



AND ITS CONTROLLED ENTITIES

ANNUAL REPORT
ENDED 30 JUNE 2023



AND ITS CONTROLLED ENTITIES

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DIRECTORS

VLADIMIR NIKOLAENKO
Executive Chairman

PAUL BURTON
Managing Director

MICHAEL POVEY
Non-Executive Technical Director

ROGER SMITH
Non-Executive Director

COMPANY SECRETARY
Rudolf Tieleman

REGISTERED OFFICE
Ground Floor
45 Ventnor Avenue, West Perth WA 6005
Telephone (08) 9429 8846
Facsimile (08) 9429 8800

WEBSITE
www.surefireresources.com.au

FOR SHAREHOLDER INFORMATION CONTACT

SHARE REGISTRY
Advanced Share Registry Limited
110 Stirling Highway, Nedlands WA 6009
Telephone (08) 9389 8033
Facsimile (08) 9262 3723

FOR INFORMATION ON THE COMPANY CONTACT

PRINCIPAL OFFICE
Unit 10, 100 Mill Point Road, South Perth WA 6151
Telephone (08) 6331 6330
Facsimile (08) 9429 4400

BANKERS
National Australia Bank Limited
Commonwealth Bank Limited

AUDITORS
Elderton Audit Pty Ltd
Chartered Accountants
Level 32, 152 St George's Terrace, Perth WA 6000

STOCK EXCHANGE
Australian Securities Exchange (ASX)

ASX COMPANY CODES
SRN (Fully paid shares)

ISSUED CAPITAL
1,651,363,477 fully paid ordinary shares
188,785,323 partly paid ordinary shares, unpaid as to \$0.027 each
70,000,000 partly paid ordinary shares, unpaid as to \$0.0059 each

Dear Shareholder,

It is my pleasure to present Surefire Resources NL's Annual Report for the year ended 30 June 2023.

Surefire has made significant progress during the year on its premier projects located in Western Australia.

The Company's strategic development decision for the Victory Bore Vanadium project to have the downstream processing offshore in the Kingdom of Saudi Arabia makes sound commercial sense when the current Australian environment for mineral project development is increasingly expensive and challenging. The current Pre-Feasibility study is progressing well and will incorporate this strategy, allowing reduced capital costs and operating costs and an overall smaller operation in Australia at the vanadium deposit.

The execution of the MOU with the Ministry of Investment in Saudi Arabia was a significant step forward and we are working diligently with them to locate suitable industrial land and a partner for the downstream processing operation. With this strategy we have a great opportunity to bring this project to development and production in a realistic timeframe, minimising capital and construction costs while seeing a growing market for our products in Saudi.

The Company announced a significant upgrade to the Victory Bore Mineral Resource of 321Mt @0.04% V_2O_5 , with an overall Exploration Target of **1,003 Mt @ 0.2% to 0.39% V_2O_5 to 1,511 Mt @ 0.39% to 0.43 V_2O_5** elevating the project to **world class status**.

In addition, the exciting development of successfully producing 4N HPA (99.99% Al_2O_3) from Victory Bore waste material has significant potential for a major addition in revenue streams. We look forward to further exciting news from this part of the project. The Company also achieved a Maiden Mineral Resource Estimate of **37.7 Mt @23.3% Al_2O_3** for the Aluminium Oxide.

At our Yidby Gold Project, several drilling campaigns returned intercepts of exceptional grades and widths. Importantly, with each drilling campaign, the Company's understanding of the geological setting of Yidby has become better understood and additional discoveries have been made along strike. Yidby now has a strike length of over 3000m and remains open in several directions.

Important metallurgical test work revealed the gold is leachable with excellent recoveries which bodes well for a low-cost operation. This test work is continuing, and we look forward to developing this further in the coming year.

During this year we also welcomed our new Managing Director, Paul Burton to the Company in February 2023, and his background in Vanadium, project management and global contacts has already provided benefits to Surefire.

In the year ahead, we look forward to reporting on the next phase of studies at Victory Bore and Yidby-and further exploration success at our other exploration projects.

I thank all Surefire shareholders for their ongoing support as we advance our key exploration and development projects. Thank you to my fellow Directors and the entire Surefire team for their efforts in making these past twelve months a success.

Vladimir Nikolaenko

Executive Chairman

General

Shareholders should review the Quarterly Reports which are lodged with ASX each quarter as these reports contain detailed information in relation to the Company’s ongoing exploration activities.

Review of Operations

During the year, the Company focussed on progressing the Victory Bore project and advancing the Yidby (gold) project, along with exploration on its other greenfield projects at Kadji (nickel-copper-PGE’s) and Kooline (lead-silver), and Perenjori Iron Ore projects.

Victory Bore – Unaly Hill Vanadium Project

The Victory Bore – Unaly Hill Vanadium Project is located 50 km south of Sandstone in Western Australia (Figure 4). The project is favourably located within the Midwest mining district where the Geraldton Port and proposed Oakajee Port will service the region’s export facility needs.

The Companies Vanadium project covers two prospect areas, Victory Bore and Unaly Hill, collectively the “**Victory Bore Project**” or “**Project**” and covers an approximate 25km strike length of near contiguous vanadiferous magnetite defined from aeromagnetic data, drilling and outcrop.

During the year Surefire updated the Mineral Resource Estimate (**MRE**) for the Project by an increase of 56% to **321Mt @ 0.39% V₂O₅**, (ASX announcement 1 February 2023), making this one of the largest vanadium projects in the area:

Victory Bore Measured:	16.8 Mt @ 0.42% V ₂ O ₅
Victory Bore Indicated:	70.3 Mt @ 0.40% V ₂ O ₅
Victory Bore Inferred:	147.7 Mt @ 0.38% V ₂ O ₅
Total	234.8 Mt @ 0.39% V₂O₅
Unaly Hill Inferred:	86.2 Mt @ 0.42% V ₂ O ₅
Project Total: ²	321.0 Mt @ 0.39% V₂O₅

the Company also defined the total potential extent of the vanadium mineralisation by way an Exploration Target Estimate (ETE) based on modelling of recently completed high resolution aeromagnetic surveys. This gave an additional ETE of 682Mt to 1,190Mt @ 0.2% to 0.43% V₂O₅. When the existing MRE is added to the ETE, the potential of the **Victory Bore Project** is a range of **1,003Mt to 1,511Mt @ 0.2% to 0.43% V₂O₅**, making it world class and potentially one of the largest vanadium resources in the world:

Lower Limit ETE	682 Mt @ 0.2% V ₂ O ₅	Upper Limit ETE	1,190 Mt @ 0.43% V ₂ O ₅
Project	321 Mt @ 0.39% V ₂ O ₅	Project	321 Mt @ 0.39% V ₂ O ₅
Total	1,003 Mt @ 0.2% to 0.39% V₂O₅	to	1,511 Mt @ 0.39% to 0.43 V₂O₅

¹ The potential quantity and grade of the Exploration target is conceptual in nature, there has been insufficient exploration to estimate a Mineral Resource over the entire area of the Exploration Target, and it is uncertain if further exploration will result in the estimation of an increased Mineral Resource

² The total numbers may include rounding. The Victory Bore resource is based on a 0.26% V₂O₅ cut-off grade. Resource estimation by external consultants HGMC using ordinary kriging)

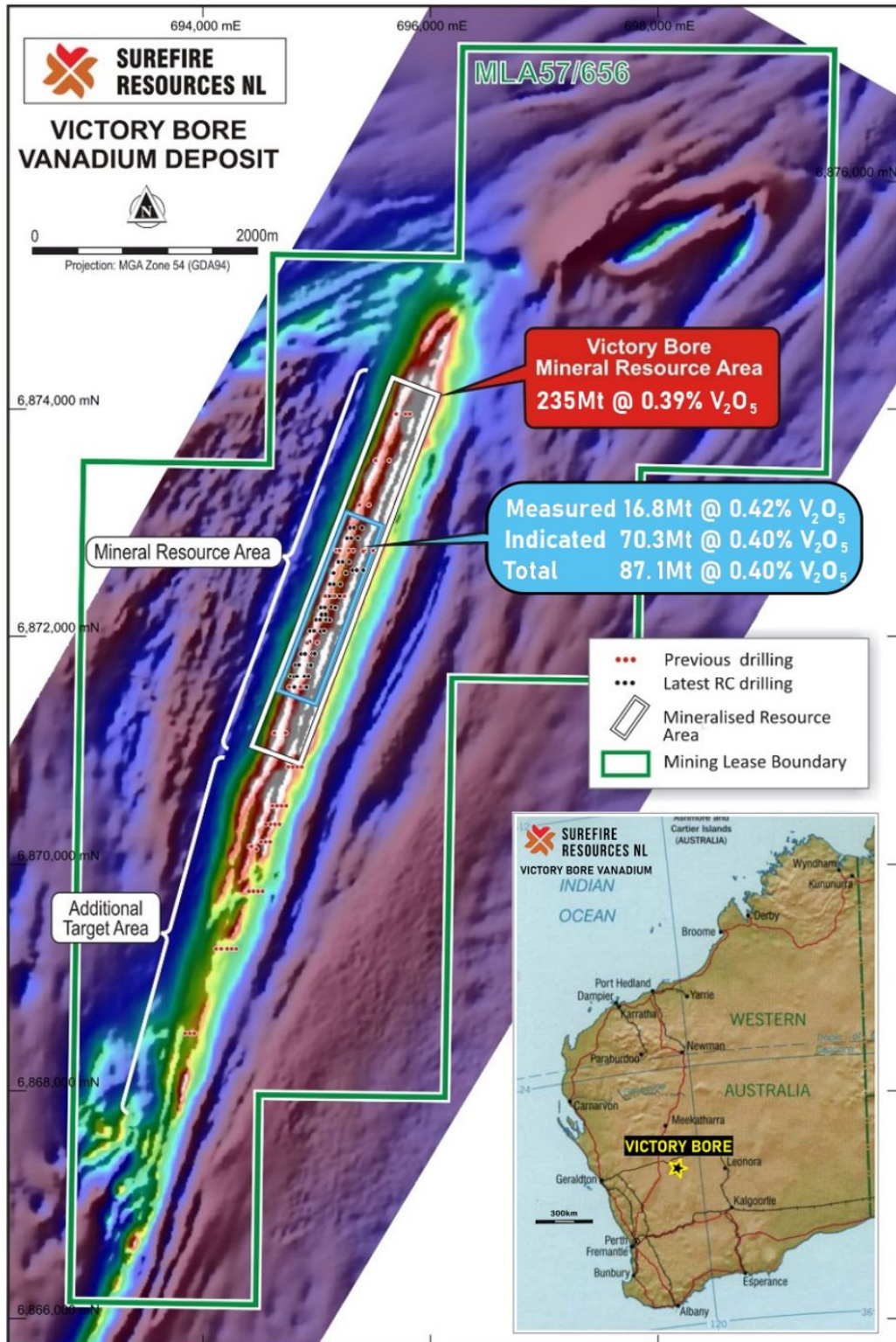


Figure 1: Surefire Victory Bore Vanadium Project resources over TMI base map & project location

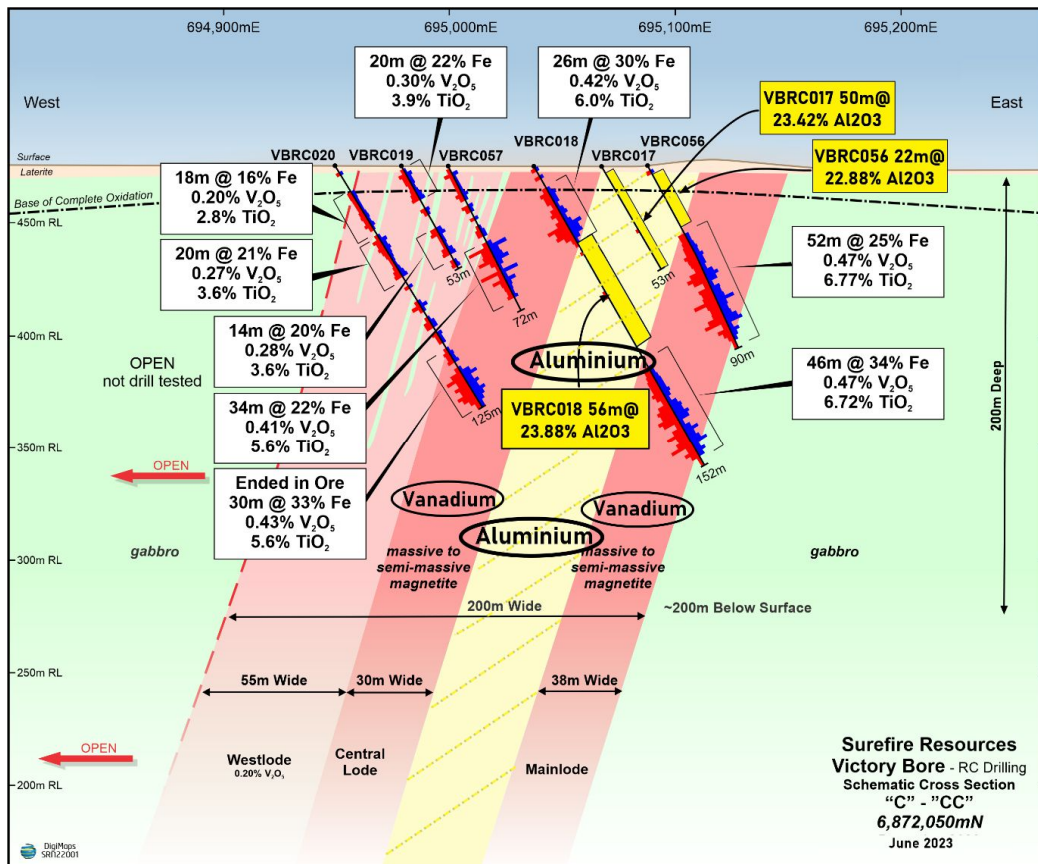


Figure 2: Victory Bore Project Cross section 6.873,050mN – displaying a width 200m of Aluminium and Vanadium mineralisation, drilling results and central location of the Aluminium resource compared to the Vanadium resource

Maiden Aluminium Resource

During the year the Company also reported a maiden resource of Aluminium Oxide. The maiden resource estimate has 17Mt @ 23.1% Al₂O₃ of a near surface measured and indicated component. Potential future mining at Victory Bore will likely produce minimum quantities of waste as vanadium and aluminium ores are mutually exclusive in the deposit. Magnetic beneficiation can remove the aluminium from the magnetite and conversely remove the magnetite from the aluminium.

The wide and extensive zone of Aluminium Oxide grading up to 23% Al₂O₃ occurs between the vanadium rich zones (Figure 1).

Measured	5.2 Mt @ 23.1% Al ₂ O ₃
Indicated	11.8 Mt @ 23.1% Al ₂ O ₃
Inferred	20.7 Mt @ 23.5% Al ₂ O ₃
Total	37.7 Mt @ 23.3% Al₂O₃

(Note: Numbers might not add up due to rounding errors. Victory Bore aluminium resource based on a 22.% Al₂O₃ cut-off. Estimation by HGMC using ordinary kriging)

Expected High Purity Alumina (HPA) Demand

High Purity Alumina (HPA) – a type of aluminium oxide at 99.99 % purity – is a high value critical mineral that is important for the industrial sector, given its use in creating synthetic sapphire crystals used in LED lights, semiconductors, watch faces and smartphones.

However, it is also seeing greater use to coat the separators that keep the cathodes and anodes in lithium-ion batteries apart, which has been found to significantly improve safety by providing greater thermal stability and reducing the risk of batteries catching fire, as well as significantly improving impedance, which allows for high power capability. It also improves battery life and lowers self-discharge. Each EV battery uses from 5kg to 30kg of 4HPA in automotive batteries, depending on the size of the batteries. This use of the material has the potential to quickly outstrip demand from other applications. EV (electric vehicle) batteries already account for about 20 per cent of current HPA production – and that is likely to grow further. According to Business Research Insight, sales of ceramic (HPA) coated separators totalled about \$US1.6 billion in 2021 and are forecast to grow at a 25 per cent compound annual growth rate to \$US7.8 billion by 2028. This growth is rapid enough that some commentators have indicated that even if every planned HPA project comes online, there will not be enough supply to meet estimated demand over the next decade and beyond.

The Vanadium and Aluminium JORC resources provide an opportunity for Surefire to extract maximum value from the total resources. Figure 2 shows the current extent of the mineralisation.

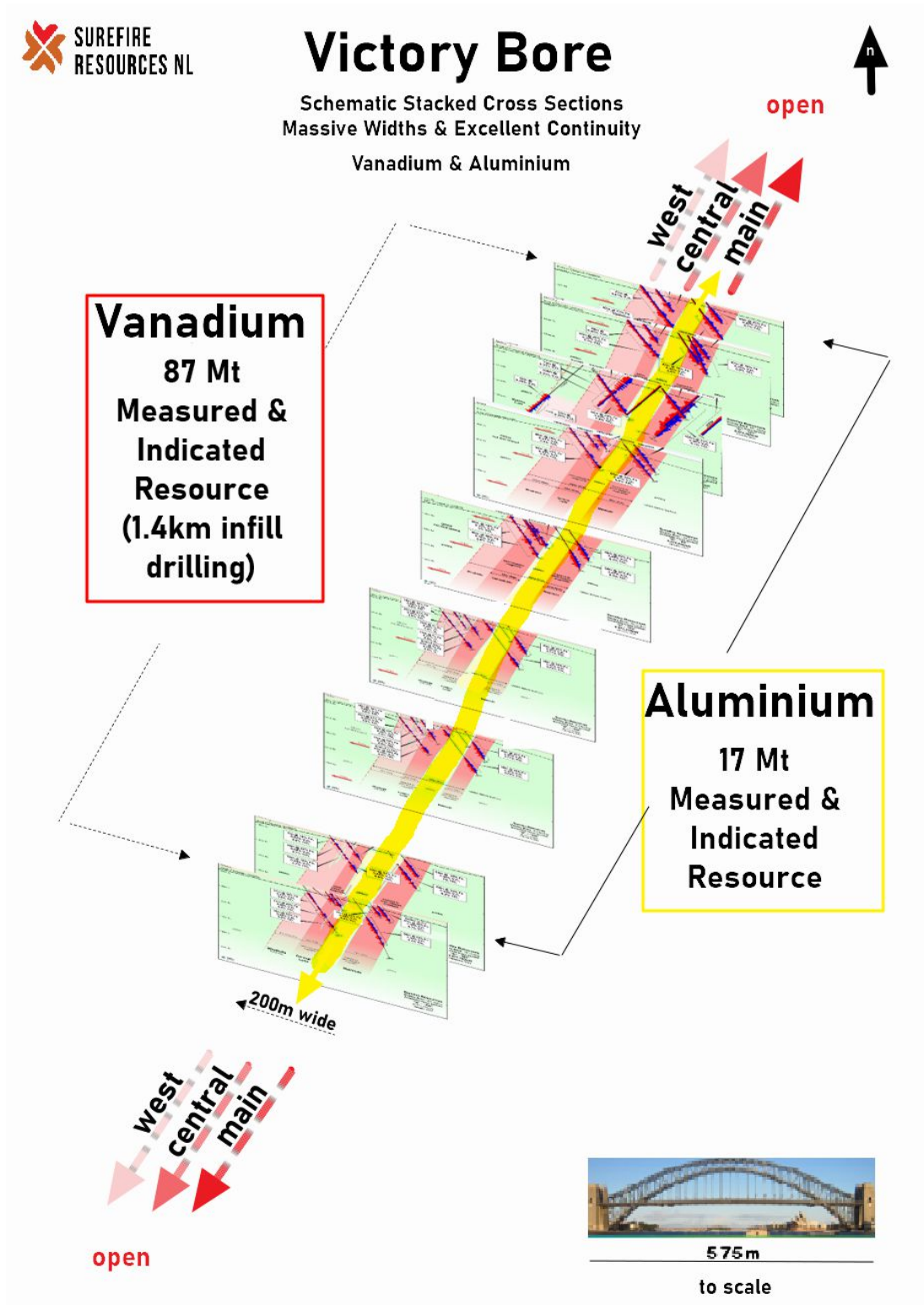


Figure 3: Schematic diagram of the Vanadium and Aluminium zones and resources at the Victory Bore deposit

Pre-Feasibility Study (PFS)

During the year Surefire engaged METS Engineering to complete the PFS following a review of metallurgical information and their previous involvement in the project area. METS were also selected on the basis that they have an unrivalled depth of metallurgical experience in assessment of Western Australian Vanadium deposits and completion of PFS and Feasibility studies.

Progress to date:

The PFS is progressing on track for completion by November 2023 and currently there are no issues. The tasks completed or underway are listed below.

AREA	STATUS
Metallurgical testwork review	Completed. No deleterious elements or issues
Beneficiation review	Completed. Magnetite Ore grade is good
Geology and Resources	Completed
Process Design	Completed
Process Flow Diagrams	Completed
Ownership and Legal	Completed
Environmental report	Completed
Statutory approvals and permits	Completed: Mining Licence Application submitted
Mining	In progress
Market study	In progress
Mechanical Equipment List / Electrical Load List	In progress
Plant Infrastructure	In progress
Transport and Logistics	In progress.
Human Resources OH&S	In progress
CAPEX Estimate (±25%)	In progress and being updated
OPEX Estimate (±25%)	In progress and being updated
Economic Evaluation	Awaiting above information
Project Execution	In progress and being updated
Risk Assessment	In progress and being updated

Development strategy

The Company has engaged with a number of offshore entities to assess the potential for downstream processing.

Subsequent to the end of the year, Surefire executed a Memorandum of Understanding (**MOU**) with the Kingdom of Saudi Arabia, Ministry of Investment Saudi Arabia (MISA) for concentrate processing and vanadium production. The MOU outlines the development strategy for a mine and beneficiation operation at the Victory Bore site, where high-grade vanadium concentrate is produced for transport to Geraldton Port, and then on-shipment to Port Damam, KSA.

For further details refer to ASX announcement 16 August 2023.

Yidby Gold Project

The Yidby Gold project is located on the Great Northern Highway, 350km North of Perth and 40km southwest of Paynes Find in the Mid-West of Western Australia (Figure 4). The Project comprises granted exploration licences with a total area of 114 km² within the prolific gold producing southern portion of the Yalgoo-Singleton Greenstone Belt.

During the year the Company completed additional drilling to establish the continuity of mineralisation and to test structural targets, and initiated column leach test work.

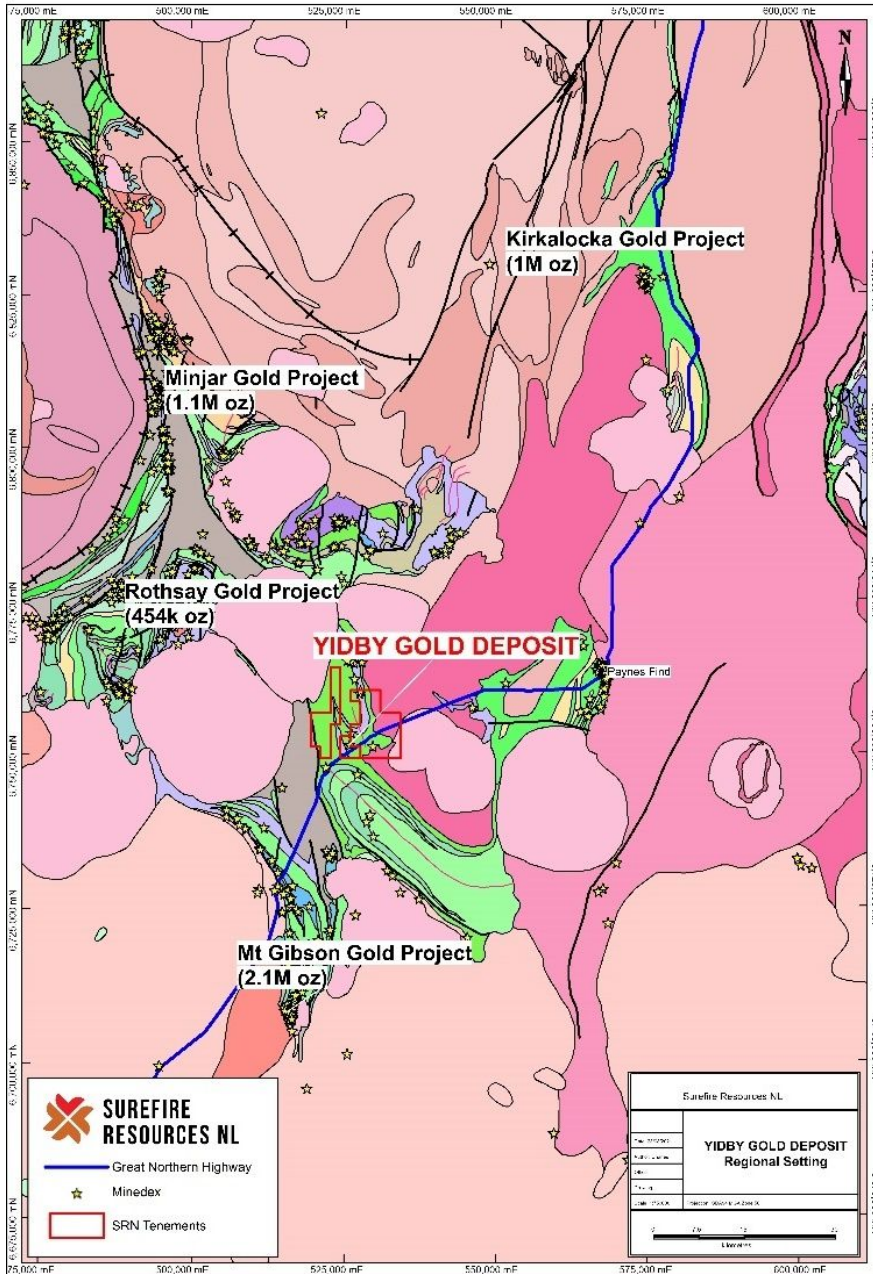


Figure 4: Yidby Gold Project location with major neighbouring gold deposits

The Yidby Gold System

The mineralised system intersected to date is extensive and now covers over 3km in a NW-SE trending strike length with Gold intercepts at the Yidby, Fender, and Marshall targets (see Figure 5).

The gold mineralised system is quartz-porphyry within an assemblage of mafic and ultra-mafic rocks above a large porphyry system. This is very similar to that seen at the Mt Gibson gold mine (2.75MOz) located 30km to the south.

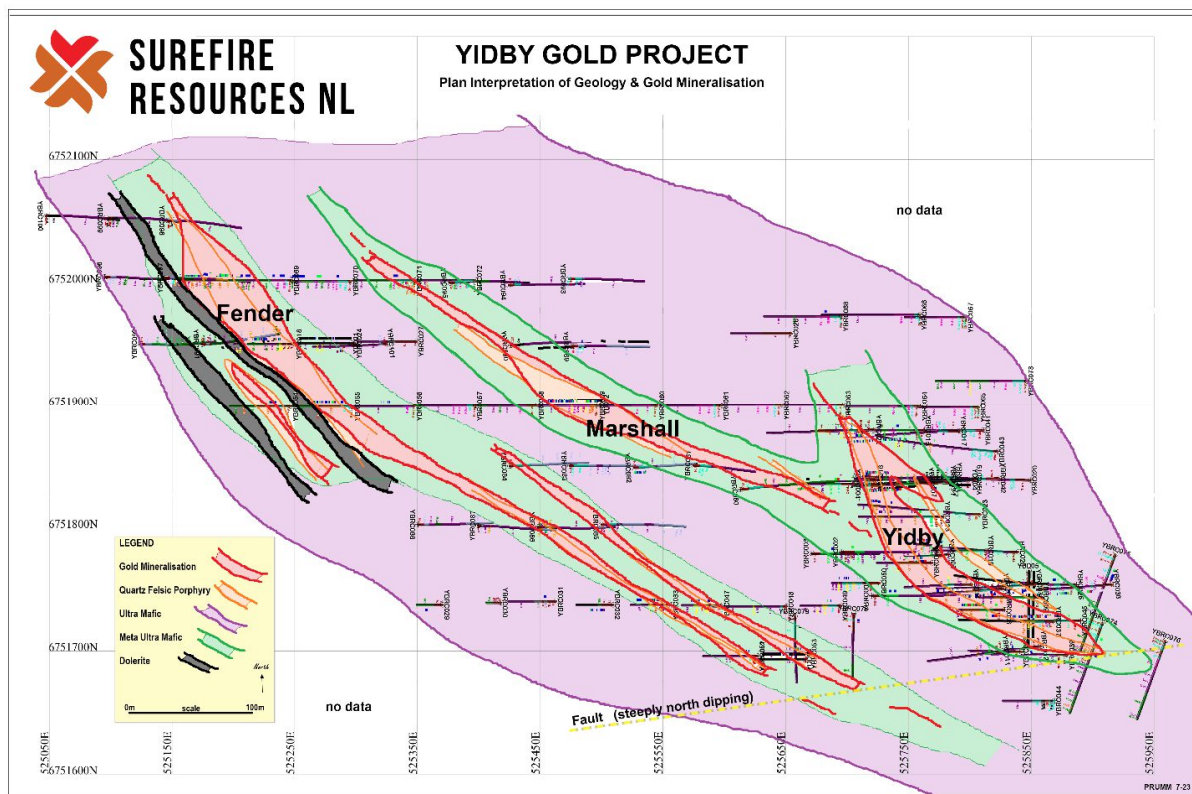


Figure 5: Plan view interpretation of the geological controls, mineralisation, and prospects

Metallurgical Test Work

During the quarter the Company initiated column leach test work following the excellent sighter metallurgy test work results completed by ALS Perth, (see ASX: 16 November 2022), (see Table 6).

The sighter test results are summarised below:

- 92% gold extracted in 2 hours;
- 43.2% to 67.0% gravity gold recovery;
- 97.6% to 99.5% recovery - gravity and cyanide leach;
- Low cyanide and lime consumption; and
- No undesirable or refractory mineralisation.

Results for the completed column leach test are awaited and the company is reviewing the next stage for this projects development.

Perenjori Iron Project

The large-scale Perenjori Iron Project is well-located in the infrastructure-rich Midwest district, 150km east of Geraldton. Existing rail and power lines are within 15km of the project, and the rail distance to the Geraldton terminus is 219km (Figure 6).

The Company’s Concept Study (ASX release 22 June 2021) completed by MinRizon Projects Pty Ltd indicated a premium-quality magnetite concentrate can be produced from the Perenjori resource at a competitive cost and a very healthy Net Present Value (NPV).

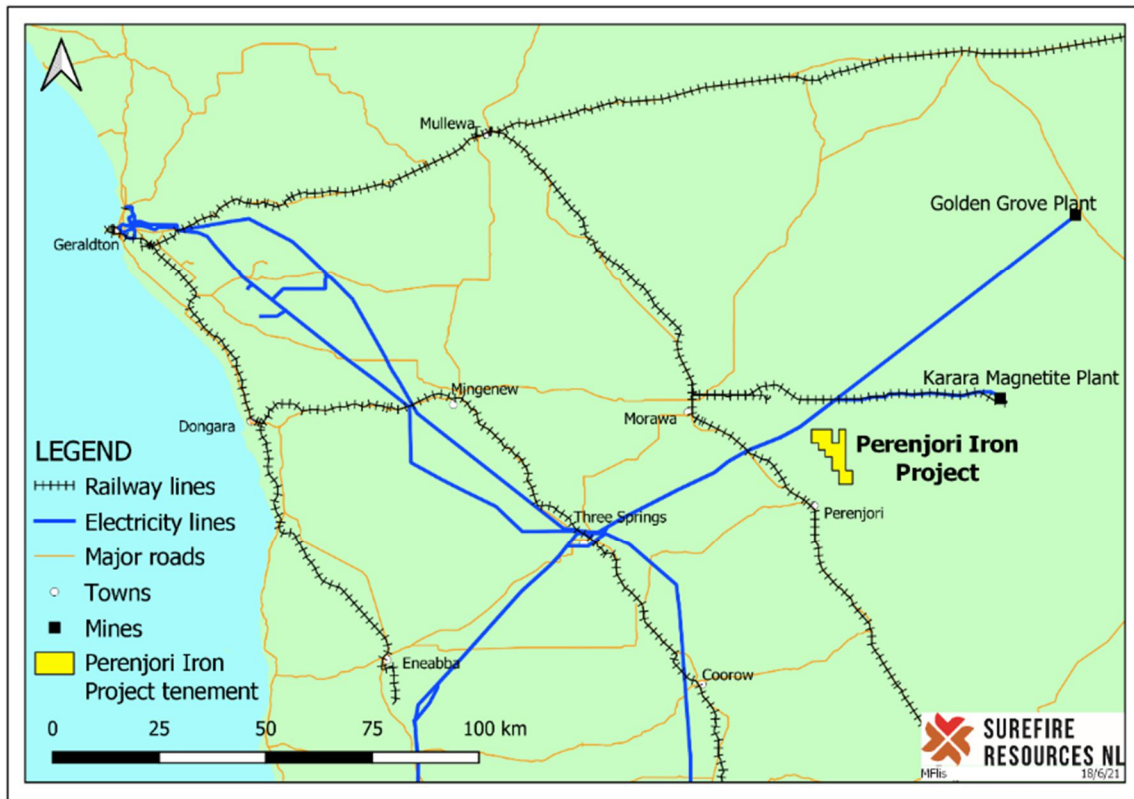


Figure 6: Perenjori Iron Project location

The Company expects the Perenjori Iron Project will deliver premium-quality, low-carbon magnetite concentrates into the next generation of environmentally friendly steel mills. Magnetite is increasingly being recognised as the iron ore feed that will help decarbonize the steel industry, because it is higher-grade than traditional haematite blast furnace feeds while at the same time delivering an energy richer feed. Magnetite concentrate grades can achieve up to 70% Fe, so that less magnetite ore needs to be smelted per tonne of steel produced.

The project is well positioned to deliver high-grade iron concentrates into next-generation zero-carbon steel plants. The project is significantly closer to the coast than other Western Australian magnetite projects, with rail distance to the port of Geraldton at 219km.

Metallurgical test-work, completed by previous owners Quest Minerals Ltd (see ASX release 26 February 2013), recovered 66% to 70% Fe concentrate grades from the relatively coarse and favourable grind size of 75 µm, with SiO₂ averaging 4.9% and less than 0.2% Al₂O₃. A premium grade feed will be suitable for blast furnace pellet production or as a Direct Reduction Iron (DRI) feed.

The Perenjori Iron Project ore has one of the highest iron grades amongst its peers, with a current Inferred Resource of **191.7Mt @ 36.6% Fe¹**. An additional exploration target of **870 to 1,240Mt @ 22% to 42% Fe¹** has been defined (ASX release 3 February 2022). Metallurgical test work has shown a premium magnetite concentrate can be produced grading up to **69.6% Fe**, with low deleterious elements at an industry standard grind size (ASX release 26 February 2021).

Environmental Survey and Permitting

A comprehensive flora and fauna survey has been completed which identified some Threatened Ecological Communities (TEC). These will need to be considered with an offset plan prior to future work. The company has engaged an external environmental group RPM Global to advise on this strategy and expects to engage with the EPA for approval next quarter.

Once approval is granted a 5,000m RC drilling program is planned for the Perenjori Premium Iron Project to infill the current 200m spaced drilling lines to 100m spacing. This infill drilling is designed to upgrade the resource category, and to provide samples for metallurgical testwork as part of the planned Pre-feasibility Study.

Kadji Ni-Cu-PGE Project

The Kadji Ni-Cu-PGE Project is located within the Perenjori tenement group. The Kadji tenements cover an underexplored layered ultramafic complex centrally positioned within the “West Yilgarn Ni-Cu-PGE province”, host to exciting discoveries of nickel and platinum-group elements (PGE’s) such as Julimar (Chalice Mining Ltd). Surefire controls over 25km strike length of this under-explored area. The Kadji tenure is also prospective for gold and lithium pegmatite mineralisation.

During the year, a high-resolution aeromagnetic survey was completed, which outlined numerous targets for follow-up geochemical sampling (Figure 7, and ASX 23 February 2022).

Geological reconnaissance of the project has verified the existence of prospective ultramafic rocks with elevated base metal signatures. Consequently, systematic surface geochemistry surveys are being planned to optimise targets ahead of drilling.

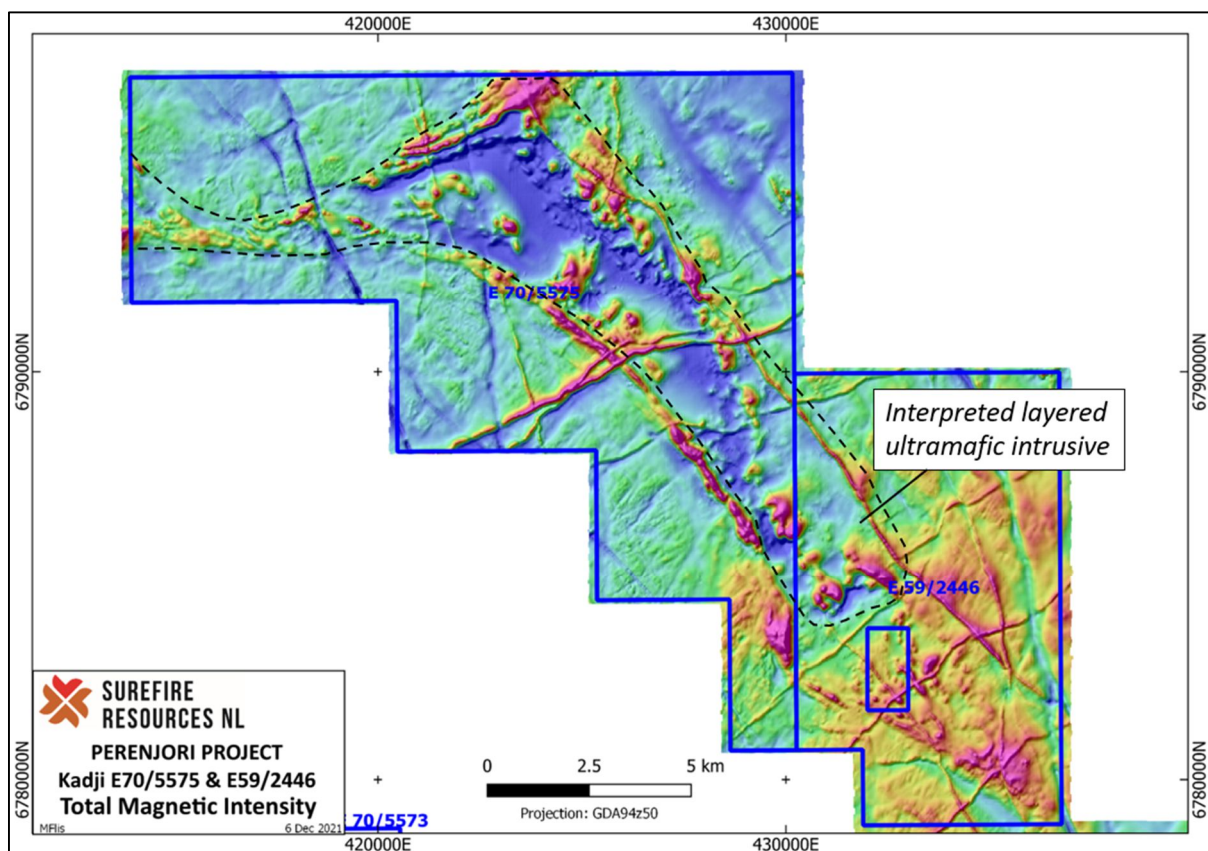


Figure 7: Kadji Ni-Cu-PGE Project location

Kooline Lead-Silver Project

The Kooline Base Metals Project in the Ashburton region of Western Australia covers 240km² and 50km of strike of prospective lead-silver and copper mineralisation. Sampling results recently announced (ASX release 14 September 2022) confirm the high-grade tenor of the lead (14%-16.2%) and silver (up to 55g/t) mineralisation.

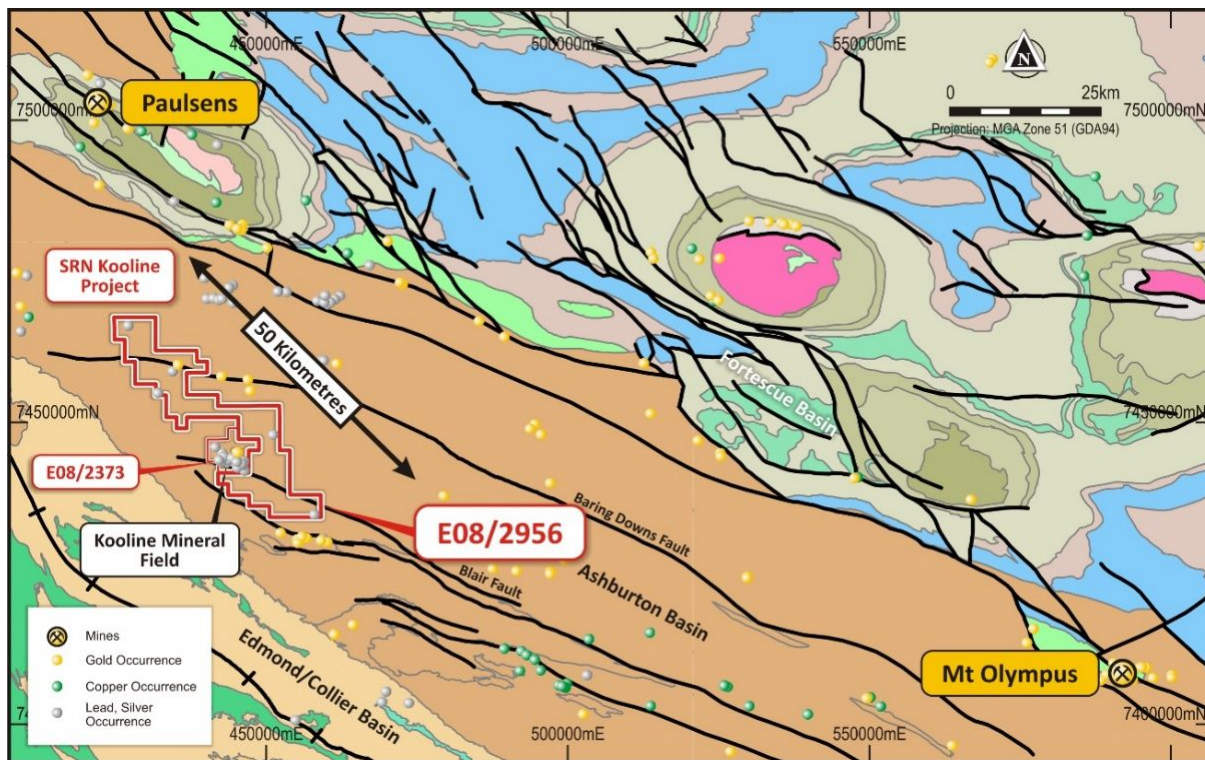


Figure 8: Location of the Kooline Project, Ashburton Basin, WA

High-grade mineralisation in the project area is associated with an airborne electromagnetic conductor (AEM) with the strongest AEM targets at Mt Conspicuous, Phar Lap and Northerly prospects (see Figure 8). The Mt Conspicuous AEM target is over 600m in strike length and lies within a structural corridor that contains the historic Mt Conspicuous Mine.

The conductor is interpreted to commence close to surface and persists to 400m in depth, which suggests the interpreted sulphide mineralisation is of significant scale.

During the year all previous data was reviewed, and a ground exploration programme planned. This will include soil sampling, and geophysics (Ground EM) to locate targets for a drilling program.

RISK FACTORS

Introduction

An investment in the Company is not risk free and the Directors strongly recommend potential investors consider the risk factors described below, together with information contained elsewhere in this report, publicly available information, circumstances peculiar to them and that they consult their professional advisers before deciding whether to invest in Company Shares.

There are specific risks which relate directly to the Company's business. In addition, there are general risks, many if not all of which are largely beyond the control of the Company and the Directors. The risks identified in this section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of its Shares.

Company Shares carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares.

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

The following is not intended to be an exhaustive list of the risk factors to which the Company and investors in the Company are exposed.

Company specific risks

Exploration Results

The Company has numerous samples and geophysical data from its exploration programmes that are currently being assayed or evaluated. No assurance can be given that these exploration results will be favourable. Any results that are not favourable may materially adversely affect the Company's Share price and future prospects.

Additional requirements for capital

The Company's future capital requirements, and the Company's ability to satisfy those requirements, depend on numerous factors, many of which are beyond the control of the Company.

It is likely that the Company will require further funding. Any additional equity financing will dilute shareholdings. Any debt financing, if available, may involve restrictions on the Company's activities. If the Company is unable to obtain additional funding as needed, it may be required to reduce the scope of its operations, dispose of assets or scale back its exploration programmes, as the case may be.

The Company's ability to raise funds through the issue of Shares or other securities is subject to share market conditions from time to time. The market for securities in junior exploration companies fluctuates.

There is no certainty that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company and its Shareholders.

Executive Management

The responsibility of overseeing the day-to-day operations and the Company's strategic management depends substantially on its senior management and key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.

Industry specific risks

Exploration success

The future profitability of the Company and the value of its securities is likely to be directly related to the results of exploration on its current and/or future projects. The exploration tenements held by the Company are at various stages of exploration and potential investors should understand that minerals exploration and development are high-risk undertakings. There can be no assurance that exploration of these tenements, or any other tenements that may be acquired, will result in discovery of an economic ore deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can ultimately be economically exploited.

The Company's future exploration activities may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, native title processes and laws relating to Aboriginal heritage and other first Australian matters, changing government regulations and many other factors beyond the Company's control.

The Company's success will depend upon the Company being able to maintain, renew or replace title to its tenements and obtaining all required approvals for its activities. In the event that exploration programmes prove to be unsuccessful, this would likely and be expected to lead to diminution in the value of the Company's tenements, and possible relinquishment of tenements.

The Company's anticipated exploration costs are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may be materially different from these estimates and assumptions. Accordingly, no assurance can be given that any cost estimates or the underlying assumptions will be realised in practice, which may materially and adversely affect the Company's viability.

Tenure risks and native title

Interests in tenements in Australia are governed by the mining legislation of the respective states. Each licence or lease is for a specific term and carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. Consequently, the Company could lose title to or its interest in tenements if licence conditions are not met or if insufficient funds are available to meet expenditure commitments.

If exploration is successful, the Company will not be able to exploit any mineral deposit unless the Company first acquires a mining lease. The grant of a mining lease is subject to ministerial discretion.

Additionally, in areas where native title exists or may exist, the ability of the Company to acquire a valid mining lease may also be subject to compliance with the 'right to negotiate' process under the Native Title Act. Compliance with this process can (and usually does) cause delays in obtaining the grant of a mining lease and ultimately there can be no guarantee that a mining lease will be granted. Attaining a negotiated agreement with native title claimants or holders to facilitate the grant of a valid mining generally add significantly to the costs and timetabling of any development or mining operation.

The ability of the Company to conduct activities on exploration or mining tenements is subject to compliance with Aboriginal heritage laws. Conduct of site surveys to ensure compliance can be and mostly are expensive and subject to delays. If any Aboriginal sites are located within areas of proposed exploration, mining or other activities, the ability of the Company to conduct those activities may be dependent on the Company obtaining further regulatory consents or approvals none of which can be assured.

Competent Person Statement

The information in this announcement that relates to the historical Exploration Results (unless otherwise referenced) is based on and fairly represents information compiled by Mr Michael Povey who is a Member of the Australian Institute of Mining and Metallurgy. Mr Povey has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activity which he has undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserve Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Povey consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.

Your directors submit the financial report of Surefire Resources NL (the “Group” or “Surefire”) and its controlled entities (the “Consolidated Entity” or “Group” – refer Note 19 for additional details) for the year 30 June 2023.

DIRECTORS

The following persons were directors of the Group during the year and up to the date of this report:

Mr Vladimir Nikolaenko
Mr Paul Burton (Appointed 6 February 2023)
Mr Michael Povey
Mr Roger Smith

PRINCIPAL ACTIVITIES

The principal activities of the Group during the year were to explore and/or review mineral tenement holdings in Western Australia.

RESULTS FROM OPERATIONS

During the year, the Group recorded an operating loss of \$3,579,947 (2022: Loss \$2,460,691).

DIVIDENDS

No amounts have been paid or declared by way of dividend by the Group since the end of the previous financial year and the Directors do not recommend the payment of any dividend.

REVIEW OF OPERATIONS

A review of operations is covered elsewhere in this Annual Report.

EARNINGS PER SHARE

Both basic loss per share and diluted loss per share for the financial period was 0.22 cents (2022: Loss 0.21 cents).

FINANCIAL POSITION

The Group's cash position as at 30 June 2023 was \$1,488,255, a decrease of \$3,582,023 from the 30 June 2022 cash balance which was \$5,070,278.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

During the year, the Company:

- issued 106,182,521 fully paid shares pursuant to the exercise of ASX:SRNOC options, resulting in the receipt of \$637,095, \$629,370 of which was received in the previous year; and
- issued 70,000,000 fully paid shares pursuant to the conversion of partly paid shares, resulting in the receipt of \$413,000.

Other than as noted above or in the Review of Operations, there were no significant changes in the state of affairs of the Group during the financial period.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

Since the reporting date, SRN has made ASX announcements, all in relation to the Company's Victory Bore deposit, of:

- the outcomes from successful test work conducted in relation to the synthesis and production of 4N (99.99%) HPA;
- the positive assessment conducted by Rockwater as to their hydrogeological assessment;
- execution of an MOU with the Kingdom of Saudia Arabia for processing of vanadium and HPA critical minerals; and
- the appointment of Snowden Optiro to conduct a Mining Prefeasibility Study.

Other than noted above or reported to ASX there have been no matters or circumstances that have arisen since 30 June 2023 which have significantly affected or may significantly affect:

- (a) the Group's operations in future years; or
- (b) the results of those operations in future years; or
- (c) the Group's state of affairs in future years.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

Likely developments in the operations of the Group and the expected results of those operations in future financial years have not been included in this report as the directors believe, on reasonable grounds, that the inclusion of such information would be likely to result in unreasonable prejudice to the Group.

Full current details of the Group's operations can be located on its website, www.surefireresources.com.au

ENVIRONMENTAL ISSUES

The Group carries out exploration operations in Australia which are subject to environmental regulations under both Commonwealth and State legislation. The Group's exploration manager is responsible for ensuring compliance with those regulations. During or since the financial period there have been no known significant breaches of these regulations.

INFORMATION ON DIRECTORS AND COMPANY SECRETARIES**Vladimir Nikolaenko**

Executive Chairman (and Managing Director until the appointment of Mr Burton on 6 February 2023)

Mr Nikolaenko has over 30 years of commercial experience in exploration, project evaluation, development and operations, predominantly focused in the base metals, gold and diamond sectors. He has a depth of management and corporate expertise in the operation of public companies and has held the position of managing director of four public companies over a period of more than 20 years involved in exploration and production, property development and technology.

He has held no directorships in other public companies in the past 3 years.

Mr Nikolaenko has a relevant interest in 226,918,376 ordinary fully paid shares and 67,188,767 partly paid ordinary shares. Mr Nikolaenko is not considered to be an independent director but possesses appropriate skill sets to be a suitably qualified key board member whose interests are aligned with those of the shareholders.

Paul Burton

Managing Director

Mr Burton was appointed to the position of MD on 6 February 2023.

He is an experienced natural resources executive, CEO and Managing Director with a successful career spanning 30 years in exploration and mining for a range of different commodities having worked throughout Australia and internationally, and is one of the most experienced professionals in critical minerals projects notably vanadium and its products and battery minerals.

Mr Burton is a geologist and graduate from McGill University, Canada; a graduate of the Australian Institute of Directors and AusIMM. He has managed successful corporate activities, mineral exploration, feasibility, FEED, and research study programs and in training and mentoring staff having previously held senior and executive roles at Anglo American, De Beers Ltd, Normandy Mining Ltd and Minotaur Exploration Ltd.

Mr Burton was most recently at TNG Ltd, (now TiVan Ltd), where he was instrumental in resource discoveries and establishing a portfolio of quality exploration assets driving the company to a market capital value of over \$100M and developing of the companies critical mineral Vanadium and battery mineral alternative energy strategies.

Mr Burton has a relevant interest in 9,667,191 ordinary fully paid shares. Mr Burton is considered to be an independent director.

Michael Povey

Non-Executive Technical Director

Mr Povey is a mining engineer with over 35 years worldwide experience in the resource sector. This experience has encompassed a wide range of commodities and included senior management positions in mining operation and the explosives industry in Africa, North America and Australia. During this time, he has been responsible for general and mine management, mine production, project evaluation, mine feasibility studies and commercial contract negotiations.

Mr Povey has a relevant interest in 5,000,000 ordinary fully paid shares and 21,797,945 partly paid ordinary shares. Mr Povey is considered to be an independent director.

Roger Smith

Non-Executive Director

Mr Smith has served on a number of boards of listed companies as both a Non-Executive Chairman and Non-Executive Director as well as having held a number of proprietary company directorships. Mr Smith has been successful in the operation of wholesale/retail businesses, property development and the hotel industry.

Mr Smith has a relevant interest in 29,575,422 ordinary fully paid shares, 31,469,178 partly paid ordinary shares and 5,190,071 options to acquire fully paid shares. Mr Smith is considered to be an independent director.

Rudolf Tieleman

Group Company Secretary

AUDIT COMMITTEE

At the date of this report the Group does not have a separately constituted Audit Committee as all matters normally considered by an audit committee are dealt with by the full Board.

REMUNERATION COMMITTEE

At the date of this report, the Group does not have a separately constituted Remuneration Committee and as such, no separate committee meetings were held during the year. All resolutions made in respect of remuneration matters were dealt with by the full Board.

MEETINGS OF DIRECTORS

During the financial year ended 30 June 2023, the following director meetings were held:

	Eligible to Attend	Attended
V Nikolaenko	7	7
P Burton (Appointed 6 February 2023)	5	5
M Povey	7	7
R Smith	7	7

REMUNERATION REPORT (Audited)

Names of and positions held by key management personnel (defined by the Australian Accounting Standards as being “those people having authority and responsibility for planning, directing, and controlling the activities of an entity, either directly or indirectly. This includes an entity’s directors”) in office at any time during the financial year are:

Key Management Person	Position
Vladimir Nikolaenko	Executive Chairman
Paul Burton	Managing Director (Appointed 6 February 2023)
Michael Povey	Non-Executive Technical Director
Roger Smith	Non-Executive Director
Rudolf Tieleman	Group Company Secretary

The Group’s policy for determining the nature and amounts of emoluments of key management personnel is set out below:

Key Management Personnel Remuneration and Incentive Policies

At the date of this report, the Group does not have a separately constituted Remuneration Committee (“Committee”) as all matters normally considered by such a Committee are dealt with by the full Board. When constituted, its mandate will be to make recommendations to the Board with respect to appropriate and competitive remuneration and incentive policies (including basis for paying and the quantum of any bonuses), for key management personnel and others as considered appropriate to be singled out for special attention, which:

- motivates them to contribute to the growth and success of the Group within an appropriate control framework;
- aligns the interests of key leadership with the interests of the Group’s shareholders;
- are paid within any limits imposed by the Constitution and make recommendations to the Board with respect to the need for increases to any such amount at the Group’s annual general meeting; and
- in the case of directors, only permits participation in equity-based remuneration schemes after appropriate disclosure to, due consideration by, and with the approval of the Group’s shareholders.

Non-Executive Directors

- Non-executive directors are not provided with retirement benefits other than statutory superannuation entitlements, where applicable.
- To the extent that the Group adopts a remuneration structure for its non-executive directors other than in the form of cash and superannuation, disclosure shall be made to stakeholders and approvals obtained as required by law and the ASX listing rules.

Incentive Plans and Benefits Programs

The Board, acting in its capacity as a Remuneration Committee, is to:

- review and make recommendations concerning long-term incentive compensation plans, including the use of equity-based plans, administer equity-based and employee benefit plans and discharge any responsibilities under those plans, including making and authorising grants, in accordance with the terms of those plans;

- ensure that, where practicable, incentive plans are designed around appropriate and realistic performance targets that measure relative performance and provide remuneration when they are achieved; and
- review and, if necessary, improve any existing benefit programs established for employees.

Retirement and Superannuation Payments

No prescribed benefits were provided by the Group to directors by way of superannuation contributions during the year.

Non-Executive Director and Executive Remuneration

The remuneration of non-executive directors may not exceed in aggregate in any financial year the amount fixed by the Group. The Board has previously agreed to set remuneration for non-executive directors at \$3,500 per month and the Chairman at \$5,000 per month once working capital and cashflow of the Group allowed.

During the year ended 30 June 2023, the non-executive directors received an annualised director's fee of \$30,000 and the Chairman received an annualised fee of \$48,000 (no change from 2022).

Relationship between Group Performance and Remuneration

There is no relationship between the financial performance of the Group for the current or previous financial year and the remuneration of the key management personnel.

Remuneration is set having regard to market conditions and encourage the continued services of key management personnel.

Use of Remuneration Consultants

The Group did not employ the services of any remuneration consultant during the financial year ended 30 June 2023.

Employment and Consultant Agreements

Mr Burton has entered into an employment agreement which agrees a total Fixed Remuneration of \$300,000 per annum (plus statutory superannuation entitlements), standard terms and conditions for agreements of its nature, including confidentiality, retention of intellectual property and leave, and subject to shareholders' approval being granted, he will be entitled to be granted a total of 30,000,000 Executive Options within 30 days after such approval has been granted by the Company. These Options will expire on the date which is the earlier of two years from date of issue, or ceasing to be employed in the designated role as Managing Director, will be exercisable at a price (**Nominated Exercise Price**), calculated as being 25% higher than the 1 intra-day Volume Weighted Average Price (**VWAP**) of ASX:SRN on the ASX trading day immediately before the day of commencement of employment (**Nominated Share Price**), and shall vest upon the following milestones being achieved:

- An initial 10,000,000 Executive Options shall vest upon the 10-day VWAP of ASX:SRN shares being at or above a price which is 50% greater than the Nominated Share Price;
- A further 10,000,000 Executive Options shall vest upon the 10-day VWAP of ASX:SRN shares being at or above a price which is 100% greater than the Nominated Share Price; and
- A further 10,000,000 Executive Options shall vest upon the 10-day VWAP of ASX:SRN shares being at or above a price which is 200% greater than the Nominated Share Price.

Other than the above detailed agreement with Mr Burton, the current directors and company secretary do not have employment contracts with the Group save to the extent that the Group's constituting documents comprise the same.

Key Management Personnel Remuneration

Year ended 30 June 2023			
Key Management Person	Short-term benefits Fees & contractual payments (\$)	Total cash and cash equivalent benefits (\$)	Total (\$)
Vladimir Nikolaenko	348,000	348,000	348,000
Paul Burton (Appointed 6.2.2023)	133,265	133,265	133,265
Michael Povey	30,000	30,000	30,000
Roger Smith	30,000	30,000	30,000
Rudolf Tieleman	66,000	66,000	66,000
Total	607,265	607,265	607,265

Key Management Personnel Remuneration (Continued)

Year ended 30 June 2022			
Key Management Person	Short-term benefits Fees & contractual payments (\$)	Total cash and cash equivalent benefits (\$)	Total (\$)
Vladimir Nikolaenko	348,000	348,000	348,000
Michael Povey	30,000	30,000	30,000
Roger Smith	30,000	30,000	30,000
Rudolf Tieleman (from date of re-appointment)	55,000	55,000	55,000
Total	463,000	463,000	463,000

Key Management Personnel are owed a total of \$42,950 (including applicable GST) as at 30 June 2023 in respect of costs accrued up to 30 June 2023:

INTERESTS HELD BY DIRECTORS, OTHER KEY MANAGEMENT PERSONNEL and RELATED PARTIES

The number of shares and partly paid contributing shares in the Group held at the beginning and end of the year and net movements during the financial year by directors, other key management personnel and/or their related entities are set out below:

30 June 2023:

Name	Balance at the start of the year	Movements during the year	Balance at the end of the year
Vladimir Nikolaenko			
<i>Fully paid ordinary shares</i>	171,768,376	55,150,000	226,918,376
<i>Partly paid ordinary shares</i>	137,188,767	(70,000,000)	67,188,767
Paul Burton	-		
<i>Fully paid ordinary shares</i>		9,667,191	9,667,191
Michael Povey			
<i>Fully paid ordinary shares</i>	5,000,000	-	5,000,000
<i>Partly paid ordinary shares</i>	21,797,945	-	21,797,945
Roger Smith			
<i>Fully paid ordinary shares</i>	29,575,422	-	29,575,422
<i>Partly paid ordinary shares</i>	31,469,178	-	31,469,178
Rudolf Tieleman			
<i>Partly paid ordinary shares</i>	20,000,000	-	20,000,000
<i>*Balance as at date of re-appointment</i>			
Total ordinary shares	206,343,798	64,817,191	271,160,989
Total partly paid contributing shares	210,455,890	(70,000,000)	140,455,890

INTERESTS HELD BY DIRECTORS, OTHER KEY MANAGEMENT PERSONNEL and RELATED PARTIES (Continued)

30 June 2022:

Name	Balance at the start of the year	Movements during the year	Balance at the end of the year
Vladimir Nikolaenko			
<i>Fully paid ordinary shares</i>	117,236,417	54,531,959	171,768,376
<i>Partly paid ordinary shares</i>	137,188,767	-	137,188,767
Michael Povey			
<i>Fully paid ordinary shares</i>	7,047,945	(2,047,945)	5,000,000
<i>Partly paid ordinary shares</i>	21,797,945	-	21,797,945
Roger Smith			
<i>Fully paid ordinary shares</i>	19,385,351	10,190,071	29,575,422
<i>Partly paid ordinary shares</i>	31,469,178	-	31,469,178
Rudolf Tieleman			
<i>Partly paid ordinary shares</i>	-	20,000,000*	20,000,000
<i>*Balance as at date of re-appointment</i>			
Total ordinary shares	143,669,713	62,674,085	206,343,798
Total partly paid contributing shares	190,455,890	20,000,000	210,455,890

Options held by Directors, Other Key Management Personnel and Related Parties

The number of options over fully paid ordinary shares in the Group held at the beginning and end of the year and net movements during the financial year by key management personnel and/or their related entities are set out below:

30 June 2023:

At the end of the current financial year and at the date of this report, the Company has no options on issue.

30 June 2022:

Name	Balance at the start of the year or date of appointment	Granted during the year	Purchased / Exercised during the year	Balance at the end of the year or date of appointment
Vladimir Nikolaenko	53,461,959	-	(53,461,959)	-
Michael Povey	898,973	-	(898,973)	-
Roger Smith	10,190,071	-	(10,190,071)	-
Total	64,551,003	-	(64,551,003)	-

General

There were no other transactions conducted between the Group and KMP or their related parties apart from those disclosed above relating to equity, that were conducted other than in accordance with normal employee, customer or supplier relationships on terms no more favourable than those reasonably expected under the arm's length dealings with unrelated parties.

End of Remuneration Report.

DIRECTORS' REPORT



EMPLOYEES

On 30 June 2023, aside from directors, the Group has two other employees (As at 30 June 2022 - two other employees).

CORPORATE STRUCTURE

Surefire is a no liability company incorporated and domiciled in Australia.

ACCESS TO INDEPENDENT ADVICE

Each director has the right, so long as he is acting reasonably in the interests of the Group and in the discharge of his duties as a director, to seek independent professional advice and recover the reasonable costs thereof from the Group.

The advice shall only be sought after consultation about the matter with the chairman (where it is reasonable that the chairman be consulted) or, if it is the chairman that wishes to seek the advice or it is unreasonable that he be consulted, another director (if that be reasonable).

The advice is to be made immediately available to all Board members other than to a director against whom privilege is claimed.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

The Group has entered into agreements indemnifying, to the extent permitted by law, all the directors and officers of the Group against all losses or liabilities incurred by each director and officer in their capacity as directors and officers of the Group. During the year, no amount was incurred as insurance premiums for this purpose.

OPTIONS

As at the date of this report the Company has no options on issue. For details of options exercised by directors, refer to the Remuneration Report above.

PROCEEDINGS ON BEHALF OF THE COMPANY

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

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out in this annual report.

This report has been signed in accordance with a resolution of directors.

For and on behalf of the Directors

Signature of Vladimir Nikolaenko noted as having been affixed with approval

Mr Vladimir Nikolaenko

Executive Chairman

29 September 2023

Auditor's Independence Declaration

To those charged with the governance of Surefire Resources NL

As auditor for the audit of Surefire Resources NL for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been:

- (i) no contraventions of the independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Signature of Elderton Audit Pty Ltd noted as having been affixed with approval
Elderton Audit Pty Ltd

Signature of Sajjad Cheema noted as having been affixed with approval
Sajjad Cheema
Audit Director

Perth
29 September 2023

This statement is provided in compliance with the ASX Corporate Governance Council's (the **Council**) Corporate Governance Principles and Recommendations Fourth Edition ("**Principles and Recommendations**").

The Group has resolved that for so long as it is admitted to the official lists of the ASX, it shall abide by the Principles and Recommendations, subject however to instances where the Board of Directors that a Council recommendation is not appropriate to its particular circumstances.

The Board encourages all key management personnel, other employees, contractors and other stakeholders to monitor compliance with this Corporate Governance manual and periodically, by liaising with the Board, management and staff, especially in relation to observable departures from the intent of these policies and with any ideas or suggestions for improvement. Suggestions for improvements or amendments can be made at any time by providing a written note to the chairman.

Website Disclosures

In order to streamline the content of this Annual Report and pursuant to the disclosure options mandated by the Council, the Group has elected to publish its Corporate Governance Statement in compliance with ASX Listing Rule 4.10.3 on its website at www.surefireresources.com.au under the "**Corporate Governance**" tab.

**CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2023**



	Notes	Year Ended 30 Jun 2023 (\$)	Year Ended 30 Jun 2022 (\$)
Revenue:	3	147,236	694
Expenses:			
Administrative expenses	4	(754,936)	(607,207)
Director fees and consulting charges		(542,141)	(408,000)
Exploration expenses		(2,430,106)	(1,296,178)
Share-based payments		-	(150,000)
Loss before income tax expense		(3,579,947)	(2,460,691)
Income tax expense	5	-	-
Loss from continuing operations		(3,579,947)	(2,460,691)
Other comprehensive income for the year			
Reversal of share-based payment reserve		106,183	-
Total Comprehensive loss for the year attributable to members of the Group		(3,473,764)	(2,460,691)
Basic (loss) per share (cents per share)	7	(0.226)	(0.214)
Diluted (loss) per share (cents per share)	7	(0.226)	(0.214)

The accompanying notes form part of these consolidated financial statements.

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023**



	Notes	As At 30 Jun 2023 (\$)	As At 30 June 2022 (\$)
Current Assets			
Cash and cash equivalents	8	1,488,255	5,070,278
Other receivables	9	78,417	102,832
Total Current Assets		1,566,672	5,173,110
Non-Current Assets			
Plant, office equipment and motor vehicles	10	29,705	49,232
Exploration and evaluation assets		3,754,000	-
Right of use asset		187,905	41,074
Total Non-Current Assets		3,971,610	90,306
TOTAL ASSETS		5,538,282	5,263,416
Current Liabilities			
Trade and Other payables	11	520,484	531,305
Lease liability	12	68,538	43,390
Liability for acquisition of JORC defined resource	17	3,304,000	-
Total Current Liabilities		3,893,022	574,695
Non-Current Liabilities			
Lease liability	12	115,761	-
Total Non-Current Liabilities		115,761	-
TOTAL LIABILITIES		4,008,783	574,695
NET ASSETS		1,529,499	4,688,721
Equity			
Contributed equity	13	39,610,646	38,560,488
Reserves	13	-	735,616
Accumulated losses		(38,081,147)	(34,607,383)
TOTAL EQUITY		1,529,499	4,688,721

The accompanying notes form part of these consolidated financial statements.

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2023**



Contributed Equity (Net of costs) (\$)	Reserves (\$)	Accumulated Losses (\$)	Total (\$)
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Balance at 1.7.2021	34,670,656	385,500	(32,146,692)	2,909,464
Comprehensive Income				
Operating (loss) for the year	-	-	(2,460,691)	(2,460,691)
Total comprehensive income for the year	-	-	(2,460,691)	(2,460,691)
Transactions with owners, in their capacity as owner, and other transfers				
Securities issued during the period	4,009,332	(273,817)	-	3,735,515
Securities issue costs	(119,500)	-	-	(119,500)
Reversal of share-based payments reserve on exercise of broker held options on 26 February 2021	-	(5,500)	-	(5,500)
Amount received on exercise of options	-	629,433	-	629,433
Total transactions with owners and other transfers	3,889,832	350,116	-	4,239,948
Balance at 30.6.2022	38,560,488	735,616	(34,607,383)	4,688,721

Balance at 1.7.2022	38,560,488	735,616	(34,607,383)	4,688,721
Comprehensive Income				
Operating (loss) for the year	-	-	(3,579,947)	(3,579,947)
Total comprehensive income for the year	-	-	(3,579,947)	(3,579,947)
Transactions with owners, in their capacity as owner, and other transfers				
Amount received on exercise of options	637,158	-	-	637,158
Less: Received in previous year	(629,433)	-	-	(629,433)
Amount received on conversion of partly paid shares into fully paid shares	413,000	-	-	413,000
Reversal of share-based payments reserve	629,433	(735,616)	106,183	-
Total transactions with owners and other transfers	1,050,158	-	106,183	420,725
Balance at 30.6.2023	39,610,646	-	(38,081,147)	1,529,499

The accompanying notes form part of these consolidated financial statements.

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2023**



	Notes	Year Ended 30 Jun 2023 (\$)	Year Ended 30 Jun 2022 (\$)
CASH FLOWS FROM OPERATING ACTIVITIES			
Interest received		25,226	694
Payments to suppliers and employees	14	<u>(1,581,767)</u>	<u>(1,075,545)</u>
Net cash (used in) operating activities		<u>(1,556,541)</u>	<u>(1,074,851)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for plant, office equipment, motor vehicles		(16,999)	(40,032)
Payments for new tenement prospects		(7,604)	(30,472)
Payments for acquisition of JORC defined resource		(450,000)	-
Exploration and evaluation expenditure incurred		<u>(1,971,604)</u>	<u>(1,229,403)</u>
Net cash (used in) investing activities		<u>(2,446,207)</u>	<u>(1,299,907)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares during the period		420,725	3,460,515
Proceeds from exercise of options issued as fully paid shares after year end		<u>-</u>	<u>629,433</u>
Net cash from financing activities		<u>420,725</u>	<u>4,089,948</u>
Net increase (decrease) in cash held		(3,582,023)	1,715,190
Cash and cash equivalents at the beginning of the financial period		<u>5,070,278</u>	<u>135,800</u>
Cash and cash equivalents at the end of the financial period		<u><u>1,488,255</u></u>	<u><u>5,070,278</u></u>

The accompanying notes form part of these consolidated financial statements.

NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below. The financial statements are for the consolidated entity consisting of Surefire Resources NL and its subsidiaries. The financial statements are presented in the Australian currency. Surefire Resources NL is a no liability company, domiciled and incorporated in Australia. The financial statements were authorised for issue by the directors on 27 September 2023. The directors have the power to amend and reissue the financial statements.

(a) Basis of preparation

These general-purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the *Corporations Act 2001*. Surefire Resources NL is a for-profit entity for the purpose of preparing the financial statements.

Going concern

The financial report has been prepared on the going concern basis, which contemplated the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

The directors have considered the funding and operational status of the business in arriving at their assessment of going concern and believe that the going concern basis of preparation is appropriate, based upon the following:

- Current cash and cash equivalents on hand;
- The ability of the Company to obtain funding through various sources, including debt and equity; and
- The ability to further vary cash flow depending upon the achievement of certain milestones within the business plan.

Compliance with IFRS

The consolidated financial statements of the Surefire Resources NL Group also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Adoption of new and revised accounting standards

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

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Historical cost convention and going concern basis

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied. These financial statements have been prepared on the going concern basis.

(b) Principles of consolidation

(i) Subsidiaries

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

The acquisition method of accounting is used to account for business combinations by the Group.

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

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

(ii) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of Surefire Resources NL.

When the Group ceases to have control, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, jointly controlled entity or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a jointly controlled entity or associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

(c) 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 full board of Directors.

(d) Foreign currency translation

(i) Functional and presentation currency

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

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss. They are deferred in equity if they are attributable to part of the net investment in a foreign operation.

(iii) Group companies

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

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- income and expenses for each statement of profit and loss and other comprehensive income are translated at average exchange rates (unless that is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised in other comprehensive income.

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

(e) Revenue recognition

Interest revenue is recognised on a time proportionate basis that takes into account the effective yield on the financial assets.

(f) Income tax

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

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company's subsidiaries and associated operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

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

(g) Leases

Leases where a significant portion of the risks and rewards of ownership are not transferred to the Group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

(h) Impairment of assets

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

impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(i) 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 insignificant risk of changes in value.

(j) Financial instruments

Initial recognition and measurement

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

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 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

On the basis of the two primary criteria:

- the contractual cash flow characteristics of the financial asset; and
- the business model for managing the financial assets

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

- 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 is subsequently measured at fair value through other comprehensive income when it meets the following conditions:

- 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; and
- the business model for managing the financial asset comprises both contractual cash flows collection and the selling of the financial asset.

By default, all other financial assets that do not meet the measurement conditions of amortised cost and fair value through other comprehensive income are subsequently measured at fair value through profit or loss.

Financial liabilities

Financial liabilities are subsequently measured at:

- amortised cost; or
- fair value through profit or loss

A financial liability is measured at fair value through profit and loss if the financial liability is:

- a contingent consideration of an acquirer in a business combination to which AASB 3 applies
- held for trading; or
- initially designated as at fair value through profit or loss

All other financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense over in profit or loss over the relevant period.

The effective interest rate is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

A financial liability is held for trading if it is:

- incurred for the purpose of repurchasing or repaying in the near term;
- part of a portfolio where there is an actual pattern of short-term profit taking; or
- a derivative financial instrument (except for a derivative that is in a financial guarantee contract or a derivative that is in an effective hedging relationship)

Any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship.

Ordinary shares

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

Derecognition

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

Derecognition of financial liabilities

A liability is derecognised when it is extinguished (i.e. when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Derecognition of financial assets

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All the following criteria need to be satisfied for derecognition of a financial asset:

- the right to receive cash flows from the asset has been expired or been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and
- the entity no longer controls the asset (i.e. it has no practical ability to make unilateral decisions to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of a debt instrument classified as at fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss.

On derecognition of an investment in equity which was elected to be classified under fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Impairment of financial assets

An impairment loss is recognised for the expected credit losses on financial assets when there is an increased probability that the counterparty will be unable to settle an instrument's contractual cash flows on the contractual due dates, a reduction in the amounts expected to be recovered, or both. The probability of default and expected amounts recoverable are assessed using reasonable and supportable past and forward-looking information that is available without undue cost or effort. The expected credit loss is a probability-weighted amount determined from a range of outcomes and takes into account the time value of money.

For trade receivables, material expected credit losses are measured by applying an expected loss rate to the gross carrying amount. The expected loss rate comprises the risk of a default occurring and the expected cash flows on default based on the aging of the receivable. The risk of a default occurring always takes into consideration all possible default events over the expected life of those receivables ("the lifetime expected credit losses"). Different provision rates and periods are used based on groupings of historic credit loss experience by product type, customer type and location.

For intercompany loans that are repayable on demand, expected credit losses are based on the assumption that repayment of the loan is demanded at the reporting date. If the subsidiary does not have sufficient accessible highly liquid assets in order to repay the loan if demanded at the reporting date, an expected credit loss is calculated. This is calculated based on the expected cash flows arising from the subsidiary, and weighted for probability likelihood variations in cash flows.

(k) Plant and equipment

All plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the statement of profit and loss and other comprehensive income during the reporting period in which they are incurred.

Depreciation of plant and equipment is calculated using the prime cost method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives or, in the case of leasehold improvements and certain leased plant and equipment, the shorter lease term. The rates are 50% per annum.

Depreciation of motor vehicles are calculated using the prime cost method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives or, in the case of leasehold improvements and certain leased plant and equipment, the shorter lease term. The rates are 20% per annum.

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 1(h)).

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

and other comprehensive income.

(l) Exploration and evaluation expenditure

Exploration and evaluation costs related to an area of interest are expensed as incurred except where they may be carried forward as an item in the statement of financial position where the rights of tenure of an area are current and one of the following conditions is met:

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

Exploration and evaluation expenditure is written-off when it fails to meet at least one of the conditions outlined above or an area of interest is abandoned. Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. When facts and circumstances suggest that the carrying amount exceeds the recoverable amount, the impairment loss will be measured in accordance AASB 6.

(m) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. The amounts are unsecured, non-interest bearing and are paid on normal commercial terms.

(n) Employee benefits

Wages and salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits, and annual leave expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

(o) Share-based payments

The Group may provide benefits to employees (including directors) of the Group, and to vendors and suppliers, in the form of equity-based payment transactions, whereby employees render services, or where vendors sell assets to the Group, in exchange for shares or rights over shares ('equity-settled transactions').

The cost of equity-settled transactions with employees is measured by reference to the "fair value", not market value. The "fair value" is determined in accordance with Australian Accounting Standards. The Directors do not consider the resultant value as determined in accordance with Australian Accounting Standards (such as a possible application of the Black-Scholes European Option Pricing Model) represents market value. In the case of share options issued, in the absence of a reliable measure, AASB 2 *Share-based Payments* prescribes the approach to be taken to determining the fair value. Other models may be used.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award ('vesting date').

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the number of options that, in the opinion of the directors of the Group, will ultimately vest. This opinion is formed based on the best available information at balance date. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date.

No expense is recognised for options that do not ultimately vest, except for options where vesting is conditional upon a market condition.

Where an option is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the option is recognised immediately. However, if a new option is substituted for the cancelled option, and designated as a replacement option on the date that it is granted, the cancelled and new option are treated as a modification of the original option.

(p) Issued capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(q) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

(ii) Diluted earnings per share

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

(r) 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.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**



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 flows.

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

(s) Taxation

Balances disclosed in the financial statements and the notes thereto related to taxation are based on the best estimates of the directors. These estimates take into account both the financial performance and position of the Group as they pertain to current income taxation legislation, and the directors understanding thereof. No adjustment has been made for pending or future taxation legislation. The current income tax position represents that directors' best estimate, pending an assessment by the Australian Taxation Office.

(t) Environmental issues

Balances disclosed in the financial statements and notes thereto are not adjusted for any pending or enacted environmental legislation and the directors understanding thereof. At the current stage of the Group's development and its current environmental impact, the directors believe such treatment is reasonable and appropriate.

(u) Share-based payments

Share-based payment transactions, when made in the form of options to acquire ordinary shares, are valued by an independent consultant using an appropriately selected model. Models use assumptions and estimates as inputs.

Whilst the Directors do not consider the result derived by the consultants is in anyway representative of the market value of the share options issued, in the absence of reliable measure for the same, AASB 2 *Share-based Payments* prescribes the fair value be determined by applying a generally accepted valuation methodology.

NOTE 2 OPERATING SEGMENTS

Segment Information

Identification of reportable segments

The Group has identified that it operates in only one segment based on the internal reports that are reviewed and used by the board of directors (chief operating decision makers) in assessing performance and determining the allocation of resources. The Group's principal activity is mineral exploration.

Revenue and assets by geographical region

The Group's revenue is received from sources and assets located wholly within Australia.

Major customers

Due to the nature of its current operations, the Group has not generated or provided any products and services during the year.

2023	2022
(\$)	(\$)

NOTE 3 REVENUE

Interest received	25,227	694
Old liabilities written off	122,009	-
	147,236	694

NOTE 4 ADMINISTRATIVE EXPENDITURES

Other Expenses

Audit fees	29,200	29,314
Occupancy and serviced office costs	73,178	79,476
Filing and ASX fees	59,000	68,440
Legal fees	26,002	25,643
Other expenses from continuing operations	567,556	404,334
	754,936	607,207

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**



NOTE 5 INCOME TAX EXPENSE

The components of tax expense comprise:

Current tax

Deferred tax asset/liability

	2023	2022
	(\$)	(\$)
Current tax	-	-
Deferred tax asset/liability	-	-
	<u>-</u>	<u>-</u>

The prima facie tax on loss from ordinary activities before income tax is reconciled to income tax as follows:

Loss from continuing operations before income tax

Prima facie tax benefit attributable to loss from continuing operations before income tax at 30%)

Tax effect of Non-allowable items

- End of year accruals
- Brought forward accruals

Deferred tax benefit on tax losses not brought to account

Income tax attributable to operating loss

Loss from continuing operations before income tax	<u>3,579,947</u>	<u>2,460,691</u>
Prima facie tax benefit attributable to loss from continuing operations before income tax at 30%)	1,073,984	738,207
Tax effect of Non-allowable items		
• End of year accruals	46,617	6,667
• Brought forward accruals	(6,667)	(55,009)
Deferred tax benefit on tax losses not brought to account	<u>(1,113,934)</u>	<u>(689,865)</u>
Income tax attributable to operating loss	<u>-</u>	<u>-</u>

Unrecognised deferred tax assets

The Group has accumulated tax losses of \$30,827,997 (2022: \$27,374,867).

The potential deferred tax benefit of these losses at the current corporate tax rate (\$9,248,399) will only be recognised if:

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

NOTE 6 AUDITORS REMUNERATION

Amounts received or due and receivable by the auditors of the Group for:

Auditing and reviewing the financial report

	2023	2022
	(\$)	(\$)
Auditing and reviewing the financial report	<u>29,200</u>	<u>29,314</u>
	<u>29,200</u>	<u>29,314</u>

NOTE 7 EARNINGS PER SHARE

The following reflects the earnings and share data used in the calculation of basic and diluted earnings per share

Loss for the year

Earnings used in calculating basic and diluted earnings per share

Weighted average number of ordinary shares used in calculating basic earnings per share

Weighted average number of ordinary shares used in calculating diluted earnings per share

Loss for the year	<u>(3,579,947)</u>	<u>(2,460,691)</u>
Earnings used in calculating basic and diluted earnings per share	<u>(3,579,947)</u>	<u>(2,460,691)</u>
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>1,586,045,908</u>	<u>1,151,040,059</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>1,586,045,908</u>	<u>1,151,040,059</u>

The Group had no options on issue (2022 – also none) over fully paid ordinary shares at balance date and there was therefore no impact on the determination of diluted earnings per share.

NOTE 8 CASH AND CASH EQUIVALENTS

Cash at bank

Cash at bank	<u>1,488,255</u>	<u>5,070,278</u>
	<u>1,488,255</u>	<u>5,070,278</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**



	2023 (\$)	2022 (\$)
NOTE 9 OTHER RECEIVABLES		
Tenement receivables	-	1,991
Net tax receivables	49,674	78,448
Prepayments	28,743	22,393
	78,417	102,832
NOTE 10 PLANT, OFFICE EQUIPMENT and MOTOR VEHICLES		
Cost	105,434	88,435
Accumulated depreciation	(75,729)	(39,203)
Net book amount	29,705	49,232
Opening net book amount	49,232	41,259
Additions	17,000	40,032
Depreciation charge	(36,527)	(32,059)
Closing net book amount	29,705	49,232
NOTE 11 TRADE AND OTHER PAYABLES *		
Trade payables (Includes disputed payables amounting to \$179,582 – see Note 20)	365,094	496,439
Other payables and accrued expenses	155,390	34,866
	520,484	531,305
<i>* All Trade and Other Payables are non-interest bearing</i>		
NOTE 12 LEASE LIABILITY		
Lease liability in relation to right-of-use of leased offices at 10/100 Mill Point Road South Perth WA		
Current Liability	68,538	43,390
Non-Current Liability	115,761	-

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**



NOTE 13 ISSUED CAPITAL

	2023		2022	
	No.	\$	No.	\$
Contributed Equity – Ordinary Shares				
At the beginning of the period	1,475,180,956	38,540,488	1,094,310,409	34,037,502
Conversion of partly paid shares into fully paid shares at \$0.027 each	-	-	59,109,128	1,595,946
Options exercised at \$0.006 each	106,182,521	637,095	251,761,419	2,283,540
Less: Amount received in previous year	-	(629,433)	-	-
Share-based payment per tenement sale agreement	-	-	10,000,000	150,000
Conversion of partly paid shares into fully paid shares at \$0.0059 each	70,000,000	413,000	60,000,000	354,000
Transferred from share-based payments reserve	-	629,433	-	-
Cost of capital raising (including reversal of share-based payments upon exercise of options and conversion of partly-paid shares to fully-paid shares)	-	-	-	119,500
Closing balance:	<u>1,651,363,477</u>	<u>39,590,646</u>	<u>1,475,180,956</u>	<u>38,540,488</u>
Contributed Equity – Partly paid Shares				
At the beginning of the year	328,785,323	20,000	447,894,451	20,000
Conversion into fully paid shares at \$0.027 each	-	-	(59,109,128)	-
Conversion into fully paid shares at \$0.0059 each	(70,000,000)	-	(60,000,000)	-
Closing balance:	<u>258,785,323</u>	<u>20,000</u>	<u>328,785,323</u>	<u>20,000</u>
TOTAL CONTRIBUTED EQUITY		<u><u>39,610,646</u></u>		<u><u>38,560,488</u></u>

Options

All options expired on 30 June 2023 with some minor amounts being received in the first week of July 2022. The resulting shares were issued in July 2022.

Reserves

Share-based payments reserve

Opening balance	735,616	385,500
Reversal of share-based payments reserve on exercise of broker held options on 26 February 2021	-	(5,500)
Reversal of share-based payments reserve on conversion of broker held partly-paid shares to fully paid shares on 12 May 2022	-	(114,000)
Exercise of options	-	(159,817)
Amount received on exercise of options	-	629,433
Reversal of share-based payments reserve	(735,616)	-
Closing balance	<u>-</u>	<u>735,616</u>

- (i) The reserve is used to recognise the fair value of options issued.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**



NOTE 14 CASH FLOW INFORMATION

	2023 (\$)	2022 (\$)
Reconciliation of operating loss after income tax with funds used in operating activities:		
Operating (loss) after income tax	(3,591,039)	(2,460,691)
Non-cash Items		
Depreciation of non-current assets	36,525	35,089
Right of use adjustment	(3,121)	(715)
Exploration tenement expenses shown in Investing Activities	1,979,208	1,259,877
Share-based payments	-	150,000
Changes in operating assets and liabilities:		
(Increase) / Decrease in trade and other receivables relating to operating activities	35,507	(993)
Increase / (Decrease) in trade and other payables in relation to operating activities	(13,620)	(57,418)
Cash (outflow) from operations	(1,556,540)	(1,074,851)

NOTE 15 TENEMENT EXPENDITURES CONDITIONS AND OTHER COMMITMENTS

The Group has certain obligations to perform minimum exploration work on the tenements in which it has an interest. These obligations may in some circumstances, be varied or deferred. Tenement rentals and minimum expenditure obligations which may be varied or deferred on application are expected to be met in the normal course of business.

The minimum statutory expenditure commitments required to be spent on the granted tenements for the next twelve months amounts to \$512,000.

NOTE 16 TENEMENT ACCESS

Native Title and Freehold

All or some of the tenements in which the Group has an interest are or may be affected by native title.

The Group is not in a position to assess the likely effect of any native title impacting the Group.

The existence of native title and heritage issues represent, as a general proposition, a serious threat to explorers and miners, not only in terms of delaying the grant of tenements and the progression of exploration development and mining operations, but also in terms of costs arising consequent upon dealing with aboriginal interest groups, claims for native title and the like.

As a general proposition, a tenement holder must obtain the consent of the owner of freehold before conducting operations on the freehold land. Unless it already has secured such rights, there can be no assurance that the Group will secure rights to access those portions (if any) of the Tenements encroaching freehold land but, importantly, native title is extinguished by the grant of freehold so if and whenever the Tenements encroach freehold the Group is in the position of not having to abide by the Native Title Act in respect of the area of encroachment albeit aboriginal heritage matters still be of concern.

NOTE 17 LIABILITY FOR ACQUISITION OF JORC DEFINED MINERAL RESOURCE

During the current year in ASX releases dated 1 February 2023 and 5 April 2023, Surefire reported a 56% mineral resource increase on its Victory Bore Tenement (E57/1036) (**Mineral Resource Increase Announcement**).

The release of the Mineral Resource Increase Announcement triggered certain payment obligations to Mutual Holdings Pty Ltd (**MH**) pursuant to the terms of a pre-existing agreement in respect of the Victory Bore Tenement, which was assumed by the Company at the time it completed the acquisition of that tenement in April 2019 (**MH Agreement**).

The Company's shareholders approved any potential payments by the Company in accordance with its obligations under the MH Agreement at a general meeting held on 6 March 2019 (**General Meeting**).

Shareholders should refer to the notice of extraordinary general meeting dated 25 January 2019 which convened the General Meeting for further details of the Company's acquisition of the Victory Bore Tenement and the MH Agreement.

Based on the increased mineral resource as announced per the Mineral Resource Increase Announcement, the payment obligations to be satisfied by Surefire in cash under the MH Agreement at this time totaled \$3.754M (**Triggered MH Payments**).

Of the Triggered MH Payments owing, an amount of \$450k was paid during the reporting period, with the unpaid balance being shown as a current liability.

MH is controlled by Mr Vladimir Nikolaenko, SRN's executive chairman, who is expected to consider a proposal to satisfy the balance of the Triggered MH Payment in such a way as to preserve SRN's existing cash reserves which can otherwise be utilised to advance the Company's business and further aligns MH's interests with those of SRN's shareholders.

NOTE 18 EVENTS SUBSEQUENT TO REPORTING DATE

Since the reporting date, SRN has made ASX announcements, all in relation to the Company's Victory Bore deposit, of:

- the outcomes from successful test work conducted in relation to the synthesis and production of 4N (99.99%) HPA;
- the positive assessment conducted by Rockwater as to their hydrogeological assessment;
- execution of an MOU with the Kingdom of Saudi Arabia for processing of vanadium and HPA critical minerals; and
- the appointment of Snowden Optiro to conduct a Mining Prefeasibility Study.

Other than noted above or reported to ASX there have been no matters or circumstances that have arisen since 30 June 2023 which have significantly affected or may significantly affect:

- (a) the Group's operations in future years; or
- (b) the results of those operations in future years; or
- (c) the Group's state of affairs in future years.

NOTE 19 CONTROLLED ENTITIES

Subsidiaries of Surefire Resources NL	Country of Incorporation	2023 Percentage Owned (%)	2022 Percentage Owned (%)
Unaly Hill Pty Ltd	Australia	100%	100%
Argus Mining Pty Ltd (Incorporated on 3.12.2020)	Australia	100%	100%
Kadji Mining Pty Ltd (Incorporated on 3.12.2020)	Australia	100%	100%
Associate of Surefire Resources NL			
Oil & Gas SE Pty Ltd	Australia	49%	49%

All of these companies are dormant and have not operated during the year.

NOTE 20 RELATED PARTY AND RELATED ENTITY TRANSACTIONS

During the year, the following related party transactions were entered into by the company:

Name of the related entity	Total amount invoiced (Excl GST)	Description of services
Corporate Admin Services Pty Ltd	\$348,000 (2022: \$348,000)	Executive chairman services and board fees
Minman Pty Ltd	\$30,875 (2022: \$30,000)	Non-executive technical directorial services and geological consultancy
Halith Pty Ltd	\$30,000 (2022: \$30,000)	Non-executive directorial services

Particulars of contractual arrangements and financial benefits provided to the key management personnel are detailed in the directors' report.

The total amount owing to both current and past directors and/or director-related parties (including GST) on 30 June 2023 was \$182,112 (2022: \$304,824). Of this amount, \$145,212 is being disputed and/or subject to legal processes.

NOTE 21 CONTINGENT LIABILITIES AND ASSETS

The directors have disputed various invoices included in the Group's financial records as follows:

1. As raised by previous directors in relation to services rendered (\$145,212); and
2. Disputed drilling costs incurred in the current financial year (\$34,370);

all of which have been included in expenses incurred to date.

Contingent Liability on Acquisition of Victory Bore Tenement

In an Amendment to the Heads of Agreement for Sale of Tenement executed on 16 August 2018 between High Grade Metals Limited, Acacia Mining Pty Ltd, Mutual Holdings Pty Ltd and Surefire Resources NL, it was agreed (among other terms) that:

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**



1. Within 60 days of Surefire announcing to the ASX that it has obtained a pre-feasibility study that confirms that the subject tenement, namely Victory Bore, if developed as a mine, has an internal rate of return of not less than 20%, Surefire will pay an additional sum of \$650,000; and
2. Within 60 days of Surefire announcing to the ASX that it has made a decision to mine within the Tenement area, Surefire will pay an additional sum of \$650,000.

Other than noted above, these contingencies have NOT been included in the Financial Report and are subject to the respective conditions being met in due course.

Native Title

As detailed in Note 15, tenements are commonly (but not invariably) affected by native title.

The Group is not in a position to assess the likely effect of any native title impacting the Group.

The existence of native title and heritage issues represent, as a general proposition, a serious threat to explorers and miners, not only in terms of delaying the grant of tenements and the progression of exploration development and mining operations, but also in terms of costs arising consequent upon dealing with aboriginal interest groups, claims for native title and the like.

NOTE 22 FINANCIAL INSTRUMENTS DISCLOSURE

(a) Financial Risk Management Policies

The Group's financial instruments consist of deposits with banks, receivables, financial assets and payables.

Risk management policies are approved and reviewed by the Board. The use of hedging derivative instruments is not contemplated at this stage of the Group's development.

Specific Financial Risk Exposure and Management

The main risks the Group is exposed to through its financial instruments, are interest rate and liquidity risks.

Interest Rate Risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at reporting date whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments.

Liquidity Risk

The Group manages liquidity risk by monitoring forecast cash flows, cash reserves, liquid investments, receivables and payables.

Capital Risk

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.

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 raising as required.

The working capital position of the Group at 30 June 2023 and 30 June 2022 was as follows:

	2023 (\$)	2022 (\$)
Cash and cash equivalents	1,488,255	5,070,278
Other receivables	78,417	102,832
Trade and other payables	(520,484)	(531,305)
Lease liability	(68,538)	(43,390)
Liability for acquisition of JORC defined mineral resource *	(3,304,000)	-
Working capital position	(2,326,350)	4,598,415

* This liability is expected to be the subject of an agreement between the Company and Mutual Holdings Pty Ltd, a company associated with Mr Nikolaenko who holds a 13.7% relevant interest in Surefire. – refer to Note 17

Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the Statement of Financial Position and notes to the consolidated financial statements.

There are no material amounts of collateral held as security at balance date.

The following table provides information regarding the credit risk relating to cash and cash equivalents based on credit ratings:

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**



	2023 (\$)	2022 (\$)
AAA rated	1,488,255	5,070,278
AA rated	-	-
A rated	-	-

The credit risk for counterparties included in trade and other receivables at balance date is detailed below.

	2023 (\$)	2022 (\$)
Other receivables	<u>78,417</u>	<u>102,832</u>

(b) Financial Instruments

The Group holds no derivative instruments, forward exchange contracts or interest rate swaps.

Financial Instrument composition and maturity analysis

The table below reflects the undiscounted contractual settlement terms for financial instruments.

2023	Weighted Average Effective Interest Rate %	Floating Interest Rate (\$)	Fixed Interest Rate (\$)	Non-Interest Bearing (\$)	Total (\$)
Financial Assets:					
Cash and cash equivalents		1,421,966	-	66,289	1,488,255
Trade and other receivables		-	-	78,417	78,417
Total Financial Assets	0.93%	<u>1,421,966</u>	-	<u>144,706</u>	<u>1,566,672</u>
Financial Liabilities:					
Trade and other payables		-	-	(520,484)	(520,484)
Lease liability		-	-	(68,538)	(68,538)
Liability for acquisition of JORC defined mineral resource		-	-	(3,304,000)	(3,304,000)
Total Financial Liabilities		-	-	<u>(3,893,022)</u>	<u>(3,893,022)</u>
Net Financial (Liabilities)		-	-	<u>(3,748,316)</u>	<u>(2,326,350)</u>

Trade and other payables are expected to be paid as follows:

Less than 6 months

Includes \$3,304,000 as a liability to Mutual Holdings Pty Ltd – refer to Note 17.

2023
(\$)

(3,893,022)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**



2022	Weighted Average Effective Interest Rate %	Floating Interest Rate (\$)	Fixed Interest Rate (\$)	Non-Interest Bearing (\$)	Total (\$)
Financial Assets:					
Cash and cash equivalents		4,211,657	-	858,621	5,070,278
Trade and other receivables		-	-	102,832	102,832
Total Financial Assets	0%	4,211,657	-	961,453	5,173,110
Financial Liabilities:					
Trade and other payables		-	-	(531,305)	(531,305)
Equity subscriptions		-	-	(629,433)	(629,433)
Lease liability		-	-	(43,390)	(43,390)
Net Financial Assets		-	-	(1,204,128)	(1,204,128)

2022
(\$)

Trade and other payables are expected to be paid as follows:

Less than 6 months

(574,695)

(c) **Sensitivity Analysis – Interest rate risk**

At 30 June 2023, if interest rates had changed by +/- 100 basis points from the weighted average rate for the year, with all other variables held constant, post-tax loss for the Group would have been decreased/increased by \$2,712 (2022: Insignificantly lower or higher) as a result of lower/higher interest income from cash and cash equivalents.

DIRECTORS' DECLARATION



The directors of the Group declare that:

1. the accompanying consolidated financial statements and notes are in accordance with the *Corporations Act 2001* and:
 - (a) comply with Australian Accounting Standards and the *Corporations Act 2001*;
 - (b) give a true and fair view of the financial position as at 30 June 2023 and performance for the year ended on that date of the Group; and
 - (c) the audited remuneration disclosures set out in the Remuneration Report section of the Directors' Report for the year ended 30 June 2023 complies with section 300A of the *Corporations Act 2001*;
2. the Chief Executive Officer has declared pursuant to section 295A(2) of the *Corporations Act 2001* that:
 - (a) the financial records of the company for the financial year have been properly maintained in accordance with section 286 of the *Corporations Act 2001*;
 - (b) the consolidated financial statements and the notes for the financial year comply with Australian Accounting Standards; and
 - (c) the consolidated financial statements and notes for the financial year give a true and fair view;
3. in the directors' opinion, there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable;
4. the directors have included in the notes to the consolidated financial statements an explicit and unreserved statement of compliance with International Financial Reporting Standards.

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

Signature of Vladimir Nikolaenko noted as having been affixed with approval

Mr Vladimir Nikolaenko

Executive Chairman

Dated 29 September 2023

Independent Audit Report to the members of Surefire Resources NL

Report on the Audit of the Financial Report

Opinion

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

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

- (i) giving a true and fair view of the Group's financial position as at 30 June 2023 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described as 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.

Expenditure

Refer to total expenditure \$3,727,183, accounting policy note 1(l) and note 4.

Key Audit Matter	How our audit addressed the matter
<p>Expenditure is a substantial figure in the financial statements of the Group, representing the majority of shareholder funds spent during the financial year.</p> <p>Given this represents a significant volume of transactions, we considered it necessary to assess whether the Group's expenses had been accurately recorded, whether the services provided had been delivered in the appropriate period, and whether all expenses related to activities undertaken by Surefire Resources NL.</p>	<p>Our audit work included, but was not restricted to, the following:</p> <ul style="list-style-type: none">• We examined the Group's approval processes in relation to making payments to its suppliers and employees.• We selected a sample of expenses using different systematic sampling methods, and vouched each item selected to invoices and other supporting documentation.• We reviewed post year-end payments and invoices to ensure that all goods and services provided during the financial year were recognised in expenses for the same period.• For exploration expenses, we assessed which tenements the spending related to, to ensure funds were expended in relation to the Group's ongoing projects; and• From those charged with governance of the Group we requested confirmations from all directors and other key management personnel of the Group during the financial year of their remuneration and any other transactions between them, their related parties and the Group.

Exploration and Evaluation Assets (\$3,754,000)

Refer to Note 17, accounting policy note 1(l).

Key Audit Matter	How our audit addressed the matter
<p>The Group has capitalised significant exploration and evaluation expenditures during the year.</p> <p>As the carrying value of exploration and evaluation assets represents a significant asset of the Group, we considered it necessary to assess whether facts and circumstances existed to suggest that the carrying amount of this asset may exceed its recoverable amount. As a result, the asset was required to be assessed for impairment.</p>	<p>Our audit work included but was not restricted to the followings:</p> <ul style="list-style-type: none">• We ensured that evidence that the Group has valid rights to explore in the areas represented by the capitalised exploration and evaluation assets by obtaining independent searches of the Group's tenement holdings;• We enquired with management and reviewed budgets to ensure that substantive expenditure on further exploration for and evaluation of the mineral resources in the Group's areas of interest were planned;• We enquired with management, reviewed ASX announcements made and reviewed minutes of meetings to ensure that the Group has not decided to discontinue activities in any of its areas of interest;

Other Information

The directors are responsible for the other information. The other information comprises the Review of Operations and Directors' Report and other information included in the Group's annual report for the year 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 on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Directors for the Financial Report

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

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

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 the financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used in the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included on page 19 to page 22 in the directors' report for the year ended 30 June 2023.

In our opinion, the Remuneration Report of Surefire Resources NL, for the year ended 30 June 2023, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

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

Signature of Elderton Audit Pty Ltd noted as having been affixed with approval

Elderton Audit Pty Ltd

Signature of Sajjad Cheema noted as having been affixed with approval

Sajjad Cheema

Audit Director

Perth

29 September 2023

TENEMENT DETAILS



Project Area	Tenement Number	Name	State	Status	Equity (%)
YIDBY GOLD PROJECT	E59/2426	Nynghan	WA	Granted	
	E59/2390	Yalgoo	WA	Granted	
	E59/2444	Yidby Hill	WA	Granted	
	E59/2845	Yidby	WA	In Application	
NORTH PERENJORI	E70/5575	Kadji	WA	Granted	
	E59/2446	Perenjori 2	WA	Granted	
SOUTH PERENJORI	E70/5311	Southwest	WA	Granted	
	E70/6402	White Pointer	WA	Granted	
	E70/5572	Fitzroy	WA	Granted	
UNALY HILL	E57/1068	Unaly Hill	WA	EOT Granted	
VICTORY BORE	E57/1036	Victory Bore	WA	M Application	
KOOLINE	E08/2373	Kooline-Wyloo	WA	EOT in Application	
	E08/2956	Kooline	WA	Granted	
MT FARMER	E59/2843	Mt Farmer	WA	In Application	
BLUE MOON PROJECT	E59/2846	Blue Moon	WA	In Application	
	E59/2850	Super Moon	WA	In Application	
	E59/2851	Blood Moon	WA	In Application	
	E59/2852	Harvest Moon	WA	In Application	

ANNUAL ASX REPORTING REQUIREMENTS

In compliance with Chapter 5 of the ASX Listing Rules, the directors consider that the Group does not have any ore reserves and mineral resources on which to conduct a review.

OTHER INFORMATION



The following information was applicable as at 15 September 2023.

Share and Option holdings:

Category (Size of Holding)	Fully Paid Ordinary Shares	Partly paid Ordinary Shares
1 to 1,000	72	4
1,001 to 5,000	36	11
5,001 to 10,000	35	3
10,001 to 100,000	1,309	43
100,001 and over	1,347	90
Total	2,799	151

The number of shareholdings held in less than marketable parcels is 604 holders of fully paid ordinary shares.

Substantial shareholders:

The names of the substantial shareholders listed in the Group's register as at 15 September 2023.

Shareholder Name	Number of Fully Paid Shares	% of Issued Fully Paid Share Capital
Vladimir Nikolaenko Group	226,918,376	13.74
Total	226,918,376	13.74

Twenty largest shareholders – Quoted fully paid ordinary shares (ASX:SRN):

	Shareholder Name	Number of Shares	% of Issued Share Capital
1.	Plato Mining Pty Ltd	121,769,412	7.37
2.	Mutual Holdings Pty Ltd	70,000,000	4.24
3.	Admark Investments Pty Ltd <The Pinto Family A/c>	55,625,000	3.37
4.	Michael Giuliano	54,180,533	3.28
5.	Silas T Haysom	24,821,507	1.50
6.	Sunset Capital Management Pty Ltd	23,215,028	1.41
7.	Mercury Investments Pty Ltd	23,117,714	1.40
8.	Kalaria Nominees Pty Ltd <The Speculator A/c>	22,245,000	1.35
9.	Ardglen Holdings Pty Ltd <Matthew Smith Family<A/c>	21,247,505	1.29
10.	Adam Andrew MacDougall	20,500,000	1.24
11.	Acuity Capital Investment Management Pty Ltd	20,000,000	1.21
12.	Prescorp Pty Ltd	20,000,000	1.21
13.	BNP Paribas Nominees Pty Ltd	17,259,181	1.05
14.	Daniel Barnao	15,209,590	0.92
15.	Phoenix Ash Pty Ltd	15,000,000	0.91
16.	Halith Pty Ltd	13,442,689	0.81
17.	Timothy JN and Dianne P Binney	12,000,000	0.73
18.	Corporate Admin Services Pty Ltd	10,312,500	0.62
19.	Pyro Holdings Pty Ltd	10,000,000	0.61
20.	Kenneth Chandran John	10,000,000	0.61
	Total	579,945,659	35.12

OTHER INFORMATION



Twenty largest shareholders – Unquoted partly paid ordinary shares (ASX:SRNAK):

	Shareholder Name	Number of Shares	% of Issued Share Capital
1.	Plato Mining Pty Ltd	55,942,832	29.63
2.	First Investment Partners Pty Ltd	14,875,000	7.88
3.	Mercury Investments Pty Ltd	11,008,435	5.83
4.	Celtic Capital Pty Ltd <The Celtic Capital A/c>	11,000,000	5.83
5.	Mungala Investments Pty Ltd	10,000,000	5.30
6.	Citicorp Nominees Pty Ltd	5,005,000	2.65
7.	Group Seventy Three Pty Ltd	4,000,000	2.12
8.	Social Investments Pty Ltd	4,000,000	2.12
9.	Agens Pty Ltd <The Mark Collins S/F A/c>	4,000,000	2.12
10.	Stevsand Holdings Pty Ltd <Formica Horticultural A/c>	4,000,000	2.12
11.	Vulture Fish Pty Ltd	3,000,000	1.59
12.	John Cecon and Maria Lynn McLean (MCCM Super Fund A/c>	3,000,000	1.59
13.	AJ Loo Investments Pty Ltd <AJ Loo Family A/c>	2,500,000	1.32
14.	George Monty Armstrong	2,250,000	1.19
15.	White Trading Pty Ltd	2,083,333	1.10
16.	Inverness Investments Pty Ltd <Sam De Vita Family A/c>	2,000,000	1.06
17.	Roncio Nominees Pty Ltd <Super Fund A/c>	2,000,000	1.06
18.	Tom and Angela Kouloukakis	1,875,000	0.99
19.	Minman Pty Ltd	1,797,945	0.95
20.	Kieran George Barratt	1,785,749	0.95
	Total	146,123,294	77.40

Twenty largest shareholders – Unquoted partly paid ordinary shares (ASX:SRNAN):

	Shareholder Name	Number of Shares	% of Issued Share Capital
1.	Halith Pty Ltd	30,000,000	42.86
2.	Minman Pty Ltd	20,000,000	28.57
3.	RABMB Pty Ltd	20,000,000	28.57
	Total	70,000,000	100.00

Summary of Issued Securities:

There are 1,651,363,477 quoted fully paid ordinary shares (ASX:SRN), 188,785,323 unquoted partly paid ordinary shares (ASX:SRNAK) and 70,000,000 unquoted partly paid ordinary shares (ASX:SRNAN).

The partly paid ordinary shares are not listed on Australian Securities Exchange.

Buy-Back Plans

The Group does not have any current on-market buy-back plans.

Voting Rights

The voting rights attaching to ordinary shares are governed by the Constitution. On a show of hands every person present who is a Member or representative of a member shall have one vote and on a poll, every member present in person or by proxy or by attorney or duly authorised representative shall have one vote for each fully paid ordinary share held.

Each contributing share has a voting entitlement proportionate to the amount paid up thereon relative to the entire amount payable (including the amount paid but ignoring amounts credited as paid).

None of the options have any voting rights.

ASX Listing Rule 3.13.1

The Company advises, in accordance with ASX Listing Rule 3.13.1, that its Annual General Meeting (**AGM**; an item of business which will include the election of directors) is proposed to be held on 30 November 2023 and based on this proposed AGM date, in accordance with the Company's constitution, the closing date for receipt of valid nominations from persons wishing to be considered for election as a director at the AGM will be 18 October 2023.