- On 19 May 2022, Develop completed the purchase of Heron Resources Limited ("**Heron**") and its subsidiaries (Woodlawn Mine Holdings Pty Ltd, Tarago Operations Pty Ltd, Tarago Exploration Pty Ltd, Ochre Resources Pty Ltd, and Hampton Nickel Pty Ltd) ("**Heron Group**").
- Heron owns the Woodlawn Zinc-Copper mine in NSW.
- Develop acquired the Woodlawn Zinc-Copper mine for A$15 million cash and A$15 million worth of Develop shares in an upfront consideration. Develop will also make success-driven milestone payments of up to A$70 million in cash or shares (or a combination thereof) at the Company's election.

Capital structure:

- On 19 July 2021, 11,390,720 (56,953,598 pre-consolidation) Ordinary Shares were issued at $0.40 ($0.08 pre-consolidation) per share under an entitlement issue to raise $4,556,291 (before costs).
- On 19 July 2021, 5,695,503 (28,477,513 pre-consolidation) Unlisted Options (DVPAW) were issued at $0.675 ($0.135 pre-consolidation) per share as part of the entitlement issue.
- On 21 July 2021, 899,551 (4,497,754 pre-consolidation) Ordinary Shares were issued at $0.40 ($0.08 pre-consolidation) per share under an entitlement issue shortfall issue to raise $359,820 (before costs).
- On 21 July 2021, 449,776 (2,248,877 pre-consolidation) Unlisted Options (DVPAW) were issued at $0.675 ($0.135 pre-consolidation) per share as part of the entitlement issue shortfall.
- On 26 November 2021, a 5 for 1 share consolidation was completed.
- On 28 February 2022, 11,268,899 Ordinary Shares were issued at $3.30 as part of an institutional component of an entitlement offer to raise $37,187,373 (before costs).
- On 21 March 2022, 1,356,957 Ordinary Shares were issued at $3.30 as part of the entitlement offer to raise $4,477,958 (before costs).
- On 21 March 2022, 2,527,636 Ordinary Shares were issued at $3.30 representing the shortfall under the retail offer to raise $8,341,199 (before costs).
- During the year 7,693,453 Unlisted Options and 139,177 Unlisted Performance Rights were converted to Ordinary Shares.

In the opinion of the Directors, there were no other significant changes in the state of affairs of the Group that occurred during the financial year under review.

Directors' Report

Operating and Financial Review

Financial Review

For the year ending 30 June 2022, the consolidated loss of the Group was $9,223,458 (2021: $89,882,164).

At 30 June 2022, the Company had 161,097,317 quoted fully paid ordinary shares (2021: 605,182,456) and no quoted options issued over shares (2021: Nil). On 26 November 2021, a 5 for 1 share consolidation was completed. The 2021 comparisons have not been restated.

As at 30 June 2022 the Group held cash reserves of $43,206,524 (2021: $16,831,391).

Develop was awarded the ~$400 million contract at Bellevue during the year. Contract revenue for the year ending 30 June 2022 was $4,512,431 (2021: Nil).

Share based payments to Key Management Personnel and employees for the year ending 30 June 2022 were $8,305,538 (2021: $80,240,999). A provision for payroll tax on share based payments that were issued in 2021 has been adjusted to reflect the movement in the share price as at 30 June 2022 $1.99 (2021: $3.85). This resulted in $3,212,220 being written back (2021: $5,353,700 expensed).

On 19 May 2022, Develop purchased the Heron Group (Refer Note 26).

Dividends

The Directors did not pay or declare any dividends during the 2022 financial year (2021: Nil).

Events after the Reporting Period

- On 23 August 2022, Trevor Hart resigned as Company Secretary / Chief Financial Officer.
- On 23 August 2022, Steven Wood was appointed as Interim Company Secretary.
- On 1 September 2022, Alan Rule was appointed as Interim Chief Financial Officer.

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction, or event of a material and unusual nature likely, in the opinion of the Directors of the Group, to significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial years other than disclosed above.

Likely Developments

The Group will continue to grow resources and reserves at the Company's Woodlawn Zinc-Copper Project. The objective is to have Woodlawn operationally ready in eighteen months.

The Group will continue to advance the development of the Sulphur Springs Zinc-Copper Project and will continue exploration programs in the Pilbara, which may result in additional discoveries. The objective is to have Sulphur Springs shovel ready by the middle of the calendar year 2023.

The Group has started the implementation of the ESG strategy and roadmap during the financial year 2022 and will continue with this to lead Develop forward.

Environmental Regulation

The Group is subject to significant environmental regulations of its operations, including exploration and mining activities.

The Whim Creek site is classified as ''possibly contaminated – investigation required'' under State contaminated site legislation based on possible, localised groundwater and soil contamination arising from historical ore processing activities. The site is also the subject of an Environmental Protection Notice ("**EPN**") issued to the Company in December 2019, requiring a range of actions to investigate the presence of contamination and mitigate the risk of future contamination. During the year Anax Metals Limited ("**Anax**"), manager of the Whim Creek Project, has advised the effective completion of the EPN risk mitigation measures and has made applications for several development and operational permits. Develop retains a 20% interest in the Whim Creek Project under the joint venture agreement with Anax.

The Board considers that the Company has adequate systems and resources in place for the assessment and management of environmental risks and fulfilment of its environmental obligations.

Directors' Interests

Interest in Shares and Options refer to the relevant interest of each Director in the shares, rights or options over shares issued by the companies within the Group and other related body corporate as notified by the Directors to the Australian Securities Exchange in accordance with Section 205G(1) of the Corporations Act 2001, as at the date of this report.

		Options over Ordinary Shares			
	Ordinary Shares	75 cents	67.5 cents	$5.00	$4.25
Michael Blakiston	86,103	1,400,000	-	-	-
Bill Beament	23,704,843	28,000,000	11,095,656	-	-
Mick McMullen	1,214,510	2,000,000	576,272	-	-
Shirley In't Veld	75,000	-	-	200,000	-
Michelle Woolhouse	6,000	-	-	-	100,000

The Directors do not have any interest in Performance Rights.

Unissued shares under Options and Performance Rights

At the date of this report, the unissued ordinary shares of the Company under options and performance rights are as follows:

	Exercise price	Date granted	Expiry date	Number
Unlisted performance rights				
DVPAV	Nil	20 Oct 20	20 Oct 27	240,333
DVPAV	Nil	16 May 22	various	760,000
Unlisted options – Share Based Payments				
DVPAAA	75.0 cents	17 Jun 21	17 Jun 24	14,000,000
DVPAAB	75.0 cents	17 Jun 21	17 Jun 25	14,000,000
DVPAY	75.0 cents	22 Jun 21	22 Jun 24	3,400,000
DVPAAC	$5.00	23 Sep 21	22 Sep 24	200,000
DVPAAH	$4.25	21 Sep 22	21 Sep 25	100,000
DVPAAG	various	16 May 22	various	1,390,000
Unlisted options				
DVPAW	67.5 cents	19 Jul 21	18 Jul 23	1,973,389
DVPAZ	67.5 cents	17 Jun 21	22 Jun 23	14,408,300

All unissued shares are ordinary shares of the Company.

These Options and Performance Rights do not entitle the holder to participate in any share issue of the Company and they carry no dividend or voting rights.

Shares Issued on Exercise of Performance Rights and Options

During or since the end of the financial year, the Group issued ordinary shares of the Company as a result of the exercise of options and performance rights as follows (there are no amounts unpaid on the shares issued):

	Number of Shares		Amount Paid on each Share	
	Pre Consolidation [1]	Post Consolidation [1]	Pre Consolidation [1]	Post Consolidation [1]
Unlisted performance rights				
DVPAV	695,887	139,177	Nil	Nil
Unlisted options				
DVPAC	2,453,253	490,651	10.0 cents	50.0 cents
DVPAW	20,862,400	4,172,480	13.5 cents	67.5 cents
DVPAZ	15,477,383	3,095,477	13.5 cents	67.5 cents

[1] *On 26 November 2021, a 5 for 1 share consolidation was completed.*

Directors' Indemnities

The Group provides Directors' and Officers' Insurance to cover legal liability and expenses for the Directors and Officers performing work on behalf of the Group.

The directors have not included details of the nature of the liabilities covered or the amount of the premium paid in respect of the director's and officers' liability insurance contracts, as such disclosure is prohibited under the terms of the contract.

Proceedings on Behalf of the Company

No person has applied to the Court under section 237 of the *Corporations Act* 2001 for leave to bring proceedings on behalf of the Group, or to intervene in any proceedings to which the Group is a party, for the purpose of taking responsibility on behalf of the Group for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Group with leave of the Court under section 237 of the *Corporations Act* 2001.

Non-Audit Services

The Group may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company and/or the Group are important.

The Board has considered the non-audit services provided during the year by the auditor and in accordance with written advice provided by resolution of the audit committee, is satisfied that the provision of those non-audit services during the year by the auditor is compatible with, and did not compromise, the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- all non-audit services were subject to the corporate governance procedures adopted by the Group and have been reviewed by the audit committee to ensure they do not impact the integrity and objectivity of the auditor; and
- the non-audit services provided do not undermine the general principles relating to auditor independence as set out in *APES 110 Code of Ethics for Professional Accountants*, as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision making capacity for the Group, acting as an advocate for the Group or jointly sharing risks and rewards.

Details of the amounts paid to the auditor of the Group, BDO Audit (WA) Pty Ltd, and its network firms for non-audit services provided during the year are set out below.

	2022 **$**	**2021** **$**
Other assurance services	18,837	40,170
Total paid for non-audit services	18,837	40,170

Remuneration Report

Audited Remuneration Report

The remuneration report details the key management personnel remuneration arrangements for the Group, in accordance with the requirements of the *Corporations Act 2001* and its Regulations.

Key Management Personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of the entity, directly or indirectly.

The Key Management Personnel of the Group during the year included:

Directors – Current	
Michael Blakiston	Non-Executive Chair
Bill Beament	Managing Director
Mick McMullen	Non-Executive Director
Shirley In't Veld	Non-Executive Director
Michelle Woolhouse	Non-Executive Director
Directors – Former	
Anthony Reilly	Executive Director
Executives	
Trevor Hart	Company Secretary/CFO

A. Remuneration Policy

Remuneration of all Executive and Non-Executive Directors and Officers of the Group is determined by the Nomination and Remuneration Committee.

The Group is committed to remunerating Senior Executives and Executive Directors in a manner that is market-competitive, consistent with "Best Practice" and supports the interests of Shareholders. Remuneration packages are based on fixed and variable components, determined by the Executive's position, experience and performance, and may be satisfied via cash or equity.

Non-Executive Directors are remunerated out of the aggregate amount approved by Shareholders and at a level that is consistent with industry standards. Non-Executive Directors do not receive performance-based bonuses. Prior Shareholder approval is required to participate in any issue of equity. No retirement benefits are payable other than statutory superannuation, if applicable.

The maximum annual aggregate non-executive directors' fee pool limit is $400,000 and was approved by shareholders at the general meeting on 23 July 2012.

Remuneration Policy versus Company Financial Performance

The Group's remuneration policy has been based on industry practice rather than the performance of the Group and takes into account the risk and liabilities assumed by the Directors and Executives as a result of their involvement in the speculative activities undertaken by the Group.

Performance Based Remuneration

The purpose of a performance bonus is to link individual rewards to the performance of the Company. The Company reviews the mechanism to determine individual performance bonuses on an annual basis. The expected outcomes of the remuneration structure are to retain and motivate Key Executives, attract high quality Management to the Company and provide performance incentives that allow Executives to share in the success of the Company.

B. Details of Remuneration

The Key Management Personnel of the Group are disclosed above.

Remuneration packages contain the following elements:

a) Short-term employee benefits - cash salary and fees, cash bonus, non-monetary benefits and other;
b) Post-employment benefits - superannuation and termination, and other;
c) Share-based payments – shares, options and performance rights granted.

Remuneration Report

The remuneration for each Director and each of the other Key Management Personnel of the Group during the year was as follows:

			Short-term employee benefits		Long-term employee benefits	Share-based payments		
			Cash salary & fees	Annual Leave [6]	Super -annuation	Options and Rights	Total	Performance Income as a Proportion of Total Remuneration
	Year	Note	$	$	$	$	$	%
Directors – Current								
Michael Blakiston	2022	5	106,111	-	10,611	3,644,793	**3,761,515**	97%
	2021	2,5	5,556	-	555	214,400	**220,511**	97%
Bill Beament	2022	1,6	249,038	14,348	24,904	-	**288,290**	-
	2021		-	-	-	-	**-**	-
Mick McMullen	2022	5	60,000	-	6,000	4,074,923	**4,140,923**	98%
	2021	2,5	27,000	-	-	1,438,208	**1,465,208**	98%
Shirley In't Veld	2022	1	55,968	-	5,597	227,910	**289,475**	79%
	2021		-	-	-	-	**-**	-
Michelle Woolhouse	2022	1	35,000	-	3,500	31,065	**69,565**	45%
	2021		-	-	-	-	**-**	-
Directors – Former								
Anthony Reilly	2022	3	18,182	-	1,818	-	**20,000**	-
	2021	5,7	298,871	-	23,254	(113,472)	**208,653**	(54%)
Anthony Kiernan	2022		-	-	-	-	**-**	-
	2021	4	61,644	-	5,856	-	**67,500**	-
Craig McGown	2022		-	-	-	-	**-**	-
	2021	2,4	16,667	-	-	-	**16,667**	-
Executives								
Trevor Hart	2022	5,6	230,004	(23,547)	-	31,243	**237,700**	13%
	2021	5,6	230,004	7,431	-	98,854	**336,289**	29%
Total	**2022**		**754,303**	**(9,199)**	**52,430**	**8,009,934**	**8,807,468**	**91%**
	2021		**639,742**	**7,431**	**29,665**	**1,637,990**	**2,314,828**	**71%**

Notes:

1. *Commenced with the Company in the 2022 financial year.*
2. *Commenced with the Company in the 2021 financial year.*
3. *Resigned from the Company in the 2022 financial year.*
4. *Resigned from the Company in the 2021 financial year.*
5. *The fair value of performance rights with market conditions is calculated at the date of grant using the Monte-Carlo simulation model, taking into account the impact of the market conditions. The fair value of performance rights with non-market conditions is calculated using the Closing Share Price on the grant date. The value disclosed is the portion of the fair value of the rights recognised as an expense in each reporting period.*
6. *Annual leave relates to movements in annual leave provisions during the year.*
7. *Negative Options and Performance Rights Remuneration and Proportion of Total Remuneration are a result of Options or Performance Rights being cancelled during the year.*

C. Equity Issued as Part of Remuneration

This section only refers to those shares, performance rights, and options issued as part of remuneration. As a result, they may not indicate all shares, performance rights, and options held by a Director or other Key Management Personnel.

C.1 Performance Rights and options over equity instruments granted as compensation.

Shares

No shares in the Company were issued to Directors and other Key Management Personnel as part of remuneration during the 2022 financial year.

Options

During the period, Develop issued options to Shirley In't Veld, a Non-Executive Director of the Group following approval from shareholders at the Group's AGM on 23 September 2021.

Remuneration Report

The options were valued using a Black Scholes option-pricing model.

Number of Options granted	200,000 (1,000,000 pre consolidation)[1]
Grant Date	23 September 2021
Vesting Date	23 September 2022
Fair Value per Option at Grant Date	$1.485
Exercise Price	$5.00 ($1.00 pre consolidation) [1]
Expiry Date	4 October 2024
Number of options vested during 2021-2022	Nil
Total fair value of Options granted	$297,097
Share Price at grant date	$2.90
Expected Volatility (weighted average)	100%
Expected Life	3 years
Expected dividends	Nil
Risk free interest rate (based on government bonds)	1.28%
Vesting Conditions	1 year from issue date

During the period, Develop agreed to issue options to Michelle Woolhouse, a Non-Executive Director of the Group. As at 30 June 2022, the options were subject to shareholder approval. The Options were approved at a shareholder meeting on 2 September 2022.

The options were valued using a Black Scholes option-pricing model.

Number of Options granted	100,000 (500,000 pre consolidation) [1]
Valuation Date	2 September 2022
Grant Date	21 September 2022
Vesting Date	21 September 2023
Fair Value per Option at Grant Date	$0.970
Exercise Price	$4.25 ($0.85 pre consolidation) [1]
Expiry Date	21 September 2025
Number of options vested during 2021-2022	Nil
Total fair value of Options granted	$97,022
Share Price at grant date	$2.27
Expected Volatility (weighted average)	86%
Expected Life	3 years
Expected dividends	Nil
Risk free interest rate (based on government bonds)	3.37%
Vesting Conditions	1 year from issue date

[1] On 26 November 2021, a 5 for 1 share consolidation was completed.

All Options expire on the earlier of their expiry date or termination of the individual's employment if options aren't vested. The options vest and are exercisable one year from the issue date. Options granted carry no dividend or voting rights. Options vest based on the provision of service over the vesting period whereby the individual becomes beneficially entitled to the option on vesting date. Options are exercisable by the holder from the vesting date. There are no amounts paid or payable by the recipient in relation to the granting of such options other than on their potential exercise.

Performance Rights

No performance rights over equity instruments were granted to Directors and other Key Management Personnel as part of remuneration during the 2022 financial year.

C.2 Exercise of performance rights and options over equity instruments granted as compensation.

Options

During the reporting period, no shares were issued on the exercise of options previously granted as compensation.

Performance Rights

During the reporting period, the following shares were issued on the conversion of performance rights previously granted as compensation.

	Number of Shares	Amount paid $/share
Trevor Hart	27,778 (138,889 pre consolidation) [1]	Nil

[1] On 26 November 2021, a 5 for 1 share consolidation was completed.

There are no amounts unpaid on the shares issued as a result of the conversion of the performance rights in the 2022 financial year.

C.3 Details of equity incentives affecting current and future remuneration.

Details of vesting profiles of the performance rights and options held by each Key Management Personnel of the Group are detailed below.

	Instrument	Pre Consolidation Number	Post Consolidation Number[1]	Grant Date	% vested in year	% forfeited in year [2]	Financial years in which grant vests[4]
Michael Blakiston	Options	7,000,000	1,400,000	9 Jun 2021	100%	Nil	vested
Mick McMullen	Options	10,000,000	2,000,000	9 Jun 2021	100%	Nil	vested
Shirley In't Veld	Options	1,000,000	200,000	23 Sep 2021	Nil	Nil	2023
Michelle Woolhouse [3]	Options	500,000	100,000	21 Sep 2022	Nil	Nil	2024
Trevor Hart	Performance Rights	120,000	24,000	26 Oct 2020	Nil	Nil	2023
Trevor Hart	Performance Rights	160,000	32,000	26 Oct 2020	Nil	Nil	2023
Trevor Hart	Performance Rights	200,000	40,000	26 Oct 2020	48%	Nil	2023

[1] On 26 November 2021, a 5 for 1 share consolidation was completed.

[2] The percentage forfeited in the year represents the reduction from the maximum number of instruments available to vest due to performance criteria not being achieved.

[3] As at 30 June 2022, the options have not been issued and are subject to shareholder approval, which was obtained post year end.

[4] The options will vest in the financial year, subject to continuous employment. The Performance Rights will vest based on certain conditions, and subject to continuous employment, if these are not achieved, they will expire.

C.4 Performance rights and options over equity instruments.

The movement during the reporting period, by number of performance rights and options over ordinary shares in the Company held, directly, indirectly, or beneficially, by each key management person, including their related parties, is as follows:

Options

	Balance at the start of the year No.	Initial Holding No.	Granted as Remuneration [1] No.	Other [2] No.	Held at resignation date No.	Balance at 25 Nov 21 No.
Directors - Current						
Michael Blakiston	7,000,000	-	-	-	-	7,000,000
Bill Beament	-	196,417,120	-	(938,843)	-	195,478,277
Mick McMullen	12,881,356	-	-	-	-	12,881,356
Shirley In't Veld	-	-	1,000,000	-	-	1,000,000
Michelle Woolhouse	-	-	500,000	-	-	500,000
Directors – Former						
Anthony Reilly	-	-	-	363,621	363,621	-
Executives						
Trevor Hart	-	-	-	145,637	-	145,637
	19,881,356	**196,417,120**	**1,500,000**	**(429,585)**	**363,621**	**217,005,270**

Remuneration Report

	Consolidation 5 to 1 26 Nov 21 No.	Other No.	Balance at 30 June 2022 No.	Vested at 30 June 2022 No.	Unvested at 30 June 2022 No.
Directors - Current					
Michael Blakiston	1,400,000	-	1,400,000	1,400,000	-
Bill Beament	39,095,656	-	39,095,656	39,095,656	-
Mick McMullen	2,576,272	-	2,576,272	2,576,272	-
Shirley In't Veld	200,000	-	200,000	-	200,000
Michelle Woolhouse	100,000	-	100,000	-	100,000
Executives					
Trevor Hart	29,129	-	29,129	29,129	-
	43,401,057	**-**	**43,401,057**	**43,101,057**	**300,000**

[1] Apart from those listed above no other Key Management Personnel have any Options. No Options lapsed during the financial year.

[2] Free-attaching options granted to Key Management Personnel participating in capital raisings.

Performance Rights

	Balance at the start of the year No.	Exercised No.	Balance at 25 Nov 21 No.	Consolidation 5 to 1 26 Nov 21 No.	Balance at 30 June 2022 No.	Vested at 30 June 2022 No.	Unvested at 30 June 2022 No.
Executives							
Trevor Hart	618,889	(138,889)	480,000	96,000	96,000	19,200	76,800

[1] Apart from those listed above no other Key Management Personnel have any Performance Rights, no performance rights were granted as remuneration or lapsed during the financial year.

Value

The value of performance rights or options over ordinary shares in the Company granted and exercised by each key management person during the reporting period is detailed below.

	Granted in year [1]	Value of rights or options exercised in year [2]	Value of rights or options to expense in future years [1]
Shirley In't Veld	$297,097	-	$69,187
Michelle Woolhouse	$97,022	-	$65,957
Trevor Hart	-	$95,139	$10,015

[1] The value of performance rights and options granted in the year is the fair value of the performance rights and options calculated at the grant date. The total value of the performance rights and options granted is included in the table above. This amount is allocated to remuneration over the vesting period.
[2] The value of performance rights and options exercised during the year is calculated at the market price of shares of the Company as at close of trading on the date the options were exercised after deducting the price paid to exercise the performance right or option.

D. Shareholdings

The number of shares in the Company held during the financial year by each Director and other Key Management Personnel of the Group, including their personally related parties, are set out below:

	Balance at the Start of the year No.	Initial Holding No.	Options / Performance Rights Exercised No.	Net Change Other [1] No.	Held at Resignation/ Termination No.	Balance at 25 Nov 21 No.
Directors - Current						
Michael Blakiston	-	-	-	58,325	-	58,325
Bill Beament	-	129,255,089	-	(17,205,078)	-	112,050,011
Mick McMullen	5,762,712	-	-	-	-	5,762,712
Shirley In't Veld	-	150,000	-	-	-	150,000
Michelle Woolhouse	-	-	-	-	-	-
Directors – Former						
Anthony Reilly	5,090,684	-	-	727,243	5,817,927	-
Executives						
Trevor Hart	2,038,911	-	138,889	291,274	-	2,469,074
	12,892,307	**129,405,089**	**138,889**	**(16,128,236)**	**5,817,927**	**120,490,122**

Remuneration Report

	Consolidation 5 to 1 26 Nov 21 No.	Net Change Other No.	Balance at 30 June 2022 No.
Directors – Current			
Michael Blakiston	11,665	24,438	36,103
Bill Beament	22,410,004	1,204,839	23,614,843
Mick McMullen	1,152,544	61,966	1,214,510
Shirley In't Veld	30,000	-	30,000
Michelle Woolhouse	-	-	-
Executives			
Trevor Hart	493,816	26,551	520,367
	24,098,029	**1,317,794**	**25,415,823**

[1] *On market purchases and participation in capital raisings, no shares were granted as remuneration.*

E. Loans to Directors and Key Management Personnel

There were no loans made to the Directors or other Key Management Personnel of the Group, including their personally related parties during the 2022 financial year.

F. Employment Contracts of Directors and Key Management Personnel

The following Directors and Key Management Personnel were under contract at 30 June 2022.

Name	Bill Beament
Term of Contract	Fixed Contract (Twelve Months and any extension thereof)
Commencement Date	1 July 2021
Amount $	$250,000 per annum exclusive of superannuation. Short-term incentive bonus payable annually.

Notice Period

The Executive Service Agreement may be terminated upon mutual agreement.

The Company may at its sole discretion terminate Bill Beament's employment immediately for cause or by giving twelve months written notice.

Bill Beament may terminate the employment by giving three months' written notice to the Company, immediately if at any time the Company commits a serious or persistent breach of any of the provisions contained in the Executive Service Agreement and the breach is not remedied within seven days, if the Company enters into any deed of composition or arrangement with its creditors; is placed under the control of a receiver, receiver and manager, provisional liquidator or liquidator; or is in breach of any regulation of any government or regulatory authority which breach remains unremedied, then Bill Beament may terminate this Agreement by giving the Company one month prior written notice of the termination of this Agreement.

Termination Benefit

The termination payment comprises an amount equal to the amount that would have been received if the balance of the Term had been served but not exceeding twelve months current Salary; and the aggregate of unpaid annual Salary and annual leave accrued to the date of termination.

Name	Trevor Hart
Term of Contract	Ongoing
Commencement Date	1 November 2017
Amount $	$19,163 per month (Effective 1 July 2019)
Notice Period	30 days notice by either party with or without cause.
Termination Benefit	None

Remuneration Report

G. Other transactions with Key Management Personnel

All transactions with related parties are made on normal commercial terms and conditions except where indicated.

During the financial year, the Company paid $183,283 to Gilbert + Tobin to provide legal advice, of which Michael Blakiston is a Partner.

As at 30 June 2022, there was $1,748 in Trade and Other Payables due to Gilbert + Tobin.

There were no transactions with Key Management Personnel not disclosed above.

H. Services from Remuneration Consultants

During the financial year ended 30 June 2022, the Group engaged BDO Reward (WA) Pty Ltd, remuneration consultants, to review the remuneration policies for executives. BDO Reward (WA) Pty Ltd was paid $14,850 for these services.

I. Voting and comments made at the Company's 2021 Annual General Meeting

Develop Global Ltd received more than 99% of "yes" votes on its remuneration report for the 2021 financial year. The Company did not receive any specific feedback at the AGM or throughout the year on its remuneration practices.

End of Audited Remuneration Report.

Directors' Report Declaration

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 16.

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

Bill Beament

BILL BEAMENT
Managing Director

Dated this 29th day of September 2022

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Australia

DECLARATION OF INDEPENDENCE BY GLYN O'BRIEN TO THE DIRECTORS OF DEVELOP GLOBAL LIMITED

As lead auditor of Develop Global Limited for the year ended 30 June 2022, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Develop Global Limited and the entities it controlled during the period.

Glyn O'Brien

Glyn O'Brien

Director

BDO Audit (WA) Pty Ltd

Perth, 29 September 2022

BDO Audit (WA) Pty Ltd ABN 79 112 284 787 is a member of a national association of independent entities which are all members of BDO Australia Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Audit (WA) Pty Ltd and BDO Australia Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation.

Consolidated Statement of Profit or Loss and Other Comprehensive Income for the Year Ended 30 June 2022

	Note	2022 $	2021 $
Revenue	2a	4,512,431	-
Cost of sales		(3,639,077)	-
Gross Profit		**873,354**	**-**
Other Income	2b	77,120	154,043
Care and maintenance expenses		(402,857)	-
Administrative expenses		(1,806,938)	(775,344)
Directors, employees, and consultants' expenses		(2,418,839)	(1,266,209)
Share based payments	24	(8,305,538)	(80,240,999)
Payroll tax		3,212,220	(5,353,700)
Exploration and evaluation expenses		(444,538)	(387,234)
Depreciation expenses	3	(465,388)	(312,978)
Impairment of trade and other receivables	3	-	(149,886)
Impairment of exploration and evaluation expenses	3	(396,736)	(816,720)
Loss on sale of property, plant and equipment		-	(538,729)
Re-estimation of site rehabilitation	4	1,003,347	(104,983)
Operating profit/(loss)		**(9,074,793)**	**(89,792,739)**
Finance costs	4	(148,665)	(89,425)
Loss before income tax		**(9,223,458)**	**(89,882,164)**
Income tax expense	5	-	-
Loss after income tax attributable to the owners of the Group		**(9,223,458)**	**(89,882,164)**
Other comprehensive income for the year, net of tax		-	-
Total comprehensive loss for the year attributable to owners of the Group		**(9,223,458)**	**(89,882,164)**
Loss per share for the year attributable to the owners of the Group			
Basic loss per share (cents)	6	(6.39)	(113.23)
Diluted loss per share (cents)	6	(4.80)	(69.63)

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

Consolidated Statement of Financial Position as at 30 June 2022

	Note	2022 $	2021 $
Assets			
Current assets			
Cash and cash equivalents	8	43,206,524	16,831,391
Trade and other receivables	9	2,978,776	274,759
Inventories	10	4,023,172	4,300
Other assets	11	1,345,198	279,630
Total current assets		**51,553,670**	**17,390,080**
Non-current assets			
Property, plant and equipment	12	34,274,935	686,859
Right of use assets	13	3,498,543	101,423
Exploration and evaluation expenditure	14	45,757,912	27,281,840
Mine properties	15	55,679,219	-
Other receivables	16	10,537,434	11,857,233
Other assets	11	3,582,548	-
Total non-current assets		**153,330,591**	**39,927,355**
Total assets		**204,884,261**	**57,317,435**
Liabilities			
Current liabilities			
Trade and other payables	17	7,953,804	1,302,180
Lease liabilities	19a	1,634,662	103,779
Employee benefits	20	438,674	109,903
Provisions	21a	2,141,480	5,353,700
Total current liabilities		**12,168,620**	**6,869,562**
Non-current liabilities			
Lease liabilities	19b	1,883,051	-
Employee benefits	20	77,787	28,565
Provisions	21b	27,181,064	14,821,541
Contract liabilities	22	19,019,670	-
Total non-current liabilities		**48,161,572**	**14,850,106**
Total liabilities		**60,330,192**	**21,719,668**
Net assets		**144,554,069**	**35,597,767**
Equity			
Issued capital	23a	202,081,283	132,008,693
Reserves	24	128,215,812	80,108,642
Accumulated losses	23f	(185,743,026)	(176,519,568)
Total equity		**144,554,069**	**35,597,767**

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

Consolidated Statement of Changes in Equity for the Year Ended 30 June 2022

	Note	Issued Capital $	Share Based Compensation Reserve $	Accumulated Losses $	Total Equity $
Balance at 30 June 2020		**110,289,634**	**228,150**	**(86,637,404)**	**23,880,380**
Loss for the year		-	-	(89,882,164)	(89,882,164)
Total comprehensive loss for the year		**-**	**-**	**(89,882,164)**	**(89,882,164)**
Transactions with owners in their capacity as owners:					
Issue of securities	23a	17,554,137	-	-	17,554,137
Security issue costs	23a	(744,950)	-	-	(744,950)
Share based payments issued	24b	-	80,360,999	-	80,360,999
Share based payments exercised	23a, 24b	360,507	(360,507)	-	-
Share based payments forfeited	24b	-	(120,000)	-	(120,000)
Options exercised	23a	4,549,365	-	-	4,549,365
		21,719,059	**79,880,492**	**-**	**101,599,551**
Balance at 30 June 2021		**132,008,693**	**80,108,642**	**(176,519,568)**	**35,597,767**
Loss for the year		-	-	(9,223,458)	(9,223,458)
Total comprehensive loss for the year		**-**	**-**	**(9,223,458)**	**(9,223,458)**
Transactions with owners in their capacity as owners:					
Issue of securities	23a	66,736,304	-	-	66,736,304
Security issue costs	23a	(1,861,398)	-	-	(1,861,398)
Share based payments issued	24b	-	8,305,538	-	8,305,538
Share based payments exercised	23a, 24b	90,465	(90,465)	-	-
Options exercised	23a	5,107,219	-	-	5,107,219
Share based payments contingent consideration	26a	-	39,892,097	-	39,892,097
		70,072,590	**48,107,170**	**-**	**118,179,760**
Balance at 30 June 2022		**202,081,283**	**128,215,812**	**(185,743,026)**	**144,554,069**

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

Consolidated Statement of Cash Flows
for the Year Ended 30 June 2022

	Note	2022 $	2021 $
Cash flows related to operating activities			
Receipts from customers		2,327,104	-
Cash paid to suppliers and employees		(8,974,472)	(2,457,174)
Receipts from lease of camp		-	38,500
Interest received		42,798	10,914
Interest paid		(13,414)	(179,862)
Government stimulus and job keeper received		-	162,000
Net cash used in operating cash flows	31a	**(6,617,984)**	**(2,425,622)**
Cash flows related to investing activities			
Payment for purchases of plant and equipment		(2,037,358)	(27,085)
Proceeds from sale of plant and equipment		-	150,000
Payment for exploration and evaluation expenditure		(6,957,810)	(2,553,266)
Payment for purchase of Heron Resources Ltd		(16,454,265)	-
Payment for other assets		(20,000)	-
Net cash used in investing cash flows		**(25,469,433)**	**(2,430,351)**
Cash flows related to financing activities			
Proceeds from issue of securities		54,922,642	16,718,637
Proceeds from conversion of options into shares		4,972,028	3,789,819
Capital raising costs		(1,986,103)	(588,626)
Proceeds from borrowings		900,417	151,153
Repayments of borrowings		(250,007)	(562,146)
Repayments of lease liabilities		(69,963)	(77,965)
Net cash provided by financing cash flows		**58,489,014**	**19,430,872**
Net increase in cash and cash equivalents		**26,401,597**	**14,574,899**
Cash and cash equivalents at the beginning of the year		16,831,391	2,256,492
Cash acquired from acquisition of Heron Resources Ltd	26	(26,464)	-
Cash and cash equivalents at the end of the year	8	**43,206,524**	**16,831,391**

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

Note 1 - Statement of Significant Accounting Policies

Reporting Entity

The consolidated financial statements comprise Develop Global Limited (formerly Venturex Resources Limited) ("**Company**") and its subsidiaries, (collectively the "**Group Entity**" or the "**Group**"). The Company is a listed public Company domiciled in Australia. The Company's registered office is at 234 Railway Parade, West Leederville, Western Australia.

The Group is a for-profit entity and is involved in the exploration and development of base metals and mining services.

Basis of Accounting

The consolidated financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards ("**AASBs**") adopted by the Australian Accounting Standards Board ("**AASB**") and the *Corporations Act* 2001. The consolidated financial statements comply with International Financial Reporting Standards ("**IFRSs**") adopted by the International Accounting Standards Board (**"IASB"**). They were authorised for issue by the Board of Directors on 29th September 2022.

Details of the Group's accounting policies and changes to significant accounting policies are detailed below.

Functional and Presentation Currency

These consolidated financial statements are presented in Australian dollars, which is the Company's functional currency.

Basis of Measurement

The consolidated financial statements have been prepared on the historical cost basis, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets, and financial liabilities.

The consolidated financial statements have been prepared on a going concern basis.

Significant Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements, and have been applied consistently by Group Entities, unless otherwise stated.

(a) Basis of Consolidation

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group 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 financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

A list of subsidiaries is contained in Note 30 to the financial statements. All subsidiaries have a June financial year-end.

Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interest and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated.

(b) Adoption of New or Amended Accounting Standards

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the AASB 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.

(c) Foreign Currencies

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group Entities at exchange rates at the dates of the transactions.

(d) Revenue Recognition

Revenue from Contracts with Customers

(i) Contract mining services

Contract mining services include contract underground mining. The performance obligation is fulfilled over time as the Group enhances mining assets which the customer controls and for which the Group has a right to payment for performance to date and as such revenue is recognised over time. Revenue is recognised monthly based on units of production at agreed contract rates that is aligned with the stand-alone selling prices for each performance obligation. The majority of the Group's revenue is paid one month in arrears and therefore gives rise to an accrued revenue (contract liability, refer note 1(e)). The total transaction price for contract services may include variable consideration.

(ii) Equipment rental

Rental income is recognised on either a straight-line or machine hours basis over the term of the operating lease.

(iii) Labour hire

Labour hire revenue is recognised over time as services are rendered based predominantly on an hourly rate.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

(e) Contract Liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier.) Contract liabilities are recognised as revenue when the Group performs under the contract.

(f) Finance Income and Finance Costs

The Group's finance income and finance costs include interest income, interest expense, unwinding of the discount on provisions. Interest income or expense is recognised using the effective interest method.

The 'effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

(g) Financial Instruments

Recognition and initial measurements

Trade receivables are initially recognised when they originate. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

Offsetting

Financial assets and financial liabilities are offset, and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(h) Inventories

Raw materials, work in progress and finished goods are stated at the lower of cost and net realisable value on a 'first in first out' basis. Cost comprises of direct materials and delivery costs, direct labour, import duties and other taxes, an appropriate proportion of variable and fixed overhead expenditure based on normal operating capacity, and, where applicable, transfers from cash flow hedging reserves in equity. Costs of purchased inventory are determined after deducting rebates and discounts received or receivable.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(i) Property, Plant and Equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

Depreciation

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognised in profit or loss. Land is not depreciated.

The estimated useful lives of property, plant and equipment for current and comparative periods are as follows:

	2022	2021
Plant and equipment	3-30 years	3-30 years
Buildings	7-20 years	7-20 years
Furniture and Fittings	8-20 years	8-20 years

Notes to the Consolidated Financial Statements

(j) Leases

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

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property, plant, and equipment. In addition, the right-of use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurement of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments; and
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension, or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets that do not meet the definition of investment property in "property, plant and equipment" and lease liabilities in "loans and borrowings" in the statement of financial position.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(k) Exploration and Evaluation Expenditure

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage 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 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.

(l) Mine Properties

Mine properties in development

Mine properties in development represent the expenditure incurred when technical feasibility and commercial viability of extracting a mineral resource have been demonstrated, and includes the costs incurred up until such time as the asset is capable of being operated in a manner intended by management. These costs are not amortised but the carrying value is assessed for impairment whenever facts and circumstances suggest that the carrying amount of the asset may exceed its recoverable amount.

Mine properties in production

Mine properties in production represent the accumulation of all acquisition, exploration, evaluation and development expenditure incurred by or on behalf of the Group in relation to areas of interest in which mining of the mineral resource has commenced. When further development expenditure is incurred in respect of a mine property after the commencement of production, such expenditure is carried forward as part of the cost of that mine property only when substantial future economic benefits are established, otherwise such expenditure is classified as part of the cost of production.

Amortisation is provided on a units-of-production basis, with separate calculations being made for each mineral resource. The units-of-production method results in an amortisation charge proportional to the depletion of the economically recoverable mineral resources (comprising proven and probable 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. An impairment exists when the carrying value of mine properties exceeds its estimated recoverable amount. The asset is then written down to its recoverable amount and the impairment losses are recognised in profit or loss.

(m) Asset Acquisition

Where an acquisition does not meet the definition of a business combination the transaction is accounted for as an asset acquisition. The consideration transferred for the acquisition of an asset comprises the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group. Acquisition-related costs with regards to the acquisition are capitalised. Identifiable assets acquired and liabilities assumed in the acquisition are measured at their fair value at the acquisition date.

(n) Impairment

Non-financial assets

At each reporting date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset is the greater of its value in use and its fair value less costs of disposal. Value in use, is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

Impairment testing is performed bi-annually for intangible assets with indefinite lives.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(o) Borrowings

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

(p) Employee Benefits

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior period. That benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise.

Share-based payment arrangements

The grant-date fair value of equity-settled share-based payment arrangements granted to employees is generally recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

(q) Provisions

Provisions are recognised when the Group has a present (legal or constructive) obligation as a result of a past event, it is probable the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

(r) Income Tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

Current Tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends. Current tax assets and liabilities are offset only if certain criteria are met.

Deferred Tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries, associates, and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Notes to the Consolidated Financial Statements

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date, and reflects uncertainty related to income taxes, if any.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset only if certain criteria are met.

(s) Goods and Services Tax (GST)

Revenues, expenses, and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables in the statement of financial position are shown inclusive of GST.

The net amount of GST recoverable from or payable is included as a current asset or liability in the statement of financial position.

Cash flows are presented in the statement of cashflows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(t) Earnings per Share

The Group presents basic and diluted earnings per share (“**EPS**”) data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss after income tax attributable to ordinary Shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted earnings per share is calculated by dividing the profit or loss after income tax attributable to ordinary Shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for the effects of all dilutive potential ordinary shares, which comprise share options granted to employees.

(u) Segment Reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that related to transactions with any of the Group’s other components. A geographical segment is engaged in providing products or services within a particular economic environment and is subject to risks and returns that are different from those of segments operating in other economic environments.

(v) Share Capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares, share options and performance rights are recognised as a deduction from equity, net of any tax effects.

(w) Critical accounting judgements, estimates and assumptions

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

Estimate of useful lives of assets

The estimation of the useful lives of assets has been based on Taxation Ruling TR 2020/3 and historical experience. The condition of the assets is assessed at year end and considered against the remaining useful life.

Exploration and evaluation expenditure

The exploration and evaluation expenditure is reviewed regularly to ensure that the capitalised expenditure is only carried forward to the extent that it is expected to be recouped through the successful development of the areas of interest or when activities in the areas of interest have not yet reached a stage which permit reasonable assessment of the existence of economically recoverable reserves.

Impairment of assets and exploration and evaluation expenditure

The Group determines whether non-current assets should be assessed for impairment based on identified impairment triggers. At each reporting date Management assesses the impairment triggers based on their knowledge and judgement.

Rehabilitation provision

The provision for rehabilitation is based on the present obligations of the estimates of the future sacrifice of economic benefits required to meet the environmental liabilities on the Group’s tenements. The Group has considered the provision for rehabilitation for its exploration tenements based on reports conducted by independent consultants. The Group has estimated the increase in costs over time for rehabilitation would increase by the Consumer Price Index, and the discount value in determining the present value of the provision for rehabilitation would be the Government bond rate.

Notes to the Consolidated Financial Statements

Share-based payment transactions – performance rights and options

The Company measures the cost of equity-settled transactions with Directors, Key Management Personnel, and employees by reference to the fair value of the equity instruments at the date at which they are granted.

The fair value at grant date for performance rights issued with a market condition are calculated using a Monte-Carlo simulation model, taking into account the impact of the market condition.

The fair values of performance rights issued with a material transaction condition are calculated using the share price on the date of issue.

The fair values of options granted are calculated at the grant date using a Black Scholes option-pricing model.

Non-market vesting conditions are included in assumptions about the number of performance rights or options that are expected to become exercisable. The employee benefit expense recognised each period considers the most recent estimate. The impact of the revision to original estimates, if any, is recognised in the statement of profit or loss and other comprehensive income with a corresponding adjustment to equity.

Share-based payment transactions – Contingent Consideration

The Group estimates contingent consideration based on the existence of a present obligation to settle in cash or shares at the date of acquisition. If the Group has a present obligation to settle in cash the contingent liability would be recognised as a liability that would be remeasured at each reporting period. If the Group does not have a present obligation to settle in cash, management can determine the most likely scenario of settling in either cash or shares. If the Group determines to settle in shares then the contingent consideration is measured at fair value, resulting in a credit to Share Based Payment Reserve.

Lease term

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the Group's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The Group's reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

Incremental borrowing rate

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the Group estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security, and economic environment.

Employee benefits provision

The liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Asset Acquisition not Constituting a Business

When an asset acquisition does not constitute a business combination, the assets and liabilities are assigned a carrying amount based on their relative fair values in an asset purchase transaction and no deferred tax will arise in relation to the acquired assets and assumed liabilities as the initial recognition exemption for deferred tax under AASB 112 applies. No goodwill will arise on the acquisition and transaction costs of the acquisition will be included in the capitalised cost of the asset. Estimates and judgements are required by the Group, taking into consideration all available information at the acquisition date, to assess the fair value of assets acquired, liabilities and contingent liabilities assumed.

Ore Reserve and Resource Estimates

Economically recoverable ore reserves represent the estimated quantity of product in an area of interest that can be expected to be profitably extracted, processed and sold under current and foreseeable economic conditions. The Group prepares and reports ore reserves under the standards incorporated in the Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves, 2012 edition (the JORC Code). The determination of ore reserves includes estimates and assumptions about a range of geological, technical and economic factors, including: quantities, grades, productions techniques, recovery rates, production costs, transport costs, commodity demand, commodity prices and exchange rates.

Changes in ore reserves impact the assessment of recoverability of exploration and evaluation assets, property, plant and equipment, the carrying amount of assets depreciated on a units of production basis, provision for site restoration and the recognition of deferred tax assets, including tax losses.

Impairment of Mine Properties

Impairment testing of assets in the development or production phase.

The carrying amounts of assets in the development or production phase are reviewed at each balance date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value-in-use ("VIU") and its fair value less costs of disposal ("FVLCD"). For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets ("cash-generating unit").

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the Statement of Profit or Loss and Other Comprehensive Income.

Impairment losses recognised in prior periods are assessed at each balance date for any indications that the loss has decreased or no longer exists and therefore should be reversed. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had initially been recognised. Impairment reversals are also recognised in the Statement of Profit or Loss and Other Comprehensive Income.

(x) New Accounting Standard for Application in Future Periods

The following new/amended accounting standards and interpretations have been issued but are not mandatory for financial years ended 30 June 2022. They have not been adopted in preparing the financial statements for the year ended 30 June 2022 and are expected to impact the entity in the period of initial application. In all cases the entity intends to apply these standards from application date as indicated below.

AASB reference	**AASB 2021-2 (issued March 2021)**
Title and Affected Standard	Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates
Nature of Change	Introduces a definition of 'accounting estimate', i.e. monetary amounts in financial statements that are subject to estimation uncertainty, such as estimating expected credit losses for receivables, or estimating the fair value of an item recognised in the financial statements at fair value. Accounting estimates are developed using measurement techniques and inputs. Measurement techniques comprise estimation techniques (such as used to determine expected credit losses or value in use) and valuation techniques (such as the income approach to determine fair value). The amendments clarify that a change in an estimate occurs when there is either a change in a measurement technique or a change in an input.
Application Date	Annual reporting periods beginning on or after 1 January 2023
Impact on Initial Application	There will be no impact on the financial statements when these amendments are first adopted because they apply prospectively to changes in accounting estimates that occur on or after the beginning of the first annual reporting period to which these amendments apply, i.e. annual periods beginning on or after 1 July 2023.

AASB reference	**AASB 2021-2 (issued March 2021)**
Title and Affected Standard	Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates
Nature of Change	Only 'material' accounting policy information must be disclosed in the financial statements, i.e. if it relates to material transactions, other events or conditions and: • The entity has changed its accounting policy during the period • There are one or more accounting policy options in Accounting Standards • The accounting policy was developed applying the hierarchy in AASB 108 because there is no specific IFRS dealing with the transaction • Significant judgement was required in applying the accounting policy • The accounting is complex, e.g. more than one IFRS applies to the transaction.
Application Date	Annual reporting periods beginning on or after 1 January 2023
Impact on Initial Application	Disclosure impact only.

Notes to the Consolidated Financial Statements

Note 2 – Revenue and Other Income

	2022 $	2021 $
(a) Revenue from contracts with customers		
Contract and operational revenue (over time)	4,512,431	-
	4,512,431	**-**
(b) Other Income		
Interest income on bank deposits	45,408	10,906
Rental income – Spinifex Ridge Camp	-	7,637
Government Stimulus	-	67,500
JobKeeper	-	68,000
Other Income	31,712	-
Total other income	**77,120**	**154,043**

The disaggregation of revenue from contracts with customers is as follows:

Type of goods or services	Mining Services $	Mining and Exploration $	Other $	Total $
Contract and operational revenue	4,512,431	-	-	4,512,431
Total external revenue from contracts with customers	**4,512,431**	**-**	**-**	**4,512,431**
Geographical information by location of customer				
Australia	4,512,431	-	-	4,512,431
Total external revenue from contracts with customers	**4,512,431**	**-**	**-**	**4,512,431**

There were no disaggregation of revenue from contracts for the 2021 financial year.

Note 3 - Expenses

	Note	2022 $	2021 $
Depreciation expenses			
Depreciation expenses	12	246,416	240,310
Depreciation expenses – Right of Use Asset	13	218,972	72,668
		465,388	**312,978**
Impairment expenses			
Impairment of trade and other receivables		-	149,886
Impairment of exploration and evaluation expenses	14	396,736	816,720
		396,736	**966,606**

Note 4 - Finance Income and Finance Costs

	Note	2022 $	2021 $
Recognised in profit or loss			
Interest expense on financial liabilities measured at amortised cost (Mine Rehabilitation Provision)	21	118,577	(2,568)
Interest expense - borrowings		6,620	85,738
Interest expense - lease liability		23,468	6,255
		148,665	**89,425**
Re-estimation adjustment on mine rehabilitation provision	21	(1,003,347)	104,983
		(1,003,347)	**104,983**
Net finance costs (income) recognised in profit or loss		**(854,682)**	**194,408**

Notes to the Consolidated Financial Statements

Note 5 - Income Tax Expense

		2022 $	2021 $
(a)	**Income tax recognised in profit or loss**		
	Current tax expense	-	-
	Deferred tax expense	-	-
	Total income tax expense	**-**	**-**
(b)	*Loss before tax*	(9,223,458)	(89,882,164)
	Income tax using the domestic corporation tax rate of 30% (2021: 30%)	(2,767,037)	(26,964,649)
	Increase/(decrease) in income tax expense due to:		
	Non-deductible expenses	2,517,024	24,122,867
	Deductible expenses	-	(123,300)
	Tax losses not brought to account	250,013	2,965,082
	Income tax (credit) expense	-	-

(c) **Unrecognised deferred tax liabilities**

The Group has a legally enforceable right to set off current tax assets against current tax liabilities and intends to settle on a net basis. Deferred tax liabilities not brought to account, are as follows:

	2022 $	2021 $
Taxable temporary differences	19,629,119	7,747,501
	19,629,119	**7,747,501**

(d) **Unrecognised deferred tax assets**

The Group has not recognised deferred tax assets. This future income tax benefit will only be obtained if:

- the Group derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the losses to be realised;
- the Group continues to comply with the conditions for deductibility imposed by tax legislation;
- no changes in tax legislation adversely affect the Group in realising the benefit.

Deferred tax assets not brought to account, the benefits of which will only be realised if the conditions for deductibility set out above occur, are as follows:

	2022 $	2021 $
Deductible temporary differences	9,574,595	1,492,848
Tax losses	42,969,569	28,547,091
	52,544,164	**30,039,939**

Note 6 - Loss per Share

		2022	2021
(a)	Basic loss per share (cents)	(6.39)	(113.23)
(b)	Diluted loss per share (cents)	(4.80)	(69.63)
(c)	Net loss used in the calculation of basic loss per share and diluted loss per share	($9,223,458)	($89,882,164)
(d)	Weighted average number of ordinary shares during the year used in calculating basic loss per share	144,398,535	79,383,497
(e)	Weighted average number of ordinary shares during the year used in calculating diluted loss per share	192,245,378	129,086,973

The weighted average number of ordinary shares for 2021 has been restated for the effect of the 5:1 share consolidation that was completed on 26 November 2021.

The reconciliation of weighted average number of shares due to share consolidation completed is provided as follows:

	30 June 2021	30 June 2021 Restated 5:1
Basic loss per share (cents)	(22.65)	(113.23)
Diluted loss per share (cents)	(13.93)	(69.63)
Weighted average number of ordinary shares	396,917,484	79,383,497
Weighted average number of ordinary shares (diluted)	645,434,866	129,086,973

Notes to the Consolidated Financial Statements

Note 7 - Auditor's Remuneration

	2022 $	2021 $
Audit and review of financial statements	87,548	45,422
Other assurances services	18,837	40,170
	106,385	**85,592**

Note 8 - Cash and Cash Equivalents

	2022 $	2021 $
Cash at bank	2,027,446	27,382
Call deposits	41,179,078	16,804,009
	43,206,524	**16,831,391**

The financial risk management can be found in Note 35.

Note 9 - Trade and Other Receivables

	2022 $	2021 $
Trade and other receivables	3,341,218	637,201
Impairment of Trade and other receivables	(362,442)	(362,442)
	2,978,776	**274,759**

There are no past due trade and other receivables that are not impaired. The financial risk management can be found in Note 35.

Note 10 - Inventories

	2022 $	2021 $
Consumables	4,023,172	4,300
	4,023,172	**4,300**

Note 11 - Other Assets

	2022 $	2021 $
Prepayments - current	1,286,398	240,830
Bank Guarantees – current	58,800	38,800
	1,345,198	**279,630**
Rehabilitation Security Deposit – non-current	3,582,548	-
	3,582,548	**-**

A rehabilitation security deposit of $3,582,548 has been paid to the NSW Government to cover estimated rehabilitation costs in the unlikely event the Group cannot fulfil its financial obligations at Woodlawn.

Note 12 - Property, Plant and Equipment

	Note	2022 $	2021 $
Property, Plant and Equipment			
At cost		35,270,275	1,440,783
Accumulated depreciation		(995,340)	(753,924)
		34,274,935	**686,859**

Movements in carrying amounts for each class of property, plant and equipment.

	Note	2022 $	2021 $
Total Property, Plant and Equipment			
Carrying amount at the beginning of year		686,859	1,588,813
Additions		3,834,492	27,085
Additions through acquisition of Heron Resources Ltd	26	30,000,000	-
Disposals		-	(688,729)
Depreciation expense		(246,416)	(240,310)
Carrying amount at the end of year		**34,274,935**	**686,859**
Property			
Carrying amount at the beginning of year		-	20,000
Disposals		-	(20,000)
Carrying amount at the end of year		**-**	**-**

Notes to the Consolidated Financial Statements

	2022 $	2021 $
Buildings		
Carrying amount at the beginning of year	477,761	595,400
Depreciation expense	(117,639)	(117,639)
Carrying amount at the end of year	**360,122**	**477,761**
Leasehold Improvements		
Carrying amount at the beginning of year	-	-
Additions	1,648	
Depreciation expense	(1648)	-
Carrying amount at the end of year	**-**	**-**
Plant and Equipment		
Carrying amount at the beginning of year	209,098	973,413
Additions	3,027,499	27,085
Additions through acquisition of Heron Resources Ltd	30,000,000	-
Disposals	-	(668,729)
Depreciation expense	(127,129)	(122,671)
Carrying amount at the end of year	**33,109,468**	**209,098**
Capital Works in Progress		
Carrying amount at the beginning of year	-	-
Additions	805,345	-
Carrying amount at the end of year	**805,345**	**-**

Note 13 – Right of Use Assets

	Note	2022 $	2021 $
Right of Use Assets			
At cost		3,854,163	246,475
Accumulated Depreciation		(355,620)	(145,052)
		3,498,543	**101,423**

Movements in carrying amounts for each class of right of use assets.

	Note	2022 $	2021 $
Total Right of Use Assets			
Carrying amount at the beginning of year		101,423	39,309
Additions		1,876,727	134,782
Additions through acquisition of Heron Resources Ltd		1,739,365	-
Depreciation expense		(218,972)	(72,668)
Carrying amount at the end of year		**3,498,543**	**101,423**
Building Lease			
Carrying amount at the beginning of year		101,087	34,939
Additions		-	134,782
Depreciation expense		(67,391)	(68,634)
Carrying amount at the end of year		**33,696**	**101,087**
Plant and Equipment Lease			
Carrying amount at the beginning of year		336	4,370
Additions		1,876,727	-
Additions through acquisition of Heron Resources Ltd	26	1,739,365	-
Depreciation expense		(151,581)	(4,034)
Carrying amount at the end of year		**3,464,847**	**336**

Leases as lessee

The Group leases equipment and storage premises. These leases are short-term. The Group has elected not to recognise right of use assets and lease liabilities for these leases.

Note 14 – Exploration and Evaluation Expenditure

	2022 $	2021 $
Exploration & evaluation expenditure		
At cost	85,925,657	67,449,541
Accumulated impairment	(40,167,745)	(40,167,701)
	45,757,912	**27,281,840**

Notes to the Consolidated Financial Statements

Movements in Carrying Amounts of exploration and evaluation expenditure.

	Note	2022 $	2021 $
Carrying amount at the beginning of year		27,281,840	37,002,615
Additions		8,272,808	2,543,519
Additions through acquisition of Heron Resources Ltd	26	10,600,000	-
Joint Venture receivable for rehabilitation		1,319,800	(11,857,233)
Rehabilitation - Increase in the discounted amount arising due to change in assumptions – JV 80%	21	(1,742,517)	419,932
Rehabilitation – Interest Expense – JV 80%	21	422,717	(10,273)
Impairment / Write Off		(396,736)	(816,720)
Carrying amount at the end of year		**45,757,912**	**27,281,840**

The write off of $396,736 relates to tenements that have been surrendered during the 2022 financial year (2021:$816,720)

The recoverability of exploration & evaluation expenditure is dependent upon further exploration and exploitation of commercially viable mineral deposits.

Note 15 – Mine Properties

	Note	2022 $	2021 $
Mine Properties			
At cost		55,679,219	-
		55,679,219	**-**

Movements in Carrying Amounts of Mine Properties

	Note	2022 $	2021 $
Carrying amount at the beginning of year		-	-
Additions through acquisition of Heron Resources Ltd	26	55,679,219	-
Carrying amount at the end of year		**55,679,219**	**-**

Note 16 – Other Receivables

	2022 $	2021 $
Other non-current receivables	10,537,434	11,857,233
	10,537,434	**11,857,233**

Other non-current receivables include an estimate of the amount payable by the operators of the Whim Creek Joint Venture for the fulfilment of rehabilitation obligations at the end of operations.

Note 17 - Trade and Other Payables

	2022 $	2021 $
Trade and other payables	5,777,887	613,696
Accrued expenses	1,466,364	552,521
Insurance premium funding	709,553	135,963
	7,953,804	**1,302,180**

The financial risk management can be found in Note 35.

Note 18 – Borrowings

	2022 $	2021 $
Borrowings		
Carrying amount at the beginning of year	-	2,087,869
Interest	-	80,425
Conversion of debt into equity	-	(1,595,045)
Repayment of Loan	-	(573,249)
Carrying amount at the end of year	**-**	**-**

Terms and repayment schedule

				30 Jun 2022		30 Jun 2021	
	Currency	Nominal Interest rate	Year of maturity	Face Value	Carrying Amount	Face Value	Carrying Amount
Borrowings	AUD	10%	2021	-	-	$1,164,500	-

The financial risk management can be found in Note 35.

Notes to the Consolidated Financial Statements

Note 19 – Lease Liabilities

	2022 $	2021 $
Lease Liabilities - current	1,634,662	103,779
Lease Liabilities – non-current	1,883,051	-
	3,517,713	**103,779**

Note 20 - Employee Benefits

	2022 $	2021 $
Employee Benefits - current	438,674	109,903
Employee Benefits - non-current	77,787	28,565
	516,461	**138,468**

Note 21 - Provisions

	Note	2022 $	2021 $
Payroll Tax – current	a	2,141,480	5,353,700
		2,141,480	**5,353,700**
Rehabilitation Provision – non-current	b	27,181,064	14,821,541
		27,181,064	**14,821,541**

a Payroll Tax – current

	2022	2021
Opening balance at beginning of year	5,353,700	-
Increase (Decrease) in payroll tax provision	(3,212,220)	5,353,700
Balance at end of the year	**2,141,480**	**5,353,700**

A provision for payroll tax has been recognised in relation to the issuing of Options to Directors and Consultants. The details of options issued can be found in Note 24.

b Rehabilitation Provision – non current

	2022 $	2021 $
Mine Rehabilitation – Whim Creek		
Opening balance at beginning of year	14,821,541	14,309,467
Increase/(decrease) in the discounted amount arising due to change in assumptions -JV 20%	(435,629)	104,983
Increase/(decrease) in the discounted amount arising due to change in assumptions -JV 80%	(1,742,517)	419,932
Interest Expense (JV 20%)	105,680	(2,568)
Interest Expense (JV 80%)	422,717	(10,273)
Balance at end of the year	**13,171,792**	**14,821,541**

In accordance with State government legislative requirements, a provision for mine rehabilitation has been recognised in relation to the Group's interest in the Whim Creek Mine. The provision has been offset by a receivable from Anax Metals Ltd recognising the contractual requirement to rehabilitate the site. (Refer Note 16)

The fair value of the mine rehabilitation model inputs used are as follows:

	2022	2021
Inflation Rate – CPI	2.30%	2.04%
Discount Rate	3.49%	1.52%
Estimated commencement of outflo[w]	1st Quarter [30]	1st Quarter 28

	Note	2022 $	2021 $
Mine Rehabilitation – Woodlawn			
Opening balance at beginning of year		-	-
Additions through acquisition of Heron Resources Ltd	26	14,564,092	-
Increase / (decrease) in the discounted amount arising due to change in assumptions		(567,717)	-
Interest Expense		12,897	-
Balance at end of the year		**14,009,272**	**-**

In accordance with State government legislative requirements, a provision for mine rehabilitation has been recognised in relation to the Group's interest in the Woodlawn Mine.

The fair value of the mine rehabilitation model inputs used are as follows:

	2022	2021
Inflation Rate – CPI	2.30%	-
Discount Rate	3.49%	-
Estimated commencement of outflow	2032	-

Note 22 – Contract Liabilities

The following table provides information about contract liabilities from contracts with customers.

	2022 $	2021 $
Contract balances		
Contract liabilities	**19,019,670**	**-**

The contract liabilities relate to the Nomad stream arrangement in respect of Woodlawn, the aggregate amount of silver to be delivered to Nomad will be capped at $27 million (Refer Note 26)

The fair value of the contract liabilities model inputs used are as follows:

	2022	2021
Discount Rate	10.51%	-
Estimated commencement of outflow	2024	-

Note 23 – Capital and Reserves

	Note	2022 $	2021 $
Ordinary shares fully paid	(a)	202,081,283	132,008,693
Share based payment reserve	24	128,215,812	80,108,642
		330,297,095	**212,117,335**

(a) Ordinary Shares fully paid

		2022 No.	2022 $	2021 No.	2021 $
At the beginning of reporting period		605,182,456	132,008,693	317,546,898	110,289,634
Shares issued	i	61,451,352	4,916,112	239,603,501	17,554,137
Exercise of Performance Rights – Shares issued	ii	597,222	77,639	2,538,409	360,507
Exercise of Options – Shares issued	iii	34,065,956	4,518,135	45,493,648	4,549,365
Total prior to consolidation		**701,296,986**	**141,520,579**	**605,182,456**	**132,753,643**
Consolidation 5 to 1 (26 November 2021)*		**140,260,971**	**-**	**-**	
Shares issued	i	19,936,351	61,820,192	-	-
Exercise of Performance Rights – Shares issued	ii	19,733	12,826	-	-
Exercise of Options – Shares issued	iii	880,262	589,083	-	-
Transaction costs relating to share issues		-	(1,861,397)	-	(744,950)
At end of the reporting period		**161,097,317**	**202,081,283**	**605,182,456**	**132,008,693**

** On 26 November 2021, a 5 for 1 share consolidation was completed. Number of shares have been stated as at date of issue.*

(i) **Shares Issued**

	Details	No.	Issue Price $	$
2022	Shares issued	61,451,352	0.080	4,916,112
	Balance pre consolidation	**61,451,352**		**4,916,112**
	Shares issued	15,153,492	3.300	50,006,530
	Shares issued under placement	4,782,859	2.470	11,813,662
	Balance post consolidation	**19,936,351**		**61,820,192**
2021	**Details**			
	Shares issued	64,565,872	0.055	3,551,127
	Shares issued	175,037,629	0.080	14,003,010
	Balance pre consolidation	**239,603,501**		**17,554,137**

(ii) **Exercise of Performance Rights – Shares issued**

	Details	No.	Issue Price $	$
2022	Shares issued exercise of performance rights	597,222	0.130	77,639
	Balance pre consolidation	**597,222**		**77,639**

Notes to the Consolidated Financial Statements

	Details	No.	Issue Price $	$
	Shares issued exercise of performance rights	19,733	0.650	12,826
	Balance post consolidation	**19,733**		**12,826**
2021	**Details**			
	Shares issued exercise of performance rights	250,162	0.205	51,283
	Shares issued exercise of performance rights	123,368	0.102	12,645
	Shares issued exercise of performance rights	40,319	0.119	4,800
	Shares issued exercise of performance rights	233,337	0.195	45,500
	Shares issued exercise of performance rights	4,000	0.235	940
	Shares issued exercise of performance rights	1,887,223	0.130	245,339
	Balance pre consolidation	**2,538,409**		**360,507**

(iii) **Exercise of Options – Shares issued**

2022	**Details**	**No.**	**Issue Price $**	**$**
	Shares issued exercise of options	2,307,788	0.100	230,779
	Shares issued exercise of options	31,758,168	0.135	4,287,356
	Balance pre consolidation	**34,065,956**		**4,518,135**
	Shares issued exercise of options	851,169	0.675	574,537
	Shares issued exercise of options	29,093	0.500	14,546
	Balance post consolidation	**880,262**		**589,083**
2021	**Details**			
	Shares issued exercise of options	45,493,648	0.100	4,549,365
	Balance pre consolidation	**45,493,648**		**4,549,365**

(b) Unlisted Options

2022	**Exercise Price $**	**Expiry Date**	**Balance at beginning of year* No.**	**Issued during the year No.**	**Exercised during the year No.**	**Balance pre consolidation No.**	**Balance post consolidation* No.**
DVPAC	0.100	15-Dec-21	3,998,559	-	(2,307,788)	1,690,771	338,167
DVPAY	0.150	22-Jun-24	17,000,000	-	-	17,000,000	3,400,000
DVPAZ	0.135	22-Jun-23	87,518,823	-	(13,033,478)	74,485,345	14,897,081
DVPAAA	0.150	17-Jun-24	70,000,000	-	-	70,000,000	14,000,000
DVPAAB	0.150	17-Jun-25	70,000,000	-	-	70,000,000	14,000,000
DVPAAC	1.000	01-Oct-24	-	1,000,000	-	1,000,000	200,000
DVPAW	0.135	18-Jul-23	-	30,726,392	(18,724,690)	12,001,702	2,400,931
			248,517,382	**31,726,392**	**(34,065,956)**	**246,177,818**	**49,236,179**

	Exercise Price $	**Expiry Date**	**Balance post consolidation* No.**	**Issued during the year No.**	**Exercised during the year No.**	**Expired during the year No.**	**Balance at end of year* No.**
DVPAC	0.500	15-Dec-21	338,167	-	(29,093)	(309,074)	-
DVPAY	0.750	22-Jun-24	3,400,000	-	-	-	3,400,000
DVPAZ	0.675	22-Jun-23	14,897,081	-	(488,781)	-	14,408,300
DVPAAA	0.750	17-Jun-24	14,000,000	-	-	-	14,000,000
DVPAAB	0.750	17-Jun-25	14,000,000	-	-	-	14,000,000
DVPAAC	5.000	01-Oct-24	200,000	-	-	-	200,000
DVPAW	0.675	18-Jul-23	2,400,931	-	(362,388)	-	2,038,543
DVPAAG	various	various	-	1,390,000	-	-	1,390,000
			49,236,179	**1,390,000**	**(880,262)**	**(309,074)**	**49,436,843**

2021	**Exercise Price $**	**Expiry Date**	**Balance at beginning of year* No.**	**Issued during the year No.**	**Exercised during the year No.**	**Expired during the year No.**	**Balance at end of year* No.**
DVPAC	0.100	15-Dec-21	-	49,492,207	(45,493,648)	-	3,998,559
DVPAY	0.150	22-Jun-24	-	17,000,000	-	-	17,000,000
DVPAZ	0.135	22-Jun-23	-	87,518,823	-	-	87,518,823
DVPAAA	0.150	17-Jun-24	-	70,000,000	-	-	70,000,000
DVPAAB	0.150	17-Jun-25	-	70,000,000	-	-	70,000,000
			-	**294,011,030**	**(45,493,648)**	**-**	**248,517,382**

** On 26 November 2021, a 5 for 1 share consolidation was completed. Number of shares have been stated as at date of issue.*

(c) Terms and conditions of equity

Ordinary Shares

Ordinary shares have the right to receive dividends as declared and, in the event of winding up the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held. Ordinary shares entitle their holder to one vote, either in person or by proxy, at a Shareholder meeting of the Company.

Options and Performance Rights

Options and Performance Rights do not have the right to receive dividends as declared and, in the event of winding up the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held. Options and Performance Rights do not entitle their holder to vote at a Shareholder meeting of the Company.

Shares allotted pursuant to an exercise of Options or Performance Rights shall rank from the date of allotment, equally with existing shares of the Company in all respects.

(d) Capital Management

Management controls the capital of the Group in order to ensure that the Group can fund its operations and continue as a going concern.

The Group's debt and capital includes ordinary share capital and financial liabilities, supported by financial assets. There are no externally imposed capital requirements.

Management effectively manages the Group's capital by assessing the Group's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of debt levels, distributions to Shareholders and share issues.

There have been no changes in the strategy adopted by Management to control the capital of the Group since the prior year.

(e) Share based payment reserve

The share-based payment reserve is used to recognise the fair value of Performance Rights and Options issued but not exercised.

(f) Accumulated losses

Movements in accumulated losses were as follows:	2022 $	2021 $
At the beginning of reporting period	(176,519,568)	(86,637,404)
Net (loss) for the year	(9,223,458)	(89,882,164)
At end of the reporting period	**(185,743,026)**	**(176,519,568)**

Note 24 - Share-Based Payments Reserve

Unlisted Performance Rights and Options, and Contingent Consideration	Note	2022 $	2021 $
At beginning of the reporting period		80,108,642	228,150
Unlisted Performance Rights			
Expensed during the year	b(i)	187,485	415,226
Exercised	b(ii)	(90,465)	(360,507)
Expired	b(iii)	-	(120,000)
Unlisted Options			
Expensed during the year	b(i)	8,118,053	79,945,773
Share Based Payment Contingent Consideration			
Contingent Consideration - Heron Resources Ltd	c	39,892,097	-
At end of the reporting period		**128,215,812**	**80,108,642**

(a) Details of Unlisted Performance Rights and Options for Directors, Key Management Employees, Employees and Contractors during the year are as follows:

Unlisted Performance Rights	Grant Date	Expiry Date	Fair Value* $	Value at Grant Date $
2022 LTI	16-May-22	various	2.4300	1,773,900
Unlisted Options				
DVPAAC	23-Sep-21	22-Sep-24	1.4855	297,097
DVPAAG	16-May-22	various	1.0847 to 1.5548	1,887,203
DVPAAH	2-Sep-22	21-Sep-25	0.9702	97,022

** On 26 November 2021, a 5 for 1 share consolidation was completed. Fair Value has been stated as at date of issue.*

Notes to the Consolidated Financial Statements

(b) Changes in Unlisted Performance Rights and Options for Directors, Key Management Employees, Employees and Contractors during the year are as follows:

2022	Balance at beginning of year $	Expensed during the year (i) $	Exercised during the year (ii) $	Expired during the year (iii) $	Balance at end of year $	To Expense in future periods $
Unlisted Performance Rights						
2020 LTI a	162,869	128,007	(90,465)	-	200,411	38,314
2022 LTI	-	59,478	-	-	59,478	1,714,422
	162,869	**187,485**	**(90,465)**	**-**	**259,889**	**1,752,736**
Unlisted Options						
DVPAY	1,652,608	7,719,716	-	-	9,372,324	-
DVPAAA	38,591,922	-	-	-	38,591,922	-
DVPAAB	39,701,243	-	-	-	39,701,243	-
DVPAAC	-	227,910	-	-	227,910	69,187
DVPAAG	-	78,625	-	-	78,625	1,808,578
DVPAAH	-	31,065	-	-	31,065	65,958
	79,945,773	**8,057,316**	**-**	**-**	**88,003,089**	**1,943,723**
	80,108,642	**8,244,801**	**(90,465)**	**-**	**88,262,978**	**3,696,459**

2022	Exercise Price $	Balance at beginning of year No.	Issued during the year No.	Exercised during the year No.	Expired during the year No.	Balance pre consolidation* No.	Balance post consolidation* No.
Unlisted Performance Rights							
2020 LTI a	Nil	2,532,222	-	(597,222)	-	1,935,000	387,000
		2,532,222	**-**	**(597,222)**	**-**	**1,935,000**	**387,000**

	Exercise Price $	Balance post consolidation* No.	Issued during the year No.	Exercised during the year No.	Expired during the year No.	Balance at resignation No.	Balance at end of year No.
2020 LTI a	Nil	387,000	-	(19,733)	-	-	367,267
2022 LTI	Nil	-	760,000	-	-	-	760,000
		387,000	**760,000**	**(19,733)**	**-**	**-**	**1,127,267**

2022	Exercise Price $	Balance at beginning of year No.	Issued during the year No.	Exercised during the year No.	Expired during the year No.	Balance pre consolidation* No.	Balance post consolidation* No.
Unlisted Options							
DVPAY	0.15c	17,000,000	-	-	-	17,000,000	3,400,000
DVPAAA	0.15c	70,000,000	-	-	-	70,000,000	14,000,000
DVPAAB	0.15c	70,000,000	-	-	-	70,000,000	14,000,000
DVPAAC	$1.00	-	1,000,000	-	-	1,000,000	200,000
DVPAAG	N/A	-	-	-	-	-	-
DVPAAH	N/A	-	-	-	-	-	-
		157,000,000	**1,000,000**	**-**	**-**	**158,000,000**	**31,600,000**

	Exercise Price $	Balance post consolidation* No.	Issued during the year No.	Exercised during the year No.	Expired during the year No.	Balance at resignation No.	Balance at end of year No.
DVPAY	0.75c	3,400,000	-	-	-	-	3,400,000
DVPAAA	0.75c	14,000,000	-	-	-	-	14,000,000
DVPAAB	0.75c	14,000,000	-	-	-	-	14,000,000
DVPAAC	$5.00	200,000	-	-	-	-	200,000
DVPAAG	various	-	1,390,000	-	-	-	1,390,000
DVPAAH	$4.25	-	-	-	-	-	-
		31,600,000	**1,390,000**	**-**	**-**	**-**	**32,990,000**

** On 26 November 2021, a 5 for 1 share consolidation was completed. Number of performance rights and options have been stated as at date of issue.*

(c) Share Based Payment – Contingent Consideration

As part of the acquisition of Heron Resources Ltd (See Note 26), Develop has agreed to payments of contingent consideration of up to $70 million in cash or shares (or a combination thereof at the Company's discretion) dependent on the successful achievement of each of the milestones.

	2022 $	2021 $
Share Based Payment Contingent Consideration	39,892,097	-
	39,892,097	**-**

The fair value of the contingent consideration model inputs used are as follows:

	2022	2021
Probability (risk adjusted cashflows)	62.5%	-
Discount Rate	3.7%	-
Estimated commencement of outflow	2024	-

- **(d) Terms and conditions of Unlisted Performance Rights Issued during the year2022 LTI -** On 16 May 2022, 760,000 unlisted performance rights were granted to Employees, vesting on various dates and subject to various conditions being achieved, rights as sign-on bonus (can't be converted into shares until after 3 years), rights for the delivery of a bankable feasibility and project finance for Sulphur Springs and/or Woodlawn, rights on the declaration of commercial and profitable production at Sulphur Springs and/or Woodlawn, rights on group copper equivalent production of >30,000 tonnes per annum, rights on group copper equivalent production of >50,000 tonnes per annum; rights on the establishment/deployment of underground capability for partnerships and/or third-party services. All rights that haven't vested are cancelled if employment is terminated by either party. These rights are to cover the next five years of long-term incentives issuances and if the performance criteria is not meet after five years from commencement of employment they will be cancelled. Rights converted to shares will be escrowed for 5 years from commencement of employment The probability of achieving the non-market conditions as at 30 June 2022 is currently estimated to be 100%.

(e) Terms and conditions of Unlisted Options Issued during the–year

- **DVPAAC** - A total of 1,000,000 unlisted options were granted to Key Management Personnel on 23 September 2021, 100% vest on 23 September 2022. The unlisted options expire on 22 September 2024. The exercise price of the unlisted options is $1.00. On 26 November 2021, a 5 for 1 share consolidation was completed reducing the option number to 200,000 and increasing the exercise price to $5.00.
- **DVPAAG** - A total of 1,390,000 unlisted options were granted to Employees on 16 May 2022, 11% vest after 2 years of employment, 79% vest after 3 years of employment, 5% vest after 4 years of employment and 5% vest after 5 years of employment. All unlisted options expire 12 months after vesting. The exercise price of the unlisted options that expire in 2 to 3 years is $3.27 and expire in 4 to 5 years is $3.85.
- **DVPAAH** - A total of 100,000 unlisted options were mutually agreed between a Key Management Personnel and Develop on 1 December 2021. The Options obtained shareholder approval on 2 September 2022 and were issued on 21 September 2022. 100% vest on 21 September 2023. The unlisted options expire on 21 September 2025. The exercise price of the unlisted options is $4.25.

(f) Expenses Arising from Share-Based Payment Transactions

Total expenses arising from share-based payment transactions recognised during the year were as follows:

	2022 $	2021 $
Unlisted Performance Rights		
Compensation to Directors & Key Management Personnel	31,243	105,381
Compensation to Employees	156,244	309,845
Exercise of Performance Rights Issued to Directors	(18,056)	(90,658)
Exercise of Performance Rights Issued to Employees	(72,410)	(269,849)
Expiry of Performance Rights Issued to Directors	-	(120,000)
	97,021	**(65,281)**
Unlisted Options		
Compensation to Directors & Key Management Personnel	8,039,428	1,652,608
Compensation to Consultants	-	78,293,165
Compensation to Employees	78,625	-
	8,118,053	**79,945,773**
	8,215,074	**79,880,492**

Note 25 - Fair Value of Unlisted Performance Rights and Options Granted

Unlisted Performance Rights

Unlisted Performance Rights with Market conditions

The fair value of performance rights granted with market conditions are calculated at the grant date using the Monte Carlo simulation model, taking into account the impact of the market condition. There are no performance rights with market conditions for the financial year 2022 or 2021.

Unlisted Performance Rights with Material Transactions conditions

The fair values of performance rights granted with a Material Transaction condition are calculated using the share price on the date of issue.

Unlisted Options

The fair values of options granted are calculated at the grant date using a Black Scholes option-pricing model. The Black Scholes option-pricing has been used as it is complicated to fair value the service.

Model Inputs

The model inputs used for Options granted or mutually agreed upon to Key Management Personnel during the 2022 year are below. All options were calculated using a Black Scholes option-pricing model.

Options granted to Shirley In't Veld	200,000
Grant date	23 September 2021
Expiry date	22 September 2024
Total fair value of Options granted	$297,097
Fair Value	$1.485
Share Price	$2.900
Exercise Price	$5.000
Expected Volatility (weighted average)	100%
Expected Life	3 years
Expected dividends	Nil
Risk free interest rate (based on government bonds)	1.28%
Vesting Conditions	1 year from issued date
Service Conditions	Exercised or forfeited if cease to be a director

Options mutually agreed to Michelle Woolhouse	100,000
Grant date	2 September 2022
Expiry date	21 September 2025
Total fair value of Options granted	$97,022
Fair Value	$0.970
Share Price	$2.270
Exercise Price	$4.250
Expected Volatility (weighted average)	86%
Expected Life	3 years
Expected dividends	Nil
Risk free interest rate (based on government bonds)	3.37%
Vesting Conditions	1 year from issued date
Service Conditions	Exercised or forfeited if cease to be a director

The model inputs used for Options granted to Employees during the 2022 year included:

Options granted to employees	1,390,000
Grant Date	16 May 2022
Expiry Date	Various
Total fair value of Options granted	$1,814,303
Fair Value	$0.830 to $1.550
Share Price	$2.430
Exercise Price	$3.070 to $3.850
Expected Volatility (weighted average)	86%
Expected Life	1 to 5.5 years
Expected dividends	Nil
Risk free interest rate (based on government bonds)	2.45 to 3.12%
Vesting Conditions	Various
Service Conditions	Exercised or forfeited if cease to be an employee

A summary of unlisted performance rights and options granted and a summary of unlisted performance rights and options outstanding at the end of the year are detailed in Note 24.

Note 26 – Acquisition of Heron Resources Limited

On 20 May 2022 the Company announced that it had acquired a 100% interest in Heron Resources Limited ("**Heron**") including the following subsidiaries Woodlawn Mine Holdings Pty Ltd, Tarago Operations Pty Ltd, Tarago Exploration Pty Ltd, Ochre Resources Pty Ltd and Hampton Nickel Pty Ltd ("**Heron Group**").

The Acquisition includes an underground mine and new processing plant/site infrastructure, which are currently in care and maintenance.

The acquisition does not meet the definition of a business in accordance with *AASB 3 Business Combinations.* As such the acquisition has been accounted for as an asset acquisition whereby fair value of consideration is allocated to net identifiable assets acquired on a relative fair value basis.

The fair value of the consideration paid and allocation to net identifiable assets is as follows:

	Note	$
Cash payments to Secured and Unsecured Creditors	*i*	15,500,000
Shares	*i*	11,813,662
Share Based Payments – Contingent Consideration	*ii*	39,892,097
Transaction Costs	*iii*	1,402,501
		68,608,260

i – Upfront Consideration

Upfront consideration paid to Heron secured and unsecured creditors on effectuation of the DOCA, comprised of:

- $15 million payable in cash; and
- The issue of 4,782,859 new fully paid ordinary shares in Develop at an issue price of $2.47 per share (share price on 20 May 2022).

ii – Share Based Payment contingent consideration:

1) Up to A$70 million payable to Orion subject to certain milestones being met as follows:
   - $12.5 million payable on definition of 550,000 tonnes ZnEq underground JORC Reserves,
   - $7.5 million payable on definition of 680,000 tonnes ZnEq underground JORC Reserves,
   - $20.0 million payable on a positive Final Investment Decision (FID) in respect of Woodlawn, and
   - $30.0 million payable on 18 months of continuous commercial production from Woodlawn.

   Develop can elect to satisfy the contingent consideration in cash, Develop fully paid ordinary shares or a combination of both. Any issue of shares under the contingent consideration is subject to Develop shareholder approval and will be at the deemed issue prices based on the 5 trading day VWAP prior to the relevant milestone.

   The Group has included $39,892,097 as a Share Based Payment contingent consideration, which represents its fair value at the date of acquisition based on the likelihood of achieving these events.

The fair value of the contingent consideration model inputs used are as follows:

	2022	2021
Probability (risk adjusted cashflows)	62.5%	-
Discount Rate	3.7%	-
Estimated commencement of outflow	2024	-

iii – Acquisition related costs

The Group incurred acquisition related costs of $1,402,501 on legal fees and due diligence costs. These costs have been included as part of the acquisition cost and capitalised to mine properties.

The allocation to net identifiable assets is as follows:

	$
Assets	
Cash and cash equivalents	(26,464)
Inventories	2,486,291
Property, plant and equipment	30,000,000
Right of use assets	1,739,365
Exploration and evaluation expenditure	10,600,000
Mine properties	55,679,219
Rehabilitation security deposit	3,582,548
Liabilities	
Lease liabilities	(1,739,365)
Employee benefits	(129,572)
Contract liabilities	(19,019,670)
Provision for rehabilitation	(14,564,092)
	68,608,260

Note 27 - Capital Commitments

Exploration expenditure commitments

In order to maintain current rights of tenure to exploration tenements, the Group is required to comply with the minimum expenditure obligations under the Mining Act. These obligations have been met, or the appropriate exemptions have been granted. The future obligations which are subject to renegotiation when an application for a mining lease is made and at other times are not provided for in the financial statements. Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

	2022 $	2021 $
- not later than 12 months	1,525,123	780,725
- between 12 months and 5 years	-	-
- greater than 5 years	-	-
	1,525,123	**780,725**

Note 28 - Contingencies

The Group's contingencies are as follows:

- As part of the acquisition of Venturex Sulphur Springs Pty Ltd, Develop included as part of the purchase consideration the grant of zinc off-take rights to Toho Zinc capped at 230,000t of zinc in zinc concentrate from Sulphur Springs (or Develop's other Pilbara Operations) on international benchmark terms. On 19 March 2019, Develop modified the terms with Toho Zinc to defer its existing offtake for 5 years and increase tonnes to 280,000t of zinc in zinc concentrate. In addition, Develop included as part of the purchase consideration the granting of a capped royalty of $2.00 per dry metric tonne for any ore mined and processed from the tenements, capped at $3.67 million.
- As part of the acquisition of the Kangaroo Caves and Panorama Tenements, Develop included as part of the purchase consideration the granting of an uncapped royalty of $2.00 per dry metric tonne for any ore mined and processed from the tenements.
- The Whim Creek Site has a long history of mining and processing activity. The site was classified as 'possibly contaminated' under the Contaminated Sites Act 2003 (CS Act) in 2010 and revised to ''possibly contaminated – investigation required'' by the Department of Water and Environmental Regulation (DWER) in 2018. The classification is based on the presence of possible, localised groundwater and soil contamination, exacerbated by offsite water discharge following cyclonic rainfall in March 2019. On essentially the same underlying basis (potential groundwater contamination and pollution risk), DWER issued an Environmental Protection Notice (EPN) in December 2019, requiring a range of actions to investigate and record the presence of any contamination and mitigate the risk of any future contamination. All requirements of the EPN have been completed, are supported by third party consultant reports and evidenced with monitoring reports, where required. While classification of the site under the CS Act persists, there remains the potential for future cost, the quantum of which cannot be determined based on the current status.
- A $9 million payment (paid off over 5 years) to Atlas Iron for Haul Road Construction subject to the commencement of construction at the Sulphur Springs Zinc-Copper Project.
- A native title royalty (0.6% Net Smelter Revenue) at the Sulphur Springs Zinc-Copper Project.

The following contingent liability has been included in the Whim Creek Joint Venture. Anax have assumed all liability with the Aeris Contract detailed below, as per the JV agreement announcement on 21 July 2020.

- The acquisition of Venturex Pilbara Pty Ltd on 1 February 2010, resulted in Develop including as part of the purchase consideration, a contingent liability. This is based upon an announcement of the Company's intention to commence mining operations on any of the tenements held by Develop or its related bodies corporate, within 100 kilometres of Whim Creek. Develop will issue such number of shares equal to $3,000,000 divided by the 30-day volume weighted average trading price of the Company's shares trading on the ASX over the period ending on the day immediately prior to any announcement of the intention to commence mining operations by the Company. This is subject to receipt of all necessary Shareholder approvals. If approval is not obtained, Develop will instead pay the amount of $3,500,000 cash. A deed of variation was entered into, and a royalty is payable of $30 per tonne of contained Copper Metal for any additional material added to the Heap Leach Dumps after 1 March 2016.

The following contingent liabilities have been included in the Whim Creek Joint Venture. Anax has assumed 80% of these contingent liabilities, as per the JV agreement announcement on 21 July 2020.

- As part of the termination of a Joint Venture Agreement, Develop granted a royalty of 2.4% of the total value of minerals mined from the Liberty Indee tenements. The total value of minerals is to be calculated in accordance with the Mining Act and by the Department of Mines, Industry Regulation and Safety to calculate the State Royalty.
- As part of a Partial Surrender Agreement a royalty of 4% on net smelter return (Au and Ag) is payable for M47/443.
- As part of a Sale and Option Agreement a royalty of 2.5% of net profit on production greater than 1mt of ore is payable for M47/323 & M 47/324.

The following contingent liabilities have been acquired upon the acquisition of Heron .

- The Group has agreed with Veolia Environmental Services (Australia) Pty Ltd:
  - To assume the environmental liabilities associated with the Woodlawn site, excluding Veolia's area of operation.
  - Subject to certain approvals being received by Veolia and the Group, the Group will receive "free-on board" compost from Veolia to be utilised in the rehabilitation of the Woodlawn project site.
  - To fully indemnify Veolia for all direct and or consequential loss and damage suffered by Veolia as a result of or caused by or contributed to by any act or omission or default by the Group, connected with its operations at the Woodlawn project site.
- Native title claims have been made with respect to areas which include tenements in which the Group has interests. The Group is unable to determine the prospects for success or otherwise of the claims and, in any event, whether or not and to what extent the claims may significantly affect the Group or its projects.
- The Nomad stream arrangement in respect of Woodlawn will remain in place, subject to the following changes, a secondary stream will be introduced in respect of tailings, under which Tarago Operations Pty Ltd will pay A$1.0 million for every 1Mt of tailings ore processed at a certain tenement at Woodlawn, capped at A$10 million.

The Group has made no provision in its account for these potential contingent liabilities.

Note 29 - Operating Segments

Business Segment

This operating segments are based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers) in assessing performance and in determining the allocation of resources.

Segment performance is evaluated based on Earnings Before Interest, Tax, Depreciation and Amortisation ("**EBITDA**") which is allocated to the reportable segments in which the item arose or relates to. This includes both directly attributable items and those that can be allocated on a reasonable basis. EBITDA is a non-IFRS measure that has been included to assist management to better understand the performance of the business.

The accounting policies adopted for internal reporting are consistent with those adopted in the financial statements.

2022	Mining Services $	Mining and Exploration $	Other $	Total $
Revenue				
External Revenue	4,512,431	-	-	4,512,431
Total Revenue	**4,512,431**	**-**	**-**	**4,512,431**
Underlying EBITDA	509,226	117,902	(9,236,533)	(8,609,405)
Depreciation and amortisation	(92,712)	(279,418)	(93,258)	(465,388)
Underlying EBIT	**416,514**	**(161,516)**	**(9,329,791)**	**(9,074,793)**
Net finance costs				(148,665)
Profit before tax				**(9,223,458)**
Unallocated assets	-	-	-	43,206,524
Total segment assets	4,714,140	155,667,558	1,296,039	161,677,737
Total segment liabilities	(5,788,663)	(49,502,996)	(5,038,533)	(60,330,192)
Segment net assets	**(1,074,523)**	**106,164,562**	**(3,742,494)**	
Total net assets				**144,554,069**

2021	Mining Services $	Mining and Exploration $	Other $	Total $
Revenue				
External Revenue	-	-	10,906	10,906
Total Revenue	**-**	**-**	**10,906**	**10,906**
Underlying EBITDA	-	(1,693,798)	(87,785,963)	(89,479,761)
Depreciation and amortisation	-	(195,356)	(117,622)	(312,978)
Underlying EBIT	**-**	**(1,889,154)**	**(87,903,585)**	**(89,792,739)**
Net finance costs				(89,425)
Profit before tax				**(89,882,164)**
Unallocated assets	-	-	-	16,831,391
Total segment assets	-	40,031,118	454,926	40,486,044
Total segment liabilities	-	(15,201,526)	(6,518,142)	(21,719,668)
Segment net assets	**-**	**24,829,592**	**(6,063,216)**	
Total net assets				**35,597,767**

Major customers

During the year ended 30 June 2022 approximately $4,512,431 (2021: Nil) of the Group's external revenue was derived from mining services revenue to an Australian producer.

Geographical information

All non-current assets of the Group are located in Australia.

Notes to the Consolidated Financial Statements

Note 30 - Controlled Entities

	Country of Incorporation	Percentage Owned (%) 2022	2021
Company:			
Develop Global Ltd	Australia		
Subsidiaries of Develop Global Ltd:			
Jutt Resources Pty Ltd	Australia	100	100
Juranium Pty Ltd	Australia	100	100
CMG Gold Ltd	Australia	100	100
Venturex Pilbara Pty Ltd	Australia	100	100
Venturex Sulphur Springs Pty Ltd	Australia	100	100
Dev Mining Services Pty Ltd	Australia	100	-
Heron Resources Ltd	Australia	100	-
Woodlawn Mine Holdings Pty Ltd	Australia	100	-
Tarago Operations Pty Ltd	Australia	100	-
Tarago Exploration Pty Ltd	Australia	100	-
Ochre Resources Pty Ltd	Australia	100	-
Hampton Nickel Pty Ltd	Australia	100	-

Note 31 - Cash Flow Information

(a) Reconciliation of Cash Flow from Operating Activities

	Note	2022 $	2021 $
Loss for the year		(9,223,458)	(89,882,164)
Adjustments for:			
Depreciation expense	12	246,416	240,310
Depreciation expense – right of use asset	13	218,972	72,668
Impairment of trade and other receivables		-	140,878
Impairment of exploration and evaluation expenditure	14	396,736	816,720
Interest from other parties		30,089	(87,869)
Share based payment expense		8,305,538	80,240,999
Re-estimation of rehabilitation provision	21	(1,003,347)	104,983
Unwind of discount on rehabilitation	21	118,577	(2,568)
Net Loss on sale of plant & equipment		-	538,729
Changes In:			
Trade and other receivables		(2,225,426)	249,903
Inventories		(1,530,766)	19,586
Other current assets		(1,045,568)	(76,661)
Trade and other payables		2,837,136	(166,594)
Employee provisions		552,161	675
Other provisions		(4,237,947)	5,358,640
Lease liabilities		(57,097)	6,143
Cash flow used in operations		**(6,617,984)**	**(2,425,622)**

(b) **Non-Cash Financing and Investing Activities**

Share and Option Issues

Details in regard to the conversion of debt to equity during the year ended 30 June 2022 and 30 June 2021 are in Note 18 and Note 23.

These are no other shares and options issued that are not reflected in the Cash Flow Information for the year ended 30 June 2022 and 30 June 2021.

Note 32 - Events after the Reporting Period

- On 23 August 2022, Trevor Hart resigned as Company Secretary / Chief Financial Officer.
- On 23 August 2022, Steven Wood was appointed as Interim Company Secretary.
- On 1 September 2022, Alan Rule was appointed as Interim Chief Financial Officer.

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction, or event of a material and unusual nature likely, in the opinion of the Directors of the Group, to significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial years other than disclosed above.

Note 33 - Related Party Transactions

Key Management Personnel Compensation

The aggregate compensation made to Directors and Key Management Personnel of the Group is set out below:

	2022 $	2021 $
Short-term employee benefits	745,104	647,173
Post-employment benefits	52,430	29,665
Share-based payments	8,009,934	1,637,990
	8,807,468	**2,314,828**

Related Party Transactions

Transactions between related parties are on normal commercial terms and conditions and are no more favourable than those available to other parties unless otherwise stated.

(a) **Ultimate Parent Company**
The ultimate parent Company within the Group is Develop Global Limited which is incorporated in Australia.

(b) **Subsidiaries**
Interests in subsidiaries are set out in Note 30.

(c) **Key Management Personnel**
Disclosures relating to Key Management Personnel are set out in the Directors Report. There were no loans to Key Management Personnel during the year (2021: Nil). During the financial year the Company paid $183,283 to Gilbert + Tobin to provide legal consulting services, of which Michael Blakiston is a Partner. As at 30th June 2022, there was $1,748 in Trade and Other Payables due to Gilbert + Tobin. During the previous financial year, the Company paid $82,480 to New Holland Capital Pty Limited to provide Corporate advisory services, of which Craig McGown is a Director. At the date of Craig McGown's resignation 9 June 2021, there was $13,200 in Trade and Other Payables due to New Holland Capital Pty Limited.

Note 34 - Parent Information

The following details information related to the Company, at 30 June 2022. The information presented here has been prepared using consistent accounting policies as presented in Note 1.

	2022 $	2021 $
Current assets	42,650,452	17,164,605
Non-current assets	106,510,646	24,928,611
Total assets	**149,161,098**	**42,093,216**
Current liabilities	4,776,841	6,281,123
Non-current liabilities	261,695	237,019
Total liabilities	**5,038,536**	**6,518,142**
Issued capital	202,081,283	132,008,693
Reserves	128,215,812	80,108,643
Accumulated losses	(186,174,533)	(176,542,262)
Total equity	**144,122,562**	**35,575,074**
Loss for the year	(9,632,271)	(89,881,891)
Total comprehensive loss for the year	**(9,632,271)**	**(89,881,891)**

Guarantees Entered into by the Company in Relation to Debts of its Subsidiaries

The Company entered into a Deed of Cross Guarantee in relation to the debts of its subsidiaries during the year ended 30 June 2010. No deficiencies of assets exist in any of these subsidiaries.

Commitments and Contingent Liabilities

The Company has commitments in the form of Operating Leases (refer to Note 13).

The Company also has a contingent liability as part of the acquisition of Venturex Pilbara Pty Ltd. Develop included as part of the purchase consideration a contingent liability. This is based upon an announcement of the Company's intention to commence mining operations on any of the tenements held by Develop or its related bodies corporate, within 100 kilometres of Whim Creek. Develop will issue such number of shares equal to $3,000,000 divided by the 30-day volume weighted average trading price of the Company's shares trading on the ASX over the period ending on the day immediately prior to any announcement of the intention to commence mining operations by the Company. This is subject to receipt of all necessary Shareholder approvals. If approval is not obtained, Develop will instead pay the amount of $3,500,000 cash. A deed of variation was entered into, and a royalty is payable of $30 per tonne of contained Copper Metal for any additional material added to the Heap Leach Dumps after 1 March 2016 (refer to Note 28). This contingent liability has been included in the Whim Creek Joint Venture. Anax have assumed all liability with the Aeris Contract, as per the JV agreement announcement on 21 July 2020.

Notes to the Consolidated Financial Statements

Note 35 - Financial Instruments – Fair Values and Risk Management

(a) Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

		Carrying Amount		Fair Values			
2022		**Financial assets at amortised cost**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets	**Note**	**$**	**$**	**$**	**$**	**$**	**$**
Measured at fair value							
Measured at fair value		-	-	-	-	-	-
		-	**-**	**-**	**-**	**-**	**-**
Not measured at fair value							
Cash and cash equivalents	8	43,206,524	43,206,524	-	-	-	-
Trade and other	9	2,978,776	2,978,776	-	-	-	-
Other receivables	16	10,537,434	10,537,434	-	-	-	-
		56,722,734	**56,722,734**	**-**	**-**	**-**	**-**

2022		**Other Financial liabilities**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial liabilities	**Note**	**$**	**$**	**$**	**$**	**$**	**$**
Measured at fair value							
Measured at fair value		-	-	-	-	-	-
		-	**-**	**-**	**-**	**-**	**-**
Not measured at fair value							
Trade and other payables	17	7,953,804	7,953,804	-	-	-	-
Lease liabilities	19	3,517,713	3,517,713	-	-	-	-
		11,471,517	**11,471,517**	**-**	**-**	**-**	**-**

		Carrying Amount		Fair Values			
2021		**Financial assets at amortised cost**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets	**Note**	**$**	**$**	**$**	**$**	**$**	**$**
Measured at fair value							
Measured at fair value		-	-	-	-	-	-
		-	**-**	**-**	**-**	**-**	**-**
Not measured at fair value							
Cash and cash equivalents	8	16,831,391	16,831,391	-	-	-	-
Trade and other	9	274,759	274,759	-	-	-	-
Other receivables	16	11,857,233	11,857,233	-	-	-	-
		28,963,383	**28,963,383**	**-**	**-**	**-**	**-**

2021		**Other Financial liabilities**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial liabilities	**Note**	**$**	**$**	**$**	**$**	**$**	**$**
Measured at fair value							
Measured at fair value		-	-	-	-	-	-
		-	**-**	**-**	**-**	**-**	**-**
Not measured at fair value							
Trade and other payables	17	1,302,180	1,302,180	-	-	-	-
Lease Liabilities	19	103,779	103,779	-	-	-	-
		1,405,959	**1,405,959**	**-**	**-**	**-**	**-**

(b) Measurement of fair values

Recurring fair value measurements

The Group does not have any financial instruments that are subject to recurring or non-recurring fair value measurements.

Fair values of financial instruments not measured at fair value

Due to their short-term nature, the carrying amounts of current receivables and current trade and other payables is assumed to equal their fair value.

(c) Financial Risk Management

The Group has exposure to the following risks arising from financial instruments:

credit risk (refer to (c) (ii));

liquidity risks (refer to (c) (iii)); and

market risk (refer to (c) (iv)).

(c) (i) Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Group's audit committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

(c) (ii) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from customers.

The carrying amounts of financial assets and contract assets represent the maximum credit exposure.

The Group is exposed to credit risk via its cash and cash equivalents and trade and other receivables. To reduce risk exposure for the Group's cash and cash equivalents, it places them with high credit quality financial institutions.

The Group has analysed it trade and other receivables below. Trade and other receivables disclosed below have been impaired by Nil (2021: $362,442).

The Group has adopted a lifetime expected loss allowance in estimating expected credit losses to trade receivables through the use of a provisions matrix using fixed rates of credit loss provisioning. These provisions are considered representative across all customers of the Group based on recent sales experience, historical collection rates and forward-looking information that is available.

	Note	0-30 days	30-60 days	60-90 days	90+day	Total
2022						
Trade and other receivables	9	2,978,776	-	-	-	2,978,776
Other receivables	16	10,537,434	-	-	-	10,537,434
		13,516,210	**-**	**-**	**-**	**13,516,210**
2021						
Trade and other receivables	9	274,759	-	-	-	274,759
Other receivables	16	11,857,233	-	-	-	11,857,233
		12,131,992	**-**	**-**	**-**	**12,131,992**

(c) (iii) Liquidity Risk

The Group is exposed to liquidity risk via its trade and other payables, borrowings, and lease liabilities. Liquidity risk is the risk that the Group will encounter difficulty in raising funds to meet the commitments associated with its financial liabilities. Responsibility for liquidity risk rests with the Board who manage liquidity risk by monitoring undiscounted cash flow forecasts and actual cash flows provided to them by the Group's Management at Board meetings to ensure that the Group continues to be able to meet its debts as and when they fall due. Contracts are not entered into unless the Board believes that there is sufficient cash flow to fund the additional activity. The Board considers when reviewing its undiscounted cash flows forecasts whether the Group needs to raise additional funding from the equity markets.

The Group has analysed its trade and other payables below based on their remaining contractual maturities.

	Note	0-30 days	30-60 days	60-90 days	90+day	Total
2022						
Trade and other payables	17	**7,953,804**	**-**	**-**	**-**	**7,953,804**
2021						
Trade and other payables	17	**1,300,898**	**1,282**	**-**	**-**	**1,302,180**

Lease Liabilities contracted for at the end of the reporting period are as follows:

	2022 $	2021 $
- not later than 12 months	1,584,778	74,074
- between 12 months and 5 years	1,732,469	36,855
- greater than 5 years	-	-
	3,317,247	**110,929**

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

(c) (iv) Market Risk

Market risk is the risk that changes in market prices (e.g. foreign exchange rates, interest rates and equity prices) will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Interest rate risk

Interest rate risk is the risk that a financial instruments value will fluctuate as a result of changes in market interest rates. The Group's interest rate risk primarily arises from cash and cash equivalents and long-term deposits held. Risk is managed by regular monitoring of the fluctuations of the interest rates. The effective weighted average interest rate on classes of financial assets and financial liabilities is as follows:

	Note	Weighted Average Effective Interest Rate	Floating Interest Rate $	Non-Interest Bearing $	Total $
2022					
Financial Assets:					
Cash and cash equivalents	8	0.77%	43,206,524	-	43,206,524
Trade and other receivables	9	-	-	2,978,776	2,978,776
Other assets	11	0.80%	3,641,348	-	3,641,348
			46,847,872	**2,978,776**	**49,826,648**
Financial Liabilities:					
Trade and other payables	17		-	7,953,804	7,953,804
Lease liabilities	19		-	3,517,713	3,517,713
			-	**11,471,517**	**11,471,517**
2021					
Financial Assets:					
Cash and cash equivalents	8	0.20%	16,831,391	-	16,831,391
Trade and other receivables	9	-	-	274,759	274,759
Other assets	11	0.24%	38,800	-	38,800
			16,870,191	**274,759**	**17,144,950**
Financial Liabilities:					
Trade and other payables	17		-	1,302,180	1,302,180
Lease liabilities	19		-	103,779	103,779
			-	**1,405,959**	**1,405,959**

Interest rate sensitivity analysis

The following table indicates the impact on how profit or loss income and equity values reported at reporting date would have been affected by 2% changes in the interest rates. This sensitivity assumes that the movement in a particular variable is independent of other variables:

	Profit or Loss Income $	Equity $
+/- 2% in interest rates		
- Year ended 30 June 2022	+/-936,957	-
- Year ended 30 June 2021	+/-337,404	-

Directors' Declaration

In the opinion of the directors of Develop Global Limited (the "**Company**"):

(a) the consolidated financial statements and notes that are set out on pages 17 to 47 and the Remuneration report set out on pages 8 to 14 in the Directors' report, are in accordance with the *Corporations Act 2001*, including:

(i) complying with Accounting Standards, the *Corporations Regulations* 2001 and other mandatory professional reporting requirements, and

(ii) giving a true and fair view of the Group's financial position as at 30 June 2022 and of its performance for the financial year ended on that date, and

(b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable, and

(c) at the date of this declaration, there are reasonable grounds to believe that the members of the extended closed group identified in note 30 will be able to meet any obligations or liabilities to which they are, or may become, subject by virtue of the deed of cross guarantee described in note 34.

Note 1 confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The directors have been given the declarations by the chief executive officer and chief financial officer required by section 295A of the *Corporations Act* 2001.

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

Bill Beament

BILL BEAMENT
Managing Director

Dated this 29th day of September 2022

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INDEPENDENT AUDITORS REPORT

To the members of Develop Global Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Develop Global Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2022, 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 report, including a summary of significant accounting policies and the directors' declaration.

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

(i) Giving a true and fair view of the Group's financial position as at 30 June 2022 and of its financial performance for the year ended on that date; and

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

Basis for opinion

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

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

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

Key audit matters

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

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Accounting for acquisition of Heron Resources

Key audit matter	*How the matter was addressed in our audit*
During the financial year ended 30 June 2022, the Group acquired Heron Resources Limited as disclosed in Note 26 of the financial report. The acquisition was determined to be an asset acquisition under accounting Standards. Acquisition accounting is complex and involves a number of significant estimates and judgments as disclosed in Note 26 and Note 1(w) of the financial report. The key areas of significant estimation and judgement applied in assessing the fair values of identifiable assets and liabilities acquired included: • Assumptions relating to the fair value of plant and equipment; • Assumptions relating to mine properties and forecast cash flows, including ore reserves and resources, ore grades, volumes and densities, future commodity prices, future processing costs and life of mine; • Assumptions relating to extent and quantum of costs and timing of the rehabilitation obligations; and • Determination of discount rates applied.	Our audit procedures included, but were not limited to: • reviewing the acquisition agreements to understand the key terms and conditions and consideration payable for the acquisition, and confirming our understanding of the transaction with management; • reviewing management's assessment of the acquisition as an asset acquisition and ensuring compliance with accounting standards; • obtaining copies of the external valuation reports to assess the determination of the fair values of the assets and liabilities acquired in the acquisition; • assessing the competency and objectivity of experts engaged by management; • assessing the identification of assets and liabilities acquired for completeness; • challenging management's methodology and assumptions utilised to identify and determine the fair value of the assets and liabilities acquired; • involving our internal valuation specialists to assess the reasonableness of valuation methodologies, where applicable; and • assessing the appropriateness of the related disclosures in Note 26 and Note 1(w) to the financial report.

Carrying value of exploration and evaluation assets

Key audit matter	*How the matter was addressed in our audit*
At 30 June 2022 the carrying value of exploration and evaluation assets was disclosed in Note 14 of the financial report. As the carrying value of these Exploration and Evaluation Assets represents a significant asset of the Group, we considered it necessary to assess whether any facts or circumstances exist to suggest that the carrying amount of this asset may exceed its recoverable amount. Judgement is applied in determining the treatment of exploration expenditure in accordance with Australian Accounting Standard AASB 6 Exploration for and Evaluation of Mineral Resources. In particular: • Whether the conditions for capitalisation are satisfied; • Which elements of exploration and evaluation expenditures qualify for recognition; and • Whether facts and circumstances indicate that the exploration and expenditure assets should be tested for impairment.	Our procedures included, but were not limited to: • Obtaining a schedule of the areas of interest held by the Group and assessing whether the rights to tenure of those areas of interest remained current at balance date; • Holding discussions with management as to the status of ongoing exploration programmes in the respective areas of interest; • Considering whether any such areas of interest had reached a stage where a reasonable assessment of economically recoverable reserves existed; • Considering whether any facts or circumstances existed to suggest impairment testing was required; • Verifying, on a sample basis, exploration and evaluation expenditure capitalised during the year for compliance with the recognition and measurement criteria of AASB 6; and • Assessing the adequacy of the related disclosures in Note 1(k) and Note 14 to the financial report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group’s annual report for the year ended 30 June 2022, but does not include the financial report and the auditor’s report thereon.

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

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

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

Responsibilities of the directors for the Financial Report

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

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or 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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (http://www.auasb.gov.au/Home.aspx) at:

https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 8 to 14 of the directors' report for the year ended 30 June 2022.

In our opinion, the Remuneration Report of Develop Global Limited, for the year ended 30 June 2022, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

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

BDO Audit (WA) Pty Ltd

BDO

Glyn O'Brien

Glyn O'Brien

Director

Perth, 29 September 2022

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