ABN 91 663 592 318

ANNUAL REPORT

FOR THE PERIOD ENDED 30 JUNE 2023

CONTENTS

CORPORATE DIRECTORY

Non-Executive Chairman Mr Daniel Smith **Chief Executive Officer** Mr Lloyd Kaiser **Non-Executive Directors** Dr Nannan He Mr Myles Campion Mr John Kay **Company Secretary** Mr John Kay **Stock Exchange** Australian Securities Exchange – **DY6**	**Registered Office** Level 8 99 St Georges Terrace Perth, WA, 6000 Australia Telephone: (08) 9486 4036 Facsimile: (08) 9486 4799 Email: info@dy6metals.com Website: www.dy6metals.com **Postal Address**: PO Box 5638 St Georges Terrace Perth, WA, 6831 Australia	**Share Registry** Computershare Investor Services Pty Limited Level 17 221 St George's Terrace Perth WA 6000 **Auditors** Moore Australia Audit (WA) Level 15, 2 The Esplanade Perth, WA, 6000 Australia **Solicitors** HWL Ebsworth Level 20/240 St Georges Terrace, Perth WA 6000

DIRECTORS' REPORT

LETTER FROM THE CEO

Dear Shareholders,

On behalf of the Board of Directors, I am pleased to present the first Annual Report for DY6 Metals Ltd ("**DY6**").

It has only been a brief time that I have been in the Chief Executive Officer's chair at DY6, but I am buoyed by the progress we have made on the ground in Malawi and the direction of the Company in general. The main point of attraction for me in joining DY6 was the portfolio of rare earths and specialty metals projects that had been assembled in Malawi, the "warm heart" of Africa.

Malawi is a country generously endowed with minerals but relatively unexplored compared to other jurisdictions. The government is clearly eager to promote the development of its mining industry and I am comfortable it will remain a stable operating environment for companies such as DY6.

When I started as CEO in August this year, exploration was already underway at our flagship Machinga heavy rare earths and niobium project in southern Malawi and by September the Company had completed a maiden drilling program with a total of 35 RC holes and 8 DD holes. By the time this report is published we should have received drilling results from our maiden campaign.

Machinga stands out as a quality opportunity in the rare earths space. While there are numerous explorers and developers focusing on neodymium-praseodymium (NdPr) projects, the higher value heavy rare earths that Machinga is enriched in, dysprosium (Dy) and terbium (Tb), have been nowhere near as hotly pursued.

As well as NdPr, high-operating temperature permanent magnets used in electric vehicles require dysprosium and terbium, and its growth in this application that is expected to drive future Dy and Tb demand. In the three months to mid-September this year, the spot dysprosium oxide price increased from US$275/kg to US$358/kg. The upwards price momentum appears likely to continue as a result of the recent mining suspensions in Myanmar, the largest supplier of dysprosium to China.

Looking at the longer-term view, respected forecasting group Adamas Intelligence projects that by 2035 there will be a shortage of Dy-Tb equating to two to three times global production in 2021. This presents an appealing backdrop for advancing Machinga, keeping in mind that the project also holds significant potential for niobium and tantalum, two critical metals for which demand is similarly being driven by the electrification thematic.

As some of you may know, my background is in chemical engineering. I have spent more than 30 years in the resources sector, including significant time with Arafura Rare Earths, owner of the Nolans Bore rare earths project in the Northern Territory. Whilst at Arafura, I gained a deep understanding of the rare earths supply chain and end-user requirements, as well as the complexities of process flowsheet development in the sector.

I look forward to applying this experience to DY6 and driving the Company's transformation from a relatively new explorer into an innovative mining company that creates value for stakeholders through the development of strategic critical metals.

Thank you for your support to date. The journey has only just begun.

Yours Sincerely,

Lloyd Kaiser
Chief Executive Officer

DIRECTORS' REPORT

Your directors present their report together with the financial statements of the Group consisting of DY6 Metals Ltd ("**DY6**" or "**the Company**") and its controlled entities for the period 3 November 2022 (date of incorporation) to 30 June 2023, the notes to the financial statements and the auditor's report thereon.

DIRECTORS

The following persons were Directors of DY6 Metals Ltd during the financial year and up to the date of this report unless otherwise stated:

Mr Daniel Smith – Non-Executive Chairman (appointed 3 November 2022)
Mr John Kay – Non-Executive Director (appointed 3 November 2022)
Dr Nannan He – Non-Executive Director (appointed 20 March 2023)
Mr Myles Campion – Non-Executive Director (appointed 20 March 2023)

PRINCIPAL ACTIVITIES

The Company's business model is focused on achieving exploration success and discovery of a potentially economic mineral deposit capable of being developed in Malawi, with a focus on minerals and metals that are used in the electric vehicle and renewable energy sectors.

RESULTS AND DIVIDENDS

The consolidated loss of the Group after tax (including discontinued operations) amounted to $909,722. There were no dividends paid or recommended during the financial period ended 30 June 2023.

CORPORATE

The Company was incorporated on 3 November 2022 and commenced trading on the ASX on 29 June 2023, following a $7 million initial public offering. This included cornerstone investments from Hong Kong-based strategic investors, Zhensi Group (HK) Heshi Composite Materials Co., Limited and Zhung Nam New Material Company Limited totalling $2.5m.

Machinga – HREE & Nb

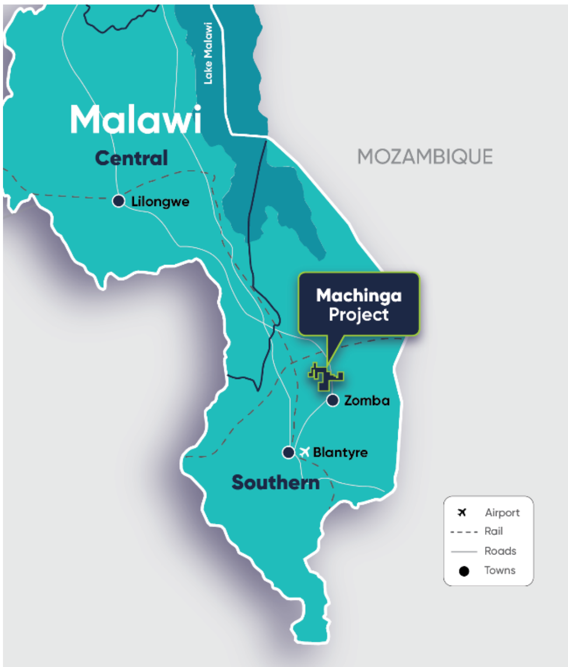

Figure 1: Map location of Machinga project

Machinga is a peralkaline style deposit highly prospective for HREEs and niobium located in southern Malawi, ~20km to the north of the city of Zomba. The countries main north-south highway connecting Lilongwe (capital city) with the old capital, Zomba, passes through the Project area. Machinga consists of 1 granted exploration licence (42.9km^2) and 1 exploration licence under application (157.5km^2) ("ELA"). The ELA is in the final stages awaiting ministerial sign-off. The Project lies approximately 40km east of Lindian Resources' (ASX:LIN) Kangakunde Project, a REE project of potential global significance.

Historical work previously conducted at the prospect by Globe Metals and Mining (ASX:GBE) ("**GBE**") in 2010 included:

2010 trenching program (Machinga North) included:

- MATR001: 7m @ 1.26% TREO
- MATR002: 33m @ 0.71% TREO
  Inc.: 11m @ 1.00% TREO with 0.46% Nb2O5
- MATR003: inc.: 15m @ 0.45% with 0.75% Nb2O5 including 5m @ 0.54% TREO and 1.34% Nb2O5

2010 drill program (Machinga North) included:

- MARC005: 11m @ 1.0% TREO with 330ppm Dy2O3 (from 12m)
  Inc.: 4m @ 1.4% TREO with 492ppm Dy2O3 (from 19m)
- MARC015: 5m @ 1.5% TREO with 596ppm Dy2O3 (from 26m)
- Inc.: 1m @ 2.5% TREO with 971ppm Dy2O3 (from 27m)

GBE previously identified a 7km radiometric anomaly on the main target zone, Machinga North (currently sitting within the granted licence). Historical drilling indicates mineralisation is open along strike and down dip. Machinga North is just one of six targets within the overall concession area (that is, included the ground covered by the ELA).

Since listing, the Company has completed a maiden drilling campaign at the Machinga North prospect for a total of 4,543m, consisting of 35 reverse circulation (**RC**) holes for 3,643m and 8 diamond drill (**DD**) holes for 900m.

Three of the DD holes were drilled to provide adequate sample material for subsequent mineralogy and metallurgical test work to be carried out in the last quarter of 2023. Delineation of ore-types such as those dominated by eudialyte will assist early metallurgical testing and commencement of mineralogical work to identify the REE-controlling phases and their distribution.

Figure 2. Diamond Drilling at Machinga North Prospect (MDD 005)

The initial drilling program has rapidly advanced geological knowledge of the Machinga alkaline complex. The drill core shows hydrothermal breccias, granite gneiss and migmatite with radiometric responses showing strong correlation with the hydrothermal breccias. REE mineralisation was visually identified in the majority of drill core at the Machinga North prospect and indicates the potential for a large mineralised system over numerous zones. [1]

Preliminary interpretation of the drill core aligns with previously reported geological evaluation of the mineralisation, which is tentatively identified as Eudialyte, an important zirconosilicate and REE bearing mineral (REE, Nd, Ta, and Zr) that is enriched in HREEs, Dy and Tb (Figures 3, 4 & 5). Eudialyte was identified and confirmed by petrology by the previous project owners (refer Globe Metals and Mining ASX:GBE, 29/7/2010).

Note however that the presence of eudialyte does not necessarily equate to REE mineralisation until confirmed by chemical analysis. Furthermore, it is not possible to visually estimate the percentage of REE mineralisation,

[1] Note, visual observations of the presence of rock or mineral types and abundance should never be considered a proxy or substitute for petrography and laboratory analyses where mineral types, concentrations or grades are the factor of principal economic interest. Visual observations and estimates also potentially provide no information regarding impurities or deleterious physical properties relevant to valuations. At this stage it is too early for the Company to make a determinative view on the abundances of any of these minerals. These abundances will be determined more accurately through petrography, assay, and XRF analysis. The observed presence of known REE-bearing minerals does not necessarily equate to rare earth mineralisation. It is not possible to estimate the concentration of mineralisation by visual estimation and this will be determined by chemical analysis. The first batch of DDH assays are expected late October this year. Refer ASX Announcement dated 12 September 2023.

and this will be determined by laboratory results reported in full once received. The first batch of DDH assays are expected late October this year.

Figure 3. Diamond drill core from hole MDD 005 containing potential REE mineralisation from visual inspection (pinkish coral colour) from approximately 130m to 135m down hole

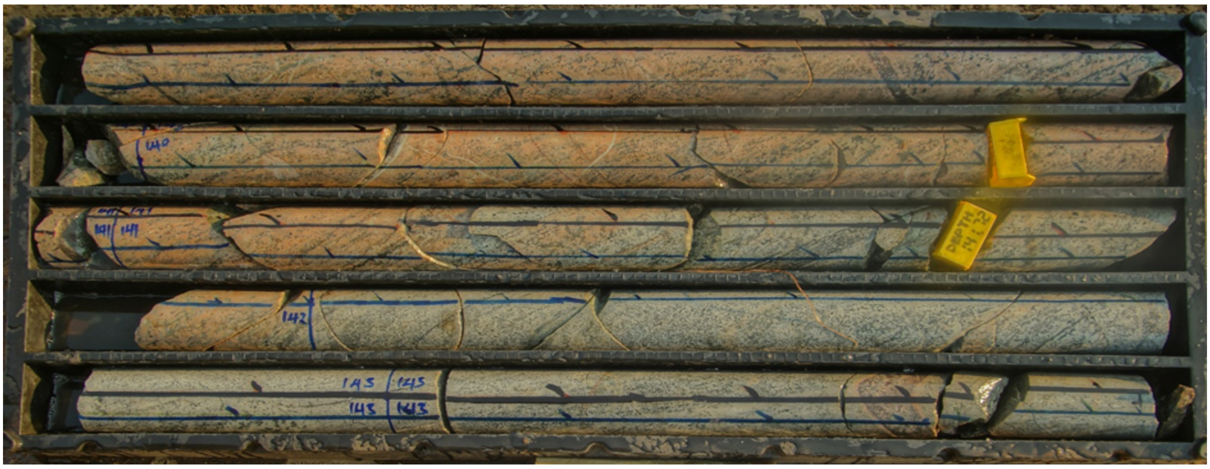

Figure 4. Diamond drill core from hole MDD 005 containing potential REE mineralisation from visual inspection (pinkish coral colour) from approximately 139m to 143m down hole

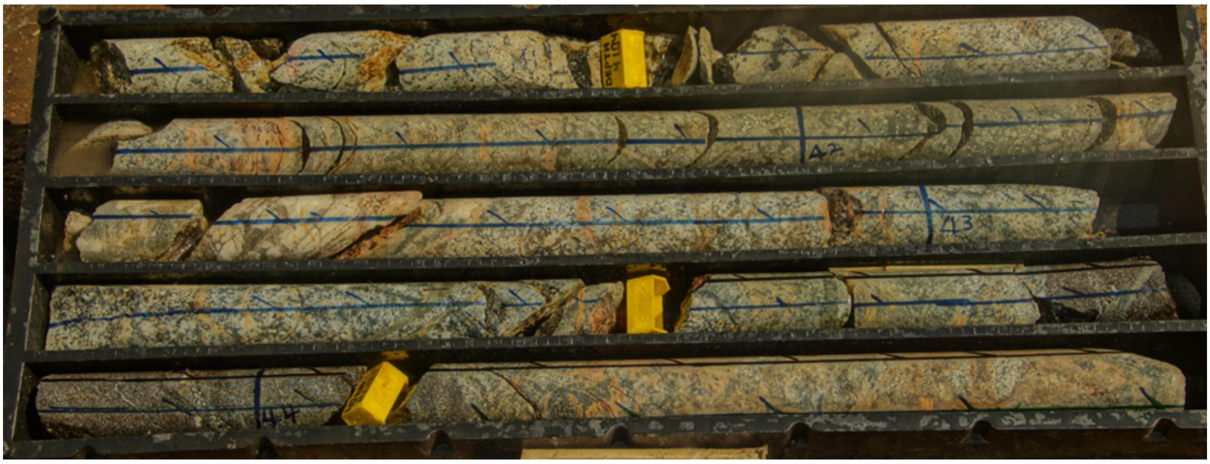

Figure 5. Diamond drill core from hole MDD 006 (metallurgical DD hole) containing potential REE mineralisation from visual inspection (pinkish coral colour) from approximately 41m to 45m down hole

The diamond drill rigs have now been demobilised from the Machinga project site. Geological logging and sampling of diamond drill core is continuing on-site and is expected to be completed shortly. Core samples will be progressively submitted for assay.

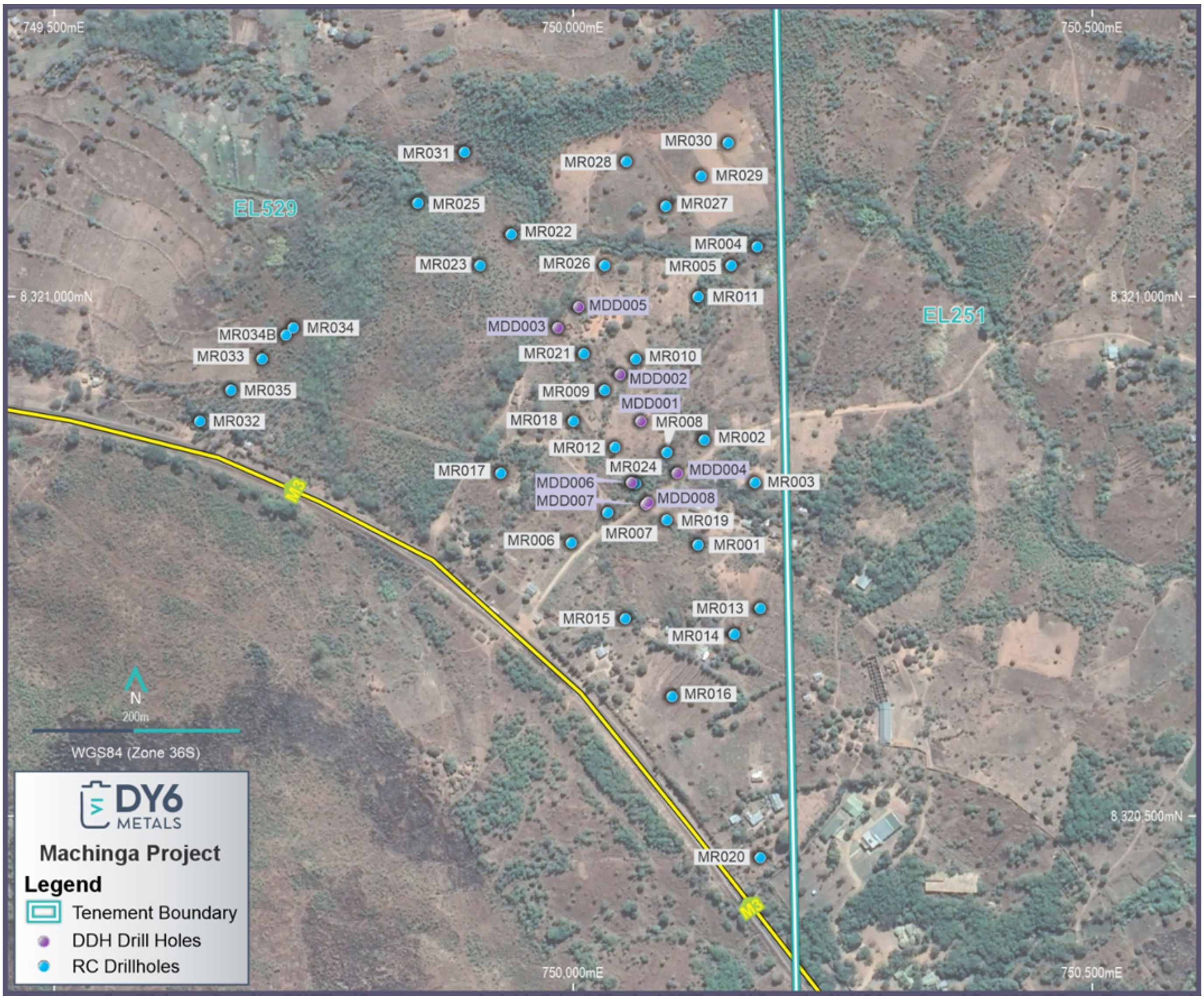

Figure 6. RC and Diamond Drill Hole Collar Locations

Full assay results have also been received from the Machinga North soil and reconnaissance rock chip sampling programs. The soil results indicate significant potential exists uphill and to the south of the initial focus of drilling activity.

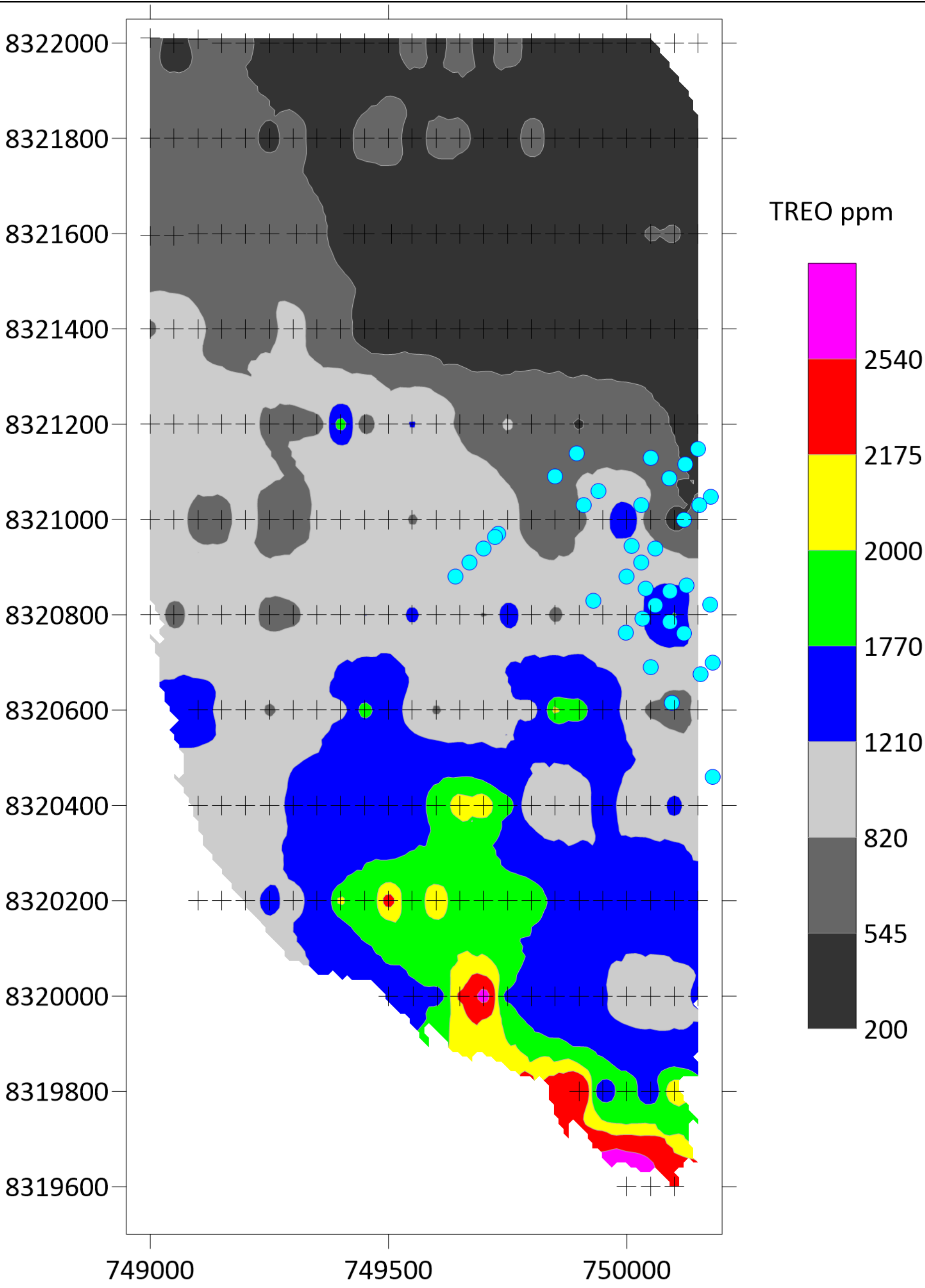

Figure 7. Contoured TREO ppm showing sample sites and DY6 RC drill collar locations

The data is being reviewed but appears to reflect the regolith with the skeletal soils on the hill slope showing strong responses and the area of drilling more subdued responses due to material transported downslope and diluting the local responses.

Full assay results received from soil and rock chip sampling programs at Machinga North:

- 256 soil samples were taken on a 200m x 50m grid
  - Assays returned up to 3520ppm (0.35%) TREO, 3730ppm (0.37%) Nb and 1.84% Zr
  - 35% of all soil samples returned >1000ppm (>0.1%) TREO
  - 49 rock chip samples were taken from historic trenching
  - Assays returned up to 28,299 ppm (2.83%) TREO, 0.77% Nb and 6.59% Zr

A rock chip sampling program is already underway in this southern area of anomalous soil responses. It will also be worthwhile to extend the area of soil sampling further to the south at the Machinga prospect.

Salambidwe – REE & Nb

The Salambidwe Project is a virgin rare earth prospect with limited previous exploration. Located in southern Malawi on the border with Mozambique, the Salambidwe Ring Complex forms part of the Chilwa Alkaline Suite of southern Malawi that also hosts the Kangankunde Deposit, the Company's Machinga REE Project and numerous other REE prospects.

The complex is approximately six kilometres in diameter (approximately 85% occurs within the licence) and is dominated by syenite and nepheline syenite with a core of agglomeratic rocks. These alkaline rock suites are known hosts to a variety of different economic commodities including copper, iron, titanium, niobium, thorium, uranium, REEs, barium, fluorine, phosphorous and other rare or incompatible elements.

Figure 8. Map location of Salambidwe Project

A recent field trip was conducted at Salambidwe and the Company is awaiting the results of rock chip samples. A more comprehensive sampling and geophysics programme is scheduled to occur towards the end of October this year. From there the Company will be better placed to define potential target areas for a drill programme to occur sometime around later Q1, early Q2 of next year.

Ngala Hill – PGE, Cu & Ni

Figure 9. Map location of Ngala Hill project

The Ngala Hill prospect is located 35 km south-southwest of Blantyre in southern Malawi. The deposit is characterised as an outcropping ultramafic chonolith with widespread Pd-Pt-Au-Cu mineralisation that is palladium-rich. No significant modern exploration has been undertaken on the prospect including no electromagnetics (EM) to target higher-grade massive sulphides. Three zones of palladium rich Pd, Pt, Au, Cu mineralisation have been identified to date.

The main mineralised zone has only had limited drilling. The Company believes there is significant potential for increased PGE grade in fresh rock (i.e., Julimar deposit). The prospect is proximal to the Nacala rail/ port corridor and grid power.

No immediate work has been planned at Ngala Hill in the near term.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

In the opinion of the Directors there were no significant changes in the state of affairs of the Group that occurred during the financial period not otherwise disclosed in this report.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

The Company commenced trading on ASX on 29 June 2023, following a $7 million initial public offering.

On 29 June 2023, the Company announced that its maiden drilling campaign at its flagship Machinga project in southern Malawi was underway.

On 27 July 2023, the Company announced key management appointment, being appointment of a chief executive officer.

On 11 September 2023, the Company announced completion of its maiden drilling campaign and results from a recent soil and rock chip sampling campaign at Machinga.

CORPORATE GOVERNANCE

The Company's Corporate Governance Statement is available on its website www.dy6metals.com.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

Likely future developments in the operations of the Group and the expected results of those operations in subsequent financial years are consistent with those reported for the current period.

ENVIRONMENTAL REGULATIONS

The Company is required to carry out its activities in accordance with the Mining Laws and regulations in the areas in which it undertakes its exploration activities. The Company is not aware of any matter which requires disclosure with respect to any significant environmental regulation in respect of its operating activities.

COMPETENT PERSON STATEMENT

The Information in this report that relates to exploration results, mineral resources or ore reserves is based on information compiled by Mr Allan Younger, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Younger is a consultant of the Company. Mr Younger has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the `Australian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves' (the JORC Code). Mr Younger consents to the inclusion of this information in the form and context in which it appears in this report. Mr Younger holds shares in the Company.

The exploration results contained in this report were first reported by the Company in its prospectus dated 3 April 2023 and announced to ASX on 27 June 2023, 6 July 2023 and 12 September 2023. The results were reported in accordance with the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". The Company confirms that it is not aware of any new information or data that materially affects the information included in the Prospectus.

Cautionary Statement

Visual observations of the presence of rock or mineral types and abundance should never be considered a proxy or substitute for petrography and laboratory analyses where mineral types, concentrations or grades are the factor of principal economic interest. Visual observations and estimates also potentially provide no information regarding impurities or deleterious physical properties relevant to valuations. At this stage it is too early for the Company to make a determinative view on the abundances of any of these minerals. These abundances will be determined more accurately through petrography, assay, and XRF analysis. The observed presence of known REE-bearing minerals does not necessarily equate to rare earth mineralisation. It is not possible to estimate the concentration of mineralisation by visual estimation and this will be determined by chemical analysis.

INFORMATION ON DIRECTORS

Director and Experience

Mr Daniel Smith (appointed 3 November 2022)
Non-Executive Chairman

Mr Smith holds a Bachelor of Arts, is a Fellow of the Governance Institute of Australia, and has over 15 years' primary and secondary capital markets expertise. He is a director and co-founder of Minerva Corporate, a boutique corporate services and advisory firm. He has advised on and been involved in over a dozen IPOs/RTOs on the ASX, AIM and NSX.

Mr Smith is currently non-executive director for several companies on AIM/ASX operating in the resources sector, with a focus on critical minerals, and has been heavily involved in project origination and evaluation.

Particulars of Directors Interest in Securities in the Company:

3,367,500 fully paid ordinary shares;
2,225,000 options ex $0.25 on or before four years from issue;
750,000 performance rights

Directorships held in other listed entities (last 3 years):

Name of Company	Position Held	Date commenced	Date resigned
Nelson Resources Limited	Non-executive director	15/08/2022	-
Alien Metals Ltd	Non-executive director	26/2/19	6/09/23
Artemis Resources Ltd	Non-executive director	5/2/19	-
White Cliff Minerals Ltd	Non-executive director	14/12/18	-
QX Resources Ltd	Non-executive director	13/6/18	-
Lachlan Star Ltd	Non-executive director	18/1/18	-
Europa Metals Ltd	Non-executive director	16/1/18	-

John Kay (appointed 3 November 2022)
Non-Executive Director

Mr Kay holds a Bachelor of Laws from the University of Western Australia and is admitted to practice as a lawyer in Western Australia and England & Wales. He is an experienced corporate lawyer and corporate adviser with over 15 years' experience in equity capital markets, M&A and resources gained through both private practice and inhouse roles in Australia and the UK. He currently operates a corporate advisory practice, Arcadia Corporate, which provides corporate advisory and capital raising services to listed and unlisted companies in the small cap mining sector.

He has previously held a number of non-executive and company secretarial roles for ASX listed mining and energy companies and has advised on over a dozen IPOs/RTOs on the ASX..

Particulars of Directors Interest in Securities in the Company:

3,105,000 Fully paid ordinary shares;

INFORMATION ON DIRECTORS

Director and Experience

2,140,000 Options exercisable at $0.25 each on or before 4 years from issue;
750,000 Performance Rights

Directorships held in other listed entities (last 3 years):

Name of Company	Position Held	Date commenced	Date resigned
Tian Poh Resources Ltd	Non-executive director	14/7/2021	30/5/2022

Dr Nannan He (appointed 20 March 2023)
Non-Executive Director

Dr He has over 10 years' experience in geosciences, chemical material trading, exploration and resources investment. Via her investment vehicle, Woodsouth Asset Management, she has been actively examining exploration and resource projects worldwide and has built strong networks, particularly in the Southeast Asian market.

Dr He holds a PhD in Geochemistry from Curtin University, a MS in Geochemistry from Hokkaido University, and a BS in Mineral Resource Exploration from Jilin University.

Particulars of Directors Interest in Securities in the Company:

925,556 fully paid ordinary shares;
225,278 options ex $0.25 on or before four years from issue

Directorships held in other listed entities (last 3 years):

Nil.

Mr Myles Campion (appointed 20 March 2023)
Non-Executive Director

Mr Campion has over 30 years' experience in the natural resources sector, including exploration geology, resource analysis, fund management, equities research and project and debt financing.

He started his career as an exploration and mining geologist in Australia covering base metals and gold, that included being the Project Geologist at LionOre responsible for the exploration, discovery and BFS completion of the Emily Ann Nickel Sulphide Mine. Mr Campion's financial experience ranges from Australian and UK equities research through to project and debt financing in London and Fund Manager for the OEIC Australian Natural Resources Fund for 5 years in Perth.

He has been the Executive Director of Europa Metals Ltd since August 2020 and is a Non-Executive Director at Katoro Gold PLC. Mr Campion has an M.Sc. in Minerals Exploration from the Royal School of Mines in London and B.Sc. Honors in Geology from University of Wales College Cardiff.

Particulars of Directors Interest in Securities in the Company:

565,000 fully paid ordinary shares;

INFORMATION ON DIRECTORS
Director and Experience

562,500 options ex $0.25 per shares on or before four years from issue

Directorships held in other listed entities (last 3 years):

Name of Company	Position Held	Date commenced	Date resigned
Europa Metals Ltd	Executive Chairman	17/10/2017	-
Katoro Gold PLC	Non-executive Director	11/11/2014	14/06/2023

COMPANY SECRETARY – QUALIFICATIONS & EXPERIENCE

Mr John Kay - LLB

Mr Kay is an experienced corporate lawyer and corporate adviser. He has over 15 years' experience in equity capital markets, M&A and resources gained through both private practice and inhouse roles in Australia and the UK. He currently operates a corporate advisory practice, Arcadia Corporate, which provides corporate advisory and capital raising services to listed and unlisted companies in the small cap mining sector.

He has previously held a number of non-executive and company secretarial roles for ASX listed mining and energy companies and has advised on over a dozen IPOs/RTOs on the ASX. Mr Kay holds a Bachelor of Laws from the University of Western Australia and is admitted to practice as a lawyer in Western Australia and England & Wales.

DIRECTORS' MEETINGS

The number of Directors' meetings and number of meetings attended by each of the Directors of the Company during the financial period (and the number each Director was entitled to attend):

	Directors' Meetings	
	Number eligible to attend	Number attended
Daniel Smith	1	1
John Kay	1	1
Nannan He	1	1
Myles Campion	1	1

Given the size of the company, there are no separate committees of Directors.

REMUNERATION REPORT (Audited)

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

(a) Principles used to determine the nature and amount of remuneration

The objective of the Group's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. As there is no remuneration committee the role is assumed by the full Board of Directors. The Board ensures that director and executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness;
- acceptability to shareholders;
- transparency; and
- capital management.

The Group has structured an executive remuneration framework that is market competitive and complementary to the reward strategy of the organisation.

Alignment to shareholders' interests:

- has economic profit as a core component of plan design;
- focuses on sustained growth in share price and delivering constant return on assets as well as focusing the executive on key non-financial drivers of value;
- attracts and retains high calibre executives;
- rewards capability and experience;
- reflects competitive reward for contribution to shareholder growth;
- provides a clear structure for earning rewards; and
- provides recognition for contribution.

(a) Principles used to determine the nature and amount of remuneration (continued)

Relationship between remuneration and Group performance

During the past year and since listing on 1 July 2023 the Group has generated losses because it is still involved in mineral exploration, not in production.

Given that the remuneration is commercially reasonable / appropriate / benchmarked, the link between remuneration, Group performance and shareholder wealth generation is tenuous, particularly in the exploration stage of a minerals company. Since listing the Group has recorded losses as it carries out exploration activities on its tenements, and no dividend has been paid. Share prices are subject to the influence of international metal prices and market sentiment toward the sector, and increases or decreases may occur quite independent of executive performance or remuneration. Share prices, largely unrelated to profit and loss, have descended to $0.16 since listing.

Non-Executive Directors

Messrs' Smith, Kay and Campion together with Dr He have entered into an appointment letter with the Company to act in the capacity of Non-Executive Directors. As non-executive Chairman, Mr Smith receives annual remuneration of $54,000 (plus GST) which commenced from the Company's listing. As non-executive Directors, Messrs' Kay and Campion together with Dr He receive annual remuneration of $54,000 (plus GST) which commenced from the Company's listing.

Additionally, Mr Smith received remuneration of $50,000 (plus GST) for work performed as pre-IPO service fees. Mr Kay received remuneration of $65,000 (plus GST) for work performed as pre-IPO service fees.

Non-Executive Directors' fees and payments are reviewed annually by the Board. The Board seeks to ensure Non-Executive Directors' fees and payments are appropriate and in line with the market.

Directors' fees

The current base remuneration was last reviewed with effect from April 2023.

Non-Executive Directors' fees are determined within the Non-Executive Directors' fee pool limit, which is periodically recommended for approval by shareholders. The pool currently stands at $300,000 per annum for Non-Executive Directors was adopted in the Company's Constitution dated 27 January 2023.

Retirement allowances for Directors

The Company provides no retirement allowances for Non-Executive Directors.

REMUNERATION REPORT (continued)

Executive pay

The executive pay and reward framework has four components:

- base pay and benefits;
- short-term incentives;
- long-term incentives through Directors options (refer Note 19); and
- other remuneration such as superannuation.

The combination of these comprises the executive's total remuneration.

Base pay

Structured as a total employment cost package which may be delivered as a mix of cash and prescribed non-financial benefits at the executive's discretion.

Executives are offered a competitive base pay that comprises the fixed component of pay and rewards. Base pay for senior executives is reviewed annually by the Board to ensure the executive's pay is competitive with the market. An executive's pay is also reviewed on promotion.

There are no guaranteed base pay increases fixed in any senior executives' contracts.

Benefits

Executives receive no benefits outside of the base pay, options and superannuation disclosed in this report.

(a) Principles used to determine the nature and amount of remuneration (continued)

Retirement benefits

Other than statutory superannuation contributions, no retirement benefits are provided for executives except statutory entitlements.

Short-term incentives

Key management personnel are entitled to short term incentives (STI's) based on performance that is agreed by the board from time to time.

Performance Conditions

Performance conditions are attached to the performance rights issued to directors as remuneration.

(b) Details of remuneration

Details of the nature and amount of each element of the emoluments of each of the key management personnel of the Group are set out in the following tables:

2023	Short-term employee benefits: Cash salary and fees $	Short-term employee benefits: Cash bonus $	Short-term employee benefits: Non-Monetary benefits $	Post-employment benefits: Super-annuation $	Post-employment benefits: Retirement benefits $	Share-based payment: Options $	Share-based payment: Performance Rights $	Total $
Non-Executive Directors								
Daniel Smith [1][3]	50,000[4]	-	-	-	-	15,798	25,171	90,969
John Kay [1][3]	65,000[4]	-	-	-	-	15,799	25,171	105,970
Nannan He [2][3]	-	-	-	-	-	-	-	-
Myles Campion [2][3]	-	-	-	-	-	42,466	-	42,466
Total	115,000	-	-	-	-	74,063	50,342	239,405

1. Appointed 3 November 2022.
2. Appointed 20 March 2023.
3. All director fees were paid post IPO.
4. Pre-IPO service fees paid.

Remuneration that is performance based % is that percentage of remuneration that consisted of options and performance rights.

The relative proportions of remuneration that are fixed are as follows:

	Fixed Remuneration 2023	At risk - STI 2023	At risk – LTI * 2023
Daniel Smith [1]	55%	45%	-
John Kay [1]	61%	39%	-
Nannan He [2]	-	-	-
Myles Campion [2]	-	100%	-

1. Appointed 3 November 2022
2. Appointed 20 March 2023.

*Long-term incentives reflect the value of remuneration consisting of options expensed during the year.

(c) Service agreements

There are service agreements in place for each executive and non-executive Director.

(d) Share-based Compensation

Options

On 28 December 2022, the Company issued 750,000 options each to two directors, each exercisable at $0.25 with a four-year expiry period. These options were valued using a Black-Scholes valuation model and the expense recognised in full at their issue date is $31,597. For the options issued during the period, a Black-Scholes valuation model was used with the valuation model inputs used to determine the fair value at the grant date as follows:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Risk free rate	Dividend yield	Number of options	Value per Option	Total Value $	Vesting terms
28/12/22	28/12/26	$0.05	$0.25	100%	3.25%	0%	1,500,000	$0.021	31,597	Immediately

On 28 February 2023, the Company issued 500,000 options to a director, each exercisable at $0.25 with a four-year expiry period. These options were valued using a Black-Scholes valuation model and the expense recognised in full at their issue date is $42,466. For the options issued during the period, a Black-Scholes valuation model was used with the valuation model inputs used to determine the fair value at the grant date as follows:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Risk free rate	Dividend yield	Number of options	Value per Option	Total Value $	Vesting terms
28/02/23	28/02/27	$0.14	$0.25	100%	3.25%	0%	500,000	$0.085	42,466	Immediately

Performance rights

On 28 December 2022, the Company issued 1,500,000 performance rights to directors. The rights were valued using a binomial valuation model. These performance rights were issued in three tranches, each with different performance milestones[(a)]. Each performance right will convert into 1 ordinary share of DY6 Metals Limited upon achievement of the performance milestone.

The company has assessed the probability of achievement of each class being achieved and have recognised an expense accordingly. The details of each class are tabled below:

Tranche	Number of Performance Shares	Grant Date	Exercise Price	Probability of achievement of milestone	Expiry Date of Performance Right	Expected Date of Milestone Achievements	Underlying Share Price	Total Fair Value
A	500,000	28/12/22	$0.0001	100%	28/12/27	28/12/24	$0.20	$100,000
B	500,000	28/12/22	$0.0001	100%	28/12/27	28/12/24	$0.20	$100,000
C	500,000	28/12/22	$0.0001	0%	28/12/27	28/12/27	$0.20	$0.00

Tranche A and B performance rights were valued at their issue dates and the expense recognised over the life of expected achievement of the milestone, resulting in an expense during the year of $50,342. This expense has been expensed as directors benefits expense.

REMUNERATION REPORT (continued)

Details of performance milestones as follows:
(i) Milestone 1
the announcement or announcements by the Company to ASX that tenement application APL0251 has been granted as a new exploration licence within two years from the date of Settlement;
(ii) Milestone 2
the announcement or announcements by the Company to ASX that completion of at least 2,000m of drilling has occurred on the Tenements within two years from the date of Settlement; and
(iii) Milestone 3
the announcement or announcements by the Company to ASX that the Company has delineated a JORC or NI43-101 compliant Mineral Resource on the Tenements of a minimum of 5Mt and having a minimum grade of 0.75% *TREO + Nb_2O_5 within four years from the date of Settlement.
*TREO = Total Rare Earth Oxides (La through Lu + Y)

(e) Equity Instrument disclosures relating to KMP

(i) Options provided as remuneration and shares issued on exercise of such options
Details of options over ordinary shares in the Company provided as remuneration and shares issued on the exercise of such options, together with terms and conditions of the options, can be found in the Remuneration Report, if applicable.

(ii) Option holdings
The number of options over ordinary shares held by each KMP of the Group during the financial year is as follows:

2023 Name	Balance at the start of the year	Granted during the year as remuneration	Exercised during the year	Other changes during the year	Balance at the end of the year	Vested and exercisable at the end of the year
Directors -						
Daniel Smith (1)	-	750,000	-	1,390,000	2,225,000	2,225,000
John Kay (1)	-	750,000	-	1,475,000	2,140,000	2,140,000
Nannan He (2)	-	-	-	225,278	225,278	225,278
Myles Campion (2)	-	500,000	-	62,500	562,500	562,500
Total	**-**	**2,000,000**	**-**	**3,152,778**	**5,177,778**	**5,177,778**

1. Appointed 3 November 2022.
2. Appointed 20 March 2023.

(iii) Performance rights
The number of performance rights over ordinary shares held by each KMP of the Group during the financial year is as follows:

2023 Name	Balance at the start of the year	Granted during the year as remuneration	Exercised during the year	Other changes during the year	Balance at the end of the year	Vested and exercisable at the end of the year
Directors -						
Daniel Smith (1)	-	750,000	-	-	750,000	-
John Kay (1)	-	750,000	-	-	750,000	-
Nannan He (2)	-	-	-	-	-	-
Myles Campion (2)	-	-	-	-	-	-
Total	**-**	**1,500,000**	**-**	**-**	**1,500,000**	**-**

1. Appointed 3 November 2022.
2. Appointed 20 March 2023.

REMUNERATION REPORT (continued)

(e) Equity Instrument disclosures relating to KMP (continued)

(iv) Share holdings

The numbers of shares in the Company held during the financial year by each Director of DY6 Metals Ltd and other key management personnel of the consolidated group are set out below.

2023	Balance at the start of the year	Received during the year on the exercise of options	Shares subscribed during the year	Balance at the end of the year
Directors				
Daniel Smith (1)	-	-	3,287,500	3,287,500
John Kay (1)	-	-	3,105,000	3,105,000
Nannan He (2)	-	-	925,556	925,556
Myles Campion (2)	-	-	565,000	565,000
Total	**-**	**-**	**7,883,056**	**7,883,056**

1. Appointed 3 November 2022.
2. Appointed 20 March 2023.

(f) *Loans to Directors and executives*

No loans were made to Directors DY6 Metals Ltd or other key management personnel of the consolidated group, including their personally-related entities.

(g) *Other transactions with Directors and other key management personnel*

Other transactions with Directors and other key management personnel, including amounts paid and owing at 30 June 2023, are set out below:

Key management personnel or their related party	*Nature of transactions*	*30 June 2023*
Minerva Corporate Pty Ltd / Daniel Smith	Pre-IPO service fees	$50,000
Arcadia Corporate Pty Ltd / John Kay	Pre-IPO service fees	$65,000
Virico (IOM) Limited / Myles Campion	Consulting fees	$15,000
Geosmart International / Nannan He	Capital raising/finder fees(i)	$105,560

(i) Geosmart International is an entity controlled by the spouse of Nannan He

(h) Additional information

The Company has a share trading policy which imposes basic trading restrictions on all employees of the Company with 'insider information', and additional trading restrictions on the Directors of the Company.

Full details of the Share Trading Policy can be found on the Company's website.

No options provided as remuneration were exercised during the year.

Relationship between remuneration and the Group's performance

The following table shows key performance indicators for the Group over the last five years:

	2023	2022	2021	2020	2019
Loss for the year	$804,162	n/a	n/a	n/a	n/a
Closing Share Price	$0.20	n/a	n/a	n/a	n/a

KMP Incentives	$124,405	n/a	n/a	n/a	n/a
Total KMP Remuneration	$124,405	n/a	n/a	n/a	n/a

Remuneration Consultants

The Group did not engage the services of any remuneration consultants during the year.

END OF AUDITED REMUNERATION REPORT

SHARES UNDER OPTION

The following unissued ordinary shares of DY6 Metals Ltd under option are on issue as at the date of this report:

1. 3,000,000 options exercisable at $0.30 expiring 23 June 2026
2. 5,500,000 options exercisable at $0.25 expiring 28 December 2026
3. 500,000 options exercisable at $0.25 expiring 28 February 2027

SHARES ISSUED ON THE EXERCISE OF OPTIONS

During the financial period ended 30 June 2023, there were nil shares of DY6 Metals Ltd issued upon the exercise of options. None have been issued since the end of the financial year.

INSURANCE OF OFFICERS

Since the end of the previous financial year the consolidated group has paid insurance premiums in respect of directors' and officers' legal expenses and liability insurance. The policies prohibit disclosure of details of the policies or the premiums paid. The Company has not otherwise, during or since the end of the year, except at the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the company or any of its controlled entities against a liability incurred as such an officer or auditor.

NON-AUDIT SERVICES

The Company 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 Consolidated Group are important.

Details of the amounts paid or payable to the auditor (Moore Australia Audit (WA)) for audit and non-audit services provided during the year are set out below.

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

- All non-audit services have been reviewed by the Board in its capacity as the Audit Committee 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, including reviewing or auditing the auditor's own work, acting in a management or a decision-making capacity for the Company, acting as advocate for the Company or jointly sharing economic risk and rewards.

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 25.

During the period the following fees were paid or payable for services provided by the auditor of the parent entity, its related practices and non-related audit firms.

	2023 $
Assurance services	
Audit Services	
Moore Australia Audit (WA)	37,125
Total remuneration for audit services	37,125
Non-Assurance services	
Other Services	
Moore Australia Corporate Finance (WA) Pty Ltd	15,000
Total remuneration for other services	15,000

PROCEEDINGS ON BEHALF OF 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 purpose of taking responsible on behalf of the company for all or part of those proceedings.

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

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

Daniel Smith
Non-Executive Chairman

29 September 2023

MOORE

Moore Australia Audit (WA)

Level 15, Exchange Tower,
2 The Esplanade, Perth, WA 6000

PO Box 5785, St Georges Terrace, WA 6831

T +61 8 9225 5355
F +61 8 9225 6181

www.moore-australia.com.au

AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF DY6 METALS LTD

I declare that, to the best of my knowledge and belief, during the period ended 30 June 2023, there have been:

a) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit, and

b) no contraventions of any applicable code of professional conduct in relation to the audit.

MOORE AUSTRALIA

SL TAN
PARTNER

MOORE AUSTRALIA AUDIT (WA)
CHARTERED ACCOUNTANTS

Signed at Perth this 29th day of September 2023.

FINANCIAL REPORT – 30 JUNE 2023

This financial report includes the consolidated financial statements and notes of DY6 Metals Ltd and its controlled entities ('Consolidated Group' or 'Group') from the period 3 November 2022 (date of incorporation) to 30 June 2023. The financial report is presented in the Australian currency.

DY6 Metals Ltd is a company limited by shares, incorporated and domiciled in Australia. Its principal place of business and registered office are both:

DY6 Metals Ltd
Level 8, 99 St Georges Terrace
Perth WA 6000

A description of the nature of the Group's operations and principal activities is included in the Review of Operations in the Directors' report.

The financial report was authorised for issue by the Directors on 29 September 2023. The Company has the power to amend and reissue the financial report.

Through the use of the internet, we have ensured that our corporate reporting is timely, complete, and available globally at minimum cost to the Company. All press releases, financial reports and other information are available on our website: www.dy6metals.com.

For queries in relation to our reporting please call +61 8 9486 4036 or email dan.smith@dy6metals.com

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 JUNE 2023

	Note	2023 $
Revenue from Continuing Operations		
Revenue		-
Other income	4	9,639
		9,639
Employee benefit expense	18	(115,000)
Consultant and advisors	5	(228,457)
Corporate costs	5	(160,021)
Insurance		(31,469)
Investor and public relations		(75,435)
Other expenses	5	(79,014)
Share based payments	5	(124,405)
Loss before income tax		(804,162)
Income tax expense/(benefit)	6	-
Loss after tax from continuing operations		(804,162)
Loss for the year attributable to ordinary equity holders of DY6 Metals Ltd		(804,162)
Other comprehensive income		
Items that may be subsequently reclassified to profit or loss:		
Movement in foreign currency translation		847
Other comprehensive income for the year		-
Total comprehensive loss for the year attributable to ordinary equity holders of DY6 Metals Ltd		(803,315)
Loss per share for the year attributable to members of DY6 Metals Ltd		**Cents**
Continuing operations		(10.45)
Total basic and diluted (loss) per share	15	(10.45)

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

DY6 METALS LTD
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023

	Notes	2023
		$
ASSETS		
Current Assets		
Cash and cash equivalents	7	6,816,291
Trade and other receivables	8	104,106
Total Current Assets		6,920,397
Non-Current Assets		
Exploration and evaluation expenditure	9	2,601,527
Total Non-Current Assets		2,601,527
Total Assets		9,521,924
LIABILITIES		
Current Liabilities		
Trade and other payables	10	909,976
Total Current Liabilities		909,976
Total Liabilities		909,976
Net Assets		8,611,948
EQUITY		
Contributed equity	13	8,559,823
Reserves	14	856,287
Accumulated losses	14	(804,162)
Total Equity		8,611,948

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

DY6 METALS LTD
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2023

	Contributed Equity	Accumulated Losses	Performance Rights Reserve	Options Reserve	Foreign Currency Translation Reserve	Total
	$	$			$	$
Balance at Incorporation (3 November 2022)	-	-	-	-	-	-
Loss attributable to ordinary equity holders of DY6 Metals Ltd	-	(804,162)	-	-	-	(804,162)
Other comprehensive income -		-	-		-	-
Foreign currency translation	-	-	-	-	847	847
Total comprehensive loss for the year	-	(804,162)	-		847	(803,315)
Transaction with owners, in their capacity as owners						
Shares issued during the year, net of costs	8,559,823	-	-	-	-	8,559,823
Performance rights issued during the year	-	-	450,342	-	-	450,342
Options issued during the year	-	-	-	405,098	-	405,098
Foreign currency translation reserve	-	-	-	-	-	-
Balance at 30 June 2023	8,559,823	(804,162)	450,342	405,098	847	8,611,948

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

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 JUNE 2023

	Note	2023
		$
Cash Flows from Operating Activities		
Payments to suppliers and employees		(517,418)
Interest received		9,639
Net cash outflow from operating activities	**21**	**(507,779)**
Cash Flows from Investing Activities		
Payments for exploration and evaluation expenditure		(381,283)
Net cash outflow from investing activities		**(381,283)**
Cash Flows from Financing Activities		
Proceeds from the issue of shares		7,705,353
Transaction costs related to issue of shares		-
Net cash inflow from financing activities		**7,705,353**
Net increase in cash and cash equivalents		6,816,291
Cash at 3 November 2022 (date of incorporation)		-
Cash at 30 June 2023	**7**	**6,816,291**

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial report are set out below. The financial report includes the consolidated financial statements and notes of DY6 Metals Ltd and its controlled entities ('Consolidated Group' or 'Group).

Basis of preparation
This general purpose financial report has been prepared in accordance with Australian Accounting Standards and Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001.* DY6 Metals Ltd is a for profit entity for the purposes of preparing the financial statements.

Compliance with IFRS
These consolidated financial statements also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Historical cost convention
These financial statements have been prepared under the historical cost convention.

Comparatives
There are no comparatives as the Company was only incorporated on 3 November 2022 and this financial report represents the Company's first set of financial statements. The financial statements cover the period from 13 November 2022 to 30 June 2023.

Critical accounting estimates
The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group. 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 3.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(a) Principles of consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent (DY6 Metals Ltd) and all of the subsidiaries (including any structured entities). Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. A list of the subsidiaries is provided in Note 22.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealized gains or losses on transactions between group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

(b) Cash and cash equivalents

For statement of cash flows presentation purposes, 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, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

(c) Exploration and evaluation expenditure

Evaluation and evaluation expenditures incurred are capitalised in respect of each identifiable area of interest. These costs are only capitalised to the extent that they are expected to be recovered through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit or loss in the year in which the decision to abandon the area is made. When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to capitalise costs in relation to that area.

Any changes in the estimates for the costs are accounted for on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly, the costs have been determined on the basis that the restoration will be completed within one year of abandoning the site.

(d) Impairment of assets

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Employee benefits

Short-term employee benefits

Provision is made for the Group's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Group's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position. The Group's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

Other long-term employee benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on corporate bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

The Group's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Group does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

Defined contribution superannuation benefits

All employees of the Group receive defined contribution superannuation entitlements, for which the Group pays the fixed superannuation guarantee contribution (currently 10.5% of the employee's average ordinary salary) to the employee's superannuation fund of choice. All contributions in respect of employees' defined contribution entitlements are recognised as an expense when they become payable. The Group's obligation with respect to employees' defined contribution entitlements is limited to its obligation for any unpaid superannuation guarantee contributions at the end of the reporting period. All obligations for unpaid superannuation guarantee contributions are measured at the (undiscounted) amounts expected to be paid when the obligation is settled and are presented as current liabilities in the Group's statement of financial position.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Employee benefits (continued)

Equity-settled compensation

Share-based payments to employees are measured at the fair value of the instruments issued and amortised over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The corresponding amount is recorded to equity. The fair value of options and performance rights are determined using the Black-Scholes and/or binomial pricing models respectively. Where there are non-market performance conditions attached the number of performance rights and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognised for services received as consideration for the equity instruments granted is based on the number of equity instruments that eventually vest.

(g) Revenue recognition

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

(h) Interest income

Interest income is recognised using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument and continues unwinding the discount as interest income. Interest income on impaired loans is recognised using the original effective interest rate.

(i) Income tax

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

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 income 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.

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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Income tax (continued)

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.

(j) Goods and Services Tax (GST)

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

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

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

(k) Provisions

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will results and that outflow can be reliably measured.

(l) Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit after tax attributable to equity holders 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.

Diluted earnings per share

Potential shares as a result of options outstanding at the end of the year are not dilutive and therefore have not been included in the calculation of diluted earnings per share.

(m) Foreign currency transactions and balances

The functional currency of each of the group’s entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity’s functional and presentation currency.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) Foreign currency transactions and balances

Transaction and balances
Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the statement of profit or loss and other comprehensive income.

Exchange differences arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity, otherwise the exchange difference is recognised in the statement of profit or loss and other comprehensive income.

Group companies
The financial results and position of foreign operations whose functional currency is different from the group's presentation currency are translated as follows:
a. Assets and liabilities are translated at year-end exchange rates prevailing at that reporting date;
b. Income and expenses are translated at average exchange rates for the period; and
c. Share capital and retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations are transferred directly to the group's foreign currency translation reserve in the statement of financial position. These differences are recognised in the statement of profit or loss and other comprehensive income in the period in which the operation is disposed.

(n) Segment Reporting
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 of Directors.

(o) New, revised or amending Accounting Standards and Interpretations adopted
The Group has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The Directors have determined that these new standards do not materially impact the Group.

(p) New Accounting Standards for Application in Future Periods
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 2022. The consolidated entity has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

(q) Financial Instruments

Initial recognition and measurement
Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions to the instrument. For financial assets, this is the date that the Company commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(q) Financial Instruments (continued)

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component or if the practical expedient was applied as specified in AASB 15.63.

Classification and subsequent measurement

Financial assets
Financial assets are subsequently measured at:

– amortised cost;
– fair value through other comprehensive income; or
– fair value through profit or loss.

Measurement is on the basis of two primary criteria:
– the contractual cash flow characteristics of the financial asset; and
– the business model for managing the financial assets.

A financial asset that meets the following conditions is subsequently measured at amortised cost:

– the financial asset is managed solely to collect contractual cash flows; and
– the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.
A financial asset that meets the following conditions is subsequently measured at fair value through other comprehensive income:
– the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates;
– the business model for managing the financial assets comprises both contractual cash flows collection and the selling of the financial asset.

Regular way purchases and sales of financial assets are recognised and derecognised at settlement date in accordance with the Company's accounting policy.

NOTE 2 FINANCIAL RISK MANAGEMENT

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 program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group is engaged in mineral exploration and evaluation, and does not currently sell product and derives only limited revenue from interest earned.

Risk management is carried out by the board as a whole and no formal risk management policy has been adopted but is in the process of development.

NOTE 2 FINANCIAL RISK MANAGEMENT (continued)

(a) Market risk

(i) Foreign exchange risk

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

The Group operates internationally and is exposed to foreign exchange risk arising from currency exposures to the Malawian Kwacha and the United States Dollar. Since the Group has not yet commenced mining operations or to sell products the exposure is limited to the movement in loan accounts between the Parent and the Subsidiary located in Malawi.

The Group limits its foreign currency risk by limiting funds held in overseas bank accounts and paying its creditors promptly. The Group's exposure to foreign currency risk on Malawian Kwacha, translated into Australian Dollars at 30 June, was as follows:

	2023 AUD
Foreign currency assets and liabilities	
Cash and cash equivalents	88,966
Trade and other payables	(127,241)

(ii) Interest rate risk

From time to time the Group has significant interest bearing assets, but they are as a result of the timing of equity raising and capital expenditure rather than a reliance on interest income. Exposure to interest rates is limited to the cash and cash equivalents balances.

The Group's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates, and the effective weighted average interest rate for each class of financial assets and financial liabilities comprises:

2023	**Floating Interest Rate** **$**	**Non-interest bearing** **$**	**Total** **$**
Financial assets			
Cash and cash equivalents	6,816,291	-	6,816,291
Trade and other receivables		104,106	104,106
	6,816,291	104,106	6,920,397
Weighted average interest rate			
Financial liabilities			
Trade and other payables	-	909,976	909,976
	-	909,976	909,976
Net financial assets	6,816,291	(805,870)	6,010,421

NOTE 2 FINANCIAL RISK MANAGEMENT (continued)

Sensitivity analysis
The following table illustrates sensitivities of the Group's exposure to changes in interest rates. The table indicates the impact on how profit reported at balance date would have been affected by changes in the interest rate risk variable that management considers to be reasonably possible.

	2023
	$
Net financial assets subject to variable interest rates	6,816,291
Increase in profits and equity resulting from a 1% pa increase in variable interest rates	68,162
Decrease in profits and equity resulting from a 1% pa decrease in variable interest rates	(68,162)

The following table illustrates sensitivities of the Group's exposure to changes in foreign exchange rates. The table indicates the impact on how profit and loss reported at balance date would have been affected by changes in the foreign exchange rate variable that management considers to be reasonably possible.

	2023
	$
Decrease in profit and loss income resulting from a 10% increase in Australian Dollar against the Kwacha/USD	3,841
Increase in profit and loss income resulting from a 10% decrease in Australian Dollar against the Kwacha/USD	(3,841)

The entity is not exposed to material price risk.

Net Fair Value
Cash and cash equivalents, trade and other receivables, and trade and other payables are short-term investments in nature whose carrying value is equivalent to fair value.

(b) Credit risk
Credit risk exposure represents the extent of credit related losses that the Group may be subject to on amounts to be received from financial assets. Credit risk arises principally from trade and other receivables and cash. The objective of the Group is to minimise the risk of loss from credit risk. Although revenue from operations is minimal, the Group trades only with creditworthy third parties. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is insignificant. The Group has no concentrations of credit risk, other than holding all its cash with Westpac Bank. The Group's maximum credit risk exposure is limited to the carrying value of its financial assets as indicated on the statement of financial position.

Credit risk exposures
Credit risks related to balances with bank and other financial institutions is managed by the Board in accordance with Board policy. Such policy requires that surplus funds are only invested with counterparties with a Standard and Poor's rating of at least AA-. Cash is held with Westpac Bank, which is AA Rated.

NOTE 2 FINANCIAL RISK MANAGEMENT (continued)

(b) Credit risk (continued)

The maximum exposure to credit risk is as follows:

	2023 $
Current Assets:	
Cash and cash equivalents	6,816,291
Trade and other receivables	104,106
Non-Current Assets:	
Trade and other receivables	-
	6,920,397

(c) Liquidity risk

Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities.

The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and ensuring sufficient cash and marketable securities are available to meet the current and future commitments of the Group. Due to the nature of the Group's activities, being mineral exploration, the Group does not have ready access to credit facilities, with the primary source of funding being equity raisings. The Board of Directors constantly monitor the state of equity markets in conjunction with the Group's current and future funding requirements, with a view to initiating appropriate capital raisings as required. Any surplus funds are invested with major financial institutions.

The Group's current financial assets and liabilities are summarised as follows:

	2023 $
Cash and cash equivalents	6,816,291
Trade and other receivables	104,106
Trade and other payables	(909,976)
	6,010,421

The financial liabilities of the Group are confined to trade and other payables as disclosed in the statement of financial position. All trade and other payables are non-interest bearing and due within 30 days from the reporting date.

The contractual amounts payable are equal to the carrying amounts in the accounts.

NOTE 3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Judgements, estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Group makes assumptions concerning the future. All judgments, estimates and assumptions made are believed to be reasonable based on the most current set of circumstances available to management. The resulting accounting estimates will, by definition, seldom equal the related actual results. The judgments, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts and assets and liabilities within the next financial year are discussed below:

NOTE 3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

a) Impairment of assets

The Group assesses impairment at each reporting date by evaluating conditions specific to the Group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

(b) Share based payments

The Group measures the cost of equity settled transactions with employees by reference to the fair value of equity instruments at the date at which they are granted. The fair value is determined by an external valuer using a Black-Scholes or Binomial option pricing model, using the assumptions detailed in Note 19.

(c) Capitalised exploration and evaluation expenditures

Determining the recoverability of exploration and evaluation expenditure capitalised in accordance with the Company's accounting policy (refer Note 1(c)), requires estimates and assumptions as to future events and circumstances, in particular, whether successful development and commercial exploitation, or alternatively sale, of the respective areas of interest will be achieved. The Company applies the principles of AASB 6 and recognises exploration and evaluation assets when the rights of tenure of the area of interest are current, and the exploration and evaluation expenditures incurred are expected to be recouped through successful development and exploitation of the area. If, after having capitalised the expenditure under the Company's accounting policy in Note 1(c), a judgment is made that recovery of the carrying amount is unlikely, an impairment loss is recorded in profit or loss in accordance with the Company's accounting policy in Note 1(c). The carrying amounts of exploration and evaluation assets are set out in Note 9.

	2023 $
NOTE 4 REVENUE AND OTHER INCOME	
From continuing operations	
Interest – bank	9,639
Total Revenue	9,639

NOTE 5 EXPENSES

	2023 $
Consultants and advisors	
Accounting & secretarial	2,993
Legal costs	58,703
Other	166,761
Total consultant and advisors	228,457
Corporate costs	
ASX fees	98,591
ASIC fees	5,455
Audit fees	53,125
Share registry services	2,850
Total corporate costs	160,021
Other expenses	
Subscriptions	7,249
Travel	62,530
Other operating expenses	9,235
Total other expenses	79,014
Share-based payments	
Director’s unlisted options	74,063
Director’s performance rights expensed	50,342
Total share-based payments	124,405

NOTE 6 INCOME TAX EXPENSE

		2023 $
a.	**The components of tax expense comprise:**	
	Current income tax	-
	Deferred tax	-
		-
b.	**The prima facie tax benefit on loss from ordinary activities before income tax is reconciled to the income tax as follows:**	
	Prima facie tax benefit on loss from ordinary activities before income tax at 30% from ordinary operations:	(241,248)
	Add/(less) tax effect of:	
	- Other non-allowable items	91,596
	- Revenue losses not recognised	146,467
	- Other deferred tax balances not recognised	3,185
	Income tax expense/(benefit) reported in the consolidated statement of profit or loss and other comprehensive income from ordinary operations	-

NOTE 6 INCOME TAX EXPENSE (continued)

c. Unrecognised deferred tax assets at 30%:

Carry forward revenue losses	146,467
Capital raising costs	81,737
Provisions and accruals	6,435
Other	9
	234,648

The tax benefits of the above Deferred Tax Assets will only be obtained if:

(a) the company derives future assessable income of a nature and of an amount sufficient to enable the benefits to be utilised;

(b) the company continues to comply with the conditions for deductibility imposed by law; and

(c) no changes in income tax legislation adversely affect the company in utilising the benefits.

Note 1 - the corporate tax rate for eligible companies is 25% providing certain turnover thresholds and other criteria are met. All other companies are taxed at 30%. Deferred tax assets and liabilities are required to be measured at the tax rate that is expected to apply in the future income year when the asset is realised or the liability is settled. The Directors have determined that the deferred tax balances be measured at the tax rates stated.

NOTE 7 CASH AND CASH EQUIVALENTS	2023 $
Cash and cash equivalents	6,816,291
Reconciliation of Cash	
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:	
Cash at bank	6,816,291
Bank deposits at call	-
Cash on hand	-
Cash and cash equivalents	6,816,291

Cash at bank earns an interest rate up to 1.55%. Refer to note 2 for the Group's exposure to interest rate risk.

NOTE 8 TRADE AND OTHER RECEIVABLES	2023 $
CURRENT	
GST Refundable	104,106
	104,106

NOTE 9 EXPLORATION AND EVALUATION EXPENDITURE

	2023 $
Exploration and evaluation assets	
(a) Exploration project acquisition cost	
Opening balance	-
Acquisition cost – Green Exploration Limited (Malawi)	2,137,597
Total exploration project acquisition cost	2,137,597
(b) Exploration project expenditure costs	
Opening balance	-
Expenditure incurred	463,930
Impairment loss on existing tenements	-
Total exploration project expenditure cost	463,930
Total exploration and evaluation expenditure	2,601,527

On 27 June 2023, the Company finalised the Acquisition of Green Exploration Limited (Malawi).

The Company acquired 100% interest in Green Exploration Limited (Malawi) comprising of tenements granted in the areas of Machinga (EL0529), Salambidwe (EL0518), Ngala Hill (EL0510) and one Exploration Licence Application (APL0251).

This is accounted for as an acquisition of an asset as management believes that this does not meet the definition of business acquisitions as per AASB3.

The fair value of the consideration settled in equity, being 8,000,000 ordinary shares, was measured based on the share price of the company at acquisition date. The presumption that the fair value of the asset acquired can be reliably measured has been rebutted given the speculative nature of the asset being in early exploration phase.

The fair value of the total 3,000,000 Tranche 1 and 2 Performance Rights that may be issued under the arrangements of the Acquisition was calculated at $400,000 calculated with reference to the share price at date of settlement of $0.20 and the probability of conditions being met was assessed at 100% on acquisition date.

The fair value of the Tranche 3 Performance Shares that may be issued under the arrangements of the Acquisition was deemed to be nil as the probability of conditions being met was assessed as 0% on acquisition date. Refer to note 19 for the terms of the performance shares.

The fair value of the purchase consideration has been allocated to the acquired asset as at the acquisition date as per the table below:

Consideration:	Note	2023 $
Consideration shares		1,600,000
Tranche 1 & 2 performance rights	19	400,000
Cash consideration		137,597
Total exploration cost acquired		2,137,597

The recoverability of deferred project acquisition costs is dependent upon the successful development and commercial exploitation, or alternately the sale of the areas of interest.

NOTE 10 TRADE AND OTHER PAYABLES

	2023 $
CURRENT	
Trade and sundry creditors[(a)]	810,847
Accrued expenses	99,130
	909,976

(a) All creditors are non-interest bearing and are normally settled on 30 day terms; includes $262,200 for capital raising costs associated with public offer under IPO.

Refer to note 2 for the Group's exposure to liquidity risk.

NOTE 11 COMMITMENTS

Exploration Expenditure Commitments
In order to maintain rights of tenure to exploration tenements the Group is required to perform exploration work to meet the minimum expenditure requirements as specified by various governments.

Outstanding obligations are not provided for in the accounts and are payable:

Not later than 1 year	8,049
Later than 1 year but not later than 5 years	10,678
Any greater than 5 years	-
	18,727

NOTE 12 CONTINGENT LIABILITIES

The Directors are not aware of any contingent liabilities at the end of the reporting period.

NOTE 13 CONTRIBUTED EQUITY

	2023 Shares	2023 $
(a) Paid Up Capital		
Ordinary shares – fully paid	55,500,000	8,736,001

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

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

NOTE 13 CONTRIBUTED EQUITY (continued)

(b) Movements in ordinary share capital of the Company:

Date	Details	Number of Shares	Issue Price $	$
3 Nov 2022	Opening balance (at incorporation)	-		-
3 Nov 2022	Shares issued at incorporation	4,000,000	0.0001	400
12 Dec 2022	Seed capital raising	2,000,000	0.01	20,000
20 Dec 2022	Seed capital raising	2,500,000	0.05	125,000
15 Feb 2023	Seed capital raising	4,000,000	0.14	560,000
27 Jun 2023	Consideration shares – acquisition of Green Exploration Ltd (Malawi)[a]	8,000,000	0.20	1,600,000
27 Jun 2023	Initial public offer shares	35,000,000	0.20	7,000,000
	Share capital raising costs			(745,577)
30 Jun 2023	Closing Balance	55,500,000		8,559,823

(c) Performance rights

	Jun 2023 Rights
Balance at 3 November 2022 (date of incorporation)	-
Issue of performance rights to directors	1,500,000
Issue of performance rights to vendors	3,000,000
Balance at 30 June	4,500,000

(d) Option Issues

Options to purchase ordinary shares

	Jun 2023 Options
Balance 3 November 2022 (date of incorporation)	-
Issue of free attaching options to seed shares[b]	4,000,000
Issue of directors options	2,000,000
Issue of brokers options	3,000,000
Balance at 30 June	9,000,000

(e) Option Exercise

During the financial year nil options were exercised.

(f) Option Expiry

During the financial year the no options expired unexercised.

(g) Option Cancellation and Lapse

During the financial year nil options lapsed.

[a] Consideration shares were non-cash and deemed to be issued $0.20 per share.

[b] Free attaching options were issued to founding shareholders and to investors at $0.05 seed placement.

NOTE 13 CONTRIBUTED EQUITY (continued)

(h) Capital Management

The Group's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they may continue to provide returns for shareholders and benefits for other stakeholders.

The capital structure of the Group consists of equity attributable to equity holders of the parent comprising issued capital, reserves and accumulative losses.

Due to the nature of the Group's activities, being mineral exploration, the Group does not have ready access to credit facilities, with the primary source of funding being equity raisings. Therefore, the focus of the Group's capital risk management is the current working capital position against the requirements of the Group to meet exploration programmes and corporate overheads. The Group's strategy is to ensure appropriate liquidity is maintained to meet anticipated operating requirements, with a view to initiating appropriate capital raisings as required.

The working capital position of the Group at 30 June 2023 was as follows:

	2023 **$**
Cash and cash equivalents	6,816,291
Other receivables	104,106
Trade and other payables	(909,976)
Working capital position	6,010,421

The Group is not subject to any externally imposed capital requirements.

Refer to note 2 for Financial Risk Management.

NOTE 14 RESERVES AND ACCUMULATED LOSSES	**2023** **$**
(a) Reserves	
Performance rights reserve	450,342
Options reserve	405,098
Foreign currency reserve	847
	856,287
Movements	
Performance rights reserve	
Balance 3 November (date of incorporation)	-
Performance rights expense – key management personnel	50,342
Performance rights issued – project acquisition	400,000
Balance 30 June	450,342
Options reserve	
Balance 3 November (date of incorporation)	-
Options issued – expensed in profit and loss	74,063
Options issued – capital raising cost as equity	331,035
Balance 30 June	405,098

NOTE 14 RESERVES AND ACCUMULATED LOSSES (continued)

Foreign currency reserve	
Balance 3 November (date of incorporation)	-
Foreign currency translation	847
	847

(b) Accumulated losses

Movements in accumulated losses were as follows:

Balance 3 November (date of incorporation)	-
Net loss for the year	(804,162)
Balance 30 June	(804,162)

(c) Nature and purpose of reserves

Performance rights reserve
This reserve is used to recognise the fair value of performance rights issued.

Options reserve
This reserve is used to recognise the fair value of options issued.

Foreign currency reserve
Exchange differences arising on translation of the foreign controlled entity are taken to the foreign currency translation reserve, as described in Note 1(n). The reserve is recognised in profit or loss when the net investment is disposed of.

NOTE 15 LOSS PER SHARE ("EPS")

	2023 $
Earnings per share from continuing operations Loss after income tax	(804,162)
Weighted average number of shares used in the calculation of the basic EPS.	7,694,521
The number of potential ordinary shares relating to options not exercised at the end of the year. These potential ordinary shares are anti-dilutive and have not been included in the EPS calculations.	-
Basic and diluted loss per share	(10.45)

NOTE 16 DIVIDENDS

There were no dividends paid or recommended during the financial year ended 30 June 2023.

NOTE 17 RELATED PARTY TRANSACTIONS

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. Refer to Note 18 for additional disclosure.

Other transactions with related parties, including amounts paid and owing at 30 June 2023, are set out below:.

Key management personnel or their related party	*Nature of transactions*	*30 June 2023*
Minerva Corporate Pty Ltd / Daniel Smith	Pre-IPO service fees	$50,000
Arcadia Corporate Pty Ltd / John Kay	Pre-IPO service fees	$65,000
Virico (IOM) Limited / Myles Campion	Consulting fees	$15,000
Geosmart International / Nannan He(i)	Capital raising/finder fees	$105,560

(i) Geosmart International is an entity controlled by the spouse of Nannan He

Directors and specified executives

Disclosures relating to Directors and specified executives are set out in Directors' Remuneration Report.

Wholly-owned group

The consolidated group consists of DY6 Metals Ltd and its wholly-owned subsidiaries, Green Exploration (Australia) Pty Ltd and Green Exploration Limited (Malawi). Ownership interests in these subsidiaries are set out in Note 22.

Other related parties

There were no transactions or balances with other related parties including director related entities during the year.

NOTE 18 KEY MANAGEMENT PERSONNEL DISCLOSURES

Key Management Personnel (KMP) Compensation

Refer to the Remuneration Report contained in the Director's Report for details of the remuneration paid to each member of the Group's KMP for the year ended 30 June 2023.

The totals of remuneration paid to KMP during the year are as follows:

	2023
	$
Short term employee benefits	115,000
Post-employment benefits	-
Share based payments	124,405
	239,405

NOTE 19 SHARE-BASED PAYMENTS

The total expense arising from share-based payment transactions recognised during the period in relation to the performance rights was $50,342, options issued to directors was $74,063, totalling $124,405 in share-based payment expenses for the year.

Performance Rights – Directors

On 28 December 2022, the Company issued 1,500,000 performance rights to directors. The rights were valued using a binomial valuation model. These performance rights were issued in equal tranches, each with different performance milestones. Each performance right will convert into 1 ordinary share of DY6 Metals Limited upon achievement of the performance milestone.

The company has assessed the probability of achievement of each class being achieved and have recognised an expense accordingly. The details of each class are tabled below:

Tranche	Number of Performance Shares	Grant Date	Exercise Price	Probability of achievement of milestone	Expiry Date of Performance Right	Expected Date of Milestone Achievements	Underlying Share Price	Total Fair Value
A	500,000	28/12/22	$0.0001	100%	28/12/27	28/12/24	$0.20	$100,000
B	500,000	28/12/22	$0.0001	100%	28/12/27	28/12/24	$0.20	$100,000
C	500,000	28/12/22	$0.0001	0%	28/12/27	28/12/27	$0.20	$0.00

Tranche A and B performance rights were valued at their issue dates and the expense recognised over the life of expected achievement of the milestone, resulting in an expense during the year of $50,342. This expense has been expensed as directors benefits expense.

Performance Rights – Vendors

On 27 June 2023, the Company issued 3,000,000 performance rights to vendors. The rights were valued using a binomial valuation model. These performance rights were issued in equal tranches, each with different performance milestones. Each performance right will convert into 1 ordinary share of DY6 Metals Limited upon achievement of the performance milestone.

The company has assessed the probability of achievement of each class being achieved and have recognised an expense accordingly. The details of each class are tabled below:

Tranche	Number of Performance Shares	Grant Date	Exercise Price	Probability of achievement of milestone	Expiry Date of Performance Right	Expected Date of Milestone Achievements	Underlying Share Price	Total Fair Value
A	1,000,000	27/06/23	$0.0001	100%	27/06/28	27/06/25	$0.20	$200,000
B	1,000,000	27/06/23	$0.0001	100%	27/06/28	27/06/25	$0.20	$200,000
C	1,000,000	27/06/23	$0.0001	0%	27/06/28	27/06/27	$0.20	$0.00

Tranche A and B performance rights were valued at their issue dates at $400,000 which has been recognised immediately. This has been included as capitalised exploration and evaluation expenditure.

Details of performance milestones as follows:
(i) Milestone 1
the announcement or announcements by the Company to ASX that tenement application APL0251 has been granted as a new exploration licence within two years from the date of Settlement;
(ii) Milestone 2
the announcement or announcements by the Company to ASX that completion of at least 2,000m of drilling has occurred on the Tenements within two years from the date of Settlement; and

NOTE 19 SHARE-BASED PAYMENTS (continued)

(iii) Milestone 3
the announcement or announcements by the Company to ASX that the Company has delineated a JORC or NI43-101 compliant Mineral Resource on the Tenements of a minimum of 5Mt and having a minimum grade of 0.75% *TREO + Nb2O5 within four years from the date of Settlement.
*TREO = Total Rare Earth Oxides (La through Lu + Y)

Milestones are the same for both sets of Performance Rights except for the “Expected Date of Milestone Achievement” which is tied to the grant date which differs for the Directors and Vendors.

Directors Options– 28 December 2022

On 28 December 2022, the Company issued 1,500,000 options to directors, each exercisable at $0.25 with a four-year expiry period. These options were valued using a Black-Scholes valuation model and the expense recognised in full at their issue date is $31,597. For the options issued during the period, a Black-Scholes valuation model was used with the valuation model inputs used to determine the fair value at the grant date as follows:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Risk free rate	Dividend yield	Number of options	Value per Option	Total Value $	Vesting terms
28/12/22	28/12/26	$0.05	$0.25	100%	3.25%	0%	1,500,000	$0.021	31,597	Immediately

Directors Options– 28 February 2023

On 28 February 2023, the Company issued 500,000 options to directors, each exercisable at $0.25 with a four-year expiry period. These options were valued using a Black-Scholes valuation model and the expense recognised in full at their issue date is $42,466. For the options issued during the period, a Black-Scholes valuation model was used with the valuation model inputs used to determine the fair value at the grant date as follows:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Risk free rate	Dividend yield	Number of options	Value per Option	Total Value $	Vesting terms
28/02/23	28/02/27	$0.14	$0.25	100%	3.25%	0%	500,000	$0.085	42,466	Immediately

Broker Options– 23 June 2023

On 23 June 2023, the Company issued 3,000,000 options to brokers, each exercisable at $0.30 with a three-year expiry period. These options were valued using a Black-Scholes valuation model and the capital-raise cost recognised in full at their issue date is $331,035. For the options issued during the period, a Black-Scholes valuation model was used with the valuation model inputs used to determine the fair value at the grant date as follows:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Risk free rate	Dividend yield	Number of options	Value per Option	Total Value $	Vesting terms
23/06/23	23/06/26	$0.20	$0.30	100%	3.25%	0%	3,00,000	$0.11	331,035	Immediately

(d) Expenses arising from share-based payment transactions
Total expenses arising from share-based payment transactions recognised during the year as part of director benefits or share based payment expense were as follows:

NOTE 19 SHARE-BASED PAYMENTS (continued)

	2023 $
Options issued to directors	74,063
Performance rights issued to directors	50,342
	124,405

NOTE 20 OPERATING SEGMENTS

Identification of reportable segments

The Group operates predominantly in the mining industry. This comprises exploration and evaluation of minerals and metals that are used in the power generation and electric vehicle sectors. Inter-segment transactions are priced at cost to the Consolidated Group.

The Group has identified its operating segments based on the internal reports that are provided to the Board of Directors on a monthly basis. Management has identified the operating segments based on the two principal locations of its projects – Australia and Malawi.

Corporate expenses include administration and regulatory expenses arising from operating an ASX listed entity.

Segment assets include the costs to acquire tenements and the capitalised exploration costs of those tenements. Cash and cash equivalents are reported in the Unallocated segment.

NOTE 20 OPERATING SEGMENTS (continued)

For the Period to 30 June 2023	**Malawi Exploration $**	**Australia Exploration $**	**Unallocated $**	**Total $**
Segment Revenue	-	-	9,639	9,639
Segment Results	-	-	-	9,639
Amounts not included in segment results but reviewed by Board:				
- Corporate charges				(869,396)
- Share-based payments				(124,405)
Loss before Income Tax				(804,162)
As at 30 June 2023				
Segment Assets	2,690,493	-	6,831,432	9,521,924
Segment Liabilities	(40,270)	-	(869,706)	(909,976)

NOTE 21 RECONCILIATION OF LOSS AFTER INCOME TAX TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES

(a) Reconciliation of operating loss after income tax to the net cash flow from operations:	2023
Operating loss after income tax	(804,162)
Adjustment for non-cash items:	
- Share-based payments expense	124,405
-Foreign currency translation reserve	847
Change in operating assets and liabilities:	
- Trade and other receivables	(104,106)
- Trade and other payables and provisions	275,237[a]
Net cash outflow from operating activities	**(507,779)**

(a) Excludes payables relating to capital raising costs ($414,495) and capitalised exploration costs ($220,244).

NOTE 22 SUBSIDIARIES

Name of Entity	Country of Incorporation	Class of Shares	Equity Holding 2023 %
Green Exploration (Australia) Pty Ltd	Australia	Ordinary	100
Green Exploration Limited	Malawi	Ordinary	100

Green Exploration Limited (Malawi) acquisition

On 27 June 2023, the Company issued 8,000,000 ordinary shares valued at $1,600,000, issued 3,000,000 performance rights valued at $400,000 and paid net cash of $137,597 to vendors in respect to the acquisition of Green Exploration Limited (Malawi). Refer to Note 13(b) for further details of the ordinary shares issued.

None of the above entities had any material assets or liabilities at acquisition date.

NOTE 23 PARENT ENTITY DISCLOSURES

The following information has been extracted from the books and records of the Company and has been prepared in accordance with Accounting Standards

(a) Financial Position of DY6 Metals Ltd

	2023 $
ASSETS	
Current Assets	6,917,556
Non Current Assets	2,563,000
TOTAL ASSETS	9,480,856
LIABILITIES	
Current Liabilities	869,706
TOTAL LIABILITIES	869,706

NOTE 23 PARENT ENTITY DISCLOSURES (continued)

EQUITY	
Contributed equity	8,559,823
Reserves	855,440
Accumulated losses	(804,114)
TOTAL EQUITY	8,611,149

(b) Financial Performance of DY6 Metals Ltd

	2023 **$**
Loss for the year	(804,114)
Total comprehensive loss	(804,114)

(c) Guarantees entered into by DY6 Metals Ltd to the debts of its subsidiaries
There are no guarantees entered into by DY6 Metals Ltd for the debts of its subsidiaries as at 30 June 2023.

(d) Contingent liabilities of DY6 Metals Ltd
There are no contingent liabilities as at 30 June 2023.

(e) Commitments DY6 Metals Ltd
There are no commitments as at 30 June 2023 other than those disclosed in note 11.

NOTE 24 REMUNERATION OF AUDITORS

During the period the following fees were paid or payable for services provided by the auditors of the Group, their related practices and non-related audit firms.

	2023 **$**
Assurance services	
Audit Services	
Moore Australia Audit (WA)	37,125
Total remuneration for audit services	37,125
Non-Assurance services	
Other Services	
Moore Australia Corporate Finance (WA) Pty Ltd	15,000
Total remuneration for other services	15,000

NOTE 25 EVENTS OCCURRING AFTER THE BALANCE DATE

The Company commenced trading on ASX on 29 June 2023, following a $7 million initial public offering.

On 29 June 2023, the Company announced that its maiden drilling campaign at its flagship Machinga project in southern Malawi was underway.

On 27 July 2023, the Company announced key management appointments, being appointment of a chief executive officer.

On 11 September 2023, the Company announced completion of its maiden drilling campaign and results from a recent soil and rock chip sampling campaign at Machinga.

Other than the above no matter or circumstance has arisen since 30 June 2023 that has significantly affected, or may significantly affect:

(i) the Group’s operations in future financial years; or
(ii) the results of those operations in future financial years; or
(iii) the Group’s state of affairs in future financial years.

DIRECTOR'S DECLARATION

The directors of the company declare that:

1. The financial statements, comprising the statement of profit or loss and other comprehensive income, statement of financial position, statement of cash flows, statement of changes in equity and accompanying notes, are in accordance with the Corporations Act 2001 and:
    a. comply with Accounting Standards and the Corporations Regulations 2001, and other mandatory professional reporting requirements; and
    b. give a true and fair view of the financial position as at 30 June 2023 and of the performance of the year ended on that date of the consolidated group.

2. In the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

3. In the directors' opinion, the financial statements and notes are prepared in compliance with International Financial Reporting Standards and interpretations adopted by the International Accounting Standards Board.

4. The remuneration disclosures included in pages 16 to 23 within the directors' report (as part of the audited Remuneration Report), for the year ended 30 June 2023, comply with section 300A of the *Corporations Act 2001*.

5. The directors have been given the declarations by the chief executive officer and chief financial officer required by section 295A.

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:

Daniel Smith
Non-Executive Chairman

29 September 2023

Moore Australia Audit (WA)

Level 15, Exchange Tower,
2 The Esplanade, Perth, WA 6000
PO Box 5785, St Georges Terrace, WA 6831

T +61 8 9225 5355
F +61 8 9225 6181
www.moore-australia.com.au

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DY6 METALS LTD

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of DY6 Metals Ltd (the Company) and its controlled entities ("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 financial period then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration. The Group consists of the Company and the entities it controlled at the year-end or from time to time during the financial period.

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

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

b) 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.

MOORE

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF DY6 METALS LIMITED (CONTINUED)

Key Audit Matters (continued)

Cash at bank	
Refer to Note 7 Cash & Cash Equivalents	
The Group's total cash at bank holdings of $6.82 million at balance date makes up 72% of its total assets by value and is considered a critical driver to the Group's ongoing and future exploration operations. We do not generally consider cash to be at a high risk of significant misstatement, or to be subject to a significant level of judgment because it is normally a liquid asset. However, we determined this area to be key audit matter due to the materiality in the context of the financial statements.	Our procedures included, amongst others: • Agree the cash/bank holdings to bank confirmations. • Agreeing cash/bank holdings to year-end bank reconciliations and bank statements. • Assessed the appropriateness of the disclosures included in the primary financial statements and notes to the financial report.

Capitalised exploration and evaluation expenditure	
Refer to Note 1(c) Note 3 Critical Accounting Estimates & Judgements – Capitalised Exploration & Evaluation Expenditures & Note 9 Exploration and Evaluation Expenditure	
The Company has capitalised exploration and evaluation expenditure with a carrying value of $2.6 million as at 30 June 2023. We considered this to be a key audit matter due to the balance making up 27% of total assets as well as the management judgment involved in assessing the carrying value of the assets including: • Determination of whether the expenditure can be associated with finding specific mineral resources; • Determination of whether the capitalised exploration and evaluation expenditure have met the recognition criteria as set out in paragraph Aus7.2 of AASB 6 • Assessing whether any indicators of impairment are present, and if so, judgments applied to determine and quantify any impairment loss.	Our audit procedures included: • Agreeing additions to supporting documentation such as acquisition agreements, reviewing tenement due diligence reports contained in the Company's Prospectus and ensuring the amounts are permitted to be capitalised under AASB 6. • Assessing and evaluating management's assessment on capitalised exploration and evaluation expenditure recognition and that no indicators of impairment existed at the reporting date. • Enquiring with management and reviewing budgets and other supporting documentation such as subsequent ASX announcements / registration papers as evidence that active and significant operations in, or relation to, the area of interest will be continued in the future. • Compared the Group's net asset position against its market capitalization at balance date for any further indicators of impairment – there were none as the market capitalization was significantly higher at balance date.

MOORE

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF DY6 METALS LIMITED (CONTINUED)

Key Audit Matters (continued)

<table>
<tr><th colspan="2">Share-Based Payments</th></tr>
<tr><td colspan="2">Refer to Remuneration Report, Note 1(e/h) Accounting policies, Note 3(b) Critical Accounting Estimates & Judgements, Note 9 Exploration & Evaluation Expenditure, and Note 19 Share Based Payments</td></tr>
<tr><td>During the financial period, the Group transacted with Key Management Personnel, employees and other parties including:

• Awarded share-based payments amounting to $405,098 (including $331,035 in capital raising costs) in the form of share options to directors, employees and other parties.

• Awarded share-based payments amounting to $50,342 in the form of performance rights to Directors.

• Awarded $1,600,000 in ordinary shares and $400,000 in performance rights respectively to vendors as consideration for the purchase of interests in a controlled entity during the period

Transactions with related parties carry additional inherent risks including the potential for them to be made on terms and conditions more favorable than if they had been with an independent third party.

The value of share-based payments is a key audit matter due to it being key material transactions, the valuation of which involves significant judgement and accounting estimation.</td><td>Our audit procedures included:

• Enquiring and obtaining confirmation from Key Management Personnel regarding related party transactions occurring during the period.

• Reviewing minutes of meetings, ASX announcements and agreements, and considered other transactions undertaken during the period.

• Reviewing payments, receipts and general journals throughout the period, and examining transactions with known related parties, or those that appear large or unusual for the Group.

• Assessing the valuation methodology used by management to estimate fair value of share options and performance rights issued, including testing the integrity of the information provided and assessing the appropriateness of key assumptions built into the valuation model.

• Assessing whether share-based payments have been appropriately classified and accounted for in the financial statements

• Assessing the appropriateness of the relevant disclosures in the financial statements</td></tr>
</table>

Other Information

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

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

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

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

Directors' Responsibilities 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 Company 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 Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf. This description forms part of our audit report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report as included in the directors' report for the period ended 30 June 2023.

In our opinion, the Remuneration Report of DY6 Metals Ltd, for the period 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.

MOORE AUSTRALIA

SL TAN
PARTNER

MOORE AUSTRALIA AUDIT (WA)
CHARTERED ACCOUNTANTS

Signed at Perth this 29th day of September 2023

ADDITIONAL INFORMATION

Information required by Australian Securities Exchange Limited and not shown elsewhere in this report is as follows:-

a) The following is the distribution of equity security holders as at 22 September 2023

Distribution of Shareholders	No. of Shareholders	No. of Units
Size of Holding		
1 – 1,000	8	2,719
1,001 – 5,000	20	70,612
5,001 – 10,000	95	936,384
10,001 – 100,000	316	13,023,432
100,001 and over	92	41,466,853
Total	**501**	**55,500,000**
Number of holders of less than marketable parcels at $0.18 per unit:	18	27,513

b) The following shareholders hold 5% or more of the issued capital of the Company as per substantial shareholder notices lodged with ASX:

Name	Units	% of Units
ZHENSHI GROUP (HK) HESHI COMPOSITE MATERIALS CO LIMITED	7,500,000	13.51
CHUNG NAM NEW MATERIAL COMPANY LIMITED	5,000,000	9.01
ORWELLIAN INVESTMENTS & BRIDGE THE GAP TRADING PTY LTD	3,367,500	6.07
FIRST ARROW INVESTMENTS PTY LTD <THE FIRST ARROW A/C>	3,105,000	5.59

c) Twenty largest shareholders as at 22 September 2023:

Rank	Name	Units	% Units
1	ZHENSHI GROUP (HK) HESHI COMPOSITE MATERIALS CO LIMITED	7,500,000	13.51
2	CHUNG NAM NEW MATERIAL COMPANY LIMITED	5,000,000	9.01
3	FIRST ARROW INVESTMENTS PTY LTD <THE FIRST ARROW A/C>	3,105,000	5.59
4	MR BIN LIU	2,500,000	4.50
5	BRIDGE THE GAP TRADING PTY LTD	2,450,000	4.41
6	MUHAMMED AASIN HASSAM	2,000,000	3.60
7	DESIREE ROUX	1,720,000	3.10
7	VINO GURU WINE CONSULTANTS PTY LTD	1,720,000	3.10
9	CHRISTIAN JACOBUS LE LOUX	1,118,000	2.01
10	MR YUAN WANG	1,000,000	1.80
11	WOODSOUTH ASSET MANAGEMENT PTY LTD	925,556	1.67
12	WINDELLAMA SUPER PTY LTD	602,000	1.08
13	SIMON KERSEY	600,000	1.08
14	YARRA RIVER CAPITAL MANAGEMENT PTY LTD	500,000	0.90
15	VISION TECH NOMINEES PTY LTD	492,200	0.89
16	ORWELLIAN INVESTMENTS PTY LTD	478,750	0.86
17	ORWELLIAN INVESTMENTS PTY LTD	438,750	0.79
18	QUPIT PTY LTD	416,250	0.75

19	VIRICO (IOM) LTD	400,000	0.72
20	CHOON YU TANG	370,000	0.67
Totals: Top 20 holders of ORDINARY FULLY PAID SHARES (Total)		**33,336,506**	**60.07**
Total Remaining Holders Balance		**22,163,494**	**39.93**

d) <u>Voting Rights</u>
Registered holders of ordinary shares in the capital of the Company may attend and vote at general meetings of the Company in person or by proxy and may exercise one vote for each share held. Every person present at a general meeting as an ordinary shareholder shall have one vote on a show of hands.

e) There are currently no on-market buybacks in process.

f) There following securities are currently subject to escrow.

Security	Number	Restriction Period
Shares	7,089,167	Expiring 24 months from the date of quotation.
Shares	9,848,341	Expiring 12 months from the date of issue of the Shares (20/11/2022).
Options	8,302,778	Expiring 24 months from the date of quotation.
Options	15,750,000	Expiring 12 months from the date of issue.
Performance Rights	1,500,000	Expiring 24 months from the date of quotation.
Performance Rights	3,000,000	Expiring 12 months from their date of issue.

g) As at 22 September 2023 the following class of unquoted securities had a holder with greater than 20% of the class on issue:

Class/Name	Number of Securities Held	% Held
Options exercisable at $0.30 each on or before 23 June 2026		
CHALEYER HOLDINGS PTY LTD <RUBBEN FAMILY A/C>	1,050,000	35%
QINGTAO ZENG	1,000,000	33.33%
Options exercisable at $0.25 each on or before 12 December 2026		
BRIDGE THE GAP TRADING PTY LTD	1,375,000	50%
FIRST ARROW INVESTMENT PTY LTD	1,375,000	50%
Options exercisable at $0.25 each on or before 28 December 2026		
BRIDGE THE GAP TRADING PTY LTD	850,000	41.41%
FIRST ARROW INVESTMENT PTY LTD	765,000	37.27%

h) Interest in mining and exploration permits

Project	Tenement Details	Held at end of period	State/ Country
Machinga	EL0529 & APL0251	100%	Malawi
Salambidwe	EL0518	100%	Malawi
Ngala Hill	EL0510	100%	Malawi