



**TULLA RESOURCES PLC**

**(Incorporated in England and Wales under the Companies Act 1985  
with registration number 05380466)  
ARBN 122 088 073**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2022**

**TULLA RESOURCES PLC**  
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**TULLA RESOURCES PLC  
DIRECTORS, SECRETARY AND ADVISERS**

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<b>Directors:</b>	Kevin Maloney Mark Maloney Arthur Michael Anglin Andrew Greville Frederick Kempson	Executive Chairman Executive Director Non-Executive Director Non-Executive Director Non-Executive Director
<b>Company Secretary:</b>	Ben Harber Stephen Maffey Mark McIntosh	
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## TULLA RESOURCES PLC CHAIRMAN'S LETTER

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Dear Shareholders

The Company's first full year listed on the ASX has been a very busy one.

The main focus has been working with our JV partner, Pantoro Limited and its wholly owned subsidiary, Pantoro South Pty Ltd (the Manager of the JV) on bringing the Norseman Project back into gold production. Considerable planning and preparation work has been undertaken culminating in contracts being awarded to Hampton Transport Services to undertake the first phase of open cut mining at the Scotia Mining Centre and WestAuz Mining for the underground mining at the OK Underground Mine. In late April, mining commenced on site.

The construction of the new 1.0m tonne per annum processing plant by GR Engineering Services continued and despite the challenges of COVID-19 and industry supply issues and cost pressures commissioning commenced on budget and on schedule in early September 2022 – an excellent achievement by all concerned. Although it is still early days, we are excited that we will be back in production imminently.

On the exploration front, the drilling primarily focussed on the Scotia Mining Centre, both Resource and Reserve drilling and grade drilling. This has been very successful culminating in the discovery of the Green Lantern deposit and the announcement of a Maiden Resource Estimate. The Scotia Mining Centre comprising the Scotia open pit, Scotia Deeps, Green Lantern, the new Panda discovery and Scotia SIF will provide increased ounces and mine life.

Some drilling has also been undertaken on the historic Mainfield, particularly centred on the Crown and Crown South, Mararoa, Butterfly and St Patrick's deposits. An update on the O'Brien's MRE was announced during the year.

As a result of the exploration drilling since last year's Annual Report, the Mineral Resource of the Norseman Gold Project has increased to 46.44 Mt at 3.2 g/tAu for 4,787,000 ounces, and the Mineral Reserve has increased by 260,000 ounces (36.5%) to 973,000 ounces.

A review of the historical data of the PGE Mineralisation at the Monarch Prospect on the Mission Sil was also undertaken following the Galileo Mining (ASX:GAL) announcement of its successful PGE discover on the adjacent Mt Thirsty Sill.

One of the strategies that the Board has embarked upon is to seek to diversify its mineral asset base and geographic footprint. The initial plan was to seek to expand its assets at the Norseman Project. In December 2021, the Company entered into a binding term sheet with Mineral Resources Limited and Pantoro to establish a Lithium JV. An initial drilling campaign of 8,000 metres at Buldania, which abuts Liontown's Anna deposit, has yielded encouraging results.

The Company has also entered into an off-take and funding agreement with Constance Iron Limited (formerly Koch Metals Limited) in respect to its 100% owned iron ore asset at Norseman. That agreement is subject to the listing of Constance Iron on the LSE, which is now expected by 31 October 2022.

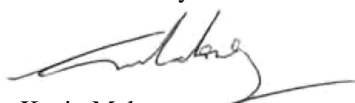
On the corporate front, the Company entered into a Loan Agreement with Nebari comprising a secured debenture facility and a convertible facility totalling US\$21.5 million (AUD\$29.8 million) which has been drawn down to fund the JV gold Activities. This, together with the sell down of the Company's shares in Pantoro Limited, has provided the Company with a secure financial footing. With production in train, we are confident of reporting a positive cash flow in the near future.

I am fortunate to have an excellent Board with deep industry expertise and I thank them for their valuable strategic input and support during the year. Our management team is small in number but incredibly committed and loyal and they have made a significant contribution to the Company over the past year. Their work is valued and appreciated.

The current financial year is an exciting one for the Company as we transfer to being a gold producer. In addition, Mineral Resources will continue to progress the Lithium JV towards future production and we will seek to develop our iron ore operations to deliver under the agreement with Constance Iron.

We are also investigating potential corporate opportunities all with a view to enhancing shareholder value.

Yours faithfully



Kevin Maloney  
**Executive Chairman**

**TULLA RESOURCES PLC**  
**STRATEGIC REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2022**

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The Directors present the Annual Report, together with the audited financial statements of Tulla Resources Plc and its subsidiary undertakings (“the Group” or “the Company” or “Tulla Resources”) for the year ended 30 June 2022.

**Business review**

Pursuant to an agreement dated 14 May 2019, Pantoro South Pty Ltd, a wholly owned subsidiary of Pantoro Limited (ASX: PNR) (collectively “Pantoro”) acquired a 50% ownership of the Norseman Gold Project through a Farm In and Joint Venture Agreement (FJVA) with Central Norseman Gold Corporation Pty Ltd (“CNGC”) and the Company. The JV is an unincorporated joint venture.

Pantoro has been appointed the Manager on behalf of the unincorporated joint venture as agent for the JV Parties. A Management Committee has been established and Kevin Maloney, the Executive Chairman of Tulla Resources is the Company representative. Each JV Party has a 50% vote on the Management Committee, save for some matters that require unanimous consent.

The role of the Management Committee is to supervise the Manager in the management of the joint venture and to make strategic decisions relating to the conduct of the Joint Venture Activities. The Manager reports to the Management Committee. The Manager has no voting rights except in the case where, for whatever reason, the Management Committee fails to approve the Proposed Programme and Budget and then, subject to any amendment or approval by the Manager being made in accordance with the Best for Project Principle (i.e. making decisions in good faith based on return on equity for each JV Party). Tulla Resources has the right to appoint an Expert to determine that any such approval or amendments sought by the Manager to the Proposed Programme and Budget which are not agreed by the JV Parties are in accordance with Best for Project Principle.

Each JV Party has a first secured interest and cross security over the 50% interest in the Project held by the other JV Party as security for the payment of called sums and other amounts payable pursuant to the FJVA. No sums are currently owing by Tulla Resources. Pantoro’s outstanding obligations to Tulla Resources in relation to certain payments under the FJVA are secured pursuant to the deed of cross security.

In accordance with the FJVA, there have been 4 meetings held by the Management Committee during the financial year (31 August 2021; 6 December 2021; 4 March 2022 and 19 May 2022).

The Operations Report of the activities undertaken at the Norseman Gold Project over the past financial year is based on the Manager’s report to the Company and is set out at page 17.

As previously reported by the Company, certain assets including Industrial Minerals were excluded from the FJVA (save for certain rights for Pantoro to subsequently participate). The iron ore is 100% owned by the Company and Pantoro has no rights to buy-in. The rights in relation to the Industrial Minerals owned by Tulla Resources are subject to the terms of the Mineral Rights Deed – Industrial Minerals entered into between CNGC and Pantoro South dated 9 July 2019.

The Manager has stated that it implemented Covid-19 Safe Working Practices at the Norseman Gold Project. While COVID-19 and the consequences of the restrictions on the movement of employees across borders and reduction in access to employees was challenging, the overall impact was well managed by the Manager and had no significant impact on operations on site.

**Corporate**

As at 30 June 2022, Tulla Resources had 269,172,423 Ordinary Shares of £0.022962 each, of which 268,503,775 are registered as Chess Depository Interests (“CDIs”) on the electronic CHESSE sub-register.

On 14 March 2022, 22,834,875 CDI’s were released from voluntary escrow. A further 22,834,875 CDIs were released from voluntary escrow on 14 September 2022 and there are a number of CDIs that remain subject to mandatory escrow until March 2023.

All remaining shareholders are able to convert their shares to CDIs to be traded on the ASX by contacting Link Group, the UK Share Register and requesting the applicable form.

**TULLA RESOURCES PLC**  
**STRATEGIC REPORT**  
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### **Norseman Gold Project**

The priority over the past financial year has been on progressing the operations to recommence production as soon as practicable. This has involved obtaining permitting approvals, upgrading the existing infrastructure, where required, construction of the new processing plant and commencing mining. All of these objectives have been achieved and the focus this year will now be on mining and production to generate a positive cash flow from the gold asset at Norseman. The current schedule is to produce in excess of 100,000 ounces per year in a steady state.

On the exploration front, the strategy is to seek to add resources and reserves to increase the life of mine and to review new greenfield opportunities for potential targeted exploration.

### **Lithium Joint Venture**

On 14 December 2022, the Company announced that it had signed a binding term sheet with Pantoro South and a wholly owned subsidiary of Mineral Resources Limited (ASX:MIN) (MinRes) for an unincorporated joint venture for its 50% interest in the lithium asset at Norseman. Lithium is a JV Asset pursuant to the FJVA.

#### *Lithium Joint Venture - Key Terms*

- MRL to complete a minimum of \$500,000 expenditure within 6 months.
- MRL to spend a further \$2,500,000 within 18 months.
- MRL to complete a feasibility study including definition of a JORC compliant resource within 24 months to earn 25% of the lithium rights within the Norseman Gold Project tenure (Initial Farm In interest).
- MRL to earn a further 40% of the lithium rights (for a total 65% ownership) by funding the project until first production.
- Pantoro and Tulla (jointly or independently) have the right to buy back in to increase their ownership in the joint venture to a combined 49.9%.
- MRL must make a final investment decision to proceed with construction within three months of earning its Initial Farm In Interest.

MinRes has undertaken an initial drilling program and is planning further follow up exploration work as part of its funding commitment.

### **Debenture Loan and Convertible Note Facility**

On 28 April 2022, Tulla Resources announced that it had entered into an agreement with Nebari Natural Resources Credit Fund 1, LP and Nebari Gold Fund 1, LP (collectively “Nebari”) and on 25 May 2022, a Loan Agreement was signed to provide a total of US\$21.5 million to the Company, of which US\$13.5 million via a Debenture Loan facility and US\$8.0 million via a Convertible Note facility. US\$21.5 million was fully drawn down on 1 June 2022.

Details of the terms of the Debenture Loan facility and the Convertible Note facility are included at Note 20.

The facility has provided funds for the gold JV Activities as the Company transitions to production.

### **Offtake and Funding Agreement**

On 30 June 2022, Tulla Resources announced that it had entered into an Offtake and Funding Agreement with Constance Iron Limited (formerly, Koch Metals Limited). This Agreement is conditional upon the admission of Constance Iron to the London Stock Exchange by 31 October 2022.

#### *Offtake and Funding Agreement key terms*

- *Offtake terms*
  - Constance to purchase the first 400 million drilled metric tonnes of Iron Ore mined (comprising 5 tranches);
  - On Constance being admitted to the London Stock Exchange, it will prepay the Tulla Parties AUD\$20 million cash and, at the election of the Tulla Parties, either issue £7.5 million in Constance equity at the Constance IPO issue price to the Tulla Parties (or their nominee) or increase the AUD\$20 million cash consideration by £7.5 million (in AUD\$ at the Bank of England Exchange Rate) for an initial tranche of 200 million metric dry tonnes of iron ore (on a non-refundable basis). Thereafter, if and to the extent mineral reserves in excess of this 200 million tonnes are identified, Constance will prepay for up to a further 4 tranches of 50 million tonne (in cash or equity in Constance) based on an agreed price per metric tonne (varying between \$0.25 and \$0.45) (Base Quantity);

**Offtake and Funding Agreement (cont.)**

- In addition to the prepaid tranches in respect of the Base Quantity, if and when such tonnages are mined and delivered to Constance, Constance will pay additional deferred consideration to the Tulla Parties in respect of such tonnages (calculated at an amount of 35% of the net proceeds of the on-sale of such product); and
- Within the first 10 years, if and to the extent reserves are in excess of the Base Quantity are identified, Constance has the right to purchase additional quantities of Iron Ore in tranches of 50 million tonnes at a price to be determined at the time (Additional Quantities). In addition to this prepayment, if and when such Additional Quantities are mined and delivered to Constance, Constance must pay deferred consideration to the Tulla Parties in respect of such Additional Quantities (calculated at an amount of 35% of the net proceeds of the on-sale of such product). After this 10-year period, Constance's right to purchase Additional Quantities is subject to the agreement of the Parties.
- Prepayments in respect of the Base Quantity and Additional Quantities are generally non-refundable.
- *Funding terms*
  - Constance is obliged to fund the first AUD\$42 million of costs incurred in respect of the exploration, development, mining and treatment of product within the first 4 years (this AUD\$42 million is generally non-refundable); and
  - Otherwise, Constance generally bears 65% of the costs incurred in respect of the exploration, development, mining, treatment of product and rehabilitation (generally on a non-refundable basis).
- *Option terms*
  - Within the first 10 years, if and to the extent reserves in excess of the Base Quantity and any Additional Quantities are identified, Constance has an option to purchase all JORC categories of Iron Ore as stated in the JORC Code in excess of the Base Quantity and any Additional Quantities acquired by Constance (Excess Iron Ore).
  - The upfront consideration payable for the Excess Iron Ore is determined by a valuer (and is payable, at the election of the Tulla Parties, in cash or equity in Constance). In addition to the upfront consideration for the Excess Iron Ore, if and when such tonnages are mined and delivered to Constance, Constance will pay additional deferred consideration to the Tulla Parties in respect of the Excess Iron Ore (calculated at an amount of 2.5% of the gross revenue in respect of the on-sale of such product). After this 10-year period, Constance's right to purchase Excess Iron Ore is subject to the agreement of the Parties. The upfront consideration in respect of Excess Iron Ore is generally non-refundable.
  - On and from the date that Constance exercises the option (or, in the event the option is exercised after the 10-year period and the Tulla Parties accept Constance's election) to purchase mined Excess Iron Ore, it generally bears 100% of the costs incurred in respect of the exploration, development, mining, treatment of product and rehabilitation.
- *Project Contractor terms*
  - Under the Agreement, the Tulla Parties have appointed Constance as the 'Project Contractor' generally responsible for managing the day-to-day exploration, development, mining, treatment and rehabilitation activities of the iron ore project in accordance with the MRD. The Tulla Parties have the right remove Constance from this role in prescribed circumstances (e.g. material unremedied breach of its obligations).

The Company has commenced planning for the commencement of operations once Constance Iron has listed on the LSE and the Offtake and Funding Agreement comes into effect. The Iron Ore Project at Norseman has significant existing infrastructure including rail and port facilities at Esperance that can fast track direct shipping ore prospects in the near future.

**Corporate Advisors**

During the financial year, the Company retained a number of professional advisors, as follows:

- Bell Potter Securities Limited and Canaccord Genuity (Australia) Limited as joint lead managers
- Herbert Smith Freehills as Australian lawyers and Shakespeare Martineau as UK lawyers
- Treadstone Resource Partners as Corporate Advisors – the fixed term Mandate has now expired
- Godfrey Remuneration Group to advise on employee incentive schemes; and
- Mining Associates Pty Ltd as technical advisors.

### **Corporate Advisors (cont.)**

Subsequent to year end, the Company has appointed Noah's Rule to advise on all aspects of hedging and risk management.

### **Legal and Governance**

Pursuant to the FJVA, Pantoro South Pty Ltd, as Manager is contractually responsible for all reporting and governance issues in relation to the Norseman Gold Project. The Company has been advised that the Manager is complying with all statutory compliance and governance obligations in relation to the Norseman Gold Project for the financial year ended 30 June 2022 and that no statutory compliance obligations are overdue.

Further, under the FJVA, the Company retained all legal liabilities for the period prior to 9 July 2019. The appeal by the Department of Mines, Industry Regulation & Safety ("DMIRS") of CNGC's acquittal with respect to the prosecution of the incident at the North Royal open pit in August 2015 was heard in the Supreme Court of Western Australia on 24 November 2020. On 24 March 2022, the West Australian Supreme Court handed down a decision dismissing the appeal and ordering DMIRS to pay CNGC's costs as agreed or taxed.

### **Statement in Accordance with Section 172 of the Companies Act 2006**

The Directors are required to make a statement which describes how they have behaved with regard to the matters set out in Section 172(1) of the Companies Act 2006, namely:

#### **Duty to promote the success of the company**

- (a) the likely consequences of any decision in the long-term;
- (b) the need to foster the Group's business relationships with suppliers, customers, and others;
- (c) the impact of the Group's operations on the community and the environment;
- (d) the desirability of the Group maintaining a reputation for high standard of business conduct;
- (e) the need to act fairly between members of the Group.

#### **Section 172 Statement**

The Directors insist on high operating standards and fiscal discipline and routinely engage with management and consultants of the Group to understand the underlying issues within the Group. Additionally, the Board looks outside the Group at macro factors affecting the business. The Directors consider all known facts when developing strategic decisions and long-term plans, taking into account their likely consequences for the Group.

The Group is committed to the highest levels of integrity and transparency possible with consultants, contractors and other stakeholders. Safety initiatives, consistent training, strong benefit packages and open dialogue between all consultants and contractors are just a few of the ways the Group ensures its consultants and contractors improve skill sets and work hand-in-hand with management to improve all aspects of the Group's performance.

Other stakeholders include joint venture partners, customers, suppliers, debt holders, industry associations, government and regulatory agencies, media, local communities and shareholders. The Board, both individually and together, consider that they have acted in the way they consider would be most likely to promote the success of the Group as a whole. In order to do this, there is a process of dialogue with stakeholders to understand the issues that they might have. The Group believes that any supplier/customer relationship must be mutually beneficial, and the Group is known for its commitment to details to its customers. Communications with debt holders and shareholders occur on a regular and ongoing basis and as questions arise.

The Directors are committed to positive involvement in the local communities where we operate. Part of this commitment is our program, where the Group supports local business in Norseman on various town festival days by donating equipment, accommodation and money. Additionally, the Group strictly follows environmental regulations at its sites and supports sustainability practices where possible.

Integrity is a key tenet for the Group's Directors and stakeholders. The Group believes that any partnership must benefit both parties. We strive to provide our stakeholders with timely and informative responses and are always striving to meet or exceed customers' needs.



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**STRATEGIC REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2022**

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**Section 172 Statement (cont.)**

The Board has implemented the following policies (which can be accessed on the Company website):

- (a) Disclosure Policy
- (b) Communications Strategy
- (c) Securities Dealing Policy
- (d) Code of Conduct
- (e) Diversity Policy
- (f) Speak Up Policy; and
- (g) Anti-Bribery and Corruption Policy

The Board recognises its responsibilities under section 172 as outlined above and has acted at all times in a way consistent with promoting the success of the Group with regard to all stakeholders.

**Subsequent events**

The following events have occurred subsequently to 30 June 2022:

- On 10 August 2022, the Company announced an update to the Mineral Resource and Reserve at the Green Lantern deposit, being part of the Scotia Mining Centre, as follows:
  - Mineral Resource of 10 Mt @ 1.2g/t Au for 395,000 ounces; and
  - Ore Reserve of 4.3 Mt @ 1.3 g/t Au for 185,000 ounces at 0.89 g/t Au cut-off grade
- On 6 September 2022, the Company announced that practical completion of the new one (1) million tonne per annum processing plant had been achieved on schedule and on budget and that commissioning had commenced.
- At a General Meeting of the Company held on 8 September 2022, the shareholders resolved to ratify the agreement to issue CDIs pursuant to the Convertible Loan Facility with Nebari and to authorise the allotment of 15,631,313 ordinary shares of £0.022962 each in the capital of the Company to refresh the 15% placement capacity and to disapply the pre-emption rights.
- In early September 2022, the Company sold down its remaining shares in Pantoro Limited (PNR Shares) and now holds no PNR Shares.
- On 14 September 22,834,875 Tulla Resources CDIs were released from voluntary escrow.

**Going concern**

As at 30 June 2022, the Group had cash of AUD\$42.2 million, financial assets at fair value through profit and loss of AUD\$8.4 million and net assets of AUD\$52.5 million.

The Group has a Loan Agreement with Nebari comprising a fully drawn Debenture Loan Facility of US\$13.5 million and a fully drawn Convertible Loan Facility of US\$8.0 million (cumulative balance of liability on balance sheet of AUD\$29.9 million as per Note 20). The details of the Loan Agreement are summarised within Note 20.

As outlined in the Company's ASX announcement, the Company along with its joint venture partner, achieved practical completion of the Norseman Gold Project on 6 September 2022. Commissioning has commenced and it is anticipated the first gold pour will be in early October 2022 and the Norseman Gold Project is forecast to generate surpluses from October 2022.

Notwithstanding this, there is a risk that issues arise during the early months of gold production, including, but not limited to, commissioning issues delaying production, production throughput not reaching name-plate throughput, or ore grade being below modelled expectations, which may impact cash flow and the ability of the Company to pay its debts as and when they fall due.

In order to manage this risk, the Company has a number of options available to it which it continues to review:

- The Company sold down part of its holding in PNR Shares during the year ended 30 June 2022 to realise cash and was no longer a substantial shareholder of Pantoro Limited. Subsequent to 30 June 2022, the Company generated net proceeds of AUD\$7.4 million from the sale of remaining PNR Shares.

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**Going concern (cont.)**

- Exploring potential transactions for the development and operations of the Company's Industrial Mineral rights in accordance with the FJVA and MRD and other minerals that form part of the Joint Venture, to generate cash flow. As noted on page 5 of the Directors' Report, the Company entered into an Offtake and Funding Agreement with Constance Iron during the financial year. That agreement is subject to the listing of Constance Iron on the LSE, which is now expected by 31 October 2022.
- Raising of equity capital to meet its future Joint Venture funding obligations. The Company has refreshed its placement capacity at the General Meeting on 8 September 2022 and has a full 15% available
- Refinancing its Loan Agreement with Nebari or seeking a new debt facility with a third party.
- Sale of part or all of its interest in the Joint Venture to its joint venture partner or a third party;
- Merger of its gold asset with its Joint Venture Partner
- The FJVA provides the Group with the option to progressively dilute its interest in the Joint Venture if unable to meet future funding calls for the Joint Venture.

The Group is confident in the production plan and the ability of the Group to continue as a going concern and to maximise the value to the Group's shareholders. The Group will continue to monitor its position and explore any options available, as required.

Based on these facts, the Directors consider the going concern basis of preparation to be appropriate for this financial report. Should the Company not generate surplus cash from its operations and is unsuccessful in raising additional funds through one of the means identified above, it may be forced to dispose of part or all of its interest in the Norseman Gold Project, or dilute its interest in the Norseman Gold Project in accordance with the dilution provisions in the FJVA. In the event that the Company is unable to source additional funds to meet its costs outside of the Norseman Gold Project, most of which are discretionary, save for the costs of compliance, there is a material uncertainty which may cast doubt whether the Group will be able to continue as a going concern and therefore, whether it will realise the full potential value of its assets and extinguish its liabilities in the normal course of business.

The financial statements do not include any adjustments relative to the recoverability and classification of recorded asset amounts or, to the amounts and classification of liabilities that might be necessary should the Group not continue as a going concern.

**Key performance indicators**

The Group is currently in the development phase, accordingly the Group considers the key performance indicators to include:

- Available cash balance at 30 June 2022 of AUD\$42.2 million to contribute to the development of the Norseman Gold Project;
- Financial assets at fair value through profit and loss at 30 June 2022 of AUD\$8.4 million, representing the 44.2 million shares in Pantoro Ltd, which were subsequently sold post 30 June 2022, with generating AUD\$7.4 million in funds to contribute to the Norseman Gold Project;
- Loans and borrowings facilities at 30 June 2022 were fully drawn with a balance owing of AUD\$29.9 million as per Note 20.

The Group's 50% attributable Mineral Resource is 2.39 million ounces of gold and attributable Ore Reserve is 486,500 ounces of gold, following the release of the latest Mineral Resource and Ore Reserve Statement on 10 August 2022.

### **Principal risks and uncertainties facing the Company**

The Pantoro Transaction significantly de-risked the Group's exposure to the Norseman Gold Project. Under the FJVA, the Manager has operational control of the Joint Venture Activities. The Manager is contractually responsible for complying with all laws and authorisations applicable to the conduct of the Joint Venture Activities, including those relating to health, safety and environmental protection and to ensure that all authorisations required to conduct Joint Venture Activities are applied for, obtained and maintained. Further, the Manager is required to keep and renew the Tenements in good standing and to prepare, file and lodge all statutory reports, including all greenhouse and energy reporting.

Notwithstanding this, the Norseman Gold Project risks are as follows:

#### *Mineral exploration and mining are speculative undertakings*

The success of the Norseman Gold Project depends on, among other things, the successful exploration and/or acquisition of reserves, securing and maintaining title to tenements, successful design, construction, commissioning and operation of mining and processing facilities, successful development and production in accordance with expectations and successful management of operations.

Exploration activities are speculative in nature and require substantial expenditure on exploration surveys, drilling, sampling and assaying as a basis on which to establish the presence, extent and estimated grade of mineralised material. Even if significant mineralisation is discovered, it may take additional time and further financial investment to determine whether Ore Reserves and/or Mineral Resources exist to support a development decision and to obtain necessary ore body knowledge to assess the technical and economic viability of mining projects. During that time, the economic viability of the Norseman Project may change due to fluctuations in factors that affect both revenue and costs, including metal prices, foreign exchange rates, the required return on capital, regulatory requirements and future cost of development and mining operations.

#### *Mineral Resource estimates and classification may not be converted to Ore Reserves or economically exploited*

The Mineral Resource estimates are estimates only and no assurances can be given that any particular level of recovery of mineral resources will in fact be realised. Mineral Resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates which are valid when originally calculated may change significantly when new information or techniques become available. In addition, by their very nature, Mineral Resource estimates are necessarily imprecise and depend to some extent on interpretations, which may prove to be inaccurate.

No assurance can be given that the Mineral Resources will be recovered at the quality or yield presented or that downgrades of reserves and resources will not occur, and there is no assurance that Inferred Mineral Resource estimates are capable of being directly reclassified as Ore Reserves under the JORC Code. The inclusion of Mineral Resource estimates should not be regarded as a representation that these amounts can be converted to Ore Reserves or economically exploited, and shareholders are cautioned not to place reliance on Mineral Resource estimates.

#### *The FJVA may be terminated, breached or not complied with*

While the Company is represented on the Management Committee for the joint venture (which has responsibility for deciding matters relating to the conduct of the joint venture), Pantoro is responsible for the management of the joint venture pursuant to the FJVA (see further Section 8.6.1). Therefore, the value of the Norseman Gold Project, and the Company's financial performance and results, relies significantly on Pantoro successfully managing the Norseman Gold Project.

Further, the conduct of joint venture arrangements are subject to a variety of risks including:

- the joint venture parties may disagree on operational decisions in relation to the Norseman Gold Project;
- a joint venture party may not be able to meet its financial and other joint venture commitments; and
- a joint venture party may otherwise breach, or fail to comply with, its obligations under the FJVA.

The existence or occurrence of one or more of these circumstances or events may give rise to a right to terminate the FJVA and otherwise have a materially adverse impact on the operating and financial performance and results of the Norseman Gold Project and its underlying value. This is likely to materially adversely impact the value of Tulla Resources and the CDIs.

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**Principal risks and uncertainties facing the Company (cont.)**

The Group continues to monitor the Manager's compliance with the FJVA through quarterly Joint Venture meetings and review of the periodic reporting by the Manager and regular communications with the Manager and its JV Partner.

*Subject to operational failures and natural hazards*

The mining operations at the Norseman Gold Project are subject to operating risks and hazards including (without limitation) geological challenges and unanticipated ground conditions, failure of facilities, industrial incidents, infrastructure and equipment under-performance or failure, shortage of material supplies and inputs (such as fuel, power and water) or other supply chain failures, transportation and logistics issues in relation to the Norseman Gold Project's workforce and equipment, underperformance of key suppliers or contractors, natural events and environmental incidents, climate change factors, health and safety related incidents, and interruptions and delays due to community and/or security issues. The occurrence of any of these risks or hazards could impact the operating performance of the Norseman Gold Project, including through increased costs, and decreased exploration and production.

The Group employed Andy Robb, an experienced Mining Engineer, on a part time basis, and engaged technical consultants to identify risks during the development phase and ensure appropriate mitigating actions were implemented.

*There may be changes in laws and regulations or an inability to maintain title*

Mining operations, development projects and exploration activities are subject to various laws, policies and regulations and to obtaining and maintaining the necessary titles, authorisations, permits and licences, and associated land access arrangements with landowners and local communities and various layers of Government, which authorise those activities under relevant law, including native title laws (Authorisations).

The legal framework that the Norseman Gold Project is subject to is complex, onerous and subject to change. Failure to comply with legal requirements may result in enforcement actions with potentially material consequences, such as financial penalties, suspension of operations and forfeiture of assets. This is also likely to be the case for other resource assets Tulla Resources acquires. Changes in laws, policies or regulations (including in respect of any government royalties that may apply to the Norseman Gold Project), or to the manner in which they are interpreted or applied, may result in material additional expenditure, taxes or costs, or interruption to, or operation of, the activities of the Project. Disputes arising from the application or interpretation of applicable laws, policies or regulations could also adversely impact the Norseman Gold Project's operations, assets, financial performance and/or value.

There can be no guarantee that all necessary Authorisations in relation to the Norseman Gold Project will be obtained and maintained, or that renewal of existing Authorisations will be granted in a timely manner or on acceptable terms, or that all conditions that are imposed will be complied with. Authorisations may also be subject to challenge by third parties which, if successful, could impact on exploration, development and/or mining and/or processing activities at the Norseman Gold Project or other resource assets.

The mining and exploration activities at the Norseman Gold Project are dependent upon the maintenance (including renewal) of the Tenements. Maintenance of the Tenements is dependent on, among other things, meeting the licence conditions imposed by relevant authorities, including compliance with work program requirements which, in turn, is dependent on sufficient funding to meet those expenditure requirements. Titles and access rights may be defective. No assurance can be given that such title and access rights are not subject to unregistered, undetected or other claims or interests, which could be materially adverse to the Norseman Gold Project. Further, titles or access rights may be disputed, which could result in costly litigation or disruption of operations.

The Group continues to monitor the Manager's compliance with laws and regulations and compliance with tenement regulations.

*The Company may be unable to access appropriate funding*

The Company may seek (or need) to raise additional debt finance or new equity in the future to continue to fund its interest in the Norseman Gold Project. If there is a deterioration in the level of liquidity in the debt and equity markets, or the terms on which debt or equity is available, this may prevent the Company from being able to raise the relevant debt or equity. Consequently, if the Company is unable to access funding when required, this may have a material adverse effect on the Company's financial position and hinder its ability to meet its financial obligations.

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**Principal risks and uncertainties facing the Company (cont.)**

Any additional equity financing may be dilutive to the Company's existing Security holders and any debt financing, if available, may involve restrictive covenants which limit the Company's business strategy.

The Group continues to monitor its funding obligations and maintains ongoing communication with its debt provider.

*Commodity price volatility may adversely impact any revenue generated*

Any revenue generated by the Norseman Gold Project (for example) will primarily be derived from the sale of gold, which will be closely related to the market price of gold (which can vary materially during short periods of time). Commodity prices fluctuate and are affected by numerous factors beyond the control of the Company. These factors include supply and demand fluctuations for precious and base metals, forward selling by major producers, and production cost levels in major gold producing regions and international conflicts. Moreover, commodity prices are also affected by macroeconomic factors such as expectations regarding inflation, interest rates and global and regional demand for, and supply of, the precious metals as well as general global economic conditions. These factors may have an adverse effect on the exploration, development and production activities of the Norseman Gold Project as well as the Company's ability to meet its financial obligations in respect of the Norseman Gold Project.

The Company has retained Noah's Rule to advise on its risks and to develop a hedging strategy once gold production commences.

*Tulla Resources may fail to implement its growth strategy successfully*

Tulla Resources' growth strategy is to acquire other resources assets to provide both commodity and geographical diversity to the Company's portfolio.

There is a risk that Tulla Resources may not succeed in implementing the growth strategy described in this Prospectus for a variety of reasons, including an inability to identify appropriate assets, inability to access debt or equity capital, actions of competitors, overall economic or market conditions (including commodity prices) or a failure to adapt its strategy over time where required. Such failure, and the costs incurred in seeking to implement its growth strategy, may materially and adversely affect the financial performance and future prospects of Tulla Resources.

The Offtake and Funding Agreement with Constance Iron is subject to the listing of Constance Iron Limited on the London Stock Exchange by 30 September 2022. Constance Iron Limited has requested an extension to 31 October 2022. There is no certainty that Constance Iron will list by the stipulated deadline, or at all.

*Environmental laws may not be complied with*

Mining operations have inherent risks and liabilities associated with potential harm to the environment. The activities at the Norseman Gold Project are therefore subject to extensive environmental law and regulations, which are continually changing. Compliance with these laws requires significant expenditure and non-compliance may potentially result in fines or requests for improvement actions from the regulator or could result in reputational harm.

The operations at the Norseman Gold Project may create a risk of exposure to hazardous materials as hazardous materials are used, and hazardous waste products are produced, which must be disposed of in accordance with all applicable laws and regulations. Mining operations can also impact flows and water quality in surface and ground water bodies and remedial measures may be required to prevent or minimise such impacts. Impacts on biodiversity and air quality can also occur from these activities and requires active management and planning to minimise their adverse effects.

The occurrence of an environmental incident has the potential to cause significant adverse reactions in the local community, which may result in additional costs, lead to operational disruptions or lead to regulatory action, which may include financial penalties.

The Group continues to monitor the Manager's compliance with environmental laws and regulations governing the tenements.

**Principal risks and uncertainties facing the Company (cont.)**

*Climate change may impact the mining activity*

The emergence of new or expanded regulations associated with the transition to a lower-carbon economy and market changes related to climate change mitigation may impact the way in which mining activities are undertaken. By way of example, changes to regulations related to climate change mitigation efforts or specific taxation or penalties for carbon emissions or environmental damage may adversely impact the operations of the Norseman Gold Project and its financial performance and viability.

Further, climate change may cause certain physical and environmental risks that cannot be predicted, including events such as increased severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates.

*Mining activities involve health and safety risks*

There are numerous occupational health and safety risks associated with mining processes, such as travel to and from operations, the operation of heavy and complex machinery in challenging geographic locations and exposure to hazardous substances. These hazards may cause personal injury and/or loss of life to personnel, suppliers or other third parties, damage to property and contamination of the environment, which may result in the suspension of operations and the imposition of civil or criminal penalties, including fines, expenses for remediation and claims brought by governmental entities or third parties.

The Manager of the Joint Venture is responsible for implementing appropriate induction protocols and safety procedures, and is required to report to the Joint Venture Committee each month on health and safety incidents. The Group monitors the ongoing performance of the Manager.

*The Company may be involved in litigation or other disputes*

Activities at the Norseman Project could result in substantial injury or damage, which may expose the Company to legal proceedings (both criminal and civil), investigations and disputes regarding personal injury and wrongful death claims, labour and landowner disputes. There may also be commercial disputes with customers, suppliers and service providers, in relation to goods or services provided to (or not provided to) the Norseman Gold Project.

The Group ensures all contracts are reviewed and approved by appropriately qualified parties to reduce the risk of dispute to the Group.

Legal proceedings, investigations and disputes regarding incidents or issues at the Norseman Gold Project have the potential to negatively impact upon the Company's financial performance and results. Regardless of the ultimate outcome of such proceedings, investigations and disputes, and whether involving regulatory action or civil or criminal claims, there may be a material impact on the Company as a result of the associated costs (some of which may not be recoverable) and management time.

*Inclement weather/events may limit operations*

Norseman (where the Norseman Gold Project is located) is accessed via a network of roads both sealed and unsealed and various creek crossings. In the event of heavy rainfall, a section of the unsealed road may not be trafficable until excess water has discharged or evaporated in the normal course. If this were to occur, activities at the Project will likely be temporarily adversely impacted.

Norseman is located in an area prone to earthquakes which may cause damage to infrastructure and equipment and shut down operations.

*The Company's interests in certain assets are held concurrently*

Mining tenements granted under the Mining Act are capable of co-existing with pastoral/historical leases, Crown reserves, Crown land, public infrastructure and rights granted under other state and federal legislation. A number of the Tenements overlap with such interests and there is a risk that this may restrict the Company's capacity to undertake mining on the affected Tenements or affect the Company's access to surrounding Tenements.

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**Principal risks and uncertainties facing the Company (cont.)**

*General counterparty risk*

The ability of the Company to achieve its stated objectives will depend to an extent on the performance of counterparties to material contracts. Issues with the mining contractors, Hampton Transport Services and/or WestAuz Mining, or the haulage contractors or other key third party suppliers may impact operations and have an adverse effect on production and cash flow.

Further, if Pantoro South defaults in the performance of its obligations under the FJVA or becomes insolvent, or if any other counterparty defaults in the performance of its obligations under a contract, it may be necessary for the Company to seek a legal remedy via the courts, which can be costly and without any certainty of a favourable outcome. Any of these outcomes could result in an adversely impact on the Company's ability to progress the Norseman Gold Project, as well as its operations, financial position and performance.

The Manager of the Joint Venture is responsible for implementing appropriate risk management protocols in relation to contractor management. The Group monitors the ongoing performance of the Manager.

*COVID-19*

The Manager has introduced a COVID -19 Procedure to seek to minimise the impact of the pandemic on operations based on the prevailing health orders and advice of the Governments, Federal and State. This has constantly been reviewed and updated to reflect the latest position based on best practice.

While the situation is being proactively managed, the impacts on the operations at Norseman cannot be definitely stated and depend on matters outside of the Company's control, including the spread of the pandemic and any new variants of COVID -19, the development of vaccinations and other medicines and government policy and regulation.

*Breach of Loan Agreement with Nebari*

If the Company is unable to pay any interest payment as it falls due or otherwise breaches a material term of the Loan Agreement in relation to its financial covenants, then the whole sum of principal and interest outstanding may become due and payable. If the Company is unable to repay the facilities in the event of a default, Nebari may enforce its security and appoint an insolvency practitioner to the assets of the Company and/or otherwise exercise its legal rights to sell secured assets of the Group as a mortgagee in possession.

The Group continues to monitor its loan covenants and maintain ongoing communication with its debt provider.

*Breach of the Mineral Rights Deed ("MRD")*

Under the terms of the MRD, gold JV Activities have priority over the exploration and mining of any Industrial Minerals. This may impact the operations of any Industrial Minerals, including iron ore and the Offtake and Funding Agreement with Constance Iron. Further, in the event that the Group breaches any terms of the MRD with Pantoro, then it may expose the Group to a potential claim for damages and/or any third-party agreement may be void.

When the Group will implement appropriate processes and procedures are in place when it commences exploring and mining for Industrial Minerals, to manage compliance with the MRD.

*Changes in taxation laws and their interpretation*

Tax laws are subject to change periodically, as is their interpretation by the relevant courts and tax revenue authorities. Changes in tax law or changes in the way tax laws are interpreted may impact the level of tax that the Company is required to pay or collect, Shareholder returns, the level of dividend imputation or franking or the tax treatment of a Shareholder's investment.

In particular, both the level and basis of taxation may change. The tax information provided in this Prospectus is based on current taxation law in Australia as at the Prospectus date. Tax law is frequently being changed, both prospectively and retrospectively. Further, the status of some key tax reforms remains unclear at this stage.

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**Principal risks and uncertainties facing the Company (cont.)**

Additionally, tax authorities may review the tax treatment of transactions entered into by the Company. Any actual or alleged failure to comply with, or any change in the application or interpretation of, tax rules applied in respect of such transactions, may increase the Company's tax liabilities or expose it to legal, regulatory or other actions.

*Changes in Accounting Standards and their interpretation*

International Accounting Standards ("IAS") are determined by the IASB and are not within the control of the Company and its Directors. The IASB may, from time to time, introduce new or refined IAS, which may affect the future measurement and recognition of key statement of profit or loss and statement of financial position items. There is also a risk that interpretations of existing IAS, including those relating to the measurement and recognition of key statement of profit and loss and statement of financial position items may differ. Changes to IAS or changes to the interpretation of those standards could materially adversely impact the reported financial performance and position of the Company.

*Force majeure events*

Events may occur within or outside Australia that could impact upon the global and Australian economies, the operations of the Norseman Gold Project and the price of the CDIs. These events include but are not limited to acts of terrorism, an outbreak of international hostilities, fires, floods, earthquakes, labour strikes, civil wars, natural disasters, outbreaks of disease or other man-made or natural events or occurrences that can have an adverse effect on operational continuity and the demand for precious metals (including gold). The Company has only a limited ability to insure against some of these risks. If any of these events occur, this may have a material adverse impact on the Norseman Gold Project.

*Native title*

The Company's activities in Australia are subject to the Native Title Act and associated legislation relating to native title. There is significant uncertainty associated with native title issues in Australia and this may impact on the Company's future plans.

The existence of a native title claim is not an indication that that native title in fact exists on the land covered by the claim, as this is a matter ultimately determined by the Federal Court of Australia.

If a native title claim exists or is made, or native title rights are determined to exist over areas covered by the Company's Tenements, the ability of the Company to gain access to the Tenements, or to progress from the exploration phase to the development and mining phases of operations, may be adversely affected.

Determined native title holders may seek compensation under the Native Title Act for the impacts of acts affecting native title rights and interests. Western Australia has passed liability for compensation for the impact of the grant of mining tenements under the Mining Act onto mining tenement holders.

Compensation liability may be determined by the Federal Court of Australia or be settled by agreement with native title holders, including through indigenous land use agreements and common law agreements. The Directors will closely monitor the potential effect of any native title claims involving the tenements in which the Company has or may have an interest.

As a number of the Tenements include standard endorsements and conditions requiring the liability for native title compensation, as a result of the grant of the relevant Tenement, lie with the lessee. There is limited guidance on the likely quantum of compensation that might be awarded to claimants in the event of a successful native title compensation claim.

Valma Saunders & Ors on behalf of the Ngadju Mia Wamu Native Title Claim Group have commenced proceedings in the Federal Court of Australia (WAD 180/2021) seeking a determination over certain tenements owned by the Group. This claim is ongoing. If successful, this may impact operations in the future.

*Aboriginal heritage laws may impede activities at the Norseman Gold Project*

Commonwealth and State legislation obliges the Company to identify and protect sites of significance to Aboriginal customs and traditions. Some sites of significance may be identified within areas covered by the tenements in which the Company has an interest. It is possible that one or more sites of significance will exist in an area that the Company considers to be prospective.



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**Principal risks and uncertainties facing the Company (cont.)**

There is a risk that exploration activities may be delayed, and costs incurred by the Company, in the event the Company is required to enter into standard Aboriginal heritage agreements or undertake any heritage survey. Where Native Title sites are registered on the Aboriginal Heritage Inquiry Site section 18 Ministerial Consent may be required for any exploration work or mining activities affecting those Registered Sites. This may cause delays and increase costs. There is no certainty that consent will be forthcoming which may adversely impact operations.

**Use of financial instruments**

The Loan Agreement with Nebari is a derivative financial instrument. The financial risk management objectives and policies of the Group set out in Note 24 of the Financial Statements include the Group's exposure to price, liquidity and credit risk.

**Environment, Health, Safety & Social Responsibility Policy Statement**

The Manager is responsible for implementing and overseeing all Environmental, Health Safety. ("EHS") principles and policies in respect to the Norseman Gold Project. The joint venture is reviewing its operations in respect to reducing its environmental footprint and a scoping study for the use of solar power on site is currently underway.

The Manager has reported that the operations are subject to significant environmental regulations under the laws of Australia. These issues are dealt with by the Registered Manager engaged by the Manager. The Group is not aware of any matter that requires disclosure with respect to any significant environmental regulation in respect of its activities.

**By order of the board.**



Kevin Maloney

**Chairman**

30 September 2022

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The Manager of the Norseman Gold Project has reported to the Company in respect to the Joint Venture Activities undertaken during the financial year.

**About the Norseman Gold Project**

On 9 July 2019 the Company completed disposed of 50% of the Norseman Gold Project to Pantoro South Pty Ltd, a wholly owned subsidiary of Pantoro Limited (ASX:PNR).

All consideration for the acquisition of the 50% share in the project has now been paid aside from a 1% Net Smelter Royalty to Tulla Resources on Pantoro's attributable gold and silver produced from the Norseman Gold Project, capped at a total of A\$6 million plus a 0.0025% royalty for a period of 5 years after the first \$6 million is paid. There is also a contingent A\$10 million amount payable on the achievement of a 1.8M ounce Ore Reserve.

Pantoro South Pty Ltd is the manager of the unincorporated joint venture, and is responsible for defining and implementing work programs, and the day-to-day management of the operation.

The Norseman Gold Project is located in the Eastern Goldfields of Western Australia, at the southern end of the highly productive Norseman-Wiluna greenstone belt. The project lies approximately 725 km east of Perth, 200 km south of Kalgoorlie, and 200 km north of Esperance.

The project comprises 155 near-contiguous mining tenements (including applications), most of which are pre-1994 Mining Leases. The tenure extends approximately 70 lineal kilometres of the highly prospective Norseman– Wiluna greenstone belt covering approximately 800 square kilometres.

Historically, the Norseman Gold Project areas have produced over 5.5 million ounces of gold since operations began in 1935, and is one of, if not the highest-grade fields within the Yilgarn Craton.

The current Mineral Resource is approximately 4.8 million ounces of gold (100% basis). Many of the Mineral Resources defined to date remain open along strike and at depth, and many of the Mineral Resources have only been tested to shallow depths. In addition, there are numerous anomalies and mineralisation occurrences which are yet to be tested adequately to be placed into Mineral Resources, with a number of highly prospective targets already identified by drilling.

The joint venture has focused project planning on six initial mining areas containing multiple deposits which are amenable to both open pit and underground mining. The success in exploration at the Scotia Mining Centre during the past 18 months has led to Scotia and the OK Underground mines being the primary ore sources during the first several years of operation. A new one million tonne per annum processing plant has been constructed by GR Engineering and Services and operations are now in progress.

**Norseman Gold Project Activity Report**

Activities at Norseman during the year have been focused on the construction of a new one million tonne per annum gold mine which is projected to produce more than 100,000 ounces per annum once in a steady state.

The project has been constructed in accordance with the 2020 DFS undertaken by Pantoro in the sole funding phase of the FJVA and includes a new processing plant, leveraging the substantial infrastructure already in place at the mine.

**Processing plant construction**

The processing plant at Norseman has been constructed to accommodate a variety of ore types to ensure that all potential ore sources within the Norseman Gold Project are able to be treated. The circuit consists of a three-stage crushing and a single ball mill with gravity recovery followed by a conventional CIL circuit. GR Engineering Services (ASX:GRE) completed construction under an EPC contract and practical completion was announced on 6 September 2022. A first gold pour is expected in early October 2022.

Nominal plant capacity is one million tonnes per annum, however the plant has been built to be readily expandable with over-sized crushers in place and provision for additional milling and leaching capacity allowed in the design.

**Support Infrastructure**

The Norseman Gold Project has been completed leveraging the substantial infrastructure already in place at Norseman, which has been refurbished as required.

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**Support Infrastructure (cont.)**

The existing tailings storage facility has been lifted with approvals in place to meet approximately five years of production. The existing bore field supplying raw water to the processing plant has been recommissioned, and the existing power station has been extended.

Existing offices, stores and workshop buildings have also been refurbished where required and are now in operation. New camp accommodation has been constructed within the town of Norseman by Resource Accommodation Management Pty Ltd under a build own operate contract model. The joint Venture has the option to purchase the majority of the camp infrastructure for the nominal sum of \$1 in approximately five years when agreed occupancy has been met.

**Open Pit Mining**

The Scotia Mining Centre is expected to be the primary ore source for Norseman for the foreseeable future. The area has been subject to an intensive drilling campaign throughout the year with outstanding success. At the present time, the Mineral Resource within the Scotia Mining Centre stands at 15.5 Mt at 2.0 g/t for 1M ounces with all known resources remaining open, and numerous additional prospects to be drilled.

Open pit mining commenced in the Scotia open pit in April 2022 following award of the open pit mining contract to Hamptons Transport Services Pty Ltd. Initial work at Scotia is concentrated on completion of a major cutback of the existing open pits in order to access the high-grade ore sitting between and beneath existing open pits.

Mining work on the recently discovered Green Lantern Deposit commenced immediately upon receiving final approvals in May 2022. Green Lantern has continued to be expanded through additional drilling undertaken throughout the past year. The Deposit has gone from discovery in September 2020 to a 395,000 ounce Mineral Resource in 23 months. Ore is present from the surface, and the deposit will provide a large base load of plant feed material during the coming three years.

Development of Green Lantern has allowed all open pit mining activity to be undertaken at Scotia for the commencement of operations, rather than having to establish multiple operational bases. Following clearing and grubbing, the joint venture undertook an extensive grade control drilling program ahead of the commencement of mining.

Ore mining commenced in July 2022 with approximately 160,000 tonnes available for processing when operations commence.

**Underground Mining**

Underground mining at the OK Underground mine is underway following re-establishment of infrastructure and services during the second half of FY22. Site establishment and mining activities are being completed under contract by WestAuz Mining Pty Ltd.

The immediate focus of underground mining activities is to complete dewatering and rehabilitation of the O2 Decline to enable recommencement of development and stoping activities at the base of the mine. A new primary pump station has been installed at the 375 mRL, pumping direct to the surface at a rate of approximately 20 litres per second.

Ore development is underway in the previously unmined areas of the upper zones of the O2 load, and it is expected that up to eight ore headings will be operational in the Star of Erin Lode by the end of calendar year 2022.

Two surface raise bores are to be completed at OK Underground during the coming period. The first is a 1.8 metre diameter raise which will provide a new dedicated second means of egress and fresh air intake for the mine. The rise is to be 190 metres in depth and will allow the commencement of full production activities at the mine.

The second rise is a 3.1 metre diameter 482 metre raise in two legs to be utilised as the primary exhaust for the mine, bypassing the existing circuits to maximise mine capacity. Operations will continue as planned ahead of excavation of the new rise.

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**Exploration**

The joint venture undertook a sustained exploration and resource development program throughout the year in parallel with project development activities. The majority of the drilling was completed at the Scotia Mining Centre, where outstanding growth has continued throughout the period. Drilling was undertaken with six drill rigs for most of the year, primarily focused on expansion of both the Scotia and Green Lantern Mineral Resources. A total of 93,000 metres was drilled during the year.

Results from the program have been outstanding with Scotia Mining Centre Mineral Resource Growth of 33% to 15.5 Mt @ 2.0 g/t for 1M ounces and Ore Reserve growth of 71% to 7.0 Mt @ 2.4 g/t for 535,000 ounces.

Drilling and resource development releases to the ASX during the period are listed below:

- 13 July 2021 – Mainfield Drilling Results.
- 3 August 2021 – Green Lantern Infill Drill Results
- 14 September 2021 – Green Lantern Maiden Mineral Resource and Ore Reserve.
- 4 October 2021 – High Grade Results at Scotia Deeps
- 8 December 2021 – Drill Results - Scotia Mining Centre
- 7 March 2022 – Strong Drilling Results from Scotia Mining Centre
- 5 April 2022 – Mineral Resource and Ore Reserve Update for Scotia

**Lithium Joint Venture**

On 14 December 2021 the Company announced a farm in and joint venture with Pantoro South and Mineral Resources Limited (MinRes) to explore for and develop lithium deposits across the Norseman tenure (the Norseman Lithium JV).

MinRes is a recognised leader in the construction and operation of hard rock lithium mines in Western Australia and brings tremendous technical, operational and financial capacity to the joint venture.

On 12 September 2022 the initial results from exploration work undertaken by MinRes was announced (Lithium JV Initial Drill Results). The initial 8,000 metre drilling program was focussed on 1.6 kilometres of strike where elevated lithium values were returned from rock chip sampling of outcropping pegmatites. These were identified in initial reconnaissance work undertaken by the joint venture as part of its evaluation of the broader potential of the Norseman tenement package. No prior work on the lithium potential had been conducted and this program is the first drilling campaign on the tenement.

The drilling confirmed the presence of lithium bearing pegmatites with significant results including:

- 9 m @ 1.26% Li<sub>2</sub>O and 151 ppm Ta<sub>2</sub>O<sub>5</sub> from 30 m.
- 8 m @ 1.10% Li<sub>2</sub>O and 118 ppm Ta<sub>2</sub>O<sub>5</sub> from 53 m.
- 6 m @ 1.02% Li<sub>2</sub>O and 103 ppm Ta<sub>2</sub>O<sub>5</sub> from 64 m.
- 6 m @ 1.03% Li<sub>2</sub>O and 146 ppm Ta<sub>2</sub>O<sub>5</sub> from 39 m.

MinRes has advised that its forward work program will consist of additional drilling, an auger soil sampling program over the full length of the prospective stratigraphy, aerial geophysical surveys and flora and fauna surveys. This work is now underway

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**Compliance statements**

***Exploration Targets, Exploration Results***

The information in this Annual Report is extracted from the Reports referred to the ASX Releases stated on page 19 and available to view on the Company's website ([www.tullaresources.com](http://www.tullaresources.com)) and the ASX website ([www.asx.com.au](http://www.asx.com.au)). The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement.

***Mineral Resources or Ore Reserves***

The information is extracted from the report entitled *Amended Announcement - Mineral Resource and Ore Reserve Update at Green Lantern* created on 10 August 2022 and is available to view on the Company's website ([www.tullaresources.com](http://www.tullaresources.com)) and the ASX website ([www.asx.com.au](http://www.asx.com.au)). The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

***Additional Information on Norseman Gold Project Mineral Resources and Ore Reserves***

Additional information is extracted from the Reports entitled *Annual Mineral Resources and Ore Reserves Statement* dated 27 September 2021 and *Mineral Resource and Ore Reserve Update for Scotia* created on 5 April 2022 and are available to review on the Company's website ([www.tullaresources.com](http://www.tullaresources.com)) and the ASX website ([www.asx.com.au](http://www.asx.com.au)) and *DFS for the Norseman Gold Project* created on 12 October 2020 and available to view on Pantoro's website ([www.pantoro.com.au](http://www.pantoro.com.au)) and the ASX website ([www.asx.com.au](http://www.asx.com.au)). The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement, and, in the case of estimates of Mineral Resources and Ore Reserves, that all material assumption and technical parameters in this announcement continue to apply and not materially changed otherwise than set out herein. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

**TULLA RESOURCES PLC**  
**MINERAL RESOURCES & ORE RESERVES**

The Group holds 50% of the Norseman Gold Project. The updated Mineral Resources and Ore Reserves for the Norseman Gold Project was announced on 10 August 2022. The Mineral Resources have been rounded for reporting and are set out below.

**Norseman Gold Project Mineral Resources <sup>(1)</sup>**

Norseman Gold Project Mineral Resource												
Reporting Group	Measured			Indicated			Inferred			Total		
	T (Kt)	Au (g/t)	Ounces (kOz)	T (Kt)	Au (g/t)	Ounces (kOz)	T (Kt)	Au (g/t)	Ounces (kOz)	T (Kt)	Au (g/t)	Ounces (kOz)
Underground	267	14.4	124	3,218	10.7	1,110	2,534	11.1	901	6,019	11.0	2,134
Surface South	140	2.3	10	15,104	1.8	874	13,466	2.6	1,125	28,711	2.2	2,014
Surface North	4,165	0.7	100	4,207	2.0	276	3,325	2.5	264	11,684	1.7	639
<b>Total</b>	<b>4,572</b>	<b>1.6</b>	<b>234</b>	<b>22,529</b>	<b>3.1</b>	<b>2,259</b>	<b>19,325</b>	<b>3.7</b>	<b>2,290</b>	<b>46,414</b>	<b>3.2</b>	<b>4,787</b>

**Norseman Gold Project Ore Reserves <sup>(1)</sup>**

Norseman Gold Project Ore Reserve									
Reporting Group	Proven			Probable			Total		
	T (Kt)	Au (g/t)	Ounces (kOz)	T (Kt)	Au (g/t)	Ounces (kOz)	T (Kt)	Au (g/t)	Ounces (kOz)
Underground	-	-	-	2,048	4.9	319	2,048	4.9	319
Open Pit - North	-	-	-	2,058	2.4	161	2,058	2.4	161
Open Pit - South	-	-	-	6,298	1.9	392	6,298	1.9	392
Stockpiles	4,165	0.8	100	-	-	-	4,165	0.8	100
<b>Total</b>	<b>4,165</b>	<b>0.8</b>	<b>100</b>	<b>10,404</b>	<b>2.6</b>	<b>872</b>	<b>14,569</b>	<b>2.1</b>	<b>973</b>

(1) Stated on a 100% basis for the Norseman Gold Project. The Group has a 50% ownership of the Norseman Gold Project

**TULLA RESOURCES PLC  
DIRECTORS' REPORT  
FOR THE YEAR ENDED 30 JUNE 2022**

The Directors present their report together with the consolidated financial report of Tulla Resources Plc (“the Group” or “the Company” or “Tulla Resources”) for the financial year ended 30 June 2022.

The Company is a public company registered in England and Wales.

On 17 March 2021 Tulla Resources was admitted to the Official List of the ASX and commenced trading on 18 March 2021 (ASX:TUL).

**Principal activity and significant events**

The Group’s principal activity is a 50% interest in the Norseman Gold Project. The Norseman Gold Project is located adjacent to the Norseman township, approximately 725 kilometres east of Perth, Western Australia.

**Results and dividends**

The Group results for the year are set out in the Financial Statements. The Directors do not propose to recommend any dividends for the reporting year ended 30 June 2022. The Group made a loss after tax of AUD\$2.0 million for the year ended 30 June 2022 (2021: loss after tax of AUD\$1,604 million).

**Group structure and changes in share capital**

Details of movements in share capital and changes to the Group’s structure during the year are set out in Notes 21 and 13 respectively.

**Information to shareholders – website**

Information in relation to the Company, including the Annual Report and all ASX Announcements can be accessed on the company’s website at [www.tullaresources.com](http://www.tullaresources.com).

**Pensions/Superannuation**

The Group contributes to superannuation schemes on behalf of its employees in accordance with Superannuation Guarantee legislation in Australia.

**Directors**

The Directors of the Company at any time during the financial year period were:

Kevin Maloney	Executive Chairman
Mark Maloney	Executive Director
Arthur Michael Anglin	Non-Executive Director
Andrew Greville	Non-Executive Director
Frederick Kempson	Non-Executive Director

Stephen Maffey was appointed as Company Secretary on 28 September 2021. Mark McIntosh and Ben Harber continued as Company Secretaries.

**Directors’ interests**

The beneficial and non-beneficial interests in the Company’s shares and convertible loan notes of the current Directors and their families were as follows:

<i>30 June 2022</i>	<i>Ordinary shares of £0.022962 each</i>	<i>Escrow shares of £0.022962 each</i>	<i>Total shares of £0.022962 each</i>
Kevin Maloney	51,308,755	125,226,697	176,535,452
Mark Maloney	51,262,645	121,587,077	172,849,722
Arthur Michael Anglin	102,222	66,666	168,888
Andrew Greville	200,000	66,666	266,666
Frederick Kempson	15,000	55,555	70,555

**TULLA RESOURCES PLC**  
**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2022**

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**Directors' interest (cont.)**

Notes:

1. The beneficial and non-beneficial interests of Mr Kevin Maloney are held by Tulla Resources Group Pty Ltd as trustee for the Tulla Resources Investment Trust, Tulla Partners Holdings Pty Ltd, Marley Holdings Pty Ltd as trustee for the Maloney Family Trust, Intrepid Investments Pty Ltd as trustee for Intrepid Investments Trust, Tulla Capital Partners Pty Ltd, and Rosebery Nominees Pty Ltd as trustee for the Maloney Superannuation Fund and Tulla Capital Partners Pty Ltd
2. The beneficial and non-beneficial interests of Mr Mark Maloney are held by Tulla Resources Group Pty Ltd as trustee for the Tulla Resources Investment Trust, Tulla Partners Holdings Pty Ltd, Intrepid Investments Pty Ltd as trustee for Intrepid Investments Trust, Tulla Capital Partners Pty Ltd, and Tulla Capital Partners Pty Ltd
3. The beneficial and non-beneficial interests of Mr Andrew Greville and held directly by Mr Andrew Greville and Mrs Louise Greville as trustees for ALG Family Trust
4. The beneficial and non-beneficial interests of Mr Fred Kempson are held directly by Kempson Capital Pty Ltd
5. Details of the Group's ordinary shares on issue subject to escrow arrangements are set out under section 7 – Restricted Securities on page 71. Mr Kevin Maloney and Mr Mark Maloney, via their interest in Tulla Resources Group Pty Ltd, hold 22,834,875 ordinary shares subject to voluntary escrow. All other escrowed shares are subject to ASX mandatory escrow until 18 March 2023

**Directors' service contracts**

**Kevin Maloney – executive**

Mr Maloney provides executive chairman services to the Company pursuant to a letter of agreement dated 18 February 2021. Under the terms of the letter of agreement Mr Maloney is entitled to receive annual total fixed remuneration of AUD\$150,000 plus superannuation. From 1 July 2022, Mr Maloney is entitled to receive annual total fixed remuneration of AUD\$300,000 inclusive of superannuation. There are no incentive payments. Tulla Resources may terminate Mr Maloney's employment by giving six (6) months' notice and without notice in certain circumstances (i.e. theft, assault, fraud and serious misconduct). Mr. Maloney can terminate his employment at any time on giving three (3) months' notice.

**Mark Maloney – executive**

Mr Maloney provides executive director services to the Company pursuant to a letter agreement dated 18 February 2021. Under the terms of the letter agreement Mr Maloney is entitled to receive annual total fixed remuneration of AUD\$120,000 plus superannuation. From 1 July 2022, Mr Maloney is entitled to receive annual total fixed remuneration of AUD\$300,000 inclusive of superannuation. There are no incentive payments. Tulla Resources may terminate Mr Maloney's employment by giving six (6) months' notice and without notice in certain circumstances (i.e. theft, assault, fraud and serious misconduct). Mr Maloney can terminate his employment at any time on giving three (3) months' notice.

**Fred Kempson – non-executive**

Mr Kempson provides non-executive director services to the Company through a consultancy agreement with the Company. Mr Kempson's remuneration payable, commencing from 1 July 2020, was AUD\$36,000 per annum. Upon the Listing, the remuneration of Mr Kempson increased to AUD\$60,000 plus superannuation per annum. From 1 July 2022, Mr Kempson's remuneration is \$80,000 inclusive of superannuation.

**Arthur Michael Anglin – non-executive**

Mr Anglin provides non-executive director services to the Company under a letter of appointment with the Company dated 16 February 2021. Mr Anglin's remuneration payable, for the year ended 30 June 2022, was AUD\$66,000. From 1 July 2022, Mr Anglin's remuneration is AUD\$70,000.



**TULLA RESOURCES PLC**  
**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2022**

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**Directors' service contracts (cont.)**

**Andrew Greville– non-executive**

Mr Greville provides non-executive director services to the Company under a letter of appointment with the Company dated 16 February 2021. Mr Greville's remuneration payable, commencing from the date of appointment being 18 February 2021, was AUD\$60,000 plus superannuation per annum. From 1 July 2022, Mr Greville's remuneration is \$80,000 inclusive of superannuation.

At the General Meeting of the Company on 9 March 2021, the shareholders resolved that the total amount payable to all non-executive directors for their services as directors must not exceed in the aggregate in any financial year of £250,000.

**Directors' remuneration**

The remuneration paid or accrued to the Directors, in accordance with the service contracts which include payments made to entities associated with the Directors, during the year ended 30 June 2022, was as follows:

	<i>2022</i>	<i>2021</i>
	<i>Total</i>	<i>Total</i>
	<i>AUD\$</i>	<i>AUD\$</i>
Kevin Maloney	165,000	53,773
Mark Maloney	132,000	43,018
Arthur Michael Anglin	66,000	24,050
Andrew Greville	66,000	24,050
Frederick Kempson	66,000	46,871
David Steinepreis (former Director)	-	9,000
	-----	-----
Totals	496,000	\$200,762
	=====	=====

The Company has entered into a deed of indemnity, insurance and access (Deed) with each Director which confirms the Director's rights of access to certain books and records of the Company and its related bodies corporate. Further, pursuant to the Deeds, the Company indemnifies each Director to the extent permitted under applicable English law (being the place of incorporation of the Company) against all losses and liabilities (including legal costs) incurred by the Director. The Deeds also provide that the Company must maintain such insurances against any liability incurred by the Director's (as permitted by law) in their capacity as directors, officers or employees of the Company (and any related bodies corporate) for a period of seven (7) years after the Director ceases to hold office.

**Political and charitable contributions**

The Group does not make political contributions. It has a policy of making social investments in its areas of operations where the investment is directly or indirectly related to its impact on or engagement with local communities. Charitable donations would not normally be a large component of such investment.

**Issue of share options and warrants**

The Company does not have an Employee share option agreement. There are no share options and warrants outstanding as at 30 June 2022.

**Internal controls**

The Board is responsible for identifying and evaluating the major business risks faced by the Group and for determining and monitoring the appropriate course of action to manage these risks. The Board has established an Audit and Risk Committee comprising Fred Kempson (Chair), Andrew Greville and Michael Anglin.

**Statement of disclosure to the auditors**

So far as all of the current Directors are aware:

- a) there is no relevant audit information of which the Company's auditors are unaware; and
- b) all the Directors have taken steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

**TULLA RESOURCES PLC**  
**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2022**

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**Auditors**

UHY Hacker Young were appointed statutory auditors to the Company. In accordance with Section 489 of the Companies Act 2006, a resolution proposing that UHY Hacker Young be reappointed as auditors of the Company and that the Directors be authorised to determine their remuneration will be put to the next Annual General Meeting.

**Statement of directors' responsibilities**

The Directors are responsible for preparing the financial statements in accordance with applicable laws and International Accounting Standards as adopted by the United Kingdom ("IAS"). UK Company Law requires the Directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Group and of the Company and of the profit or loss of the Group for that period. In preparing those financial statements, the Directors are required to:

- a) select suitable accounting policies and then apply them consistently;
- b) make judgements and estimates that are reasonable and prudent;
- c) state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- d) prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Group will continue in business;

The Directors confirm that the financial statements comply with the above requirements.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and Company and to enable them to ensure that the financial statements comply with the UK Companies Act 2006. The Directors are also responsible for safeguarding the assets of the Group and hence for taking steps for the prevention and detection of fraud and other irregularities.

By order of the board



Kevin Maloney  
**Chairman**  
30 September 2022

**TULLA RESOURCES PLC**  
**DIRECTORS' BIOGRAPHIES**

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**Kevin Maloney, Executive Chairman, aged 75**

Kevin is the founder and Chairman of Tulla Private, the Australian-owned investment group of the Maloney family. Based in Sydney, it was established in the early 1990s with an open mandate focusing on small to middle market listed companies, private equity, venture capital and debt. Tulla Group has a track record of success from building and growing many businesses, including The MAC Services Group which is a mining services company that was listed on the ASX in April 2007 and sold to Oil States International in December 2010.

Kevin has extensive experience in international and corporate banking, finance and the resources industry over his illustrious career. He is currently also Chairman of THEMAC Resources, a Canadian company listed on the Toronto Stock Exchange. He has also been a director and Chairman of ASX listed mining companies Queensland Mining Corporation Limited and Altona Mining Limited.

**Mark Maloney, Executive Director, aged 50**

Mark is the Managing Partner of Tulla Private, the Maloney family investment vehicle. He previously spent 15 years in investment markets holding senior positions with JP Morgan Chase & Co and Goldman Sachs Group Inc in Sydney and London. Mark was also CEO of The MAC Services. Mark is also on the Advisory Board of the UTS Business School.

**Arthur Michael Anglin, Non-Executive Director, aged 67**

Mike has over 40 years of experience in mining, having spent 22 years at BHP Billiton working in numerous countries before retiring in 2008. Mike has subsequently taken up various engagements in the industry and is currently Chairman of SSR Mining Inc and a non-executive director of Antofagasta Plc.

**Andrew Greville, Non-Executive Director, aged 59**

Andrew is a Mining Engineer with over 35 years' experience in the resources industry, including senior roles in business development and strategy at Xstrata Queensland Limited, Pechiney World Trade (USA) Inc., BHP Billiton and Minera Escondida Ltda (Chile). Andrew is currently a Non-Executive Director of ASX listed companies Ballymore Resources Limited and Aeon Metals Limited and an Independent Director of listed Nova Royalty Corporation (Toronto).

**Frederick Kempson, Non-Executive Director, aged 79**

Fred had a distinguished career in investment banking and was the Managing Director of two major investment banks (Australian International Finance Ltd and Security Pacific Ltd). He was also the Deputy Chairman of the Australian Merchant Bankers Association and a director of many public and private companies in Australia, the UK, USA, Hong Kong and New Zealand. Fred is currently a non-executive director of Brookmount Exploration Inc; AHA Retail Partners Plc and Livestock Asset Management Pty Ltd.

**TULLA RESOURCES PLC  
INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF TULLA RESOURCES PLC**

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**Opinion**

We have audited the financial statements of Tulla Resources Plc (the 'Company') and its subsidiaries ('the Group') for the year ended 30 June 2022 which comprise the Group Statement of Comprehensive Income, the Group and Company Statement of Changes in Equity, the Group and company Balance Sheet, the Group and Company Statement of Cash Flows and notes to the financial statements, including significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and UK adopted International Accounting Standards.

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the parent company's affairs as at 30 June 2022 and of its loss and cash flows for the year then ended;
- have been properly prepared in accordance with UK adopted International Accounting Standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group and the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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 1.2 of the Group financial statements which indicates that the Group may require additional funding in order to fully meet its budgeted operations, exploration and planned project development costs for the next year.

The group has incurred an operating loss after tax of AUD\$2.0m for the year ended 30 June 2022 and has not yet commenced production. If the early months of gold production do not meet expectations, and the group were unable to raise further funding via one of the means outlined in note 1.2 to the financial statements, including further potential transactions for the development and operations of the Company's Industrial Mineral rights, equity funding or refinancing debt, then this would place doubt on the ability to preserve the current ownership interest in its assets and fund the business for 12 months. These events, along with the other matters explained in note 1.2 of the Group financial statements, constitute a material uncertainty that may cast significant doubt on the Group's and the Parent Company's ability to continue as a going concern.

The financial statements do not include adjustments (such as impairment of assets) that would result if the Group were unable to continue as a going concern.

Our opinion is not modified in respect of this matter.

In auditing the financial statements, we have concluded that the director's use of going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the director's assessment of the Group's ability to continue to adopt the going concern basis of accounting included an assessment of the risk and audit procedures to address this risk:

**The risk**

Due to the nature of the industry and the significant amount of capital needed in order to fund cash calls and operating costs, there are risks surrounding the going concern assumption. Whilst the Group had cash of AUD\$42.2million, financial assets of AUD\$8.4million and net assets of AUD\$54.8million at 30 June 2022, the forecasts suggest that if the early months of gold production do not meet expectations the group may require further funding over the next 12 months in order to meet its commitments as they fall due.

Given the above factors, we consider going concern to be a significant audit risk area.

**TULLA RESOURCES PLC  
INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF TULLA RESOURCES PLC**

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**The risk (cont.)**

The directors' conclusion of the risks and circumstances described in note 1.2 of the Group financial statements represent a material uncertainty over the ability of the Group and Company to continue as a going concern for a period of at least a year from the date of approval of the financial statements. However, clear and full disclosure of the facts and the directors' rationale for the use of the going concern basis of preparation, including that there is a related material uncertainty, is a key financial statement disclosure and so was the focus of our audit in this area. Auditing standards require that to be reported as a key audit matter.

**How our audit addressed the risk:**

Our audit procedures included:

- Assessing the transparency and the completeness and accuracy of the matters covered in the going concern disclosure by evaluating management's cash flow projections for the next 12 months and the underlying assumptions.
- We obtained budgets and cash flow forecasts, reviewed the methodology behind these, ensured arithmetically correct and challenged the assumptions.
- We completed sensitivity analysis on the budgets provided to assess the change costs that would need to occur to push the Group into a cash negative position.
- We discussed plans for the Group going forward with management, ensuring these had been incorporated into the budgeting and would not have an impact on the going concern status of the Group.

**Key observations:**

If the early months of gold production do not meet expectations, and the group may require further funding to meet its budgeted operations, exploration and planned project development costs for the next year.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

**Our approach to the audit**

We designed our audit by obtaining an understanding of the Group and its environment, and assessing the risk of material misstatement in the financial statements. When assessing the risk of material misstatement, we consider whether the directors made judgments or assumptions that are, by their nature, subjective. The scope of our audit was influenced by the level of materiality we determined.

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account an understanding of their activities, the accounting processes and controls, and the industry in which they operate. Our planned audit testing was directed accordingly and was focused on areas where we assessed there to be the highest risk of material misstatement.

During the audit we reassessed and re-evaluated audit risks and tailored our approach accordingly.

The audit testing included substantive testing on significant transactions, balances and disclosures, the extent of which was based on various factors such as our overall assessment of the control environment, the effectiveness of controls and the management of specific risk.

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

**Key audit matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. This is not a complete list of all risks identified during our audit. Going concern is a significant key audit matter and is described above. In arriving at our audit opinion above, the other key audit matter includes:

**TULLA RESOURCES PLC**

<b>Key audit matters</b>	<b>How our scope addressed these matters</b>
<p><b><i>Rehabilitation provision</i></b></p> <p>The group has a provision of AUD\$14.4m (2021: AUD\$14.2m) in respect of the rehabilitation costs to bring the site back to its original condition. The calculation of the value of the provision involves significant judgements, assumptions and estimates which makes it a key audit matter.</p>	<p>Our audit work included, but was not restricted to:</p> <ul style="list-style-type: none"> <li>• Issuing component auditor instructions to report back to us on the accuracy and completeness of the carrying balances at the year end.</li> <li>• Reviewing the component auditor’s working papers in respect of this key audit area to ensure the work was in line with the scope agreed.</li> <li>• Reviewing and challenging the assumptions used:</li> <li>• Assessing the appropriateness of the methodology applied by comparing it to the Group’s accounting policy and IAS 37;</li> </ul> <p><b>Key observations:</b></p> <p>The group has 50% interest in the Norseman Project and therefore, the total provision is split between Tulla Resources Plc and Pantoro Limited (the Manager and JV (Joint Venture) partner).</p> <p>We reviewed the audit work performed by the component auditor and their climate change and sustainability service practice who assessed the closure costs estimate.</p> <p>This assessment considered the closure cost estimate for the JV project, which was prepared by MBS Environmental in July 2022. The key considerations were:</p> <ul style="list-style-type: none"> <li>• The scope of closure activities were reasonable</li> <li>• Areas of disturbance were reasonable</li> <li>• Key cost assumptions were reasonable</li> <li>• The mechanical accuracy of the calculation</li> </ul> <p>Following review of the above, the closure cost estimate is considered to be reasonable, given the current technical closure knowledge base of the operation.</p>

**TULLA RESOURCES PLC**

<b>Key audit matters</b>	<b>How our scope addressed these matters</b>
<p><b><i>Carrying value of non-current assets</i></b></p> <p>The Group has capitalised costs under non-current assets comprising property, plant and equipment, mine properties and development costs and exploration and evaluation totaling AUD\$66.4m (2021: AUD\$4.2m). These are required to be assessed for indicators of impairment in accordance with the Group’s accounting policies at each reporting date and with the relative accounting standards IFRS 6 and IAS 36. If any such indication exists, the Group is required to estimate the recoverable amount of the assets.</p> <p>Due to the significance of the carrying balances and judgments involved in assessing impairment and valuation, we have therefore identified the carrying value of non-current assets as a key audit matter.</p>	<p>Our audit work included, but was not restricted to:</p> <ul style="list-style-type: none"> <li>• Assessing the appropriateness of the methodology applied by management in their assessment of the carrying value of non-current assets;</li> <li>• Issuing component auditor instructions to report back to us on the accuracy and completeness of the carrying balances at the year end.</li> <li>• Reviewing the component auditor’s working papers in respect of this key audit area to ensure the work was in line with the scope agreed.</li> <li>• Review of resource estimates for evidence of changes in reserve and resource quantities which may evidence changes in the recoverable amount;</li> <li>• Reviewing the board minutes of the company and any associated papers to ensure no matters arising from the minutes which would cast doubt on the feasibility of the Norseman project;</li> <li>• Assessed the adequacy of the Group’s disclosures included in the financial statements in accordance with the accounting standards.</li> </ul> <p><b>Key observations:</b></p> <p>In August 2022, the group released an updated reserves report stating reserves of 973,000 ounces of gold (for 100% of the Norseman Gold Project). Based on the above factors, we believe that there are no indicators of impairment and the carrying amount of non-current assets disclosed in the financial statements is appropriate.</p>
<p><b><i>Convertible and debenture loans</i></b></p> <p>The Group entered a Loan Agreement with Nebari comprising a fully drawn Debenture Loan Facility of US\$13.5 million and a fully drawn Convertible Loan Facility of US\$8.0 million towards end of May 2022.</p> <p>Loans payments were made in USD\$, however, the FS were presented in AUD\$, this created uncertainties on future exchange rates which would have some impact on total liability and equity as at the year end of June 2022 and future years.</p> <p>The liability of the loans makes it as key audit matter as there is significant risk of fluctuation on future exchange rates between USD\$ and AUD\$.</p>	<p>Our audit work included, but was not restricted to:</p> <ul style="list-style-type: none"> <li>• Review management’s calculation and treatment of both loans;</li> <li>• Discussed the accounting treatments with our internal technical team;</li> <li>• Recalculate the equity and debts split based on the terms of the loan agreements and compared them to the client’s calculation to ensure IFRS 9 has been correctly applied and relevant disclosure been correctly presented in the financial statements.</li> <li>• Checked the reasonableness of management’s estimation on future exchange rates and interest rates, agreeing the rates to external sources.</li> </ul> <p><b>Key observations:</b></p> <p>Both loans have been accounted for in line with IFRS 9 and all assumptions are reasonable and materially correct.</p>

**TULLA RESOURCES PLC**

Key audit matters	How our scope addressed these matters
<p><b><i>Valuation and recoverability of loans receivable from subsidiaries and expected credit losses under IFRS 9</i></b></p> <p>The parent company has lent significant funds totaling AUD\$235.9m (2021: AUD\$174.6m). to Central Norseman Gold Corporation (CNGC, a subsidiary), in prior years.</p> <p>Management’s assessment for recoverability of the loan and calculation of expected credit losses involves significant judgements and assumptions, such as probability of default, loss given default, extent and probability of future cash flows.</p> <p>There is a risk that the subsidiary company may default on loan repayments and therefore the loan may be impaired in excess of the current expected credit losses. The value of the loan makes it a key audit matter as there is a significant risk of default on the loan repayments.</p>	<p>Our audit work included, but was not restricted to:</p> <ul style="list-style-type: none"> <li>• Assessing the appropriateness of the methodology applied by management in their assessment of the recoverable amount by recalculating the expected credit losses in line with IFRS 9 and comparing it to the accounting policy;</li> <li>• Review of resource estimates for evidence of changes in reserve and resource quantities which may evidence changes in the recoverable amount;</li> <li>• Checking that intercompany loans have been reconciled and obtaining a balance confirmation;</li> <li>• Reviewing the board minutes of the company and any associated papers to ensure no matters arising from the minutes which would cast doubt on the recoverability of the loan balances.</li> </ul> <p><b>Key observations:</b></p> <p>The loan to CNGC has been impaired in prior years. The restructuring of the debt and the JV transaction resulted in value being attributable to CNGC. Therefore, the current year expected credit loss assessment resulted in a further impairment in the current year of AUD\$22.3m.</p> <p>The amount AUD\$167.7m is now considered to be recoverable based on underlying value of the Gold to be recovered. However, this value does not include the potential of the mining and exploration tenements, nor the potential of non-gold minerals as set out in note 13. The provision for impairment on this loan totals AUD\$68.2m which has been recognized in accordance with IFRS 9 and is calculated based on lifetime expected credit losses.</p> <p>We believe that the loan receivable amount is materially correct and complies with the Group’s accounting policies.</p>



**TULLA RESOURCES PLC**  
**INDEPENDENT AUDITOR'S REPORT**  
**TO THE MEMBERS OF TULLA RESOURCES PLC**

**Our application of materiality**

The scope and focus of our audit was influenced by our assessment and application of materiality. We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements on our audit and on the financial statements.

We define financial statement materiality as the magnitude by which misstatements, including omissions, could reasonably be expected to influence the economic decisions taken on the basis of the financial statements by reasonable users.

In order to reduce to an appropriately low level the probability that any misstatements exceed materiality, we use a lower materiality level, performance materiality, to determine the extent of testing needed. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

<b>Materiality Measure</b>	<b>Group</b>	<b>Parent</b>
Overall materiality	We determined materiality for the financial statements to be:	
	2022: AUD\$548,000 (2021: AUD\$568,000)	2022: AUD\$548,000 (2021: AUD\$454,000)
How we determine it	Based on the main key indicator, being 1% of net assets of the Group.	1% of net assets of the Parent Company exceeded the Group materiality amount therefore this was capped at Group materiality.
Rationale for benchmarks applied	We believe the net assets are the most appropriate benchmark due to the size and stage of development of the Company and Group and due to the Group not yet generating any material revenue.	
Performance materiality	On the basis of our risk assessment, together with our assessment of the Group and Company's control environment, our judgement is that performance materiality for the financial statements should be 75% for the group since the group is still in the pre-production phase and there were no significant changes to operations in the year. The parent performance materiality was capped at group level.	
	2022: AUD\$411,000 (2021: AUD\$284,000)	2022: AUD\$411,000 (2021: AUD\$284,000)
Reporting threshold	We agreed with the Audit Committee that we would report to them all misstatements over 5% of Group and company materiality identified during the audit as set out below, as well as differences below that threshold that, in our view, warrant reporting on qualitative grounds. We also report to the Audit Committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.	
	2022: AUD\$27,000 (2021: \$28,000)	2022: AUD\$27,000 (2021: AUD\$22,000)

**TULLA RESOURCES PLC  
INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF TULLA RESOURCES PLC**

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**Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves.

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.

**Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Group and Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities set out on page 25, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for internal controls as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are 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 ISAs (UK) 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 these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

**TULLA RESOURCES PLC  
INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF TULLA RESOURCES PLC**

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**Auditor's responsibilities for the audit of the financial statements (cont.)**

Based on our understanding of the Group and the Company and the industry in which it operates, we identified that the principal risks of overstatement of non-current asset values and non-compliance with laws and regulations related to the acts by the Company specifically relating to the mining tenements which were contrary to applicable laws and regulations including fraud and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls).

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, enquiries of management and in so far as they related to the financial statements, and testing of journals and evaluating whether there was evidence of bias by the Directors that represented a risk of material misstatement due to fraud.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements, and determined that the principal risks were related to the rehabilitation provision, overstatement of non-current assets, the valuation and recoverability of loans receivable and expected credit losses under IFRS 9, treatment on right-of-use assets under IFRS16 and management assessment of going concern. Audit procedures performed related to these matters are discussed in the key audit matter section of the auditor's report.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Other matters which we are required to address**

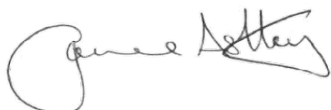
We were reappointed by Tulla Resources Plc on 15 July 2022.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the Group and we remain independent of the Group in conducting our audit.

Our audit opinion is consistent with the additional report to the Board of Directors.

**Use of our report**

This report is made solely to the Company's members, as a body, in accordance with part 3 of Chapter 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.



James Astley (Senior Statutory Auditor)  
for and on behalf of UHY Hacker Young  
Chartered Accountants  
Statutory Auditor  
London, United Kingdom  
Date: 30 September 2022

Quadrant House  
4 Thomas More Square  
London E1W 1YW

**TULLA RESOURCES PLC**  
**GROUP STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2022**

	<i>Notes</i>	<i>Year ended 30 June 2022 AUD\$</i>	<i>Year ended 30 June 2021 AUD\$</i>
<b>Continuing operations</b>			
<b>Group revenue</b>	2	31,694	217,047
Cost of sales – direct costs		(484,868)	(43,083)
Cost of sales – broken ore stock adjustment		518,679	-
<b>Gross profit</b>		65,505	173,964
<b>Other operating income</b>			
Profit on sale of assets	3	2,606,865	1,240,039
Other operating income	5	50,091	354,083
Administrative expenses before depreciation, exploration expenditure write off, rehabilitation costs write back and impairments		(2,961,396)	(3,281,248)
Exploration expenditure write off	11	(8,655)	(126)
Rehabilitation costs – provision	19	(169,089)	6,054,358
Depreciation and impairment of property, plant & equipment	10	(5,991)	(6,364)
Amortisation	10	(310,850)	-
<b>Group operating (loss) / profit</b>	4	(733,520)	4,534,706
Unwind discount on deferred consideration	6	-	950,226
Borrowing costs		(84,787)	-
Interest received		60,110	999
Interest payable	6	(425,375)	(4,467,535)
Fair value adjustment on equity investment	14	126,787	(1,020,000)
Unrealised foreign exchange loss	20	(956,978)	-
<b>Loss before taxation</b>		(2,013,763)	(1,604)
Taxation	7	-	-
<b>Total comprehensive loss attributable to equity holders of the Company</b>		(2,013,763)	(1,604)

**TULLA RESOURCES PLC**  
**GROUP STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2022**

	<i>Notes</i>	<i>Share Capital AUD\$</i>	<i>Share Premium AUD\$</i>	<i>Other Reserves AUD\$</i>	<i>Retained Losses AUD\$</i>	<i>Total Equity AUD\$</i>
<b>Year ended 30 June 2022</b>						
Balance at 1 July 2021		11,336,779	293,515,693	-	(248,011,881)	56,840,591
Net loss for 2022		-	-	-	(2,013,763)	(2,013,763)
<b>Total comprehensive loss for the period</b>		-	-	-	(2,013,763)	(2,013,763)
Convertible note equity reserve 2022	23	-	-	679,034	-	679,034
Foreign exchange revaluation reserve	23	-	-	(679,034)	-	(679,034)
Balance at 30 June 2022		11,336,779	293,515,693	-	(250,025,644)	54,826,828
		<i>Share Capital AUD\$</i>	<i>Share Premium AUD\$</i>	<i>Other Reserves AUD\$</i>	<i>Retained Losses AUD\$</i>	<i>Total Equity AUD\$</i>
<b>Year ended 30 June 2021</b>						
Balance at 1 July 2020		27,948,180	143,086,801	-	(248,010,277)	(76,975,296)
Net profit for 2021		-	-	-	(1,604)	(1,604)
<b>Total comprehensive income for the period</b>		-	-	-	(1,604)	(1,604)
New Shares Issued during 2021		6,266,521	131,279,280	-	-	137,545,801
Share Issue Costs during 2021		-	(3,728,310)	-	-	(3,728,310)
Cancel Deferred Shares in 2021		(22,877,922)	22,877,922	-	-	-
Balance at 30 June 2021		11,336,779	293,515,693	-	(248,011,881)	(56,840,591)

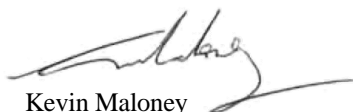
**TULLA RESOURCES PLC**  
**COMPANY STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2022**

	<i>Notes</i>	<i>Share Capital AUD\$</i>	<i>Share Premium AUD\$</i>	<i>Other Reserves AUD\$</i>	<i>Retained Losses AUD\$</i>	<i>Total Equity AUD\$</i>
<b>Year ended 30 June 2022</b>						
Balance at 1 July 2021		11,336,779	293,515,693	-	(108,644,048)	196,208,424
Net loss for 2022		-	-	-	(20,910,169)	(20,910,169)
<b>Total comprehensive loss for the period</b>		-	-	-	(20,910,169)	(20,910,169)
Convertible note equity reserve 2022	23	-	-	679,034	-	679,034
Foreign exchange revaluation reserve	23	-	-	(679,034)	-	(679,034)
Balance at 30 June 2022		11,336,779	293,515,693	-	(129,554,217)	175,298,255
		<i>Share Capital AUD\$</i>	<i>Share Premium AUD\$</i>	<i>Other Reserves AUD\$</i>	<i>Retained Losses AUD\$</i>	<i>Total Equity AUD\$</i>
<b>Year ended 30 June 2021</b>						
Balance at 1 July 2020		27,948,180	143,086,801	-	(157,477,835)	13,557,146
Net profit for 2021		-	-	-	48,833,787	48,833,787
<b>Total comprehensive income for the period</b>		-	-	-	48,833,787	48,833,787
New Shares Issued during 2021		6,266,521	131,279,280	-	-	137,545,801
Share Issue Costs during 2021		-	(3,728,310)	-	-	(3,728,310)
Cancel Deferred Shares in 2021		(22,877,922)	22,877,922	-	-	-
Balance at 30 June 2021		11,336,779	293,515,693	-	(108,644,048)	196,208,424

**TULLA RESOURCES PLC**  
**GROUP BALANCE SHEET**  
**AS AT 30 JUNE 2022**

	<i>Notes</i>	<i>30 June 2022</i> <i>AUD\$</i>	<i>30 June 2021</i> <i>AUD\$</i>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	10	41,038,381	715,773
Exploration and evaluation assets	11	13,117,024	2,854,011
Mine properties and development costs	12	12,268,171	650,582
		<u>66,423,576</u>	<u>4,220,366</u>
<b>Current Assets</b>			
Financial assets at fair value through profit and loss	14	8,401,501	20,000,000
Trade and other receivables	15	1,326,696	592,520
Inventories	16	1,085,485	235,688
Cash and cash equivalents	17	42,209,106	50,031,092
		<u>53,022,788</u>	<u>70,859,300</u>
<b>Total Assets</b>		<u>119,446,364</u>	<u>75,079,666</u>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and other payables	18	12,965,888	3,883,616
Provisions for liabilities	19	170,384	93,308
Loans and borrowings	20	2,251,212	-
		<u>15,387,484</u>	<u>3,976,924</u>
<b>Non-Current Liabilities</b>			
Provisions for liabilities	19	14,382,317	14,262,151
Loans and borrowings	20	34,849,735	-
		<u>49,232,052</u>	<u>14,262,151</u>
<b>Total Liabilities</b>		<u>64,619,536</u>	<u>18,239,075</u>
<b>Net assets / (Net liabilities)</b>		<u>54,826,828</u>	<u>56,840,591</u>
<b>EQUITY</b>			
<b>Capital and Reserves</b>			
Share capital	22	11,336,779	11,336,779
Share premium	22	293,515,693	293,515,693
Convertible note equity reserve	23	679,034	-
Foreign exchange revaluation reserve	23	(679,034)	-
Retained losses		(250,025,644)	(248,011,881)
<b>Shareholders' Equity</b>		<u>54,826,828</u>	<u>56,840,591</u>

The financial statements were approved by the Board of Directors on 30 September 2022 and signed on its behalf by:

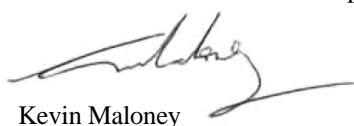


Kevin Maloney  
**Chairman**  
**Company Registration number 05380466**

**TULLA RESOURCES PLC**  
**COMPANY BALANCE SHEET**  
**AS AT 30 JUNE 2022**

	<i>Notes</i>	<i>30 June 2022</i> <i>AUD\$</i>	<i>30 June 2021</i> <i>AUD\$</i>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Loan to subsidiary undertakings	13	167,728,163	128,711,581
Investment in subsidiary undertakings	13	-	-
		<u>167,728,163</u>	<u>128,711,581</u>
<b>Current Assets</b>			
Financial assets at fair value through profit and loss	14	8,401,501	20,000,000
Trade and other receivables	15	3,037,029	2,034,487
Cash and cash equivalents	17	27,173,562	45,574,766
		<u>38,612,092</u>	<u>67,609,253</u>
<b>Total Assets</b>		<u>206,340,255</u>	<u>196,320,834</u>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and other payables	18	1,125,896	112,410
Loans and borrowings	20	1,166,891	-
		<u>2,292,787</u>	<u>112,410</u>
<b>Non-Current Liabilities</b>			
Loans and borrowings	20	28,749,213	-
		<u>28,749,213</u>	<u>112,410</u>
<b>Total Liabilities</b>		<u>31,024,000</u>	<u>112,410</u>
<b>Net Assets</b>		<u>175,298,255</u>	<u>196,208,424</u>
<b>EQUITY</b>			
<b>Capital and Reserves</b>			
Share capital	22	11,336,779	11,336,779
Share premium	22	293,515,693	293,515,693
Convertible note equity reserve	23	679,034	-
Foreign exchange revaluation reserve	23	(679,034)	-
Retained losses		(129,554,217)	(108,644,048)
<b>Shareholders' Equity</b>		<u>175,298,255</u>	<u>196,208,424</u>

The financial statements were approved by the Board of Directors on 30 September 2022 and signed on its behalf by:



Kevin Maloney  
**Chairman**  
**Company Registration number 05380466**



**TULLA RESOURCES PLC**  
**GROUP STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

	<i>Notes</i>	<i>Year ended 30 June 2022 AUD\$</i>	<i>Year ended 30 June 2021 AUD\$</i>
<b>Net outflow from operating activities</b>	27	4,741,021	(3,979,711)
<b>Investing activities</b>			
Proceeds from sale of assets		14,502,173	5,040,039
Direct costs from sale of assets		(170,022)	-
Funds used in exploration expenditure	11	(10,271,668)	(2,854,137)
Funds used in mine properties and development	12	(11,666,512)	(650,582)
Purchases of plant & equipment	10	(33,376,194)	(690,319)
<b>Net cash generated from investing activities</b>		(40,982,223)	845,001
<b>Financing activities</b>			
Cash proceeds from Debenture loan	20	18,691,278	-
Cash proceeds from Convertible note	20	11,076,313	-
Transaction costs on borrowings	20	(1,251,552)	-
Right of use asset finance payments	21	(96,823)	-
Cash proceeds from related party financing	20	-	845,000
Loan repayments to related party	20	-	(22,314,200)
Cash proceeds from issue of shares	22	-	78,300,000
Transaction costs on issue of shares	22	-	(3,728,310)
<b>Net cash generated from / (used in) financing activities</b>		28,419,216	53,102,490
<b>(Decrease) / increase in cash and cash equivalents</b>		(7,821,986)	49,967,780
<b>Cash and cash equivalents at beginning of year</b>		50,031,092	63,312
<b>Cash and cash equivalents at end of year</b>		42,209,106	50,031,092

**TULLA RESOURCES PLC**  
**COMPANY STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

	<i>Notes</i>	<i>Year ended 30 June 2022 AUD\$</i>	<i>Year ended 30 June 2021 AUD\$</i>
<b>Net cash outflow from operating activities</b>	28	69,359	(1,657,101)
<b>Investing activities</b>			
Proceeds from sale of assets		14,502,173	-
Direct costs from sale of assets		(170,022)	-
Loan granted to subsidiaries	13	(61,318,753)	(28,587,218)
Loan repayments to related parties	13	-	(1,664,200)
Loan repayments from subsidiaries	13	-	2,911,504
<b>Net cash used in investing activities</b>		(46,986,602)	(27,339,914)
<b>Financing activities</b>			
Cash proceeds from Debenture loan	20	18,691,278	-
Cash proceeds from Convertible note	20	11,076,313	-
Transaction costs on borrowings	20	(1,251,552)	-
Cash proceeds from issue of shares	22	-	78,300,000
Transaction costs on issue of shares	22	-	(3,728,310)
<b>Net cash from financing activities</b>		28,516,039	74,571,690
<b>(Decrease) / increase in cash and cash equivalents</b>		(18,401,204)	45,574,675
<b>Cash and cash equivalents at beginning of year</b>		45,574,766	91
<b>Cash and cash equivalents at end of year</b>		27,173,562	45,574,766

**TULLA RESOURCES PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

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1. **Accounting policies**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated below.

1.1 **Basis of preparation**

The financial statements are prepared on a going concern basis, under the historical cost convention and in accordance with International Accounting Standards, as adopted by the United Kingdom (“IAS”), including IFRS 6 ‘Exploration for and Evaluation of Mineral Resources’, IFRS 11 ‘Joint Arrangements’ and in accordance with the Companies Act 2006. The Parent Company’s financial statements have also been prepared in accordance with IAS and the Companies Act 2006.

1.2 **Going concern**

As at 30 June 2022, the Group had cash of AUD\$42.2 million, financial assets at fair value through profit and loss of AUD\$8.4 million and net assets of AUD\$54.8 million.

The Group has a Loan Agreement with Nebari comprising a fully drawn Debenture Loan Facility of US\$13.5 million and a fully drawn Convertible Loan Facility of US\$8.0 million (cumulative balance of liability on balance sheet of AUD\$29.9 million as per Note 20). The details of the Loan Agreement are summarised within Note 20.

As outlined in the Company’s ASX announcement, the Company along with its joint venture partner, achieved practical completion of the Norseman Gold Project on 6 September 2022. Commissioning has commenced and it is anticipated the first gold pour will be in early October 2022 and the Norseman Gold Project is forecast to generate surpluses from October 2022.

Notwithstanding this, there is a risk that issues arise during the early months of gold production, including, but not limited to, commissioning issues delaying production, production throughput not reaching name-plate throughput, or ore grade being below modelled expectations, which may impact cash flow and the ability of the Company to pay its debts as and when they fall due.

In order to manage this risk, the Company has a number of options available to it which it continues to review:

- The Company sold down part of its holding in PNR Shares during the year ended 30 June 2022 to realise cash and was no longer a substantial shareholder. Subsequent to 30 June 2022, the Company generated net proceeds of AUD\$7.4 million from the sale of remaining PNR Shares.
- Exploring potential transactions for the development and operations of the Company’s Industrial Mineral rights in accordance with the FJVA and other minerals that form part of the Joint Venture, to generate cash flow. As noted on page 5 of the Directors’ Report, the Company entered into an Offtake and Funding Agreement with Constance Iron during the financial year. That agreement is subject to the listing of Constance Iron on the LSE, which is now expected by 31 October 2022.
- Raising of equity capital to meet its future Joint Venture funding obligations. The Company has refreshed its placement capacity at the General Meeting on 8 September 2022 and has a full 15% available.
- Refinancing its Loan Agreement with Nebari or seeking a new debt facility with a third party.
- Sale of part or all of its interest in the Joint Venture to its joint venture partner or a third party;
- Merger of its gold asset with its joint venture partner.
- The FJVA provides the Group with the option to progressively dilute its interest in the Joint Venture if unable to meet future funding calls for the Joint Venture.

**TULLA RESOURCES PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

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**1.2 Going concern (cont.)**

The Group is confident in the production plan and the ability of the Group to continue as a going concern and to maximise the value to the Group's shareholders and is in advanced negotiations with a major financier for project financing. However, the Group will continue to monitor its position and explore any options available as required.

Based on these facts, the Directors consider the going concern basis of preparation to be appropriate for this financial report. Should the Company be unsuccessful in raising additional funds through one of the means identified above, it may be forced to dispose of part or all of its interest in the Norseman Gold Project, or dilute its interest in the Norseman Gold Project in accordance with the dilution provisions in the FJVA. In the event that the Company is unable to source additional funds to meet its costs outside of the Norseman Gold Project, most of which are discretionary, save for the costs of compliance, there is a material uncertainty which may cast doubt whether the Group will be able to continue as a going concern and therefore, whether it will realise the full potential value of its assets and extinguish its liabilities in the normal course of business.

The financial statements do not include any adjustments relative to the recoverability and classification of recorded asset amounts or, to the amounts and classification of liabilities that might be necessary should the Group not continue as a going concern.

**1.3 Basis of consolidation**

The consolidated financial statements incorporate the accounts of the Company and its subsidiaries and have been prepared by using the principles of acquisition accounting ("the purchase method"), which includes the results of the subsidiaries from their date of acquisition.

The Company controls a subsidiary if it is exposed, or has rights to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. All subsidiaries have a reporting date of 30 June.

Intra-group sales, profits and balances are eliminated fully on consolidation.

**1.4 Income taxation**

Income tax expense recognised in the profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive or directly in equity.

Deferred income taxes are provided in full, using the liability method, for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income taxes are determined using tax rates that have been enacted or substantially enacted and are expected to apply when the related deferred income tax asset is realised, or the related deferred income tax liability is settled.

The principal temporary differences arise from depreciation or amortisation charged on assets and tax losses carried forward. Deferred tax assets relating to the carry forward of unused tax losses are recognised to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised. Tulla Resources Plc and its wholly owned subsidiaries have implemented Australian tax consolidation legislation. The head entity, Tulla Resources Plc and the subsidiaries in the tax consolidation group account for their own current and deferred tax amounts. These amounts are measured as if each entity in the tax consolidation group continues to be a stand-alone taxpayer in its own right.

**1.5 Mine properties in production phase and exploration and evaluation expenditure**

Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage which permits reasonable assessment of the existence of economically recoverable reserves. Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made. When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves. Economically recoverable reserves are determined by the following: For open pit operations – proven and probable reserves; and for underground operations – proven and probable reserves and reasonably assured potential additional reserves. Accumulated costs associated with underground operations include an estimate of the future costs associated with the conversion of ‘indicated’ and ‘inferred’ resources into the ‘measured’ category. This estimate is based on the historical cost per ounce discovered. A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

*Provision for rehabilitation*

Costs of site restoration are provided when an obligating event occurs from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal and rehabilitation of the site in accordance with clauses of the mining permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on a discounted basis. Any changes in the estimates for the costs are accounted for on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly, the costs have been determined on the basis that the restoration will be completed within one year of abandoning the site.

*Joint Operations*

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. In accordance with the terms of the FJVA, all Joint Venture Property is owned by the JV Parties severally as tenants in common in proportion to their respective Joint Venture Interest, and each JV Party is severally liable, in proportion to their JV interest, for all obligations and liabilities incurred by or on behalf of the JV Parties. Accordingly, the Group recognises its share of jointly held assets, liabilities, revenues and expenses of the Norseman Gold Project under the appropriate classification.

In accordance with industry guidance, in accounting for the farm-in and joint venture agreement, the Group only recognised cash payments (up front and deferred), the fair value of shares received, and the value of liabilities assumed by the farmee. The Group did not recognise any consideration with respect to the value of the work to be performed by the farmee and instead, carry the remaining interest at the previous cost of the full interest, reduced by the amount of consideration recognised. The effect being that there is no gain recognised on the disposal unless the consideration recognised exceeds the carrying value of the entire asset held.

**1.6 Property, plant and equipment**

*Recognition and measurement*

Each class of property, plant and equipment is stated at historical cost less, where applicable, any accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of the equipment.

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**1.6 Property, plant and equipment (cont.)**

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

*Subsequent costs*

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Consolidated Statement of Profit or Loss and Other Comprehensive Income during the financial period in which they are incurred.

*Depreciation*

Depreciation is calculated on a straight-line basis over the estimated useful life of the asset. Major depreciation periods are:

- Mine Specific plant and equipment is depreciated using the shorter of life of mine and useful life. Useful life ranges between 1 and 10 years.
- Buildings are depreciated using shorter of life of mine and useful life. Useful life ranges between 3 and 10 years.
- Office plant and equipment is depreciated over useful lives ranging between 1 and 10 years.

The useful lives of assets are reviewed, and adjusted if appropriate, at each reporting date.

Capital work in progress is not depreciated until it is ready for use.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the profit or loss.

**1.7 Inventories**

*(i) Gold Bullion*

Gold bullion on hand is carried at net realisable value. Net realisable value is the value anticipated to be realised based on the average gold price achieved for sales carried out in the current month.

*(ii) Raw Materials and Stores*

Inventories of raw materials and stores expected to be used in production are valued at average cost. Obsolete or damaged inventories of such items are valued at net realisable value. There is a regular and ongoing review of inventories for surplus items and provision is made for any anticipated loss on their disposal.

*(iii) Work in Progress and Gold in Circuit*

Inventories of broken ore, work in progress and gold in circuit are valued at the lower of cost and net realisable value. Cost comprises direct material, labour and transportation expenditure incurred in getting inventories to their existing location and condition, together with an appropriate portion of fixed and variable overhead expenditure based on weighted average costs incurred during the period in which such inventories were produced. Net realisable value is the amount anticipated to be realised from the sale of inventory in the normal course of business less any anticipated costs to be incurred prior to its sale.

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**1.8 Employee benefits**

Provision is made for the liability for employee benefits arising from services rendered by employees to the balance sheet date. Employee benefits expected to be settled within one year together with entitlements arising from wages and salaries, annual leave and sick leave, which will be settled after one year, have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Other employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

**1.9 Cash and cash equivalents**

Cash and cash equivalents are carried in the balance sheet at cost and comprise cash in hand, cash at bank, deposits held at call with banks, cash in transit between banks, and other short-term highly liquid investments with original maturities of three months or less. The reported balance also includes the Group's interest in the cash and cash equivalents held in the Joint Venture of AUD\$15.0 million. Bank overdrafts are included within borrowings in current liabilities on the balance sheet. For the purposes of the cash flow statement, cash and cash equivalents also include the bank overdrafts.

**1.10 Provisions for liabilities**

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result, and that outflow can be reliably measured. Clauses 1.5 and 1.17 refer to the accounting policies adopted in relation to the provision for future rehabilitation liabilities associated with mine properties.

**1.11 Financial Instruments**

*Financial Assets - initial recognition and measurement*

Financial assets are classified, at initial recognition, at fair value. 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.

*Subsequent measurement*

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments);
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments);
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments); or
- Financial assets at fair value through profit or loss.

*Financial assets at amortised cost (debt instruments)*

The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

*Derecognition*

A financial asset is primarily derecognised when:

- The rights to receive cash flows from the asset have expired; or
- The Group has transferred its rights to receive cash flows from the asset.

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**1.11 Financial Instruments (cont.)**

*Impairment of financial assets*

The Group 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 Group'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.

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. 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.

*Financial Liabilities*

*Initial recognition and measurement*

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or payables, as appropriate.

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

Financial liabilities include trade and other payables and secured and unsecured loans from directors and other parties.

*Subsequent measurement*

The measurement of financial liabilities depends on their classification, as described below:

- Financial Liabilities at amortised cost

This is the category most relevant to the Group. After initial recognition, trade payables and borrowings are subsequently measured at amortised cost. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

*Derecognition*

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

*Impairment of non-financial assets*

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash generating units). Non-financial assets, other than goodwill, that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

**1.12 Investments**

Investments in subsidiary companies are stated at cost less provision for impairment in the Company's balance sheet.



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**1.13 Foreign currency transactions and balances**

*(i) Functional and presentational currency*

Items included in the Group's financial statements are measured using Australian Dollars ("AUD\$"), which is the currency of the primary economic environment in which the Group operates ("the functional currency"). The financial statements are also presented in AUD\$ which is the Group's presentation currency. The exchange rate at 30 June 2022 was £1 = \$1.75 (2021: £1 = \$1.84).

The individual financial statements of each company with the Group, including the parent company, are measured and presented in AUD\$.

*(ii) Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

Transactions in the accounts of individual Group companies are recorded at the rate of exchange ruling on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rates ruling at the balance sheet date. All differences are taken to the income statement.

**1.14 Leases**

The details of accounting policies under both IAS 17 and IFRS 16 are presented separately below.

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the lessee uses its incremental borrowing rate.

The lease liability is presented as a separate line in the balance sheet.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified, and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, prepayments made on the lease at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset.

The depreciation starts at the commencement date of the lease.

**1.15 Convertible debt**

The proceeds received on issue of the Group's convertible debt are allocated into their liability and equity components. The amount initially attributed to the debt component equals the discounted cash flows using a market rate of interest that would be payable on a similar debt instrument that does not include an option to convert. Subsequently, the debt component is accounted for as a financial liability measured at amortised cost until extinguished on conversion or maturity of the bond. The remainder of the proceeds is allocated to the conversion option and is recognised in the "Convertible debt option reserve" within shareholders' equity, net of income tax effects.

**1.16 Capital management**

The Group's objective when managing capital is to ensure that adequate funding and resources are obtained to enable it to develop its projects through to profitable production, while in the meantime safeguarding the Group's ability to continue as a going concern. This is aimed at enabling it, once the projects come to fruition, to provide appropriate returns for shareholders and benefits for other stakeholders. The Group manages the capital structure in the light of changes in economic conditions and risk characteristics of the underlying projects. Conditions attached to borrowings are monitored regularly in the light of management accounts. Capital will continue to be sourced from equity and from borrowings as appropriate.

**1.17 Critical accounting judgements and estimates**

The preparation of financial statements in conformity with International Accounting Standards requires the use of accounting estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period.

Although these estimates are based on management's best knowledge of current events and actions, actual results ultimately may differ from those estimates. International Accounting Standards also require management to exercise its judgement in the process of applying the Group's accounting policies.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are as follows:

*Joint Operations*

A joint arrangement is an arrangement over which two or more parties have joint control. Joint control is the contractually agreed sharing of control over an arrangement which exists only when the decisions about the relevant activities (being those that significantly affect the returns of the arrangement) require the unanimous consent of the parties sharing control.

Judgement is required to determine if the Group has joint control over the Norseman Gold Project, which requires an assessment of the relevant activities and when the decisions in relation to those activities require unanimous consent. The group has determined that the relevant activities meet the definition of a joint arrangement.

*Impairment of tangible and intangible assets*

Determining whether a tangible or an intangible asset is impaired requires an estimation of whether there are any indications that its carrying value is not recoverable. At each reporting date, the Group reviews the carrying value of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

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**1.17 Critical accounting judgements and estimates (cont.)**

*Valuation of investments and loans to subsidiaries*

Management assesses the recoverability of investments in, and loans to, subsidiaries in accordance with IFRS 9 – Financial Instruments, and the parent company recognises expected credit losses in relation to those investments in, and loans to, subsidiaries held at amortised cost. If the assumed factors vary from actual occurrence, this will impact on the amount of the asset which should be carried on the balance sheet of the parent company.

*Provision for rehabilitation costs*

Provisions for restoration are established in the consolidated balance sheet when the obligating event occurs. Such costs have been determined using estimates of future costs, current legal requirements and technology on a discounted basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation.

*Exploration and Evaluation costs*

Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised. In addition, costs are only capitalised that are expected to be recovered either through successful development or sale of the relevant mining interest. Factors that could impact the future commercial production at the mine include the level of reserves and resources, future technology changes, which could impact the cost of mining, future legal changes and changes in commodity prices. To the extent that capitalised costs are determined not to be recoverable in the future, they are written off in the period in which this determination is made.

**1.18 Application of new and revised International Accounting Standards**

At the date of authorisation of these financial statements, the Group has not early adopted the following amendments to Standards and Interpretations that have been issued but are not yet effective:

<i>Standard Interpretation</i>	<i>Effective for annual periods beginning on or after</i>
Narrow scope amendments to IFRS 3, IAS 16 and IAS 37	1 January 2022
Annual improvements to IFRS Standards 2018-2020	1 January 2022
Amendments to IAS 1: Classification of Liabilities as Current or Non-Current	1 January 2023
Amendments to IAS 1 and IFRS Practice Statement 2: Disclosure of Accounting Policies	1 January 2023
Amendments to IAS 8: Definition of Accounting Estimates	1 January 2023
Amendments to IAS 12: Deferred Tax Related to Assets and Liabilities arising from a Single Transaction	1 January 2023

As yet, none of these have been endorsed for use in the UK and will not be adopted until such time as endorsement is confirmed. The directors do not expect any material impact as a result of adopting the standards and amendments listed above in the financial year they become effective

**2. Segmental reporting**

For the purposes of segmental information, the Group has determined that its operations are confined to a single operating segment, located in a single geographical region, Australia. All material revenue is derived from the development of mineral resources from its 50% interest in the Norseman Gold Project in Australia, which is the Group's sole cash generating unit. Revenues are generated from the production of precious metals, principally gold, and to a lesser extent, silver and these metals are sold to the government-controlled Perth Mint. It is noted that the Norseman Gold Project has been in the exploration, development and construction phase for much of the years ended 30 June 2021 and 30 June 2022 and no material income has been generated during the respective years.

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**3. Profit on sale of assets**

The Group's profit on sale of assets is recognition of the profit on the sale of a portion of the Group's direct shareholding in Pantoro during the year ended 30 June 2022, and the gross profit on the sale of infrastructure assets during the year ended 30 June 2021.

	<i>Year ended</i> <i>30 June 2022</i> <i>AUD\$</i>	<i>Year ended</i> <i>30 June 2021</i> <i>AUD\$</i>
Profit on sale of shares	2,606,865	-
Profit on sale of camp infrastructure assets	-	200,000
Profit on sale of land and buildings	-	1,000,000
Profit on sale of joint venture assets	-	40,039
	<hr/>	<hr/>
	2,606,865	1,240,039
	<hr/> <hr/>	<hr/> <hr/>

**4. Group operating profit**

The Group's operating profit is stated after charging / (crediting):

	<i>Year ended</i> <i>30 June 2022</i> <i>AUD\$</i>	<i>Year ended</i> <i>30 June 2021</i> <i>AUD\$</i>
Amortisation (note 10)	310,850	-
ASX listing fees	59,130	203,254
Auditors' remuneration		
- Audit services	100,417	72,159
- Non-audit services – interim review	36,036	38,667
Depreciation and impairment of property, plant & equipment (note 10)	5,991	6,364
Employee costs, excluding share-based payments (note 9)	605,000	200,762
Exploration costs written off (note 11)	8,655	126
Foreign currency losses / (gains)	194,243	(610)
IPO related fees (including legal and related consultant expert fees)	-	1,496,084
Rehabilitation expense / (credit) (note 19)	169,089	(6,054,358)
	<hr/> <hr/>	<hr/> <hr/>

**5. Other operating income**

<b>Group</b>	<i>Year ended</i> <i>30 June 2022</i> <i>AUD\$</i>	<i>Year ended</i> <i>30 June 2021</i> <i>AUD\$</i>
Equipment lease income	-	115,759
Expense recharges to third parties	9,743	14,142
Related party loan forgiveness	-	195,352
Rental income	-	16,000
Sale of scrap	40,348	7,128
Sundry income	-	5,702
	<hr/>	<hr/>
	50,091	354,083
	<hr/> <hr/>	<hr/> <hr/>

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**6. Interest income and interest payable**

<b>Group</b>	<i>Year ended</i> <i>30 June 2022</i> <i>AUD\$</i>	<i>Year ended</i> <i>30 June 2021</i> <i>AUD\$</i>
Unwind discount on deferred consideration	-	950,226
Interest on debt, related party financings and other	(291,319)	(4,467,535)
Interest on convertible loan notes	(115,645)	-
Interest on lease liabilities (refer Note 21)	(18,411)	-
	<hr/>	<hr/>
	(425,375)	(3,517,309)
	<hr/> <hr/>	<hr/> <hr/>

The unwind of deferred consideration in the year ended 30 June 2021 related to the AUD\$5.0 million and AUD\$10.0 million receivable 12 months and 24 months respectively after the date of completion (9 July 2019) of the FJVA. The instalment of AUD\$10.0 million was subsequently assigned to Tulla Resources Group Pty Ltd in consideration for a reduction of AUD\$10.0 million of the principal debt that was owed by the Group to Tulla Resources Group Pty Ltd, prior to the conversion of debt to equity of the balance of the debt at IPO in March 2021.

During the year ended 30 June 2021 the Group had borrowings from Tulla Resources Group Pty Ltd that accrued interest from 1 July 2020 until the debt was settled as part of the debt for equity conversion as part of the recapitalisation and listing of the Company on the ASX in March 2021.

**7. Taxation**

	<i>Year ended</i> <i>30 June 2022</i> <i>AUD\$</i>	<i>Year ended</i> <i>30 June 2021</i> <i>AUD\$</i>
<b>Current tax</b>		
Deferred tax asset (DTA) recognition	-	-
Deferred tax liability	-	-
	<hr/>	<hr/>
<b>Total current tax charge/(credit) as reported in loss</b>	-	-
	<hr/> <hr/>	<hr/> <hr/>
The current tax charge for the period can be reconciled to the loss per income statement as follows:		
Group loss before tax	(2,013,763)	(1,604)
	<hr/> <hr/>	<hr/> <hr/>
Tax at the Australian base rate corporation tax rate of 25.0% (2021: 26.0%)	(503,441)	(417)
Tax effects of:		
Non assessable income	(1,907,669)	(3,184,143)
Tax losses applied	-	-
Tax losses not recognised	2,411,110	3,184,143
	<hr/>	<hr/>
<b>Total current tax charge/(credit) as reported in loss</b>	-	-
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**NOTES TO THE FINANCIAL STATEMENTS**  
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**7. Taxation (cont.)**

The tax benefits of the deferred tax assets will only be obtained if:

- (a) the company derives future assessable income of a nature and of an amount sufficient to enable the benefits to be utilised;
- (b) the company continues to comply with the conditions for deductibility imposed by law; and
- (c) no changes in income tax legislation adversely affect the company in utilising the benefits.

*Factors that may affect future tax charges*

At the year-end date, the Group has unused tax losses available for offset against suitable future profits of approximately AUD\$195.1 million (2021: AUD\$184.9 million). A resulting deferred tax asset has not been recognised in respect of such losses due to the uncertainty of future profit streams.

**8. Parent company income statement**

In accordance with the provisions of the Section 408 of the Companies Act 2006, the Parent Company has not presented an income statement. A loss for the year ended 30 June 2022 of AUD\$20.9 million (30 June 2021: profit of AUD\$48.8 million) has been included in the Group income statements. The loss includes the income tax expense of AUD\$ Nil.

**9. Employee costs**

**Group**

The employee costs of the Group and the Company, including directors' remuneration, are as follows:

	<i>Year ended</i> <i>30 June 2022</i> <i>AUD\$</i>	<i>Year ended</i> <i>30 June 2021</i> <i>AUD\$</i>
Wages, salaries and Directors fees	568,000	192,364
Social security & superannuation costs	37,000	8,398
/	<hr/>	<hr/>
	605,000	200,762
	=====	=====

During the year there were a total of five (5) Directors throughout the year with five (5) Directors current at 30 June 2022 (2021: six (6) Directors throughout the year). There was one (1) non-Director employee employed during the year ended 30 June 2022 (2021: no other staff).

It is noted that the Independent Directors (past and present) have not been employees of the Group, but rather they invoice the Group for their services. Further details of the directors' remuneration are shown in the Directors' Report.

The Manager of the Norseman Gold Project is responsible for employing all staff in relation to the Norseman Gold Project. These costs have been capitalised in accordance with the applicable International Accounting Standards.

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**10. Property, plant & equipment**

<b>Group</b>	<i>Land and Buildings AUD\$</i>	<i>Fixed Plant and equipment AUD\$</i>	<i>Right of use assets AUD\$</i>	<i>Capital works in progress AUD\$</i>	<i>Total AUD\$</i>
<b>Cost</b>					
At 1 July 2021	-	31,818	-	690,319	722,137
Additions	-	-	7,263,255	33,376,194	40,639,449
At 30 June 2022	-	31,818	7,263,255	34,066,513	41,361,586
<b>Depreciation</b>					
At 1 July 2021	-	(6,364)	-	-	(6,364)
Amortisation charge	-	-	(85,606)	(225,244)	(310,850)
Depreciation charge	-	(3,182)	-	(2,809)	(5,991)
At 30 June 2022	-	(9,546)	(85,606)	(228,053)	(323,205)
<b>Net book values</b>					
30 June 2022	-	22,272	7,177,649	33,838,460	41,038,381
<b>Group</b>	<i>Land and Buildings AUD\$</i>	<i>Fixed Plant and equipment AUD\$</i>	<i>Right of use assets AUD\$</i>	<i>Capital works in progress AUD\$</i>	<i>Total AUD\$</i>
<b>Cost</b>					
At 1 July 2020	-	31,818	-	-	31,818
Additions	-	-	-	690,319	690,319
At 30 June 2021	-	31,818	-	690,319	722,137
<b>Depreciation</b>					
At 1 July 2020	-	-	-	-	-
Depreciation charge	-	(6,364)	-	-	(6,364)
At 30 June 2021	-	(6,364)	-	-	(6,364)
<b>Net book values</b>					
30 June 2021	-	25,454	-	690,319	715,773

The Directors review the carrying values of property, plant and equipment periodically to ensure the carrying value will be recovered by ongoing mining activities.

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**11. Exploration & evaluation assets**

<b>Group</b>	<i>Year ended</i> <i>30 June 2022</i> <i>AUD\$</i>	<i>Year ended</i> <i>30 June 2021</i> <i>AUD\$</i>
Costs carried forward in respect of areas of interest in:		
<b>Exploration and evaluation phases:</b>		
At 1 July 2021	2,854,011	-
Exploration expenditure incurred during the year	10,271,668	2,854,137
Exploration expenditure written off	(8,655)	(126)
	<hr/>	<hr/>
As at 30 June 2022	13,117,024	2,854,011
	<hr/> <hr/>	<hr/> <hr/>

In accordance with the FJVA, the Group commenced incurring its 50% share of the costs of the Norseman Gold Project upon completion of the Sole Funding Period in April 2021. This included contributing to the exploration activities of the Norseman Gold Project.

The ultimate recoupment of costs carried forward in respect of areas of interest in the exploration and evaluation phases is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas. The Group has an interest in certain exploration licences and the amounts shown above include amounts expended, since the end of the sole funding period, in the exploration of those tenements.

Recovery of the carrying amount of the exploration and evaluation assets is dependent on the successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

**12. Mine properties and development phase**

<b>Group</b>	<i>Year ended</i> <i>30 June 2022</i> <i>AUD\$</i>	<i>Year ended</i> <i>30 June 2021</i> <i>AUD\$</i>
Costs carried forward in respect of areas of interest in:		
<b>Mine properties and development phases:</b>		
At 1 July 2021	650,582	-
Development expenditure incurred during the year	11,666,512	650,582
Rehabilitation change in conditions	(48,923)	-
	<hr/>	<hr/>
As at 30 June 2022	12,268,171	650,582
	<hr/> <hr/>	<hr/> <hr/>

Expenditure on developing mine properties in production represents costs incurred in relation to development of operating mines at the Group's Norseman Gold Project. The Directors review this carrying value periodically to ensure the carrying value will be recovered by ongoing mining activities. The Directors assess the carrying values of the capitalised mine development costs against the operations and impair the value of those assets down to the estimated recoverable amount.



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13. **Investments in subsidiary undertakings**

	<i>Loans to subsidiary undertakings AUD\$</i>	<i>Shares in subsidiary undertakings AUD\$</i>	<i>Total AUD\$</i>
<b>Company</b>			
<b>Cost</b>			
At 1 July 2021	128,711,581	-	128,711,581
Additional funds loaned to subsidiaries	61,318,753	-	61,318,753
Provision for impairment	(22,302,171)	-	(22,302,171)
	<hr/>	<hr/>	<hr/>
At 30 June 2022	167,728,163	-	167,728,163
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	<i>Loans to subsidiary undertakings AUD\$</i>	<i>Shares in subsidiary undertakings AUD\$</i>	<i>Total AUD\$</i>
<b>Company</b>			
<b>Cost</b>			
At 1 July 2020	13,810,948	-	13,810,948
Additional funds loaned to subsidiaries	28,587,218	-	28,587,218
Loans repaid from subsidiaries in the year	(2,911,504)	-	(2,911,504)
Assignment of related party loans	38,195,802	-	38,195,802
Reversal of prior period provision for impairment	51,029,117	-	51,029,117
	<hr/>	<hr/>	<hr/>
At 30 June 2021	128,711,581	-	128,711,581
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The loans due from subsidiaries are interest free, unsecured and repayable to the Company in more than one year with no fixed repayment terms.

In accordance with International Accounting Standards, the parent entity is only able to report the recoverable balance of loans to subsidiaries supported by verifiable information. Due to the uncertainty of realising future value to the Group and parent Company, there is no value attributable to the gold exploration potential of the mining and exploration tenements, nor the potential of non-gold minerals, including, but not limited to, the potential value to be realised from the Lithium joint venture with MinRes or the Iron Ore Offtake and Funding Agreement with Constance Iron, the latter of which is still subject to the condition precedent requiring Constance Iron to be admitted to the London Stock Exchange.

Loans owing by CNGC to Tulla Private were assigned to Tulla Resources Plc in order to facilitate the debt for equity conversion as part of the IPO process. The consequential outcome of this assignment was an increase in the loan owing from CNGC to Tulla Resources Plc

In accordance with IFRS 9 - Financial Instruments, the loan provided by the parent entity (Tulla Resources Plc) to the subsidiary (CNGC) is reviewed for impairment each year and the parent entity is required to recognise expected credit losses for this financial asset. Prior to the year ended 30 June 2021, the financial asset had been impaired due to the uncertainty of the recoverable value of the loan. However, as at 30 June 2021 the assessment of the carrying value in accordance with IFRS 9 indicated a recoverable value in excess of the carrying value, accordingly a reversal of the prior year impairment was recognised in the respective year.

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13. **Investments in subsidiary undertakings (cont.)**

**Subsidiary undertakings:**

<i>Name of company</i>	<i>Country</i>	<i> Holding</i>	<i> Proportion held</i>	<i> Nature of business</i>
Norseman Gold Pty Ltd	Australia	Ordinary Shares	100%	Intermediate holding company
Central Norseman Gold Corporation Pty Ltd*	Australia	Ordinary Shares	100%	Gold mining company
Pangolin Resources Pty Ltd**	Australia	Ordinary Shares	100%	Mineral exploration company

\*The Company's interest in Central Norseman Gold Corporation Pty Ltd is held through Norseman Gold Pty Ltd.

\*\* Pangolin Resources Pty Ltd ("Pangolin") is a subsidiary of Central Norseman Gold Corporation Pty Ltd.

The registered office and principal place of business of the of the subsidiary entities is

Suite 5, Level 2, 2 Grosvenor Street  
Bondi Junction NSW 2022

14. **Financial assets at fair value through profit and loss**

<b>Group</b>	<i>Year ended 30 June 2022 AUD\$</i>	<i>Year ended 30 June 2021 AUD\$</i>
<b>Financial assets at fair value through profit and loss</b>		
At 1 July 2021	20,000,000	-
Financial assets purchased during the year ended 30 June	-	21,020,000
Cost of assets sold during the year ended 30 June	(11,725,286)	-
Revaluation to fair value through profit and loss	126,787	(1,020,000)
	<hr/>	<hr/>
As at 30 June 2022	8,401,501	20,000,000
	<hr/> <hr/>	<hr/> <hr/>
<b>Company</b>	<i>Year ended 30 June 2022 AUD\$</i>	<i>Year ended 30 June 2021 AUD\$</i>
<b>Financial assets at fair value through profit and loss</b>		
At 1 July 2021	20,000,000	-
Financial assets purchased during the year ended 30 June	-	21,020,000
Cost of assets sold during the year ended 30 June	(11,725,286)	-
Revaluation to fair value through profit and loss	126,787	(1,020,000)
	<hr/>	<hr/>
As at 30 June 2022	8,401,501	20,000,000
	<hr/> <hr/>	<hr/> <hr/>

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**15. Trade and other receivables**

	30 June 2022		30 June 2021	
	Group AUD\$	Company AUD\$	Group AUD\$	Company AUD\$
<b>Current:</b>				
Other receivables	1,059,217	137,029	548,180	334,487
Amounts due from subsidiary company	-	2,900,000	-	1,700,000
Prepayments	267,479	-	44,340	-
	<u>1,326,696</u>	<u>3,037,029</u>	<u>592,520</u>	<u>2,034,487</u>
	=====	=====	=====	=====

**16. Inventories**

	30 June 2022		30 June 2021	
	Group AUD\$	Company AUD\$	Group AUD\$	Company AUD\$
Work in progress – Broken ore (at cost)	518,679	-	188,646	-
Work in progress – Crushed ore (at cost)	74,768	-	188,646	-
Raw materials and stores (at cost)	492,038	-	47,042	-
	<u>1,085,485</u>	<u>-</u>	<u>235,688</u>	<u>-</u>
	=====	=====	=====	=====

**17. Cash and cash equivalents**

Cash and cash equivalents as at 30 June 2022 for the Group amounted to AUD\$42.2 million (30 June 2021: AUD\$50.0 million) and for the Company AUD\$27.2 million (2021: AUD\$45.6 million). The Group cash and cash equivalents balance includes the Group's interest in funds held by the Joint Venture at 30 June 2022 of AUD\$15.0 million (30 June 2021: AUD\$4.0m million).

**18. Trade and other payables**

	30 June 2022		30 June 2021	
	Group AUD\$	Company AUD\$	Group AUD\$	Company AUD\$
Trade payables	9,586,534	830,268	2,458,893	28,083
Other payables	3,379,354	295,628	1,424,723	84,327
	<u>12,965,888</u>	<u>1,125,896</u>	<u>3,883,616</u>	<u>112,410</u>
	=====	=====	=====	=====

**19. Provision for liabilities**

<b>Group</b>	<i>Employees Benefits AUD\$</i>	<i>Rehabilitation and decommissioning AUD\$</i>	<i>Total AUD\$</i>
<b>Current:</b>			
At 1 July 2021	93,308	-	93,308
Debit to income statement	77,076	-	77,076
	<u>170,384</u>	<u>-</u>	<u>170,384</u>
	=====	=====	=====
As at 30 June 2022	170,384	-	170,384
	=====	=====	=====

**TULLA RESOURCES PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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19. **Provisions for liabilities (cont.)**

<b>Non-current:</b>	<i>Employees Benefits AUD\$</i>	<i>Rehabilitation and decommissioning AUD\$</i>	<i>Total AUD\$</i>
At 1 July 2021	-	14,262,151	14,262,151
Debit to income statement	-	169,089	169,089
Credit to mine properties in production	-	(48,923)	(48,923)
	<hr/>	<hr/>	<hr/>
As at 30 June 2022	-	14,382,317	14,382,317
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Environmental obligations associated with the retirement or disposal of mining properties and/or exploration activities are recognised when the disturbance occurs and are based on the extent of the damage incurred. The provision is measured at the present value of the future expenditure. The rehabilitation liability is remeasured at each reporting period in line with the change in the time value of money (recognised as an expense in the Group Statement of Comprehensive Income and an increase in the provision), and the change in conditions (recognised as a debit or credit to the carrying value of mine properties in production).

During the year ended 30 June 2021, the Manager engaged the services of an external consultant to update the Mine Closure Plan for submission to DMIRS in accordance with its licence requirements. The detailed review was the first review undertaken since 2017 and considered the impact, on the closure requirements for the site, of the new mine plan outlined in the DFS. This included a reclassification of the significant tailings dams on the Norseman Gold Project into low grade stockpiles to be processed through the new processing plant to be built. This reclassification resulted in a material reduction in the estimated rehabilitation liability reported to DMIRS in the Mine Closure Plan, with the consequential impact on the financial statements being a material reduction in the liability and a credit to the income statement

20. **Loans and borrowings**

	<i>30 June 2022</i>		<i>30 June 2021</i>	
	<i>Group AUD\$</i>	<i>Company AUD\$</i>	<i>Group AUD\$</i>	<i>Company AUD\$</i>
<b>Current:</b>				
Debenture loan	1,166,891	1,166,891	-	-
Lease liabilities (refer Note 21)	1,084,321	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	2,251,212	1,166,891	-	-
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<b>Non-current:</b>				
Convertible note	10,859,155	10,859,155	-	-
Debenture loan	17,890,058	17,890,058	-	-
Lease liabilities (refer Note 21)	6,100,521	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	34,849,735	28,749,213	-	-
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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20. **Loans and borrowings (cont.)**

The Debenture Loan and Convertible Note, terms of which are set out below, are denominated in USD. The amounts owing at 30 June 2022 have been restated to the AUD equivalent as at 30 June 2022, with an unrealised foreign exchange loss of \$956,978 recognised in the Group Statement of Comprehensive Income.

*Debenture Loan Facility key terms*

- US\$13.5m funds available secured on a first lien basis
- The principal amount available of the Debenture Loan Facility is net of a 10% original issue discount
- Loan term of 36 months from the closing date
- Debenture Coupon of 9.0% per annum plus three-month Term SOFR reference rate (“**Term SOFR**”<sup>1</sup>) less 1.0% (“**Term SOFR Delta**”<sup>2</sup>) payable monthly in arrears
- An arrangement fee will be payable by the borrower of 1.0% of the available amount
- The first 8 months of interest payments will be eligible for payment in kind treatment and will amortise over the remaining life of the loan
- The Company has the right to make early repayments, subject to applicable make whole payments
- Fixed straight line amortisation commencing from the 12<sup>th</sup> month after closing at a rate of 2.5% per month of the principal amount outstanding on the date that amortisation starts until the maturity of the loan facility, with the balance paid on maturity
- No hedging requirements

*Convertible Note Facility key terms*

- US\$8m funds available secured on a first lien basis
- The principal amount of the Convertible Loan Facility is net of a 5.5% original issue discount
- Loan term of 36 months from the closing date
- Convertible Coupon of 5.0% per annum plus Term SOFR Delta payable monthly in arrears
- An arrangement fee will be payable to the borrower of 1.0% of the available amount
- Amortised via a bullet repayment on the maturity date of the loan (subject to conversion)
- The first 8 months of coupon payments will be eligible for payment in kind treatment and will be amortised via a bullet repayment on the maturity date of the loan (subject to conversion)
- Up to 100% of the principal funds plus any accrued and unpaid interest may be convertible into TUL CDIs at the Conversion Price at the Lender’s election
- The Conversion Price for the Convertible Loan Facility is equal to a 30% premium to the 20-day Volume Weighted Average Price of the Company’s share price at the lower of the date of signing the Term Sheet or the date of the public announcement of the Loan Facilities, subject to anti-dilution adjustments
- The Company has the right to make early repayments, subject to the issue of warrants, equal to 62.5% of the prepaid amount divided by the conversion price at a strike price equal to the conversion price
- No hedging requirements

The Convertible Note facility includes an option for the holder to covert a fixed principal denominated in USD, into a variable number of shares, at a fixed price per share. Movements in the foreign exchange rate will change the AUD equivalent principal balance, varying the number of shares that will be issued on conversion.

The value of the liability component and the equity conversion component were determined at the date the instrument was issued. The fair value of the liability, included in non-current loans and borrowings, at inception was calculated using a market interest rate for an equivalent instrument without conversion option. The discount rate applied was 10%.

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<sup>1</sup> Term SOFR rate referenced by CME Group Benchmark Administration Limited

<sup>2</sup> Term SOFR Delta is subject to a minimum of 0.0%

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21. **Leases**

The Group has lease contracts for various items of plant, machinery and commercial property used in its operations. Leases generally have lease terms between 1 month and 3 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets.

The JV also has certain leases of machinery and equipment with lease terms of less than 12 months or with low value. The JV applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases. Set out below are the carrying amounts of right-of-use assets recognised and the movement during the period:

<b>Right of use assets:</b>	<i>Plant and equipment</i> AUD\$	<i>Land and buildings</i> AUD\$	<i>Total</i> AUD\$
At 1 July 2021	-	-	-
Additions	1,689,458	5,573,797	7,263,255
Depreciation expense	(85,606)	-	(85,606)
	<hr/>	<hr/>	<hr/>
As at 30 June 2022	1,603,852	5,573,797	7,177,649
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Set out below are the carrying amounts of lease liabilities (including under interest-bearing loans and borrowings) and the movements during the period:

	<i>30 June 2022</i>		<i>30 June 2021</i>	
	<i>Group</i> AUD\$	<i>Company</i> AUD\$	<i>Group</i> AUD\$	<i>Company</i> AUD\$
<b>Lease liabilities:</b>				
Opening Balance	-	-	-	-
Additions	7,263,255	-	-	-
Accretion of interest	18,411	-	-	-
Payments	(96,824)	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	7,184,842	-	-	-
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The following are the amounts recognised in profit and loss:

	<i>30 June 2022</i>		<i>30 June 2021</i>	
	<i>Group</i> AUD\$	<i>Company</i> AUD\$	<i>Group</i> AUD\$	<i>Company</i> AUD\$
Depreciation expense of right of use assets	85,606	-	-	-
Interest expense on lease liabilities	18,411	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	105,017	-	-	-
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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**22. Share capital**

	<i>30 June 2022</i>	<i>30 June 2021</i>
	£	£
<b>Allotted, called up and fully paid</b>		
New ordinary shares of £0.00003827 each	6,180,737	6,180,737
Deferred shares of £0.01246173 each	-	-
	<u>6,180,737</u>	<u>6,180,737</u>
	<i>AUD\$</i>	<i>AUD\$</i>
<b>Allotted, called up and fully paid</b>		
New ordinary shares of £0.00003827 each	11,336,779	11,336,779
Deferred shares of £0.01246173 each	-	-
	<u>11,336,779</u>	<u>11,336,779</u>

<b>Movement in issued and fully paid capital and share premium reserve</b>	<i>Number</i>	<i>Issued and fully paid capital</i>	<i>Share premium reserve</i>	<i>Issued and fully paid capital</i>	<i>Share premium reserve</i>
		£	£	<i>AUD\$</i>	<i>AUD\$</i>
Total as at 30 June 2021	269,172,423	6,180,737	161,009,554	11,336,779	293,515,693
New shares issued	-	-	-	-	-
Share issue costs	-	-	-	-	-
Total as at 30 June 2022	<u>269,172,423</u>	<u>6,180,737</u>	<u>161,009,554</u>	<u>11,336,779</u>	<u>293,515,693</u>

As outlined in the Circular and Notice of General Meeting to Shareholders dated 15 February 2021 which have been uploaded to the Company's website the Resolution at the General Meeting approved the purchase by the Company of the Deferred Shares each for the total consideration of £0.01 and then cancel the Deferred Shares pursuant to the terms of a Deferred Share Agreement dated 11 February 2021. The Deferred Shares have been cancelled.

At the General Meeting on 9 March 2021, the Resolution was passed to consolidate 600 ordinary shares with a nominal value of £0.00003827 each in the capital of the Company for one (1) New Ordinary Share with a nominal value of £0.022962 each in the capital of the Company. This resulted in a reduction in the number of New Ordinary Share on issue from 69,806,253,699 to 116,343,756.

The Company then completed the IPO and listed on the ASX on 18 March 2021, issuing a total of 152,828,667 shares at a price of AUD\$0.90 per share, bringing the total number of New Ordinary Shares, of £0.022962 each, in the Company to 269,172,423.

**23. Other reserves**

	<i>30 June 2022</i>		<i>30 June 2021</i>	
	<i>Group</i>	<i>Company</i>	<i>Group</i>	<i>Company</i>
	<i>AUD\$</i>	<i>AUD\$</i>	<i>AUD\$</i>	<i>AUD\$</i>
Convertible note equity reserve	679,034	679,034	-	-
Foreign exchange revaluation reserve	(679,034)	(679,034)	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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23. **Other reserves (cont.)**

**Convertible note equity reserve**

The convertible note equity reserve represents the present value, discounted over the period of the convertible note, of the net benefit received for the issuing of the convertible note, as compared to the terms on the debenture loan facility that contained no conversion option.

**Foreign exchange revaluation reserve**

The foreign exchange revaluation reserve represents the present value of the estimated impact of future movements in the USD / AUD exchange rate, on the value of the convertible note.

24. **Financial instruments**

**Interest Rate Risk**

At 30 June 2022, the Group had Australian Dollar cash deposits of AUD\$42.2 million (30 June 2021: AUD\$50.0 million). The Group's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates on classes of financial assets and financial liabilities, was as follows:

	<i>Floating interest rate 30 June 2022 AUD\$</i>	<i>Non - Interest Bearing 30 June 2022 AUD\$</i>	<i>Floating interest rate 30 June 2021 AUD\$</i>	<i>Non - Interest Bearing 30 June 2021 AUD\$</i>
<i>Financial assets:</i>				
Cash at bank and in hand	42,209,106	-	50,031,092	-
	=====	=====	=====	=====

The effective weighted average interest rate was 0.15% (30 June 2021: 0.10%).

**Net Fair Value**

The net fair value of financial assets and financial liabilities approximates to their carrying amount as disclosed in the balance sheet and in the related notes.

**Currency Risk**

The functional currency for the Group's operating activities is the Australian Dollar. The Group's Debenture loan and Convertible note facility are denominated in United States Dollar.

Accordingly, there is a risk that additional Australian Dollars will be required to repay the principal component of the Group's United States Dollar denominated liabilities.

The price of gold is determined by the US\$ and is paid by the Perth Mint in AUD\$. The fluctuations in the US\$/AUD\$ may impact the amount received by the Company for sale of its gold.

The Group has not yet hedged against currency depreciation, however it has engaged the services of a third party to assist in the review of the hedging risks and opportunities for the Group.

**Financial Risk Management**

The Company has established an Audit and Risk Committee comprising the three non-executive independent directors: Fred Kempson (Chair), Andrew Greville and Michael Anglin. Under its charter the Audit and Risk Committee's responsibilities include:

- Overseeing the preparation of financial and other periodic reports:
- Overseeing the Company's relationship with the external Auditors and the external audit function generally
- Managing processes for identifying and managing financial and non-financial risk
- Overseeing the Company's internal controls and systems; and
- Managing processes for monitoring compliance with laws and regulations.



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24. **Financial instruments (cont.)**

**Credit Risk**

The entity's maximum exposures to credit risk at reporting date in relation to each class of recognised financial assets is the carrying amount of those assets as indicated in the balance sheet. The Group trades only with recognised, credit worthy third parties.

**Price Risk**

The Group has an exposure to commodity price risk. The Group has not yet hedged against this commodity price risk, however it has engaged the services of a third party to assist in the review of the hedging risks and opportunities for the Group.

25. **Exploration expenditure commitments**

	30 June 2022		30 June 2021	
	Group AUD\$	Company AUD\$	Group AUD\$	Company AUD\$
As at the balance sheet date the aggregate amount payable is:				
Within not more than one year	5,864,120	-	5,843,360	-

The tenements comprise one consolidated project; C11/1995. Under the terms of each tenement, the tenement holder is required to meet minimum annual expenditure commitments pursuant to the terms of the licence conditions. Upon completion of the Pantoro Transaction on 9 July 2019 the obligation to meet the exploration expenditure commitment passed to Pantoro for the period of Sole Funding Period. The Sole Funding Period ended in April 2021, accordingly, the Group is liable for 50% of the above commitments in accordance with the terms of the FJVA. Notwithstanding this, the tenements will require this gross annual expenditure to ensure they are maintained in good standing.

26. **Related party transactions**

The Key management of the Group comprises the Directors of the Company. The remuneration paid or accrued to the Directors, in accordance with the service contracts which include payments made to entities associated with the Directors, during the year ended 30 June 2021, was as follows:

	2022 Total AUD\$	2021 Total AUD\$
Kevin Maloney	165,000	53,773
Mark Maloney	132,000	43,018
Arthur Michael Anglin	66,000	24,050
Andrew Greville	66,000	24,050
Frederick Kempson	66,000	46,871
David Steinepreis (former Director)	-	9,000
Totals	495,000	200,762

Other transactions with related parties:

- On 9 June 2022, Pantoro South Pty Ltd (as Manager of the JV) entered into an Accommodation Services Agreement for the Norseman Gold Project with Resource Accommodation Management Pty Ltd, a company associated with Kevin Maloney and Mark Maloney
- Locale Travel Management Pty Ltd ("Locale") is a corporate travel agency that it owned by a related party of Kevin Maloney and Mark Maloney. Locale provides corporate travel services to the Group, the aggregate of which cost \$26,276 during the year ended 30 June 2022.

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**FOR THE YEAR ENDED 30 JUNE 2022**

26. **Related party transactions (cont.)**

- Prior to the IPO, during the year ended 30 June 2021, CNGC was indebted to Tulla, Private, a company associated with Kevin Maloney. All outstanding indebtedness was discharged on the terms of the Debt Consolidation Agreement and the New Facility Agreement was terminated.
- Prior to the IPO, during the year ended 30 June 2021, the residential houses in the township of Norseman and the accommodation camp on site at Norseman owned by CNGC were sold to Resource Accommodation Management Pty Ltd (RAM), a company associated with Kevin Maloney.
- Prior to the IPO, during the year ended 30 June 2021, Tulla Private, a company associated with Kevin Maloney, sold its shares in Pantoro Limited to the Company.
- Prior to the IPO, during the year ended 30 June 2021, the company assigned the Second Deferred Payment of AUD\$10 million (as defined in the FJVA) to Tulla Private, a company associated with Kevin Maloney.

27. **Net cash flows from operating activities**

<b>Group</b>	<i>Notes</i>	<i>Year ended 30 June 2022 AUD\$</i>	<i>Year ended 30 June 2021 AUD\$</i>
Group operating (loss) / profit		(733,520)	4,534,706
<i>Adjustments for items not requiring an outlay of funds:</i>			
Depreciation	4 & 10	5,991	6,364
Amortisation	4 & 10	310,850	-
Exploration expenditure written off	11	8,655	126
Profit on sale of assets		(2,606,865)	(1,240,039)
Borrowing costs paid		(48,664)	-
Provision for rehabilitation costs	19	169,089	-
Reversal of prior year provision for rehabilitation costs		-	(6,054,358)
Write off related party loan		-	(195,352)
		-----	-----
Net cash outflow before changes in working capital		(2,894,464)	(2,948,553)
Increase in inventories	16	(849,797)	(235,688)
Increase in receivables and prepayments	15	(734,176)	(297,533)
Increase / (decrease) in payables	18	9,082,272	(222,123)
Increase / (decrease) in provisions for liabilities	19	77,076	(276,813)
		-----	-----
Net cash inflow / (outflow) from operations		4,680,911	(3,980,710)
Interest received		60,110	999
Interest paid		-	-
		-----	-----
Net cash inflow / (outflow) from operating activities		4,741,021	(3,979,711)
		=====	=====

**TULLA RESOURCES PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

28. **Net cash flows from operating activities (continued)**

<b>Company</b>	<i>Year ended</i> <i>30 June 2022</i> <i>AUD\$</i>	<i>Year ended</i> <i>30 June 2021</i> <i>AUD\$</i>
Operating (loss) / profit including impairment charges	(19,513,989)	48,832,823
Intercompany loan provision / (write back)	22,302,171	(51,029,117)
(Increase) / decrease in fair value of financial assets	(126,787)	1,020,000
Profit on sale of assets	(2,606,865)	-
Borrowing costs paid	(48,664)	-
	<hr/>	<hr/>
Net cash outflow before changes in working capital	5,866	(1,176,294)
(Increase) / decrease in receivables and prepayments	(1,002,542)	827,255
Increase / (decrease) in trade and other payables	1,013,485	(1,309,026)
	<hr/>	<hr/>
Net cash outflow from operations	16,809	(1,658,065)
Interest received	52,550	964
Interest paid	-	-
	<hr/>	<hr/>
Net cash outflow) from operating activities	69,359	(1,657,101)
	<hr/> <hr/>	<hr/> <hr/>

29. **Control**

Kevin Maloney and Mark Maloney (and related entities) owned 65.6% of the Company at 30 June 2022.

30. **Contingent assets**

The FJVA included two components of contingent consideration, details of which are set out below. These two contingent amounts receivable meet the criteria of contingent assets in accordance with IAS 37 as they are not virtually certain of being received. They are not recognised in the balance sheet as assets. The two components of contingent consideration are as follows:

- a) Royalty – 1% net smelter royalty on Pantoro’s attributable gold and silver produced from the Norseman Gold Project, capped at \$6.0 million, plus 0.0025% royalty for a period of five (5) years after the first \$6.0 million is paid; and
- b) Milestone Payment - \$10.0 million payment upon definition of 1.80 million JORC Ore Reserve on the Norseman Gold Project.

31. **Contingent liabilities**

**Prosecution**

On 20 March 2020 Magistrate A D Hills-Wright of the Kalgoorlie Magistrates Court handed down its Decision in relation to the prosecution commenced by the Department of Mines, Industry Regulation & Safety (DMIRS) against CNGC in August 2018 in relation to the excavator incident in the North Royal open pit in August 2015. The Magistrate acquitted CNGC at trial and ordered DMIRS to pay CNGC’s costs. DMIRs appealed this Decision which was heard by the Supreme Court of Western Australia on 24 November 2020. On 24 March 2022, the West Australian Supreme Court handed down a decision dismissing the appeal and ordering DMIRS to pay CNGC’s costs as agreed or taxed.

**TULLA RESOURCES PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

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**32. Subsequent events**

The following events have occurred subsequently to 30 June 2022:

- On 10 August 2022, the Company announced an update to the Mineral Resource and Reserve at the Green Lantern deposit, being part of the Scotia Mining Centre, as follows:
  - Mineral Resource of 10 Mt @ 1.2g/t Au for 395,000 ounces; and
  - Ore Reserve of 4.3 Mt @ 1.3 g/t Au for 185,000 ounces at 0.89 g/t Au cut-off grade
- On 6 September 2022 the Company announced that practical completion of the new one (1) million tonne per annum plant had been achieved and that commissioning had commenced
- At a General Meeting of the Company held on 8 September 2022, the shareholders resolved to ratify the agreement to issue CDIs pursuant to the Convertible Loan Facility with Nebari and to authorise the allotment of 15,631,313 ordinary shares of £0.022962 each in the capital of the Company to refresh the 15% placement capacity and to disapply the pre-emption rights.
- In early September 2022, the Company sold down its remaining shares in Pantoro Limited (PNR Shares) and now holds no PNR Shares
- On 14 September 22,834,875 Tulla Resources CDIs were released from voluntary escrow.

**TULLA RESOURCES PLC**  
**ADDITIONAL INFORMATION FOR ASX LISTED PUBLIC COMPANIES**  
**FOR THE YEAR ENDED 30 JUNE 2022**

The following additional information is required by the Australian Securities Exchange in respect of listed public companies only.

1. **Shareholding as at 19 September 2022**

a) **Distribution of equity shareholders**

Category (size of holding)	Shares (including CDIs)	
	Number of shareholders	Number of shares
1 – 1,000	1,892	348,582
1,001 – 5,000	1,155	3,275,271
5,001 – 10,000	526	4,337,623
10,001 – 100,000	726	23,441,090
100,001 and over	104	237,769,857
	4,403	269,172,423
	4,403	269,172,423

b) **Number of shareholders with less than a marketable parcel**

The number of CDI holders holding less than a marketable parcel is 2,495. The minimum parcel size is 1,042.

c) **Voting rights**

The Company is incorporated under the legal jurisdiction of England and Wales. To enable companies such as the Company to have their securities cleared and settled electronically through CHESS, Depository Instruments called CHESS Depository Interests (CDIs) are issued. Each CDI represents one underlying ordinary share in the Company (Share). The main difference between holding CDIs and Shares is that CDI holders hold the beneficial ownership in the Shares instead of legal title. CHESS Depository Nominees Pty Limited (CDN), a subsidiary of ASX, holds the legal title to the underlying Shares.

Pursuant to the ASX Settlement Operating Rules, CDI holders receive all of the economic benefits of actual ownership of the underlying Shares. CDIs are traded in a manner similar to shares of Australian companies listed on ASX.

CDIs will be held in uncertificated form and settled/transferred through CHESS. No share certificates are issued to CDI holders. Each CDI 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.

If holders of CDIs wish to attend and vote at the Company's general meetings, they will be able to do so. Under the ASX Listing Rules and the ASX Settlement Operating Rules, the Company as an issuer of CDIs must allow CDI holders to attend any meeting of the holders of Shares unless relevant English law at the time of the meeting prevents CDI holders from attending those meetings.

In order to vote at such meetings, CDI holders have the following options:

- instructing CDN, as the legal owner, to vote the Shares underlying their CDIs in a particular manner. A voting instruction form will be sent to CDI holders with the notice of meeting or proxy statement for the meeting and this must be completed and returned to the Company's Share Registry prior to the meeting; or
- informing the Company that they wish to nominate themselves or another person to be appointed as CDN's proxy with respect to their Shares underlying the CDIs for the purposes of attending and voting at the general meeting; or

**TULLA RESOURCES PLC**  
**ADDITIONAL INFORMATION FOR ASX LISTED PUBLIC COMPANIES**  
**FOR THE YEAR ENDED 30 JUNE 2022**

c) **Voting rights (cont.)**

- converting their CDIs into a holding of Shares and voting these at the meeting (however, if thereafter the former CDI holder wishes to sell their investment on ASX it would be necessary to convert the Shares back to CDIs). In order to vote in person, the conversion must be completed prior to the record date for the meeting. See above for further information regarding the conversion process.

As holders of CDIs will not appear on the Company's share register as the legal holders of the Shares, they will not be entitled to vote at Shareholder meetings unless one of the above steps is undertaken.

As each CDI represents one Share, a CDI Holder will be entitled to one vote for every CDI they hold.

CDI voting instruction forms, and details of these alternatives will be included in each notice of meeting sent to CDI holders by the Company.

These voting rights exist only under the ASX Settlement Operating Rules, rather than under the Companies Act 2006 (England and Wales). Since CDN is the legal holder of the applicable Shares and the holders of CDIs are not themselves the legal holder of their applicable Shares, the holders of CDIs do not have any directly enforceable rights under the Company's articles of association.

d) **20 largest shareholders as at 19 September 2022**

No.	Shareholder	Units	% Units
1	TULLA RESOURCES GROUP PTY LIMITED <TULLA RESOURCES INVEST A/C>	170,995,668	63.53%
2	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	10,529,816	3.91%
3	BERNE NO 132 NOMINEES PTY LTD <740069 A/C>	8,777,778	3.26%
4	BRISPOT NOMINEES PTY LTD <HOUSE HEAD NOMINEE A/C>	3,387,237	1.26%
5	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	3,239,576	1.20%
6	CITICORP NOMINEES PTY LTD	2,923,313	1.09%
7	MR ROBERT MARTIN FRIEDLAND	2,222,223	0.83%
8	MARLEY HOLDINGS PTY LTD <MALONEY FAMILY A/C NO 1>	1,729,547	0.64%
9	INTREPIC INVESTMENTS PTY LTD <INTREPIC INVESTMENTS A/C>	1,723,499	0.64%
10	MARLEY HOLDINGS PTY LTD <MALONEY FAMILY A/C NO 4>	1,598,294	0.59%
11	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	1,585,117	0.59%
12	MR COLIN STUART FLYNN	1,400,000	0.52%
13	TREASURY SERVICES GROUP PTY LTD <NERO RESOURCE FUND A/C>	1,202,004	0.45%
14	JETOSEA PTY LTD	1,200,275	0.45%
15	MANDERRAH PTY LTD <GJJ FAMILY A/C>	1,200,275	0.45%
16	CHEDAREVI PTY LTD <YMCDE FAMILY A/C>	1,091,133	0.41%
17	MR ROBERT MACFADYEN PTY LTD <MACFADYEN S/F A/C>	1,000,000	0.37%
18	BELL POTTER NOMINEES LTD <BB NOMINEES A/C>	849,071	0.32%
19	D & M TULLOCH PTY LTD <D & M TULLOCH S/F A/C>	794,771	0.30%
20	G HARVEY NOMINEES PTY LIMITED <HARVEY 1995 DISCRETION A/C>	760,000	0.28%
<b>Total</b>		<b>218,209,597</b>	<b>81.07%</b>

**TULLA RESOURCES PLC**  
**ADDITIONAL INFORMATION FOR ASX LISTED PUBLIC COMPANIES**  
**FOR THE YEAR ENDED 30 JUNE 2022**

e) **Substantial Shareholders as at 19 September 2022**

To the best of the Company's knowledge, the names of all Substantial Holders and the number of equity securities in which each Substantial Holder has a relevant interest (within the meaning of section 608 of the Corporations Act) is as follows:

No	Shareholder	CDIs	%
1	Tulla Resources Group Pty Ltd and related entities	176,535,452	65.6
2	Franklin Templeton Investments	13,550,000	5.0
		190,085,452	70.6
		190,085,452	70.6

2. **Name of joint Company Secretaries**

Stephen Maffey and Mark McIntosh located in Australia and Ben Harber located in the United Kingdom.

3. **Principal Registered Offices**

**Registered Office:** 6<sup>th</sup> Floor  
60 Gracechurch Street  
London EC3V 0HR

**Principal Office in Australia:** Suite 5, Level 2  
2 Grosvenor Street  
Bondi Junction, NSW 2022  
Telephone: +61 2 9387 5900

4. **Registers of Securities**

The Company operates a certificated principal register of Shares in the UK, a branch register of Shares in Australia and uncertificated issuer sponsored and CHESSE sub-registers of CDIs in Australia.

The Company's uncertificated issuer sponsored, and CHESSE sub-register of CDIs are maintained by Computershare as per the below. The register of Shares is the register of the legal title (and will reflect legal ownership by CDN of the Shares underlying the CDIs with the Shares held by CDN recorded on the branch register of Shares in Australia maintained by Computershare). The two uncertificated sub-registers of CDIs combined make up the register of beneficial title of the Shares underlying the CDIs.

The Register of Securities are held at

**United Kingdom:**

Link Group  
10<sup>th</sup> Floor, Central Square  
29 Wellington Street  
Leeds LS1 4DL  
Telephone: +44 (0) 371 664 0300

**Australia:**

Computershare Investor Services Pty Limited  
Level 11, 172 St. George's Terrace  
Perth Western Australia 6005  
Telephone: 1300 850 505  
Overseas: +61 8 9415 4000  
Facsimile: +61 8 9323 2033

**TULLA RESOURCES PLC**  
**ADDITIONAL INFORMATION FOR ASX LISTED PUBLIC COMPANIES**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**5. Securities Exchange listing**

Quotation has been granted for all the CDIs of the Company on the Australian Securities Exchange Limited. The Company is not listed on any other exchange. Of the 269,172,423 Ordinary Shares on issue at 30 June 2022, 667,913 have not been registered on the Company's uncertified issuer sponsored and CHESS sub-registers of CDIs maintained by Computershare.

**6. Unquoted Securities**

The Company has no unquoted securities on issue.

**7. Restricted Securities**

The Company has the following categories of restricted securities on issue.

Category	Number	ASX or Voluntary	End of Escrow Period
Shares	22,834,875	Voluntary	14 September 2022
Shares	108,955,551	ASX	18 March 2023

**8. On Market Buy-Back**

There is no current on-market buy-back of the Companies securities.

**9. Section 611 (7) Corporations Act**

There are no issues of securities approved for the purpose of Item 7 of section 611 of the Corporations Act which have not yet been completed.

**10. Place of Incorporation**

The Company is incorporated in the jurisdiction of England and Wales with the company number 05380466.

The Company is registered as a foreign company in Australia with registered number 122 088 073.

**11. Summary of interest in mining tenements as at 23 September 2022**

Norseman, WA	Status	Interest (%)
E15/1908	Application	50%
E63/1759	Application	50%
E63/2263	Application	50%
L63/74	Application	50%
L63/95	Application	50%
P63/2239	Application	50%
P63/2240	Application	50%
E63/2150	Application	50%
E63/1641	Granted	50%



**TULLA RESOURCES PLC**

<b>Norseman, WA</b>	<b>Status</b>	<b>Interest (%)</b>
E63/1919	Granted	50%
E63/1920	Granted	50%
E63/1921	Granted	50%
E63/1969	Granted	50%
E63/1970	Granted	50%
E63/1975	Granted	50%
E63/2034	Granted	50%
E63/2062	Granted	50%
L63/12	Granted	50%
L63/13	Granted	50%
L63/14	Granted	50%
L63/17	Granted	50%
L63/19	Granted	50%
L63/32	Granted	50%
L63/34	Granted	50%
L63/35	Granted	50%
L63/36	Granted	50%
L63/37	Granted	50%
L63/38	Granted	50%
L63/39	Granted	50%
L63/40	Granted	50%
L63/41	Granted	50%
L63/56	Granted	50%
M63/100	Granted	50%
M63/105	Granted	50%
M63/108	Granted	50%
M63/11	Granted	50%
M63/110	Granted	50%
M63/112	Granted	50%
M63/114	Granted	50%
M63/115	Granted	50%
M63/116	Granted	50%
M63/118	Granted	50%
M63/119	Granted	50%
M63/120	Granted	50%
M63/122	Granted	50%
M63/125	Granted	50%
M63/126	Granted	50%
M63/127	Granted	50%

**TULLA RESOURCES PLC**

<b>Norseman, WA</b>	<b>Status</b>	<b>Interest (%)</b>
M63/128	Granted	50%
M63/129	Granted	50%
M63/13	Granted	50%
M63/130	Granted	50%
M63/133	Granted	50%
M63/134	Granted	50%
M63/136	Granted	50%
M63/137	Granted	50%
M63/138	Granted	50%
M63/14	Granted	50%
M63/140	Granted	50%
M63/141	Granted	50%
M63/142	Granted	50%
M63/145	Granted	50%
M63/15	Granted	50%
M63/152	Granted	50%
M63/155	Granted	50%
M63/156	Granted	50%
M63/160	Granted	50%
M63/164	Granted	50%
M63/173	Granted	50%
M63/174	Granted	50%
M63/178	Granted	50%
M63/180	Granted	50%
M63/182	Granted	50%
M63/184	Granted	50%
M63/187	Granted	50%
M63/189	Granted	50%
M63/190	Granted	50%
M63/204	Granted	45%
M63/207	Granted	50%
M63/213	Granted	50%
M63/214	Granted	50%
M63/218	Granted	50%
M63/219	Granted	50%
M63/220	Granted	50%
M63/224	Granted	50%
M63/231	Granted	50%
M63/232	Granted	50%

**TULLA RESOURCES PLC**

<b>Norseman, WA</b>	<b>Status</b>	<b>Interest (%)</b>
M63/233	Granted	50%
M63/257	Granted	50%
M63/258	Granted	50%
M63/259	Granted	50%
M63/26	Granted	50%
M63/265	Granted	50%
M63/272	Granted	50%
M63/273	Granted	50%
M63/274	Granted	50%
M63/275	Granted	50%
M63/29	Granted	50%
M63/315	Granted	50%
M63/316	Granted	50%
M63/325	Granted	50%
M63/327	Granted	50%
M63/35	Granted	50%
M63/36	Granted	50%
M63/40	Granted	50%
M63/41	Granted	50%
M63/42	Granted	50%
M63/43	Granted	50%
M63/44	Granted	50%
M63/45	Granted	50%
M63/46	Granted	50%
M63/47	Granted	50%
M63/48	Granted	50%
M63/49	Granted	50%
M63/50	Granted	50%
M63/51	Granted	50%
M63/52	Granted	50%
M63/526	Granted	50%
M63/53	Granted	50%
M63/54	Granted	50%
M63/55	Granted	50%
M63/56	Granted	50%
M63/57	Granted	50%
M63/58	Granted	50%
M63/59	Granted	50%
M63/60	Granted	50%

**TULLA RESOURCES PLC**

<b>Norseman, WA</b>	<b>Status</b>	<b>Interest (%)</b>
M63/61	Granted	50%
M63/62	Granted	50%
M63/63	Granted	50%
M63/64	Granted	50%
M63/65	Granted	50%
M63/659	Granted	50%
M63/66	Granted	50%
M63/666	Granted	50%
M63/668	Granted	50%
M63/67	Granted	50%
M63/68	Granted	50%
M63/69	Granted	50%
M63/88	Granted	50%
M63/9	Granted	50%
M63/96	Granted	50%
M63/99	Granted	50%
P63/2003	Granted	50%
P63/2004	Granted	50%
P63/2010	Granted	50%
P63/2089	Granted	50%
P63/2096	Granted	50%
P63/2138	Granted	50%
P63/2139	Granted	50%
P63/2140	Granted	50%
P63/2141	Granted	50%
P63/2142	Granted	50%
P63/2261	Granted	50%
P63/2262	Granted	50%
P63/2263	Granted	50%

**TULLA RESOURCES PLC**  
**CORPORATE GOVERNANCE STATEMENT**

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Tulla Resources Plc is committed to high standards of corporate governance. The Company is listed on the Australian Securities Exchange (“ASX”) and refer to the corporate governance statement on the Company’s website [www.tullaresources.com](http://www.tullaresources.com) (together with the Board Charter and various Corporate Governance policies of the Company). This corporate governance statement relates to the financial year ended 30 June 2022 and has been approved by the Board.

The Board is responsible for the overall corporate governance of Tulla Resources.

The Board monitors the operational and financial position and performance of the Tulla Resources and oversees its business strategy including approving its strategic goals. The Board is committed to maximising performance, generating appropriate levels of value and financial returns, and sustaining the growth and success of Tulla Resources. With these objectives in mind, the Board is concerned to ensure that Tulla Resources is properly managed to protect and enhance shareholder interests and that Tulla Resources, its Directors, officers and employees, operate in an appropriate environment of corporate governance.

Accordingly, the Board has created a framework for managing Tulla Resources including adopting relevant internal controls, risk management processes and corporate governance policies and practices, which it believes are appropriate for Tulla Resources’ business and which are designed to promote the responsible management and conduct of Tulla Resources.

**Communication with shareholders**

The Board recognises it is accountable to shareholders for the performance and activities of the Company.

The Company releases to the market a Quarterly Report by 30 April, 31 July, 31 October and 31 January each year reporting on its activities and a summary of its cash flow. It also complies with its continuous disclosure obligations under ASX Listing Rules.

The 2022 Annual General Meeting of the Company will provide an opportunity for the Chairman to present to the shareholders a report on current operations and developments and enable the shareholders to express their views about the Company’s business.

**The Board**

The Board of Tulla Resources Plc currently consists of three (3) Non-Executive Directors and two (2) Executive Directors. The composition of the Board ensures no one individual or group of persons dominates the decision-making process.

The Board is responsible to the shareholders for setting the direction of the Company through the establishment of strategic objectives and key policies. The Board meets on a regular basis and considers the strategic direction, approves major capital expenditure, and any other matters having a material effect on the Company. Presentations are made to the Board on the activities and both the Executive and Non-Executive Directors undertake visits to operations.

All Directors have access to management, including the Company Secretaries, and to such information as is needed to carry out their duties and responsibilities fully and effectively.

The composition and tenure of the Board as of 30 June 2022, as well as each member’s independence status during 2021, was as follows:

<b>Director</b>	<b>Director Position</b>	<b>Tenure to 30 June 2022</b>	<b>Independence</b>	<b>Audit &amp; Risk Committee</b>	<b>Remuneration &amp; Nomination Committee</b>
Kevin Maloney	Executive Chairman	10.0 years	No	No	No
Mark Maloney	Executive Director	1.4 years	No	No	No
Andrew Greville	Non-Executive Director	1.4 years	Yes	Yes	Yes
Arthur Michael Anglin)	Non-Executive Director	1.4 years	Yes	Yes	Yes
Frederick Kempson	Non-Executive Director	3.2 years	Yes	Yes	Yes

## TULLA RESOURCES PLC CORPORATE GOVERNANCE STATEMENT

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### **Takeover regulations**

Tulla Resources Plc is not subject to Chapters 6, 6A, 6B or 6C of the Corporations Act 2001 (Cth), or Corporations Act, dealing with the acquisitions of shares (including substantial shareholdings and takeovers). Chapters 6, 6A, 6B and 6C of the Corporations Act dealing with the acquisition of shares (including acquisitions and takeovers) does not apply to the Company given it is incorporated in England and Wales. Instead, the Company is subject to the application of the City Code on Takeovers and Mergers in the UK (the “City Code”) and further detailed below.

#### *Mandatory bid*

The Company is subject to the application of the City Code. Under Rule 9 of the City Code, any person who acquires an interest in shares which, taken together with shares in which he or persons acting in concert with him are interested, carry 30% or more of the voting rights in the Company will normally be required to make a general offer to all the remaining shareholders to acquire their shares. Similarly, when any person or persons acting in concert is interested in shares which in aggregate carry 30% of the voting rights of the Company but which do not carry more than 50% of the voting rights in the Company, a general offer will normally be required to be made if he or any person acting in concert with him acquires an interest in any other shares in the Company. An offer under Rule 9 must be in cash, normally at the highest price paid within the preceding 12 months for any interest in shares of the same class acquired in the Company by the person required to make the offer or any person acting in concert with him.

#### *Squeeze-out*

Under the Companies Act 2006 (England and Wales), if an offeror were to make an offer to acquire all of the shares in the Company not already owned by it and were to acquire 90% of the shares to which such offer related it could then compulsorily acquire the remaining 10%. The offeror would do so by sending a notice to members who had not accepted the offer telling them that, as it had acquired more than 90% of the shares to which the offer related, it will compulsorily acquire their shares and then, six weeks later, it would deliver a transfer of the outstanding shares in its favour to the Company which would execute the transfers on behalf of the relevant members, and pay the consideration to the Company which would hold the consideration on trust for those members. The consideration offered to the members whose shares are compulsorily acquired under this procedure must, in general, be the same as the consideration that was available under the original offer unless a member can show that the offer value is unfair.

#### *Sell-out*

The Companies Act 2006 (England and Wales) also gives minority members a right to be bought out in certain circumstances by an offeror who has made a takeover offer. If a takeover offer related to all the shares in the Company and, at any time before the end of the period within which the offer could be accepted, the offeror held or had agreed to acquire not less than 90% of the shares, any holder of shares to which the offer related who had not accepted the offer could by a written communication to the offeror require it to acquire those shares. The offeror would be required to give any member notice of his/her right to be bought out within one month of that right arising. The offeror may impose a time limit on the rights of minority members to be bought out, but that period cannot end less than three months after the end of the acceptance period or, if later, three months from the date on which notice is served on members notifying them of their sell-out rights. If a member exercises his/her rights, the offerors are entitled and bound to acquire those shares on the terms of the offer or on such other terms as may be agreed.

### **Key risks**

The Company’s operations face many risks, including the inherent risks of mining. These risks are set out at pages 10 to 16 and identify the material risks faced by Tulla Resources. However, these risks may not be the only risks. Additional unknown risks or risks that the Company currently considers immaterial, may also impair the business operations.

There can be no guarantee that the Company will deliver on its business strategy, that the Company will generate any revenue. Investors should note that past performance is not a reliable indicator of future performance. If any of the risks referred to in this annual report were to occur, the results of operations, financial condition and prospects of the Company could be materially adversely affected. If that were to be the case, the trading price of the options and the underlying CDIs and/or the level of dividends or distributions (if any) received from the CDIs could decline significantly.