Red Mountain Mining Limited

ABN 40 119 568 106

Annual Report for the Year Ended 30 June 2023

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Corporate Directory

Board of Directors

Mr Troy Flannery	Non-Executive Chairman
Mr Lincoln Ho	Non-Executive Director
Mr Robert Parton	Non-Executive Director

Secretary
Mr Mauro Piccini

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23 Railway Road
Subiaco WA 6008

Telephone: 08 6559 1792
Website: redmountainmining.com.au

Securities Exchange Listing
Listed on the Australian Securities Exchange (ASX Code: RMX)

Auditors
RSM Australia Partners
Level 32, 2 The Esplanade
Perth WA 6000

Solicitors
Steinepreis Paganin
16 Milligan Street
Perth WA 6000

Bankers
Westpac Banking Corporation
Level 13, 109 St Georges Terrace
Perth WA 6000

Share Registry
Automic Share Registry
Level 5, 191 St Georges Terrace
Perth WA 6000

Telephone: 1300 288 664

Directors' Report

The Directors of Red Mountain Mining Limited ("RMX" or "the Company") present their report, together with the financial statements on the consolidated entity consisting of Red Mountain Mining Limited and its controlled entities (the "Group") for the financial year ended 30 June 2023.

DIRECTORS

The names and particulars of the Company's directors in office during the financial year and at the date of this report are as follows. Directors held office for this entire period unless otherwise stated.

Troy Flannery | Non-Executive Chairman
(Appointed 15 November 2021)

Mr Flannery has more than 24 years of experience in the mining industry, including 8 years in corporate and 16 years in senior mining engineering & project development roles. He has a degree in Mining Engineering, Masters in Finance, & First Class Mine Managers Certificate of Competency.

Mr Flannery was the CEO of Abra Mining Pty Ltd, which is the corporate vehicle for the Galena Mining Ltd (ASX:G1A) & Toho Zinc Joint Venture. Mr Flannery has worked at numerous mining companies, mining consultancies & contractors including BHP, Newcrest, Xstrata, St Barbara Mines & AMC Consultants.

During the past three years, Mr Flannery held the following directorships in other ASX listed companies:

- Non-Executive Chairman of Aldoro Resources Limited (current); and
- Non-Executive Chairman of Aurum Resources Limited (current).

Lincoln Ho | Non-Executive Director
(Appointed 1 July 2016)

With a background in equities trading for over 8 years, Mr Ho has wide knowledge and experience in corporate restructure, mergers and acquisitions. Mr Ho has the ability to negotiate deals across local & overseas markets, working in conjunction with experienced corporate financiers across the emerging caps space. In particular, Mr Ho has a focus on a network of industry and finance contacts across South-East Asia.

During the past three years Mr Ho has held directorships in the following ASX listed companies:

- Non-Executive Director of Aldoro Resources Limited (current); and
- Non-Executive Director of Redcastle Resources Limited (current).

Robert Parton | Non-Executive Director
(Appointed 1 July 2016)

Commencing in 1987, Mr Parton spent 20 years providing business analysis and management at companies including BHP, Kraft Foods, Crane Group, Mitre 10 and PDL Electronics (part of the Schneider Electric Group). Since 2006, Mr Parton has been providing corporate advisory services utilising his extensive experience in business management, project evaluation and capital-raising across various sectors including real estate, cleantech, IT and manufacturing. He has been involved in transaction management from sourcing, analysis and due diligence evaluation through to settlement and is a qualified accountant with over 20 years' membership with CPA Australia.

During the past three years Mr Parton has not held a directorship in an ASX listed company.

COMPANY SECRETARY

Mr Mauro Piccini

Mr Piccini spent 9 years at the ASX and possesses core competencies in publicly listed and unlisted company secretarial, administration and governance disciplines. Mr Piccini is a Chartered Accountant (CA) and a member of the Governance Institute of Australia (GIA). Mr Piccini started his career in the Perth office of Ernst and Young (EY) where he spent several years in their assurance division.

Directors' Report

INTERESTS IN SHARES AND OPTIONS OF THE COMPANY AND RELATED BODIES CORPORATE

The following table sets out each current Director's relevant interest in shares and options of the Company or a related body corporate as at the date of this report.

Director	Ordinary Shares		Unlisted Options		Listed Options	
	Direct interest	Indirect interest	Direct interest	Indirect interest	Direct interest	Indirect interest
Mr Troy Flannery	5,000,000	5,000,000	-	17,500,000	-	-
Mr Lincoln Ho	6,000,000	4,000,000	12,166,667	5,000,000	-	-
Mr Robert Parton	-	-	-	3,000,000	-	-
Total	**11,000,000**	**9,000,000**	**12,166,667**	**25,500,000**	**-**	**-**

PRINCIPAL ACTIVITIES

The principal activity of the Company is mineral exploration in Australia and USA.

REVIEW AND RESULTS OF OPERATIONS

Overview

Acquisition of Lithium Projects in Nevada, USA

On 7 December 2022, the Company entered into a purchase agreement (the "**Purchase Agreement**") with Lithic Lithium LLC ("**LLL**"), a US subsidiary of Chariot Corporation Limited ("**Chariot**"), to acquire the Lithic Lithium Project ("**Lithic**") and the Mustang Lithium Project ("**Mustang**") (collectively, "the **Projects")**, consisting of 153 claims covering 1,178 ha prospective for claystone hosted lithium in Nevada, the dominant claystone hosted lithium region in the United States of America ("**USA**").

The Projects are in the prolific Big Smoky and Monte Cristo Basins of Esmeralda County, Central Nevada. This region currently hosts the only operating lithium mine in the USA (Silver Peak Lithium Mine NYSE: ALB) and is the nexus of claystone hosted lithium exploration and development in the USA. RMX's peers in central Nevada have defined significant Lithium Carbonate Equivalent (LCE) mineral resources to NI 43-101 standards.

The Projects are in close proximity infrastructure, power, mining services and future offtake partners. Nevada is a top ranked jurisdiction for mining according to the Fraser Institute 2021 annual survey.

Directors' Report

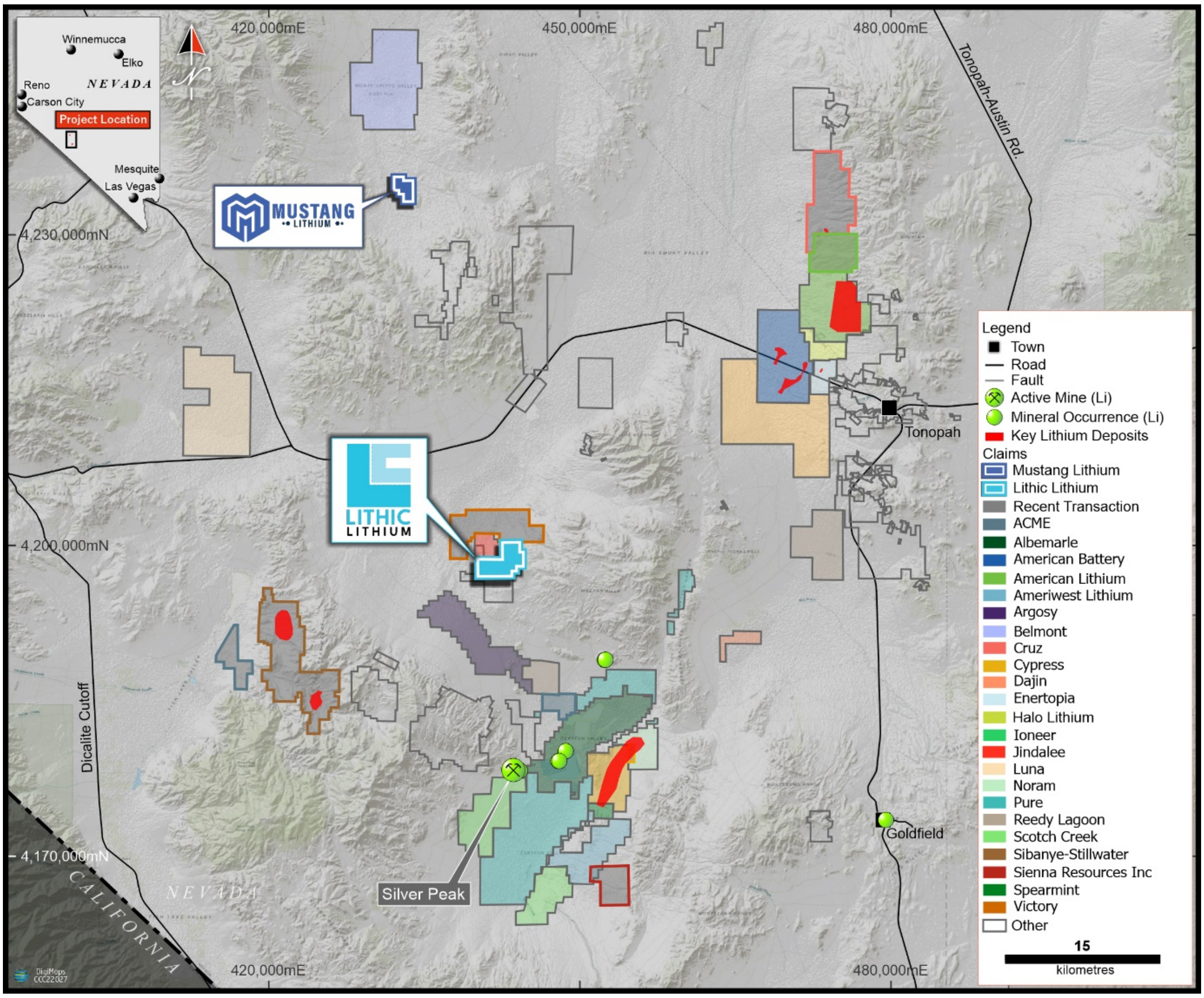

Figure 1: *Location map showing RMX's two projects relative to its neighbours in Nevada*

Regional Geology

In the mid-Tertiary period, the region underwent crustal extension and elevated thermal activity, developing the basin and range physiography and hydrologic closed basins throughout the district. This physiography combined with the abundance of volcanic activity depositing lithium-rich source rocks allowed for the containment and concentration of the lithium within the closed basins. The lithium-rich strata may represent several million years of lithium input and concentration within the basins that host the Lithic and Mustang properties.

<u>Lithic Lithium Project</u>

Lithic is located 29 km north of Silver Peak, the only operational lithium producing mine in the United States. The property consists of 115 claims (961 ha) and adjoins Jindalee's (**ASX: JRL**) Clayton North Project and Victory Resource's Smokey Lithium Project.

Directors' Report

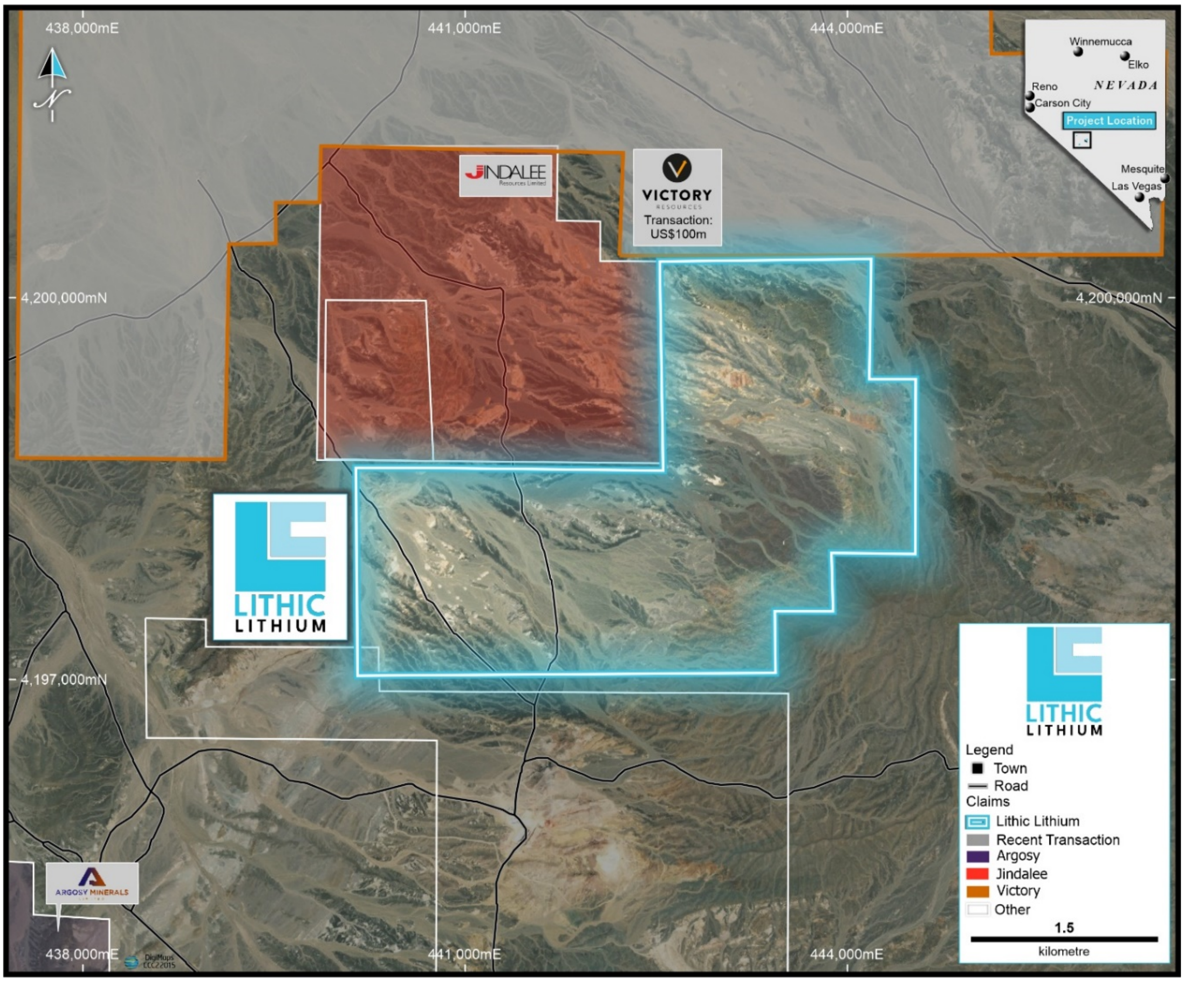

Figure 2: *Location map showing RMX's Lithic project relative to its neighbours*

The Lithic claim block has not been the subject of extensive exploration activities to date. However, Jindalee's maiden exploration drilling program (announced to ASX 18 November 2021) determined a northeast trending fault crosses the northern part of their claim block, resulting in a Quaternary gravel cover over the principal lithium target. The Lithic claim block is underlain by this same host lithology but is not covered by extensive Quaternary gravel.

<u>Mustang Lithium Project</u>

Mustang is located on the south-eastern flank of the hydrologically closed Monte Cristo Valley, 9 km south of Belmont Resources Kibby Lake project and 40 km east of American Lithium's TLC deposit.

Directors' Report

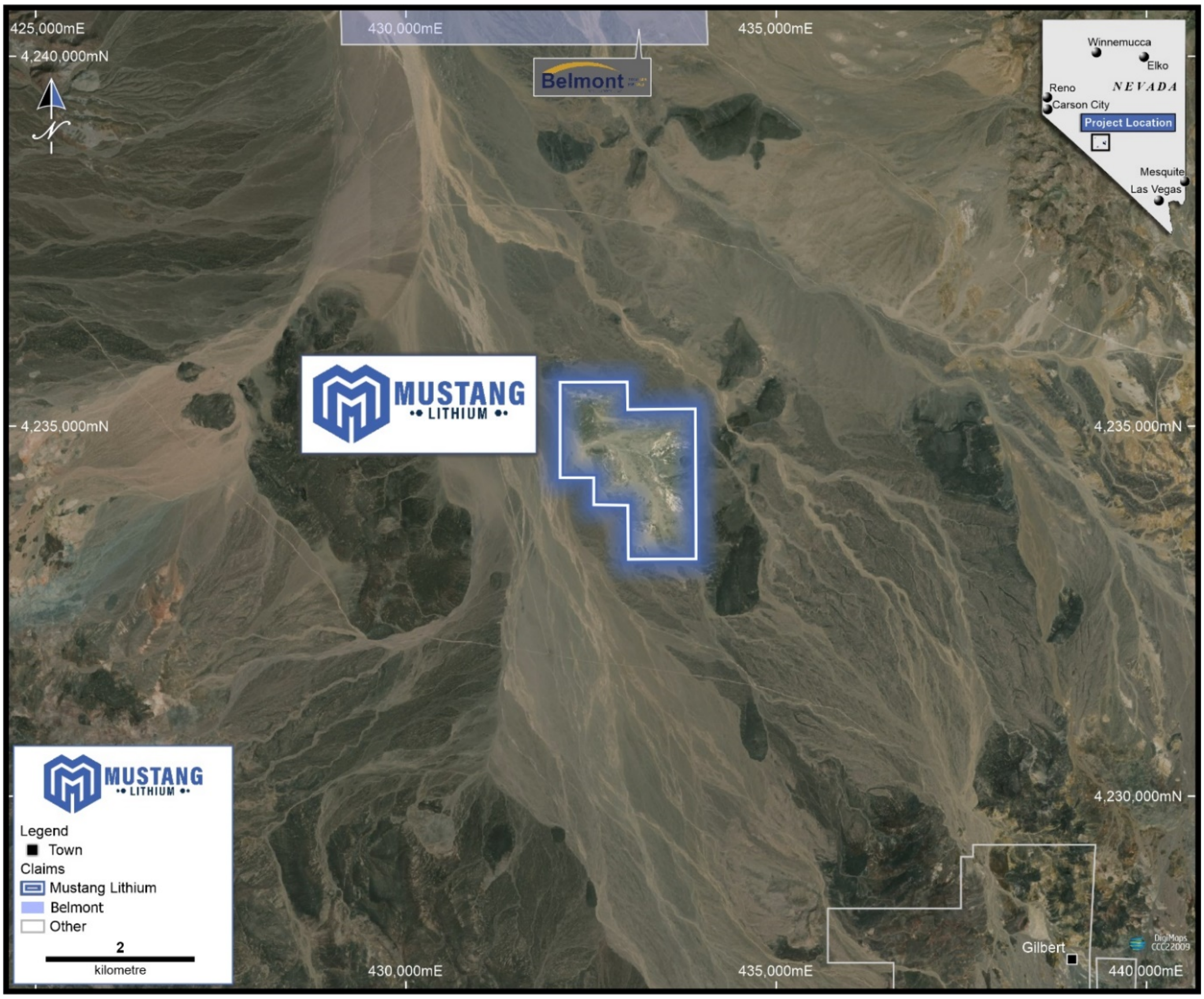

Figure 3: *Location map showing RMX's Mustang project relative to the Kibby Lake Project*

The Mustang project consists of 38 claims (217 ha) of a generally flat alluvial outwash plane with well exposed fines-dominant sediments and lithic tuffs. The outcrops are finely laminated mudstone beds and volcanic tuff and ash layers. This mixed unit of lacustrine sedimentary beds with minor volcanics is similar to host rocks found at American Lithium's TLC deposit and Cypress' Clayton Valley deposit. This claim area is within a mapped caldera with the Monte Cristo Valley containing a significant area of volcanic rock capable of supplying lithium to the closed basin. Andesite and basalt flows are exposed in all directions within 2 – 6 km of the project in erosional windows through the alluvium.

Terms of the Acquisition

Red Mountain previously paid Lithic Lithium LLC ("LLL") an option fee of US$35,000 for an exclusive 45-day option period and subsequently elected to purchase the Projects for the following consideration:

(a) US$150,000 cash. This cash consideration was paid in December 2022;
(b) 179,487,179 fully paid ordinary shares, subject to shareholder approval at an upcoming General Meeting;
(c) 102,564,103 performance rights that will vest and convert into one (1) share upon the Company's determination that the Property contains lithium mineralization of an average lithium grade of 900 parts per million (ppm) determined from not more than 200 metres of drilling on the Property over not less than ten (10) drill holes during the period commencing on the effective date and ending on the 12-month anniversary of the effective date (Expiry Date);
(d) 102,564,103 performance rights that will vest and convert into one (1) share upon the Company's determination that the Property contains lithium mineralization of an average lithium grade of 900 parts per million (ppm) determined from not more than 400 metres of drilling on the Property over not less than twenty (20) drill holes during the period commencing on the effective date and ending on the 24-month anniversary of the effective date (Expiry Date); and

Directors' Report

(e) a Net Smelter Royalty ("NSR") in favour of LLL of 2%.

LLL has agreed to a voluntary 6-month escrow period upon issuance of consideration shares.

Exploration Update at the Lithium Projects

On 18 January 2023, the Company announced that it had successfully staked and lodged its application for an additional 102 Lode Claims contiguous to its Mustang Lithium Project.

The additional 102 claims (covering 853 Ha) are prospective for claystone hosted lithium and are interpreted to feature similar host rocks, hydrological settings, and lithium enrichment mechanisms as American Lithium's TLC Project (NI43-101 MII Resource of 10.7 mt LCE) and Cypress Development Corp's Clayton Valley Project (NI43-101 MII Resource of 7.2 mt LCE).

The resulting total area for the Mustang Lithium Project is 140 Lode Claims or 1,069.7 Ha in area.

On 1 February 2023, The Company announced the completion of reconnaissance surface sampling at Mustang.

A total of 18 surface samples were collected from the Mustang mineral claim. These samples were collected from areas of claystone outcrop mostly in the southern and central parts of the mineral claim.

The highest assay result of 721ppm Li was from a grab sample of yellow/green clayey tuff sediments located near the centre of the Mustang property.

A total of 8 samples returned assay results of over 500ppm Li, which are highly anomalous given the small scale sampling program. Typical mineral resource cutoff grade for Claystone Lithium in the Big Smoky Valley and Clayton Valley is around 500ppm Li.

The exploration team has proceeded to conduct reconnaissance surface sampling at the Lithic prospect. Recent unusual blizzards in March and extreme weather in the Nevada region had slowed down the sampling process. To improve efficiency, samples were sent for laboratory analysis as they are obtained. The pending assay results will provide key indications on target area for the upcoming planned drill program.

On 27 April 2023, the Company announced an update on reconnaissance lithium surface sampling at the Company's Lithic Project, in Nevada, U.S.A.

A total of 25 surface samples were collected from the Lithic mineral claims, with 13 recent sample results provided in Table 1 & Figure 3. These samples were collected from areas of claystone outcrop mostly in the Western parts of the mineral claim.

The highest assay result of 1,254ppm Li was taken from a grab sample of grey/green claystone sediments located near the Western edge of the Lithic property.

A total of 3 surface samples returned assay results of over 500ppm Li, which are highly anomalous given the high mobility of lithium in the weathered surficial environment. Typical mineral resource cutoff grade for Claystone lithium in the Big Smoky Valley and Clayton Valley is around 500ppm Li

On 15 May 2023, the Company announce that the Nevada Bureau of Land Management (BLM) has approved the exploration drilling permit for its Mustang Lithium Project, based in Nevada, USA.

The Company secured a Nevada based drilling company, Alloy Drilling LLC, to complete Mustang's maiden Phase 1 drilling program, which consists of eight (8) holes (refer to below figure 1) drilled to a maximum of 150m in depth to target lithium bearing clay horizons.

Drilling commenced on 5 June 2023 and concluded on 21 June 2023.

Two (2) extra drill holes were added to the initial eight (8) hole program to gain further insight into the Mustang geology.

Directors' Report

Figure 4. *Phase 1 drill program completed for a total of 10 holes.*

Table 1 shows a full summary of the Phase 1 drilling campaign.

Hole ID	Easting	Northing	Datum	Elevation (m)	Dip	Depth (m)	Observations
RMDH-1	432717	4234276	WGS84	1665	-90	61	Clay and siltstone, angular lithic fragments <1mm observd with depth. Generally this material to 184'
RMDH-2	432909	4234311	WGS84	1665	-90	47	clay and silt, mostly clays to 155'
RMDH-3	433030	4233982	WGS84	1670	-90	46	Claystone/siltstone to 121-122' Appears mostly as clay.
RMDH-4	433181	4233633	WGS84	1677	-90	53	Clays/silt to 155'
RMDH-6	433318	4233745	WGS84	1675	-90	100.5	Clay/silt to 155'
RMDH-7	433530	4233916	WGS84	1670	-90	100.5	Clay/silt to 175'
RMDH-9	433171	4234469	WGS84	1664	-90	100.5	Clay to 160'
RMDH-11	433917	4233242	WGS84	1675	-90	91	Basaltic and tuffaceous gravels entire hole
RMDH-12	433461	4233407	WGS84	1683	-90	49	Clayey sands to ~100' mostly fine to medium sand.
RMDH-14	433371	4232913	WGS84	1682	-90	113	Alternating beds of clay and sand/gravels. TD in clay, drill very plugged up.

Table 1. *Full summary of Phase 1 drilling program. Metric used for 'Observations' is in feet.*

<u>Charlotte Lithium Project - Northern Territory</u>

The Charlotte Lithium Project, less than 100kms by road from Darwin, N.T, is located within the Bynoe Pegmatite Field. All prospects within the mapped area occur in the western third of the tenement (south from historically mapped pegmatite occurrences).

Directors' Report

0n 30 January 2023, the Company announced that tenement EL 33346 had been granted by the Northern Territory Department of Industry, Tourism and Trade.

In March 2023, the initial field investigation of EL 33346 was completed.

Field mapping delineated several out-cropping to sub-cropping occurrences of pegmatite. The pegmatites were generally confined to the ridges within the tenement and trended north-north-west. The north-north-west strike of the pegmatites conforms with the regional strike of known pegmatite occurrences throughout the region. A strike length of 30m was mapped on outcrop 5, whilst other outcrops were seen to trail off down slope from ridges and were covered by colluvial scree. Interpretation of the outcrops defines 2-3 pegmatite trends currently mapped within the tenement and possibility of further occurrences in the yet unexplored eastern half of the tenement.

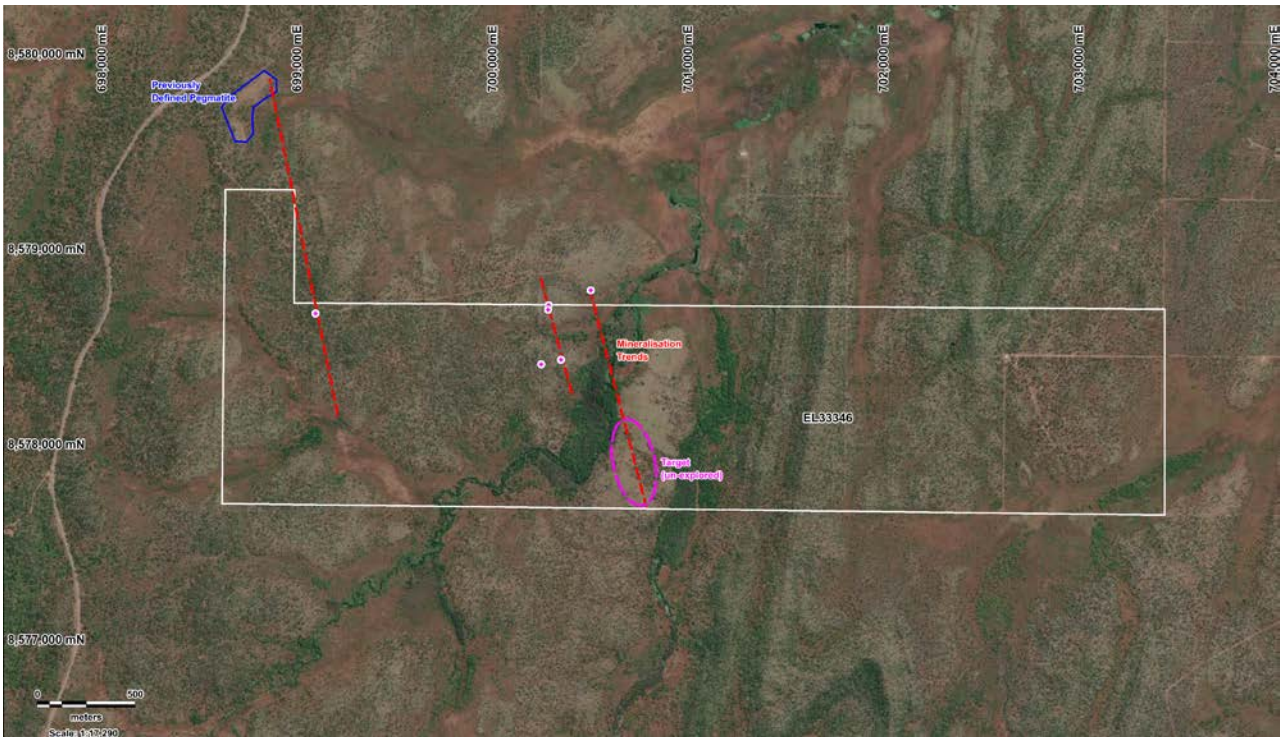

Figure 2. *Location map of outcropping pegmatites and the mineralization trends associated.*

The mineralogy of the outcrops is dominated by coarse crystalline quartz with minor to moderate accessory minerals. The accessory minerals, although moderately weathered are seen as micas, tourmaline and possibly minor spodumene. (For a brief description of the rock chips please see Table 2).

Directors' Report

Out Crop	Rock_Chip_ID	MGA_Easting	MGA_Northing	Description
CHOC001	CHSR001	700478	8578808	Coarse qtz with minor fine tourmaline and patchy oxidised micas to 5mm moderate greenish minerals possibly spodumene (note off tenement)
CHOC001	CHSR002	700479	8578810	Pinkish to grey qtz with elongate prismatic oxidised tourmalines (note off tenement)
CHOC001	CHSR003	700480	8578812	Pinkish qtz with minor reddish oxidised prismatic crystals possibly tourmaline (note off tenement)
CHOC002	CHSR004	700263	8578732	Coarse qtz with moderate oxidised needle brown to black possibly tourmalines
CHOC002	CHSR005	700264	8578728	Greyish qtz with fine to very fine black needles (tourmaline) and minor 1-2% brown oxidised micas
CHOC003	CHSR006	700260	8578708	Coarse qtz with minor chunky tourmaline
CHOC004	CHSR007	700224	8578429	Smokey grey qtz minor iron staining
CHOC005	CHSR008	700326	8578452	Weak fine-grained tourmaline within coarse qtz
CHOC006	CHSR009	699069	8578689	Pinkish to yellowish possibly feldspars and minor remnant micas

Table 2. *Field descriptions and co-ordinates of rock chips.*

Access to the central and eastern areas of the tenement were restricted by access issues associated with the current wet season. These areas remain prospective for exploration and will be further investigated during the dry season.

Nannup Lithium, Nickel, Gold & Base Metals Project – 100%

The Nannup project is a granted exploration tenement south-west of Greenbushes lithium, Western Australia. The Project is prospective for lithium and located in the southwest terrane with potential to support a Julimar-style geological system.

An exploration program to assist in identifying the lithium, nickel, gold and base metals potential did not return any anomalous results, hence this tenement has been downgraded to low priority for RMX.

Koonenberry Gold Project – 100%

The Koonenberry Gold Project covers approximately 657 km^2 and is located in a geologic setting considered analogous to the prolific Victorian Goldfields located in south-eastern Australia. The Koonenberry Gold Project adjoins Manhattan Corporation's (ASX:MHC) Tibooburra Gold Project where Manhattan has previously announced a new high grade gold discovery.

The Company has completed an internal review of the project's historic data and has commenced budgeting for an exploration programme at targeted locations. The Company notes recent positive developments in RC drilling in our neighbouring tenement by Manhattan Corporation (ASX: MHC), delivering further high grade gold assay results. The Company is considering the implications of these exploration result outcomes so close to the Company's tenement package.

Batangas Gold Project, Philippines – Shares and NSR

The Company holds approximately 1.7m shares in London listed Blue Bird Merchant Ventures Limited (LON: BMV). Blue Bird is focused on its near-term production gold project in South Korea. BMV share price as at 31 December 2022 was 1.80 pence.

Directors' Report

The Company retains its net smelter royalty over the Philippines located Batangas gold project.

Mt Mansbridge Heavy Rare Earth Project – 100%

Subsequent to 30 June 2023, the Company has made a decision to relinquish all tenements related to the Mt Mansbridge Project. All exploration expenditure capitalised to these tenements have been impaired at 30 June 2023. The decision was made for the purpose of placing exploration and financial focus on Red Mountain's USA-based lithium projects as well as the Monjebup Rare Earth project in Western Australia.

Mt Maitland Gold and Base Metals Project – 100%

Subsequent to 30 June 2023, the Company has made a decision to relinquish all tenements related to the Mt Maitland Project. All exploration expenditure capitalised to these tenements have been impaired at 30 June 2023. The decision was made for the purpose of placing exploration and financial focus on Red Mountain's USA-based lithium projects as well as the Monjebup Rare Earth project in Western Australia.

Competent Persons Statement

The information in this announcement that relates to Exploration Results and other technical information complies with the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). The technical and scientific information contained within this news release has been reviewed and approved by an independent consulting geologist Bill Fleshman, Fellow of the Australasian Institute of Mining and Metallurgy "AusIMM" and a "CP" (chartered professional #107342), and Qualified Person (QP) as defined by National Instrument 43-101 Policy. He has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the JORC Code. Mr Freshman consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

Corporate

On 2 October 2022, 129,211,936 quoted options (exercisable at $0.011) (**RMXOJ)** expired unexercised and lapsed.

On 1 December 2022, the Company issued 55,224,606 unquoted options at an issue price of $0.0001 per option (exercisable at $0.011, expiring 2 December 2025) as part of the offer in the Options Prospectus (**Prospectus**) issued on 4 November 2022.

On 7 December 2022, the Company received firm commitments from institutional and sophisticated investors to raise $1.8 million (before costs) via a share placement of 450,000,000 fully paid ordinary shares at an issue price of $0.004 per share ("**Placement**"). The Placement shares will be placed in two tranches. The funds raised will be primarily directed for the maiden exploration campaign at the Lithic and Mustang lithium projects, as well as for general working capital purposes.

On 15 December 2022, the Company completed Tranche 1 of the Placement and issued 345,985,000 fully paid ordinary shares at an issue price of $0.004 per share raising $1.38 million.

The remaining 104,015,003 shares (**Tranche 2**) were issued in February 2023 as approved at General Meeting held on 1 February 2023.

In addition, the Board of Red Mountain has committed to support the Placement as part of Tranche 2 subject to shareholder approval at the General Meeting (**Tranche 2**). Approval was received from shareholders for director participation in the Placement being:

Troy Flannery: $40,000 at $0.004
Lincoln Ho: $20,000 at $0.004

Directors' Report

The issue price represents a circa 25% discount to the 15-day VWAP (Volume Weighted Average Price) immediately prior to the raising. The shares issued under the Placement will rank equally with existing shares.

Xcel Capital Pty Ltd ("**Xcel**") has been engaged to act as the Lead Manager for the Placement. Fees payable are 6% across all funds raised and a management fee of $30,000. Subject to shareholder approval, Xcel shall also receive 10 million unquoted options (exercisable at $0.011 expiring 3 years from the date of issue) as part of facilitating the Project transaction.

Funds raised will be primarily directed for the maiden exploration campaign at the Lithic and Mustang lithium projects, as well as general working capital purposes.

On 8 February 2023, the Company issued 104,015,000 fully paid ordinary shares at an issue price of $0.004 per share raising $416,060 (before costs) as part of the Tranche 2 Placement as approved by shareholders on 1 February 2023.

On 8 February 2023, The Company issued 10,000,000 unquoted options exercisable at $0.011 and expiring on 2 December 2025 to Xcel Capital for services rendered as approved by shareholders on 1 February 2023.

On 11 February 2023, 555,000 unlisted options (exercisable at $0.009 per option) expired without conversion.

On 17 February 2023, the Company issued 179,487,179 fully paid ordinary shares at an issue price of $0.004 per share as part of consideration for acquisition to Lithic Lithium LLC as approved by shareholders on 1 February 2023.

On 17 February 2023, the Company issued 102,564,103 Class A Performance Rights and 102,564,103 Class B Performance Rights as part of consideration for acquisition to Lithic Lithium LLC as approved by shareholders on 1 February 2023.

Class A performance rights that will vest and convert into one (1) share upon the Company's determination that the Property contains lithium mineralization of an average lithium grade of 900 parts per million (ppm) determined from not more than 200 metres of drilling on the Property over not less than ten (10) drill holes during the period commencing on the effective date and ending on the 12-month anniversary of the effective date (Expiry Date).

Class B performance rights that will vest and convert into one (1) share upon the Company's determination that the Property contains lithium mineralization of an average lithium grade of 900 parts per million (ppm) determined from not more than 400 metres of drilling on the Property over not less than twenty (20) drill holes during the period commencing on the effective date and ending on the 24-month anniversary of the effective date (Expiry Date).

On 28 June 2023, 35,000,000 unlisted options (exercisable at $0.02 per option) expired without conversion.

Financial Performance

The financial results of the Group for the year ended 30 June 2023 and 30 June 2022 are:

	30-June-23 $	30-June-22 $
Cash and cash equivalents	978,550	1,659,408
Net Assets	2,969,880	4,559,301
Revenue and other income	97,658	108,882
Net loss after tax	(4,402,441)	(1,447,197)

DIVIDENDS

No dividend is recommended in respect of the current financial year.

Directors' Report

REVIEW OF BUSINESS RISKS

There are specific risks associated with the activities of the Group and general risks which are largely beyond the control of the Group and the Directors. The risks identified below, or other risk factors, may have a material impact on the future financial performance of the Group and the market price of the Company's shares.

The Board reviews the risks of the Group and the action plans to address these risks on a regular basis.

a) Operating Risks
The operations of the Company may be affected by various factors, including failure to locate or identify mineral deposits, failure to achieve predicted grades in exploration and mining, operational and technical difficulties encountered in mining. In addition, difficulties in commissioning and operating plant and equipment include mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, adverse weather conditions, industrial and environmental accidents, health incidents including pandemic diseases like COVID-19 (coronavirus), industrial disputes and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment.

b) Environmental Risks
The operations and proposed activities of the Company are subject to the environmental laws and regulations. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if mine development proceeds. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.

c) Economic
General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.

d) Market conditions
Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

i) general economic outlook;
ii) introduction of tax reform or other new legislation;
iii) interest rates and inflation rates;
iv) changes in investor sentiment toward particular market sectors;
v) the demand for, and supply of, capital; and
vi) terrorism or other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular.

Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

e) Additional requirements for capital
The Company must have sufficient capital to fund its exploration activities, along with other working capital requirements. At the reporting date it has cash and cash equivalents of approximately $978,000.

Any additional equity financing will dilute shareholdings, and additional debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its development programmes as the case may be. There is no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.

f) Speculative investment
Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to invest.

Directors' Report

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Company's shares.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

During the financial year, there were no significant changes in the state of affairs of the Group other than that referred to in the financial statements or notes thereto.

MATTERS SUBSEQUENT TO THE REPORTING YEAR

Farm-in with LBM (Aust) Pty Ltd

On 10 July 2023, the Company announced that it entered into a farm-in agreement with LBM (Aust) Pty Ltd ("LBM"), a wholly owned subsidiary of Liontown Resources Ltd ("Liontown"), to acquire an 80% interest in their Monjebup Rare Earth Project. The project consists of 321 blocks covering ~910km² and it is prospective for Rare Earths in southern Western Australia.

Material Terms of Farm-in Transaction

- RMX will earn an 80% interest in the Monjebup Project by expending not less than A$500,000 of exploration expenditure within the farm-in period of 24 months.
- Within 5 business days from agreement execution, RMX shall issue Liontown an aggregate of 40,000,000 fully paid ordinary shares. The shares were issued on 20 July 2023.
- Upon RMX acquiring the tenement interest, the Company shall grant LBM a 2% net smelter royalty the minerals produced and sold from the Monjebup Project attributable to RMX's participating interest in the project.

Capital Raisings

On 8 August 2023, the Company completed a Placement to professional and sophisticated investors and issued 212,500,000 fully paid ordinary shares at $0.004 per share raising $850,000 before costs. One attaching option (exercisable at $0.008 per option, expiring 3 years from the date of issue) for every two Placement shares will be issued to participants, subject to shareholder approval.

The Company plans to undertake a Share Purchase Plan to raise $750,000 on the same terms as the Placement ("SPP"). Each participant in the SPP will be entitled to receive one free attaching option for every two SPP shares issued to them under the SPP (exercisable at $0.008 per option, expiring 3 years from the date of issue). The SPP closed on 8 September 2023 with the Company raising $596,900 (before costs). The SPP was well received, demonstrating healthy support of almost 80% uptake from shareholders.

The SPP was completed in September 2023 and on 13 September 2023, the Company issued 149,225,000 New Shares at an issue price of $0.004 per share raising $596,900.

Subject to ASX requirements, the Company intends to seek quotation of the attaching options under the Placement and SPP. If quotation of the attaching options cannot be obtained, they will remain as unquoted options.

Xcel Capital Pty Ltd were engaged to act as Lead Manager to the Placement and SPP. Fees payable are 6% across all funds raised, 30,000,000 options (same terms as attaching Placement and SPP options) and a $20,000 management fee. The 30,000,000 options were issued on 8 August 2023.

Other than stated above, there has been no other matter or circumstance that has arisen since the end of the financial year that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group.

Directors' Report

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

Mustang and Lithic Projects

Further sampling including drilling is expected to be conducted at both Lithic & Mustang projects. Subject to the Project's lithium assay results, along with metallurgical test work, the Company is aiming to define a JORC resource.

Monjebup

Surface sampling activities will be commenced at Monjebup, based on assay results, further sampling, including drilling is expected to be performed at targeted areas in the coming months.

Nannup

An exploration program to assist in identifying the lithium, nickel, gold and base metals potential did not return any anomalous results, hence this tenement has been downgraded to low priority for RMX.

Koonenberry

The Company continues to review data sets at its Koonenberry Project and is monitoring closely other current and ongoing drilling activities in the region.

DIRECTORS' MEETINGS

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

Director	Number Eligible to Attend	Number Attended
Mr Troy Flannery	2	2
Mr Lincoln Ho	2	2
Mr Robert Parton	2	2

In addition to the scheduled Board meetings, Directors regularly communicate by telephone, email or other electronic means, and where necessary, circular resolutions are executed to effect decisions.

Due to the size and scale of the Company, there is no Remuneration and Nomination Committee or Audit Committee at present. Matters typically dealt with by these Committees are, for the time being, managed by the Board. For details of the function of the Board, refer to the Corporate Governance Statement.

Directors' Report

REMUNERATION REPORT (AUDITED)

This remuneration report for the year ended 30 June 2023 outlines the remuneration arrangements of the Group in accordance with the requirements of the Corporations Act 2001 ("the Act") and its regulations. This information has been audited as required by section 308(3C) of the Act.

The Remuneration Report details the remuneration arrangements for Key Management Personnel ("KMP") who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Group, directly or indirectly, including any Director (whether executive or otherwise) of the parent company.

a) Key Management Personnel Disclosed in this Report

Key Management Personnel of the Group during or since the end of the financial year were:

Mr Troy Flannery	Non-Executive Chairman
Mr Lincoln Ho	Non-Executive Director
Mr Robert Parton	Non-Executive Director

There have been no other changes after reporting date and up to the date that the financial report was authorised for issue.

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

A Remuneration Philosophy
B Remuneration Governance, Structure and Approvals
C Remuneration and Performance
D Details of Remuneration
E Contractual Arrangements
F Share-based Compensation
G Equity Instruments Issued on Exercise of Remuneration Options
H Voting and comments made at the Company's 2022 Annual General Meeting
I Loans with KMP
J Other Transactions with KMP
K Additional Information

A Remuneration Philosophy

KMP have authority and responsibility for planning, directing and controlling the activities of the Group. KMP of the Group comprise of the Board of Directors.

The Group's broad remuneration policy is to ensure the remuneration package properly reflects the person's duties and responsibilities and that remuneration is competitive in attracting, retaining and motivating people of the highest quality.

No remuneration consultants were employed during the financial year.

B Remuneration Governance, Structure and Approvals

Remuneration of Directors is currently set by the Board of Directors. The Board has not established a separate Remuneration Committee at this point in the Group's development, nor has the Board engaged the services of an external remuneration consultant. It is considered that the size of the Board along with the level of activity of the Group renders this impractical. The Board is primarily responsible for:

- The over-arching executive remuneration framework;
- Operation of the incentive plans which apply to executive directors and senior executives, including key performance indicators and performance hurdles;
- Remuneration levels of executives; and
- Non-Executive Director fees.

Directors' Report

Their objective is to ensure that remuneration policies and structures are fair and competitive and aligned with the long-term interests of the Group.

❖ Non-Executive Remuneration Structure

The remuneration of Non-Executive Directors consists of Directors' fees, payable in arrears. The total aggregate fixed sum per annum to be paid to Non-Executive Directors in accordance with the Company's Constitution shall be no more than A$500,000 and may be varied by ordinary resolution of the Shareholders in a General Meeting.

Remuneration of Non-Executive Directors is based on fees approved by the Board of Directors and is set at levels to reflect market conditions and encourage the continued services of the Directors. The chair's fees are determined independently to the fees of the Non-Executive Director's based on comparative roles in the external market. In accordance with the Company's Constitution, the Directors may at any time, subject to the Listing Rules, adopt any scheme or plan which they consider to be in the interests of the Company and which is designed to provide superannuation benefits for both present and future Non-Executive Directors, and they may from time to time vary this scheme or plan.

The remuneration of Non-Executives is detailed in Table 1 in "Section D – Details of Remuneration" and their contractual arrangements are disclosed in "Section E – Contractual Arrangements".

Remuneration may also include an invitation to participate in share-based incentive programmes in accordance with Company policy.

The nature and amount of remuneration is collectively considered by the Board of Directors with reference to relevant employment conditions and fees commensurate to a company of similar size and level of activity, with the overall objective of ensuring maximum stakeholder benefit from the retention of high performing Directors.

❖ Executive Remuneration Structure

The nature and amount of remuneration of executives are assessed on a periodic basis with the overall objective of ensuring maximum stakeholder benefit from the retention of high performance Directors.

The main objectives sought when reviewing executive remuneration is that the Group has:

- Coherent remuneration policies and practices to attract and retain Executives;
- Executives who will create value for shareholders;
- Competitive remuneration offered benchmarked against the external market; and
- Fair and responsible rewards to Executives having regard to the performance of the Group, the performance of the Executives and the general pay environment.

C Remuneration and Performance

The following table shows the gross revenue, losses, earnings per share ("EPS") and share price of the Group as at 30 June 2023 and 30 June 2022.

	30-Jun-23	30-Jun-22
Revenue and other income ($)	97,658	108,882
Net loss after tax ($)	(4,402,441)	(1,447,197)
EPS (cents)	(0.23)	(0.10)
Share price ($)	0.004	0.004

Relationship between Remuneration and Company Performance

Given the current phase of the Company's development, the Board does not consider earnings during the current and previous financial year when determining, and in relation to, the nature and amount of remuneration of KMP.

Directors' Report

The pay and reward framework for key management personnel may consist of the following areas:

a) Fixed Remuneration – Base Salary
b) Variable Remuneration – Short-Term Incentives
c) Variable Remuneration – Long-Term Incentives

The combination of these would comprise the key management personnel's total remuneration.

a) Fixed Remuneration – Base Salary

The fixed remuneration for each senior executive is influenced by the nature and responsibilities of each role and knowledge, skills and experience required for each position. Fixed remuneration provides a base level of remuneration which is market competitive and comprises a base salary inclusive of statutory superannuation. It is structured as a total employment cost package.

Key management personnel are offered a competitive base salary that comprises the fixed component of pay and rewards. External remuneration consultants may provide analysis and advice to ensure base pay is set to reflect the market for a comparable role. No external advice was taken this year. Base salary for key management personnel is reviewed annually to ensure the executives' pay is competitive with the market. The pay of key management personnel is also reviewed on promotion. There is no guaranteed pay increase included in any key management personnel's contract.

b) Variable Remuneration – Short -Term Incentives (STI)

Discretionary cash bonuses may be paid to senior executives annually, subject to the requisite Board and shareholder approvals where applicable.

c) Variable Remuneration – Long-Term Incentives (LTI)

Options are issued at the Board's discretion. Unlisted options issued to Directors during the year are detailed in Table 4 below.

Other than the options disclosed in section D of the Remuneration Report, there have been no other options issued to employees at the date of this financial report.

D Details of Remuneration

Details of the nature and amount of each major element of the remuneration of each KMP of the Group during the financial year are:

Table 1 – Remuneration of KMP of the Group for the year ended 30 June 2023 is set out below:

	Short-term Employee Benefits			Post-Employment	Share Based Payments	Total
	Salary & fees	Non-monetary benefits	Other	Superannuation	Options	
30 June 2023	**$**	**$**	**$**	**$**	**$**	**$**
Directors						
Mr Troy Flannery	92,000	-	-	9,660	-	101,660
Mr Lincoln Ho	60,000	-	-	6,300	-	66,300
Mr Robert Parton	24,000	-	-	-	-	24,000
Total	**176,000**	**-**	**-**	**15,960**	**-**	**191,960**

Directors' Report

Table 2 – Remuneration of KMP of the Group for the year ended 30 June 2022 is set out below:

	Short-term Employee Benefits			Post-Employment	Share-Based Payments	Total
	Salary & fees	Non-monetary benefits	Other	Superannuation	Options	
30 June 2022	$	$	$	$	$	$
Directors						
Mr Jeremy King (i)	55,000	-	-	5,500	-	60,500
Mr Lincoln Ho	65,250	-	-	6,000	51,240	122,490
Mr Robert Parton	24,000	-	-	-	12,810	36,810
Mr Troy Flannery (ii)	92,503	-	-	-	64,050	156,553
Total	**236,753**	**-**	**-**	**11,500**	**128,100**	**376,353**

(i) Resigned 15 November 2021

The following table shows the relative proportions of remuneration that are linked to performance and those that are fixed, based on the amounts disclosed as statutory remuneration expense in the tables above:

Table 3 – Relative proportion of fixed vs variable remuneration expense

	Fixed Remuneration		At Risk – STI (%)		At Risk – LTI (%)	
Name	2023	2022	2023	2022	2023	2022
Directors						
Mr Troy Flannery	**100%**	59%	**-**	-	**-**	41%
Mr Lincoln Ho	**100%**	58%	**-**	-	**-**	42%
Mr Robert Parton	**100%**	65%	**-**	-	**-**	35%
Mr Jeremy King (i)	**-**	100%	**-**	-	**-**	-

(i) Resigned 15 November 2021

Table 4 – Shareholdings of KMP (direct and indirect holdings)

30 June 2023	Balance at 01/07/2022	Issued as Remuneration	On Exercise of Options	Net Change – Other	Balance at 30/06/2023
Directors					
Mr Troy Flannery	-	-	-	10,000,000 (i)	10,000,000
Mr Lincoln Ho	5,000,000	-	-	5,000,000 (i)	10,000,000
Mr Robert Parton	-	-	-	-	-
Total	**5,000,000**	**-**	**-**	**15,000,000**	**20,000,000**

(i) Director participation in Placement approved by shareholders at the General Meeting held on 1 February 2023.

Table 5 – Listed Options of KMP (direct and indirect holdings)

30 June 2023	Balance at 01/07/2022	Exercise of Options	Expired	Net Change – Other	Balance at 30/06/2023	Vested & Exercisable
Directors						
Mr Troy Flannery	5,000,000	-	-	(5,000,000) (ii)	-	-
Mr Lincoln Ho	10,333,333	-	-	(10,333,333) (ii)	-	-
Mr Robert Parton	-	-	-	-	-	-
Total	**15,333,333**	**-**	**-**	**(15,333,333)**	**-**	**-**

(ii) Listed options expired unexercised on 2 October 2022.

Directors' Report

Table 6 – Unlisted Options of KMP (direct and indirect holdings)

30 June 2023	Balance at 01/07/2022	Granted as Remuneration	Expired	Net Change – Other	Balance at 30/06/2023	Vested & Exercisable
Directors						
Mr Troy Flannery	15,000,000	-	-	2,500,000 (i)	17,500,000	17,500,000
Mr Lincoln Ho	12,000,000	-	-	5,166,667 (i)	17,166,667	17,166,667
Mr Robert Parton	3,000,000	-	-	-	3,000,000	3,000,000
Total	**30,000,000**	**-**	**-**	**7,666,667**	**37,666,667**	**37,666,667**

(i) As approved at the General Meeting held on 10 November 2022, unlisted options were issued as part of the Options Prospectus announced on 4 November 2022. The options were issued at an issue price of $0.0001 each, with each option exercisable at $0.011 each and expiring on 2 December 2025

E Contractual Arrangements

❖ **Troy Flannery – Non-Executive Chairman**
- Contract: Commenced on 15 November 2021
- Director's Fee:
  - July to August – $72,000 per annum (plus statutory superannuation entitlements)
  - September to June - $96,000 per annum (plus statutory superannuation entitlements)
- Term: See Note 1 below for details pertaining to re-appointment and termination.

❖ **Lincoln Ho – Non-Executive Director**
- Contract: Commenced on 1 July 2016
- Director's Fee: $60,000 per annum (plus statutory superannuation entitlements).
- Term: See Note 1 below for details pertaining to re-appointment and termination.

❖ **Robert Parton – Non-Executive Director**
- Contract: Commenced on 1 July 2016
- Director's Fee: $24,000 per annum
- Term: See Note 1 below for details pertaining to re-appointment and termination.

Note 1: The term of each Director is open to the extent that they hold office subject to retirement by rotation, as per the Company's Constitution, at each AGM and are eligible for re-election as a Director at the meeting. Appointment shall cease automatically in the event that the Director gives written notice to the Board, or the Director is not re-elected as a Director by the shareholders of the Company. There are no entitlements to termination or notice periods.

F Share-based Compensation

The Company rewards Directors for their performance and aligns their remuneration with the creation of shareholder wealth by issuing share options. Share-based compensation is at the discretion of the Board and no individual has a contractual right to receive any guaranteed benefits.

Options

No remuneration options were issued to Directors during the financial year.

In the previous financial year, on 13 May 2022, 30 million unlisted options, exercisable at $0.015 each on or before 13 May 2025, were granted to directors as part of remuneration. The options vested immediately. A Black-Scholes model was used to estimate the fair value of the options. The inputs used in the model to value the options were:

Directors' Report

Black-Scholes Model	Inputs
Grant date share price	$0.009
Expected volatility	101.63%
Dividend yield	0.00%
Risk free rate	3.13%
Fair value per option	$0.00427

At the date of this report, the unissued ordinary shares of the Company under option carry no dividend or voting rights. When exercisable, each option is convertible into one ordinary share of the Company.

G Equity Instruments Issued on Exercise of Remuneration Options

No remuneration options were exercised during the financial year.

H Voting and Comments made at the Company's 2022 Annual General Meeting ('AGM')

At the 2022 AGM, 95.15% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2022. The company did not receive any specific feedback at the AGM regarding its remuneration practices.

I Loans with KMP

There were no loans made to any KMP during the year ended 30 June 2023 (2022: Nil).

J Other Transactions with KMP

The following transactions occurred with related parties:

Transactions	2023 $	2022 $
Consulting fees payable to Jack Rory Pty Ltd, an entity related to Mr Troy Flannery	69,209	-
Consulting fees payable to Saltus Corporate Pty Ltd , an entity related to Mr Lincoln Ho	11,250	-
Company secretarial and financial management services from Mirador Corporate Pty Ltd (director related entity of Jeremy King)	-	65,625
Rental income from Mirador Corporate Pty Ltd, an entity related to Mr Jeremy King.	-	4,500
Rental income from Sultan Resources Limited, an entity related to Mr Jeremy King.	-	25,000

Trade and other payables to related parties:

Transactions	2023 $	2022 $
Director/Consulting fees payable to Jack Rory Pty Ltd, an entity related to Mr Troy Flannery	1,873	6,000

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

Directors' Report

K Additional Information

The earnings of the consolidated entity for the five years to 30 June 2023 are summarised below:

	2023	2022	2021	2020	2019
Sales Revenue ($)	**-**	-	-	-	-
EBITDA ($)	**(4,306,188)**	(1,302,189)	(1,532,049)	(1,788,541)	(1,181,316)
EBIT ($)	**(4,394,236)**	(1,449,663)	(1,679,523)	(1,936,015)	(1,181,316)
Loss after income tax ($)	**(4,402,441)**	(1,447,197)	(1,681,989)	(1,960,519)	(1,164,964)
Share Price ($)	**0.004**	0.004	0.009	0.005	0.004
EPS (cents per share)	**(0.23)**	(0.10)	(0.15)	(0.23)	(0.53)

End of Audited Remuneration Report.

INDEMNIFICATION AND INSURANCE OF OFFICERS AND AUDITORS

The Company has indemnified the Directors and Executives of the Company for costs incurred, in their capacity as a Director or Executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the Company paid a premium in respect of a contract to insure the Directors and Executives of the Company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

ENVIRONMENTAL REGULATIONS

The Company is not currently subject to any specific environmental regulation. There have not been any known significant breaches of any environmental regulations during the year under review and up until the date of this report.

PROCEEDINGS ON BEHALF OF THE COMPANY

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

AUDITOR

RSM Australia Partners continues in office in accordance with section 327 of the Corporations Act 2001.

OFFICERS OF THE COMPANY WHO ARE FORMER PARTNERS OF RSM AUSTRALIA PARTNERS

There are no officers of the Company who are former partners of RSM Australia Partners.

AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration for the year ended 30 June 2023 has been received and included within these financial statements.

Directors' Report

SHARES UNDER OPTION

At the date of this report there were the following unissued ordinary shares for which options were outstanding:

60,000,000 unlisted options exercisable at $0.015 each on or before 4 February 2025
55,224,606 unlisted options exercisable at $0.011 each on or before 2 December 2025
10,000,000 unlisted options exercisable at $0.011 each on or before 2 December 2025

SHARE ISSUED ON THE EXERCISE OF OPTIONS

There were no ordinary shares issued during the year ended 30 June 2023 and up to the date of this report on the exercise of options.

NON-AUDIT SERVICES

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

Details of the amounts paid or payable to the auditor for non-audit services provided during the year by the auditor are outlined in Note 22 to the financial statements.

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

- all non-audit services have been reviewed by the Board of Directors to ensure they do not impact the impartiality and objectivity of the auditor; and

- None of the services undermine the general principles relating to the auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the company, acting as advocate for the company or jointly sharing economic risks and rewards.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors

Troy Flannery
Non-Executive Chairman
28 September 2023

RSM Australia Partners

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Red Mountain Mining Limited for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

RSM

RSM AUSTRALIA PARTNERS

Perth, WA
Dated: 28 September 2023

AIK KONG TING
Partner

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the Financial Year Ended 30 June 2023

	Note	2023 $	2022 $
Revenue from continuing operations			
Revenue	4	97,658	108,882
Expenses			
Consultancy and legal fees		(264,768)	(365,096)
Compliance and regulatory expenses		(126,882)	(108,429)
Depreciation expense		(88,048)	(147,474)
Employee benefits expenses		(199,847)	(306,356)
Finance cost		(10,199)	(4,439)
Fair value loss on financial assets at fair value through profit or loss (FVTPL)		(38,753)	(74,880)
Professional fees		(289,489)	(317,318)
Occupancy expenses		(69,958)	(133,100)
Impairment expense	12	(3,268,913)	-
Other expenses		(143,242)	(98,987)
Loss from continuing operations before income tax		**(4,402,441)**	**(1,447,197)**
Income tax expense	5	-	-
Loss from continuing operations after income tax		**(4,402,441)**	**(1,447,197)**
Other comprehensive loss for the year		-	-
Other comprehensive loss for the year, net of tax		**-**	**-**
Total comprehensive loss attributable to the members of Red Mountain Mining Limited		**(4,402,441)**	**(1,447,197)**
Loss per share for the year attributable to the members Red Mountain Mining Limited			
Basic loss per share (cents)	6	(0.23)	(0.10)
Diluted loss per share (cents)	6	(0.23)	(0.10)

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

Consolidated Statement of Financial Position

As at 30 June 2023

	Note	2023 $	2022 $
ASSETS			
Current assets			
Cash and cash equivalents	7	978,550	1,659,408
Trade and other receivables	8	119,193	155,464
Other financial assets	9	51,348	-
Total current assets		**1,149,091**	**1,814,872**
Non-Current assets			
Financial assets at FVTPL	10	27,023	63,612
Right of use asset	11	190,405	24,580
Exploration and evaluation assets	12	1,921,274	2,821,516
Total Non-Current assets		**2,138,702**	**2,909,708**
Total assets		**3,287,793**	4,724,580
LIABILITIES			
Current liabilities			
Trade and other payables	13	300,573	135,790
Lease liability	14	82,427	29,489
Total current liabilities		**383,000**	**165,279**
Non-Current liabilities			
Lease liability	14	114,400	-
Total Non-Current liabilities		**114,400**	**-**
Total liabilities		**497,400**	**165,279**
Net assets		**2,790,393**	**4,559,301**
EQUITY			
Contributed equity	15	49,951,360	47,422,015
Reserves	16	11,521,718	11,417,530
Accumulated losses		(58,682,685)	(54,280,244)
Total equity		**2,790,393**	**4,559,301**

The Consolidated Statement of Financial Position should be read in conjunction with the notes to the financial statements.

Consolidated Statement of Changes in Equity

For the Financial Year Ended 30 June 2023

	Issued Capital $	Reserves $	Accumulated Losses $	Total $
At 1 July 2022	**47,422,015**	**11,417,530**	**(54,280,244)**	**4,559,301**
Loss for the year	-	-	(4,402,441)	(4,402,441)
Total comprehensive loss for the year after tax	-	-	**(4,402,441)**	**(4,402,441)**
Transactions with owners in their capacity as owners:				
Issue of share capital	2,697,436	-	-	2,697,436
Share issue costs	(144,791)	-	-	(144,791)
Issue of options	(23,300)	28,822	-	5,522
Issue of performance rights	-	75,366	-	75,366
At 30 June 2023	**49,951,360**	**11,521,718**	**(58,682,685)**	**2,790,393**

	Issued Capital $	Reserves $	Accumulated Losses $	Total $
At 1 July 2021	**44,488,471**	**11,156,330**	**(52,833,047)**	**2,811,754**
Loss for the year	-	-	(1,447,197)	(1,447,197)
Total comprehensive loss for the year after tax	**-**	**-**	**(1,447,197)**	**(1,447,197)**
Transactions with owners in their capacity as owners:				
Issue of share capital	1,601,150	-	-	1,601,150
Share issue costs	(131,420)	-	-	(131,420)
Exercise of options	791,914	-	-	791,914
Conversion of convertible note	800,000	-	-	800,000
Options issued to directors	-	128,100	-	128,100
Options issued to broker	(128,100)	128,100	-	-
Options issued to consultants	-	5,000	-	5,000
At 30 June 2022	**47,422,015**	**11,417,530**	**(54,280,244)**	**4,559,301**

The Consolidated Statement of Changes in Equity should be read in conjunction with the notes to the financial statements.

Consolidated Statement of Cash Flows

For the Financial Year ended 30 June 2023

	Note	2023 $	2022 $
Cash flows from operating activities			
Payments to suppliers and employees		(1,144,771)	(1,236,559)
Interest and other finance costs paid		-	(4,439)
Other income received		86,285	75,000
Interest received		11,373	740
Net cash used in operating activities	7(a)	**(1,047,113)**	**(1,165,258)**
Cash flows from investing activities			
Payments of exploration activities capitalised		(868,917)	(1,090,265)
Payments made to acquire exploration projects		(276,650)	(50,000)
Payments for term deposit placement for bank guarantee		(51,348)	-
Net cash used in investing activities		**(1,196,915)**	**(1,140,265)**
Cash flows from financing activities			
Proceeds from issue of shares		1,800,000	1,601,150
Share issue costs		(144,791)	(131,420)
Proceeds from issue of options		5,523	-
Proceeds from the exercise of options		-	614,254
Proceeds from the issue of convertible notes		-	300,000
Repayment of lease liabilities		(94,740)	(149,750)
Net cash from financing activities		**1,565,992**	**2,234,234**
Net (decrease) in cash and cash equivalents		**(678,036)**	**(71,289)**
Cash and cash equivalents at the beginning of the year		1,659,408	1,731,392
Effect of exchange rate changes on cash and cash equivalents		(2,822)	(695)
Cash and cash equivalents at the end of the year	7	**978,550**	**1,659,408**

The Consolidated Statement of Cash Flows should be read in conjunction with the notes to the financial statements.

Notes to the Consolidated Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Reporting Entity

Red Mountain Mining Limited (referred to as "Company" or "parent entity") is a company domiciled in Australia. The address of the Company's registered office and principal place of business is disclosed in the Corporate Directory of the Annual Report. The consolidated financial statements of the Company as at and for the year ended 30 June 2023 comprise the Company and its subsidiaries (together referred to as the "Consolidated Entity" or the "Group").

(b) Basis of Preparation

Statement of compliance
These general-purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Basis of measurement
The consolidated financial statements have been prepared on a going concern basis in accordance with the historical cost convention, unless otherwise stated.

Parent entity information
In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in Note 24.

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

New standards and interpretations not yet mandatory or early adopted
Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2023. The consolidated entity has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Significant Judgements and Estimates
The preparation of financial statements requires the use of certain critical accounting estimates. It also requires 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 disclosed in Note 2.

(c) Comparatives

Comparative balances for the Group are for the financial period 30 June 2022.

(d) Dividends

Dividends are recognised when declared during the financial year and no longer at the discretion of the Company.

Notes to the Consolidated Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Principles of Consolidation

Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Red Mountain Mining Limited ('Company' or 'parent entity') as at 30 June 2023 and the results of all subsidiaries for the year then ended. Red Mountain Mining Limited and its subsidiaries together are referred to in this financial report as the consolidated entity.

Subsidiaries are all entities (including special purpose entities) over which the consolidated entity has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the consolidated entity controls another entity.

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

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

The acquisition method of accounting is used to account for business combinations by the consolidated entity. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

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

(f) Foreign Currency Translation

Functional and presentation currency

Items included in the financial statements of each of the consolidated entity's entities are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The consolidated financial statements are presented in Australian dollars, which is Red Mountain Mining Limited's functional and presentation currency.

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 profit or loss.

Consolidated entity companies

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

- Assets and liabilities for each statement of financial position account presented are translated at the closing rate at the date of that statement of financial position;

Notes to the Consolidated Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- Income and expenses for each statement of profit or loss and other comprehensive income account are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- All resulting exchange differences are recognised in other comprehensive income and included in the foreign currency translation reserve in the statement of financial position.

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

(g) Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

(h) Impairment of non-financial assets

Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other 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.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

(i) Impairment of Assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation 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 flows. Where an impairment loss subsequently reverses, the carrying amount of the asset, other than goodwill, is increased to the revised estimate of its recoverable amount, but only to the extent the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Notes to the Consolidated Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Employee benefits

Short-term employee benefits
Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits
The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense
Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

(k) Finance costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

NOTE 2 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS AND ASSUMPTIONS

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

Share-based payments transactions
The consolidated entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using an appropriate valuation model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Exploration and evaluation assets
Exploration and evaluation costs have been capitalised on the basis that the consolidated entity will commence commercial production in the future, from which time the costs will be amortised in proportion to the depletion of the mineral resources. 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 will be written off in the period in which this determination is made.

Notes to the Consolidated Financial Statements

NOTE 3 SEGMENT INFORMATION

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

On this basis, the Group's reportable segments under AASB Operating Segments are the Group's activities in Australia and United States of America ('USA'). Information regarding the Group's reportable segments is presented below.

Year ended 30 June 2023	**Australia**	**USA**	**Australia – Other**	**Total**
	$	**$**	**$**	**$**
Other revenue	8,285	-	89,373	97,658
Exploration expenditure	6,628	-	-	6,628
Impairment expense	(3,268,913)	-	-	(3,268,913)
Administration and other expense	-	-	(1,237,814)	(1,237,814)
Loss before income tax	**(3,254,000)**	**-**	**(1,148,441)**	**(4,402,441)**
Income tax expense	-	-	-	-
Loss after income tax	**(3,254,000)**	**-**	**(1,148,441)**	**(4,402,441)**
Total Segment Assets	150,034	1,771,240	1,366,519	**3,287,793**
Total Segment Liabilities	12,365	239,063	245,972	**497,400**

Year ended 30 June 2022	**Australia**	**USA**	**Australia – Other**	**Total**
	$	**$**	**$**	**$**
Other revenue	33,142	-	75,740	108,882
Exploration expenditure	4,977	-	-	4,977
Share-based payments expense	-	-	133,100	133,100
Administration and other expense	-	-	1,200,238	1,200,238
Loss before income tax	**38,119**	**-**	**1,409,078**	**1,447,197**
Income tax expense	-	-	-	-
Loss after income tax	**38,119**	**-**	**1,409,078**	**1,447,197**
Total Segment Assets	2,821,516	-	1,903,064	**4,724,580**
Total Segment Liabilities	43,317	-	121,962	**165,279**

Accounting Policy

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board. Management has determined that based on the report reviewed by the Board and used to make strategic decisions, that the consolidated entity has three reportable segments.

NOTE 4 REVENUE

	2023	**2022**
	$	**$**
Interest income	11,373	740
Grant funding	8,285	33,142
Subleasing income	78,000	75,000
	97,658	**108,882**

Notes to the Consolidated Financial Statements

NOTE 4 REVENUE (CONTINUED)

Accounting Policy

Revenue from contracts with customers
Revenue is recognised at an amount that reflects the consideration to which the Group is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Group: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are initially recognised as deferred revenue in the form of a separate refund liability.

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

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

All revenue is stated net of the amount of goods and services tax.

NOTE 5 INCOME TAX

	2023 $	2022 $
(a) The components of tax expense comprise:		
Current tax	-	-
Deferred tax	-	-
Income tax expense reported in the of profit or loss and other comprehensive income	**-**	**-**
(b) The prima facie tax on loss from ordinary activities before income tax is reconciled to the income tax as follows:		
Loss before income tax expense	(4,402,441)	(1,447,197)
Prima facie tax benefit on loss before income tax at 30% (2022: 30%)	**(1,320,732)**	**(434,159)**
Tax effect of:		
Changes in unrecognised temporary differences		
Equity-based payments	887,090	(429,309)
Tax losses and temporary differences not recognised	-	39,930
	433,642	**823,538**
Income tax expense	**-**	**-**

Notes to the Consolidated Financial Statements

NOTE 5 INCOME TAX (CONTINUED)

		2023 $	2022 $
(c)	Deferred tax assets not brought to account at 30% (2022: 30%) are:		
	Accruals/Provisions	12,300	21,450
	Prepayment	(8,875)	(14,843)
	Exploration Related Expenditure	154,186	(616,613)
	Business Blackhole Expenditure	89,411	144,753
	Right-of-use Assets	(57,122)	(7,374)
	Lease Liabilities	59,048	8,847
	Other	-	69
	Capital Tax Losses	1,034,302	1,034,302
	Revenue Tax Losses- Australia	6,361,244	5,915,231
	Total deferred tax assets not brought to account	**7,644,494**	**6,485,822**

Potential deferred tax assets attributable to tax losses and other temporary differences have not been brought to account at 30 June 2023 because the directors do not believe it is appropriate to regard realisation of the deferred tax assets as probable at this point in time.

The benefit for tax losses will only be obtained if:
(i) The Group derives future assessable income in Australia of a nature and of an amount sufficient to enable the benefit from the deductions for the losses to be realised;
(ii) The Group continues to comply with the conditions for deductibility imposed by tax legislation in Australia; and
(iii) There are no changes in tax legislation in Australia which will adversely affect the Group in realising the benefit from the deductions for the losses.

At 30 June 2023, there is no recognised or unrecognised deferred income tax liability for taxes that would be payable on the unremitted earnings of certain of the Group's subsidiary as the Group has no liability for additional taxation should such amounts be remitted.

Accounting Policy

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current Tax
Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting period. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred Tax
Deferred tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Notes to the Consolidated Financial Statements

NOTE 5 INCOME TAX (CONTINUED)

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at the end of the reporting period. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

NOTE 6 LOSS PER SHARE

Basic loss per share amounts are calculated by dividing net loss for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted loss per share amounts are calculated by dividing the net loss attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

	2023 $	2022 $
Net loss for the year	(4,402,441)	(1,447,197)
Weighted average number of ordinary shares for basic and diluted loss per share	1,934,021,351	1,519,688,916

Options on issue are not considered dilutive to the earnings per share as the Company is in a loss-making position. The convertible notes issued during the year were not dilutive, so the calculation excludes the impact of the shares potentially issuable. Consequently, the dilutive earnings per share is equivalent to the basic earnings per share.

	2023	2022
Continuing operations		
• Basic and diluted loss per share (cents)	**(0.23)**	**(0.15)**

Accounting Policy

Basic Earnings Per Share

Basic earnings per share is determined by dividing net profit or loss after income tax attributable to members of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

Notes to the Consolidated Financial Statements

NOTE 6 LOSS PER SHARE (CONTINUED)

Diluted Earnings Per Share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

NOTE 7 CASH AND CASH EQUIVALENTS

	2023 $	2022 $
Cash at bank and on hand	978,550	1,550,615
Short-term deposits	-	108,793
	978,550	**1,659,408**

Cash at bank earns interest at floating rates based on daily deposit rates. Short-term deposits are made in varying periods between one day and three months, depending on the immediate cash requirements of the Group and earn interest at the respective short-term deposit rates.

The Group's exposure to interest rate and credit risks is disclosed in Note 18.

(a) Reconciliation of net loss after tax to net cash outflows from operations

	2023 $	2022 $
Loss for the financial year	(4,402,441)	(1,447,197)
Adjustments for:		
Loss on revaluation of financial assets at FVTPL	38,753	69,823
Depreciation	88,048	147,474
Share-based payments		133,100
Impairment expense	3,268,913	-
Interest expense	8,205	-
Foreign exchange differences	658	5,057
Changes in assets and liabilities		
Trade and other receivables	36,271	(11,821)
Trade and other payables	(85,520)	(61,694)
Net cash used in operating activities	**(1,047,113)**	**(1,165,258)**

(b) Non-cash investing and financing activities

Shares issued for asset acquisition	1,076,923	-
	1,076,923	-

Accounting Policy

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

Notes to the Consolidated Financial Statements

NOTE 8 OTHER RECEIVABLES	2023 $	2022 $
Deposits paid	44,017	44,017
Prepayments	29,584	49,476
Other receivables	45,592	61,971
	119,193	**155,464**

(a) Allowance for expected credit losses
The Group did not recognise any loss in the profit or loss in respect of the expected credit losses for the year ended 30 June 2023 and 30 June 2022.

Accounting Policy

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

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included as a current asset or liability in the statement of financial position.

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

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

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

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

NOTE 9 OTHER FINANCIAL ASSETS	2023 $	2022 $
Term deposit	51,348	-
	51,348	**-**

NOTE 10 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2023 $	2022 $
Financial assets at fair value through profit or loss- current		
144,000 (2022: 144,000) fully paid ordinary shares held in Great Northern Minerals Limited (formerly Greenpower Limited) (i)	269	576
1,700,000 (2022: 1,700,000) fully paid ordinary shares held in Bluebird Merchant Ventures Ltd (LSE: BMV) (ii)	26,754	63,036
	27,023	**63,612**

(i) Includes loss of $307 (2022: loss of $1,008).
(ii) Includes loss of $36,282 (2022: loss of $73,872).

Notes to the Consolidated Financial Statements

NOTE 10 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

Net loss on financial instruments revaluation of $36,589 during the year ended 30 June 2023 (2022: net loss on financial instruments revaluation of $74,880).

Refer to Note 25 for further information on fair value measurement.

Accounting Policy

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

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

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

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

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

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

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

NOTE 11 RIGHT OF USE ASSET	2023 $	2022 $
Office lease – right-of-use	253,873	467,002
Less: Accumulated depreciation	(63,468)	(442,422)
	190,405	**24,580**

Notes to the Consolidated Financial Statements

NOTE 11 RIGHT OF USE ASSET (CONTINUED)

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

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The consolidated entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

NOTE 12 EXPLORATION AND EVALUATION ASSETS	2023 $	2022 $
Carrying amount of exploration and evaluation expenditure	**2,100,761**	**2,821,516**
At the beginning of the year	2,821,516	1,681,251
Acquisition of Airdrie Exploration Pty Ltd (i)	-	50,000
Additions capitalised during the period	1,119,066	1,090,265
Acquisition of Lithium Projects (ii)	1,249,605	-
Impairment expense	(3,268,913)	-
At the end of the year	**1,921,274**	**2,821,516**

(i) On 22 February 2022, the Company acquired a 100% interest in the Nannup project via acquisition of 100% shares in Airdrie Exploration Pty Ltd. $50,000 in cash was paid to acquire the project.

(ii) On 7 December 2022, the Company entered into a purchase agreement (the "**Purchase Agreement**") with Lithic Lithium LLC ("**LLL**"), a US subsidiary of Chariot Corporation Limited ("**Chariot**"), to acquire the Lithic Lithium Project ("**Lithic**") and the Mustang Lithium Project ("**Mustang**") (collectively, "the **Projects")**.

Red Mountain previously paid Lithic Lithium LLC ("LLL") an option fee of US$35,000 for an exclusive 45-day option period and subsequently elected to purchase the Projects for the following consideration:

(a) US$150,000 cash. This cash consideration was paid in December 2022;
(b) 179,487,179 fully paid ordinary shares, subject to shareholder approval. Approved at the General Meeting held on 1 February 2023;
(c) 102,564,103 performance rights that will vest and convert into one (1) share upon the Company's determination that the Property contains lithium mineralization of an average lithium grade of 900 parts per million (ppm) determined from not more than 200 metres of drilling on the Property over not less than ten (10) drill holes during the period commencing on the effective date and ending on the 12-month anniversary of the effective date (Expiry Date);
(d) 102,564,103 performance rights that will vest and convert into one (1) share upon the Company's determination that the Property contains lithium mineralization of an average lithium grade of 900 parts per million (ppm) determined from not more than 400 metres of drilling on the Property over not less than twenty (20) drill holes during the period commencing on the effective date and ending on the 24-month anniversary of the effective date (Expiry Date); and
(e) a Net Smelter Royalty ("NSR") in favour of LLL of 2%.

Notes to the Consolidated Financial Statements

NOTE 12 EXPLORATION AND EVALUATION ASSETS (CONTINUED)

Accounting Policy

Acquisition, exploration and evaluation costs associated with mining tenements are accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that the Group's rights of tenure to that area of interest are current and that the costs are expected to be recouped through the successful commercial development or sale of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Costs in relation to an abandoned area are written off in full against profit in the period in which the decision to abandon the area is made.

Each area of interest is also reviewed annually, and acquisition costs written off to the extent that they will not be recoverable in the future.

NOTE 13 TRADE AND OTHER PAYABLES

	2023 $	2022 $
Trade payables (i)	257,623	62,340
Accrued expenses	41,000	73,450
Other payables	1,950	-
	300,573	**135,790**

(i) Trade payables are non-interest bearing and are normally settled on 30-day terms.

Accounting Policy

These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

NOTE 14 LEASE LIABILITY

	2023 $	2022 $
Current		
Lease liability	82,427	29,489
Non-current		
Lease liability	114,400	-
	196,827	**29,489**

Accounting Policy

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

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Notes to the Consolidated Financial Statements

NOTE 15 CONTRIBUTED EQUITY

(a) Issued and fully paid

	2023		2022	
	No.	**$**	**No.**	**$**
Ordinary shares	**2,271,851,037**	**49,951,360**	**1,642,363,858**	**47,422,015**

(b) Movement reconciliation	**Date**	**Number**	**Issue Price**	**$**
At 1 July 2022		**1,642,363,858**	**-**	**47,422,015**
Placement - Tranche 1	16/12/2022	345,985,000	$0.0040	1,383,940
Placement - Tranche 2	08/02/2023	104,015,000	$0.0040	416,060
Consideration shares issued to Lithic Lithium LLC	17/02/2023	179,487,179	$0.0050	897,436
Share issue costs		-		(168,091)
At 30 June 2023		**2,271,851,037**		**49,951,360**
At 1 July 2021		1,256,822,489		44,488,471
Exercise of listed options (RMXOI)	19/07/2021	98,989,196	$0.0080	791,914
Conversion of 500,000 convertible notes	09/08/2021	65,789,474	$0.0076	500,000
Conversion of 300,000 convertible notes	16/08/2021	42,857,143	$0.0070	300,000
Placement	31/01/2021	177,905,556	$0.0090	1,601,150
Share issue costs		-		(259,520)
At 30 June 2022		**1,642,363,858**		**47,422,015**

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

At shareholders meetings, each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

Accounting Policy

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a business are not included in the cost of the acquisition as part of the purchase consideration.

If the Company reacquires its own equity instruments, for example, as a result of a share buy-back, those instruments are deducted from equity and the associated shares are cancelled. No gain or loss is recognised in the profit or loss and the consideration paid including any directly attributable incremental costs (net of income taxes) is recognised directly in equity.

Notes to the Consolidated Financial Statements

NOTE 16 RESERVES	2023 $	2022 $
Share-based payments	6,538,225	6,434,037
Foreign currency translation reserve	4,934,806	4,934,806
Other reserves	48,687	48,687
	11,521,718	**11,417,530**
<u>**Movement reconciliation**</u>		
Share-based payments reserve		
Balance at the beginning of the year	6,434,037	6,172,837
Equity settled share-based payment transactions (Note 17)	98,666	261,200
Issue of unlisted options as part of the Options Prospectus	5,522	-
Balance at the end of the year	**6,538,225**	**6,434,037**
Foreign currency translation reserve		
Balance at the beginning of the year	4,934,806	4,934,806
Balance at the end of the year	**4,934,806**	**4,934,806**
Other reserves		
Balance at the beginning of the year	48,687	48,687
Balance at the end of the year	**48,687**	**48,687**

Accounting Policy

Share-based payment reserve
The share-based payment reserve is used to record the value of share-based payments provided to outside parties, and share-based remuneration provided to employees and directors.

Foreign currency translation reserve
The translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations where their functional currency is different to the presentation currency of the reporting entity.

NOTE 17 SHARE-BASED PAYMENTS	2023 $	2022 $
Recognised as a share-based payment expense		
Unlisted options issued to Directors	-	128,100
Options issued for geologist services	-	5,000
Unlisted options issued to Lead Manager	23,300	128,100
Performance rights issued for acquisition of exploration projects	75,366	-
	98,666	**261,200**
Reconciliation:		
Recognised as share-based payment expenses in the Statement of Profit or Loss and Other Comprehensive Income	-	133,100
Recognised as share issue costs in equity	23,300	128,100
Recognised as exploration and evaluation assets in the Statement of Financial Position	75,366	-
	98,666	**261,200**

Notes to the Consolidated Financial Statements

NOTE 17 SHARE-BASED PAYMENTS (CONTINUED)

(a) Unlisted Options

Set out below is a summary of unlisted options granted as share-based payments during the year:

2023 Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
11-02-2023	11-02-2023	$0.009	555,000	-	-	(555,000)	-
15-05-2018	28-06-2023	$0.020	35,000,000	-	-	(35,000,000)	-
04-05-2022	04-02-2025	$0.015	60,000,000	-	-	-	60,000,000
01-12-2022	02-12-2025	$0.011	-	55,224,606 (i)	-	-	55,224,606
01-02-2023	02-12-2025	$0.011	-	10,000,000(ii)	-	-	10,000,000
			95,555,000	**65,224,606**	**-**	**(35,555,000)**	**125,224,606**
Weighted average exercise price			$0.013				

The weighted average remaining contractual life of options outstanding at the end of the financial year was 2.03 years.

All unlisted options vested immediately.

(i) On 1 December 2022, the Company issued 55,224,606 unquoted options at an issue price of $0.0001 per option (exercisable at $0.011, expiring 2 December 2025) as part of the offer in the Options Prospectus issued on 4 November 2022.
(ii) On 8 February 2023, The Company issued 10,000,000 unquoted options exercisable at $0.011 and expiring on 2 December 2025 to Xcel Capital for services rendered as approved by shareholders on 1 February 2023.

The unlisted options issued have been valued using the Hoadley ESO2 valuation model. The model and assumptions are shown in the table below:

Hoadley ESO2 valuation model	Lead Manager
Grant Date	1-02-2023
Expiry Date	2-12-2025
Strike (Exercise) Price	$0.011
Underlying Share Price (at date of issue)	$0.006
Risk-free Rate (at date of issue)	3.16%
Volatility	100%
Number of Options Issued	10,000,000
Dividend Yield	0%
Fair value per option	$0.00233
Total Fair Value of Options	**$23,300**

Notes to the Consolidated Financial Statements

NOTE 17 SHARE-BASED PAYMENTS (CONTINUED)

Set out below is a summary of unlisted options granted as share-based payments in the prior year:

2022							
Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
11-02-2022	11-02-2023	$0.009	555,000	-	-	-	555,000
15-05-2018	28-06-2023	$0.02	35,000,000	-	-	-	35,000,000
04-05-2022	04-02-2025	$0.015	-	60,000,000	-	-	60,000,000
			164,766,936	**60,000,000**	**-**	**-**	**95,555,000**
Weighted average exercise price		$0.014					

The weighted average remaining contractual life of options outstanding at the end of the financial year was 2.40 years.

All unlisted options vested immediately.

The unlisted options issued have been valued using the Hoadley ESO2 valuation model. The model and assumptions are shown in the table below:

Hoadley ESO2 valuation model				
	Lead Manager	Director – Troy Flannery	Director – Lincoln Ho	Director – Robert Parton
Grant Date	04-05-2022	04-05-2022	04-05-2022	04-05-2022
Expiry Date	04-02-2025	04-02-2025	04-02-2025	04-02-2025
Strike (Exercise) Price	$0.015	$0.015	$0.015	$0.015
Underlying Share Price (at date of issue)	$0.0085	$0.0085	$0.0085	$0.0085
Risk-free Rate (at date of issue)	3.13%	3.13%	3.13%	3.13%
Volatility	102%	102%	102%	102%
Number of Options Issued	30,000,000	15,000,000	12,000,000	3,000,000
Dividend Yield	0%	0%	0%	0%
Fair value per option	$0.00427	$0.00427	$0.00427	$0.00427
Total Fair Value of Options	**$128,100**	**$64,050**	**$51,240**	**$12,810**

(b) Listed Options

Set out below is a summary of listed options granted as share-based payments in during the year:

2023							
Grant Date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
30-11-2020	02-10-2022	$0.011	60,000,000	-	-	(60,000,000)	-
30-11-2020	02-10-2022	$0.011	69,211,936	-	-	(69,211,936)	-
			129,211,936	**-**	**-**	**(129,211,936)**	**-**

Notes to the Consolidated Financial Statements

NOTE 17 SHARE-BASED PAYMENTS (CONTINUED)

Set out below is a summary of listed options granted as share-based payments in the prior year:

2022							
Grant Date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
30-11-2020	02-10-2022	$0.011	60,000,000	-	-	-	60,000,000
30-11-2020	02-10-2022	$0.011	-	69,211,936(i)	-	-	69,211,936
			60,00,000	**69,211,936**	**-**	**-**	**129,211,936**

(i) In the previous financial year, the Group issued 36,215,540 listed options upon conversion of convertible notes and 32,996,396 listed bonus options upon exercise of listed options on 1 to 3 basis.

(c) Performance Rights

2023							
Tranche	Grant Date	Expiry date	Balance at the start of the year	Granted	Vested during the year	Cancelled/ Other	Balance at the end of the year
1	01-02-2023	01-02-2024	-	102,564,103(i)	-	-	102,564,103
2	01-02-2023	01-02-2025	-	102,564,103(i)	-	-	102,564,103
			-	**205,128,206**	**-**	**-**	**205,128,206**

(i) On 17 February 2023, the Company issued 102,564,103 Class A Performance Rights and 102,564,103 Class B Performance Rights as part of consideration for acquisition to Lithic Lithium LLC as approved by shareholders on 1 February 2023.

In relation to the Tranche 1 and Tranche 2 performance rights, these rights are straight-forward, non-market-based performance rights, with no consideration upon achievement. Accordingly, the fair value of the performance rights is by direct reference to the share price on grant date ($0.006).

30 June 2023		
	Class A	**Class B**
Grant Date	01-02-2023	01-02-2023
Expiry Date	01-02-2024	01-02-2025
Strike (Exercise) Price	N/A	N/A
Underlying Share Price (at date of issue)	$0.006	$0.006
Risk-free Rate (at date of issue)	N/A	N/A
Volatility	N/A	N/A
Number of Rights Issued	102,564,103	102,564,103
Value per Right	$0.006	$0.006
Probability	20%	20%
Total Fair Value of Rights	**$123,077**	**$123,077**

Notes to the Consolidated Financial Statements

NOTE 17 SHARE-BASED PAYMENTS (CONTINUED)

Performance conditions of the performance rights:

Class	Number of performance rights	Vesting Condition	Performance period
Class A	102,564,103	Upon the company's determination that the area contains lithium mineralisation of an average lithium grade of 900 parts per million (ppm) determined from not more than 200 metres of drilling of the area over not less than ten drill holes during commencement period and ending on the 12-month anniversary.	Within 12 months from 1 February 2023
Class B	102,564,103	Upon the company's determination that the area contains lithium mineralisation of an average lithium grade of 900 parts per million (ppm) determined from not more than 400 metres of drilling of the area over not less than twenty drill holes during commencement period and ending on the 24-month anniversary	Within 24 months from 1 February 2023

Accounting Policy

Equity-settled and cash-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using Hoadley ESO2 valuation model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the consolidated entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying either the Binomial or Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:

- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

Notes to the Consolidated Financial Statements

NOTE 17 SHARE-BASED PAYMENTS (CONTINUED)

Market conditions are taken into consideration in determining fair value. Therefore, any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the consolidated entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the consolidated entity or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

NOTE 18 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of the financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses different methods to measure and manage different types of risks to which it is exposed. These include monitoring levels of exposure to interest rate and foreign exchange risk and assessments of market forecasts for interest rate and foreign exchange prices. Ageing analysis and monitoring of specific credit allowances are undertaken to manage credit risk. Liquidity risk is monitored through the development of future cash flow forecasts.

Risk management is carried out by Management and overseen by the Board of Directors with assistance from suitably qualified external advisors.

The main risks arising for the Group are foreign exchange risk, interest rate risk, credit risk and liquidity risk. The Board reviews and agrees policies for managing each of these risks and they are summarised below.

The carrying values of the Group's financial instruments are as follows:

	2023 $	2022 $
Financial Assets		
Cash and cash equivalents	978,550	1,659,408
Trade and other receivables	119,193	155,464
Financial assets at fair value through profit or loss	27,023	63,612
Other financial assets – term deposit	51,348	-
	1,176,114	**1,878,484**
Financial Liabilities		
Trade and other payables	300,573	135,790
Lease liabilities	196,827	29,489
	497,400	**165,279**

Notes to the Consolidated Financial Statements

NOTE 18 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

(a) Market risk

(i) Foreign exchange risk
The Group manages its currency risks by closely monitoring exchange rate fluctuations.

Foreign currency risk sensitivity analysis
The Group's exposure to foreign currency risk at the reporting date was as follows:

	Assets	
	2023 $	2022 $
US dollars	2,797	24,449
British pounds	26,754	65,036
	29,551	**89,485**

Based on the financial instruments held at 30 June 2023, had the Australian dollar strengthened/weakened by 10% against these foreign currencies with all other variables held constant, the Group's post-tax loss for the financial year would have been $2,955 lower/higher (2022: $8,949 lower/higher) and equity would have been $2,955 lower/higher (2022: $8,949 lower/higher), mainly as a result of foreign exchange losses/gains on translation of foreign currencies denominated financial instruments as detailed in the above table. The Group's exposure to other foreign exchange movements is not material.

(ii) Interest rate risk
The Group is exposed to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in the market interest rates on interest bearing financial instruments. The Group's exposure to this risk relates primarily to the Group's cash and any cash on deposit. The Group does not use derivatives to mitigate these exposures. The Group manages its exposure to interest rate risk by holding certain amounts of cash in fixed and floating interest rate facilities. At the reporting date, the interest rate profile of the Group's interest-bearing financial instruments was:

	2023		2022	
	Weighted average interest rate	Balance $	Weighted average interest rate	Balance $
Cash and cash equivalents	**0.86%**	**978,550**	0.04%	1,659,408
Other financial assets	**0%**	**51,348**	0%	-
		1,029,898		**1,659,408**

The weighted average interest rate represents the average interest rate for the period.

Sensitivity
Within the analysis, consideration is given to potential renewals of existing positions and the mix of fixed and variable interest rates. The following sensitivity analysis is based on the interest rate risk exposures in existence at the reporting date. The 1% increase and 1% decrease in rates is based on reasonably expected possible changes over a financial year, using the observed range of historical rates for the preceding five-year period.

At 30 June 2023, if interest rates had moved, as illustrated in the table below, with all other variables held constant, post-tax losses and equity would have been affected as follows:

	Loss higher/(lower)	
	2023	2022
Judgements of reasonably possible movements:	$	$
+ 1.0% (100 basis points)	**10,299**	16,594
- 1.0% (100 basis points)	**(10,299)**	(16,594)

Notes to the Consolidated Financial Statements

NOTE 18 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

(b) Credit risk

Credit risk arises from the financial assets of the Group, which comprise cash and cash equivalents, trade and other receivables and other financial assets. The Group's exposure to credit risk arises from potential default of the counterparty, with maximum exposure equal to the carrying amount of the financial assets.

The Group's policy is to trade only with recognised, creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms will be subject to credit verification procedures.

In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant. There are no significant concentrations of credit risk within the Group.

(c) Liquidity risk

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

The following are the contractual maturities of the Group's financial liabilities:

2023	6 months $	6-12 months $	1-5 years $	> 5 years $	Total $
Trade and other payables	300,573	-	-	-	300,573
Lease liabilities	41,213	41,214	114,400	-	196,827
	341,786	**41,214**	**114,400**	**-**	**497,400**

2022	6 months $	6-12 months $	1-5 years $	> 5 years $	Total $
Trade and other payables	135,790	-	-	-	135,790
Lease liabilities	14,745	14,744	-	-	29,489
	150,535	**14,744**	**-**	**-**	**165,279**

(d) Capital risk management

The Group's objectives when managing capital are to:

- Safeguard their ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the number of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Given the stage of the Group's development there are no formal targets set for return on capital. There were no changes to the Group's approach to capital management during the year. The Group is not subject to externally imposed capital requirements. The net equity of the Group is equivalent to capital. Net capital is obtained through capital raisings on the Australian Securities Exchange ("ASX").

Notes to the Consolidated Financial Statements

(a) Key Management Personnel Compensation

Details relating to key management personnel, including remuneration paid, are below.

	2023 $	2022 $
Short-term benefits	176,000	236,753
Post-employment benefits	15,960	11,500
Share-based payments	-	128,100
	191,960	**376,353**

Information regarding individual Director's compensation and equity instruments disclosures is provided in the Remuneration Report section of the Directors' Report.

(b) Loans with KMP

There were no loans made to any KMP during the year ended 30 June 2023 (30 June 2022: Nil).

(c) Other Transactions with KMP

The following transactions occurred with related parties:	2023 $	2022 $
Consulting fees payable to Jack Rory Pty Ltd, an entity related to Mr Troy Flannery	69,209	-
Consulting fees payable to Saltus Corporate Pty Ltd, an entity related to Mr Lincoln Ho	11,250	-
Company secretarial and financial management services from Mirador Corporate Pty Ltd (director related entity of Jeremy King)	-	65,625
Rental income from Mirador Corporate Pty Ltd, an entity related to Mr Jeremy King	-	4,500
Rental income from Sultan Resources Limited, an entity related to Mr Jeremy King	-	25,000

Trade and other payables to related parties:	2023 $	2022 $
Consulting fees payable to Jack Rory Pty Ltd, an entity related to Mr Troy Flannery	1,873	-
Director fees payable to Jack Rory Pty Ltd, an entity related to Mr Troy Flannery	-	6,000

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

NOTE 20 COMMITMENTS

(a) Tenement Commitments

Below are the commitments in relation to its exploration and evaluation assets:	2023 $	2022 $
Within one year	125,789	853,000
Later than one year but not later than five years	422,560	-
	548,349	**853,000**

Notes to the Consolidated Financial Statements

NOTE 21 CONTINGENCIES

Contingent Liabilities

Acquisition of Lithic Projects

As part of the consideration of the Lithic Projects, the Vendor will retain a Net Smelter Royalty ("NSR") of Lithic Lithium ("LLL") of 2% upon production.

The consolidated entity has given bank guarantees as at 30 June 2023 of $51,348 (2022: $108,793) to various landlords.

Contingent Assets

There are no contingent assets or contingent liabilities as at 30 June 2023 (2022: Nil).

NOTE 22 AUDITOR'S REMUNERATION

	2023 $	2022 $
Amounts received or due and receivable by RSM Australia Partners for:		
Audit and review of the annual and half-year financial report	42,000	38,000
Other services - RSM Australia Pty Ltd for:		
• Income tax return	13,000	19,500
	55,000	**57,500**

NOTE 23 INVESTMENT IN CONTROLLED ENTITIES

	Principal Activities	Country of Incorporation	Ownership interest % 2023	Ownership interest % 2022
Unearthed Resources Pty Ltd	Exploration	Australia	100%	100%
RMX USA Corporation	Dormant	USA	100%	100%
Airdrie Exploration Pty Ltd	Exploration	Australia	100%	100%
Red Mountain Mining US[1]	Exploration	USA	100%	-

[1]This entity was incorporated on 12 November 2022.

NOTE 24 PARENT ENTITY

	2023 $	2022 $
Assets		
Current assets	1,149,083	1,878,476
Non-current assets	2,138,710	1,679,439
Total assets	**3,287,793**	**3,557,915**
Liabilities		
Current liabilities	383,000	165,278
Non-current liabilities	114,400	-
Total liabilities	**497,400**	**165,278**
Equity		
Contributed equity	49,951,360	47,422,015
Reserves	6,538,219	6,434,038
Accumulated losses	(53,699,186)	(50,463,416)
Total equity	**2,790,393**	**3,392,637**
Loss for the year	(3,235,770)	(2,338,361)
Total comprehensive loss	**(3,235,770)**	**(2,338,361)**

Notes to the Consolidated Financial Statements

NOTE 24 PARENT ENTITY (CONTINUED)

Contingent liabilities
The parent entity had no contingent liabilities as at 30 June 2023 (2022: Nil) other than disclose at Note 21.

Capital commitments - Property, plant and equipment
The parent entity had no capital commitments for property, plant and equipment as at 30 June 2023 (2022: Nil).

Exploration and evaluation commitments
The parent entity had exploration and evaluation commitments as disclosed in Note 20.

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

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

NOTE 25 FAIR VALUE MEASUREMENT

Fair value hierarchy

The following tables detail the consolidated entity's assets and liabilities, measured or disclosed at fair value, using a three-level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
Level 3: Unobservable inputs for the asset or liability

30 June 2023	Level 1 $	Level 2 $	Level 3 $	Total $
Assets				
Ordinary shares at fair value through profit or loss	27,023	-	-	27,023
Total assets	**27,023**	**-**	**-**	**27,023**

30 June 2022	Level 1 $	Level 2 $	Level 3 $	Total $
Assets				
Ordinary shares at fair value through profit or loss	63,612	-	-	63,612
Total assets	**63,612**	**-**	**-**	**63,612**

There were no transfers between levels during the financial year.

The carrying amounts of trade and other receivables and trade and other payables are assumed to approximate their fair values due to their short-term nature.

Accounting Policy

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Notes to the Consolidated Financial Statements

NOTE 25 FAIR VALUE MEASUREMENT (CONTINUED)

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

NOTE 26 ACQUISITION OF SUBSIDIARY

In the prior year on 14 March 2022, the Group acquired 100% of the issued capital of Airdrie Exploration Pty Ltd ("Airdrie"). As Airdrie held 2 exploration tenements licence, with no inputs or outputs being acquired, the acquisition was assessed as an asset acquisition rather than a business combination.

The Group paid $50,000 cash as consideration of the acquisition.

	2022 $
Purchase consideration	
Fair value of share consideration issued	50,000
	50,000
Net assets acquired	
Deferred exploration expenditure	50,000
	50,000

NOTE 27 EVENTS AFTER THE REPORTING DATE

Farm-in with LBM (Aust) Pty Ltd

On 10 July 2023, the Company announced that it entered into a farm-in agreement with LBM (Aust) Pty Ltd ("LBM"), a wholly owned subsidiary of Liontown Resources Ltd ("Liontown"), to acquire an 80% interest in their Monjebup Rare Earth Project. The project consists of 321 blocks covering ~910km^2 and it is prospective for Rare Earths in southern Western Australia.

Material Terms of Farm-in Transaction

- RMX will earn an 80% interest in the Monjebup Project by expending not less than A$500,000 of exploration expenditure within the farm-in period of 24 months.
- Within 5 business days from agreement execution, RMX shall issue Liontown an aggregate of 40,000,000 fully paid ordinary shares. The shares were issued on 20 July 2023.
- Upon RMX acquiring the tenement interest, the Company shall grant LBM a 2% net smelter royalty the minerals produced and sold from the Monjebup Project attributable to RMX's participating interest in the project.

Notes to the Consolidated Financial Statements

NOTE 27 EVENTS AFTER THE REPORTING DATE (CONTINUED)

Capital Raisings
On 8 August 2023, the Company completed a Placement to professional and sophisticated investors and issued 212,500,000 fully paid ordinary shares at $0.004 per share raising $850,000 before costs. One attaching option (exercisable at $0.008 per option, expiring 3 years from the date of issue) for every two Placement shares will be issued to participants, subject to shareholder approval.

The Company plans to undertake a Share Purchase Plan to raise $750,000 on the same terms as the Placement ("SPP"). Each participant in the SPP will be entitled to receive one free attaching option for every two SPP shares issued to them under the SPP (exercisable at $0.008 per option, expiring 3 years from the date of issue). The SPP closed on 8 September 2023 with the Company raising $596,900 (before costs). The SPP was well received, demonstrating healthy support of almost 80% uptake from shareholders. The Company will issue 149,225,000 fully paid ordinary shares at an issue price of $0.004 per share. The shares will be issued as per the timetable of the SPP.

Subject to ASX requirements, the Company intends to seek quotation of the attaching options under the Placement and SPP. If quotation of the attaching options cannot be obtained, they will remain as unquoted options.

Xcel Capital Pty Ltd were engaged to act as Lead Manager to the Placement and SPP. Fees payable are 6% across all funds raised, 30 million options (same terms as attaching Placement and SPP options) and a $20,000 management fee. The 30 million options were issued on 8 August 2023.

Other than stated above, there has been no other matter or circumstance that has arisen since the end of the financial year that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group.

Directors' Declaration

In the Directors' opinion:

a) The financial statements and accompanying notes are in accordance with the Corporations Act 2001, including:
   i) complying with Australian Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
   ii) giving a true and fair view of the consolidated entity's financial position as at 30 June 2023 and of its performance for the year ended on that date.

b) The financial statements and notes comply with International Financial Reporting Standards as described in Note 1 to the financial statements.

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

The Directors have been given the declarations required by section 295A of the Corporations Act 2001.

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

Troy Flannery
Non-Executive Chairman

28 September 2023

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INDEPENDENT AUDITOR'S REPORT

To the Members of RED MOUNTAIN MINING LIMITED

Opinion

We have audited the financial report of Red Mountain Mining Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2023, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

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

(i) Giving a true and fair view of the Group's financial position as at 30 June 2023 and of its financial performance for the year then ended; and

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

Basis for Opinion

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

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

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

Key Audit Matters

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

<table>
<tr><th>Key Audit Matter</th><th>How our audit addressed this matter</th></tr>
<tr><td colspan="2">Exploration and Evaluation Assets
Refer to Note 12 in the financial statements</td></tr>
<tr><td>The Group has capitalised exploration and evaluation assets with a carrying value of $1,921,274 as at 30 June 2023.

We considered this to be a key audit matter due to the significant management judgments involved in assessing the carrying value of the asset including:

• Determination of whether the expenditure can be associated with finding specific mineral resources, and the basis on which that expenditure is allocated to an area of interest;
• Determination of whether exploration activities have progressed to the stage at which the existence of an economically recoverable mineral reserve may be assessed; and
• Assessing whether any indicators of impairment are present, and if so, judgments applied to determine and quantify any impairment loss.</td><td>Our audit procedures included:

• Assessing the Group's accounting policy for compliance with Australian Accounting Standards;
• Testing, on a sample basis, the right to tenure of each area of interest is current;
• Testing, on a sample basis, additions of capitalised exploration and evaluation assets to supporting documentation and ensuring the amounts capitalised during the year are in compliance with the Group accounting policy and relate to the area of interest;
• Assessing and evaluating management's assessment of whether indicators of impairment existed as at 30 June 2023;
• Assessing and evaluating management's assessment of impairment loss recognised for the year ended 30 June 2023;
• Enquiring with management and reviewing budgets and other supporting documentation as evidence that active and significant operations in, or relation to, the area of interest will be continued in the future;
• Assessing management's determination that exploration and evaluation activities have not yet reached a stage where the existence or otherwise of economically recoverable reserves may be reasonably determined; and
• Assessing the appropriateness of the related financial statements disclosure.</td></tr>
</table>

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2023 but does not include the financial report and the auditor's report thereon.

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

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

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

Responsibilities of the Directors for the Financial Report

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

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

Auditor's Responsibilities for the Audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/auditors_responsibilities/ar2.pdf. This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included within the directors' report for the year ended 30 June 2023.

In our opinion, the Remuneration Report of Red Mountain Mining Limited, for the year ended 30 June 2023, complies with section 300A of the Corporations Act 2001.

Responsibilities

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

RSM

RSM AUSTRALIA PARTNERS

AIK KONG TING
Partner

Perth, WA
Dated: 28 September 2023

Corporate Governance Statement

The Board of Directors of Red Mountain Mining Limited is responsible for the corporate governance of the Company. The Board guides and monitors the business and affairs of the Company on behalf of the shareholders by whom they are elected and accountable. The Board continuously reviews its governance practices to ensure they remain consistent with the needs of the Company.

The Company complies with each of the recommendations set out in the Australian Securities Exchange Corporate Governance Council's Corporate Governance Principles and Recommendations 3rd Edition ("the ASX Principles"). This statement incorporates the disclosures required by the ASX Principles under the headings of the eight core principles. All of these practices, unless otherwise stated, are in place.

Further information on the Company's corporate governance policies and practices can be found on the Company's website at https://www.redmountainmining.com.au/

ASX Additional Information

Additional information required by the Australian Securities Exchange and not shown elsewhere in this Annual Report is as follows. The information is current as of 15 September 2023.

1. Fully paid ordinary shares

- There is a total of 2,673,576,037 fully paid ordinary shares on issue which are listed on the ASX.
- The number of holders of fully paid ordinary shares is 2,980.
- Holders of fully paid ordinary shares are entitled to participate in dividends and the proceeds on winding up of the Company.
- There are no preference shares on issue.

2. Distribution of equity securities is as follows:

(i) Ordinary share capital

The number of shareholders, by size of holding, is:

Range	Total holders	Units	% of Issued Capital
1 - 1,000	59	7,728	0.00%
1,001 - 5,000	29	77,524	0.00%
5,001 - 10,000	22	163,331	0.01%
10,001 - 100,000	985	65,444,216	2.45%
100,001 Over	1,885	2,607,883,238	97.54%
Total	**2,980**	**2,673,576,037**	**100.00%**

3. Unlisted options

- 60,000,000 unlisted options exercisable at $0.015 each on or before 4 February 2025
- 65,224,606 unlisted options exercisable at $0.011 each on or before 2 December 2025
- 30,000,000 unlisted options exercisable at $0.008 each on or before 14 September 2026

4. Performance Rights

- 102,564,103 Class A performance rights that will vest and convert into one (1) share upon the Company's determination that the Property contains lithium mineralization of an average lithium grade of 900 parts per million (ppm) determined from not more than 200 metres of drilling on the Property over not less than ten (10) drill holes during the period commencing on the effective date and ending on the 12-month anniversary of the effective date (Expiry Date).
- 102,564,103 Class B performance rights that will vest and convert into one (1) share upon the Company's determination that the Property contains lithium mineralization of an average lithium grade of 900 parts per million (ppm) determined from not more than 400 metres of drilling on the Property over not less than twenty (20) drill holes during the period commencing on the effective date and ending on the 24-month anniversary of the effective date (Expiry Date).

5. Holders of non-marketable parcels

Holders of non-marketable parcels are deemed to be those whose shareholding is valued at less than $500.

There were 1,383 holders of less than a marketable parcel of ordinary shares, which amounts to 3.90% of issued capital.

ASX Additional Information

6. Major shareholders

The Top 20 largest fully paid ordinary shareholders together held 36.63% of the securities in this class and are listed below:

No.	Holder Name	Number Held	Percentage
1	MCNEIL NOMINEES PTY LIMITED	224,591,543	8.40%
2	LITHIC LITHIUM LLC	154,358,974	5.77%
3	PAPILLON HOLDINGS PTY LTD <THE VML NO 1 A/C>	60,355,778	2.26%
4	MRS ALLISON MAREE BULSECO	57,561,111	2.15%
5	KALCON INVESTMENTS PTY LTD	53,615,602	2.01%
6	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	51,512,156	1.93%
7	NIGHTFALL PTY LTD <NIGHTFALL SUPER FUND A/C>	48,807,853	1.83%
8	XCEL CAPITAL PTY LTD	44,440,932	1.66%
9	LIONTOWN RESOURCES LIMITED	40,000,000	1.50%
10	CITICORP NOMINEES PTY LIMITED	36,292,259	1.36%
11	MR PETER ANDREW PROKSA	30,000,000	1.12%
12	MR NAI PEI LI	27,500,000	1.03%
13	KINGSTON NOMINEES PTY LTD	27,443,609	1.03%
14	BUSHWOOD NOMINEES PTY LTD	26,665,556	1.00%
15	KJLA PTY LTD <LINGO FAMILY A/C>	25,000,000	0.94%
16	YUTILEIRE PTY LTD <LF HOLDINGS A/C>	15,000,000	0.56%
17	MR CHRISTIAN DANIEL KIRSCH	15,000,000	0.56%
18	KALCON INVESTMENTS PTY LTD	14,529,763	0.54%
19	MR CASPER HENDRIK KEUKER	13,500,000	0.50%
20	STEVEN DARYL CLUNEY PTY LTD <STEVEN DARYL CLUNEY S/F A/C>	13,203,636	0.49%
Total: Top 20 holders of ORDINARY FULLY PAID SHARES		**979,378,772**	**36.63%**

7. Substantial shareholders of ordinary fully paid shares

The names of substantial shareholders who have notified the Company in accordance with section 671B of the Corporations Act 2001 are:

Holder	Holding Balance	% of Issued Capital
MCNEIL NOMINEES PTY LIMITED	224,591,543	8.40%
LITHIC LITHIUM LLC	154,358,974	5.77%

8. Voting rights of Shareholders

Ordinary shares
All fully paid ordinary shareholders are entitled to vote at any meeting of the members of the Company and their voting rights are on:

- Show of hands – one vote per shareholders; and
- Poll – one vote per fully paid ordinary share.

Options
Options carry no voting rights.

ASX Additional Information

9. Restricted securities
There are no restricted securities as at 15 September 2023.

10. Share buy-backs
There is currently no on-market buyback program for any of Red Mountain Mining listed securities.

11. Acquisition of voting shares
No issues of securities have been approved for the purposes of Item 7 of Section 611 of the Corporations Act 2001.

12. Tax Status
The Company is treated as a public company for taxation purposes.

13. Franking Credits
The Company has no franking credits.

14. Group Assets

Tenement Table
Mining tenement interests held at the end of the quarter and their location.

PERMIT NAME	PERMIT NUMBER	REGISTERED HOLDER/APPLICANT	AREA IN HECTARES	DATE OF RENEWAL PERIOD EXPIRATION	PERMIT TERM EXPIRY	INTEREST/ CONTRACTUAL RIGHT
Koonenberry	EL8997	Red Mountain Mining	35,400	3-Sept-23	3-Sept-23	100%
Koonenberry	EL9009	Red Mountain Mining	30,300	23-Oct-23	23-Oct-23	100%
Nannup	E70/5662	Airdrie Exploration P/L		20-Oct-26	20-Oct-26	100%
Charlotte	EL33346	Red Mountain Mining	525	02-Feb-29	02-Feb-29	100%
Mustang	J1-38, JE1-102	Red Mountain Mining USA	1069	-	-	100%
Lithic	SS001-115	Red Mountain Mining USA	961	-	-	100%
Monjebup	E70/6042	LBM (Aust) Pty Ltd	103 BL	23-May-24	23-May-27	Earn-in
Monjebup	E70/6043	LBM (Aust) Pty Ltd	106 BL	22-May-24	22-May-27	Earn-in
Monjebup	E70/6044	LBM (Aust) Pty Ltd	112 BL	23-May-24	23-May-27	Earn-in

*Note: Exploration Permits that have reached permit expiry have been submitted for renewal.