

2022

Annual

Report

For the Year Ended 30th June 2022

ACN 148 966 545

ASX:AOU | aurochminerals.com

CORPORATE DIRECTORY

ABN

91 148 966 545

Directors

Mr Michael Edwards (Executive Chairman)

Mr Aidan Platel (Managing Director)

Mr Trevor Eton (Non-Executive Director)

Joint Company Secretary

Mr Matthew Worner

Mr Cameron O'Brien

Chief Financial Officer

Ms Silfia Morton

Registered Office

Suite 10, 38-40 Colin St, West Perth WA 6005

T: +61 8 6555 2950

F: +61 8 6166 0261

Website

www.aurochminerals.com

Share Registry

Automic Register Services

Level 5, 191 St Georges Terrace, Perth WA 6000

Bankers

National Australia Bank

100 St Georges Tce, Perth WA 6000

Auditors

BDO Audit (WA) Pty Ltd

Level 9, Mia Yellagonga Tower 2,
5 Spring St, Perth WA 6000

Stock Exchange

Australian Securities Exchange Limited

ASX Code: AOU

Solicitors

Thomson Geer

Level 27, Exchange Tower,
2 The Esplanade Perth WA 6000





CONTENTS

Directors' Report	05
Auditors' Independence Declaration	46
Consolidated Statement of Profit or Loss and Other Comprehensive Income	47
Consolidated Statement of Financial Position	48
Consolidated Statement of Changes in Equity	49
Consolidated Statement of Cash Flows	50
Notes to the Consolidated Financial Statements	51
Declaration by Directors	79
Independent Auditors' Report	80
Corporate Governance Statement	84
ASX Additional Information	85



DIRECTORS' REPORT

The Directors of Auroch Minerals Limited (Auroch, Company or the Group) are pleased to present the Annual Report for Financial Year ended 30 June 2022.

Highlights

The 2022 financial year was one of high activity for Auroch. The Company undertook a systematic exploration campaign across its asset portfolio with a particular focus on its Nepean, Saints and Leinster nickel projects, located in Western Australia. A diamond drill programme was also completed at Auroch's Arden copper-zinc project in South Australia.

Resulting directly from drilling activities completed during the 2022 financial year were the following:

- in September 2022, the Company announced a JORC (2012) Nepean Nickel Project Mineral Resource Estimate (**MRE**) had been completed for the known shallow nickel mineralisation only (above 290mRL) resulting in **236kt @1.5% Ni and 0.11% Cu for 3,625t of contained nickel and 252t of contained copper**. The JORC (2012) MRE will form the basis of pit optimisations and mine studies as part of the Nepean Scoping Study looking into a potential open-pit mining scenario; and
- in August of 2022, a new JORC (2012) MRE was successfully completed for the Saints Nickel Project, resulting in **911kt @ 2.3% Ni for 21kt of contained nickel metal, with over 60% successfully upgraded to the Indicated Resource category**

In April 2022, the Company acquired a strategic 80% interest in the Nevada Lithium Project in the USA. The project is located ~340km southeast of the Tesla Gigafactory near Reno, with access to major Californian ports. The Company has completed formal site visits and key stakeholder meetings, and assembled an experienced Nevada-based team. Significant historical data reviews and updated mapping have been completed, confirming the high prospectivity for significant lithium mineralisation. A maiden 1,000m drill programme has been planned and permitting is underway.

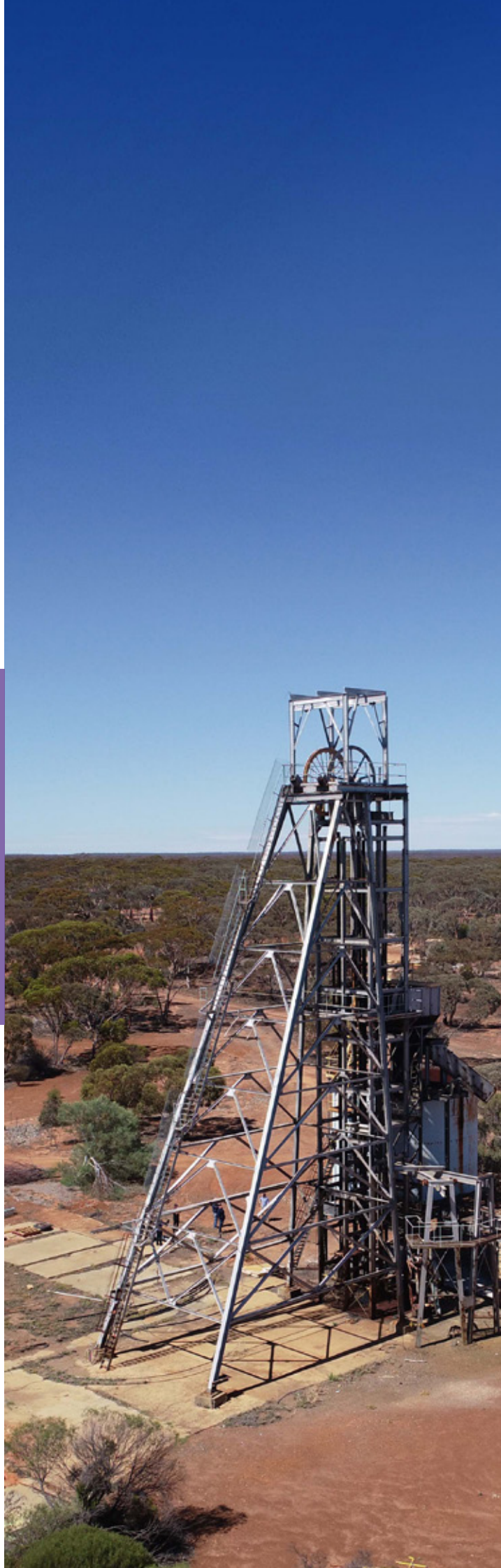


Corporately, the Company experienced a Board transition with Edward Mason resigning as Chairman and Michael Edwards being appointed Executive Chairman. The Company again thanks Mr Mason for his commitment, support and guidance during his time as Chairman.

The aggressive and systematic exploration programme undertaken by Auroch over the past period has the Company well placed for 2022-2023 and beyond. The Company's multi-commodity focus, which includes both nickel, lithium and REE's positions Auroch well to potentially supply these critical minerals to the rapidly expanding EV battery market.

“

The 2022 financial year was one of high activity for Auroch. The Company undertook a systematic exploration campaign across its asset portfolio with a particular focus on its Nepean, Saints and Leinster nickel projects.



Saints Nickel Project

TENURE & LOCATION

The Saints Nickel Project (Auroch Minerals 100%) is located approximately 65km northwest of Kalgoorlie and 7km east of the Goldfields Highway. The tenement package comprises two mining leases covering an area of approximately 20km² of prospective Archaean greenstone belt geology within the Eastern Goldfields province of the Yilgarn Craton. The Saints Nickel Project (Saints) sits in the same sequence of rocks that host the historical Scotia nickel mine, 15km to the south. Scotia produced 30,800 tonnes of contained nickel at 2.2% nickel before closing in July 1977.

GEOLOGY

The Saints tenements encompass a portion of the Archaean Norseman-Wiluna Greenstone Belt of the Kalgoorlie Terrane – Boorara Domain within the Eastern Yilgarn Craton of Western Australia. The tenements are located on the western limb of the Scotia-Kanowna Anticline within the Bardoc Tectonic Zone, which occurs along the western margin of the Scotia-Kanowna Batholith. The stratigraphy is upright and dips steeply to the west, consisting of mafic, ultramafic and metasedimentary/metavolcaniclastic/felsic volcanic units.

During May 2022, the Company successfully completed ten drill-holes for 2,667m of diamond infill and extensional drilling across the Saint Patricks and Saint Andrews prospects (Figure 1). The focus of the drilling was to update the previous JORC (2012) Saints MRE of 1.02Mt @ 2.0% Ni for 21,400kt of contained nickel¹ and increase the confidence level from the Inferred category to predominantly Indicated Mineral Resources. Also included in this programme were two drill-holes specifically designed to collect large bulk composite samples for metallurgical testwork.²

High-grade nickel sulphides were intersected at both the Saint Andrews and Saint Patricks prospects.

At Saint Andrews, matrix to massive nickel sulphide mineralisation was confirmed in all drill-holes, both in an upper hangingwall zone and in a lower zone just above the basal contact (Figure 1):³

- SNDD018: **5.12m @ 2.33% Ni, 0.14% Cu, 0.06% Co, 0.82g/t PGE** from 165.00m and **4.79m @ 2.05% Ni, 0.16% Cu & 0.36g/t PGE (Pt + Pd)** from 311.98m;
- SNDD023: **2.40m @ 2.10% Ni, 0.14% Cu, 0.09% Co, 0.36g/t PGE** from 263.78m and **2.21m @ 4.30% Ni, 0.37% Cu, 0.13% Co, 0.58g/t PGE** from 268.18m;
- SNDD016: **1.00m @ 5.16% Ni, 0.06% Cu, 0.09% Co, 0.56g/t PGE** from 73.10m; and
- SNDD017: **0.30m @ 6.49% Ni, 0.17% Cu, 0.16% Co, 2.58g/t PGE** from 61.50m.

Drill-holes completed at the Saint Patricks prospect also successfully intersected high-grade nickel sulphide mineralisation. Diamond drill-holes SNDD021 and SNDD022 (Figure 1) targeted a gap between the modelled nickel sulphide mineralisation used in the previous MRE. Both holes successfully intersected massive nickel sulphides just above the basal contact, with the following significant assay intersections⁴:

- SNDD021: **3.01m @ 5.23% Ni, 0.69% Cu, 0.77g/t PGE** from 177.08m; and
- SNDD022: **0.84m @ 2.98% Ni, 0.36% Cu, 0.67g/t PGE** from 177.73m.

Given that the massive nickel sulphides were intersected outside of the previous modelled mineral resource at Saints, these high-grade results contributed to increasing the modelled mineralised zone and the overall grade of the current Saints MRE.

1. ASX Announcement 28 May 2019 – Auroch to acquire high-grade Western Australian Nickel projects

2. ASX Announcement 25 January 2022 – Saints diamond drilling underway

3. ASX Announcement 5 May 2022 – Further high-grade Nickel intersected at Saints

4. ASX Announcement 16 March 2022 – High-grade Nickel intersected outside current modelled resource at Saints

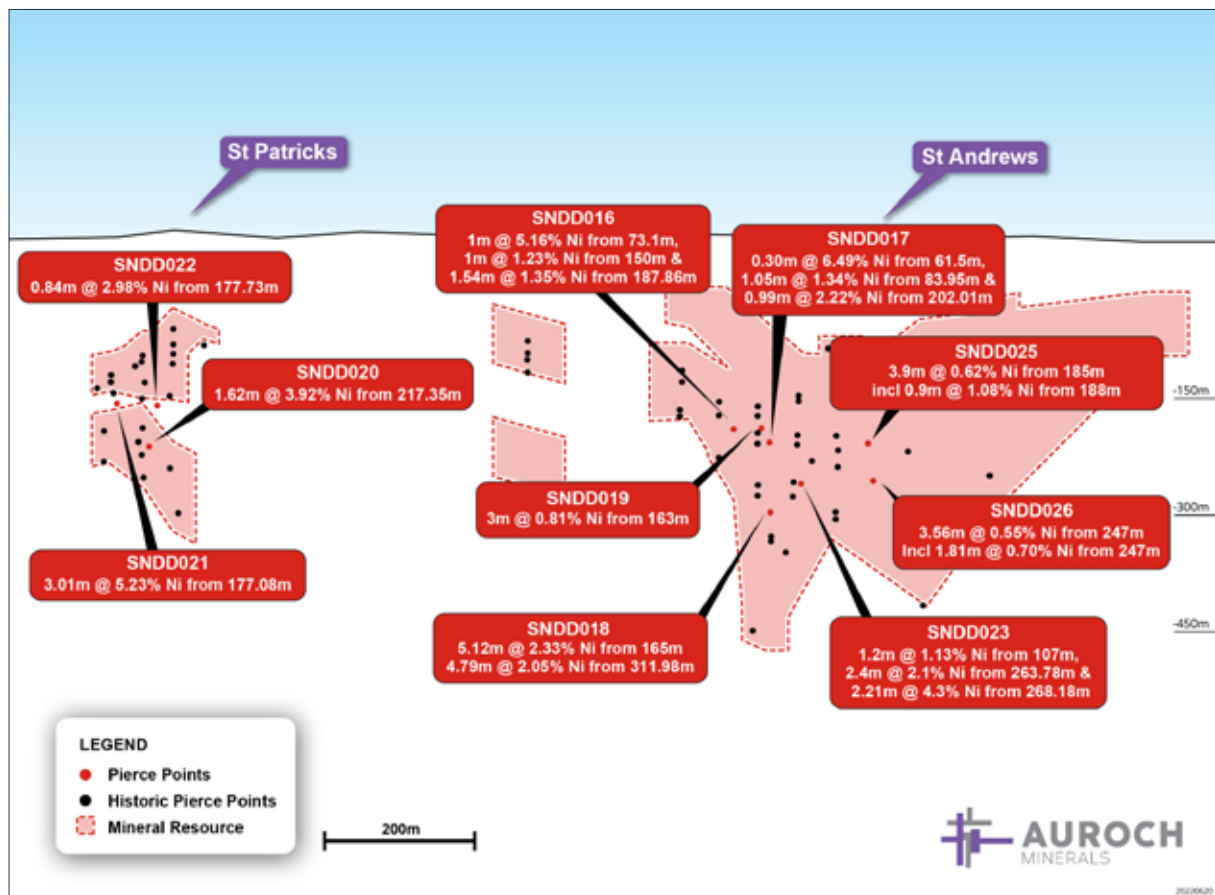


Figure 1: Long-section (looking east) of the previous modelled resource at the Saints Nickel Project showing intersected pierce points and significant intersections from recent diamond drill programme

Metallurgical Testwork

In April 2022, the Company received excellent interim results from the ongoing metallurgical testwork on the nickel sulphide mineralisation at Saints⁵. A first-pass test was completed on two bulk composite samples, one from drilling at the Saint Patricks lode and the other from Saint Andrews, following the traditional flow sheet of “Kambalda style” nickel sulphide deposits.

Both metallurgical samples produced very good concentrate grades over 14%, with initial concentrate grades up to 24% Ni and 5% Cu.

Importantly, the iron to magnesium ratio was also very good (Fe:MgO >10 and >22, respectively), the cobalt grade and recoveries were good (>0.5% Co), and there was no arsenic (As) in the material.

The testwork is now focusing on improving the recoveries, as there were still nickel sulphides observed in the tailings of both initial tests. The final results for the Saints metallurgical testwork will provide further critical inputs into the Saints Scoping Study.

5. ASX Announcement 27 April 2022 – Positive metallurgical results for shallow high-grade Nickel sulphides at Nepean

Leinster Nickel Project

TENURE & LOCATION

The Leinster Nickel Project is located approximately 40km southeast of the township of Leinster and approximately 60km north-northwest of Leonora in the East Murchison Mineral Field of Western Australia. The project area is situated between the Goldfields Highway and the Leonora-Agnew Road and is close to the Eastern Goldfields Gas Pipeline. The project comprises two exploration licences (Auroch Minerals 100%) covering approximately 112km² of prospective Archaean greenstone belt geology within the eastern goldfields of the Yilgarn Craton. In July 2020, Auroch entered into a binding agreement with Jindalee Resources Ltd (Jindalee; ASX:JRL) to earn up to 70% of all Mineral Rights of an additional four tenements comprising 217km² in the nickel sulphide -endowed Leinster region of the Norseman – Wiluna Greenstone Belt in Western Australia.

GEOLOGY

The project area straddles the Weebo – Mt. Clifford greenstone belt and the Agnew-Wiluna greenstone belt, within the Kalgoorlie Terrane to west and the Kurnalpi Terrane to the East, which are Archaean granite-greenstone terranes that make up part of the Eastern Goldfields province of the Yilgarn Craton.

In 2008, Breakaway Resources Ltd calculated a JORC 2004-compliant Inferred Mineral Resource Estimate (MRE) for the Horn nickel sulphide deposit of the Leinster Nickel Project.

During the September 2021 quarter, assay results were received for nine reverse circulation (RC) drill-holes and one diamond drill-hole as part of a 14-hole (3,400m) regional drill programme designed to test the Woodwind, Percussion, Brass and Firefly Prospects (Figure 2). The prospects are interpreted to contain the same ultramafic stratigraphy that hosts the known shallow high-grade nickel sulphide mineralisation at the Horn Prospect located directly along strike to the south, and as such were high-priority drill targets.

The dual phase first-pass drill programme consisted of five high priority diamond drill-holes drilled in March and April 2021, followed by nine RC holes drilled in May and June. Diamond core results were announced in June 2021 with one hole (HNDD011) pending at the time. Significant results from the results received in the September 2021 quarter included:

- **8m @ 0.45% Ni** from 19m (WDR001);
- **5m @ 0.30% Ni** from 66m & **4m @ 0.30% Ni** from 80m (WDR004);
- **7m @ 0.40% Ni** from 52m (WDR005);
- **2m @ 0.50% Ni** from 30m (WDR007);
- **1m @ 0.56% Ni** from 159m (WDR008);
- **1m @ 0.45% Ni** from 41m (FFRC004); and
- **4m @ 0.30% Ni** from 251m (HNDD011).

Down hole electromagnetic (DHEM) surveys were completed on all drill-holes which identified two conductive targets at the Woodwind and Brass Prospects. At Woodwind, an off-hole conductor ranging between 2,000–3,000S was detected southeast of, and below, WDR007. Due to the distance off-hole and the strike of the modelled conductor, it wasn't clear if it was associated with an ultramafic unit.

At the Brass Prospect, a thin intersection of disseminated nickel sulphides in WDR008 (1m @ 0.56% Ni) occurs on the prospective ultramafic–basalt lithological contact. This is located above an off-hole DHEM conductor (Figure 3). The EM response has been modelled with a moderate to high conductance of 3,000–6,000S centred just north of the drillhole.

The DHEM conductors were tested in the June 2022 quarter, with two diamond drill-holes completed, one at the Woodwind Prospect and one at the Brass Prospect. Hole HNDD012 was drilled at the Woodwind Prospect to a final depth of 576m and hole HNDD013 was drilled to 240m at the Brass Prospect. The drill core from both holes was transported to the Company's core yard in Kalgoorlie where it was logged, processed and sampled for chemical analyses.⁶ Assays are pending.

6. ASX Announcement 3 May 2022 – Drilling commences at the Leinster Nickel Project

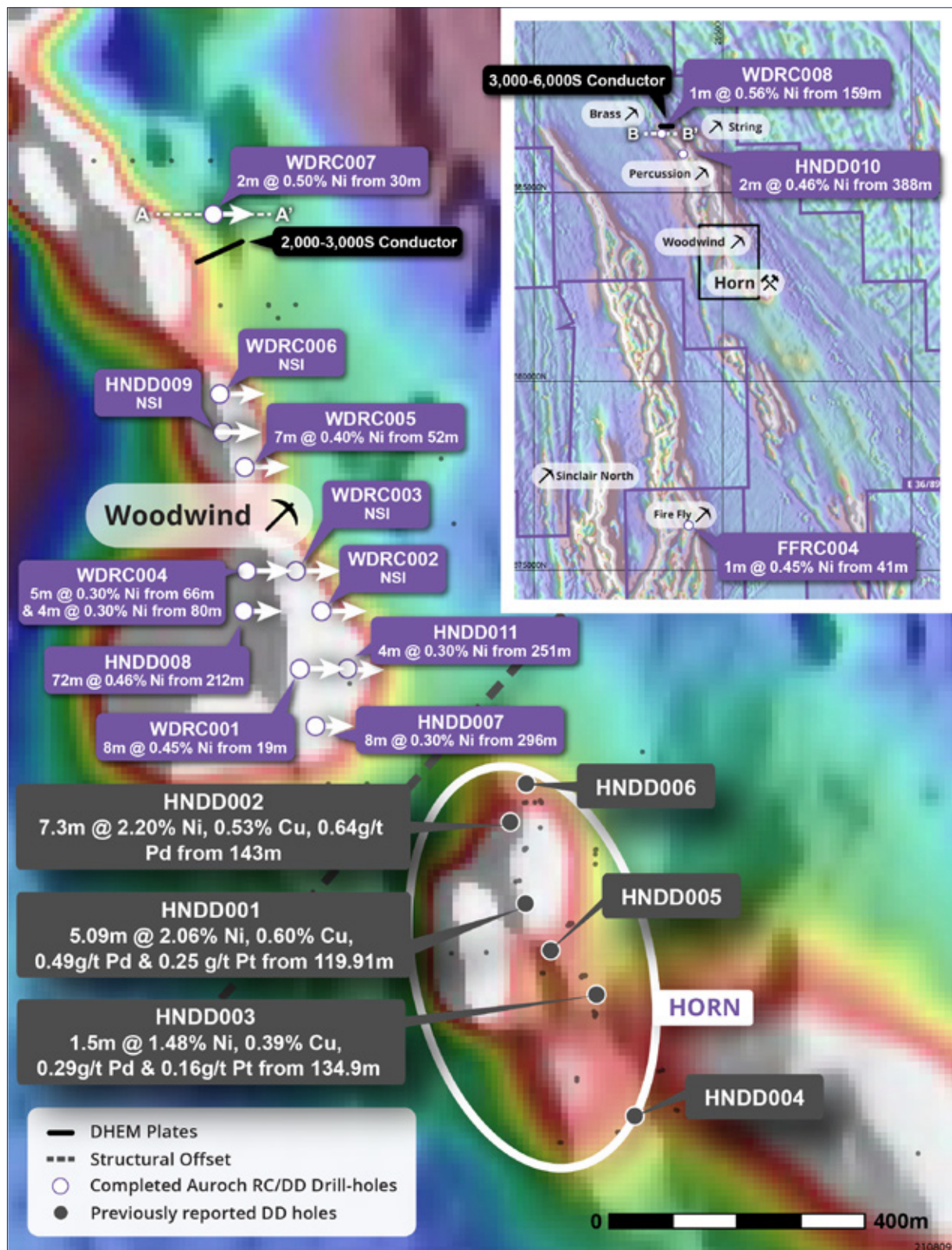


Figure 2: The Leinster Nickel Project showing completed diamond and RC drill-hole collars over aeromagnetic anomalies on the Horn trend

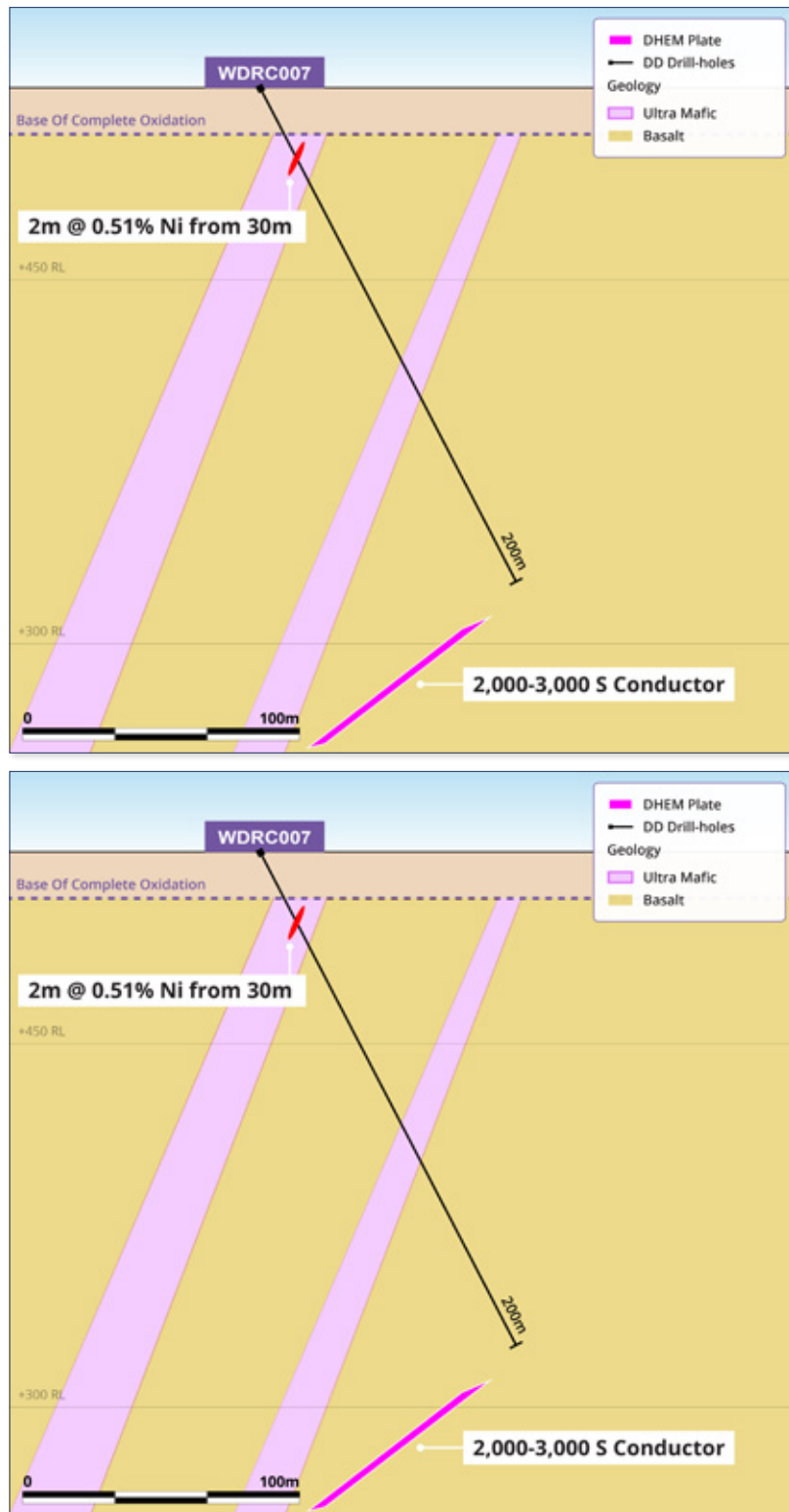


Figure 3: Schematic cross-sections A – A' and B – B' (see Figure 1) showing modelled DHEM plates from drill-holes WDR007 (section 6883800N, north Woodward Prospect) and WDR008 (section 6886600N, Brass Prospect), respectively

“

Early in the reporting period, the Company announced that a major Moving Loop Electromagnetic (MLEM) survey had successfully delineated a discrete strongly conductive body 1.8km south of the historic Nepean nickel mine¹.

Nepean Nickel Project

TENURE & LOCATION

The Nepean Nickel Project (Auroch Minerals 80%) is located 25km south of the township of Coolgardie in the Goldfields region of Western Australia. The tenement package consists of 13 active leases, including two mining leases and 11 prospecting leases. The total area of the project tenure is 3,128ha located in a highly fertile region for both nickel and gold mineralisation. The project is accessed by maintained bitumen roads, leading directly to the historic Nepean nickel mine, with numerous exploration tracks providing access to the remainder of the tenement package.

GEOLOGY

The tenement package incorporates over 10km of strike of Kambalda-style komatiites, flanked by granites, with significant nickel sulphide mineralisation potential. The mine sequence at Nepean is regarded as a near conformable mafic-ultramafic assemblage intercalated with minor metasedimentary units. The sequence has been subsequently intruded by pegmatite and minor aplite dykes, particularly at depth. Mineralisation at Nepean is interpreted to be similar to the Kambalda style, with nickel sulphides dominantly associated with the basal unit of komatiite flows in the stratigraphic package.

The Nepean ore body consists of two lodes of nickel sulphides. Nickel mineralisation is dominated by pentlandite – pyrrhotite – pyrite, with minor chalcopyrite, cubanite, mackinawite and valerite. Mineralogy in the oxidized zone is dominated by violarite, magnetite and pyrite.

Nickel mineralisation at Nepean was discovered by Metals Exploration NL in 1968, and by February 1969 the decision to sink a shaft had been made. Over a seventeen-year period, between 1970 and 1987, the Nepean Mine produced 32,303t of nickel metal at a recovered grade of 2.99% nickel.⁷ All ore was treated at Western Mining Corporation's Kambalda concentrator.

Early in the reporting period, the Company announced that a major Moving Loop Electromagnetic (MLEM) survey had successfully delineated a discrete strongly conductive body 1.8km south of the historic Nepean nickel mine⁸. The 5,000 – 15,000S strength of the conductor is typical of well-developed massive to semi-massive sulphide mineralisation. The modelled conductor is relatively shallow at only ~ 60m below surface with a strike width of 120m, with the dip and plunge of the conductive body consistent with the orientation of the regional stratigraphy.

In July 2021 three RC drill-holes for 744m were drilled to test this MLEM conductor located 1.8km south of the Nepean Nickel Mine⁹. Several DHEM conductors were successfully identified, the stronger of which was drilled with a short diamond programme (Figure 4). However, the prospectivity of these conductors is now considered to be low⁹.

Also in July 2021 results were received for metallurgical diamond drill-hole NPDD007, which was drilled in May 2021 into the southern extent of the known near-mine nickel sulphide mineralisation, confirming the high grade and very high tenor of the logged intersection of "triangular ore zone" -textured sulphides¹⁰:

- **4.64m @ 2.99% Ni & 0.13% Cu** from 71.58m

During the reporting period, the Company also embarked on a major drill programme at Nepean Deeps, designed to test for down-plunge extensions to the high-grade nickel sulphide mineralisation below the historic Nepean mine¹¹. Whilst komatiitic ultramafics were intersected over several intervals in the two Nepean Deeps drill-holes, no significant intercepts were returned.

7. ASX Announcement Focus Minerals – Focus Minerals Commences Feasibility Study on Nepean Nickel Project
<https://www.asx.com.au/asxpdf/20070612/pdf/312wphbtmcqtz6.pdf>

8. ASX announcement 7 July 2021 – MLEM Survey identifies high priority drill target at Nepean

9. ASX Announcement 29 October 2021 - September Quarterly Activities Report

10. ASX Announcement 29 July 2021 – Nepean Nickel Project – Drilling Update

11. ASX Announcement 5 October 2021 – Nepean Deeps Exploration Update

Induced Polarisation Survey

In February 2022, Auroch completed a ground induced polarisation (IP) survey over the Nepean North prospect. The ground Dipole-Dipole Induced Polarisation (DDIP) survey successfully identified strong chargeability anomalies (>37mV) located below the weathering profile on 16 of the 19 survey lines (Figure 5).¹²

Inversion models of the surveyed lines show the strong chargeability features are associated with both intrusive and extrusive mafics (orogenic gold targets) and on the contacts of the prospective ultramafic units (nickel sulphide targets). The IP chargeability anomalies represent priority targets for follow-up drill testing.

Metallurgical Testwork

Metallurgical testwork was completed on the shallow high-grade nickel sulphide mineralisation identified near the historic Nepean nickel mine, as part of the internal Scoping Study into the viability of a potential open pit mine¹³.

The testwork results have been very positive, with the mineralised material from all three bulk samples successfully floating, and all of the samples successfully producing a saleable nickel concentrate grade (>13% Ni).

Scoping Study

An internal Scoping Study is underway to assess the viability of open pit and underground mining scenarios at the Nepean Project¹⁴. The Study will include the evaluation and economic viability of several mining scenarios at Nepean, including an initial open-pit mine of the known shallow high-grade nickel sulphide mineralisation which could generate significant cash flow in the short to medium term, as well as potential underground mining scenarios of the known high-grade nickel sulphide mineralisation.

12. ASX Announcement 10 February 2022

– IP survey identifies priority drill targets at Nepean

13. ASX Announcement 27 April 2022 – Positive metallurgical testwork for shallow high-grade Nickel sulphides at Nepean

14. ASX Announcement 1 September 2021

– Nepean and Saints Scoping Studies underway



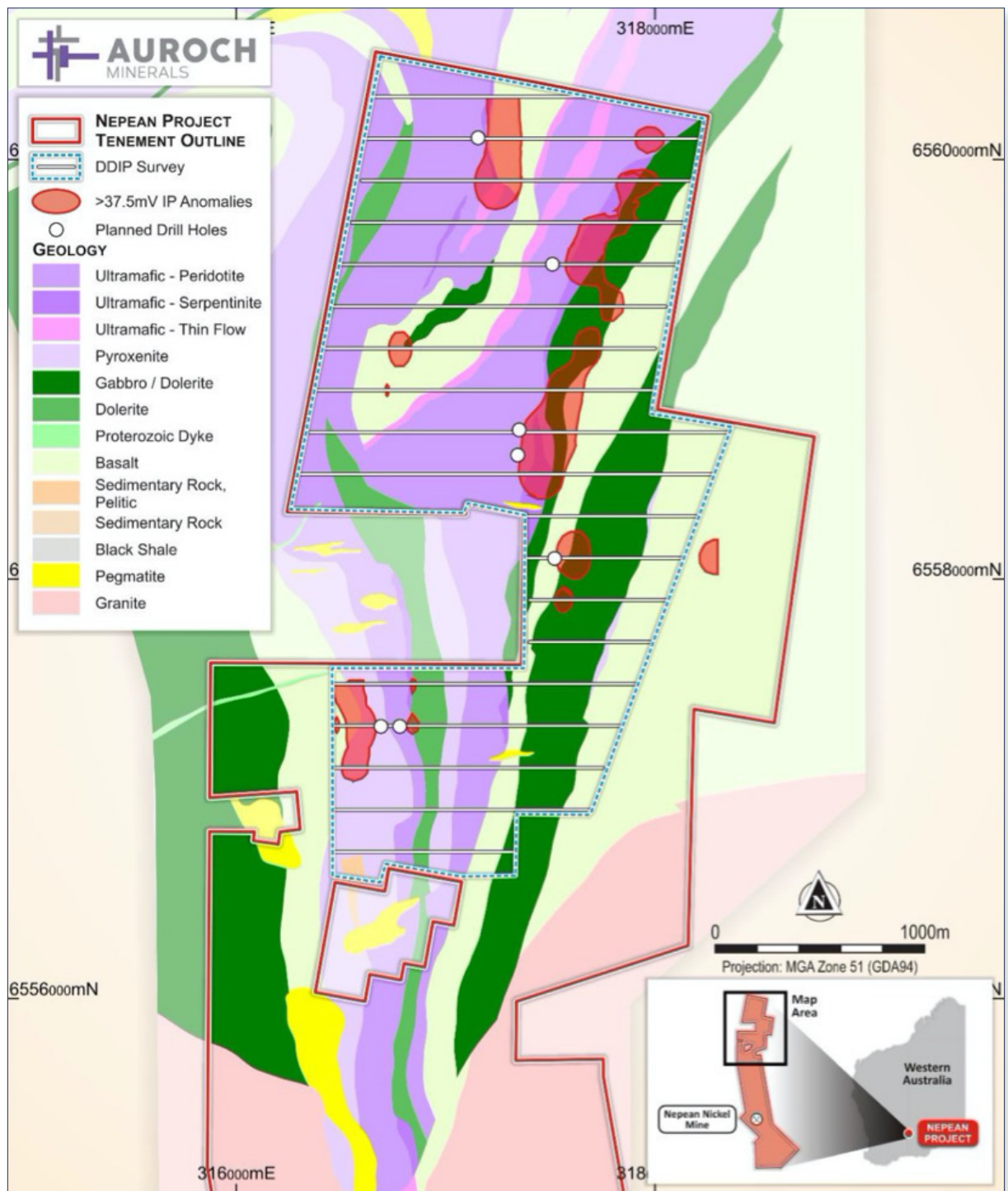


Figure 5: Ground IP survey location in the Nepean North Prospect with strong bedrock chargeability anomalies (>37.5mV) and planned drill-holes shown

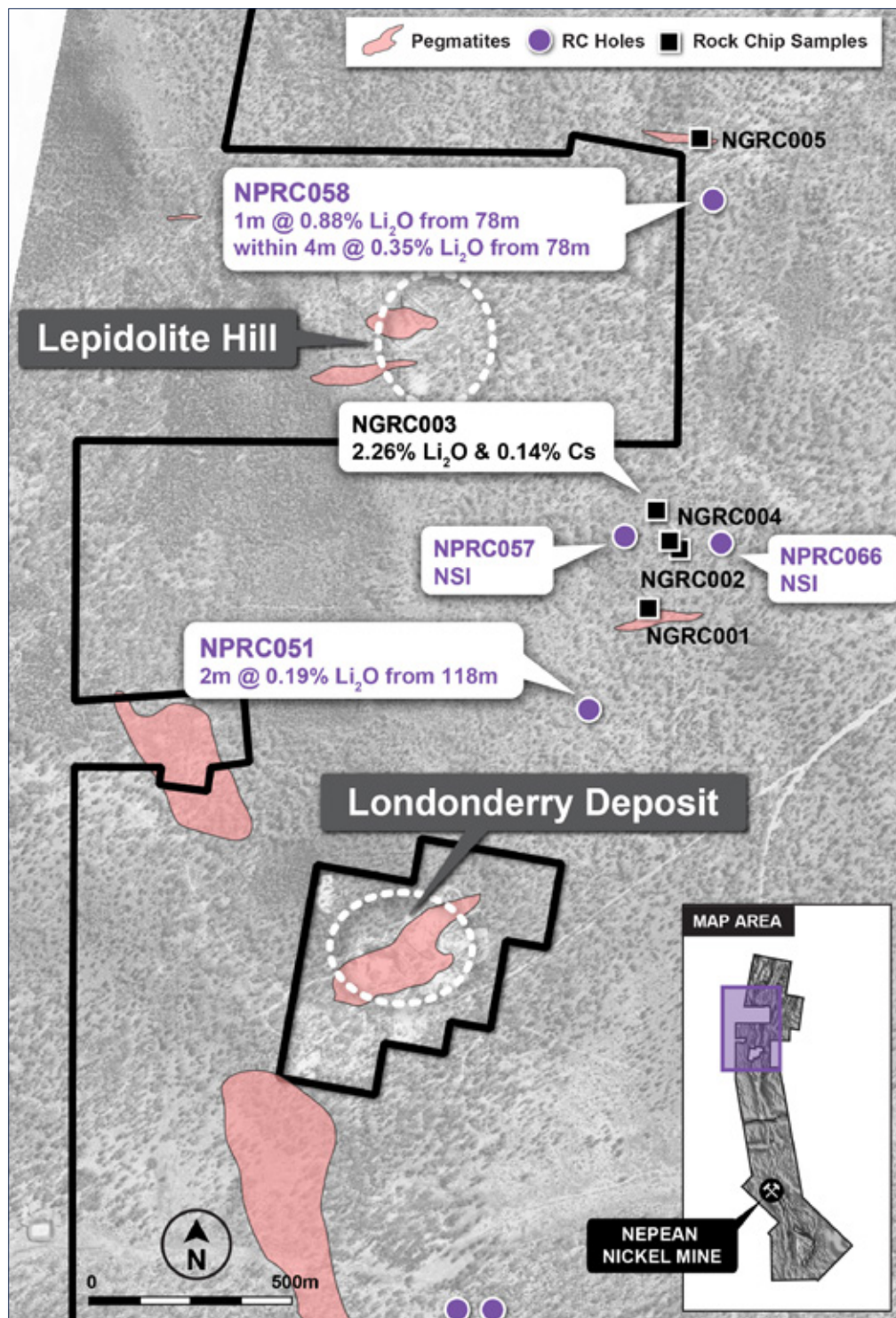


Figure 6: Nepean LCT pegmatite initial field investigation including sample locations and historic mines/deposits, and drill-holes NPRC057 and NPRC066 which will be re-assayed for LCT mineralisation

LITHIUM POTENTIAL

During the December 2021 quarter, the Company completed various sampling programmes to test for lithium-caesium-tantalum (LCT) mineralisation potential at the Nepean Project. Pegmatite intrusions have been identified throughout the project area, including at the historic Nepean nickel mine itself, where multiple pegmatites intruded the mine sequence but were not historically assessed for any economic potential.¹⁵

An abundance of pegmatites was identified in the first diamond drill-hole (NPDD008) into the Nepean Deeps target. The hole intersected approximately 700m of pegmatite intrusions, including one 350m thick pegmatite in the hanging-wall below the historic nickel mine workings. Assay results from the first diamond drill-hole (NPDD008) were received with no significant intersections of LCT mineralisation recorded. However, this result has no impact on the LCT potential of the pegmatites delineated in the north of the Nepean project, where different fractionation levels and potentially

different source rocks to those of the southern pegmatites have been identified¹⁶.

Field investigations of mapped pegmatites in the northern portion of the project tenure was undertaken in November 2021 to assess the LCT potential of pegmatite units. Outcropping and sub-cropping pegmatites located to the north and east of the historic Lepidolite Hill and Londonderry Pegmatite mines (located on third party tenure) were given priority for the initial field investigation. Samples were collected from five locations (Figure 6) and included rock chips sourced from float, sub-crop and outcrop.¹⁷

Assay results confirmed the LCT potential of the sampled pegmatites, with results up to 1.05% Li (2.26% Li₂O) (Table 1). Pegmatite samples from several RC holes drilled by the Company close to where the rock chip samples were re-assayed for LCT mineralisation.

Table 1: Results from Pegmatite Rock-chip Samples at Nepean (MGA94 Zone 51S)

SAMPLE ID	EASTING (m)	NORTHING (m)	Cs (ppm)	Nb (ppm)	Sn (ppm)	Ta (ppm)	Al (ppm)	K (ppm)	Li (ppm)	Rb (ppm)
NGRC001	317,291	6,557,188	2	<5	6	4	3,100	<1000	80	<5
NGRC002	317,362	6,557,339	738	30	222	178	102,300	23,000	6,140	7,805
NGRC003	317,309	6,557,433	1,472	50	209	139	99,500	41,000	10,460	13,255
NGRC004	317,350	6,557,350	19	10	8	6	83,000	4,000	6,290	260
NGRC005	317,411	6,558,352	31	70	8	121	81,800	17,000	110	675

Re-assaying of pegmatite intersections in these RC drill-holes (NPRC051, NPRC057, NPRC058, and NPRC066) further confirmed the presence of lithium mineralisation in the northern area of the Nepean Nickle Project, with results including¹⁸:

- **1m@ 0.88% Li₂O from 78m within a broader mineralised zone of 4m @ 0.35% Li₂O from 78m (NPRC051)**

15. ASX Announcement 14 October 2021 – Pegmatites to be assessed for Lithium potential

16. ASX Announcement 10 February 2022 – IP Survey identifies priority drill targets at Nepean

17. ASX Announcement 8 December 2021 – Lithium mineralisation confirmed at Nepean

18. ASX Announcement 7 April 2022 – Drilling intersection lithium mineralisation at Nepean

Arden Copper-Zinc Project

TENURE & LOCATION

Located 3.5 hours' drive north from Adelaide, the Arden Project (Auroch Minerals 90%) boasts a large, relatively unexplored area of 1,664km² considered highly-prospective for sedimentary exhalative (SEDEX) mineralisation. Results from initial exploration at the Ragless Range, Kanyaka and Radford Creek prospects suggest the project has good potential for hosting large scale zinc and/or copper mineralisation. More recently, the Company has also identified the potential for the Arden Project to host significant Rare Earth Element (REE) mineralisation.

GEOLOGY

The project is located in the Adelaide Geosyncline region of South Australia, which is host to numerous large base metal deposits including the Beltana zinc deposit, the Angas zinc deposit and the Kanmantoo copper deposit. A railway to local ports passes just to the south of the tenement with access to Port Pirie. Strong infrastructure is available with good telecommunications and grid power.

In the reporting period, two diamond drill-holes and down-hole radial IP surveys were completed and modelled at the Ragless Range Zinc target. Drilling was aimed to test the large unconstrained gravity anomaly (Figure 7) associated with anomalous geochemistry from previous drilling and surface sampling. An additional drill-hole (RRDD009) was abandoned at 60m depth due to difficult drilling conditions.¹⁹

Both completed drill-holes intersected thick zones of the Wirrapowie Limestone unit, a known host unit for zinc mineralisation within the region. Logging and sampling were completed, but no significant intersections resulted.

Radial IP surveys using transmitter electrodes placed down the two drill-holes RRDD010 and RRDD011 successfully delineated shallow chargeability features (+6m/sec) in three locations. Two of the anomalies are in the eastern fold limb coincident with anomalous zinc in soil sampling and along strike from drill-hole RRDD007 (Figure 7) which intersected 12.8m @ 4.96% Zn from 53m, including 3.65m @ 15.47% Zn from 62.15m.¹⁰ These shallow chargeability features potentially represent similar zinc mineralisation to that intersected in RRDD007 and require follow-up drill testing.

The highest chargeability features (+9m/sec) were modelled largely off-hole to the west-southwest of RRDD011 and correlate with the Wirrapowie Limestone unit. Based on further assessment, this target may also require follow-up drill testing.

19. ASX Announcement 24 March 2022 – Exploration Update – Arden Zinc-Copper Project

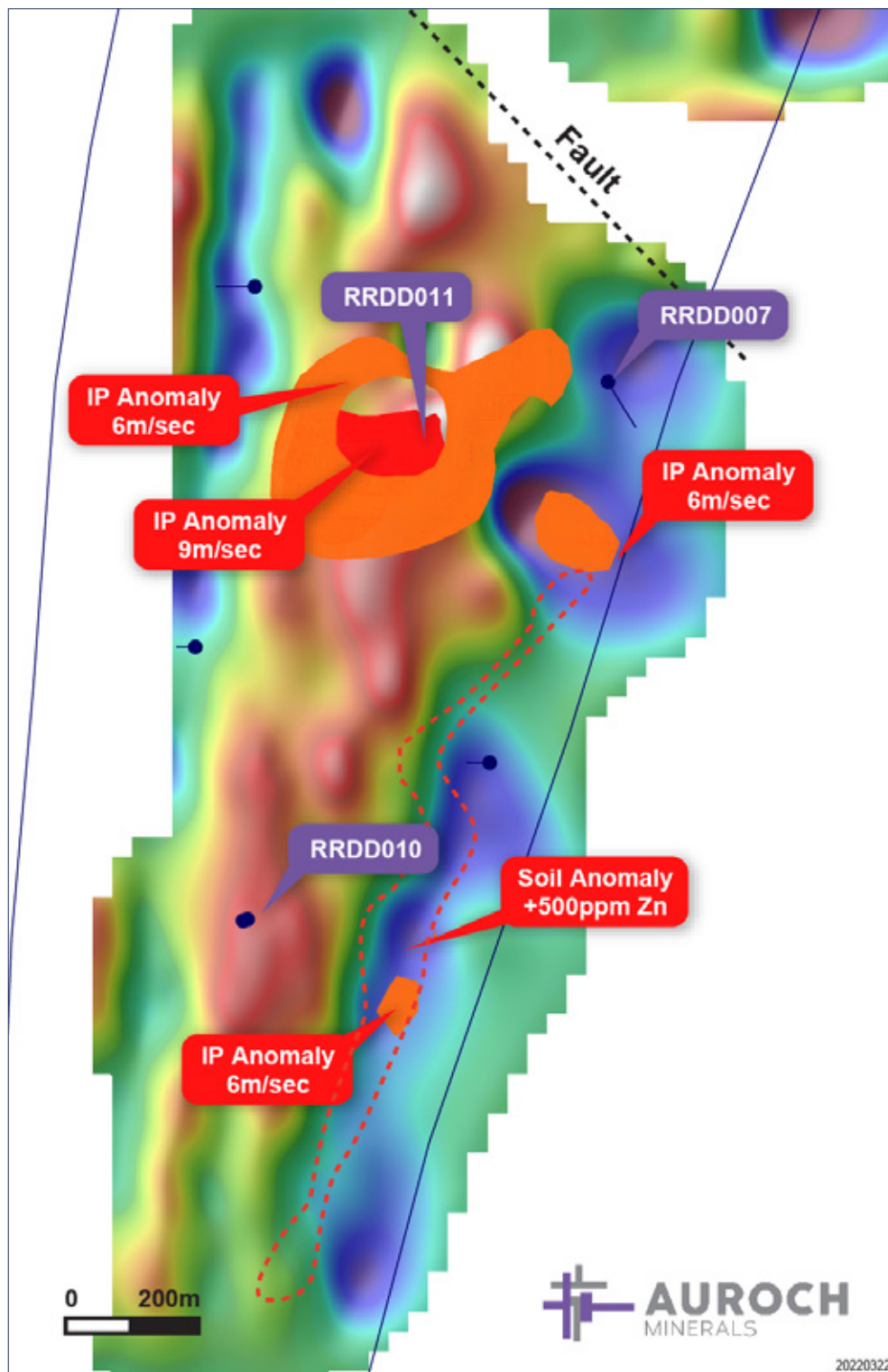


Figure 7: Chargeability features from the radial IP survey over residual bouguer gravity anomaly at the Ragless Range prospect. Diamond drill-holes and zinc anomaly from soil sampling also shown.

Bonaventura Project

TENURE & LOCATION

The Bonaventura Project (Auroch Minerals 100%) comprises two large exploration licences (415km²) in the northern part of Kangaroo Island and covers highly prospective geology and historic mines along 55km of strike of the regional scale Cygnet-Snelling Fault. Thus far the Company has identified and undertaken exploration on four high-priority base and precious-metal prospects at Bonaventura: Dewrang, Vinco, Grainger and Kohinoor. Ongoing systematic surface sampling programmes are planned to investigate anomalous base-metal trends.

Torrens East Copper Project

TENURE & LOCATION

The Torrens East Copper Project (Auroch Minerals 100%) comprises one Exploration Licence (EL 6331) and one Exploration Application (ELA 00159) covering a combined area of 1,622km² and is considered highly-prospective for IOCG (Iron Oxide – Copper – Gold) mineralisation. The Company is in the process of commencing discussions with the relevant Traditional Owners regarding Aboriginal Heritage Agreements.

Nevada Lithium Project

In June 2022, the Company completed the strategic acquisition of an 80% interest in the Nevada Lithium Project (NLP) in the USA.²⁰

The NLP consists of four prospect areas – Traction, San Antone, Heller and Lone Mountain, comprising ~65 km² of ground that is considered highly prospective for large sedimentary-hosted lithium deposits (Figure 8).

The NLP is located close to the silver mining town of Tonopah in the mining-friendly counties of Nye and Esmeralda in the State of Nevada. The region is home to multiple large sedimentary-hosted lithium deposits including Loneer Resources' (ASX:INR) Rhyolite Ridge and American Lithium Corporation's (TSX.V: LI) (US OTC: LIACF) (Frankfurt: 5LA1) TLC Lithium Project (Figure 9). Albemarle Corporation's (NYSE:ALB) Silver Peak Lithium Mine is currently the only producing lithium mine in North America, and is approximately 45 km to the west of the NLP.

The NLP is also strategically located ~340 km southeast of the Tesla Gigafactory near Reno, with access to major Californian ports (Figure 9).

The NLP has had very limited lithium focused exploration to-date, despite covering the same lacustrine sedimentary formation that hosts other large lithium deposits in the region, including the TLC deposit. Surface soil sampling of the prospect areas has resulted in grades of up to 590ppm Li, whilst historical water bores drilled in and around the NLP areas have logged a similar sedimentary host rock formation over 73m thick. The areas of anomalous lithium at surface and thick horizons of the target host rock have significant potential for large-scale lithium mineralisation and will be the focus of the initial exploration effort at NLP.

20. ASX Announcement 8 June 2022 – Auroch completes acquisition of the Nevada Lithium Project

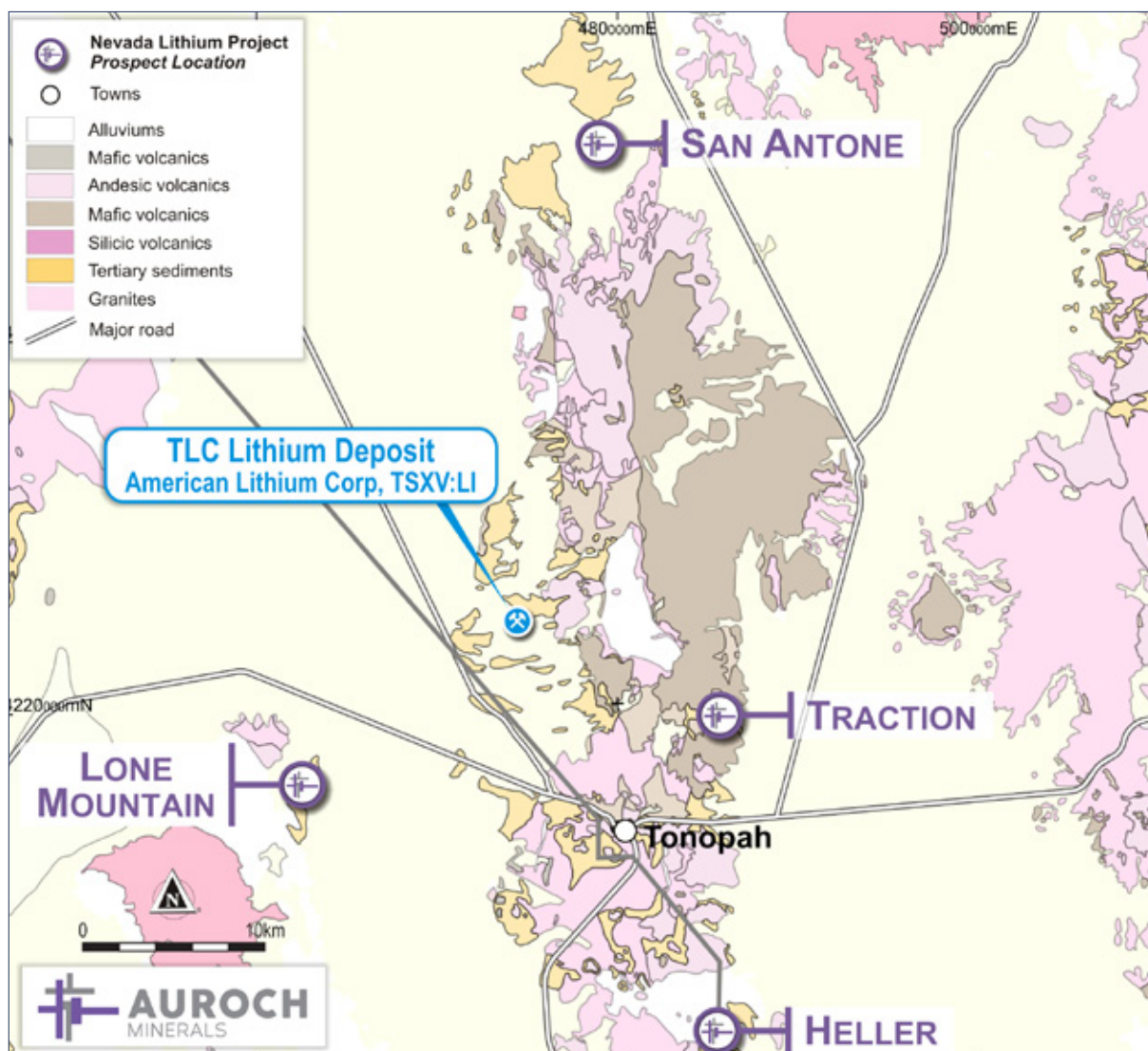


Figure 8: Location of the Nevada Lithium Project (NLP) in relation to known large lithium deposits and regional geology (SGMC 1:350k, US Geological Survey Aug 2017)

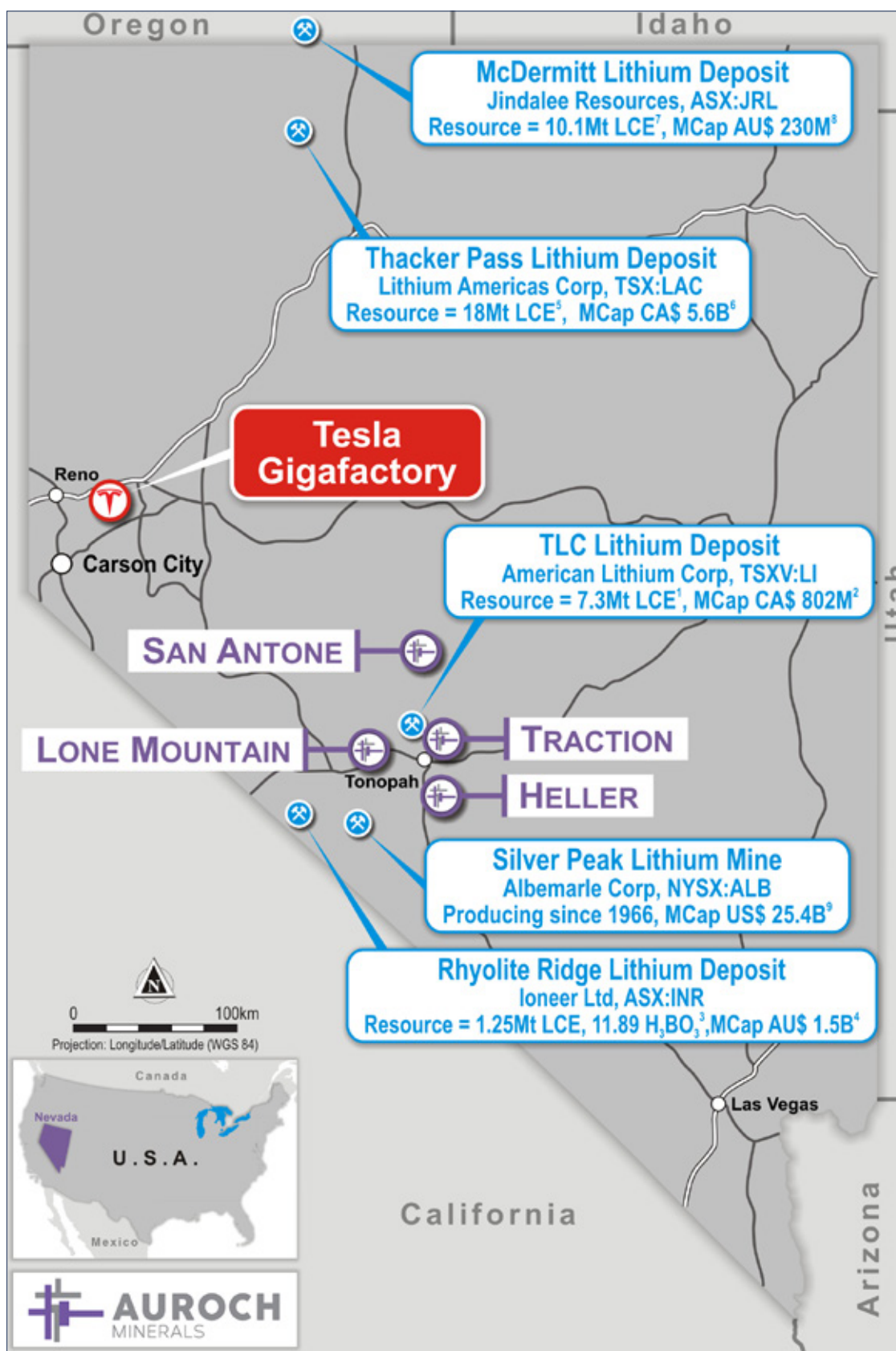


Figure 9: Location of the Nevada Lithium Project (NLP) comprising the Traction, San Antone, Heller and Lone Mountain Prospects in relation to known large lithium deposits, the Tesla Gigafactory, and the mining town of Tonopah, Nevada, USA

Environment, Social and Governance (ESG)

In July 2021, Auroch announced that it had completed its maiden Sustainability Plan, which highlights the Company's vision and priorities to support a sustainable business²¹. Our plan and pillared strategy are aligned to the United Nations (UN) Sustainable Development Goals (SDG) and has been set by the Company's Sustainability Committee, chaired by Executive Chairman Mike Edwards.

Health & Safety

Auroch's Occupational Health & Safety Policy strives to minimise hazards and reduce risks to its entire workforce and the community in which it operates. We aim for zero incidents across all our drilling and operational activities.

Climate Change

Auroch today has minimal Scope 1 greenhouse gas (GHG) emissions given the Company is primarily conducting intermittent exploration activities through drilling contractors. However, the Company believes it can play an important role in climate change by supporting the development of nickel sulphide resources and other base metals used in clean energy applications such as electric vehicles (EV).

Environment

Currently the Company has minimal Scope 1 GHG emissions; however, it still applies leading drilling and exploration techniques to promote drilling efficiency and minimise the environmental impacts of its exploration activities. Longer term the Company is acutely aware that any mining operation has the potential to be an issue when it comes to hazardous chemicals, pollutions, and contaminations.

People, Culture and Community

Attracting, developing, and retaining a diverse, inclusive, and competent workforce is important. Auroch employs additional staff as required and has seen an increase in new staff due to increased activity across the Company's assets.

Indigenous Partnerships

Auroch is committed to developing and maintaining a positive relationship with our local and host communities, indigenous peoples, and representative groups where we operate. We recognise that the most critical partnerships, which underpin virtually all mining operations, are those with host governments and local communities. Mining projects only proceed once permission is granted by governments and increasingly, only once accepted or endorsed by local communities and Traditional Owners.

Economic Sustainability

Generating economic growth and value for our investors, employees, customers and communities through the drilling, discovery, definition, and development of mineral resources. Where possible, the Company supports local manufacturers and suppliers for the purchase goods and services.

Governance

Management and Directors are responsible and accountable for the effective implementation, promotion and support of the Code of Conduct in their respective areas of responsibility. They manage business risks through sound business process and high-quality decision making, following all applicable rules, regulations and standards.

21. ASX Announcement 21 July 2021 – Auroch commits to a sustainable future

Interest In Mining Tenements

Australia

Tenement	Tenement ID	Status	Interest at 30 June 2022
Arden	EL 5821	Granted	90%
Arden North	EL 6217	Granted	100%
Bonaventura	EL 5973	Granted	100%
Bonaventura Extension	EL 6252	Granted	100%
Torrens East Copper Project	ELA 00159	Pending	-
Torrens East Copper Project	EL 6331	Granted	100%
Saints	M29/245	Granted	100%
Saints	M29/246	Granted	100%
Leinster (the Horn)	E36/899	Granted	100%
Leinster (Valdez)	E36/936	Granted	100%
Leinster (Valdez)	P36/1911	Granted	100%
Leinster (Sinclair North)	E 36/895	JV	-
Camel Bore	E 36/910	JV	-
Wildara	E 36/953	JV	-
Schmidt Pools	E 37/1370	JV	-
Nepean	M15/709	Granted	80%
Nepean	M15/1809	Granted	80%
Nepean	P15/5625	Granted	80%
Nepean	P15/5629	Granted	80%
Nepean	P15/5738	Granted	80%
Nepean	P15/5740	Granted	80%
Nepean	P15/5741	Granted	80%
Nepean	P15/5742	Granted	80%
Nepean	P15/5743	Granted	80%
Nepean	P15/5749	Granted	80%
Nepean	P15/5750	Granted	80%
Nepean	P15/5963	Granted	80%
Nepean	P15/5965	Granted	80%

USA

Prospect	Claim ID	Status	Interest at 30 June 2022
Traction Prospect	FracE 1 to FracE 181 FracE 205 to 244	Registered	80%
Heller Prospect	Heller 1 to Heller 15 Heller 25 to Heller 39 Heller 52 to Heller 66 Heller 89 to Heller 98 Heller 116 to 127 Heller 147 to Heller 155 Heller 173 Heller 178	Registered	80%
Lone Mountain Prospect	Lone 1 to Lone 242	Registered	80%
San Antone Prospect	SA 1 to SA 34 SA 39 to 55 SA 60 to 77 SA 90 to SA 106 SA 115 to 131 SA 256 to SA 266 SA 281 to SA 291 SA 296 to SA 306 SA 316 to SA 326 SA 336 to SA 349 SA 359 to SA 375 SA 400 to SA 405 SA 412 to SA 417 SA 425 to SA 436 SA 444 to SA 455 SA 463 to SA 474 SA 486 to SA 494 SA 496 to SA 499 SA 501 to SA 504	Registered	80%

Competent Persons Statement

The information in this report that relates to Exploration Results is based on and fairly represents information compiled by Mr Robin Cox BSc (E.Geol), a Competent Person, who is a Member of the Australian Institute of Mining and Metallurgy. Mr Cox is the Company's Senior Geological Officer and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Cox consents to the inclusion in the announcement of the matters based on his information in the form and context in which it appears.

ASX Listing Rule Information

The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the original market announcements continue to apply and have not materially changed. The company confirms that the form and context in which the competent persons findings have not been materially modified from the original announcement.

Forward-Looking Statements

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Auroch Minerals Limited's planned exploration program and other statements that are not historical facts. When used in this document, the words such as "could," "plan," "estimate," "expect," "intend," "may", "potential", "should," and similar expressions are forward-looking statements. Although Auroch Minerals Limited believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.

DIRECTORS' REPORT

CORPORATE

PLACEMENT FOR \$8 MILLION

During the period, the Company completed a Placement for \$8 million (before costs) (Placement) through the issue of 50,000,000 fully paid ordinary shares at \$0.16 per share (Placement Shares).

OPTIONS UNDERWRITING AGREEMENT FOR \$0.7 MILLION

During the financial year, the Company received ~\$727,000 (before costs) in cash via the exercise of 7,271,922 unlisted options with an exercise price of \$0.10 per option, at the execution of the Options Underwriting Agreement.

\$0.10 OPTION CONVERSION FOR \$2.1 MILLION

During the financial year, the Company received \$2.1 million through the issue of 21,392,006 shares on the conversion of 21,392,006 \$0.10 options.

Share Capital and Performance Rights

Following the appointment of Michael Edwards to the position of Executive Chairman in February 2022, the Company issued Mr Edwards 6,000,000 performance rights together with 150,000 performance rights to the Company's sole Non-Executive Director, Trevor Eton, in accordance with the Company's Employee Incentive Plan. The performance rights issued to Mr Edwards are subject to a combination of continuous employment and share price vesting conditions. The performance rights issued to Mr Eton vested immediately and were converted into ordinary shares during the June 2022 quarter.

As part of consideration payable to the Vendors of the NLP project, the Company issued 7,200,000 ordinary shares and 7,200,000 performance rights that will convert to Shares upon the Company announcing a new drill intersection of 25m at 1,000ppm Li commencing within 100m (vertical) from the surface of the NLP area.

Management Changes

Mr Edward Mason resigned as Chairman and Non-Executive Director in February 2022. Mr Michael Edwards was appointed to the position of Executive Chairman in February 2022.

Ms Rebecca Moylan resigned as Company Secretary in March 2022, and subsequently her employment ceased in May 2022. Mr Matthew Worner and Mr Cameron O'Brien were appointed Joint Company Secretary in March 2022, replacing Ms Moylan.

DIRECTORS

The names of Directors who held office during or since the end of the period:

Mr Edward Mason (resigned on 1 February 2022)

Mr Aidan Platel

Mr Michael Edwards

Mr Trevor Eton

INFORMATION ON DIRECTORS

Information on Directors as at the date of this report is as follows:

Mr Edward Mason

Non-Executive Chairman – (Appointed 9 October 2019, resigned on 1 February 2022)

Mr Mason has more than twenty years' experience working for global investment banks such as Bank of America Merrill Lynch, HSBC, Renaissance Capital and more recently, Royal Bank of Canada in senior leadership roles focused on the natural resources sector and spanning equities, derivatives and capital markets. Prior to this Mr Mason worked for over five years as a technical project manager for Fluor Corp on the development of nickel and copper assets near Auroch's existing operations, including the development of the Murrin Murrin nickel mine in Western Australia and the Olympic Dam copper expansion project in South Australia. He holds a Bachelor of Engineering degree from Monash University.

In the past three years, Mr Mason was a director of Rincon Resources Limited.

Equity interests on his resignation date: 1,800,000 performance rights.

DIRECTORS' REPORT

Mr Aidan Platel

Managing Director - (Appointed 4 September 2019)

Mr Platel is a Geologist with over 20 years' experience in the minerals industry, in both mining and exploration roles across a wide range of commodities. Recently, Mr Platel has worked as an independent strategic consultant focusing on project evaluation, prior to which he spent 12 years in South America in mining and exploration. He has a proven track record of exploration success having discovered and developed several major deposits including the world-class Santa Rita Nickel deposit (>1Mt contained Ni metal). Mr Platel has a Bachelor of Science with Honours in Geology from the University of Western Australia, and a Masters of Business Administration with Distinction from the Curtin Graduate School of Business. He is a Graduate Member of the Australian Institute of Company Directors (AICD) and a Member of the Australasian Institute of Mining and Metallurgy (AusIMM).

Mr Platel is currently a director of Wildcat Resources Limited, and Olympio Metals Limited.

Equity interests in the Company: 3,745,000 ordinary shares, 3,291,667 performance rights and 3,250,000 Class A incentive options exercisable at \$0.16 on or before 3 September 2023, 3,500,000 Class B incentive options exercisable at \$0.20 on or before 3 September 2023, and 2,500,000 unlisted incentive options exercisable at \$0.50 on or before 10 August 2026.

Mr Michael Edwards

Non-Executive Director - (Appointed 31 August 2020)

Executive Chairman – (Appointed 1 February 2022)

Mr Edwards is a Geologist and Economist with over 20 years' experience in senior management in both the private and public sector. He spent three years with Barclays Australia in their Corporate Finance department and then eight years as an Exploration and Mine Geologist with companies including Gold Mines of Australia, Eagle Mining and International Mineral Resources. Since 2010, Mr Edwards has been consulting to numerous companies conducting project evaluations and deal structuring across a wide range of commodities and countries. Mr Edwards has a Bachelor of Business (Economics and Finance) from Curtin University of Technology, and a Bachelor of Science (Geology) from the University of Western Australia.

Mr Edwards is currently a director of Greenstone Resources Limited, and DE Mem Limited. In the past three years, Mr Edwards was a director of Barra Resources Limited, Firefly Resources Limited, Norwood Systems Limited, and Digital Wine Ventures Limited.

Equity interests: 640,000 ordinary shares, 7,300,000 performance rights, and 500,000 unlisted incentive options exercisable at \$0.50 on or before 10 August 2026.

Mr Trevor Eton

Non-Executive Director - (Appointed 10 February 2021)

Mr Eton is a finance executive with more than 35 years' experience in corporate finance in the resources industry. Mr Eton previously held the role of CFO for Panoramic Resources (PAN) from 2003 to 2020 and involved in the financing, construction and development of the Savannah and Lanfranchi nickel mines. He holds an Honours degree in Economics from Victoria University of Wellington (VUW), New Zealand.

Mr Eton is currently a director of Sunrise Energy Metals Ltd.

Equity interests: 422,092 ordinary fully paid shares, 900,000 performance rights, and 500,000 unlisted incentive options exercisable at \$0.50 on or before 10 August 2026.

DIRECTORS' REPORT

DIRECTORS MEETINGS

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

Directors' Meetings		
Name	No. of Eligible	Number Attended
Edward Mason ¹	7	7
Aidan Platel	10	10
Michael Edwards	10	10
Trevor Eton	10	10

¹Mr Mason resigned on 1 February 2022.

COMPANY SECRETARY

Mr Matthew Worner and Mr Cameron O'Brien were appointed as Joint Company Secretary on 10 March 2022.

Mr Worner is a former lawyer with 20 years' experience in corporate governance and company secretarial functions, with experience spanning initial public offerings, capital raisings, ASX Listing Rules and Corporation Act issues. Mr Worner has held management, company secretarial, and board positions with various ASX and AIM listed companies in the resources sector. Mr Worner holds a Bachelor of Laws and a Bachelor of Business from the University of Notre Dame, Australia.

Mr O'Brien specialises in corporate advisory, company secretarial and financial management services. He is a qualified chartered accountant and spent four years in external audit at one the leading international Audit, Tax & Advisory firms focused on engagements across the natural resources and industrial sectors. Mr O'Brien spent a further two years in the firm's Corporate Finance division where he was focused on due diligence, expert reports, valuation and ASX listings. He holds a Bachelor of Commerce in Accounting from the University of Western Australia.

Ms Rebecca Moylan resigned as Company Secretary on 10 March 2022.

DIRECTORS' REPORT

Shares under options, performance rights, and performance shares.

Unissued ordinary shares of Auroch Minerals Limited under options, performance rights, and performance shares at the date of this report are as follows:

Security Code	Date Granted	Expiry Date	Exercise Price	Number under Performance Shares	Number Under Option	Number Under Performance Rights
AOUPS1 - Class A Performance Shares	6 April 2018	5 years	\$0.00	6,400,000	-	-
AOUPS2 - Class B Performance Shares	6 April 2018	5 years	\$0.00	2,300,000	-	-
AOUPS3 - Class C Performance Shares	6 April 2018	5 years	\$0.00	2,300,000	-	-
AOUPS4 - Class D Performance Shares	6 April 2018	5 years	\$0.00	1,000,000	-	-
AOUPR1 - Performance Rights	8 Nov 2019	5 years	\$0.00	-	-	1,250,000
AOUPERR3 - Performance Rights - 24m Vesting	8 Nov 2019	5 years	\$0.00	-	-	1,525,000
AOUOPT6 - Unlisted Options	8 Nov 2019	5 years	\$0.16	-	3,250,000	-
AOUOPT7 - Unlisted Options	8 Nov 2019	5 years	\$0.20	-	3,500,000	-
AOUOPT8 - Unlisted Options	15 Oct 2020	3 years	\$0.12	-	2,000,000	-
AOUPRF - Class F Performance Rights	16 Dec 2021	5 years	\$0.00	-	-	605,000
AOUPRH - Class H Performance Rights	16 Dec 2021	5 years	\$0.00	-	-	1,728,333
AOUPRI - Class I Performance Rights	16 Dec 2021	5 years	\$0.00	-	-	1,728,334
AOUOPT9 - Unlisted Options	16 Dec 2021	5 years	\$0.50	-	3,750,000	-
AOUPRK - Class K Performance Rights	16 Dec 2021	5 years	\$0.00	-	-	480,000
AOUPRB - Class B Performance Rights	21 Apr 2022	2 years	\$0.00	-	-	6,000,000
AOUPERR4 - Performance Rights	8 June 2022	3 years	\$0.00	-	-	7,200,000
			TOTAL	12,000,000	12,500,000	20,516,667

DIRECTORS' REPORT

Securities granted during the year

Incentive Options granted during the year as share based payment are as follows:

Item	Class of Securities	Grant Date	Number of Securities	Exercise Price	Expiry Date	Vesting Date
1	Employees Incentive Options	1 Jul 2021	900,000	\$0.50	5 years from grant date	1 July 2024
2	Directors Incentive Options	1 Jul 2021	4,400,000	\$0.50	5 years from grant date	1 July 2024

Performance rights granted to Directors during the year as share based payment are as follows:

Tranche	Class of Securities	Grant Date	Number of Securities	Exercise Price	Expiry Date	Vesting Date	Disposal Restriction
1	Class A Directors performance rights	16 Dec 2021	780,000	Nil – convert to ordinary shares on achievement of performance conditions	5 years from grant date	1 July 2022	N/A
2	Class A Directors performance rights	16 Dec 2021	780,000	Nil – convert to ordinary shares on achievement of performance conditions	5 years from grant date	1 July 2023	N/A
3	Class A Directors performance rights	16 Dec 2021	780,000	Nil – convert to ordinary shares on achievement of performance conditions	5 years from grant date	1 July 2024	N/A
1	Class B Directors performance rights	16 Dec 2021	1,803,334	Nil – convert to ordinary shares on achievement of performance conditions	5 years from grant date	1 July 2022	N/A
2	Class B Directors performance rights	16 Dec 2021	1,803,334	Nil – convert to ordinary shares on achievement of performance conditions	5 years from grant date	1 July 2023	N/A
3	Class B Directors performance rights	16 Dec 2021	1,803,334	Nil – convert to ordinary shares on achievement of performance conditions	5 years from grant date	1 July 2024	N/A
1	Class B Executive Director performance rights	21 Apr 2022	750,000	Nil – convert to ordinary shares on achievement of performance conditions	2.5 years from grant date	6 months from grant date	N/A
2	Class B Executive Director performance rights	21 Apr 2022	750,000	Nil – convert to ordinary shares on achievement of performance conditions	3 years from grant date	12 months from grant date	N/A
3	Class B Executive Director performance rights	21 Apr 2022	1,500,000	Nil – convert to ordinary shares on achievement of performance conditions	2.5 years from grant date	6 months from grant date	N/A

DIRECTORS' REPORT

Tranche	Class of Securities	Grant Date	Number of Securities	Exercise Price	Expiry Date	Vesting Date	Disposal Restriction
4	Class B Executive Director performance rights	21 Apr 2022	1,500,000	Nil – convert to ordinary shares on achievement of performance conditions	3 years from grant date	12 months from grant date	N/A
5	Class B Executive Director performance rights	21 Apr 2022	1,500,000	Nil – convert to ordinary shares on achievement of performance conditions	2.5 years from grant date	6 months from grant date	N/A
6	Class B Executive Director performance rights	21 Apr 2022	1,500,000	Nil – convert to ordinary shares on achievement of performance conditions	3 years from grant date	12 months from grant date	N/A
1	Class C Non-Executive Director performance rights	21 Apr 2022	150,000	Nil	2 years from grant date	On grant date	N/A

Performance rights granted to employees during the year as share based payment are as follows:

Item	Class of Securities	Grant Date	Number of Securities	Exercise Price	Expiry Date	Vesting Date	Disposal Restriction
1	Class A employees performance rights	1 Jul 2021	400,000	Nil – convert to ordinary shares on achievement of performance conditions	5 years from grant date	1 July 2022	N/A
2	Class B employees performance rights	1 Jul 2021	400,000	Nil – convert to ordinary shares on achievement of performance conditions	5 years from grant date	1 July 2023	N/A
3	Class C employees performance rights	1 Jul 2021	750,000	Nil – convert to ordinary shares on achievement of performance conditions	5 years from grant date	1 July 2022	N/A
4	Class D employees performance rights	1 Jul 2021	750,000	Nil – convert to ordinary shares on achievement of performance conditions	5 years from grant date	1 July 2023	N/A
5	Class E employees performance rights	1 Jul 2021	750,000	Nil – convert to ordinary shares on achievement of performance conditions	5 years from grant date	1 July 2024	N/A

DIRECTORS' REPORT

OPERATING RESULTS

The net loss after providing for income tax amounted to \$5,349,157 (2021: loss \$1,806,239).

PRINCIPAL ACTIVITY

The principal activity of the Group is mineral exploration and development.

DIVIDENDS

There were no dividends paid or recommended during the financial year ended 30 June 2022 (2021: Nil).

FINANCIAL POSITION

The net assets of the consolidated Group have increased to \$25,641,410 (2021: \$18,431,332) as at 30 June 2022. The Group's working capital, being current asset less current liabilities was \$3,554,701 at 30 June 2022 (2021: \$1,502,885).

ENVIRONMENTAL REGULATIONS

In the normal course of business, there are no environmental regulations or requirements that the Group is subject to.

Greenhouse gas and energy data reporting requirements

The Company is not required to report under the Energy Efficiencies Opportunity Act 2006 or the National Greenhouse and Energy Efficient Reporting Act 2007 (the Acts).

ACQUISITION OF NEVADA LITHIUM PROJECT

On 8 June 2022, the Company completed the acquisition of an 80% interest in the Nevada Lithium Project (NLP) located in Nevada, USA. The NLP consists of four prospects areas, Traction, San Antone, Heller, and Lone Mountain. The acquisition has been treated as an asset acquisition via the issue of equity under AASB 2 Share Based Payments ("AASB 2").

INDEMNIFYING OFFICERS OR AUDITOR

In accordance with the constitution, except as may be prohibited by the Corporations Act 2001, every Officer of the Company shall be indemnified out of the property of the Company against any liability incurred by him in his capacity as Officer, auditor or agent of the Company or any related corporation in respect of any act or omission whatsoever and howsoever occurring or in defending any proceedings, whether civil or criminal. During the period, the Group paid \$31,369 in premiums for Directors and Officers Liability Insurance.

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 purposes of taking responsibility on behalf of the Group for all or part of those proceedings.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

Other than the acquisition of the Nevada Lithium Project, there have been no other significant changes in the state of affairs of the Group during the financial year.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

In the opinion of the Directors, disclosure of any further information on likely developments in operations and expected results would be prejudicial to the interests of the Group, the consolidated entity and shareholders.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

No matter or circumstance has arisen that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

DIRECTORS' REPORT

NON-AUDIT SERVICES

The Company may decide to employ its auditors on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company is important.

During the financial period the following fees were paid or payable for non-audit services provided by the auditor:

	2022	2021
	\$	\$
BDO Corporate Tax (WA) Pty Ltd, tax compliance	18,250	18,326
BDO Corporate Finance (WA) Pty Ltd	4,000	-
BDO Reward (WA) Pty Ltd, remuneration consultant	12,950	-
	<u>35,200</u>	<u>18,326</u>

The Board of Directors has considered the position and is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The directors are satisfied that the provision of non-audit services by the auditor did not compromise the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed by the Board of Directors to ensure they do not impact the impartiality and objectivity of the auditor
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the independence declaration by the lead auditor under section 307C of the Corporations Act 2001 is included on page 46 of this financial report.

DIRECTORS' REPORT

REMUNERATION REPORT (Audited)

The Remuneration Report is set out under the following main headings:

- Remuneration policy
- Details of remuneration
- Service agreements
- Share-based compensation
- Equity instrument disclosures relating to Key Management Personnel
- Loans to Key Management Personnel
- Other transactions with Key Management Personnel

The information provided in this remuneration report has been audited as required by section 308 (3C) of the Corporations Act 2001.

This report details the nature and amount of remuneration for each Director of Auroch Minerals Limited and key management personnel of the group. Those who are considered key management personnel of the group during the period are as follows:

Name	Position	Appointment/Resignation Date
Edward Mason	Chairman	Appointed on 9 October 2019, resigned on 1 February 2022
Aidan Platel	Managing Director	Appointed on 4 September 2019
Michael Edwards	Non-Executive Director Executive Chairman	Appointed on 31 August 2020 Appointed on 1 February 2022
Trevor Eton	Non-Executive Director	Appointed on 10 February 2021
Rebecca Moylan	Chief Financial Officer and Company Secretary	Appointed on 15 February 2021 Resigned as Company Secretary on 10 March 2022, and her employment ceased on 15 May 2022.
Matthew Worner Cameron O'Brien	Joint Company Secretaries ¹	Appointed on 10 March 2022

¹During the period, the Company engaged Grange Consulting Group Pty Ltd to take on the role of Company Secretary, and accounting and finance function of the Company.

Remuneration policy

The remuneration policy of Auroch has been designed to align director and management objectives with shareholder and business objectives by providing a fixed remuneration component, and offering specific long-term incentives, based on key performance areas affecting the Group's financial results. Key performance areas of the Group include cash flow, share price, and exploration results. The Board of Directors (the Board) of Auroch believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best management and directors to run and manage the Group, as well as create goal congruence between directors, executives and shareholders.

Voting of shareholders at last year's Annual General Meeting

Auroch Minerals Limited received 97.42% 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.

Remuneration Governance

The Board's policy for determining the nature and amount of remuneration for Board members and senior executives of the Group is as follows:

The remuneration policy, setting the terms and conditions for the executive directors and other senior executives, was developed and approved by the Board. All executives receive a base salary (which is based on factors such as length of service and experience),

DIRECTORS' REPORT

superannuation, fringe benefits and the ability to receive options and performance-based incentives. The remuneration committee, composed of the full Board, reviews executive packages annually by reference to the Group's performance, executive performance, and comparable information from industry sectors and other listed companies in similar industries.

Executives are also entitled to participate in the employee share and option arrangements.

The employees of the Group receive a superannuation guarantee contribution required by the government, which was 10% for the reporting period and increased to 10.5% for the 2023 financial year, and do not receive any other retirement benefits.

All remuneration paid to Directors and executives is valued at the cost to the Group and expensed. Options and performance rights (if applicable) given to Directors and Key Management Personnel are valued using an appropriate option pricing, and/or trinomial with multiple barriers valuation methodology.

The Board policy is to remunerate non-executive Directors at the lower end of market rates for comparable companies for time, commitment, and responsibilities. The board determines payments to the non-executive Directors and reviews their remuneration annually based on market practice, duties, and accountability. Independent external advice is sought when required. Fees for non-executive Directors are not linked to the performance of the Group. However, to align Directors' interests with shareholder interests, the Directors are encouraged to hold shares in the Group. The maximum aggregate amount of fees that can be paid to non-executive Directors was approved by shareholders at a General Meeting held on 11 February 2011. The maximum amount of fees payable to non-executive directors is \$250,000 per annum.

The Board expects that the remuneration structure implemented will result in the Company being able to attract and retain the best executives to run the Company. It will also provide executives with the necessary incentives to work to grow long-term shareholder value.

The payment of bonuses, options and other incentive payments are reviewed by the Board as part of the review of executive remuneration. All bonuses, options and incentives must be linked to predetermined performance criteria. The Board can exercise its discretion in relation to approving incentives, bonuses and options. Any changes must be justified by reference to measurable performance criteria. During the period, performance-based incentives were granted to Directors as detailed in the report and Note 21.

Remuneration Consultant

During the year, the Company engaged BDO Rewards (WA) Pty Ltd to review its existing remuneration policies and to provide recommendations on Directors and employees long term incentive plan. BDO was paid \$12,950 for these services. BDO has confirmed that any remuneration recommendations have been made free from undue influence by members of the Company's key management personnel. As a consequence, the Board is satisfied that the recommendations were made free from undue influence from any members of the key management personnel.

In addition to providing remuneration recommendations, BDO also provided audit and non-audit services. For these services, BDO was paid a total of \$78,995. Details of these services are disclosed on page 35 of the Directors' report and in note 18 to the financial statements.

DIRECTORS' REPORT

Company performance, shareholder wealth and director and executive remuneration

The following table shows gross revenue, profits/losses and share price of the Group at the end of the current and for the previous four financial years. There is no link between company performance and remuneration given the current nature of the Company's operations.

	30 June 2022 \$	30 June 2021 \$	30 June 2020 \$	30 June 2019 \$	30 June 2018 \$
Net (loss)	(5,349,157)	(1,806,239)	(542,802)	(1,387,644)	(3,679,893)
Share price	\$0.05	\$0.18	\$0.05	\$0.05	\$0.08

The remuneration policy has been tailored to increase goal congruence between shareholders, directors and executives. This will be achieved via offering performance incentives based on key performance indicators.

Details of remuneration

2022	Short-term benefits	Post- employment benefits	Share-based Payment				
	Cash Salary and Fees	Super- annuation	Perf. Rights	Options	Total	% perf. based	% Equity based
Name	\$	\$	\$	\$	\$		
Directors							
Edward Mason ¹	48,979	-	4,659	3,063	56,701	10%	14%
Aidan Platel	260,000	26,000	50,797	51,549	388,346	13%	26%
Michael Edwards ²	71,000	-	152,631	7,097	230,728	66%	69%
Trevor Eton ³	38,769	-	74,203	7,097	120,069	62%	69%
Management							
Rebecca Moylan ⁴	158,118	14,961	-	4,476	177,555	-	3%
Total	576,866	40,961	282,290	73,282	973,399		

- (1) Edward Mason resigned on 1 February 2022, and included in the above was consulting fees of \$27,979 which were based on commercial terms
- (2) Michael Edwards was appointed as Executive Chairman on 1 February 2022
- (3) Included in the above was consulting fees of \$2,769 which were based on commercial terms
- (4) Rebecca Moylan employment ceased on 15 May 2022.

DIRECTORS' REPORT

2021	Short-term benefits	Post- employment benefits	Share-based Payment				
	Cash Salary and Fees \$	Super- annuation \$	Perf. Rights \$	Options \$	Total	% perf. based	% Equity based
Directors							
Edward Mason ¹	62,620	-	22,288	-	84,908	26%	26%
Chris Hanson ²	6,000	-	-	-	6,000	-	-
Aidan Platel ³	240,000	22,800	62,686	71,250	396,736	16%	34%
Michael Edwards ³	30,000	-	41,839	-	71,839	58%	58%
Trevor Eton ⁴	15,734	-	-	-	15,734	-	-
Management							
Rebecca Moylan ⁵	50,625	4,809	-	-	55,434	-	-
Total	404,979	27,609	126,813	71,250	630,651		

(1) Included in the above was consulting fees of \$26,620 which were based on commercial terms.

(2) Chris Hansen resigned on 31 August 2020

(3) Michael Edwards was appointed on 31 August 2020

(4) Trevor Eton was appointed on 10 February 2021. Included in the above was consulting fees of \$1,698 which were based on commercial terms.

(5) Rebecca Moylan was appointed on 15 February 2021.

Service Agreements

Executive Services Agreement

The Group has entered into an executive services agreement with Mr Aidan Platel in respect of his employment as Managing Director of the Company, and Michael Edwards as Executive Chairman of the Company.

Name	Base salary excluding superannuation	Termination benefit
Executive		
Aidan Platel (Managing Director)	AUD\$ 260,000	Two months' notice in writing to Mr Platel and paying a further two months' salary in addition to the notice period.
Michael Edwards ¹ (Executive Chairman)	AUD\$ 120,000	Two months' notice in writing to Mr Edwards.

¹Mr Edwards was appointed as Executive Chairman on 1 February 2022

Ms Rebecca Moylan was employed part time (three days per week) by the Company whereby Ms Moylan provided services in her capacity as Chief Financial Officer and Company Secretary. Appointment commenced on 15 February 2021 with a base salary of \$135,000 per annum (exclusive of superannuation) for both CFO and Company Secretary roles. The Company or Ms Moylan could terminate the agreement by giving three months' notice, or by the Company making three months' payment in lieu of notice. Ms Moylan employment ceased during the year.

DIRECTORS' REPORT

Non-Executive Directors

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

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

The following fees (inclusive superannuation) applied during the year:

Name	Base salary
Non-Executive	
Trevor Eton ¹	AUD\$ 36,000

¹Mr Eton is also entitled for additional consulting services fees at a rate of \$1,400 a day with a prior written approval from the Managing Director.

In accordance with the Constitution, a Shareholder resolution has been passed providing that the Company may pay to the Non-Executive Directors a maximum total amount of remuneration of \$250,000 (plus superannuation entitlements) per annum.

Share-based compensation

The Auroch Minerals Limited Employee Share Plan (the "Plan") had been used to reward Directors and employees for their performance and to align their remuneration with the creation of shareholder wealth. Approved by Shareholders on 4 April 2013 and refreshed by shareholders on 23 November 2017. The Plan has been superseded by the adoption of Auroch Employee Securities Incentive Plan ("ESIP"). On the 16 December 2020 the Company sought Shareholder approval for the ESIP. The ESIP has been designed to provide long-term incentives to deliver long-term shareholder returns. Participation in the Plan and ESIP is at the discretion of the Board and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits.

Shares

There were nil shares issued to Directors or employees by the Group under the Plan or ESIP during the year (2021: Nil).

Options

Incentive Options granted during the year as share based payment are as follows:

Item	Class of Securities	Grant Date	Number of Securities	Exercise Price	Expiry Date	Vesting Date
1	Directors Incentive Options	1 Jul 2021	4,400,000 ¹	\$0.50	5 years from grant date	1 July 2024

¹ The 900,000 incentive options issued to Mr Edward Mason were cancelled on his resignation on 1 February 2022.

DIRECTORS' REPORT

Performance Rights

The Plan and ESIP is open to any eligible persons who are full-time or permanent part time employees of the Company, or a related body corporate which includes directors, the company secretary and officers or other such persons as the Board determines to be eligible to receive grants of Performance Rights under the Plan and ESIP. Subject to the satisfaction of the vesting conditions given to eligible participants, each Performance Right vest to one Share.

The Performance Rights are issued for nil cash consideration and no consideration will be payable upon the vesting of the Performance Rights. Vesting conditions, if any, are determined by the Board from time to time and set out in individual offers for the grant of Performance Rights. Shares issued upon vesting may be freely transferred subject to compliance with the Group's securities trading rules.

Performance rights granted to Directors during the year as share based payment are as follows:

Tranche	Class of Securities	Grant Date	Number of Securities	Exercise Price	Expiry Date	Vesting Date	Disposal Restriction
1	Class A Directors performance rights	16 Dec 2021	780,000 ¹	Nil – convert to ordinary shares on achievement of performance conditions	5 years from grant date	1 July 2022	N/A
2	Class A Directors performance rights	16 Dec 2021	780,000 ¹	Nil – convert to ordinary shares on achievement of performance conditions	5 years from grant date	1 July 2023	N/A
3	Class A Directors performance rights	16 Dec 2021	780,000 ¹	Nil – convert to ordinary shares on achievement of performance conditions	5 years from grant date	1 July 2024	N/A
1	Class B Directors performance rights	16 Dec 2021	1,803,334 ¹	Nil – convert to ordinary shares on achievement of performance conditions	5 years from grant date	1 July 2022	N/A
2	Class B Directors performance rights	16 Dec 2021	1,803,334 ¹	Nil – convert to ordinary shares on achievement of performance conditions	5 years from grant date	1 July 2023	N/A
3	Class B Directors performance rights	16 Dec 2021	1,803,334 ¹	Nil – convert to ordinary shares on achievement of performance conditions	5 years from grant date	1 July 2024	N/A
1	Class B Executive Director performance rights	21 Apr 2022	750,000	Nil – convert to ordinary shares on achievement of performance conditions	2.5 years from grant date	6 months from grant date	N/A
2	Class B Executive Director performance rights	21 Apr 2022	750,000	Nil – convert to ordinary shares on achievement of performance conditions	3 years from grant date	12 months from grant date	N/A
3	Class B Executive Director performance rights	21 Apr 2022	1,500,000	Nil – convert to ordinary shares on achievement of performance conditions	2.5 years from grant date	6 months from grant date	N/A

DIRECTORS' REPORT

Tranche	Class Of Securities	Grant Date	Number Of Securities	Exercise Price	Expiry Date	Vesting Date	Disposal Restriction
4	Class B Executive Director performance rights	21 Apr 2022	1,500,000	Nil – convert to ordinary shares on achievement of performance conditions	3 years from grant date	12 months from grant date	N/A
5	Class B Executive Director performance rights	21 Apr 2022	1,500,000	Nil – convert to ordinary shares on achievement of performance conditions	2.5 years from grant date	6 months from grant date	N/A
6	Class B Executive Director performance rights	21 Apr 2022	1,500,000	Nil – convert to ordinary shares on achievement of performance conditions	3 years from grant date	12 months from grant date	N/A
1	Class C Non-Executive Director performance rights	21 Apr 2022	150,000	Nil	2 years from grant date	On grant date	N/A

The performance conditions for the Performance Rights are set out below:

Tranche	Class of Securities	Performance Milestones
1	Class A Directors performance rights	Performance Rights will vest subject to continuous service to the Company by the relevant Director (or the nominated holder), commencing on the date of issue of the performance rights until 1 July 2022.
2	Class A Directors performance rights	Performance Rights will vest subject to continuous service to the Company by the relevant Director (or the nominated holder), commencing on the date of issue of the performance rights until 1 July 2023.
3	Class A Directors performance rights	Performance Rights will vest subject to continuous service to the Company by the relevant Director (or the nominated holder), commencing on the date of issue of the performance rights until 1 July 2024.
1	Class B Directors performance rights	Performance Rights will vest upon the Thirty Day VWAP achieving A\$0.40 per Share and continuous service to the Company by the relevant Director commencing on the date of issue of the performance rights until 1 July 2022.
2	Class B Directors performance rights	Performance Rights will vest upon the Thirty Day VWAP achieving A\$0.50 per Share and continuous service to the Company by the relevant Director commencing on the date of issue of the performance rights until 1 July 2023.
3	Class B Directors performance rights	Performance Rights will vest upon the Thirty Day VWAP achieving A\$0.60 per Share and continuous service to the Company by the relevant Director commencing on the date of issue of the performance rights until 1 July 2024.

DIRECTORS' REPORT

Tranche	Class of Securities	Performance Milestones
1	Class B Executive Director performance rights	Performance Rights will vest upon the Twenty Day VWAP equal to or greater than A\$0.25 per Share on or before the date that is six months from the date of issue.
2	Class B Executive Director performance rights	Performance Rights will vest upon the Twenty Day VWAP equal to or greater than A\$0.25 per Share on or before the date that is 12 months from the date of issue.
3	Class B Executive Director performance rights	Performance Rights will vest upon the Twenty Day VWAP equal to or greater than A\$0.35 per Share on or before the date that is six months from the date of issue.
4	Class B Executive Director performance rights	Performance Rights will vest upon the Twenty Day VWAP equal to or greater than A\$0.35 per Share on or before the date that is 12 months from the date of issue.
5	Class B Executive Director performance rights	Performance Rights will vest upon the Twenty Day VWAP equal to or greater than A\$0.40 per Share on or before the date that is six months from the date of issue.
6	Class B Executive Director performance rights	Performance Rights will vest upon the Twenty Day VWAP equal to or greater than A\$0.40 per Share on or before the date that is 12 months from the date of issue.

The Performance Rights will vest immediately on a change of control of the Company.

Equity Instruments Held by Key Management Personnel

Shareholdings

The number of shares in the Company held during the year by each director of Auroch Minerals Limited and other key management personnel of the Company, including their personal related parties, are set out below. There were no shares granted during the reporting period as compensation.

	Balance at the start of the year	Received during the year	Other changes during the year	Balance at the end of the year or resignation date
2022				
Fully Paid Shares				
Directors				
Aidan Platel	2,940,000	-	-	2,940,000
Edward Mason ¹	-	-	-	-
Michael Edwards	-	-	400,000 ³	400,000
Trevor Eton	-	32,092 ⁴	150,000 ³	182,092
Management				
Rebecca Moylan ²	-	-	-	-
Total	2,940,000	32,092	550,000	3,490,000

- (1) Edward Mason resigned on 1 February 2022.
- (2) Rebecca Moylan employment ceased on 15 May 2022.
- (3) Michael Edwards and Trevor Eton's performance rights have vested and converted into ordinary shares during the year.
- (4) Mr Eton acquired 32,092 ordinary shares through on-market purchases.

DIRECTORS' REPORT

Option holdings

The number of options over ordinary shares in the Company held during the year by each director of Auroch Minerals Limited and other key management personnel of the Company, including their personal related parties, are set out below.

2022	Balance at the start of the year	Received during the year	Other changes during the year	Balance at the end of the year or resignation date	Vested & exercisable	Unvested	Maximum value yet to vest
Directors							
Aidan Platel	6,750,000	2,500,000	-	9,250,000	9,250,000	-	132,517
Edward Mason ¹	-	900,000	-	900,000	-	-	-
Michael Edwards	-	500,000	-	500,000	500,000	-	26,503
Trevor Eton	-	500,000	-	500,000	500,000	-	26,503
Management							
Rebecca Moylan ²	-	250,000	-	250,000	-	-	-
Total	6,750,000	3,750,000	-	10,500,000	10,250,000	-	185,524

(1) Edward Mason resigned on 1 February 2022 and the 900,000 incentive options issued to him lapsed on his resignation.

(2) Rebecca Moylan employment ceased on 15 May 2022 and the 250,000 incentive options issued to her lapsed upon cessation of her employment.

Performance Rights holdings

The number of performance rights over ordinary shares in the Company held during the year by each director of Auroch Minerals Limited and other key management personnel of the Company, including their personal related parties, are set out below.

2022	Balance at the start of the year	Received during the year	Converted/ vested during the year	Balance at the end of the year or resignation date	Vested & exercisable	Unvested
Directors						
Edward Mason ¹	800,000	1,800,000 ¹	(800,000)	1,800,000	-	-
Aidan Platel	1,930,000	3,250,000	-	5,180,000	1,930,000	3,250,000
Michael Edwards	800,000	7,350,000	(400,000)	7,750,000	400,000	7,350,000
Trevor Eton	-	1,500,000	(150,000)	1,350,000	-	1,350,000
Management						
Rebecca Moylan ²	-	925,000 ²	-	925,000	-	-
Total	3,530,000	14,825,000	(1,350,000)	17,005,000	2,330,000	11,950,000

(1) Edward Mason resigned on 1 February 2022 and the 1.8 million performance rights issued to him lapsed on his resignation.

(2) Rebecca Moylan employment ceased on 15 May 2022 and the 925,000 performance rights issued to her lapsed upon cessation of her employment.

Loans to Key Management Personnel

There were no loans to key management personnel during the year.

DIRECTORS' REPORT

Other transactions with Key Management Personnel

Edward Mason is a director of Jermyn East Capital Pty Ltd. During the period ended 30 June 2022, the Company was providing corporate advisory services to Auroch Minerals Limited. Payments to Jermyn East Capital Pty Ltd during the relevant period total \$27,979 (2021: \$26,260). The amounts owed to Jermyn East Capital Pty Ltd as at 30 June 2022 was \$nil (2021: \$nil).

Trevor Eton is a director of Energy Select Pty Ltd. During the period ended 30 June 2022, the Company was providing corporate advisory services to Auroch Minerals Limited. Payments to Energy Select Pty Ltd during the relevant period total \$2,769 (2021: \$1,698). The amounts owed to Payments to Energy Select Pty Ltd as at 30 June 2022 was \$3,000 exclusive of GST (2021: \$nil).

End of Audited Remuneration Report

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



Aidan Platel

Managing Director

Dated this 23th day of September 2022

AUDITOR'S INDEPENDENCE DECLARATION



Tel: +61 8 6382 4600
Fax: +61 8 6382 4601
www.bdo.com.au

Level 9, Mia Yellagonga Tower 2
5 Spring Street
Perth WA 6000
PO Box 700 West Perth WA 6872
Australia

DECLARATION OF INDEPENDENCE BY JARRAD PRUE TO THE DIRECTORS OF AUROCH MINERALS LIMITED

As lead auditor of Auroch Minerals 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 Auroch Minerals Limited and the entities it controlled during the period.

A handwritten signature in dark ink, appearing to read 'J Prue', is written over a light grey horizontal line.

Jarrad Prue
Director

BDO Audit (WA) Pty Ltd
Perth, 23 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 \$
Other Income	3	1,603	40,774
Interest revenue	3	3,282	8,122
Foreign exchange gain/(loss)		-	361
Less Expenses:			
Accounting fees		(29,476)	(55,997)
Audit fees		(65,889)	(29,624)
Advertising and marketing		(178,631)	(474,118)
Consulting fees		(75,814)	(411,618)
Directors' expense		(199,222)	(118,952)
Employee benefits expense		(421,525)	(138,197)
Corporate and regulatory fees		(95,077)	(115,827)
Exploration expenditure		(632,391)	(32,157)
Impairment expense	11	(2,550,680)	-
Legal costs		(316,088)	(69,068)
Rent		(17,743)	(41,110)
Share based payment expense	21	(439,816)	(185,779)
Travel & accommodation		(27,964)	(16,848)
Finance costs		(12,999)	(4,503)
Other expenses		(290,727)	(161,698)
(Loss) before income tax		(5,349,157)	(1,806,239)
Income tax expense	5	-	-
(Loss) after income tax for the period		(5,349,157)	(1,806,239)
Other comprehensive loss for the period		-	-
Total comprehensive loss for the period		(5,349,157)	(1,806,239)
Loss for the period attributable to:			
Owners of the parents		(5,349,157)	(1,805,000)
Non-Controlling interest		-	(1,239)
Profit/(Loss) for the year		(5,349,157)	(1,806,239)
Total Comprehensive Loss attributable to:			
Owners of the parents		(5,349,157)	(1,805,000)
Non-Controlling interest		-	(1,239)
Profit/(Loss) for the year		(5,349,157)	(1,806,239)
Basic/diluted loss per share (cents per share) from continuing operations	6	(1.60)	(0.77)

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
FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 \$	2021 \$
ASSETS			
Current Assets			
Cash and cash equivalents	7	4,458,921	3,074,456
Trade and other receivables	8	116,627	185,286
Total Current Assets		4,575,548	3,259,742
Non-current Assets			
Property, plant and equipment	9	167,450	91,177
Right of use assets	10	101,800	174,504
Mineral exploration and evaluation expenditure	11	21,814,560	16,648,280
Bond receivables		118,626	118,347
Total Non-current Assets		22,202,436	17,032,308
TOTAL ASSETS		26,777,984	20,292,050
LIABILITIES			
Current Liabilities			
Trade and other payables	12	937,261	1,685,703
Lease liabilities	13	83,587	71,154
Total Current Liabilities		1,020,848	1,756,857
Non- Current Liabilities			
Lease liabilities	13	115,730	103,861
Total Non-Current Liabilities		115,730	103,861
TOTAL LIABILITIES		1,136,578	1,860,718
NET ASSETS		25,641,408	18,431,332
EQUITY			
Contributed equity	14	36,920,122	25,916,064
Reserves	15	2,358,251	1,820,544
Non-Controlling Interest		2,299,296	1,281,828
Accumulated losses	16	(15,936,261)	(10,587,104)
TOTAL EQUITY		25,641,408	18,431,332

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

	Contributed Equity	Accumulated losses	Reserve	Non-Controlling Interest	Total Equity
	\$	\$	\$	\$	\$
Balance at 1 July 2021	25,916,064	(10,587,104)	1,820,544	1,281,828	18,431,332
Loss for the year		(5,349,157)			(5,349,157)
Total comprehensive loss for the year	-	(5,349,157)	-	-	(5,349,157)
Transactions with owners in their capacity as owners:					
Issue of shares, net of capital raising costs	10,295,549	-	-	-	10,295,549
Conversion of performance rights	132,509	-	(132,509)	-	-
Share based payments	576,000	-	670,216	-	1,246,216
Non-controlling interest on acquisition of subsidiary	-	-	-	201,537	201,537
Non-controlling interest contributions	-	-	-	815,931	815,931
Balance at 30 June 2022	36,920,122	(15,936,261)	2,358,251	2,299,296	25,641,408

	Contributed Equity	Accumulated losses	Reserve	Non- Controlling Interest	Total Equity
	\$	\$	\$	\$	\$
Balance at 1 July 2020	17,354,102	(8,782,104)	1,434,502	-	10,006,500
Loss for year	-	(1,805,000)	-	(1,239)	(1,806,239)
Total comprehensive loss for year	-	(1,805,000)	-	(1,239)	(1,806,239)
Transactions with owners in their capacity as owners:					
Issue of shares, net of capital raising costs	8,515,162	-	-	-	8,515,162
Issue of Options	-	-	247,063	-	247,063
Non-Controlling Interest	-	-	-	800,000	800,000
Non-Controlling Interest Capital Contributions	-	-	-	483,067	483,067
Conversion of performance rights	46,800	-	(46,800)	-	-
Share based payment expense	-	-	185,779	-	185,779
Balance at 30 June 2021	25,916,064	(10,587,104)	1,820,544	1,281,828	18,431,332

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 FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(1,521,084)	(1,215,739)
Payment for exploration expenditure		(632,391)	-
Interest received		3,282	8,122
R&D and other Income		1,603	68,954
Net cash (outflow) from operating activities	17	(2,148,590)	(1,138,663)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for exploration expenditure		(7,495,803)	(6,373,561)
Payments for purchase of plant, equipment and prospects		(1,452)	(92,121)
Net cash (outflow) from investing activities		(7,497,255)	(6,465,682)
CASH FLOWS FROM FINANCING ACTIVITIES			
Net proceeds from issue of shares and options		10,866,394	6,949,494
Payment for capital raising costs		(570,844)	(193,941)
Proceeds from non-controlling interest		815,932	483,067
Repayment of lease liabilities		(81,172)	(4,966)
Net cash inflow from financing activities		11,030,310	7,233,654
Net increase/(decrease) in cash and cash equivalents		1,384,465	(370,691)
Cash and cash equivalents at the beginning of the year		3,074,456	3,445,147
NET CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	7	4,458,921	3,074,456

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

In order to assist in the understanding of the accounts, the following summary explains the material accounting policies that have been adopted in the preparation of the accounts.

(a) Basis of Preparation

These general-purpose financial statements have been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Australian Accounting Interpretations and the Corporations Act 2001. The Company is a for-profit entity for the purpose of preparing these financial statements.

Compliance with IFRS

The financial statements of the company also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Historical cost convention

These financial statements have been prepared on an accruals basis and are based on historical costs and do not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

(b) New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

(c) Principles of Consolidation

Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Auroch Minerals Limited as at 30 June 2022 and the results of all subsidiaries for the year then ended. Auroch Minerals Limited and its subsidiaries together are referred to in this financial report as the Group or the consolidated entity.

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

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

Joint arrangements

Under AASB 11 Joint Arrangements investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement.

Joint operations

The Group recognises its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses.

Joint ventures

Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the consolidated statement of financial position.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

Non-controlling interest

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the consolidated entity.

(d) Going Concern

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

As disclosed in the financial statements, the Group incurred a loss of \$5,349,157 and had net cash outflows from operating activities of \$2,148,590. At 30 June 2022, the Company had \$4,458,921 in cash and cash equivalents. For the Group to continue to carry out its exploration activities, meet its expenditure requirements and continue as a going concern it is dependent on securing additional funding. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern.

For the Group to be able to continue to carry out its exploration activity and to have sufficient working capital, it is dependent on the financial support from its shareholders to fund its working capital requirements and/or successfully raising capital. The Directors are satisfied they will be able to raise additional working capital as required and thus it is appropriate to prepare the financial statements on a going concern basis. In arriving at this position, the Directors have considered the following matters:

- The Directors have assessed the cash flow requirements for the 12-month period from the date of approval of the financial statements and its impact on the Group and believe there will be sufficient funds to meet the Group's working capital requirements;
- In the event that funding of an amount required to meet the future budgeted operational and investing activities of the Company is unavailable, the Directors would undertake steps to scale down its operations and reduce its discretionary expenditure in order to curtail cash outflows; and
- The Group had successfully raised \$8 million (before costs) via a Placement, and raised approximately \$727,000 via the exercise of unlisted options during the year, which supports the Group's ability to raise capital if required.

Should the Group not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements and that the financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that might be necessary should the Group not continue as a going concern.

(e) Impairment of Assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's values in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash generating unit to which it belongs.

When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

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

As assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had the impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at the re-valued amount, in which case the reversal is treated as a revaluation increase. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

(f) Share Based Payment Transactions

Under AASB 2 Share Based Payments, the Group must recognise the fair value of shares, options, and performance rights granted to directors, employees and consultants as remuneration as an expense on a pro-rata basis over the vesting period in the Statement of Profit or Loss and Other Comprehensive Income with a corresponding adjustment to equity.

Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity. No revision to original estimates is made in respect of options issued with market based conditions.

The Group provides benefits to employees (including directors) of the Group in the form of share based payment transactions, whereby employees render services in exchange for shares or rights over shares ("equity-settled transactions"). The cost of these equity-settled transactions with employees (including directors) is measured by reference to fair value at the date they are granted. The fair value is determined using an appropriate option pricing model.

In relation to the valuation of the share-based payments, these are valued using an appropriate option valuation method. Once a valuation is obtained management use an assessment as to the probability of meeting non-market based conditions. Market conditions are vested over the period in which management assess it will take for these conditions to be satisfied.

(g) Segment Reporting

Operating segments are reported in a manner that is consistent with the internal reporting to the chief operating decision maker ("CODM"), which has been identified by the Group as the Managing Director and other members of the Board of directors.

(h) Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The carrying value less impairment provision of trade receivables and payables are assumed to approximately their fair value due to their short-term nature. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

(i) Income Tax and Other Taxes

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

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Group's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provision where appropriate on the basis of amounts expected to be paid to the tax authorities. Adjustments to current income tax are made to take into account any change in tax rates between the Company and its subsidiaries.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill.

Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Auroch Minerals Limited and its wholly-owned Australian controlled entities have implemented the tax consolidation legislation. As a consequence, these entities are taxed as a single entity and the deferred tax assets and liabilities of these entities are set off in the financial statements.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

(j) Exploration and Evaluation Expenditure

The Group's policy with respect to exploration and evaluation expenditure is to use the area of interest method.

Under this method exploration and evaluation expenditure is carried forward on the following basis:

Each area of interest is considered separately when deciding whether, and to what extent, to carry forward or write off exploration and evaluation costs; and

Exploration and evaluation expenditure related to an area of interest is carried forward provided that rights to tenure of the area of interest are current and that one of the following conditions is met:

- such evaluation costs are expected to be recouped through successful development and exploitation of the area of interest or alternatively, by its sale; or
- exploration and/or evaluation activities in the area of interest have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves and active and significant operations in relation to the area are continuing.

Exploration and evaluation costs accumulated in respect of each particular area of interest include only net direct expenditure.

(k) Cash and Cash Equivalents

For the purposes of the statement of cash flows, cash and cash equivalents includes cash on hand, cash in bank accounts, money market investments readily convertible to cash within two working days, and bank bills but net of outstanding bank overdrafts.

(l) Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless, an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at fair value through profit or loss

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income include equity investments which the consolidated entity intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

Impairment of financial assets

The consolidated entity recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the consolidated entity's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit or loss.

(m) Earnings Per Share

(i) Basic Earnings Per Share

Basic earnings per share is determined by dividing the operating loss attributable to the equity holder of the Company after income tax by the weighted average number of ordinary shares outstanding during the financial year.

(ii) Diluted Earnings Per Share

Diluted earnings per share adjusts the figures used in determination of basic earnings per share by taking into account amounts unpaid on ordinary shares and any reduction in earnings per share that will arise from the exercise of options outstanding during the year.

(n) Revenue recognition

Revenue is measured at fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances and duties and taxes paid. The following specific recognition criteria must also be met before revenue is recognised:

Interest income is recognised as it accrues using the effective interest method.

(o) Trade and Other Receivables

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

The consolidated entity has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

(p) Trade and Other Payables

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

(q) Goods and Service Tax (GST)

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

- Where the GST incurred on the purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivable and payable are stated with the amount of GST included.

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

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

(r) Contributed Equity

Issued and paid-up capital is recognised at the fair value of the consideration received by the Group. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

No dividends were paid or proposed during the year.

(s) Foreign currency translation

Functional and presentation currency

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates ('the functional currency'). The consolidated financial statements are presented in Australian dollars, which is the Group's functional and presentation currency.

Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each Statement of Financial Position presented are translated at the closing rate at the date of that Statement of Financial Position.
- income and expenses for each Statement of Profit or Loss and Other Comprehensive Income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, a proportionate share of such exchange difference is reclassified to profit or loss, as part of the gain or loss on sale where applicable.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

Transactions and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency monetary assets and liabilities at the reporting date are translated at the exchange rate existing at reporting date. Exchange differences are recognised in profit or loss in the period in which they arise.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

(t) Parent entity information

The financial information for the parent entity, disclosed in Note 26 has been prepared on the same basis as the consolidated financial statements, except as set out below.

(u) Investments in subsidiaries, associates and joint venture entities

Investments in subsidiaries are accounted for at cost in the financial statements. Dividends received from associates are recognised in the parent entity's profit or loss when its right to receive the dividend is established.

(v) Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

(w) Right-of-use-assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

(x) Standards and Interpretations in issue not yet adopted

At the date of authorisation of the financial report, a number of Standards and Interpretations including those Standards and Interpretations issued by the IASB/IFRIC, where an Australian equivalent has not been made by the AASB, were in issue but not yet effective for which the Entity has considered it unlikely for there to be a material impact on the financial statements.

2. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In preparing these Financial Statements the Group has been required to make certain estimates and assumptions concerning future occurrences. There is an inherent risk that the resulting accounting estimates will not equate exactly with actual events and results.

a) Significant accounting judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements.

Capitalisation of exploration and evaluation expenditure

The Group has capitalised exploration and evaluation expenditure on the basis either that this is expected to be recouped through future successful development (or alternatively sale) of the Areas of Interest concerned or on the basis that it is not yet possible to assess whether it will be recouped. Refer to note 11 for further details.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

b) Significant accounting estimates and assumptions

The carrying amount of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

Impairment of capitalised exploration and evaluation expenditure

The future recoverability of capitalised exploration and evaluation expenditure is dependent on a number of factors, including whether the Group decides to exploit the related lease itself or, if not, whether it successfully recovers the related exploration and evaluation asset through sale.

Factors that could impact the future recoverability include the level of reserves and resources, future technological changes, costs of drilling and production, production rates, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices.

Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using the Black Scholes model or Trinomial model. Should the assumptions used in these calculations differ, the amounts recognised could significantly change. Details of estimates used can be found in Note 21.

Asset Acquisition

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. Assets acquired during the period were exploration expenditure.

3. OTHER INCOME

	2022 \$	2021 \$
Interest received	3,282	8,312
Other Income	1,603	40,584
Total	4,885	48,896

4. EXPENSES

	2022 \$	2021 \$
Profit/Loss includes the following specific expenses:		
Consultants and advisory fees	75,814	411,618
Advertising and marketing	178,631	474,118
Share registry costs	27,893	27,065
Depreciation	114,184	25,205

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

5. TAXATION

	2022 \$	2021 \$
The components of tax expense comprise:		
Current tax	-	-
Deferred tax	-	-
	-	-
The prima facie tax payable/(benefit) on profit/(loss) from ordinary activities before income tax is reconciled to the income tax as follows:		
Profit/(Loss) before income tax	(5,349,157)	(1,806,239)
Prima facie tax benefit on loss from continuing activities before income tax at 30% (2021: 30%)	(1,604,747)	(541,872)
Add/(subtract) tax effect of:		
Expenditure not deductible	332,850	67,906
Other deductible expenditure	-	(75,227)
Deferred tax assets relating to tax losses not recognised	1,271,897	549,193
Total income tax expense	-	-
The franking account balance at year end was \$nil.		
Deferred tax assets and liabilities not recognised relate to the following:		
Deferred tax assets		
Tax losses	8,376,843	5,789,488
Other temporary differences	(4,022,887)	(2,782,008)
Capital loss	-	-
Exploration expenditure	-	-
Net deferred tax assets	4,353,956	3,007,480

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

6. LOSS PER SHARE

	2022 \$	2021 \$
(a) Loss per share		
Loss attributable to the ordinary equity holders of the Group	(5,349,157)	(1,806,239)
(b) Reconciliations of loss used in calculated loss per share		
Basic and diluted loss per share (cents)	(1.60)	(0.77)
Diluted loss per share (cents)	(1.60)	(0.77)
(c) Weighted average number of shares used as a denominator	2022	2021
Weighted average number of ordinary shares used as the denominator in calculating basic loss per share	333,604,055	234,549,750

7. CASH AND CASH EQUIVALENTS

	2022 \$	2021 \$
Cash at bank	4,363,306	2,985,553
Restricted cash ¹	95,615	88,903
	4,458,921	3,074,456

¹ Restricted cash is required to be spent on exploration and evaluation activities.

The Group's exposure to interest rate risk is discussed in Note 19.

Financial Guarantees

The Group has provided no financial guarantees.

8. TRADE AND OTHER RECEIVABLES

	2022 \$	2021 \$
Prepayments	16,149	13,427
Other receivables	100,478	171,859
	116,627	185,286

Ageing of receivables past due or impaired

The Group's exposure to credit risk is discussed in Note 19.

9. PROPERTY PLANT AND EQUIPMENT

	2022 \$	2021 \$
Office Equipment	21,174	19,130
Less Accumulated Depreciation on Office Equipment	(5,109)	(2,189)
Vehicles	137,919	26,000
Less Accumulated Depreciation on Vehicles	(25,045)	(1,282)
Plant and Equipment	50,472	50,472
Less Accumulated Depreciation on Plant and Equipment	(19,196)	(9,101)
Furniture and Fixtures	8,147	8,147
Less Accumulated Depreciation on Furniture and Fixtures	(912)	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

10. RIGHT OF USE ASSETS

	2022 \$	2021 \$
Opening Cost	188,456	-
Additions	2,562	188,456
At 30 June 2022	191,018	188,456
Opening Accumulated Depreciation	(13,952)	-
Depreciation expense	(75,266)	(13,952)
Balance at the end of the year	101,800	174,504

The Company leases its corporate office at Suite 10, 38-40 Colin St West Perth. The lease expires on 31 May 2024. The Company has a Lease at 17-19 Vivian St Boulder WA 6432. The lease expires on 1 January 2024. The leases are recognised in accordance with the new AASB 16: Leases which the Company adopted on 1 July 2019. Refer to note 1 (v) for further details.

11. EXPLORATION AND EVALUATION EXPENDITURE

	2022 \$	2021 \$
Balance at beginning of the year	16,648,280	6,735,389
Exploration expenditure incurred	6,709,279	5,612,891
Exploration incurred from acquisition – refer below (i)	1,007,681	4,300,000
Impairment expense – refer to below (ii)	(2,550,680)	-
Balance at the end of the year	21,814,560	16,648,280

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

- (i) During the year the Company completed the acquisition of 80% interest in Nevada Lithium Corp Pty Ltd, which holds the Nevada Lithium Project (NLP) through its 100% owned subsidiary Nevada Li Corp, Nevada, USA based company. The acquisition of this company occurred on 8 June 2022, which was the day the consideration was issued. The acquisition has been treated as an asset acquisition via the issue of equity under AASB 2 Share Based Payments (“AASB 2”).

The below outlines the consideration and identifiable assets and liabilities acquired:

Consideration:	\$
7,200,000 Ordinary Shares	576,000
7,200,000 Performance rights ⁽¹⁾	230,400
Total Consideration	806,400
Assets and Liabilities acquired:	
Exploration Assets	1,007,681
Cash	256
Non-Controlling Interest (20%)	(201,537)
Total	806,400

The performance rights have a non-market milestone of Auroch to announce a new drilling intersection of 25m at 1,000 ppm Li commencing within 100m (vertical) from the surface of the Lithium Projects. The performance rights have a three year expiry from the date of issue. As the mineral claims staked were still at an early stage of exploration and an exploration program is still being developed and finalised, management has taken the view that 40% probability of these performance rights will be converted into shares is appropriate.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

11. EXPLORATION AND EVALUATION EXPENDITURE (con't)

The Company also reimbursed the Vendors for expenditures incurred in respect to the Nevada Lithium Project and provided a loan facility to Nevada Lithium Corp Pty Ltd with all drawdowns to be utilised for the registration of permits, licenses and/or claims, and approved exploration activities in respect to the project. The loan facility was forgiven by the Company on the completion of the acquisition. A total amount of \$632,391 was recognised in the income statement in relation to these expenditures.

- (ii) The Company have assessed each area interest for impairment in accordance with AASB 6 Exploration for and Evaluation of Minerals Resources. Based on the Company's assessment, an impairment expense of \$2,518,610 was recognised in the income statement in relation to the Arden, Torrens East, and Bonaventura Projects during the year. In addition, the Company also recognised an impairment expense of \$32,070 related to tenements surrendered in the prior years.

12. TRADE AND OTHER PAYABLES

	2022	2021
	\$	\$
Trade payables	733,363	1,158,741
Accruals	203,898	526,962
	<u>937,261</u>	<u>1,685,703</u>

All current liabilities are expected to be settled within 12 months as they are generally due on 30-60 day terms. The Group's exposure to credit risk is discussed in Note 19.

13. LEASE LIABILITY

	2022	2021
	\$	\$
Current	83,587	71,154
Non-current	115,730	103,861
Total lease liability	<u>199,316</u>	<u>175,015</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

14. CONTRIBUTED EQUITY

(a) Issued and fully paid

	30 June 2022		30 June 2021	
	\$	No.	\$	No.
Ordinary shares	36,920,122	369,451,799	25,916,064	281,587,871
	36,920,122	369,451,799	25,916,064	281,587,871

(b) Movement reconciliation

Ordinary Shares	No. of Shares	\$
Opening Balance at 1 July 2021	281,587,871	25,916,064
12 Jul 2021 - Exercising of \$0.10 options	8,797,310	879,731
6 Aug 2021 - Exercising of \$0.10 options	2,450,218	245,022
25 Aug 2021 – Conversion of performance rights	400,000	33,600
25 Aug 2021 - Exercising of \$0.10 options	1,742,482	174,248
17 Sep 2021 - Exercising of \$0.10 options	1,872,700	187,270
14 Oct 2021 - Exercising of \$0.10 options	2,602,414	260,242
8 Nov 2021 - Exercising of \$0.10 options	2,667,581	266,759
8 Nov 2021 – Issue of Placement Shares	50,000,000	8,000,000
1 Dec 2021 - Exercising of \$0.10 options	1,259,301	125,930
9 Dec 2021 – Underwriting of options	7,271,922	727,192
10 Dec 2021 – Conversion of performance rights	400,000	26,000
2 Mar 2022 - Conversion of performance rights	250,000	16,250
8 Jun 2022 – Issue of Vendors Shares	7,200,000	576,000
8 Jun 2022 – Conversion of performance rights	950,000	56,659
Share issue costs	-	(570,845)
Closing Balance at 30 June 2022	369,451,799	36,920,122
Opening Balance at 1 July 2020	188,601,187	188,601,187
2 Oct 2020 – Issue of Placement shares	42,647,058	2,900,000
23 Oct 2020 – Conversion of \$0.10 options	2,740,056	274,006
10 Nov 2020 – Conversion of \$0.10 options	12,087,205	1,208,721
7 Dec 2020 - Conversion of \$0.10 options	24,332	2,433
17 Dec 2020 – Issue of shares – Consideration	8,337,966	1,500,834
22 Dec 2020 – Conversion of \$0.10 options	1,047,329	104,733
22 Dec 2020 – Conversion of performance rights	200,000	13,000
29 Jan 2021 – Conversion of \$0.10 options	11,082,654	1,108,265
18 Feb 2021 – Conversion of \$0.10 options	2,272,323	227,232
18 Feb 2021 – Issue of advisor shares	1,187,500	280,000
11 Mar 2021 – Conversion of \$0.10 options	3,125,000	312,500
12 Apr 2021 – Conversion of \$0.10 options	940,910	94,091
22 May 2021 – Conversion of performance rights	200,000	13,000
25 May 2021 – Conversion of \$0.10 options	2,034,544	203,454
25 Jun 2021 – Conversion of \$0.10 options	2,739,807	273,981
30 Jun 2021 – Conversion of performance rights	320,000	20,800
Share issue costs	-	(215,088)
Closing Balance at 30 June 2021	281,587,871	25,916,064

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

14. CONTRIBUTED EQUITY (continued)

(c) Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Group in proportion to the number of shares held.

On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

(d) Capital risk management

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

In order to maintain or adjust the capital structure, the Group may adjust the return of capital to shareholders, issue new shares or sell assets to reduce debt. The Group defines capital as cash and cash equivalents plus equity.

The Board of Directors monitors capital on an ad-hoc basis. No formal targets are in place for return on capital, or gearing ratios, as the Group has not derived any income from their mineral exploration and currently has no debt facilities in place.

15. RESERVES

	2022 \$	2021 \$
Reserves		
Share based payment reserve	1,152,228	614,522
Option reserve	1,206,025	1,206,022
	<u>2,358,253</u>	<u>1,820,544</u>
Share-based payments reserve	2022 \$	2021 \$
Balance at 1 July	614,522	475,543
Conversion of Performance Rights	(132,509)	(46,800)
Share based payments expense (Note 21)	439,815	185,779
Vendors' performance rights (Note 11)	230,400	-
Balance at 30 June	<u>1,152,228</u>	<u>614,522</u>
Option reserve	2022 \$	2021 \$
Balance at 1 July	1,206,022	958,959
Options issued	-	247,063
Balance at 30 June	<u>1,206,022</u>	<u>1,206,022</u>

Nature and purpose of reserves

(i) Share-based payments reserve

The sShare-Based Payments Reserve is used to recognise:

- The fair value of options issued to employees and consultants but not exercised
- The fair value of shares issues to employees

(ii) Option reserve

The Share Option Reserve contains amounts received on the issue of options over unissued capital of the Company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

16. ACCUMULATED LOSSES

	2022	2021
	\$	\$
Accumulated losses at the beginning of the period	(10,587,104)	(8,782,104)
Net loss attributable to members of the Group	(5,349,157)	(1,805,000)
Accumulated losses at the end of the financial year	<u>(15,936,261)</u>	<u>(10,587,104)</u>

17. RECONCILIATION OF LOSS AFTER INCOME TAX TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2022	2021
	\$	\$
Loss for the year	(5,349,157)	(1,806,239)
Depreciation and amortisation	92,539	25,205
Non-cash employee benefits expense – share-based payments	439,815	185,779
Non-cash other expenses – consultant payments	-	250,000
Impairment expense	2,550,680	-
Project evaluation	-	(32,157)
Foreign exchange loss	-	(361)
Finance costs	10,812	-
(Increase)/decrease in trade debtors and other receivables	(2,716)	(144,049)
Increase/(decrease) in trade creditors and other payables	109,437	383,159
Net cash outflow from operating activities	<u>(2,148,590)</u>	<u>(1,138,663)</u>

Non-Cash from financing and investing activities

Additions of right of use assets and asset acquisition.

18. REMUNERATION OF AUDITORS

	2022	2021
	\$	\$
Amounts received or due and receivable by the auditors for:		
Audit services:		
BDO Audit (WA) Pty Ltd Audit and review of financial reports under the Corporations Act 2001	56,745	36,410
Non-audit services:		
BDO Corporate Tax (WA) Pty Ltd	18,250	18,326
BDO Corporate Finance (WA) Pty Ltd	4,000	-
BDO Reward (WA) Pty Ltd	12,950	-
	<u>91,945</u>	<u>54,736</u>

Notes to the Consolidated Financial Statements

For the year ended 30 June 2022

19. FINANCIAL RISK MANAGEMENT

Overview

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

- a. credit risk
- b. liquidity risk
- c. market risk

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

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

(a) 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 for the Group arises principally from cash and cash equivalents and receivables.

All cash balances are held with recognised institutions limiting the exposure to credit risk. There are no formal credit approval processes in place.

Exposure to credit risk

The carrying amount of the Group's financial assets represents the maximum exposure. The Group's maximum exposure to credit risk at the reporting date was:

	2022	2021
	\$	\$
Cash and cash equivalents	4,458,921	3,074,456
Receivables	116,627	185,286
	<u>4,575,548</u>	<u>3,259,742</u>

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about default rates.

Financial assets that are neither past due and not impaired are as follows:

	2022	2021
	\$	\$
Cash and cash equivalents	4,458,921	3,074,456
AA rating	<u>4,458,921</u>	<u>3,074,456</u>

(b) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. The Group manages liquidity risk by maintaining adequate reserves by continuously monitoring forecast and actual cash flows. The Group anticipates a need to raise additional capital in the next 12 months to meet forecasted operational activities. The decision on how the Group will raise future capital will depend on market conditions existing at that time.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2022

19. FINANCIAL RISK MANAGEMENT (continued)

Typically, the Group ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

The Group has no access to credit standby facilities or arrangements for further funding or borrowings in place. The financial liabilities the Group had at reporting date were trade payables incurred in the normal course of the business. These were non-interest bearing and were due within the normal 30-60 days terms of creditor payments.

Maturities of financial liabilities

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Less than 6 months \$	6-12 months \$	1-2 years \$	2-5 years \$	Over 5 years \$	Total contractual cash flows \$	Carrying amount (assets)/ liabilities \$
As at 30 June 2022							
Trade and other payables	937,261	-	-	-	-	937,261	937,261
Lease Liabilities	41,793	41,793	115,730	-	-	199,316	199,316

	Less than 6 months \$	6-12 months \$	1-2 years \$	2-5 years \$	Over 5 years \$	Total contractual cash flows \$	Carrying amount (assets)/ liabilities \$
As at 30 June 2021							
Trade and other payables	1,685,703	-	-	-	-	1,685,703	1,685,703
Lease Liabilities	35,577	35,577	103,861	-	-	175,015	175,015

(c) Market Risk

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

(i) Currency risk

Foreign exchange risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the entity's functional currency.

The Group did not have any formal policies in place regarding currency risk during the year as it was not considered significant. This will be monitored as appropriate going forward and introduced as necessary. The groups exposure to foreign currency risk at the end of the reporting period, expressed in Australian dollar, was Nil.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2022

19. FINANCIAL RISK MANAGEMENT (continued)

Sensitivity analysis

	2022		2021	
	Foreign exchange risk		Foreign exchange risk	
	+ 1%	- 1%	+ 1%	-1%
Cash and cash equivalents	3	(3)	30,744	(30,744)
	3	(3)	30,744	(30,744)

(ii) Cashflow and interest rate risk

The Group's only interest rate risk arises from cash and cash equivalents held. Term deposits and current accounts held with variable interest rates expose the Group to cash flow interest rate risk. The Group does not consider this risk to be material and has therefore not undertaken any further analysis of risk exposure for 2022.

(d) Fair values

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes. The Fair value of financial instruments that are not traded in an active market (for example investments in unlisted subsidiaries) is determined using valuation techniques. The carrying value less impairment of trade receivables and payables are assumed to approximate their fair values due to their short-term nature.

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

	2022 \$	2021 \$
Financial Assets		
Cash and cash equivalents	4,458,921	3,074,456
Trade and other receivables	116,627	185,286
Total Financial Assets	4,575,548	3,259,742
Financial Liabilities		
Trade and other payables	937,261	1,685,703
Total Financial Liabilities	937,261	1,685,703

The methods and assumptions used to estimate the fair value of financial instruments are outlined below:

Cash/financial liabilities and loans

The carrying amount is fair value due to the liquid nature of these assets.

Receivables/payables

Due to the short-term nature of these financial rights and obligations, their carrying amounts are estimated to represent their fair values.

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

Due to their short-term nature, the carrying amount of the current receivables and current payables is assumed to approximate their fair value. Refer to note 19 for further details.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2022

20. SEGMENT INFORMATION

Identification of reportable operating segments

The Group is organised into one operating segment, being exploration in Australia. This is based on the internal reports that are being reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers (CODM) in assessing performance and in determining the allocation of resources. As a result, the operating segment information is as disclosed in the statements and notes to the financial statements throughout the report.

Geographical information

All non-current assets are based in Australia.

21. SHARE BASED PAYMENT TRANSACTIONS

Share based payments during the year ended 30 June 2022 are summarised below:

(a) Recognised share-based payment expense

	2022 \$	2021 \$
Expense arriving from equity settled share-based payment transactions	439,816	185,779

(b) Securities granted during the year

Incentive Options granted during the year as share based payment are as follows:

Item	Class of Securities	Grant Date	Number of Securities	Exercise Price	Expiry Date	Vesting Date
1	Employees Incentive Options	1 Jul 2021	900,000	\$0.50	5 years from grant date	1 July 2024
2	Directors Incentive Options	1 Jul 2021	4,400,000	\$0.50	5 years from grant date	1 July 2024

The incentive options have been valued using the Black Scholes model based on the following inputs:

Item	Dividend Yield	Valuation Date	Expected Volatility	Risk-Free Interest Rate	Expiry	Underlying Share Price	Value per Option (\$)	Total Fair Value (\$)
1	Nil	01/07/21	100%	1.175%	5 years	\$0.175	\$0.103	\$92,520
2	Nil	16/12/21	100%	1.175%	5 years	\$0.125	\$0.067	\$295,680

Notes to the Consolidated Financial Statements

For the year ended 30 June 2022

21. SHARE BASED PAYMENT TRANSACTIONS (continued)

Performance rights granted to Directors during the year as share based payment are as follows:

Tranche	Class of Securities	Grant Date	Number of Securities	Exercise Price	Expiry Date	Vesting Date	Disposal Restriction
1	Class A Directors performance rights	16 Dec 2021	780,000	Nil – convert to ordinary shares on achievement of performance conditions	5 years from grant date	1 July 2022	N/A
2	Class A Directors performance rights	16 Dec 2021	780,000	Nil – convert to ordinary shares on achievement of performance conditions	5 years from grant date	1 July 2023	N/A
3	Class A Directors performance rights	16 Dec 2021	780,000	Nil – convert to ordinary shares on achievement of performance conditions	5 years from grant date	1 July 2024	N/A
1	Class B Directors performance rights	16 Dec 2021	1,803,334	Nil – convert to ordinary shares on achievement of performance conditions	5 years from grant date	1 July 2022	N/A
2	Class B Directors performance rights	16 Dec 2021	1,803,334	Nil – convert to ordinary shares on achievement of performance conditions	5 years from grant date	1 July 2023	N/A
3	Class B Directors performance rights	16 Dec 2021	1,803,334	Nil – convert to ordinary shares on achievement of performance conditions	5 years from grant date	1 July 2024	N/A
1	Class B Executive Director performance rights	21 Apr 2022	750,000	Nil – convert to ordinary shares on achievement of performance conditions	2.5 years from grant date	6 months from grant date	N/A
2	Class B Executive Director performance rights	21 Apr 2022	750,000	Nil – convert to ordinary shares on achievement of performance conditions	3 years from grant date	12 months from grant date	N/A
3	Class B Executive Director performance rights	21 Apr 2022	1,500,000	Nil – convert to ordinary shares on achievement of performance conditions	2.5 years from grant date	6 months from grant date	N/A
4	Class B Executive Director performance rights	21 Apr 2022	1,500,000	Nil – convert to ordinary shares on achievement of performance conditions	3 years from grant date	12 months from grant date	N/A
5	Class B Executive Director performance rights	21 Apr 2022	1,500,000	Nil – convert to ordinary shares on achievement of performance conditions	2.5 years from grant date	6 months from grant date	N/A

Notes to the Consolidated Financial Statements

For the year ended 30 June 2022

Tranche	Class of Securities	Grant Date	Number of Securities	Exercise Price	Expiry Date	Vesting Date	Disposal Restriction
6	Class B Executive Director performance rights	21 Apr 2022	1,500,000	Nil – convert to ordinary shares on achievement of performance conditions	3 years from grant date	12 months from grant date	N/A
1	Class C Non-Executive Director performance rights	21 Apr 2022	150,000	Nil – convert to ordinary shares on grant date	2 years from grant date	On grant date	N/A

Performance rights granted to employees during the year as share based payment are as follows:

Item	Class of Securities	Grant Date	Number of Securities	Exercise Price	Expiry Date	Vesting Date	Disposal Restriction
1	Class A employees performance rights	1 Jul 2021	400,000	Nil – convert to ordinary shares on achievement of performance conditions	5 years from grant date	1 July 2022	N/A
2	Class B employees performance rights	1 Jul 2021	400,000	Nil – convert to ordinary shares on achievement of performance conditions	5 years from grant date	1 July 2023	N/A
3	Class C employees performance rights	1 Jul 2021	750,000	Nil – convert to ordinary shares on achievement of performance conditions	5 years from grant date	1 July 2022	N/A
4	Class D employees performance rights	1 Jul 2021	750,000	Nil – convert to ordinary shares on achievement of performance conditions	5 years from grant date	1 July 2023	N/A
5	Class E employees performance rights	1 Jul 2021	750,000	Nil – convert to ordinary shares on achievement of performance conditions	5 years from grant date	1 July 2024	N/A

Notes to the Consolidated Financial Statements

For the year ended 30 June 2022

21. SHARE BASED PAYMENT TRANSACTIONS (continued)

The performance conditions for the Directors' Performance Rights are set out below:

Tranche	Class of Securities	Performance Milestones
1	Class A Directors performance rights	Performance Rights will vest subject to continuous service to the Company by the relevant Director (or the nominated holder), commencing on the date of issue of the performance rights until 1 July 2022.
2	Class A Directors performance rights	Performance Rights will vest subject to continuous service to the Company by the relevant Director (or the nominated holder), commencing on the date of issue of the performance rights until 1 July 2023.
3	Class A Directors performance rights	Performance Rights will vest subject to continuous service to the Company by the relevant Director (or the nominated holder), commencing on the date of issue of the performance rights until 1 July 2024.
1	Class B Directors performance rights	Performance Rights will vest upon the Thirty Day VWAP achieving A\$0.40 per Share and continuous service to the Company by the relevant Director commencing on the date of issue of the performance rights until 1 July 2022.
2	Class B Directors performance rights	Performance Rights will vest upon the Thirty Day VWAP achieving A\$0.50 per Share and continuous service to the Company by the relevant Director commencing on the date of issue of the performance rights until 1 July 2023.
3	Class B Directors performance rights	Performance Rights will vest upon the Thirty Day VWAP achieving A\$0.60 per Share and continuous service to the Company by the relevant Director commencing on the date of issue of the performance rights until 1 July 2024.
1	Class B Executive Director performance rights	Performance Rights will vest upon the Twenty Day VWAP equal to or greater than A\$0.25 per Share on or before the date that is six months from the date of issue.
2	Class B Executive Director performance rights	Performance Rights will vest upon the Twenty Day VWAP equal to or greater than A\$0.25 per Share on or before the date that is 12 months from the date of issue.
3	Class B Executive Director performance rights	Performance Rights will vest upon the Twenty Day VWAP equal to or greater than A\$0.35 per Share on or before the date that is six months from the date of issue.
4	Class B Executive Director performance rights	Performance Rights will vest upon the Twenty Day VWAP equal to or greater than A\$0.35 per Share on or before the date that is 12 months from the date of issue.
5	Class B Executive Director performance rights	Performance Rights will vest upon the Twenty Day VWAP equal to or greater than A\$0.40 per Share on or before the date that is six months from the date of issue.
6	Class B Executive Director performance rights	Performance Rights will vest upon the Twenty Day VWAP equal to or greater than A\$0.40 per Share on or before the date that is 12 months from the date of issue.

The Performance Rights will vest immediately on a change of control of the Company.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2022

21. SHARE BASED PAYMENT TRANSACTIONS (continued)

Management have valued Tranche 1, Tranche 2, and Tranche 3 of Class A Directors' performance rights based on the share price at the grant date. A 100% probability of achieving the vesting condition has been applied to the expense in the current reporting period.

The Class B Directors' Performance Rights were valued using an Up-and-In Trinomial Model with the following inputs:

Tranche	Dividend Yield	Valuation Date	Expected Volatility	Risk-Free Interest Rate	Expiry	Underlying Share Price	Value per Right (\$)	Total Fair Value (\$)
1	Nil	01/07/21	100%	0.055%	12 Months	\$0.175	\$0.072	\$54,000
2	Nil	01/07/21	100%	0.055%	24 Months	\$0.175	\$0.101	\$75,750
3	Nil	01/07/21	100%	0.055%	36 Months	\$0.175	\$0.117	\$87,750

The Class B Executive Directors' Performance Rights and Class C Non-Executive Director's Performance Rights were valued using an Up-and-In Trinomial Model with the following inputs:

Tranche	Dividend Yield	Valuation Date	Expected Volatility	Risk-Free Interest Rate	Expiry	Underlying Share Price	Value per Right (\$)	Total Fair Value (\$)
1	Nil	21/04/22	90%	1.02%	2.51 years	\$0.135	\$0.06	\$45,225
2	Nil	21/04/22	90%	1.02%	3 years	\$0.135	\$0.088	\$65,850
3	Nil	21/04/22	90%	1.02%	2.51 years	\$0.135	\$0.029	\$21,525
4	Nil	21/04/22	90%	1.02%	3 years	\$0.135	\$0.06	\$45,225
5	Nil	21/04/22	90%	1.02%	2.51 years	\$0.135	\$0.02	\$15,075
6	Nil	21/04/22	90%	1.02%	3 Years	\$0.135	\$0.5	\$37,425
Class C	Nil	21/04/22	90%	1.02%	2 Years	\$0.135	\$0.135	\$20,250

The performance conditions for the Employees' Performance Rights are set out below:

Item	Class of Securities	Performance Milestones
1	Class A Employee performance rights	Performance Rights will vest subject to 12 months of continuous service to the Company by the relevant employee (or the nominated holder), commencing on the date of issue of the performance rights.
2	Class B Employee performance rights	Performance Rights will vest subject to 24 months of continuous service to the Company by the relevant employee (or the nominated holder), commencing on the date of issue of the performance rights.
3	Class C Employee performance rights	Performance Rights will vest subject to continuous service, and upon the Twenty Day VWAP equal to or greater than A\$0.40 per Share on or before the date that is 12 months from the date of issue.
4	Class D Employee performance rights	Performance Rights will vest subject to continuous service, and upon the Twenty Day VWAP equal to or greater than A\$0.50 per Share on or before the date that is 24 months from the date of issue.
5	Class E Employee performance rights	Performance Rights will vest subject to continuous service, and upon the Twenty Day VWAP equal to or greater than A\$0.60 per Share on or before the date that is 36 months from the date of issue.

The Performance Rights will vest immediately on a change of control of the Company.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2022

21. SHARE BASED PAYMENT TRANSACTIONS (continued)

Management have valued Class A and Class B of employees' performance rights based on the share price at the grant date. A 100% probability of achieving the vesting condition has been applied to the expense in the current reporting period.

The employees' Performance Rights were valued using an Up-and-In Trinomial Model with the following inputs:

Class	Dividend Yield	Valuation Date	Expected Volatility	Risk-Free Interest Rate	Expiry	Underlying Share Price	Value per Right (\$)	Total Fair Value (\$)
C	Nil	16/12/21	100%	0.57%	0.54 years	\$0.125	\$0.008	\$14,427
D	Nil	16/12/21	100%	0.57%	1.54 years	\$0.125	\$0.040	\$72,133
E	Nil	16/12/21	100%	0.57%	2.54 years	\$0.125	\$0.061	\$110,003

22. DIVIDENDS

There were no dividends paid or declared by the Group during the year (2021: Nil).

23. EVENTS OCCURRING AFTER REPORTING DATE

No matter or circumstance has arisen that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

24. COMMITMENTS AND CONTINGENCIES

(a) Exploration expenditure

In order to maintain mining tenements, the Company is committed to meet the prescribed conditions under which tenements were granted. These commitments may be met in the normal course of operations by future capital raisings and/or farm-out and under certain circumstances are subject to the possibility of adjustment to the amount and timing of such obligations or by tenement relinquishment.

	2022 \$	2021 \$
Exploration expenditure commitments		
Payable:		
Not later than 12 months	1,879,335	1,220,034
Between 12 months and 5 years	5,815,903	5,344,058
Greater than 5 years	3,694,065	3,569,400
Total	11,389,302	10,133,491

(b) Contingent Liabilities

The Group had no material contingent asset or liabilities at 30 June 2022.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2022

25. SUBSIDIARIES

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries:

Name of entity	Country of Incorporation	Equity holding 2022	Equity holding 2021
Auroch Exploration Pty Ltd ¹	Australia	100%	100%
Auroch Europe Pty Ltd ¹	Australia	100%	100%
Zinc Mining Pty Ltd	Australia	100%	100%
Altia Resources Pty Ltd	Australia	100%	100%
Minotaur Gold Solutions Ltd	Australia	100%	100%
SA Cobalt Pty Ltd	Australia	100%	100%
Eastern Coolgardie Goldfields Pty Ltd	Australia	80%	80%
Calderas Minerals Ltd ²	Australia	100%	-
Nevada Lithium Corp Pty Ltd ³	Australia	80%	-
Nevada Li Corp ³	USA	80%	-

¹ Dormant subsidiary

² Newly incorporated subsidiary on 29 June 2022

³ Acquired during the year

26. RELATED PARTY TRANSACTIONS

(a) Parent entities

The parent entity within the Group is Auroch Minerals Limited. The ultimate parent entity and ultimate controlling party is Auroch Minerals Limited (incorporated in Australia) which at 30 June 2022 owns 80% - 100% of the issued ordinary shares of the above subsidiaries.

(b) Subsidiaries

Interests in subsidiaries are set out in note 25.

(c) Key management personnel

(i) Key Management Personnel Compensation

	2022 \$	2021 \$
Short-term employee benefits	576,866	404,979
Post-employment benefits	40,961	27,609
Share-based payments	355,572	198,063
	<u>973,399</u>	<u>630,651</u>

Notes to the Consolidated Financial Statements

For the year ended 30 June 2022

26. RELATED PARTY TRANSACTIONS (Con't)

(ii) Other transactions with Key Management Personnel

Edward Mason is a director of Jermyn East Capital Pty Ltd. During the period ended 30 June 2022, the Company was providing corporate advisory services to Auroch Minerals Limited. Payments to Jermyn East Capital Pty Ltd during the relevant period total \$27,979 (2021: \$26,260). The amounts owed to Jermyn East Capital Pty Ltd as at 30 June 2022 was \$nil (2021: \$nil).

Trevor Eton is a director of Energy Select Pty Ltd. During the period ended 30 June 2022, the Company was providing corporate advisory services to Auroch Minerals Limited. Payments to Energy Select Pty Ltd during the relevant period total \$2,769 (2021: \$1,698). The amounts owed to Payments to Energy Select Pty Ltd as at 30 June 2022 was \$3,000 exclusive of GST (2021: \$nil).

Issue of Incentive Options and Performance Rights

The following securities were issued to key management personnel during the year:

Executive and Non-Executive Name	Class of Securities	Grant Date	No of Equity	Share Based Payments \$
Aidan Platel	Class B – Performance Rights	16 Dec 2021	3,250,000	37,693
	Incentive options	16 Dec 2021	2,500,000	35,483
Mike Edwards	Class A – Performance Rights	16 Dec 2021	720,000	46,647
	Class B – Performance Rights	16 Dec 2021	630,000	7,307
	Class B – Performance Rights	21 Apr 2022	6,000,000	76,171
	Incentive options	16 Dec 2021	500,000	7,097
Trevor Eton	Class A – Performance Rights	16 Dec 2021	720,000	46,647
	Class B – Performance Rights	16 Dec 2021	630,000	7,307
	Class C – Performance Rights	21 Apr 2022	150,000	20,250
	Incentive options	16 Dec 2021	500,000	7,097
TOTAL			15,600,000	291,699

The incentive options and performance rights issued to Mr Edward Mason during the year were cancelled on his resignation, and the share-based payment expenses related to the equity issued was reversed during the year.

(d) Outstanding balances arising from sales/purchases of goods and services

There are no an outstanding balance arising from services provided by related party companies.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2022

27. PARENT ENTITY INFORMATION

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

	2022	2021
	\$	\$
Current Assets	3,811,893	2,744,629
Non-Current Assets	18,439,773	10,470,818
TOTAL ASSETS	22,251,666	13,215,447
Current Liabilities	1,012,855	992,197
Non-Current Liabilities	115,730	578,672
TOTAL LIABILITIES	1,128,585	1,570,869
Contributed equity	36,920,122	25,634,814
Reserves	2,358,253	1,854,346
Accumulated losses	(18,155,293)	(15,844,582)
TOTAL EQUITY	21,123,082	11,644,578
Loss for the year	(2,063,267)	(1,805,000)
Other Comprehensive loss for the year	-	-
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	(2,063,267)	(1,805,000)

At reporting date, the parent entity has nil guarantees and contingent liabilities (2021: Nil).

DIRECTOR'S DECLARATION

The directors of the Company declare that:

- (a) the financial statements and notes are in accordance with the Corporations Act 2001, and:
 - (i) complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - (ii) give a true and fair view of the financial position as at 30 June 2022 and of the performance for the year ended on that date of the Group.
 - (iii) are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board, as stated in note 1 to the financial statements; and
- (b) In the Directors' opinion, there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable; and
- (c) The Directors have been given the declarations by the Managing Director and the Chief Financial Officer as required by section 295A, of the Corporations Act 2001.

This declaration is made in accordance with a resolution of the Board of Directors and is signed on behalf of the Directors by:



Aidan Platel
Managing Director
Perth, Western Australia
23rd of September 2022

INDEPENDENT AUDITORS REPORT



Tel: +61 7 3237 5999
Fax: +61 7 3221 9227
www.bdo.com.au

Level 9, Mia Yellagonga Tower 2
5 Spring Street
Perth WA 6000
PO Box 700 West Perth WA 6872
Australia

INDEPENDENT AUDITOR'S REPORT

To the members of Auroch Minerals Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Auroch Minerals 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.

Material uncertainty related to going concern

We draw attention to Note 1 (d) in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the group's ability to continue as a going concern and therefore the group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

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.



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. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Carrying Value and Acquisition of Exploration & Evaluation Assets

Key audit matter	How the matter was addressed in our audit
<p>The carrying value of the capitalised exploration and evaluation asset as at 30 June 2022 is disclosed in Note 11 of the Financial Report.</p> <p>As the carrying value of the Exploration and Evaluation Asset 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. As a result, the asset was required to be assessed for impairment indicators in accordance with AASB 6 <i>Exploration for and Evaluation of Mineral Resources</i>.</p> <p>As disclosed in Note 11 of the Financial Report, impairment charges are recognised on the Exploration and Evaluation Asset as at 30 June 2022. Given the quantum of this impairment charge and the judgement exercised by the Group in determining the recoverable amount of the relevant projects, we considered this area to be significant for our audit.</p> <p>In addition, on 8 June 2022, the Group obtained a controlling interest in the Nevada Lithium Project by acquiring an interest in Nevada Lithium Corp Pty Ltd. The Group treated the transaction as an asset acquisition, rather than a business acquisition.</p>	<p>Our procedures included, but were not limited to:</p> <ul style="list-style-type: none"> • 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; • Considering the status of the ongoing exploration programmes in the respective areas of interest by holding discussions with management, and reviewing the Group's exploration budgets, ASX announcements and director's minutes; • Considering whether any such areas of interest had reached a stage where a reasonable assessment of economically recoverable reserves existed; • Considering whether there are any other facts or circumstances existing to suggest impairment testing was required; • Evaluating management's basis for the impairment charge, including verifying the mathematical accuracy of the charge and the allocation across the relevant projects; • Reviewing the acquisition agreement to understand the key terms and conditions, including assessing management's determination of the fair value of consideration;



Accounting for this transaction is complex and requires management to exercise judgement to determine the appropriate accounting treatment including whether the acquisition should be classified as an asset or business acquisition, estimating the fair value of net assets acquired and estimating the fair value of the purchase consideration.

As a result, this is considered a key audit matter.

- Obtaining an understanding of the acquisition transaction including assessing the accounting acquirer and whether the transaction constituted a business or an asset acquisition; and
- Assessing the adequacy of the related disclosures in Note 11 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.

INDEPENDENT AUDITORS REPORT



Auditor's responsibilities for the audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

https://www.auasb.gov.au/admin/file/content102/c3/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 36 to 45 of the directors' report for the year ended 30 June 2022.

In our opinion, the Remuneration Report of Auroch Minerals 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

A handwritten signature in dark ink, appearing to read 'J Prue', is written over a faint, light blue BDO logo.

Jarrad Prue

Director

Perth, 23 September 2022

INDEPENDENT AUDITORS REPORT

Corporate Governance Statement

In fulfilling its obligations and responsibilities to its various stakeholders, the Board is a strong advocate of corporate governance. This statement outlines the principal corporate governance procedures of Auroch Minerals Limited ("**Company**" or "**Group**"). The Board of Directors ("**Board**") supports a system of corporate governance to ensure that the management of Auroch Minerals Limited is conducted to maximise shareholder wealth in a proper and ethical manner.

ASX Corporate Governance Council Recommendations

The Board has adopted corporate governance policies and practices consistent with the ASX Corporate Governance Council's *Principles of Good Corporate Governance and Best Practice Recommendations* ("ASX Principles and Recommendations 4th Edition") where considered appropriate for Group of Auroch Minerals Limited size and nature. Such policies include, but are not limited to the Board Charter, Board Committee Charters, Code of Conduct, Trading in Securities, Continuous Disclosure, Shareholder Communication and Risk Management Policies.

Further details in respect to the Group's corporate governance practises and copies of Group's corporate governance policies and the Corporate Governance Statement, approved by the Board, are available of the Group's website:

<https://www.aurochminerals.com/corporate-governance/>

ASX ADDITIONAL INFORMATION

Additional information required by the ASX Listing Rules not disclosed elsewhere in this Annual Report is set out below.

1. Shareholdings

The issued capital of the Company as at 15 September 2022 is 371,111,799 ordinary fully paid shares (details below). All issued ordinary fully paid shares carry one vote per share.

Ordinary Shares

Holding Ranges	Holders	Total Units	% Issued Share Capital
above 0 up to and including 1,000	70	12,063	0.00%
above 1,000 up to and including 5,000	930	3,211,871	0.87%
above 5,000 up to and including 10,000	824	6,755,564	1.82%
above 10,000 up to and including 100,000	2,199	84,581,590	22.79%
above 100,000	560	276,550,711	74.52%
Totals	4,583	371,111,799	100.00%

Unmarketable parcels

The number of shareholdings held in less than marketable parcels is 1,159.

2. Top 20 Shareholders as at 15 September 2022

Position	Holder Name	Holding	% IC
1	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	13,150,321	3.54%
2	GETMEOUTOFHERE PTY LTD <SINKING SHIP SUPER FUND A/C>	11,029,380	2.97%
3	6466 INVESTMENTS PTY LTD	6,580,647	1.77%
4	RAINMAKER HOLDINGS (WA) PTY LTD <THE MACRI INVESTMENT A/C>	5,583,364	1.50%
5	ELVIEN PTY LTD <SUNSET SUPER A/C>	4,600,000	1.24%
6	RFN SUPER PTY LTD <RFN SMSF A/C>	4,000,000	1.08%
7	INDULU PTY LTD <INDULU A/C>	3,745,000	1.01%
8	NEDEEL LLC	3,600,000	0.97%
9	BROWN BRICKS PTY LTD <HM A/C>	3,434,787	0.93%
10	HOGHTON SUPERFUND PTY LTD <HOGHTON SUPERFUND A/C>	3,300,000	0.89%
11	MIMO STRATEGIES PTY LTD <MIMO A/C>	3,200,000	0.86%
11	BRU BOY PTY LTD <BRU BOY INVESTMENT A/C>	3,200,000	0.86%
12	CITICORP NOMINEES PTY LIMITED	3,192,973	0.86%
13	PURESTEEL HOLDINGS PTY LTD <RATTIGAN SUPER FUND A/C>	3,000,000	0.81%
14	KRAKOUER CAPITAL PTY LTD	2,880,000	0.78%
15	NAUTICAL HOLDINGS WA PTY LTD <ABANDON SHIP S/F A/C>	2,854,583	0.77%
16	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	2,830,159	0.76%
17	LAGRAL STRATEGIES PTY LTD <THE LAGRAL FAMILY A/C>	2,752,852	0.74%
18	YELO RESOURCES PTY LTD	2,750,000	0.74%
19	MR ALLAN NEVILLE BROSNAN	2,400,000	0.65%
20	MR PETER STIRLING SMITH & MRS DENISE PHYLLIS SMITH <MONTARA SUPER FUND A/C>	2,191,683	0.59%
	Totals	90,275,749	24.33%

ASX ADDITIONAL INFORMATION

3. Voting Rights

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

Ordinary Shares

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

The company is listed on the Australian Securities Exchange under the code "AOU".

4. Substantial shareholders

There is no substantial shareholders as at 15 September 2022.

5. Unquoted securities

Securities	Number
AOUOPT6 - Unlisted Options @ \$0.16 EXP 03/09/2023	3,250,000
AOUOPT7 - Unlisted Options @ \$0.20 EXP 03/09/2023	3,500,000
AOUOPT8 - Unlisted Options @ \$0.12 EXP 15/10/2023	2,000,000
AOUOPT9 - Unlisted Options @ \$0.50 EXP 10/08/2026	3,750,000
Class A Performance Shares	6,400,000
Class B Performance Shares	2,300,000
Class C Performance Shares	2,300,000
Class D Performance Shares	1,000,000
AOUPR1 - Performance Rights	1,250,000
AOUPERR3 - Performance Rights - 24M Vesting	1,525,000
AOUPRF - Class F Performance Rights	605,000
AOUPRH - Class H Performance Rights	1,728,333
AOUPRI - Class I Performance Rights	1,728,334
AOUPRK - Class K Performance Rights	480,000
AOUPRB - Class B Performance Rights	6,000,000
AOUPERR4 - Performance Rights Exp 10/06/2025	7,200,000

ASX ADDITIONAL INFORMATION

6. Unquoted securities holders with greater than 20% of an individual class

Incentive Options

Holder	CLASS A INCENTIVE OPTIONS	CLASS B INCENTIVE OPTIONS	CLASS C INCENTIVE OPTIONS	AOUOPT9 - INCENTIVE OPTIONS
INDULU PTY LTD	3,250,000	3,500,000	-	2,500,000
RFN SUPER PTY LTD	-	-	2,000,000	-
SHADWICK NOMINEES PTY LTD	-	-	-	500,000
JANE ETON	-	-	-	500,000
BRONTE JESS COX	-	-	-	250,000
Total number of holders	1	1	1	4
Total holdings over 20%	1	1	1	1
Other holder	-	-	-	3
TOTAL	1	1	1	4

Performance Shares

Holder	CLASS A PERFORMANCE SHARES	CLASS B PERFORMANCE SHARES	CLASS C PERFORMANCE SHARES	CLASS D PERFORMANCE SHARES
Resource Holdings Pty Ltd	6,400,000	1,035,000	1,035,000	-
Mr Martin Bennett	-	1,035,000	1,035,000	-
Discovery Services Pty Ltd <Discovery Capt Inv Unit A/C>	-	-	-	1,000,000
Total number of holders	1	4	4	1
Total holdings over 20%	1	2	2	1
Other holder	-	2	2	-
TOTAL	1	4	4	1

Performance Rights

Holder	AOUPT1 - PERFORMANCE RIGHTS	AOUPT3 - PERFORMANCE RIGHTS - 24M VESTING	AOUPTF - CLASS F PERFORMANCE RIGHTS	AOUPTH - CLASS H PERFORMANCE RIGHTS
RYAN GAFFNEY	250,000	-	-	-
DAVID LENIGAS	1,000,000	-	-	-
INDULU PTY LTD	-	1,125,000	-	1,083,333
SHADWICK NOMINEES PTY LTD	-	400,000	240,000	210,000
JANE ETON	-	-	240,000	210,000
BRONTE JESS COX	-	-	125,000	225,000
Total number of holders	2	2	3	4
Total holdings over 20%	2	2	3	1
Other holder	-	-	-	3
TOTAL	2	2	3	4

ASX ADDITIONAL INFORMATION

Performance Rights (Continued)

Holder	AOUPRI - CLASS I PERFORMANCE RIGHTS	AOUPRK - CLASS K PERFORMANCE RIGHTS	AOUPRB - CLASS B PERFORMANCE RIGHTS	AOUPERR4 - PERFORMANCE RIGHTS
INDULU PTY LTD	1,083,333	-	-	-
SHADWICK NOMINEES PTY LTD	210,000	240,000	6,000,000	-
JANE ETON	210,000	240,000	-	-
BRONTE JESS COX	225,000	-	-	-
CRATONIX PTY LTD	-	-	-	720,000
KRAKOUER CAPITAL PTY LTD	-	-	-	2,880,000
NEDEEL LLC	-	-	-	3,600,000
Total number of holders	4	2	1	3
Total holdings over 20%	1	2	1	2
Other holder	3	-	-	1
TOTAL	4	2	1	3

7. Restricted securities subject to escrow period

There are currently no securities on issue subject to escrow.

8. On-market buyback

There is currently no on-market buyback program for any of Auroch Minerals Limited's listed securities.



ASX:AOU

aurochminerals.com

E: info@aurochminerals.com

T: +61 8 6383 7817

F: +61 8 6245 9853

Suite 10, 38-40 Colin Street,
West Perth WA 6005

