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Alderan Resources Limited  
ABN 55 165 079 201

Annual Consolidated Financial Report  
30 June 2021

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**CORPORATE INFORMATION**

**ABN 55 165 079 201**

**Directors**

Mr Ernest Thomas Eadie  
Mr Scott Caithness  
Mr Frank 'Bruno' Hegner  
Mr Peter Williams

**Company Secretary**

Mr. Mathew O'Hara

**Registered Address**

Suite 23, 513 Hay Street  
Subiaco WA 6008  
Telephone: 08 6143 6711  
Fax: 08 9388 8824

**Principal Place of Business**

Suite 23, 513 Hay Street  
Subiaco WA 6008  
Telephone: 08 6143 6711  
Fax: 08 9388 8824

**Bankers**

National Australia Bank  
197 St Georges Terrace  
Perth WA 6000

**Auditors**

RSM Australia Partners  
Level 32, Exchange Tower  
2 The Esplanade  
Perth WA 6000  
Telephone: 08 9261 9100

**Share Registry**

Automic Registry Services  
Level 5, 126 Phillip Street  
Surrey Hills NSW 2000  
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## DIRECTORS' REPORT

The Directors of Alderan Resources Limited ("the Company") present their report on Alderan Resources Limited and its subsidiaries ("the Group") for the year ended 30 June 2021.

## Directors and Officers

The names of the directors and officers who held office during or since the end of the year and until the date of this report are as follows. The Directors held office for the full year unless specified below.

	Position	Date appointed / resigned
Mr Ernest Thomas Eadie	Non-executive Chairman	Appointed on 23 January 2017
Mr Scott Caithness	Managing Director	Appointed on 6 April 2021
Mr Frank 'Bruno' Hegner	Executive Director	Appointed on 1 November 2017
Mr Peter Williams*	Non-executive Director	Appointed 13 May 2019
Mr Nicolaus Heinen	Non-executive Director	Appointed on 1 March 2015, Resigned 23 September 2020
Mr Mathew O'Hara	Company Secretary	Appointed 15 July 2020
Mr Brett William Tucker	Company Secretary	Appointed 19 October 2016, Resigned 15 July 2020

*\*Mr Williams held the role of Managing Director from 1 September 2019 to 6 April 2021, when he was appointed Non-executive Director.*

## Current Directors and Officers

**Mr Ernest Thomas Eadie:** Non-executive Chairman

**Qualifications:** Bachelor of Science (Hons) in Geology and Geophysics from the University of British Columbia, a Master of Science in Physics (Geophysics) from the University of Toronto and a Graduate Diploma in Applied Finance and Investment from the Security Institute of Australia. He is a Fellow (and past board member) of the AusIMM.

Mr Eadie is a well-credentialed mineral industry leader and explorer with broad experience in both the big end and small end of town. He was the founding Chairman of Syrah Resources, Copper Strike and Discovery Nickel as well as a founding Director of Royalco Resources. At Syrah, he was at the helm during acquisition, discovery and early feasibility work of the huge Balama graphite deposit in Mozambique which started production in early 2018. Copper Strike, where he was also Managing Director for 10 years, made several significant copper/gold and lead/zinc/silver discoveries in North Queensland, while Discovery Nickel (later to be renamed Discovery Metals), found and developed the Boseto copper deposit in Botswana. Prior to this, Mr. Eadie was Executive General Manager of Exploration and Technology at Pasminco Limited, at the time the largest zinc producer in the world. This came after technical and later management responsibilities at Cominco and Aberfoyle in the 1980's.

**DIRECTORS' REPORT (continued)**

**Mr Scott Caithness:** Managing Director

**Qualifications:** AUSIMM, AICD

Mr Caithness has more than 35 years' experience in mineral exploration at senior management, executive committee and board levels across Australia, Asia, Africa and the Pacific with roles in some of the world's largest resources companies including global diversified miner Vedanta Resources and its subsidiary Hindustan Zinc Limited, where he led group exploration, and Rio Tinto, where he managed exploration programs across Australia, India, China, Papua New Guinea and the Philippines. Mr Caithness also co-founded and was Managing Director of Indian Pacific Resources, which listed on the ASX as Akora Resources (ASX: AKO) last year, and he was a Senior Trade Commissioner to Malaysia and Brunei for the Australian Trade Commission for three years.

**Mr Frank 'Bruno' Hegner:** Executive Director

**Qualifications:** Bachelor of Arts in Russian History from Fort Lewis College; Juris Doctor from the University of Denver College of Law

Mr Hegner has more than 25 years of experience as a corporate manager and executive. He was previously Managing Director of Rio Tinto's Copper Projects Group and Vice-President / General Manager of Resolution Copper Company in Arizona USA. Mr Hegner has significant experience in management and development of major copper projects around the world including land titles, permitting, acquisitions, governmental relations, cost management, project management and operations. Mr. Hegner has also been a consultant to private equity groups on mineral development projects. He has extensive experience serving on the Board of Directors of both non-profit and publicly-traded entities.

**Mr Peter Williams:** Non-executive Director

**Qualifications:** B Sc (Hons first class), M Sc, AUSIMM, AICD

Mr Williams was formerly Chief Geophysicist and Manager of Geoscience Technology for WMC Resources. He was one of the founding members of Independence Group Limited and developed high powered 3 component 3D TEM applications that led to the discovery of over 75,000t of nickel at the Victor Long Nickel Mine in Kambalda. Peter has extensive experience in West Africa where he was the vendor of Gryphon Minerals' Banfora Gold Project, was involved in the project generation of Papillion's Mali projects and was a founding director of Ampella Mining Ltd. Peter was a co-founder of the International Resource Sector Intelligence company, Intierra, and was a co-founder of the first dedicated hard rock mineral seismic company in the world, HiSeis.

**Mr Mathew O'Hara:** Company Secretary

**Qualifications:** Bachelor of Commerce, Accounting & Finance, Member of the Chartered Accountants in Australia & New Zealand

Mr O'Hara is a Chartered Accountant and has over 15 years' experience in corporate finance, accounting and governance. He has been employed by, and acted as, Non-Executive Director, Company Secretary and Chief Financial Officer of several companies in the resources sector. Prior to these roles Mr O'Hara spent several years with an international accounting firm specialising in the Corporate Finance, Advisory and Audit divisions gaining significant experience with ASX, TSX and AIM listed clients across a diverse range of industries.

## DIRECTORS' REPORT (continued)

## Directors' Interests

The following relevant interests in shares, options and performance rights of the Company or a related body corporate were held by the Directors as at the date of this report.

Directors	Number of fully paid ordinary shares	Number of options over ordinary shares	Number of performance rights
Ernest Thomas Eadie	3,901,250	2,546,875	-
Scott Caithness	-	10,000,000	-
Frank Hegner	512,800	2,000,000	200,000
Peter Williams	7,954,750	15,338,542	-
Nicolaus Heinen <sup>1</sup>	1,148,751	900,000	-
<b>Total</b>	<b>13,517,551</b>	<b>30,785,417</b>	<b>200,000</b>

<sup>1</sup> Resigned on 23 September 2020 and the 900,000 options expired on 22 February 2021 without being exercised.

## Shares under option or issued on exercise of options

At the date of this report, unissued ordinary shares or interests of the Company under option are:

Date options issued	Tranche	Number of shares under option	Exercise price of option \$	Expiry date of option
<b>KMP Options</b>				
19/07/2019	Tranche A	3,666,667	0.06	19/07/2022
19/07/2019	Tranche B	7,000,000	0.10	19/07/2022
30/06/2020	Tranche C	10,000,000	0.08	30/06/2023
27/05/2021	Tranche A	5,000,000	0.11	27/05/2024
27/05/2021	Tranche A	5,000,000	0.15	27/05/2024
<b>Broker Options</b>				
07/08/2019	Tranche A	5,000,000	0.10	07/08/2022
07/08/2019	Tranche B	5,000,000	0.20	07/08/2022
30/06/2020	Tranche C	5,000,000	0.12	31/12/2021
<b>Investor Options</b>				
07/08/2019	Tranche A	22,890,625	0.10	07/08/2022

## DIRECTORS' REPORT (continued)

## Shares under option or issued on exercise of options (continued)

Date options issued	Tranche	Number of shares under option	Exercise price of option \$	Expiry date of option
<b>Long-Term Incentive Plan</b>				
12/06/2018	Tranche A	125,000	1.00	12/06/2022
12/06/2018	Tranche B	100,000	1.50	12/06/2022
12/06/2018	Tranche C	100,000	2.00	12/06/2022
12/06/2018	Tranche D	100,000	2.50	12/06/2022
19/07/2019	Tranche A	750,000	0.10	19/07/2022
04/08/2020	Tranche E	3,500,000	0.195	03/08/2023
04/08/2020	Tranche F	3,500,000	0.225	03/08/2023
<b>Total</b>		<b>76,732,292</b>		

The following Options were exercised during the period:

- 833,333 options exercisable at \$0.06, expiring on 19 July 2022.

The following Options lapsed or were cancelled during the period:

- 75,000 options exercisable at \$2.50, expiring on 15 November 2021;
- 75,000 options exercisable at \$3.00, expiring on 15 November 2021;
- 755,000 options exercisable at \$0.20, expiring on 22 February 2021;
- 2,300,000 options exercisable at \$0.30, expiring on 22 February 2021;
- 1,570,000 options exercisable at \$0.40, expiring on 22 February 2021;
- 1,770,000 options exercisable at \$0.60, expiring on 22 February 2021;
- 1,770,000 options exercisable at \$0.80, expiring on 22 February 2021;
- 200,000 options exercisable at \$1.00, expiring on 22 February 2021;
- 200,000 options exercisable at \$1.20, expiring on 22 February 2021;
- 45,000 options exercisable at \$0.30, expiring on 27 June 2021;
- 75,000 options exercisable at \$0.40, expiring on 27 June 2021;
- 75,000 options exercisable at \$0.60, expiring on 27 June 2021; and
- 75,000 options exercisable at \$0.80, expiring on 27 June 2021.

## Total shares, options and convertible securities of the Company on issue as at the date of this Report

Number of fully paid ordinary shares	Number of options over ordinary shares	Performance rights
342,057,255	76,732,292	200,000

## DIRECTORS' REPORT (continued)

## Review of Operations

The principal activity of the Company and its controlled subsidiaries (Group) is mineral exploration for gold and copper in Utah, USA. Detroit is Alderan's flagship project and key focus, while exploration at Valley Crossroads and White Mountain projects is at an early stage. Kennecott Exploration Limited (KEX), a subsidiary of Rio Tinto, is exploring to earn an interest in the Frisco project.

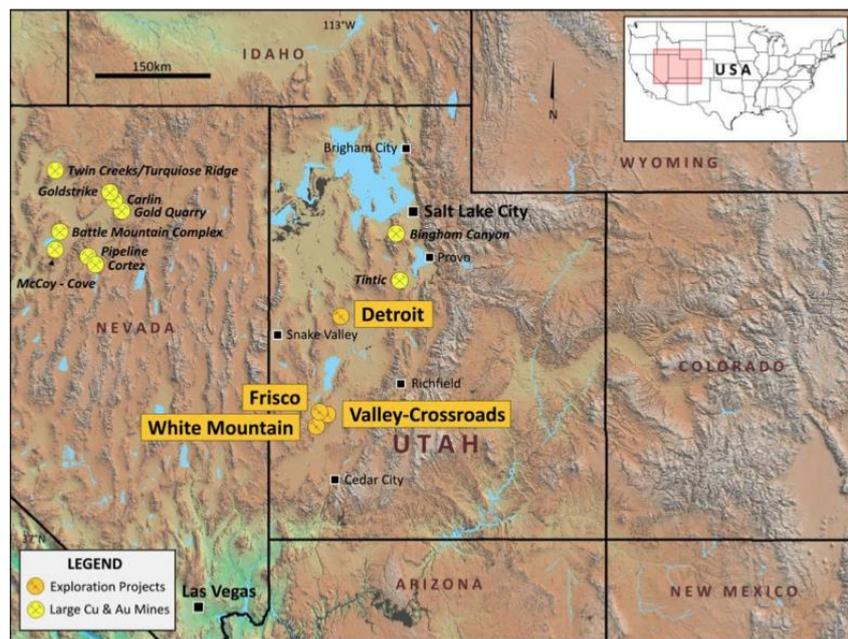


Figure 1: Alderan Resources project location in western Utah, USA

## Detroit Project, Utah

The Detroit Project lies within the Detroit Mining District, approximately 175km southeast of Salt Lake City in Utah and contains numerous historical copper, gold and manganese mines. The district has been explored for copper and gold in the past but no one company was able to build a significant contiguous land position to enable District wide modern exploration.

Most of the historical exploration focussed on the near surface Basin Porphyry oxide copper and Mizpah oxide gold deposits which lie on the eastern and south-eastern margin respectively of the Basin Complex porphyry. The Basin Porphyry copper oxide deposit was drilled in the early 1960s and Mizpah in the mid-1980s. The geology of the area consists primarily of moderately west to southwest-dipping, Cambrian age clastic and calcareous sediments that have been intruded by an Eocene poly-phase quartz diorite to quartz monzonite porphyry which has undergone phyllic alteration.

During the year, Alderan increased its tenement position to a 24.7km<sup>2</sup> block of contiguous leases. Three new option agreements executed with DMMP, the Miller/Myer companies and other small landowners enabled Alderan to carry out district-wide exploration for the first time. Prior to the consolidation, Alderan completed reconnaissance rock sampling and a ground magnetic survey over the area held at the time. It also carried out a seven-hole drilling programme focused on the Mizpah oxide gold deposit.

## Initial assessment

Alderan's first-pass assessment of its consolidated Detroit project area included stream and rock sampling and a ground magnetic survey. Alderan completed a high density, high sensitivity, bulk leach extraction gold (BLEG) stream sampling survey over the entire consolidated area and collected 197 rock samples during reconnaissance geological mapping (Figures 3 & 4).

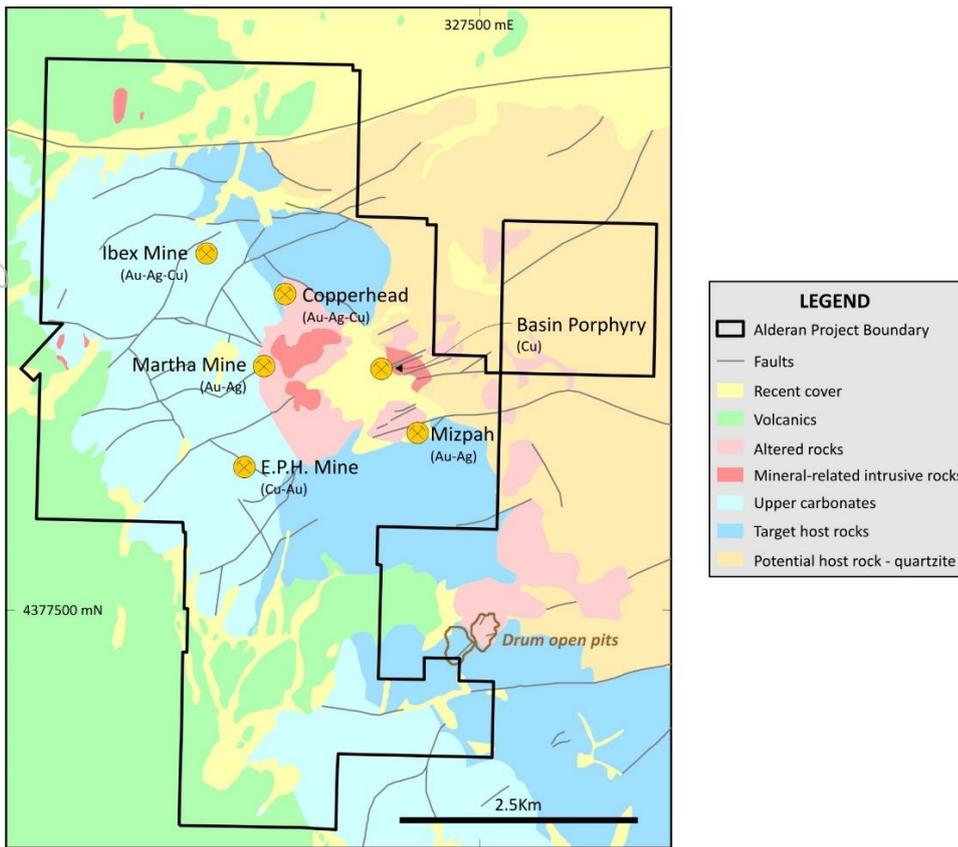


Figure 2: Detroit tenement boundary and simplified geology.

The stream sediment survey identified highly anomalous catchments with gold assays up to 88ppb against an anomaly threshold of 4ppb. Anomalous copper up to 99ppb was also detected. These results were strongly supported by rock samples assays with 28 samples grading >1.0g/t gold (maximum 9.0g/t Au) and 17 grading greater than 0.5% copper (maximum 3.2% Cu). The stream and rock results supported past exploration data in highlighting strong potential for a copper-gold rich porphyry intrusive system and an extensive gold mineralising system.

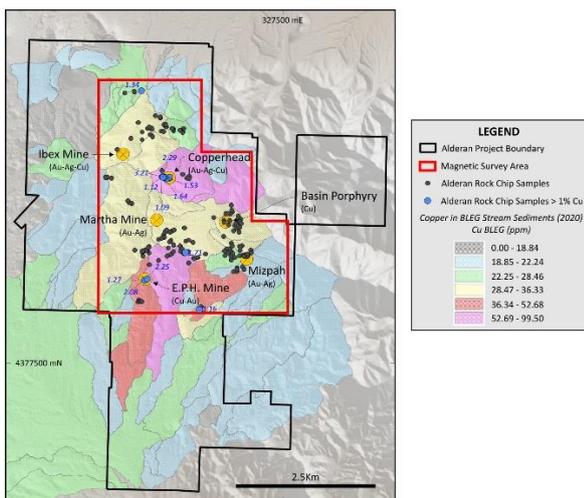


Figure 3: Detroit copper in stream catchments and +1% copper in rock samples

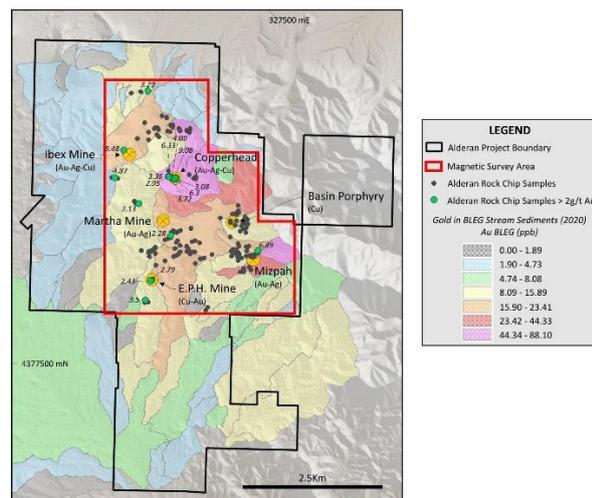


Figure 4: Detroit gold in stream catchments and +2g/t gold in rock samples.

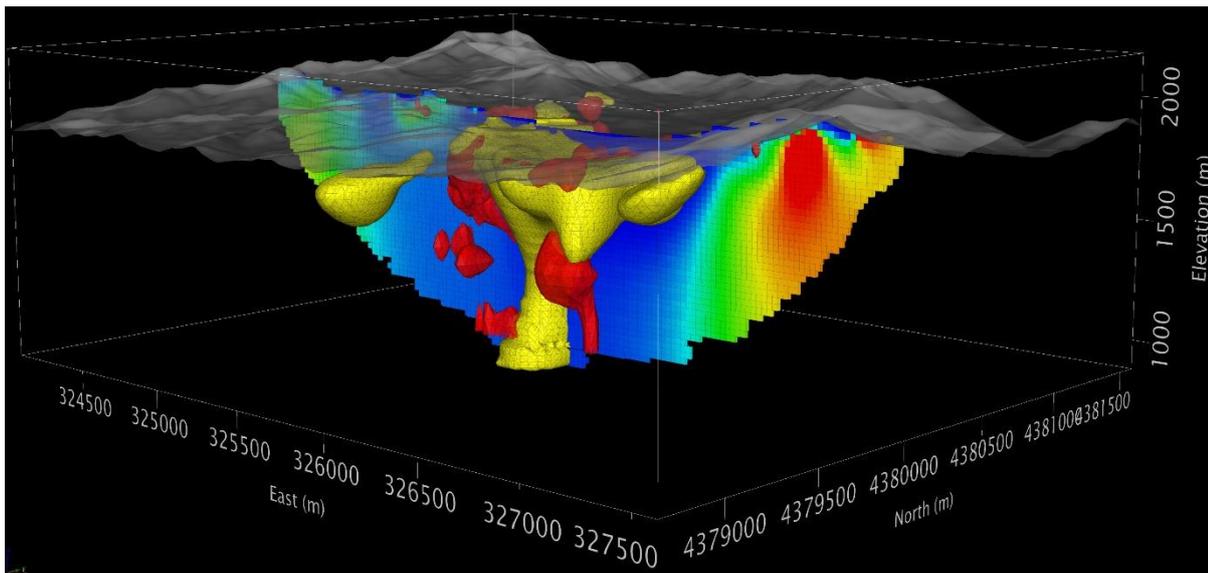
The ground magnetics clearly outlined the 1.6km diameter Basin Complex as a 'classic' porphyry signature. The complex consists of the central Basin Main magnetic anomaly which is surrounded by a zone of low magnetics that is in turn ringed by a zone of variable magnetics. Basin Main is interpreted to be the potassic altered core of the porphyry which is surrounded by a pyritic phyllic altered zone characterised by low magnetics. The outer magnetic rim is thought to be a mixture of variably altered intrusives and skarns developed on the margin of the intrusive complex.

Completion of 3D inversion modelling of the Basin Main anomaly (>0.03 SI units cutoff) indicated a 500m x 300m feature which extends to a depth of over 500m from surface. Petrographic examination of drill core from hole DD20M-003, which was drilled by Alderan towards the Basin Main anomaly prior to tenement consolidation in late 2020, confirmed potassic altered porphyry with increasing alteration and copper +/- molybdenum mineralisation down the hole.

### Induced Polarisation (IP) Geophysics

Alderan's next step was to complete a high-quality IP geophysical survey over the Basin Complex and surrounding area highlighted by the ground magnetics. The aim was to identify electrically chargeable and conductive bodies potentially caused by mineralisation and altered host rocks containing copper and gold. The IP data were processed and 3-D inversion modelled.

The IP highlighted a large 2km x 2.5km chargeability anomaly (>20milliseconds cut-off) which engulfs the Basin Complex porphyry and wraps around the Basin Main magnetic anomaly. The highest chargeability occurs in the arcuate magnetic low surrounding Basin Main. This reinforced the interpretation that a halo of pyrite-rich, magnetite destructive phyllic alteration extends outward from a potassic altered core containing magnetite.



**Figure 5:** Resistivity cross section through the Basin Complex chargeability and magnetics inversion models (chargeability @ >40milliseconds cut-off yellow iso-surface; magnetics @ >0.03 SI units cut-off red iso-surface). The blue zones surrounding the Basin Complex anomaly are resistivity lows interpreted to be caused by propylitic clay alteration defining the limits of the complex. More resistive zones (red) can be seen on the eastern and western margins of the section. Northwest view.

The 3D inversion modelling of the IP at a higher >40 milliseconds cut-off shown in Figure 5 indicates that the highly chargeable zone is mushroom shaped, approximately 1km in diameter near surface and narrows to a stem diameter of approximately 200m at 700m below surface. It also indicates that the Basin Main magnetic anomaly is less chargeable than the non-magnetic arc which surrounds it. This suggests that the Basin Main magnetic anomaly may be associated with less chargeable but interconnected copper sulphide minerals whereas the highly chargeable non-magnetic arc surrounding it is more likely due to pyrite in phyllic alteration.

The IP also identified four new high chargeability anomalies on the margin of the Basin Complex - Southern, Copperhead, Northern Extension and Mizpah. At the >20msec cut-off, these anomalies all have strike lengths ranging from 0.9-1.1km and widths of 150-500m. High-grade gold occurs in rock samples collected at Copperhead, Mizpah and Northern

Extension with assays up to 9.1g/t, 6.9g/t and 1.2g/t respectively. They are all interpreted to have potential for distal disseminated gold deposits.

**Mizpah Prospect**

The Mizpah oxide gold deposit, located on the south-eastern margin of the Basin Complex, was extensively drilled in the mid-1980s. In late 2020 prior to tenement consolidation, Alderan completed a first-pass review of the available historical data, ground magnetics and an initial seven hole (1,113m) diamond drilling programme to test the full thickness of potentially mineralised stratigraphy below and down dip of the oxidised gold mineralisation and the mineralised intrusives and skarns highlighted in the magnetics.

Encouraging gold assays were obtained from the holes submitted for analysis, with the best result in DD20M-006 which intersected a broad sulphide altered zone which contained 6.9m @ 1.98g/t gold within 83m grading 0.41g/t gold. This hole was drilled approximately 300m northwest of the focus of historical drilling. Holes DD20M-002 and DD20M-005 verified the results of historical drilling (hole DD20M-001 was abandoned) while hole DD20M-007 tested for an interpreted down dip extension 500m to the west of the focus of historical drilling. Holes DD20M-003 and DD20M-004 were drilled to test separate targets, the first towards the Basin Main magnetic anomaly and the second below anomalous gold in rock samples in a mineralised intrusive.

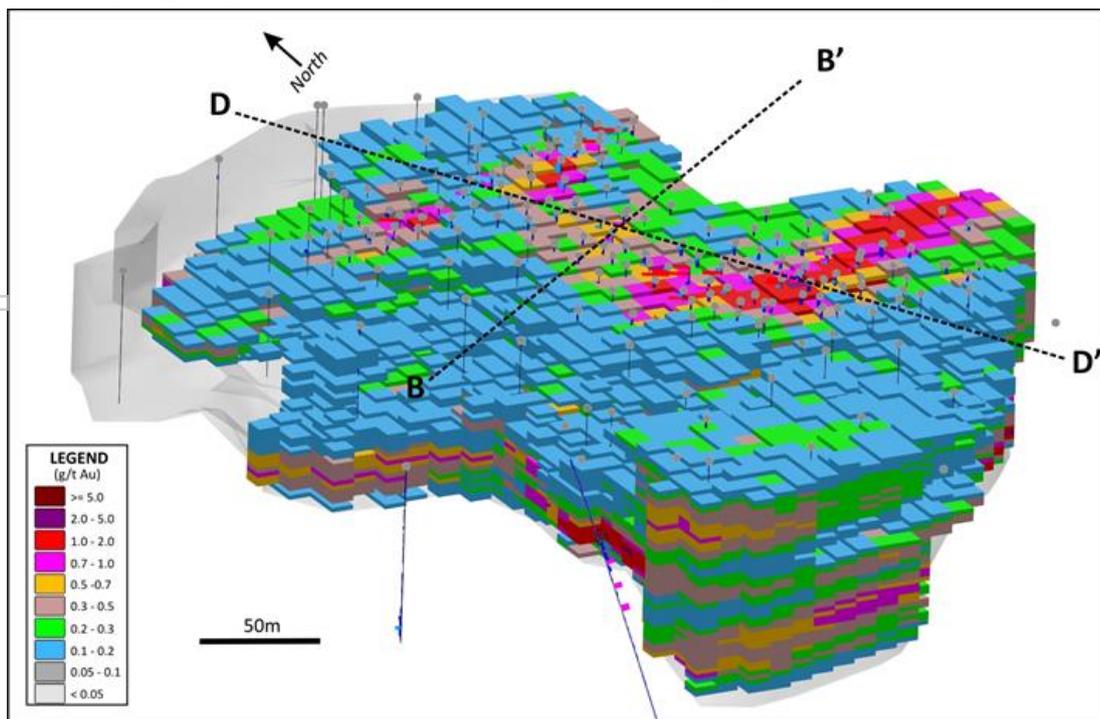
Intercepts included:

- DD20M-002: 13.3m at 0.42g/t Au from 51.2m
- DD20M-005: 15.4m at 0.38g/t Au from 19.9m and 9.2m at 0.37g/t Au from 42.1m
- DD20M-006: 83.0m at 0.41g/t Au from 35.8m including 6.9m at 1.98g/t Au from 84.6m
- DD20M-007: 11.75m at 0.17g/t Au from 172.25m.

Drill collar locations are shown in Figure 9.

In August 2021, Alderan announced the results of a detailed review of the historical drilling at Mizpah which was done to delineate a near-surface oxide gold deposit. The review, which entailed assessing data from 197 holes drilled in the 1980s, strongly supports the potential for a distal disseminated gold deposit.

The holes were drilled to an average depth of 28m and over an area of approximately 400m x 250m. Only one hole was drilled to over 100m (ended at 103.7m) as the holes were typically terminated when they intersected fresh rock regardless of whether there was mineralisation present. No quality assurance/quality control information is available for analytical data hence the drill hole assays are regarded by Alderan as indicative of exploration potential only. Importantly however, there were 40 holes which ended in highly anomalous grades of over 0.5g/t gold, and of these, 20 ended in +1.0g/t Au (max assay 9.1g/t Au). The location of the drill holes is shown in Figure 6.



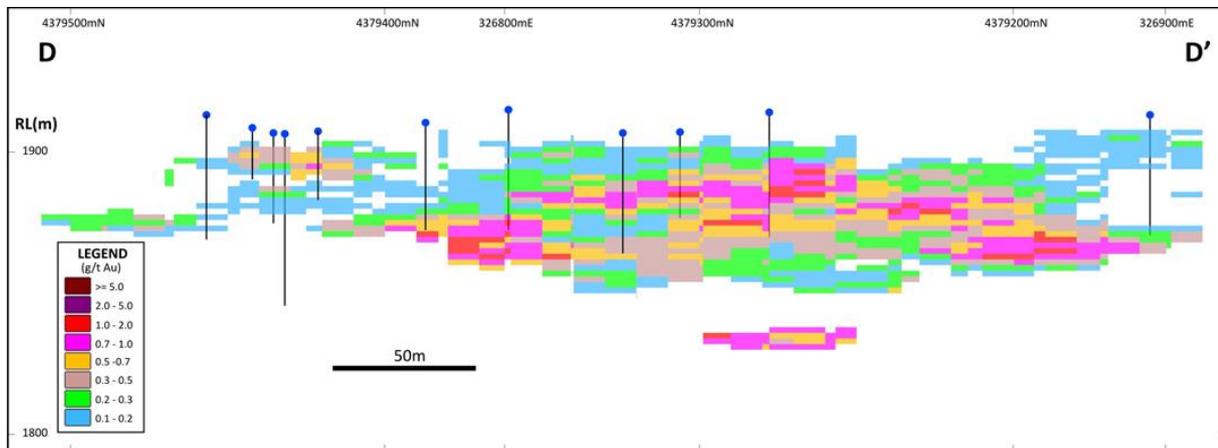
**Figure 6:** Mizpah 3D block model showing historical drill holes and section lines. The block model has been built using a nominal 0.1g/t gold cutoff from the historical (1980s) drill hole data.

Alderan used the historical drill hole information and assays to develop a 3D block model of the gold distribution at Mizpah which suggests:

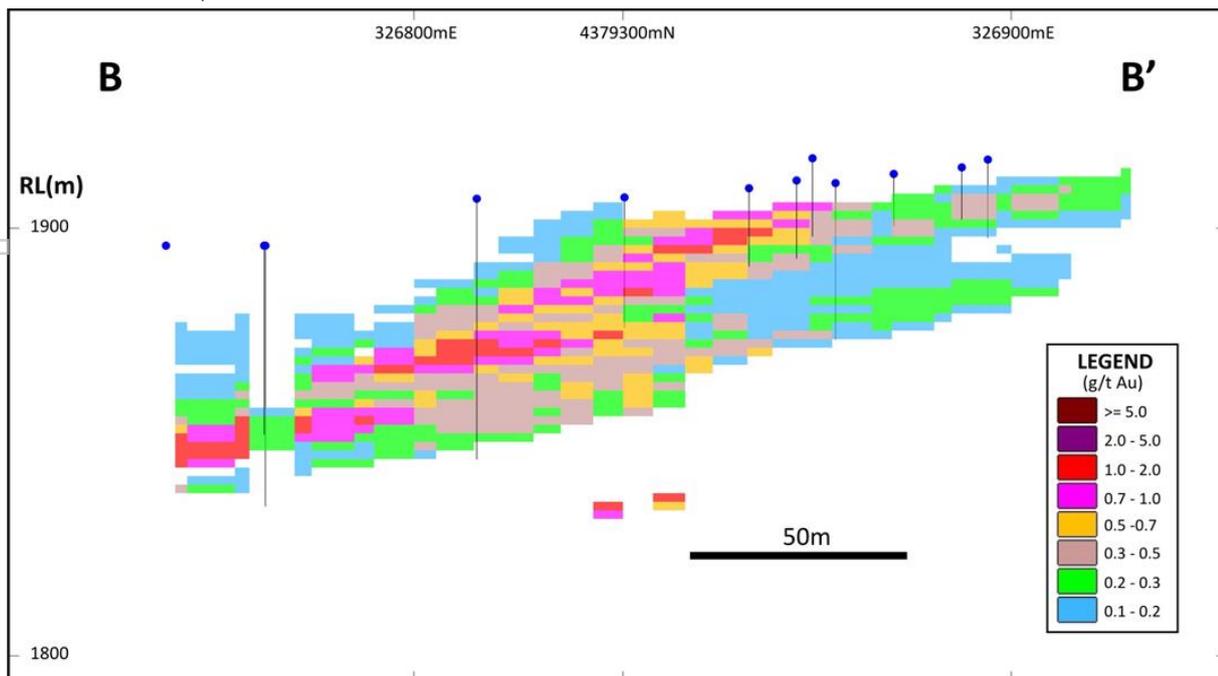
- The deposit is open along strike to the southeast and northwest and down dip to the southwest.
- The deposit remains open at depth with 20% of the holes drilled ending in highly anomalous gold mineralisation.
- There is potential for a second mineralised horizon at depth.
- The 3D inversion model chargeability anomaly at Mizpah, which was identified after the historical and Alderan drilling, is largely tested.
- The historically defined near surface Mizpah oxide gold deposit has exploration potential for 3.0-4.0Mt at a grade of 0.4-0.8g/t gold (40,000-100,000 ounces). It should be noted that this exploration potential quantity and grade is conceptual in nature, that there has been insufficient exploration to estimate a Mineral Resource and that it is uncertain if further exploration will result in the estimation of a Mineral Resource.

The review concluded that there is significant potential for extensions to the historical oxide gold deposit at Mizpah.

The Southern, Copperhead and Northern Extension prospects are all regarded as analogous to Mizpah. They all have high order chargeability anomalies which lie on the margins of the Basin Complex porphyry, associated anomalous gold and copper in rock samples and occur in favourable stratigraphy and structural settings.



**Figure 7:** Mizpah long section (D-D') which suggests that the mineralized horizon is stratigraphically controlled and that a second deeper horizon is present (interpolated from holes drilled off the section line). It also highlights that the mineralisation is open to both the north and south.



**Figure 8:** Mizpah cross section B-B' suggests that the mineralisation is stratigraphic, dipping at approximately 20° to the west and open down dip to the west. A second deeper horizon is present.

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Next Steps

Alderan awaits assay results for 2,200 grid soil samples collected at Detroit. The samples were collected every 40m along lines 200m apart over the prospective stratigraphy and intrusives. The soil assays will assist in prioritising drilling and identifying new targets.

A 10-hole (3,000m) diamond drilling programme to test seven targets is scheduled to commence in September subject to arrival of the contracted drill rig to site. The holes are planned to test a range of targets including the Basin Complex porphyry (Cu-Au-Mo), the distal disseminated gold prospects at Southern, Copperhead, Northern Extension and Mizpah plus the Martha Mine and Skarn (Au-Cu) prospects. This drilling programme is expected to be completed in the first quarter of 2022.

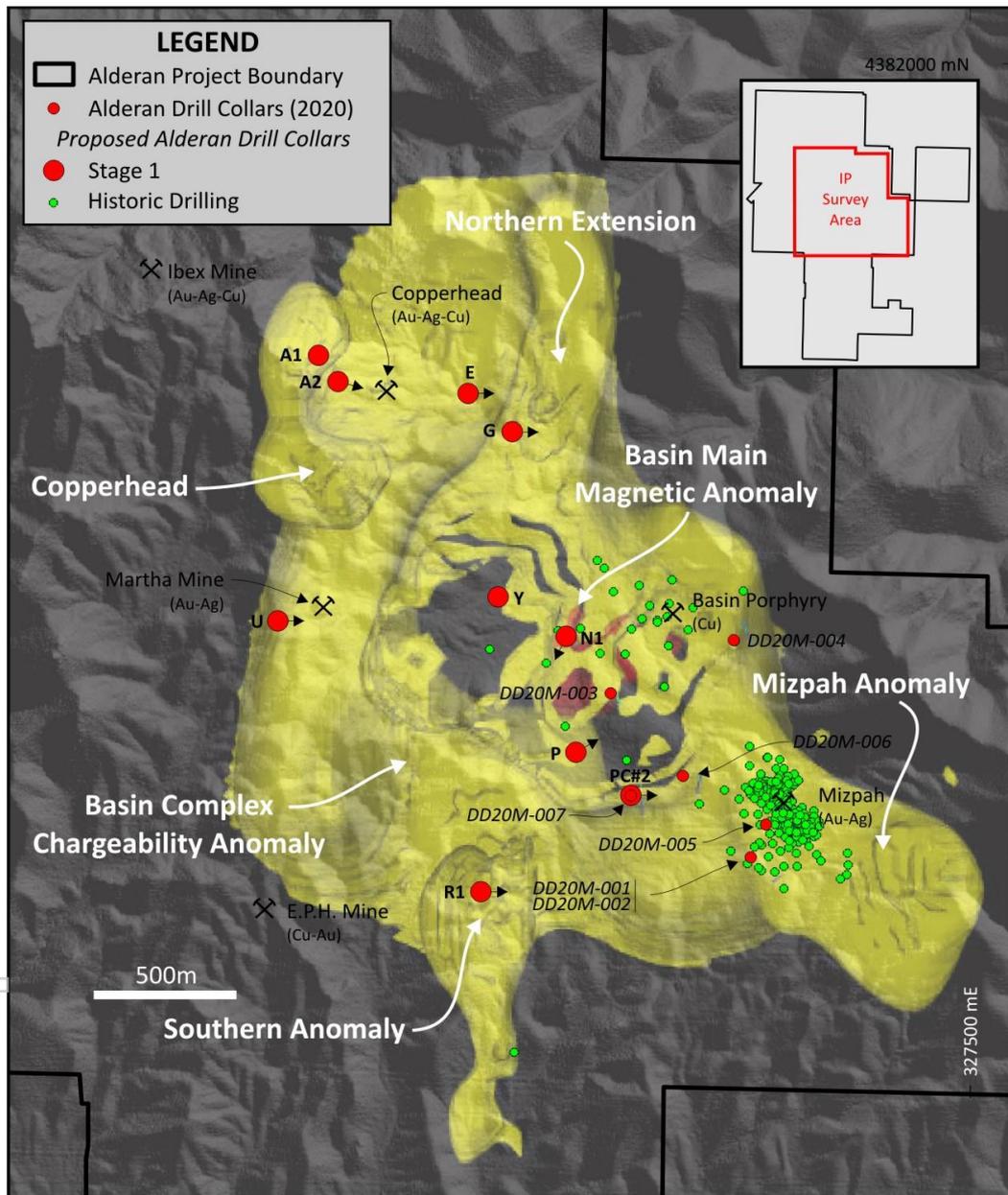


Figure 9: Stage 1 proposed drill holes and historical holes on the Basin Complex 3D inversion model chargeability anomaly (20-30 millisecond shell; yellow iso-surface) overlying the Basin Main magnetic anomaly (>0.03 SI units; red iso-surface).

## Valley-Crossroads Project, Utah

### **Black Rock Prospect**

Valley-Crossroads is located 300km south-southwest of Salt Lake City and adjacent to the Company's Frisco Project in Utah.

Alderan completed detailed geological mapping and first-pass rock sampling at the Black Rock Prospect to confirm historical exploration results which were open in all directions. The rock sample assays were highly anomalous with maximum grades up to 10.2% copper and 4.6g/t gold.

The identified mineralisation lies close to the contact of two intrusions and is at the intersection of major WNW, NE and NNW structures. Calc-silicate skarn with magnetite and martite overprinted by hydrothermal dolomite-calcite-quartz that hosts oxidised chalcopyrite-bornite-pyrite is developed along these intrusive contacts. Specular hematite is common.

During the March quarter, Alderan completed a three-hole diamond drilling programme to test the potential for thickening of the magnetite skarn mineralisation interpreted from Alderan's aeromagnetic data. No significant mineralised zones were observed in the holes and analysis of core samples revealed no significant grades, with the best intersection being 5.5m grading 0.31g/t gold from 96.5m in hole VC21B-001. The aeromagnetic anomaly was interpreted to be caused by magnetite in intrusives.

### Frisco Project, Utah

The Frisco copper-gold-silver project lies 300km south-southwest of Salt Lake City in Utah. The project is the subject of a farm in agreement with Kennecott Exploration (KEX), a subsidiary of Rio Tinto, where KEX can earn up to a 70% interest by spending US\$30 million over 10 years. Frisco was explored historically, and more recently by Alderan, for copper and gold prior to this agreement.

KEX exploration targets at Frisco are:

- 1) Porphyry copper-gold-molybdenum deposits: and
- 2) High-grade copper deposits associated with known breccias such as Cactus.

KEX completed nine holes at Frisco during the year to test a range of targets including the Cactus Breccia Zone, Accrington and the previously undrilled Reciprocity chargeability anomaly. The results for holes SAWM0001-0004 were released by Alderan in March 2021 and the remaining results for holes SAWM0005-0009 released in June 2021. Hole SAWM0007 was abandoned due to difficult ground conditions and hole SAWM0009 was stopped short of its target depth.

Significant intersections were obtained in four drillholes:

- SAWM0001: 41.0m @ 1.9% Cu, 0.62g/t Au, 7.1g/t Ag, 62.8ppm Mo
- SAWM0002: 12.0m @ 0.23g/t Au
- SAWM0004: 34.0m @ 0.99% Cu, 0.14g/t Au, 13.3g/t Ag
- SAWM0005: 16.7m @ 0.29% Cu, 1.6g/t Au.

The Cactus drillholes confirmed the copper-rich pipe extends to a depth of more than 200m below surface, with hole SAWM0001 intersecting 41m grading 1.9% Cu, 0.62g/t Au and 62.8ppm Mo from 252m downhole. Potentially significant gold and copper mineralisation was intersected in extension drilling in hole SAWM0005 and shallow drilling in the zone between the Cactus and Comet Breccia pipes also intersected moderate gold grades in hole SAWM0002, indicating that potential still exists for mineralisation between these pipes. The highest grades of mineralisation intersected at Cactus and Comet are associated with tourmaline breccias.

At Accrington, hole SAWM0004 highlighted the potential for significant mineralisation beyond previously defined 'pods' in an area of historical mining activity.

The Reciprocity holes, SAWM0003 and SAWM0009, were designed to test a large IP chargeability anomaly. Neither hole intersected mineralisation to explain the source of the anomaly with hole SAWM0009 not reaching its target depth, hence the result is inconclusive.

Following a review of the geophysical and drilling results, KEX is planning a high-resolution drone magnetic geophysical survey (Figure 10) to improve the geological and structural understanding of the project area, to better define known magnetic anomalies and to identify new targets for further exploration. This survey data will be processed and modelled ahead of a decision on further drilling.

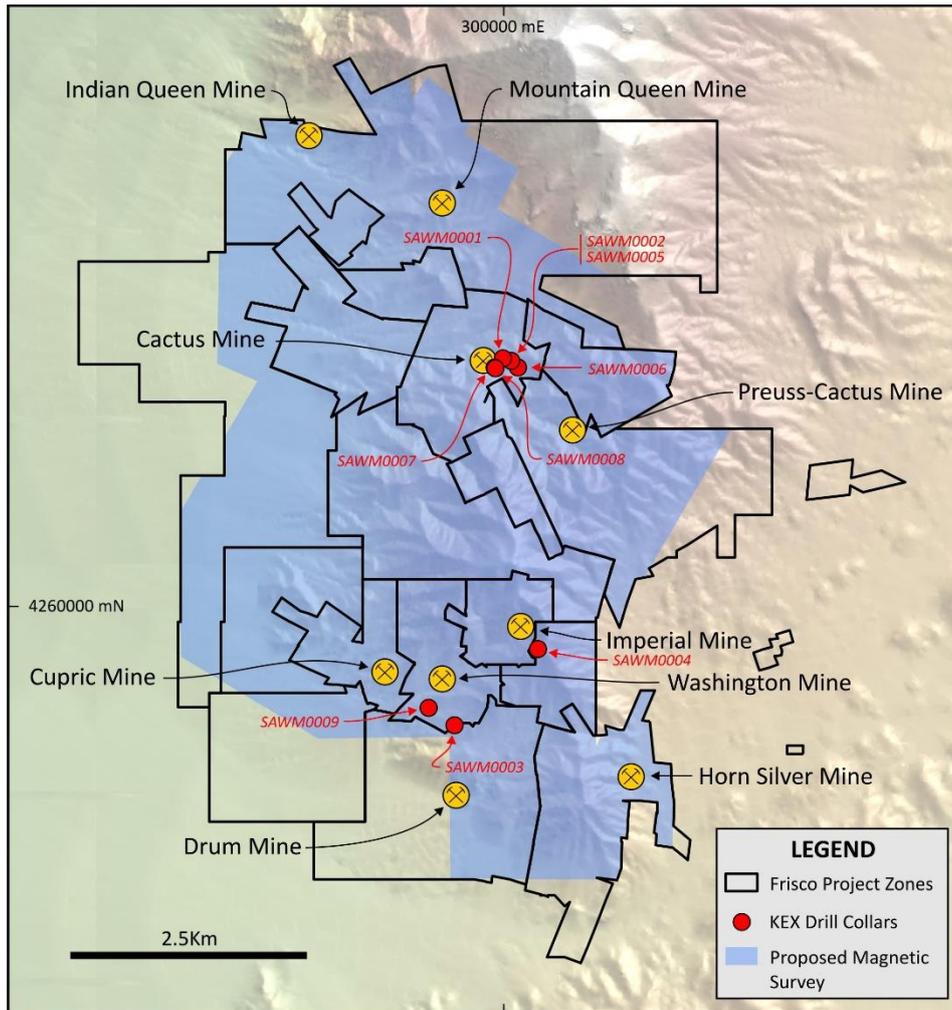


Figure 10: KEX drill holes and proposed drone aeromagnetic survey at Frisco.

**Corporate Activities**

In March, Alderan announced the appointment of experienced mining executive and geologist Scott Caithness as Managing Director. Mr Caithness has more than 35 years’ experience in mineral exploration at senior management, executive committee and board levels across Australia, Asia, Africa and the Pacific with roles in some of the world’s largest resources companies including global diversified miner Vedanta Resources and its subsidiary Hindustan Zinc Limited, where he led group exploration, and Rio Tinto, where he managed exploration programs across Australia, India, China, Papua New Guinea and the Philippines.

Mr Caithness also co-founded and was Managing Director of Indian Pacific Resources, which listed on the ASX as Akora Resources (ASX: AKO) last year, and he was a Senior Trade Commissioner to Malaysia and Brunei for the Australian Trade Commission for three years. Mr Caithness replaced Peter Williams as Alderan’s Managing Director. Mr Williams remains on the Board as a Non-Executive Director.

On 15 July 2020, Mathew O’Hara replaced Brett Tucker as the Company Secretary and the Company moved its registered corporate office and principal place of business to Suite 23, 513 Hay Street, Subiaco. On 23 September 2020, Nicolaus Heinen resigned as a Non-Executive Director.

In November 2020, Alderan completed a \$3 million placement through the issue of approximately 35.3 million shares to institutional and sophisticated investors at a price of \$0.085 per share. Alderan is using funds raised to expand its exploration programs at its advanced copper-gold projects in Utah, USA.

In August 2021, Alderan announced a \$5 million placement through the issue of approximately 125 million new shares to institutional, sophisticated and professional investors at a price of \$0.04 per Share.

## Corporate Activities (continued)

The Placement settled in two tranches, with Tranche 1 settling during August 2021 and Tranche 2, which was subject to shareholder approval, expecting to settle on 1 October 2021. In addition, Alderan Directors participated in the Placement for an additional \$105,000 (approximately 2.63 million Shares). Alderan will use funds raised towards exploration at the Company's copper-gold projects in Utah, USA, specifically a diamond drilling program at the Detroit project, and for working capital purposes. Canaccord Genuity (Australia) Limited acted as Sole Lead Manager to the Placement

## Competent Persons Statement

The information in this report that relates to historical exploration results were reported by the Company in accordance with listing rule 5.7 on 22 September 2020, 6 October 2020, 18 November 2020, 19 November 2020, 12 January 2021, 22 February 2021, 8 March 2021, 11 May 2021, 9 June 2021, 11 June 2021, 21 July 2021 and 24 August 2021. The Company confirms it is not aware of any new information or data that materially affects the information included in the previous announcements.

## Dividends

There were no dividends paid, recommended or declared during the year.

## Operating results for the year

The comprehensive loss of the Group for the financial year ended 30 June 2021, after providing for income tax amounted to \$2,938,648 (2020: \$1,484,319).

## Review of financial conditions

The Group had a net bank balance of \$791,510 as at 30 June 2021 (2020: \$2,133,424).

## Loss Per Share

	30 June 2021	30 June 2020
	\$	\$
Basic loss per share (cents per share)	(0.73)	(0.92)

## Employees

The Company had 7 employees as at 30 June 2021 (2020: 7 employees).

## Laws and Regulations

The Group's operations are subject to various laws and regulations under the relevant government legislation. Full compliance with these laws and regulations is regarded as a minimum standard for all operations to achieve the objectives of the Group.

Instances of environmental non-compliance by an operation are identified either by internal investigations, external compliance audits or inspections by relevant government agencies.

There have been no known breaches of laws and regulations by the Group during the year.

## DIRECTORS' REPORT (continued)

## REMUNERATION REPORT (AUDITED)

This report, which forms part of the Directors' report, outlines the remuneration arrangements in place for the key management personnel (KMP) of Alderan Resources Limited for the financial year ended 30 June 2021. The information provided in this remuneration report has been audited as required by Section 308(3C) of the Corporations Act 2001.

The remuneration report details the remuneration arrangements for KMP who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

## Key Management Personnel

The KMP of the Company during or since the end of the financial year were as follows:

Directors	Position	Period of Employment
Mr Ernest Thomas Eadie	Non-Executive Chairman	Appointed on 23 January 2017
Mr Scott Caithness	Managing Director	Appointed on 6 April 2021
Mr Frank D Hegner	Executive Director	Appointed on 1 November 2017
Mr Peter Williams*	Non-Executive Director	Appointed on 13 May 2019
Mr Nicolaus Heinen	Non-Executive Director	Appointed 1 March 2015 Resigned 23 September 2020

*\*Mr Williams held the role of Managing Director from 1 September 2019 to 6 April 2021, when he was appointed Non-executive Director.*

## Remuneration Policy

The Company's remuneration policy for its KMP has been developed by the Board taking into account the size of the Company, the size of the management team, the nature and stage of development of the Company's current operations, and market conditions and comparable salary levels for companies of a similar size and operating in similar sectors.

In addition to considering the above general factors, the Board has also placed emphasis on the following specific issues in determining the remuneration policy for KMP:

- Exploration results; and
- The performance of the Company's shares as quoted on the Australian Securities Exchange.

## Remuneration Committee

Due to the current size of the Company, the Board did not implement a Remuneration Committee during the year, as such the Board of Directors of the Company is responsible for determining and reviewing compensation arrangements for the Directors and the executive team.

## Remuneration structure

In accordance with best practice corporate governance, the structure of non-executive Director and executive remuneration is separate and distinct.

**DIRECTORS' REPORT (continued)**

**REMUNERATION REPORT (AUDITED) (continued)**

**Non-executive Director Remuneration**

The Board seeks to set aggregate remuneration at a level that provides the Company with the ability to attract and retain Directors of the highest calibre, whilst incurring a cost that is acceptable to shareholders.

The ASX Listing Rules specify that the aggregate remuneration of Non-Executive Directors shall be determined from time to time by a general meeting. The Constitution states that the Company may pay to the Non-Executive Directors a maximum total amount of director's fees, determined by the Company in general meeting, or until so determined, as the Directors resolve. The Company intends to put to shareholders at the upcoming Annual General Meeting an aggregate remuneration amount to approve.

Fees for the Non-Executive Directors' are presently set at \$250,000 per annum including superannuation. These fees cover main board activities only. Non-Executive Directors may receive additional remuneration for other services provided to the Company.

The Non-Executive salary remuneration became effective from the date of their appointment as Non-Executive Directors. There were also Company Options issued to Non-Executive Directors in line with Company policy to attract suitable candidates to the position.

**Executive Remuneration**

The Company's remuneration policy is to provide a fixed remuneration component and a short and long term performance based component. The Board believes that this remuneration policy is appropriate given the considerations discussed in the section above and is appropriate in aligning executives' objectives with shareholder and business objectives.

**Fixed Remuneration**

Fixed remuneration consists of base salaries, as well as employer contributions to superannuation funds and other non-cash benefits. Fixed remuneration is reviewed annually by the Board. The process consists of a review of company and individual performance, relevant comparative remuneration externally and internally and, where appropriate, external advice on policies and practices.

**Performance Based Remuneration – Short Term Incentive**

The Board has not implemented a system where Executives are entitled to annual cash bonuses. No bonuses were paid or are payable in relation to the financial year.

**Performance Based Remuneration – Long Term Incentive**

***Company Options***

The Board has previously chosen to issue Options (where appropriate) to some executives and employees as a key component of the incentive portion of their remuneration, in order to attract and retain the services of the executives and to provide an incentive linked to the performance of the Company.

The Board may grant Options to executives and key consultants with exercise prices at and/or above market share price (at the time of agreement). As such, Incentive Options granted to executives will generally only be of benefit if the executives perform to the level whereby the value of the Company increases sufficiently to warrant exercising the Incentive Options granted. Other than service-based vesting conditions, there are no additional performance criteria on the Incentive Options granted to executives, as given the speculative nature of the Company's activities and the small management team responsible for its running, it is considered the performance of the executives and the performance and value of the Company are closely related. The Company prohibits executives entering into arrangements to limit their exposure to Incentive Options granted as part of their remuneration package.

## DIRECTORS' REPORT (continued)

## REMUNERATION REPORT (AUDITED) (continued)

*Long-Term Incentive Plan*

The Company has implemented a Long-Term Incentive Plan. Under the Plan, the Company may grant options to subscribe for Shares or performance rights entitling the holder to be issued Shares on terms and conditions set by the Board at its discretion. The material terms of the Plan are as follows:

- a) The purpose of the Plan is to:
- i. assist in the reward, retention and motivation of eligible persons;
  - ii. to align the interests of eligible persons more closely with the interests of shareholders, by providing an opportunity;
  - iii. for eligible persons receive an equity interest in the form of Awards; and
  - iv. to provide eligible persons with the opportunity to share in any future growth in value of Alderan Resources.
- b) The following persons can participate in the Plan if the Board makes them an offer to do so:
- i. a director;
  - ii. a full-time or part-time employee;
  - iii. a contractor; or
  - iv. a casual employee of the Company or an associated body corporate and includes a person who may become an eligible person within (i) to (iv) above subject to accepting an offer of engagement for that role.
- c) Plan Options and Plan Rights (collectively Awards) issued under the Plan are subject to the terms and conditions set out in the Rules, which include:
- i. *Vesting Conditions* – which are time-based criteria, requirements or conditions (as specified in the offer and determined by the Board) which must be met prior to Awards vesting in a participant, which the Board may throughout the course of the period between the grant of an Award and its vesting, waive or accelerate as the Board considers reasonably appropriate;
  - ii. *Performance Conditions* – which are conditions relating to the performance of the Group and its related bodies corporate (and the manner in which those conditions will be tested) as specified in an offer and determined by the Board; and
  - iii. *Exercise Conditions* – which are criteria, requirements or conditions, as determined by the Board or under the Plan, which must be met (notwithstanding the satisfaction of any Vesting Conditions and/or Performance Conditions) prior to a Participant being entitled to exercise vested Awards in accordance with clauses 8 and 9.
- d) In accordance with ASIC Class Order 14/1000, the total Awards that may be issued under the Plan will not exceed 5% of the total number of Shares on issue. In calculating this limit, Awards issued to participants under the Plan other than in reliance upon this Class Order are discounted.
- e) The Board has the unfettered and absolute discretion to administer the Plan.
- f) Awards issued under the Plan are not transferable and will not be quoted on the ASX.

The Rules otherwise contain terms and conditions considered standard for long-term incentive plan rules of this nature. There were 7,000,000 options issued under the Long-Term Incentive Plan during the year (2020: 8,500,000). There were no shares issued under the Long-Term Incentive Plan during the year (2020: Nil).

## DIRECTORS' REPORT (continued)

## REMUNERATION REPORT (AUDITED) (continued)

## Service Agreements

**Managing Director Service Agreement – Mr Scott Caithness**

The Company entered into an Executive Service Agreement with Mr Scott Caithness on 6 April 2021. Mr Caithness is employed in the position of Managing Director. The material terms of the employment agreement with Mr Caithness are as follows:

- Mr Caithness is employed in the position of Managing Director;
- Mr Caithness is to be paid an annual salary of \$150,000 plus superannuation for three working days per week (full time equivalent of \$250,000 per annum). This salary is inclusive of director's fees and is intended to cover all the services that he may perform for the Company. He is also entitled to receive all reasonable expenses incurred in the fulfilment of his duties; and
- Mr Caithness was issued 10 million unquoted options which expire three years from date of issue and which vest following 12 month continuous service (5,000,000 exercisable at \$0.11 and 5,000,000 exercisable at \$0.15).

**Executive Director Service Agreement – Mr Bruno Hegner**

The Company entered into an Executive Service Agreement with Mr Bruno Hegner on 23 October 2017. Mr Hegner is employed in the position of Executive Director and Vice President of the Company's subsidiary, Volantis Resources Corp. The material terms of the employment agreement with Mr Hegner are as follows:

- Mr Hegner will be paid an annual salary of US\$129,600 plus superannuation for 60% full time equivalent work hours plus a rate of US\$930 per day for additional days worked in excess of the 60% full time equivalent work hours. This salary is inclusive of director's fees and is intended to cover all the services that he may perform for the Company. He is also entitled to receive all reasonable expenses incurred in the fulfilment of his duties; and
- Entitlement to severance and redundancy package payments shall continue to be calculated based on previous annual salary of US\$216,000.

**Non-Executive Director Service Agreement – Mr Peter Williams**

The Company entered into an Executive Service Agreement with Mr Peter Williams on 1 September 2019. Mr Williams was employed in the position of Managing Director up until 6 April 2021. The material terms of the employment agreement with Mr Williams up until 6 April 2021 were as follows:

- Mr Williams was employed in the position of Managing Director; and
- Mr Williams was paid an annual salary of \$100,000 plus superannuation for between two to three working days per week. This salary is inclusive of director's fees and is intended to cover all the services that he may perform for the Company. He is also entitled to receive all reasonable expenses incurred in the fulfilment of his duties.

Following the appointment of Mr Caithness in the role of Managing Director on 6 April 2021, the Company entered into a Non-Executive Director Service Agreement with Mr Peter Williams, the material terms are as follows:

- Mr Williams is employed in the position of Non-Executive Director; and
- Mr Williams will be paid an annual salary of \$50,000. This salary is inclusive of director's fees and is intended to cover all the services that he may perform for the Company. He is also entitled to receive all reasonable expenses incurred in the fulfilment of his duties.

**Non-Executive Chairman Service Agreement – Mr Tom Eadie**

The Company entered into a Non-Executive Chairman Service Agreement with Mr Tom Eadie on 1 September 2019. Mr Eadie is to provide services as a Non-Executive Director and Chairman. The material terms of the employment agreement with Mr Eadie are as follows:

## DIRECTORS' REPORT (continued)

## REMUNERATION REPORT (AUDITED) (continued)

- Mr Eadie is employed in the position of Non-executive Chairman; and
- Mr Eadie will be paid an annual salary of \$30,000 plus superannuation for between two to five working days per week. This salary was increased to \$50,000 (inclusive of superannuation) as of 1 May 2021. This salary is inclusive of director's fees and is intended to cover all the services that he may perform for the Company. He is also entitled to receive all reasonable expenses incurred in the fulfilment of his duties.

## Relationship between Remuneration of KMP and Shareholder Wealth and Earnings

The Board anticipates that the Company will retain earnings (if any) and other cash resources for the development of its exploration projects. The Company does not currently have a policy with respect to the payment of dividends and returns of capital however this will be reviewed on an annual basis. Therefore, there was no relationship between the Board's policy for determining, or in relation to, the nature and amount of remuneration of KMP and dividends paid and returns of capital by the Company during the current and previous four financial years. The Company did not consider appreciation of the Company's shares when setting remuneration. The Board did issue Options to KMP and has implemented a Long-Term Incentive Plan which will generally be of value if the Company's shares appreciate over time.

## Remuneration of Key Management Personnel

Details of the nature and amount of each element of the emoluments received by or payable to each of the KMP of Alderan Resources Limited are as follows:

	Short-term benefits Salary & fees \$	Super- annuation \$	Share-based payment Shares \$	Share-based payment Perf rights \$	Share- based payment Options \$	Total \$
<b>2021</b>						
<b>Directors</b>						
Ernest Thomas Eadie	32,610	3,098	-	-	-	35,708
Scott Caithness <sup>1</sup>	35,962	3,416	-	-	26,083	65,461
F.D. Hegner	346,973	-	-	-	-	346,973
Peter Williams	87,318	8,296	-	-	-	95,614
Nicolaus Heinen <sup>2</sup>	6,917	-	-	-	-	6,917
<b>Total</b>	<b>509,780</b>	<b>14,810</b>	<b>-</b>	<b>-</b>	<b>26,083</b>	<b>550,673</b>

<sup>1</sup> Appointed as a Director on 6 April 2021.

<sup>2</sup> Resigned as a Director on 23 September 2020.

	Short-term benefits Salary & fees \$	Super- annuation \$	Termination payments \$	Share-based payment Perf rights \$	Share- based payment Options \$	Total \$
<b>2020</b>						
<b>Directors</b>						
Nicolaus Heinen	30,000	-	-	-	-	30,000
Peter Williams	94,934	8,392	-	-	77,457	180,783
Marat Abzalov <sup>1</sup>	53,117	2,612	3,000	-	76,419	135,148
F.D. Hegner	326,508	-	7,692	-	30,567	364,767
Ernest Thomas Eadie	45,000	4,275	-	-	30,567	79,842
<b>Total</b>	<b>549,559</b>	<b>15,279</b>	<b>10,692</b>	<b>-</b>	<b>215,010</b>	<b>790,540</b>

<sup>1</sup> Resigned as a Director on 5 June 2020.

## DIRECTORS' REPORT (continued)

## REMUNERATION REPORT (AUDITED) (continued)

## Remuneration of Key Management Personnel (continued)

No member of KMP appointed during the period received a payment as part of his or her consideration for agreeing to hold the position.

The proportion of remuneration linked to performance and the fixed proportion are as follows:

## Directors

	Fixed remuneration		At risk - STI		At risk - LTI	
	2021	2020	2021	2020	2021	2020
<i>Ernest Thomas Eadie</i>	100%	62%	-	-	-	38%
<i>Scott Caithness</i> <sup>1</sup>	60%	-	-	-	40%	-
<i>F.D. Hegner</i>	100%	90%	-	-	-	10%
<i>Peter Williams</i>	100%	57%	-	-	-	43%
<i>Nicolaus Heinen</i> <sup>2</sup>	100%	100%	-	-	-	-
<i>Marat Abzalov</i> <sup>3</sup>	-	41%	-	-	-	59%

<sup>1</sup> Appointed as a Director on 6 April 2021.

<sup>2</sup> Resigned as a Director on 23 September 2020.

<sup>3</sup> Resigned as a Director on 5 June 2020.

## Cash bonuses granted as compensation for the current financial year.

No cash bonuses were granted during the year ended 2021 (2020: nil).

## Other transactions with related parties

During the year ended 30 June 2021, the Company paid an amount of \$6,717.20, and had an amount of \$39,530.79, payable to Portable PPB Pty Ltd for the use of geological tools. Portable PPB Pty Ltd is a related party of Non-Executive Director, Peter Williams.

There were no other balances owed from/to key management personnel and or companies associated with the shareholders and Directors (2020: nil)

## Loans from key management personnel

As at 30 June 2021, there were no outstanding amounts due to KMP (2020: nil).

## Use of remuneration consultants

During the financial year ended 30 June 2021, the Company did not engage the services of an independent remuneration consultant to review its remuneration for Directors, KMP and other senior executives.

## DIRECTORS' REPORT (continued)

## REMUNERATION REPORT (AUDITED) (continued)

## Voting and comments made at the company's Annual General Meeting ('AGM')

The Company received 99.84% "for" votes on its Remuneration Report for the year ended 30 June 2020.

## Incentive Securities granted to KMP

During the financial year, unquoted options were granted to the following key management personnel of the Company and the entities they controlled as part of their remuneration.

KMP	Grant Date	Number	Exercise Price	Expiry Date	Vesting Date
Scott Caithness	27 May 2021	5,000,000	\$0.11	27 May 2024	27 May 2022
Scott Caithness	27 May 2021	5,000,000	\$0.15	27 May 2024	27 May 2022

## KMP Equity Holdings

## Fully Paid Ordinary Shares

	Balance at beginning of year	Granted as compensation	Received on exercise of options	Net change other	Balance at end of year
30 June 2021	Number	Number	Number	Number	Number
<b>Directors</b>					
Ernest Thomas Eadie	3,901,250	-	-	-	3,901,250
Scott Caithness <sup>1</sup>	-	-	-	-	-
F.D. Hegner	512,800	-	-	-	512,800
Peter Williams	7,121,417	-	833,333	-	7,954,750
Nicolaus Heinen <sup>2</sup>	1,148,751	-	-	-	1,148,751

<sup>1</sup> Balance on appointment at 6 April 2021.

<sup>2</sup> Balance on resignation at 23 September 2020.

## DIRECTORS' REPORT (continued)

## REMUNERATION REPORT (AUDITED) (continued)

## KMP Equity Holdings (continued)

*Share Options*

30 June 2021	Balance at beginning of year Number	Granted as compensation Number	Exercised Number	Expired Number	Balance at end of year Number
<b>Directors</b>					
Ernest Thomas Eadie	3,146,875	-	-	(600,000)	2,546,875
Scott Caithness <sup>1</sup>	-	10,000,000	-	-	10,000,000
F.D. Hegner	2,000,000	-	-	-	2,000,000
Peter Williams	16,171,875	-	(833,333)	-	15,338,542
Nicolaus Heinen <sup>2</sup>	900,000	-	-	-	900,000

<sup>1</sup> Balance on appointment at 6 April 2021.

<sup>2</sup> Balance on resignation at 23 September 2020.

*Performance Rights*

30 June 2021	Balance at beginning of year Number	Granted as compensation Number	Converted Number	Expired Number	Balance at end of year Number
<b>Directors</b>					
Ernest Thomas Eadie	-	-	-	-	-
Scott Caithness <sup>1</sup>	-	-	-	-	-
F.D. Hegner	600,000	-	-	(200,000)	400,000
Peter Williams	-	-	-	-	-
Nicolaus Heinen <sup>2</sup>	-	-	-	-	-

<sup>1</sup> Balance on appointment at 6 April 2021.

<sup>2</sup> Balance on resignation at 23 September 2020.

END OF REMUNERATION REPORT

**DIRECTORS' REPORT (continued)****Indemnification and insurance of Officers**

The Constitution of the Company requires the Company, to the extent permitted by law, to indemnify any person who is or has been a director or officer of the Company for any liability caused as such a director or officer and any legal costs incurred by a director or officer in defending an action for any liability caused as such a director or officer.

During or since the end of the financial year, no amounts have been paid by the Company in relation to the above indemnities.

During the financial year, insurance premiums were paid by the Company to insure against a liability incurred by a person who is or has been a director or officer of the Company.

**Indemnity and insurance of Auditor**

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

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

**Directors' meetings**

The number of meetings of Directors (including meetings of Committees of Directors) held during the year and the number of meetings attended by each Director were as follows:

2021	Directors' meetings	
	No. eligible to attend	No. attended
Ernest Thomas Eadie	4	4
Scott Caithness	1	1
F.D. Hegner	4	4
Peter Williams	4	4
Nicolaus Heinen	1	1

**Proceedings on behalf of the Company**

No person has applied for leave of court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

**Significant Events After the Reporting Date**

- On 2 August 2021, the Company announced that it had received firm commitments to raise \$5 million (before costs) through the issue of approximately 125 million new shares to institutional, sophisticated and professional investors at a price of \$0.04 per share. The Placement is to settle in two Tranches, with Tranche 1 settling on 6 August 2021 through the issue of 44,116,163 shares and Tranche 2 expected to settle on 1 October 2021 through the issue of 80,883,825 shares (following shareholder approval received on 23 September 2021). The Company will also issue an additional 2,625,000 shares to Directors at a price of \$0.04 per share on 1 October 2021 (following shareholder approval received on 23 September 2021) and 20 million unquoted options which expire on 1 October 2024 (10 million exercisable at \$0.11 and 10 million exercisable at \$0.15) to the Lead Manager to the placement; and

**DIRECTORS' REPORT (continued)**

**Significant Events After the Reporting Date (continued)**

- The impact of the Coronavirus (COVID-19) pandemic is ongoing, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

Other than disclosed above, the directors are not aware of any matters or circumstances not otherwise dealt with in this report or consolidated financial statements that have significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial periods.

**Non-audit services**

Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in Note 20 to the financial statements. The directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The directors are of the opinion that the services as disclosed in Note 20 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:

- a) all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- b) none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the company, acting as advocate for the company or jointly sharing economic risks and rewards

**Officers of the Company who are former partners of RSM Australia Partners**

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

**Auditor independence**

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

Signed in accordance with a resolution of the Directors.



**Mr Tom Eadie**  
**Chairman**

Dated this 29<sup>th</sup> day of September 2021

**RSM Australia Partners**

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**AUDITOR'S INDEPENDENCE DECLARATION**

As lead auditor for the audit of the financial report of Alderan Resources Limited for the year ended 30 June 2021, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

RSM

RSM AUSTRALIA PARTNERS



TUTU PHONG  
Partner

Perth, WA  
Dated: 29 September 2021

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**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2021**

	Notes	30 June 2021 \$	30 June 2020 \$
Interest income		6,349	189
Consulting and administration expenses	3	(530,920)	(454,148)
Depreciation and amortisation expense		(57,567)	(86,120)
Employee benefits expense		(292,519)	(707,434)
Foreign exchange (loss)/gain		-	(63)
Project expenditure		-	(227,426)
Share based payment expense	15	(633,084)	(214,779)
Finance costs		(1,816)	(12,480)
Write off of exploration expenditure on relinquishment of tenements		(539,878)	-
<b>Loss before income tax expense</b>		<b>(2,049,435)</b>	<b>(1,702,261)</b>
Income tax expense	4	-	-
<b>Loss after income tax for the year</b>		<b>(2,049,435)</b>	<b>(1,702,261)</b>
<b>Other comprehensive income, net of income tax</b>			
Exchange differences on translation of foreign operations		(889,213)	217,942
<b>Other comprehensive (loss)/gain for the year, net of income tax</b>		<b>(889,213)</b>	<b>217,942</b>
<b>Total comprehensive loss for the year</b>		<b>(2,938,648)</b>	<b>(1,484,319)</b>
<b>Loss attributable to members of the Company</b>		<b>(2,938,648)</b>	<b>(1,484,319)</b>
<b>Total comprehensive loss attributable to members the Company for the year</b>		<b>(2,938,648)</b>	<b>(1,484,319)</b>
<b>Basic loss per share (cents per share)</b>	5	<b>(0.73)</b>	<b>(0.92)</b>
<b>Basic loss per share from continuing operations (cents per share)</b>	5	<b>(0.73)</b>	<b>(0.92)</b>

The accompanying notes form part of these consolidated financial statements.

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2021**

	Note	30 June 2021 \$	30 June 2020 \$
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	6	791,510	2,133,424
Trade and other receivables	7	131,603	221,516
<b>Total Current Assets</b>		<b>923,113</b>	<b>2,354,940</b>
<b>Non-Current Assets</b>			
Plant and equipment	8	209,056	288,334
Exploration and evaluation expenditure	9	11,587,899	9,417,490
<b>Total Non-current Assets</b>		<b>11,796,955</b>	<b>9,705,824</b>
<b>Total Assets</b>		<b>12,720,068</b>	<b>12,060,764</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables	10	262,888	348,044
<b>Total Liabilities</b>		<b>262,888</b>	<b>348,044</b>
<b>Net Assets</b>		<b>12,457,180</b>	<b>11,712,720</b>
<b>Equity</b>			
Issued capital	11(a)	22,157,574	19,027,550
Options reserve	11(d)	6,877,314	6,324,230
Performance rights reserve	11(b)	101,420	101,420
Foreign currency reserve	11(c)	(144,691)	744,522
Accumulated losses		(16,534,437)	(14,485,002)
<b>Net Equity</b>		<b>12,457,180</b>	<b>11,712,720</b>

The accompanying notes form part of these consolidated financial statements.

## Alderan Resources Limited

### CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2021

	Issued capital \$	Options reserve	Performance rights reserve	Foreign currency reserve \$	Accumulated losses \$	Total equity \$
<b>Balance at 1 July 2019</b>	16,506,842	5,504,747	101,420	526,580	(12,782,741)	9,856,848
Loss for the year	-	-	-	-	(1,702,261)	(1,702,261)
Other comprehensive income for the year, net of income tax	-	-	-	217,942	-	217,942
<b>Total comprehensive loss for the year</b>	-	-	-	217,942	(1,702,261)	(1,484,319)
Contributions of equity, net of transaction costs	2,520,708	-	-	-	-	2,520,708
Share based payments	-	214,779	-	-	-	214,779
Equity settled transactions	-	604,704	-	-	-	604,704
<b>Balance at 30 June 2020</b>	<b>19,027,550</b>	<b>6,324,230</b>	<b>101,420</b>	<b>744,522</b>	<b>(14,485,002)</b>	<b>11,712,720</b>
<b>Balance at 1 July 2020</b>	19,027,550	6,324,230	101,420	744,522	(14,485,002)	11,712,720
Loss for the year	-	-	-	-	(2,049,435)	(2,049,435)
Other comprehensive loss for the year, net of income tax	-	-	-	(889,213)	-	(889,213)
<b>Total comprehensive loss for the year</b>	-	-	-	(889,213)	(2,049,435)	(2,938,648)
Contributions of equity, net of transaction costs	3,050,024	-	-	-	-	3,050,024
Share based payments	80,000	553,084	-	-	-	633,084
<b>Balance at 30 June 2021</b>	<b>22,157,574</b>	<b>6,877,314</b>	<b>101,420</b>	<b>(144,691)</b>	<b>(16,534,437)</b>	<b>12,457,180</b>

The accompanying notes form part of these consolidated financial statements.

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2021**

	Note	30 June 2021 \$	30 June 2020 \$
<b>Cash flows from operating activities</b>			
Payments to suppliers and employees		(1,391,592)	(927,332)
Payments for exploration and evaluation expenditures		(2,584,359)	(857,219)
Interest received		6,972	681
Interest paid		(1,816)	(12,480)
<b>Net cash (used in) operating activities</b>	6	<u>(3,970,795)</u>	<u>(1,796,350)</u>
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment		(3,025)	-
Payments to acquire tenements		(468,693)	-
Security deposit		-	(10,000)
Advance royalty payment and bond movement		192,700	-
<b>Net cash (used in) investing activities</b>		<u>(279,018)</u>	<u>(10,000)</u>
<b>Cash flows from financing activities</b>			
Proceeds from issue of shares (net of capital raising costs)		2,672,869	3,014,419
Proceeds from exercise of options		237,500	173,438
<b>Net cash provided by financing activities</b>		<u>2,910,369</u>	<u>3,187,857</u>
Net increase / (decrease) in cash held		(1,339,444)	1,381,507
Effect of foreign exchange		(2,470)	2,755
Cash and cash equivalents at the beginning of the year		2,133,424	749,162
<b>Cash and cash equivalents at the end of the year</b>	6	<u><b>791,510</b></u>	<u><b>2,133,424</b></u>

The accompanying notes form part of these consolidated financial statements.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021**

These consolidated financial statements and notes represent those of Alderan Resources Limited (the Company or parent entity) and Controlled Entities (the Group or consolidated entity). Alderan Resources Limited is a listed public company incorporated and domiciled in Australia.

The separate financial statements of the parent entity, Alderan Resources Limited, have not been presented within this financial report as permitted by the *Corporations Act 2001*. Supplementary information about the parent entity is disclosed in Note 19. The financial statements were authorised for issue on 29<sup>th</sup> September 2021 by the Directors of the Company.

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

*Basis of preparation*

The financial report is a general-purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards. Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards (IFRS). Except for cash flow information, the financial statements have been prepared on an accruals basis. Material accounting policies adopted in preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

*Historical cost convention*

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets at fair value through profit or loss.

*Critical accounting estimates*

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed within Note 1.

*New and Amended Accounting Policies adopted by the Group*

The Group has adopted all of the new and revised Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period.

The adoption of these new and revised Accounting Standards and Interpretations has not resulted in a significant or material change to the Group's accounting policies.

The adoption of the new Conceptual Framework for Financial Reporting from 1 July 2020 has not led to any changes in accounting or disclosure for the Group, but the new Conceptual Framework may be referred to if accounting matters arise that are not addressed by accounting standards.

The adoption of the new definition of Material included in AASB 2018-7 Amendments to Australian Accounting Standards – Definition of Material from 1 July 2020 provides a new definition of material, which now extends materiality consideration to obscuration and clarifies that materiality now depends on the nature or magnitude of information.

Future effects of the implementation of these standards will depend on future details.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021****NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**a) Principles of Consolidation**

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent (Alderan Resources Limited) and all of the subsidiaries (including any structured entities). Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. A list of controlled entities is contained in Note 16.

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

Equity interests in a subsidiary not attributable, directly or indirectly, to the Group are presented as “non-controlling interests”. The Group initially recognises non-controlling interests that are present ownership interests in subsidiaries and are entitled to a proportionate share of the subsidiary’s net assets on liquidation at either fair value or at the non-controlling interests’ proportionate share of the subsidiary’s net assets. Subsequent to initial recognition, non-controlling interests are attributed their share of profit or loss and each component of other comprehensive income. Non-controlling interests are shown separately within the equity section of the statement of financial position and statement of profit or loss and other comprehensive income.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the Group. Losses incurred by the Group are attributed to the non-controlling interest in full, even if that results in a deficit balance.

Where the Group loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The Group recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

When the Group changes the proportion of ownership of a non-controlling interest, the difference between the fair value of the consideration paid or received and the adjustment to the balance of the non-controlling interest, is recognised in equity as an adjustment to retained earnings. Such an adjustment to retained earnings does not meet definitions of profit and loss, or other comprehensive income, so is not disclosed in the statement of profit or loss and other comprehensive income. Consideration paid or received for a non-controlling interest is valued as at the transaction date, not as at an earlier authorisation or contract date, because it does not meet the definition of a share-based payment.

**b) Operating Segments**

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

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021****NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****c) Current and Non-Current Classification**

Assets and liabilities are presented in the statement of financial position based on current and non-current classification. An asset is current when: it is expected to be realised or intended to be sold or consumed in normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within twelve months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is current when: it is expected to be settled in normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within twelve months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. All other liabilities are classified as non-current. Deferred tax assets and liabilities are always classified as non-current.

**d) Cash and Cash Equivalents**

Cash on hand and in banks and short-term deposits are stated at nominal value. For the purpose of the consolidated statement of cash flows, cash includes cash on hand and in banks, and money market investments readily convertible to cash within 90 days, net of outstanding bank overdrafts.

**e) Foreign Currency Translation**

The consolidated financial statements are presented in Australian dollars (AUD), which is also the functional currency of the parent company.

Foreign currency transactions are translated into the functional currency of the parent company, using the exchange rates prevailing at the dates of the transactions (spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from the remeasurement of monetary items at year end exchange rates are recognised in profit or loss.

Non-monetary items measured at historical cost are translated using the exchange rates at the date of the transaction (not retranslated). Non-monetary items measured at fair value are translated using the exchange rates at the date when fair value was determined.

In the Group's financial statements, all assets, liabilities and transactions of group entities with a functional currency other than AUD (the Group's presentation currency) are translated into AUD upon consolidation. The functional currency of the entities in the Group has remained unchanged during the reporting period.

On consolidation, assets and liabilities have been translated into AUD at the closing rate at the reporting date. Income and expenses have been translated into the Group's presentation currency at the average rate over the reporting period. Exchange differences are charged/credited to other comprehensive income and recognised in the currency translation reserve in equity. On disposal of a foreign operation the cumulative translation differences recognised in equity are reclassified to profit or loss and recognised as part of the gain or loss on disposal. Goodwill and fair value adjustments arising on the acquisition of a foreign entity have been treated as assets and liabilities of the foreign entity and translated into AUD at the closing rate.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021****NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****f) Financial Instruments**

Financial assets are measured at amortised cost if they are held within a business model whose objective is to hold assets in order to collect contractual cash flows which arise on specified dates and are solely principal and interest. All other financial instrument assets are classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading) in other comprehensive income. Financial assets may be impaired based on an expected credit loss model to recognise an allowance. Such impairment is measured with a 12-month expected credit loss model unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime expected credit loss model is adopted.

For financial liabilities, the portion of the change in fair value that relates to the Group's credit risk is presented in other comprehensive income.

Hedge accounting requirements align the accounting treatment with the Group's risk management activities. The Group does not currently have any impaired financial assets, financial liabilities with changes in fair value due to credit risk presented in other comprehensive income, or financial instruments requiring hedge accounting.

**g) Trade and Other Payables**

Trade payables and other accounts are recognised when the Group becomes obliged to make future payments resulting from the purchase of goods and services.

**h) Trade and Other Receivables**

Trade and other receivable are amounts due from related parties and other receivables represent the principal amounts due at balance date plus accrued interest less, where applicable, any unearned income and provision for expected credit loss.

**i) 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 national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised for temporary difference at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probably 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 subsidiaries where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the difference will not reverse in the foreseeable future. Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**j) Plant and Equipment**

Plant and equipment has been stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a diminishing value basis to write off the net cost of each item of plant and equipment over their expected useful lives as follows:

Office equipment	3-5 years
Motor vehicles	7 years
Exploration equipment	3-5 years

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

An item of plant and equipment is derecognised upon disposal or when there is no future economic benefit to the consolidated entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

**k) Exploration and Evaluation Expenditure**

Exploration and evaluation expenditure in relation to separate areas of interest for which rights of tenure are current is carried forward as an asset in the statement of financial position where it is expected that the expenditure will be recovered through the successful development and exploitation of an area of interest, or by its sale; or exploration activities are continuing in an area and activities have not reached a stage which permits a reasonable estimate of the existence or otherwise of economically recoverable reserves. Where a project or an area of interest has been abandoned, the expenditure incurred thereon is written off in the year in which the decision is made.

**l) Leases**

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

**m) Revenue and Other Income**

Revenue from contracts with customers is recognised based on the transfer of promised goods or services to customers with an amount that reflects the consideration to which the Group expects to be entitled to in exchange for those goods or services.

Other revenue is recognised when it is probable that the economic benefit will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Research and development tax offset income is recognised when it is received or when the right to receive payment is established. Revenue is measured at the fair value of the consideration received or receivable.

Interest income is recognised using the effective interest rate methods, which, for floating rate financial assets, is the rate inherent in the instrument.

All revenue is stated net of goods and services tax.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**n) Goods and Services Tax (GST) and other similar taxes**

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

- where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of any asset or as part of an item of expense; or
- for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables. Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

**o) Impairment of Assets**

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which they are separately identifiable cash flows (cash generating units).

**p) Share-Based Payment Transactions**

The Company provides benefits to KMP of the Group in the form of share-based payments, whereby the KMP render services in exchange for shares or rights over shares (equity settled transactions). The Company does not provide cash settled share-based payments.

The cost of equity settled transactions with KMP are measured by reference to the fair value of the equity instruments at the date at which they are granted.

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

The cumulative expense recognised for equity settled transactions at each reporting date until vesting date reflects the extent to which the vesting period has expired, and the Company's best estimate of the number of equity instruments that will ultimately vest. The profit or loss charge or credit for a period represents the movement in cumulative expense recognised for the period.

No cumulative expense is recognised for awards that ultimately do not vest (in respect of non-market vesting conditions).

**q) Comparative Figures**

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

**r) Earnings per Share**

*Basic earnings per share*

Basic earnings per share is calculated by dividing the profit attributable to the owners of Alderan Resources Limited, 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 financial year.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**r) Earnings per Share (continued)**

*Diluted earnings per share*

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

**s) 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.

**t) New Accounting Standards and Interpretations not yet mandatory or early adopted**

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 30 June 2020. The Group's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the Group, are set out below.

*Conceptual Framework for Financial Reporting (Conceptual Framework)*

The revised Conceptual Framework is applicable to annual reporting periods beginning on or after 1 January 2020 and early adoption is permitted. The Conceptual Framework contains new definition and recognition criteria as well as new guidance on measurement that affects several Accounting Standards. Where the Group has relied on the existing framework in determining its accounting policies for transactions, events or conditions that are not otherwise dealt with under the Australian Accounting Standards, the Group may need to review such policies under the revised framework. At this time, the application of the Conceptual Framework is not expected to have a material impact on the Group's financial statements.

**u) Critical Accounting Estimates and Assumptions**

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

*Capitalised Exploration and Evaluation Expenditure*

Exploration and evaluation costs have been capitalised on the basis that activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised.

*Share based payment transactions*

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

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021**

**NOTE 2: SEGMENT REPORTING**

AASB 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the Directors in order to allocate resources to the segment and to assess its performance.

Information regarding these segments is presented below. The accounting policies of the reportable segments are the same as the Group's accounting policies. The following tables are an analysis of the Group's revenue and results by reportable segment provided to the Directors for the years ended 30 June 2021 and 30 June 2020.

30 June 2021	Continuing Operations			Consolidated \$
	United States of America \$	Australia \$	Unallocated items \$	
Segment revenue	-	6,349	-	6,349
Intersegment revenue	-	-	-	-
Revenue from external customers	-	6,349	-	6,349
Segment result	(795,601)	(1,253,834)	-	(2,049,435)
Segment assets	11,393,459	1,326,609	-	12,720,068
Segment liabilities	134,266	128,622	-	262,888

30 June 2020	Continuing Operations			Consolidated \$
	United States of America \$	Australia \$	Unallocated items \$	
Segment revenue	-	189	-	189
Intersegment revenue	-	-	-	-
Revenue from external customers	-	189	-	189
Segment result	(1,050,273)	(651,988)	-	(1,702,261)
Segment assets	9,890,232	2,170,532	-	12,060,764
Segment liabilities	15,710	332,334	-	348,044

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021

## NOTE 3: EXPENSES

	30 June 2021 \$	30 June 2020 \$
<b>Consulting and administration expense</b>		
Accountancy fees	49,035	55,250
ASX fees	36,910	30,499
Rent	13,487	37,844
Administration and consultancy fees	236,064	217,391
Insurance	56,066	32,932
Legal fees	37,033	56,284
Exploration project related costs and others	60,842	20,073
Promotion and investor relations	33,000	256
Travel expenses	8,483	3,619
	<u>530,920</u>	<u>454,148</u>

## NOTE 4: INCOME TAX

**(a) Income tax benefit**

-	-
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**(b) Numerical reconciliation between tax-benefit and pre-tax net loss**

Accounting (loss) before income tax	(2,049,435)	(1,702,261)
Income tax benefit using the Company's domestic tax rate of 27.5% (2020: 27.5%)	(563,595)	(468,122)
Other non-deductible items	26,425	(68,990)
Unrecognised deferred tax asset attributable to tax losses and temporary differences	537,170	537,112
Income tax attributable to entity	<u>-</u>	<u>-</u>

**(c) Unrecognised deferred tax****Tax losses for which no deferred tax asset has been recognised**

Losses available for offset against future taxable income	(7,844,487)	(5,891,143)
Total	<u>(7,844,487)</u>	<u>(5,891,143)</u>
Potential tax benefits at 27.5% (2020: 27.5%)	<u>(2,157,234)</u>	<u>(1,620,064)</u>

The benefit of deferred tax assets not brought to account will only be brought to account if:

- future assessable income is derived of a nature and of an amount sufficient to enable the benefit to be realised;
- the conditions for deductibility imposed by tax legislation continue to be complied with; and
- no changes in tax legislation adversely affect the Company in realising the benefit.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021**

**NOTE 5: LOSS PER SHARE**

	30 June 2021	30 June 2020
	Cents per share	Cents per share
Basic loss per share	(0.73)	(0.92)
Basic loss per share from continuing operations	(0.73)	(0.92)
Losses used in the calculation of basic and diluted loss per share is as follows:	\$	\$
Loss for the year	<u>(2,049,435)</u>	<u>(1,702,261)</u>
Loss from continuing operations	<u>(2,049,435)</u>	<u>(1,702,261)</u>
The weighted average number of ordinary shares used in the calculation of basic and diluted loss per share is as follows:	Number	Number
Weighted average number of ordinary shares for the purpose of basic loss per share	<u>281,973,928</u>	<u>185,884,127</u>

**NOTE 6: CASH AND CASH EQUIVALENTS**

**Reconciliation to the Statement of Cash Flows:**

For the purposes of the statement of cash flows, cash and cash equivalents comprise cash on hand and at bank, net of outstanding bank overdrafts. Cash and cash equivalents as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

	30 June 2021	30 June 2020
	\$	\$
Cash in bank and on hand	<u>791,510</u>	<u>2,133,424</u>
	<u><b>791,510</b></u>	<u><b>2,133,424</b></u>

**Reconciliation of loss after tax to net cash outflow from operating activities:**

Loss for the year	(2,049,435)	(1,702,261)
<b>Adjustment for non-cash income and expense items</b>		
Depreciation and amortisation	57,567	86,120
Share-based payment expense	633,084	214,779
Exploration expenditure written off	539,878	-
Exploration expenditure capitalised	(3,098,831)	(411,750)
<b>Change in assets and liabilities</b>		
Trade and other receivables	16,794	767
Trade and other payables	(69,852)	15,995
Net cash (outflow) from operating activities	<u><b>(3,970,795)</b></u>	<u><b>(1,796,350)</b></u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021

NOTE 7: TRADE AND OTHER RECEIVABLES

	30 June 2021	30 June 2020
	\$	\$
Bonds	95,903	169,022
GST receivable	11,231	27,387
Sundry debtors	73	871
Prepayment	14,470	14,236
Security deposit	9,926	10,000
	<u>131,603</u>	<u>221,516</u>

NOTE 8: PLANT AND EQUIPMENT

	Office Equipment \$	Motor Vehicle \$	Exploration Equipment \$	Total \$
Balance at 1 July 2019	4,232	78,190	258,990	341,412
Depreciation	(1,208)	(12,413)	(72,499)	(86,120)
Exchange differences	417	7,080	25,545	33,042
Balance at 1 July 2020	<u>3,441</u>	<u>72,857</u>	<u>212,036</u>	<u>288,334</u>
Additions	3,025	-	-	3,025
Depreciation	(1,032)	(9,566)	(46,969)	(57,567)
Exchange differences	(295)	(6,283)	(18,158)	(24,736)
Balance at 30 June 2021	<u>5,139</u>	<u>57,008</u>	<u>146,909</u>	<u>209,056</u>

NOTE 9: EXPLORATION AND EVALUATION EXPENDITURE

	30 June 2021	30 June 2020
	\$	\$
Carrying value at the beginning of the year	9,417,490	9,330,402
Expenditure incurred during the year	3,098,831	411,750
Expenditure written off	(539,878)	(552,862)
Exchange differences	(388,544)	228,200
Carrying value at the end of the year	<u>11,587,899</u>	<u>9,417,490</u>

NOTE 10: TRADE AND OTHER PAYABLES

Trade creditors	14,540	208,320
Accruals and other payables	115,334	139,724
Kennecott JV royalty payment	133,014	-
	<u>262,888</u>	<u>348,044</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021

NOTE 11: ISSUED CAPITAL

a) Ordinary shares	Year to 30 June 2021		Year to 30 June 2020	
	No.	\$	No.	\$
Fully paid ordinary shares	<u>297,941,092</u>	<u>22,157,574</u>	<u>259,438,641</u>	<u>19,027,550</u>

*Movements in Ordinary Shares*

<b>Balance at 1 July 2020</b>			259,438,641	19,027,550
Shares issued for services (i)			500,000	80,000
Shares issued on exercise of Options (ii)			1,875,000	187,500
Shares issued under a Placement (iii)			35,294,118	3,000,000
Shares issued on exercise of Options (iv)			833,333	50,000
Less: share issue costs			-	(187,476)
<b>Balance at 30 June 2021</b>			<u><u>297,941,092</u></u>	<u><u>22,157,574</u></u>

- (i) 500,000 fully paid ordinary shares issued as consideration for services provided for investor relations. The deeded issue price was \$0.16, being the share price on date of issue, 30 July 2020.
- (ii) 1,875,000 fully paid ordinary shares issued following exercise of 1,875,000 unquoted options with an exercise price of \$0.10 and an expiry date of 7 August 2022.
- (iii) 35,294,118 fully paid ordinary shares issued under a Placement to professional and sophisticated investors in December 2020 at an issue price of \$0.085 per share.
- (iv) 833,333 fully paid ordinary shares issued following exercise of 833,333 unquoted options with an exercise price of \$0.06 and an expiry date of 19 July 2022.

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held. On a show of hands every holder of ordinary shares present at a meeting in person or proxy, is entitled to one vote, and upon a poll each share is entitled to one vote. Ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021

## NOTE 11: ISSUED CAPITAL (CONTINUED)

b) Performance rights reserve	Year to 30 June 2021		Year to 30 June 2020	
	No.	\$	No.	\$
<i>Fully paid</i>				
Balance at beginning of year	600,000	101,420	600,000	101,420
Expiry of Class A Performance Rights	(200,000)	-	-	-
Balance at end of year	400,000	101,420	600,000	101,420

The performance rights on issue as at 30 June 2021 are as follows:

Class	Number	Expiry Date	Vesting Conditions
B	200,000	24 August 2021	Converting into fully paid ordinary shares once the closing share price as quoted on the ASX is greater than \$1.50 for more than a total of 120 trading days within 3 years from grant date.
C	200,000	24 August 2022	Converting into fully paid ordinary shares once the closing share price as quoted on the ASX is greater than \$2.00 for more than a total of 120 trading days within 4 years from grant date.

The conditions for conversion of the remaining performance rights (Class B and Class C) into fully paid ordinary shares were not met by 30 June 2021 however on 24 August 2021 the Class B Performance Rights expired without the conditions for conversion being met.

The Group measured the fair value of the performance rights issued at the grant date by using the Monte-Carlo pricing model with the following inputs.

Class	Grant Date	Expiry Date	Spot Price	Vesting Hurdle (120 days)	Fair value	Expected Volatility	Dividend Yield	Interest Rate
A	24 Aug-18	24 Aug-20	\$0.34	\$1.00	\$0.15	100%	0%	1.98%
B	24 Aug-18	24 Aug-21	\$0.34	\$1.50	\$0.17	100%	0%	2.03%
C	24 Aug-18	24 Aug-22	\$0.34	\$2.00	\$0.19	100%	0%	2.21%

## c) Foreign Currency Reserves

	30 June 2021 \$	30 June 2020 \$
Balance at beginning of year	744,522	526,580
Movement during the year	(889,213)	217,942
Balance at the end of the year	(144,691)	744,522

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021

## NOTE 11: ISSUED CAPITAL (CONTINUED)

## d) Options

	30 June 2021		30 June 2020	
	No.	\$	No.	\$
Options	76,732,292	6,877,314	71,425,625	6,324,230

**Movements in Options**

<b>Balance at 1 July 2020</b>	71,425,625	6,324,230
Exercise of Options (i)	(1,875,000)	-
Issue of Employee Options under ESIP (ii)	7,000,000	527,002
Exercise of Options (iii)	(833,333)	-
Expiry of Options (iv)	(8,715,000)	-
Issue of Options to Managing Director (v)	10,000,000	26,082
Expiry of Options (vi)	(270,000)	-
<b>Balance at 30 June 2021</b>	<b>76,732,292</b>	<b>6,877,314</b>

The weighted average exercise price of options outstanding at the end of the financial year was \$0.13 (2020: \$0.23).

The weighted average remaining contractual life of options outstanding at the end of the financial year was 1.50 years (2020: 1.96 years).

- (i) On 30 July 2020, 1,875,000 unquoted options with an exercise price of \$0.10 and an expiry of 7 August 2022 were exercised.
- (ii) On 3 August 2020, 7,000,000 unquoted options were issued as follows:
  - o 3,500,000 unquoted options to employees under the Company's Long Term Incentive Plan vesting after 12 months continuous service exercisable at \$0.195 on or before 3 August 2023 (Tranche A); and
  - o 3,500,000 unquoted options to employees under the Company's Long Term Incentive Plan vesting after 12 months continuous service exercisable at \$0.225 on or before 3 August 2023 (Tranche B).
- (iii) On 22 December 2020, 833,333 unquoted options with an exercise price of \$0.06 and an expiry of 19 July 2022 were exercised by Managing Director, Peter Williams;
- (iv) On 22 February 2021 a total of 8,715,000 unquoted options (with various exercise prices) expired without being exercised;
- (v) On 27 May 2021, 10,000,000 unquoted options were issued to Managing Director, Scott Caithness, as follows:
  - o 5,000,000 unquoted options, vesting after 12 months continuous service, exercisable at \$0.11 on or before 27 May 2024 (Tranche A); and
  - o 5,000,000 unquoted options, vesting after 12 months continuous service, exercisable at \$0.15 on or before 27 May 2024 (Tranche A); and
- (vi) On 28 June 2021 a total of 270,000 unquoted options (with various exercise prices) expired without being exercised.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021

## NOTE 11: ISSUED CAPITAL (CONTINUED)

	Number	Grant date	Expiry date	Exercise Price \$	Fair value at grant date \$	Vesting date	Recognised as expense at 30-Jun-21 \$
ESIP Tranche A	3,500,000	24-Jul-20	3-Aug-23	0.195	297,500	3-Aug-21	273,084
ESIP Tranche B	3,500,000	24-Jul-20	3-Aug-23	0.225	280,000	3-Aug-21	253,918
MD Tranche A	5,000,000	27-May-21	27-May-24	0.110	150,000	27-May-22	13,973
MD Tranche B	5,000,000	27-May-21	27-May-24	0.150	130,000	27-May-22	12,110

The Group has measured the fair value of the options issued during the year by using the Black-Scholes pricing model with the following inputs.

Class	Grant Date	Expiry Date	Vesting Date	Share price at Grant Date	Exercise Price	Expected Volatility	Dividend Yield	Interest Rate
ESIP (A)	24-Jul-20	3-Aug-23	3-Aug-21	\$0.15	0.195	100%	0%	0.27%
ESIP (B)	24-Jul-20	3-Aug-23	3-Aug-21	\$0.15	0.225	100%	0%	0.27%
MD (A)	27-May-21	27-May-24	27-May-22	\$0.06	0.110	100%	0%	0.09%
MD (B)	27-May-21	27-May-24	27-May-22	\$0.06	0.150	100%	0%	0.09%

## NOTE 12: CONTINGENT LIABILITIES

On 11 February 2021, the Company announced it had completed several strategic land deals whereby the Company executed Option Agreements. If the Company decides to exercise the various Option Agreements, additional liabilities will be incurred, as follows:

**Option Agreement with Drum Mountain Mineral Properties LLC (DMMP):**

- \$500,000 in exploration expenditures in Year 1;
- 55% interest for \$3 million in exploration expenditure over 3 years;
- Upon Volantis (100% owned Alderan subsidiary) completing expenditures to earn 55%, DMMP will have a one-time option to contribute at 45%. If the option is not exercised, Volantis may earn 70%;
- 70% interest for an additional \$2 million over 5 years; and
- 1% Net Smelter Royalty (NSR) if a party's interest is reduced to less than 10%.

**Option Agreement with Hartshorn Claim Group:**

- Annual payments from acquisition date of \$15,000, \$15,000 and \$30,000; and
- Purchase price \$200,000 in 3 years plus a 2% NSR (with 1% purchasable for \$200,000).

**Option Agreement with George Miller / Ron Myers Patented claims:**

- Purchase price \$4,550,000 in 12 months from agreement date (February 2022)

There were no contingent liabilities as at 30 June 2020.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2021

## NOTE 13: SIGNIFICANT EVENTS AFTER THE REPORTING DATE

- On 2 August 2021, the Company announced that it had received firm commitments to raise \$5 million (before costs) through the issue of approximately 125 million new shares to institutional, sophisticated and professional investors at a price of \$0.04 per share. The Placement is to settle in two Tranches, with Tranche 1 settling on 6 August 2021 through the issue of 44,116,163 shares and Tranche 2 expected to settle on 1 October 2021 through the issue of 80,883,825 shares (following shareholder approval received on 23 September 2021). The Company will also issue an additional 2,625,000 shares to Directors at a price of \$0.04 per share on 1 October 2021 (following shareholder approval received on 23 September 2021) and 20 million unquoted options which expire on 1 October 2024 (10 million exercisable at \$0.11 and 10 million exercisable at \$0.15) to the Lead Manager to the placement; and
- The impact of the Coronavirus (COVID-19) pandemic is ongoing, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

Other than disclosed above, the directors are not aware of any matters or circumstances not otherwise dealt with in this report or consolidated financial statements that have significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial periods.

## NOTE 14: DIVIDENDS

The directors have not declared any dividend for the year ended 30 June 2021 (2020: nil).

## NOTE 15: SHARE-BASED PAYMENTS

From time to time, the Company provides Incentive Options to officers, employees, consultants and other key advisors as part of remuneration and incentive arrangements. The number of options granted, and the terms of the options granted are determined by the Board. Shareholder approval is sought where required. During the past two years, the following equity-settled share-based payments have been recognised:

	30 June 2021 \$	30 June 2020 \$
Expense arising from option-settled share-based payment transactions	553,084	214,779
Expense arising from share-settled share-based payment transactions	80,000	-
<b>Net share based payment expense recognised in the profit or loss</b>	<b>633,084</b>	<b>214,779</b>

The share based payment expense consists of expensing a proportion of unquoted options which we issued during the year and are being recognised as an expense on a straight-line basis over the vesting period. Options have been valued by the Company using the Black-Scholes options pricing model based on the inputs shown at Note 11 (d).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021

## NOTE 16: RELATED PARTY TRANSACTIONS

## a) Key management personnel

	30 June 2021 \$	30 June 2020 \$
Short-term employee benefits	509,780	564,838
Post-employment benefits	14,810	-
Share-based payments – shares	-	10,692
Share-based payments - options	26,083	215,010
	<u>550,673</u>	<u>790,540</u>

## b) Related party transactions

During the year ended 30 June 2021, the Company paid an amount of \$6,717, and had an amount of \$39,531, payable to Portable PPB Pty Ltd for the use of geological tools. Portable PPB Pty Ltd is a related party of Non-Executive Director, Peter Williams.

There were no other balances owed from/to key management personnel and or companies associated with the shareholders and Directors (2020: nil)

## c) Subsidiaries

The consolidated financial statements include the financial statements of Alderan Resources Limited and the following subsidiaries:

Subsidiary	Country of incorporation	Equity interest (%)	
		30 June 2021	30 June 2020
Volantis Resources Corp, Inc.	USA	100%	100%
Valyrian Resources Corp.	USA	100%	100%
Alderan US Holdings, Inc	USA	100%	100%
Star Range US Holdings, Inc	USA	100%	100%
Star Range Resources Limited	AUS	100%	100%

Alderan Resources Limited is the ultimate Australian parent entity and ultimate parent of the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021

NOTE 17: FINANCIAL INSTRUMENTS

a) *Overview*

The Group's principal financial instruments comprise receivables, payables, cash and cash equivalents. The main risks arising from the Group's financial instruments are credit risk, liquidity risk, interest rate risk and foreign currency risk. This note presents information about the Company's exposure to each of the above risks, its objectives, policies and processes for measuring and managing risk, and the management of capital. Other than as disclosed, there have been no significant changes since the previous financial year to the exposure or management of these risks.

The Group manages its exposure to key financial risks in accordance with the Company's risk management policy. Key financial risks are identified and reviewed annually and policies are revised as required. The overall objective of the Company's risk management policy is to recognise and manage risks that affect the Company and to provide a stable financial platform to enable the Company to operate efficiently.

The Group does not enter into derivative transactions to mitigate the financial risks. In addition, the Company's policy is that no trading in financial instruments shall be undertaken for the purposes of making speculative gains. As the Company's operations change, the Directors will review this policy periodically going forward. The Directors have overall responsibility for the establishment and oversight of the risk management framework. The Directors review and approve policies for managing the Company's financial risks as summarised below.

<i>Categories of financial instruments</i>	30 June 2021	30 June 2020
	\$	\$
<u>Financial assets</u>		
Cash on hand and in bank	791,510	2,133,424
Trade and other receivables	131,603	221,516
	<u>923,113</u>	<u>2,354,940</u>
<u>Financial liabilities</u>		
Trade and other payables	262,888	348,044
	<u>262,888</u>	<u>348,044</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021**

**NOTE 17: FINANCIAL INSTRUMENTS (continued)**

**b) Capital risk management**

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Company's overall strategy remains unchanged from prior years. The capital structure of the Company consists of debt, cash and cash equivalents and equity, comprising issued capital, reserves and retained earnings (accumulated losses). Operating cash flows are used to maintain and expand operations, as well as to make routine expenditures such as tax, dividends and general administrative outgoings.

Gearing levels are reviewed by the Board on a regular basis in line with its target gearing ratio, the cost of capital and the risks associated with each class of capital.

**c) Credit Risk**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults.

The Company only transacts with entities that are rated the equivalent of investment grade and above. This information is supplied by independent rating agencies where available and, if not available, the Company uses publicly available financial information and its own trading record to rate its major customers.

The Company does not have any significant credit risk exposure to any single counterparty or any Company of counterparties having similar characteristics.

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. This arises principally from cash and cash equivalents and trade and other receivables.

There are no significant concentrations of credit risk within the Company. The carrying amount of the Company's financial assets represents the maximum credit risk exposure, as represented below:

	<b>30 June 2021</b>	<b>30 June 2020</b>
	<b>\$</b>	<b>\$</b>
Cash on hand and in bank	791,510	2,133,424
Trade and other receivables	131,603	221,516
<b>Total</b>	<b>923,113</b>	<b>2,354,940</b>

Trade and other receivables are comprised primarily of sundry receivables and GST refunds due. Where possible the Company trades only with recognised, creditworthy third parties

With respect to credit risk arising from cash and cash equivalents, the Company's exposure to credit risk arises from default of the counter party, with a maximum exposure equal to the carrying amount of these instruments.

**d) Interest Rate Risk**

The Company's exposure to the risk of changes in market interest rates relates primarily to the bank deposits with floating interest rate. These financial assets with variable rates expose the Company to cash flow interest rate risk. All other financial assets and liabilities, in the form of receivables and payables are non-interest bearing.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021

NOTE 17: FINANCIAL INSTRUMENTS (continued)

At the reporting date, the interest rate profile of the Company's interest-bearing financial instruments was:

	30 June 2021	30 June 2020
	\$	\$
<i>Interest-bearing financial instruments</i>		
Bank balances	791,510	2,133,424
	<u>791,510</u>	<u>2,133,424</u>

The Company currently does not engage in any hedging or derivative transactions to manage interest rate risk.

*Interest rate sensitivity*

A sensitivity of 0.1% (10 basis points) has been selected as this is considered reasonable given the current level of both short term and long term interest rates. A 1% (100 basis points) movement in interest rates at the reporting date would have increased (decreased) equity and profit and loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for 2020.

30 June 2021 - Profit or loss		30 June 2020 - Profit or loss	
100bp Increase	100bp Decrease	100bp Increase	100bp Decrease
7,915	(7,915)	21,334	(21,334)

e) *Liquidity risk*

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Board's approach to managing liquidity is to ensure, as far as possible, that the Company will always have sufficient liquidity to meet its liabilities when due by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. The contractual maturities of financial liabilities, including estimated interest payments, are provided below. There are no netting arrangements in respect of financial liabilities.

30 June 2021	≤6 Months \$	6-12 Months \$	1-5 Years \$	≥5 Years \$	Total \$
<i>Financial Liabilities</i>					
Trade and other payables	262,888	-	-	-	262,888
Total	<u>262,888</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>262,888</u>
30 June 2020	≤6 Months \$	6-12 Months \$	1-5 Years \$	≥5 Years \$	Total \$
<i>Financial Liabilities</i>					
Trade and other payables	348,044	-	-	-	348,044
Total	<u>348,044</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>348,044</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021**

**NOTE 17: FINANCIAL INSTRUMENTS (continued)**

**f) Foreign Exchange Risk**

The Company has an exposure to foreign exchange rates given that the Company operates in the United States of America. A fluctuation in foreign exchange rates may affect the cost base of the costs and expenses of the Company. The carrying amounts of the Company's foreign currency denominated monetary liabilities as at the reporting date expressed in Australian dollars are as follows:

	<b>30 June 2021</b>	<b>30 June 2020</b>
	\$	\$
US dollar denominated balances	<u>181,361</u>	<u>15,386</u>

*Foreign currency sensitivity analysis*

The sensitivity analysis below details the Company's sensitivity to an increase/decrease in the Australian Dollar against the United States Dollar. The sensitivity analysis includes only outstanding foreign currency denominated monetary items. A 100 basis point is the sensitivity rate used when reporting foreign currency risk internally to management and represents management's assessment of the possible change in foreign exchange rates.

At reporting date, if foreign exchange rates had been 100 basis points higher or lower and all other variables held constant, the Company's loss will increase/decrease by \$1,813 (2020: \$154); and net assets will increase/decrease by \$1,813 (2020: \$154).

The Company's sensitivity to foreign exchange rates has not changed significantly from prior year.

**g) Fair values**

The net fair value of financial assets and financial liabilities approximates their carrying value. The methods for estimating fair value are outlined in the relevant notes to the financial statements.

**NOTE 18: COMMITMENTS**

	<b>30 June 2021</b>	<b>30 June 2020</b>
	\$	\$
Exploration expenditure and annual lease/claim payments Committed at the reporting date but not recognised as liability:		
Within one year	1,205,143	930,105
One to five years	-	121,287
	<u><b>1,205,143</b></u>	<u><b>1,051,392</b></u>

Where the commitments are due in US Dollars, the Company has used the spot rate on 30 June 2021 as a conversion for the commitments into Australian Dollars.

In order to maintain current rights of tenure to exploration tenements, the Company is required to outlay rentals and to meet the minimum expenditure requirements by the Mineral Resources Authority. Minimum expenditure commitments may be subject to renegotiation and with approval may otherwise be avoided by sale, farm out or relinquishment. These obligations are not provided for in the financial statements.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2021**

**NOTE 19: PARENT ENTITY INFORMATION**

Set out below is the supplementary information about the parent entity.

	30 June 2021 \$	30 June 2020 \$
Statement of profit or loss and other comprehensive income		
<i>Loss after income tax</i>	(7,484,714)	(5,195,255)
<i>Total comprehensive loss</i>	<u>(7,484,714)</u>	<u>(5,195,255)</u>
Financial Position		
Total Assets	12,522,333	12,045,054
Total Liabilities	(65,153)	(332,334)
<b>Net Assets</b>	<b>12,457,180</b>	<b>11,712,720</b>
Issue Capital	22,157,574	19,027,550
Reserves	6,978,734	6,425,650
Accumulated Losses	(16,679,128)	(13,740,480)
<b>Total Equity</b>	<b><u>12,457,180</u></b>	<b><u>11,712,720</u></b>

**Guarantees entered into by the parent entity in relation to the debts of its subsidiaries**

The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2021 and 30 June 2020.

**Contingent liabilities**

The parent entity had no contingent liabilities as at 30 June 2021 and 30 June 2020.

**Capital commitments**

There are no commitments which relate solely to the parent entity.

**Significant accounting policies**

The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in Note 1, except for the 'Investments in Subsidiaries' are accounted for at cost, less any impairment, in the parent entity.

**NOTE 20: AUDITOR'S REMUNERATION**

The auditor of the Group is RSM Australia Partners.

	30 June 2021 \$	30 June 2020 \$
Audit or review of the financial statements	<u>41,000</u>	<u>34,750</u>

**DIRECTORS' DECLARATION**

In the opinion of the Directors:

1. The consolidated financial statements and notes thereto are in accordance with the Corporations Act 2001 including:
  - a. giving a true and fair view of the Group's financial position as at 30 June 2021 and its performance for the year then ended; and
  - b. complying with Australian Accounting Standards (including the Australian Accounting Interpretations), the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
2. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
3. The consolidated financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.

This declaration has been made after receiving the declarations required to be made to the Directors in accordance with Section 295A of the Corporations Act 2001.

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



**Mr Tom Eadie**  
**Chairman**

Dated this 29<sup>th</sup> day of September 2021

**RSM Australia Partners**

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**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF  
ALDERAN RESOURCES LIMITED**

**Opinion**

We have audited the financial report of Alderan Resources Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2021, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

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

- (i) Giving a true and fair view of the Group's financial position as at 30 June 2021 and of its financial performance for the year then ended; and
- (ii) Complying with Australian Accounting Standards and the Corporations Regulations 2001.

**Basis for Opinion**

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

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

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

## Key Audit Matters

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

Key Audit Matter	How our audit addressed this matter
<b>Exploration and Evaluation Expenditure</b> Refer to Note 9 in the financial statements	
<p>The Group has capitalised exploration and evaluation expenditure with a carrying value of \$11,587,899 as at 30 June 2021.</p> <p>We considered this to be a key audit matter due to the significant management judgments involved in assessing the carrying value of the asset including:</p> <ul style="list-style-type: none"> <li>• Determination of whether the expenditure can be associated with finding specific mineral resources, and the basis on which that expenditure is allocated to an area of interest;</li> <li>• Determination of whether exploration activities have progressed to the stage at which the existence of an economically recoverable mineral reserve may be assessed; and</li> <li>• Assessing whether any indicators of impairment are present, and if so, judgments applied to determine and quantify any impairment loss.</li> </ul>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>• On a sample basis of the claims held by the Group, agreed this right of tenure to supporting documentation;</li> <li>• Agreeing a sample of additions to supporting documentation and ensuring the amounts are capital in nature and relate to the area of interest;</li> <li>• Assessing and evaluating management's assessment of whether indicators of impairment existed as at 30 June 2021;</li> <li>• Assessing and recalculating the exploration and evaluation expenditure that was written off during the year;</li> <li>• Assessing management's determination that exploration and evaluation activities have not yet reached a stage where the existence or otherwise of economically recoverable reserves may be reasonably determined; and</li> <li>• Enquiring with management and reviewing budgets and other supporting documentation as evidence that active and significant operations in, or relation to, the area of interest will be continued in the future.</li> </ul>

## Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2021, but does not include the financial report and the auditor's report thereon.

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

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

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

## Responsibilities of the Directors for the Financial Report

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

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

## Auditor's Responsibilities for the Audit of the Financial Report

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

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

## Report on the Remuneration Report

### *Opinion on the Remuneration Report*

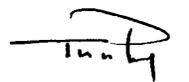
We have audited the Remuneration Report included within the directors' report for the year ended 30 June 2021.

In our opinion, the Remuneration Report of Alderan Resources Limited, for the year ended 30 June 2021, complies with section 300A of the Corporations Act 2001.

### *Responsibilities*

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

  
RSM AUSTRALIA PARTNERS

  
TUTU PHONG  
Partner

Perth, WA  
Dated: 29 September 2021

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## CORPORATE GOVERNANCE

The Company has adopted comprehensive systems of control and accountability as the basis for the administration of corporate governance. The Board is committed to administering the policies and procedures with openness and integrity, pursuing the true spirit of corporate governance commensurate with the Company's needs. In determining what those policies and procedures should involve the Company has turned to the *ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (4th Edition)*.

Unless disclosed below, all the principles and recommendations of the ASX Corporate Governance Council have been applied for the entire financial year ended 30 June 2021 (Reporting Period).

No.	PRINCIPLES AND RECOMMENDATIONS (Summary)	COMPLIES	COMMENT
<b>1.</b>	<b>LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT</b>		
1.1	<p>A listed entity should have and disclose a board charter setting out:</p> <p>(a) The respective roles and responsibilities of its board and management; and</p> <p>(b) Those matters expressly reserved to the board and those delegated to management.</p>	Yes	<p>The Board is ultimately accountable for the performance of the Company and provides leadership and sets the strategic objectives of the Company. It appoints all senior executives and assesses their performance on at least an annual basis. It is responsible for overseeing all corporate reporting systems, remuneration frameworks, governance issues, and stakeholder communications. Decisions reserved for the Board relate to those that have a fundamental impact on the Company, such as material acquisitions and takeovers, dividends and buybacks, material profits upgrades and downgrades, and significant closures.</p> <p>The Company has developed a Board Charter which sets out the roles and responsibilities of the Board, a copy of which is available on the Company's website.</p>
1.2	<p>A listed entity should:</p> <p>(a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and</p> <p>(b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.</p>	Yes	<p>The Company undertakes comprehensive reference checks prior to appointing a director or putting that person forward as a candidate to ensure that person is competent, experienced, and would not be impaired in any way from undertaking the duties of a director.</p> <p>In addition, the Company's Nomination Committee Charter establishes accountability for requiring appropriate checks of potential directors to be carried out before appointing that person or putting them forward as a candidate for election, and this will be undertaken with respect to all future appointments.</p>
1.3	<p>A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.</p>	Yes	<p>The Company maintains written agreements with each of its Directors and senior executives setting out their roles and responsibilities and the terms of their appointment.</p>

1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the Board.	Yes	The Company Secretary is engaged by the Company to manage the proper function of the Board. The Company Secretary reports directly to the Chair and is accountable to the Board.
1.5	<p>A listed entity should:</p> <ul style="list-style-type: none"> <li>(a) Have and disclose a diversity policy;</li> <li>(b) Through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and</li> <li>(c) Disclose in relation to each reporting period: <ul style="list-style-type: none"> <li>1. the measurable objectives set for that period to achieve gender diversity;</li> <li>2. the entity's progress towards achieving those objectives; and</li> <li>3. either: <ul style="list-style-type: none"> <li>A. the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or</li> <li>B. if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.</li> </ul> </li> </ul> </li> </ul> <p>If the entity was in the S&amp;P / ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender</p>	Partial	<p>The Company recognises the importance of equal employment opportunity. The Company's corporate code of conduct provides a framework for undertaking ethical conduct in employment. Under the corporate code of conduct, the Company will not tolerate any form of discrimination or harassment in the workplace.</p> <p>However, the Company has determined to not initially adopt a formal policy and establish measurable objectives for achieving gender diversity (and accordingly, will not initially be in a position to report against measurable objectives). The Board considers that its approach to gender diversity and measurable objectives is justified by the current nature, size and scope of the business, but will consider in the future, once the business operations of the Company mature, whether a more formal approach to diversity is required.</p> <p>The Company currently has no female board members or senior executives.</p> <p>The Company was not in the S&amp;P / ASX 300 Index at the commencement of the reporting period.</p>

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	diversity in the composition of its board should be 30% of its directors of each gender within a specified period.		
1.6	<p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) Disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	Yes	<p>The Board reviews its performance annually, as well as the performance of individual Committees and individual directors (including the performance of the Chairman as Chairman of the Board).</p> <p>During the reporting period, the Board collectively assessed their respective roles and contributions to the Company and determined they were appropriate.</p>
1.7	<p>A listed entity should:</p> <p>(a) Have and disclose a process for periodically evaluating the performance of its senior executives; and</p> <p>(b) Disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	Yes	<p>The Board constantly assesses the performance of the Managing Director, the Company Secretary and other Key Management Personnel during the course of the year.</p>
<b>2.</b>	<b>STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE</b>		
2.1	<p>The board of a listed entity should:</p> <p>(a) Have a nomination committee which:</p> <ol style="list-style-type: none"> <li>1) has at least three members, a majority of whom are independent directors; and</li> <li>2) is chaired by an independent director; and disclose:</li> <li>3) the charter of the committee;</li> <li>4) the members of the committee; and</li> <li>5) as at the end of each reporting period, the number of times the committee</li> </ol>	No	<p>The Board has not established a separate nomination committee. Given the scale of the Company's operations, it is anticipated that the full Board will be able to continue adequately discharge the functions of a Nomination Committee for the short to medium term. The Board will consider establishing a Nomination Committee when the size and complexity of the Company's operations and management warrant it. In the meantime, the Company has adopted a Nomination Committee Charter and Remuneration Committee Charter, which includes specific responsibilities to be carried out by those committees when they are established.</p> <p>The Company's Nomination Committee Charter and Remuneration Committee Charter are available on the Company's website.</p>

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	<p>met throughout the period, and the individual attendances of the members at those meetings; or</p> <p>(b) If it does not have a nomination committee, disclose the fact and the processes it employs to address board succession issues and to ensure the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>		
2.2	A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.	No	The Board has been specifically constituted with the mix of skills and experience that the Company requires to move forward in implementing its business objectives. The composition of the Board and the performance of each Director will be reviewed from time to time to ensure that the Board continues to have a mix of skills and experience necessary for the conduct of the Company's activities as the Company's business matures and evolves.
2.3	<p>A listed entity should disclose:</p> <p>(a) the names of the directors considered by the board to be independent directors;</p> <p>(b) If a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and</p> <p>(c) the length of service for each director</p>	Yes	<p>Details of the Directors and their independence status as at 30 June 2021 as follows:</p> <ul style="list-style-type: none"> <li>- Tom Eadie, Non-executive Chairman – Not independent</li> <li>- Scott Caithness, Managing Director – Not independent</li> <li>- Bruno Hegner, Executive Director - Not independent</li> <li>- Peter Williams, Non-Executive Director – Not independent</li> </ul> <p>The independence of each Director has been determined in taking into account the relevant factors suggested in The Corporate Governance Principles and Recommendations (4<sup>th</sup> Edition) as published by ASX Corporate Governance Council (Recommendations) (Independence Factors). The length of service for each director is disclosed in this Annual Report.</p>
2.4	A majority of the board of a listed entity should be independent directors	No	<p>As disclosed in the response to Recommendation 2.3 above, none of the Directors are considered to be independent.</p> <p>However, the Company is confident that current composition of the Board is optimal for its current level of operations, and is therefore in the best interests of the Company and its shareholders. The Board will review the balance of independence on the Board on an on-going basis, and will implement changes at its discretion having regard to the Company's growth and changing management and operational circumstances.</p>
2.5	The chair of the board of a listed entity should be an independent director and, in particular,	No	Mr Eadie is the Chairman and is not considered to be independent by virtue of him acting in the capacity of an Executive Chairman between 11 February 2019 and 1 September 2019.

	should not be the same person as the CEO of the entity		
2.6	A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	Yes	<p>Upon appointment to the Board new Directors are provided with Company policies and procedures and are provided an opportunity to discuss the Company's operations with senior management and the Board.</p> <p>The Company encourages its Director's to participate in professional development opportunities presented to the Company and provides appropriate industry information to its Board members on a regular basis.</p>
<b>3.</b>	<b>INSTIL A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY</b>		
3.1	A listed entity should articulate and disclose its values.	Yes	<p>The Board has adopted a Board Charter, Securities Trading Policy, Whistleblower Policy, Continuous Disclosure Policy and Shareholder Communication Policy which detail frameworks for acceptable corporate behaviour.</p> <p>These are available at the Company's website.</p>
3.2	<p>A listed entity should:</p> <p>(a) Have and disclose a code of conduct for its directors, senior executives and employees; and</p> <p>(b) Ensure that the board or a committee of the board is informed of any material breaches of that code.</p>	Yes	<p>The Company has adopted a Code of Conduct, which provides a framework for decisions and actions in relation to ethical conduct in business. All of the Company's directors and employees are required to comply with the standards of behaviour and business ethics in accordance with the law and the Code of Conduct.</p> <p>The Code of Conduct is disclosed on the Company's website.</p>
3.3	<p>A listed entity should:</p> <p>(a) Have and disclose a whistleblower policy; and</p> <p>(b) Ensure that the board or a committee of the board is informed of any material incidents reported under that policy.</p>	Yes	<p>The Company's Whistleblower Policy is available at the Company's website.</p> <p>It is a requirement of the Board that it is informed of any material breaches, none of which occurred during the reporting period.</p>
3.4	<p>A listed entity should:</p> <p>(a) Have and disclose an anti-bribery and corruption policy; and</p>	No	<p>The Company has not yet adopted an anti-bribery and corruption policy, however the Company will look to implement an appropriate policy in the near term.</p>

	(b) Ensure that the board or a committee of the board is informed of any material breaches of that policy.		
<b>4.</b>	<b>SAFEGUARD THE INTEGRITY OF CORPORATE REPORTS</b>		
4.1	<p>The board of a listed entity should:</p> <p>(a) Have an audit committee which:</p> <ol style="list-style-type: none"> <li>1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</li> <li>2) is chaired by an independent director, who is not the chair of the board;</li> </ol> <p>and disclose:</p> <ol style="list-style-type: none"> <li>3) the charter of the committee;</li> <li>4) the relevant qualifications and experience of the members of the committee; and</li> <li>5) as at the end of each reporting period, the number of times the committee met throughout the period, and the individual attendances of the members at those meetings; or</li> </ol> <p>(b) If it does not have an audit committee, disclose the fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>	No	<p>The Board has not established a separate audit committee. Given the present size of the Company and the scale of its operations, the Board has decided that the full Board can adequately discharge the functions of an audit committee. The Board will establish an Audit Committee when the size and complexity of the Company's operations and management warrant it.</p> <p>The Directors require that management report regularly on all financial and commercial aspects of the Company to ensure that they are familiar with all aspects of corporate reporting and believe this to mitigate the risk of not having an independent committee.</p>
4.2	The board of a listed entity should, before it approves the entity's financial statements for a	Yes	The Board receives a section 295A declaration from the equivalent of the CEO and CFO for each quarterly, half yearly and full year report in advance of approval of these reports.

	financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal controls which is operating effectively.		
4.3	A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.	Yes	As well as receiving management accounts and financial updates at each Board meeting, the Board receives a section 295A declaration from the equivalent of the CEO and CFO for each quarterly in advance of approval of these reports.
<b>5.</b>	<b>MAKE TIMELY AND BALANCED DISCLOSURE</b>		
5.1	A listed entity should have a written policy for complying with its continuous disclosure obligations under Listing Rule 3.1.	Yes	The Company has a Continuous Disclosure Policy which includes processes to ensure compliance with ASX Listing Rule 3.1 disclosure and to ensure accountability at a senior executive level for compliance and factual presentation of the Company's financial position. The Continuous Disclosure Policy is disclosed on the Company's website.
5.2	A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	Yes	The Board approves all material market announcements made by the Company prior to release to the ASX and is notified once release has occurred.
5.3	A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation	Yes	The Company complies with this recommendation.
<b>6.</b>	<b>RESPECTS THE RIGHTS OF SECURITY HOLDERS</b>		
6.1	A listed entity should provide information about itself and its governance to investors via its website.	Yes	The Company has established a website on which it maintains information in relation to corporate governance, directors and senior executives, Board and committee charters, annual reports, ASX announcements and contact details.
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	Yes	The Company has adopted a Shareholder Communications Policy, which establishes principles to ensure that the shareholders are informed of all major developments affecting the Company's state of affairs. The Shareholder Communications Policy is disclosed on the Company's website.

6.3	A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.	Yes	The Company encourages shareholders to participate in general meetings of the Company as a means by which feedback can be given to the Company and allocates scheduled question time at meetings of Shareholders to facilitate participation at those meetings.
6.4	A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by poll rather than by a show of hands.	Yes	The Company puts all resolutions that are subject to the Listing Rules to a poll. Further the Chair has regard for the results of the proxy voting when deciding if a non-Listing Rule resolution should be put to a poll instead of by show of hands.
<b>7.</b>	<b>RECOGNISE AND MANAGE RISK</b>		
7.1	<p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <ol style="list-style-type: none"> <li>1) has at least three members, a majority of whom are independent directors; and</li> <li>2) is chaired by an independent director;</li> </ol> <p>and disclose:</p> <ol style="list-style-type: none"> <li>3) the charter of the committee;</li> <li>4) the members of the committee; and</li> <li>5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings: or</li> </ol> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p>	No	<p>The Board has not established a separate risk committee. Given the present size of the company, the Board has decided that the full Board can adequately discharge the functions of a risk committee for the time being. The Board will establish a Risk Committee when the size and complexity of the Company's operations and management warrant it.</p> <p>In the meantime, the Company's Audit and Risk Committee Charter includes principles to guide the Board's oversight of the Company's risk function.</p>
7.2	<p>The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due</p>	Yes	The Board currently reviews its risk management strategy on an annual basis at a minimum at a Board level. The Board considers it to be sound.

	<p>regard to the risk appetite set by the Board; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>		
7.3	<p>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.</p>	Yes	<p>The Company is not of the size or scale to warrant the cost of an internal audit function. This function is undertaken by the Board as a whole via the regular and consistent reporting in all risk areas.</p>
7.4	<p>A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.</p>	Yes	<p>The Company provides its material risks below, including exposure to economic, environmental and social sustainability risks. The Company will continue to disclose these material risks in the future in its annual report or elsewhere as appropriate.</p> <p><i>Liquidity risk</i></p> <p>Certain securities are likely to be classified as restricted securities. To the extent that Shares are classified as restricted securities, the liquidity of the market for Shares may be adversely affected.</p> <p><i>Exploration and evaluation risks</i></p> <p>Mineral exploration, development and mining activities are high-risk undertakings. There can be no assurance that exploration on these Tenements, or any other claims or leases that may be acquired in the future, will result in the discovery of an economic ore deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.</p> <p><i>Title risks</i></p> <p>Mineral rights in the USA may be owned by private parties, local government, state government, federal government, or indigenous groups. Verifying the chain of title for USA mineral rights can be complex and may require that remedial steps be taken to correct any defect in title. Securing exploration and extraction rights to federally-owned mineral rights requires strict adherence to claim staking and maintenance requirements. The Company has taken reasonable steps to verify the title to the Tenements in which it has, or has a right to acquire, an interest. Although these steps are in line with market practice for exploration projects, they do not guarantee title to the Tenements nor guarantee that the Tenements are free of any third party rights or claims.</p> <p><i>Future capital requirements</i></p>

		<p>The Company's activities are likely to require substantial expenditure, in addition to the amounts raised under the Offer. Any additional equity financing may be dilutive to Shareholders and any debt financing if available may involve restrictive covenants, which may limit the Company's operations and business strategy.</p> <p>Although the Directors believe that additional capital can be obtained, there can be no assurance that appropriate capital or funding, if and when needed, will be available on terms favourable to the Company or at all. The Company's failure to raise capital if and when needed could delay or suspend the Company's business strategy and could have a material adverse effect on the Company's activities.</p> <p><i>Reliance on key personnel</i></p> <p>The Company's future depends, in part, on its ability to attract and retain key personnel. Its future also depends on the continued contributions of its executive management team and other key management and technical personnel, the loss of whose services would be difficult to replace. In addition, the inability to continue to attract appropriately qualified personnel could have a material adverse effect on the Company's business.</p> <p><i>Fluctuations in commodity prices</i></p> <p>The Company's business, prospects, financial condition and results of operations are heavily dependent on prevailing metals prices, particularly copper. There can be no assurance that the existing level of metals prices will be maintained in the future. Any future declines, even relatively modest ones, in metals prices could adversely affect the Company's business, prospects, financial condition and results of operations.</p> <p><i>Exchange rate risks</i></p> <p>The Company operates in multiple currencies and exchanges rates are constantly fluctuating. International prices of various commodities, as well as the exploration expenditure of the Company are denominated in United States dollars, whereas the Company will rely principally on funds raised and accounted for in Australian currency, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined in international markets.</p> <p><i>Other industry specific risks</i></p> <p>The Company's activities are subject to a number of risks common to the conduct of mining exploration and the financing of mining exploration activities, including but not limited to:</p> <ol style="list-style-type: none"> <li>a) risks inherent in resource estimation;</li> <li>b) operation and technical risks;</li> <li>c) environmental risks;</li> <li>d) tenure risks;</li> <li>e) contract counterparty risks; and</li> <li>f) competition risks.</li> </ol>
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8.	REMUNERATE FAIRLY AND RESPONSIBLY		
8.1	<p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <ol style="list-style-type: none"> <li>1) has at least three members, a majority of whom are independent directors; and</li> <li>2) is chaired by an independent director; and disclose:</li> <li>3) the charter of the committee;</li> <li>4) the members of the committee; and</li> <li>5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</li> </ol> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	No	<p>The Board has not established a separate remuneration committee. Given the present size of the company, the Board has decided that the full Board can adequately discharge the functions of a remuneration committee for the time being. The Board will establish a Remuneration Committee when the size and complexity of the Company's operations and management warrant it.</p> <p>In the meantime, the Board has adopted a Remuneration Committee Charter, which includes principles for setting and reviewing the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive, including if required, the ability to obtain independent advice on the appropriateness of remuneration packages. Until such time as the Remuneration Committee is established, the functions of this committee will continue to be carried out by the full Board.</p>
8.2	<p>A listed entity should separately disclose its policies and practises regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.</p>	Yes	<p>Each director has entered a separate employment or consultancy agreement with the Company. The remuneration of directors and senior executives is generally reviewed annually. As discussed under Recommendation 8.1 above, a Remuneration Committee Charter is in place, and the Board (in its capacity as the Remuneration Committee) will consider its approach to remuneration in due course having regard to the Remuneration Committee Charter. Disclosure of the remuneration arrangements for Directors and senior executives will be disclosed in the annual reports of the Company in the future.</p>
8.3	<p>A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into</p>	Yes	<p>The Company maintains a Securities Trading Policy which restricts the permission for employees and directors to enter transactions which limit the economic risks associated with the participation in any of the Company's equity based incentive schemes. A copy of the Securities Trading Policy is available on the Company's website.</p>

	transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and  (b) disclose that policy or a summary of it.		The use of derivatives or other hedging arrangements for unvested securities of the Company or vested securities of the Company which are subject to escrow arrangements is prohibited. Where a director or other senior executive uses derivatives or other hedging arrangements over vested securities of the Company, this will be disclosed.
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## Additional Securities Information

## Class of Shares and Voting Rights

The voting rights attached to the Fully Paid Ordinary Shares of the Company are:

- a) at a meeting of members or classes of members each member entitled to vote may vote in person or by proxy or by attorney; and
- b) on a show of hands every person present who is a member has one vote, and on a poll every person present in person or by proxy or attorney has one vote for each ordinary share held.

Options do not carry any voting rights.

## Distribution of Shareholders (as at 23 September 2021)

Spread of Holdings	Number of Holders	Total Units
1-1,000	95	39,294
1,001-5,000	170	569,238
5,001 - 10,000	212	1,768,310
10,001 -100,000	510	20,142,268
Over 100,001	281	319,538,145
<b>Total</b>	<b>1,268</b>	<b>342,057,255</b>

There are 394 holders of unmarketable parcels comprising a total of 1,546,842 ordinary shares.

There are currently no shares subject to voluntary escrow.

There is no current on-market buy back taking place.

## Company Secretary

Mathew O'Hara

## Registered Office

Suite 23, 513 Hay Street  
Subiaco WA 6008  
Telephone: (08) 6143 6711

## Share Registry

Automic Registry Services  
Level 3 50 Holt Street  
Surry Hills NSW 2010  
Ph: (02) 9698 5414

## Substantial Shareholders (based on substantial shareholder notices lodged with ASX)

Name	Number of Shares	%
Tolga Kumova	61,813,059	18.07%

## Alderan Resources Limited

### Twenty Largest Registered Shareholders (as at 23 September 2021)

	Name	Number of Shares	%
1	Kitara Investments Pty Ltd	53,341,905	15.59%
2	HSBC Custody Nominees (Australia) Limited	39,841,144	11.65%
3	Instant Expert Pty Limited <P Jurkovic Family A/C>	18,333,333	5.36%
4	TR Nominees Pty Ltd	13,128,642	3.84%
5	Instant Expert Pty Ltd	11,764,706	3.44%
6	Quaalup Investments Pty Ltd	7,338,337	2.15%
7	Hawthorn Grove Investments & Pty Ltd	5,174,986	1.51%
8	RL Holdings Pty Ltd <Airlie A/C>	4,924,496	1.44%
9	BNP Paribas Nominees Pty Ltd Six Sis Ltd <DRP A/C>	4,557,050	1.33%
10	Kingslane Pty Ltd <Cranston Super Pension A/C>	4,476,652	1.31%
11	Mr Mrat Abzalov & Mrs Svetlana Abzalov <Massa Super Fund A/C>	4,233,333	1.24%
12	Kingslane Pty Ltd <Cranston Super Fund A/C>	4,000,000	1.17%
13	Buprestid Pty Ltd <Hanlon Family S/F A/C>	3,824,979	1.12%
14	Mr Carlo Chiodo	3,667,504	1.07%
15	SISU International Pty Ltd	3,529,293	1.03%
16	Jurkovic Family Superannuation Fund No 1 Pty Ltd <Jurkovic Family Super#1 A/C>	3,449,884	1.01%
17	BNP Paribas Nominees Pty Ltd <IB AU Noms RetailClient DRP>	3,244,211	0.95%
18	Godwana Investment Group Pty Ltd <Kumova Family Super Fund A/C>	3,078,334	0.90%
19	Mrs Kathleen Maree McVicar	3,000,001	0.88%
20	Mr Peter Michael Gerhard Geerdts	3,000,000	0.88%
	<b>TOTAL</b>	<b>197,908,790</b>	<b>57.86%</b>

### Unquoted Securities (as at 23 September 2021)

Class	Number
<b>Performance Rights:</b>	
Performance rights vest on price of \$2.00 for 120 days expiring 11-Sept-22	200,000
<b>Unquoted Options:</b>	
Unquoted options exercisable at \$1.00 each on or before 12-Jun-22	125,000
Unquoted options exercisable at \$1.50 each on or before 12-Jun-22	100,000
Unquoted options exercisable at \$2.00 each on or before 12-Jun-22	100,000
Unquoted options exercisable at \$2.50 each on or before 12-Jun-22	100,000
Unquoted options exercisable at \$0.06 each on or before 19-Jul-22	3,666,667
Unquoted options exercisable at \$0.10 each on or before 19-Jul-22	7,750,000
Unquoted options exercisable at \$0.10 each on or before 7-Aug-22	27,890,625
Unquoted options exercisable at \$0.20 each on or before 7-Aug-21	5,000,000

## Alderan Resources Limited

Unquoted options exercisable at \$0.08 each on or before 30-Jun-23	10,000,000
Unquoted options exercisable at \$0.12 each on or before 30-Dec-21	5,000,000
Unquoted options exercisable at \$0.195 each on or before 3-Aug-23	3,500,000
Unquoted options exercisable at \$0.225 each on or before 3-Aug-23	3,500,000
Unquoted options exercisable at \$0.11 each on or before 27-May-24	5,000,000
Unquoted options exercisable at \$0.15 each on or before 27-May-24	5,000,000

### Unquoted Securities >20% Holders (as at 23 September 2021)

Frank 'Bruno' Hegner holds 100% of the unquoted performance rights on issue as at 16 September 2021. There were no substantial holders of unquote options as at 23 September 2021.

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Schedule of Tenements

Unpatented Mining Claims - Volantis Resources Corp

Claim Name	Serial No.	Beaver Co Document No.
AW 1	437250	264029
AW 2	437251	264030
AW 3	437252	264031
AW 4	437253	264032
AW 5	437254	264033
AW 6	437255	264034
AW 7	437256	264035
AW 8	437257	264036
AW 9	437258	264037
AW 10	437259	264038
AW 11	437260	264039
AW 12	437261	264040
AW 13	437262	264041
AW 14	437263	264042
AW 15	437264	264043
AW 16	437265	264044
AW 17	437266	264045
AW 18	437267	264046
AW 19	437268	264047
AW 20	437269	264048
AW 21	437270	264049
AW 22	437271	264050
AW 23	437272	264051
AW 24	437273	264052
AW 25	437274	264053
AW 26	437275	264054
AW 27	437276	264055
AW 28	437277	264056
AW 29	437278	264057
AW 30	437279	264058
AW 31	437280	264059
CT 1	426677	258648
CT 2	426678	258649
CT 3	426679	258650
CT 4	426680	258651
CT 5	426681	258652
CT 6	426682	258653
CT 7	426683	258654
CT 8	426684	258655
CT 9	426685	258656

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CT 10	426686	258657
CT 11	426687	258658
CT 12	426688	258659
CT 13	426689	258660
CT 14	426690	258661
CT 15	426691	258662
CT 16	426692	258663
CT 17	426693	258664
CT 18	426694	258665
CT 19	426695	258666
CT 20	426696	258667
CT 21	426697	258668
CT 22	426698	258669
CT 23	426699	258670
CT 24	426700	258671
CT 25	426701	258672
CT 26	426702	258673
CT 27	426703	258674
CT 28	426704	258675
CT 29	426705	258676
CT 30	426706	258677
CT 33	426709	258680
CT 34	426710	258681
CT 35	426711	258682
CT 36	426712	258683
CT 37	426713	258684
CT 38	426714	258685
CT 39	426715	258686
CT 40	426716	258687
CT 41	426717	258688
CT 42	426718	258689
CT 43	426719	258690
CT 44	426720	258691
CT 45	426721	258692
CT 46	426722	258693
SF 82	426723	258694
CT 47	426967	258845
CT 48	426968	258846
CT 49	426969	258847
CT 50	426970	258848
CT 51	426971	258849
CT 52	426972	258850
CT 53	426973	258851
CT 54	426974	258852
CT 55	426975	258853

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CT 56	426976	258854
CT 57	426977	258855
CT 58	426978	258856
CT 59	426979	258857
CT 60	426980	258858
CT 61	426981	258859
CT 62	426982	258860
CT 63	426983	258861
CT 64	426984	258862
CT 65	426985	258863
CT 66	426986	258864
CT 67	426987	258865
CT 68	426988	258866
CT 69	426989	258867
CT 70	426990	258868
CT 71	426991	258869
CT 72	426992	258870
CT 73	426993	258871
CT 74	426994	258872
CT 75	426995	258873
CT 76	426996	258874
CT 77	426997	258875
CT 101	434804	261072
CT 102	434805	261073
CT 103	434806	261074
CT 104	434807	261075
CT 105	434808	261076
CT 106	434809	261077
CT 107	434810	261078
CT 108	434811	261079
CT 109	434812	261080
CT 110	434813	261081
CT 111	434814	261082
CT 112	434815	261083
CT 113	434816	261084
CT 114	434817	261085
CT 115	434818	261086
CT 116	434819	261087
CT 117	434820	261088
CT 118	434821	261089
CT 119	434822	261090
CT 120	434823	261091
CT 121	434824	261092
CT 122	434825	261093
CT 123	434826	261094

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CT 124	434827	261095
CT 125	434828	261096
CT 126	434829	261097
CT 127	434830	261098
CT 128	434831	261099
CT 129	434832	261100
CT 130	434833	261101
CT 131	434834	261102
CT 132	434835	261103
NW 101	434836	261104
NW 102	434837	261105
NW 103	434838	261106
NW 104	434839	261107
NW 105	434840	261108
NW 106	434841	261109
NW 107	434842	261110
NW 108	434843	261111
NW 109	434844	261112
NW 110	434845	261113
NW 111	434846	261114
NW 112	434847	261115
NW 113	434848	261116
NW 114	434849	261117
NW 115	434850	261118
NW 116	434851	261119
NW 117	434852	261120
NW 118	434853	261121
NW 119	434854	261122
NW 120	434855	261123
NW 121	434856	261124
NW 122	434857	261125
NW 123	434858	261126
NW 124	434859	261127
NW 125	434860	261128
NW 126	434861	261129
NW 127	434862	261130
NW 128	434863	261131
NW 129	434864	261132
NW 130	434865	261133
NW 131	434866	261134
NW 132	434867	261135
NW 133	434868	261136
NW 134	434869	261137
NW 135	434870	261138
NW 136	434871	261139

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NW 137	434872	261140
NW 138	434873	261141
NW 139	434874	261142
NW 141	434875	261143
NW 142	434876	261144
LIR 31	434877	261145
NW 1	428552	259870
NW 2	428553	259871
NW 3	428554	259872
NW 4	428555	259873
NW 5	428556	259874
NW 6	428557	259875
NW 7	428558	259876
NW 8	428559	259877
NW 9	428560	259878
NW 10	428561	259879
NW 11	428562	259880
NW 12	428563	259881
NW 13	428564	259882
NW 14	428565	259883
NW 15	428566	259884
NW 16	428567	259885
CT 78	428568	259886
SF 82	428569	259887
SF 83	428570	259888
SF 84	428571	259889
SF 85	428572	259890
NW 17	435319	261331
NW 18	435320	261332
SF 1	426435	258176
SF 2	426436	258177
SF 3	426437	258178
SF 4	426438	258179
SF 5	426439	258180
SF 6	426440	258181
SF 7	426441	258182
SF 8	426442	258183
SF 9	426443	258184
SF 10	426444	258185
SF 11	426445	258186
SF 12	426446	258187
SF 13	426447	258188
SF 14	426448	258189
SF 15	426449	258190
SF 16	426450	258191

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SF 17	426451	258192
SF 18	426452	258193
SF 19	426453	258194
SF 20	426454	258195
SF 21	426455	258196
SF 22	426456	258197
SF 23	426457	258198
SF 24	426458	258199
SF 25	426459	258200
SF 26	426460	258201
SF 27	426461	258202
SF 28	426463	258269
SF 29	426464	258270
SF 30	426465	258271
SF 31	426466	258272
SF 32	426467	258273
SF 33	426468	258274
SF 34	426469	258275
SF 35	426470	258276
SF 36	426471	258277
SF 37	426472	258278
SF 38	426473	258279
SF 39	426474	258280
SF 40	426475	258281
SF 41	426476	258282
SF 42	426477	258283
SF 43	426478	258284
SF 44	426479	258285
SF 45	426480	258286
SF 46	426481	258287
SF 47	426482	258288
SF 48	426483	258289
SF 49	426484	258290
SF 50	426485	258291
SF 51	426486	258292
SF 52	426487	258293
SF 53	426488	258294
SF 54	426489	258295
SF 55	426490	258296
SF 56	426491	258297
SF 57	426492	258298
SF 58	426493	258299
SF 59	426494	258300
SF 60	426495	258301
SF 61	426496	258302

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SF 62	426497	258303
SF 63	426498	258304
SF 64	426499	258305
SF 65	426500	258306
SF 66	426501	258307
SF 67	426502	258308
SF 69	426503	258309
SF 70	426504	258310
SF 71	426505	258311
SF 72	426506	258312
SF 73	426507	258313
SF 74	426508	258314
SF 75	426509	258315
SF 76	426510	258316
SF 77	426511	258317
SF 78	426512	258318
SF 79	426513	258319
SF 80	426514	258320
SF 81	426515	258321
WC 1	437525	264251
WC 2	437526	264252
WC 3	437527	264253
WC 4	437528	264254
WC 5	437529	264255
WC 6	437530	264256
WC 7	437531	264257
WC 8	437532	264258
WC 9	437533	264259
WC 10	437534	264260
WC 11	437535	264261
WC 12	437536	264262
WC 13	437537	264263
WC 14	437538	264264
WC 15	437539	264265
WC 16	437540	264266
WC 17	437541	264267
WC 18	437542	264268
WC 19	437543	264269
WC 20	437544	264270
WC 21	437545	264271
WC 22	437546	264272
WC 23	437547	264273
WC 24	437548	264274
WC 25	437549	264275
WC 26	437550	264276

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WC 27	437551	264277
WC 28	437552	264278
WC 29	437553	264279
WC 30	437554	264280
WC 31	437555	264281
WC 32	437556	264282
WC 33	437557	264283
WC 34	437558	264284
WC 35	437559	264285
WC 36	437560	264286
WC 37	437561	264287
WC 38	437562	264288
WC 39	437563	264289
WC 40	437564	264290
WC 41	437565	264291
WC 42	437566	264292
WC 43	437567	264293
WC 44	437568	264294
WC 45	437569	264295
WC 46	437570	264296
WC 47	437571	264297
WC 48	437572	264298
WC 49	437573	264299
WC 50	437574	264300
WC 51	437575	264301
WC 52	437576	264302
WC 53	437577	264303
WC 54	437578	264304
WC 55	437579	264305
WC 56	437580	264306
WC 57	437581	264307
WC 58	437582	264308

*White Mountain Group*

<b>Claim Name</b>	<b>Serial No.</b>	<b>Beaver Co. Document No.</b>
WM 1	UMC 442729	267521
WM 2	UMC 442730	267522
WM 3	UMC 442731	267523
WM 4	UMC 442732	267524
WM 5	UMC 442733	267525
WM 6	UMC 442734	267526
WM 7	UMC 442735	267527
WM 8	UMC 442736	267528
WM 9	UMC 442737	267529

WM 10	UMC 442738	267530
WM 11	UMC 442739	267531
WM 12	UMC 442740	267532
WM 13	UMC 442741	267533
WM 14	UMC 442742	267534
WM 15	UMC 442743	267535
WM 16	UMC 442744	267536
WM 17	UMC 442745	267537
WM 18	UMC 442746	267538
WM 19	UMC 442747	267539
WM 20	UMC 442748	267540
WM 21	UMC 442749	267541
WM 22	UMC 442750	267542
WM 23	UMC 443915	267930
WM 24	UMC 443916	267931
WM 25	UMC 443917	267932
WM 26	UMC 443918	267933
WM 27	UMC 443919	267934
WM 28	UMC 443920	267935
WM 29	UMC 443921	267936
WM 30	UMC 443922	267937
WM 31	UMC 443923	267938
WM 32	UMC 443924	267939
WM 33	UMC 443925	267940
WM 34	UMC 443926	267941
WM 35	UMC 443927	267942
WM 36	UMC 443928	267943
WM 37	UMC 443929	267944
WM 38	UMC 443930	267945
WM 39	UMC 443931	267946
WM 40	UMC 443932	267947
WM 41	UMC 443933	267948
WM 42	UMC 443934	267949
WM 43	UMC 443935	267950
WM 44	UMC 443936	267951
WM 45	UMC 443937	267952
WM 46	UMC 443938	267953
WM 47	UMC 443939	267954
WM 48	UMC 443940	267955
WM 49	UMC 443941	267956
WM 50	UMC 443942	267957
WM 51	UMC 443943	267958
WM 52	UMC 443944	267959
WM 53	UMC 443945	267960
WM 54	UMC 443946	267961

Alderan Resources Limited

WM 55	UMC 443947	267962
WM 56	UMC 443948	267963
WM 57	UMC 443949	267964
WM 58	UMC 443950	267965
WM 59	UMC 443951	267966
WM 60	UMC 443952	267967
WM 61	UMC 443953	267968
WM 62	UMC 443954	267969
WM 63	UMC 443955	267970
WM 64	UMC 443956	267971
WM 65	UMC 443957	267972
WM 66	UMC 443958	267973
WM 67	UMC 443959	267974
WM 68	UMC 443960	267975
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WM 70	UMC 443962	267977
WM 71	UMC 443963	267978
WM 72	UMC 443964	267979
WM 73	UMC 443965	267980
WM 74	UMC 443966	267981
WM 75	UMC 443967	267982
WM 76	UMC 443968	267983
WM 77	UMC 443969	267984
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WM 79	UMC 443971	267986
WM 80	UMC 443972	267987
WM 81	UMC 443973	267988
WM 82	UMC 443974	267989
WM 83	UMC 443975	267990
WM 84	UMC 443976	267991
WM 85	UMC 443977	267992
WM 86	UMC 443978	267993
WM 87	UMC 443979	267994
WM 88	UMC 443980	267995
WM 89	UMC 443981	267996
WM 90	UMC 443982	267997
WM 91	UMC 443983	267998
WM 92	UMC 443984	267999
WM 93	UMC 443985	276800
WM 94	UMC 443986	276801
WM 95	UMC 443987	276802

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## Unpatented Mining Claims - Valyrian Resources Corp

Claim Name	Serial No.	Beaver Co Document No.
BR 1	446780	270617
BR 2	446781	270618
BR 3	446782	270619
BR 4	446783	270620
BR 5	446784	270621
BR 6	446785	270622
BR 7	446786	270623
BR 8	446787	270624
BR 9	446788	270625
BR 10	446789	270626
BR 11	446790	270627
BR 12	446791	270628
BR 13	446792	270629
BR 14	446793	270630
BR 15	446794	270631
BR 16	446795	270632
BR 17	446796	270633
BR 18	446797	270634
BR 19	446798	270635
BR 20	446799	270636
BR 21	446800	270637
BR 22	446801	270638
BR 23	446802	270639
BR 24	446803	270640
BR 25	446804	270641
BR 26	446805	270642
BR 27	446806	270643
BR 28	446807	270644
BR 29	446808	270645
BR 30	446809	270646
BR 31	446810	270647
BR 32	446811	270648
BR 33	446812	270649
BR 34	446813	270650
BR 35	446814	270651
BR 36	446815	270652
BR 37	446816	270653
BR 38	446817	270654
BR 39	446818	270655
BR 40	446819	270656
BR 41	446820	270657
BR 42	446821	270658

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BR 43	446822	270659
BR 44	446823	270660
BR 45	446824	270661
BR 46	446825	270662
BR 47	446826	270663
BR 48	446827	270664
BR 49	446828	270665
BR 50	446829	270666
BR 51	446830	270667
BR 52	446831	270668
BR 53	446832	270669
BR 54	446833	270670
BR 55	446834	270671
BR 56	446835	270672
BR 57	446836	270673
BR 58	446837	270674
BR 59	446838	270675
BR 60	446839	270676
BR 61	446840	270677
BR 62	446841	270678
BR 63	446842	270679
BR 64	446843	270680
BR 65	446844	270681
BR 66	446845	270682
BR 67	446846	270683
BR 68	446847	270684
BR 69	446848	270685
BR 70	446849	270686
BR 71	446850	270687
BR 72	446851	270688
BR 73	446852	270689
BR 74	446853	270690
BR 75	446854	270691
BR 76	446855	270692
BR 77	446856	270693
BR 78	446857	270694
BR 79	446858	270695
BR 80	446859	270696
BR 81	446860	270697
BR 82	446861	270698
BR 83	446862	270699
BR 84	446863	270700
BR 85	446864	270701
BR 86	446865	270702
BR 87	446866	270703

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BR 88	446867	270704
BR 89	446868	270705
BR 90	446869	270706
BR 91	446870	270707
BR 92	446871	270708
BR 93	446872	270709
BR 94	446873	270710
BR 95	446874	270711
BR 96	446875	270712
BR 97	446876	270713
BR 98	446877	270714
BR 99	446878	270715
ND 1	446879	270716
ND 2	446880	270717
ND 3	446881	270718
ND 4	446882	270719
ND 5	446883	270720
ND 6	446884	270721
ND 7	446885	270722
ND 8	446886	270723
ND 9	446887	270724
ND 10	446888	270725
ND 11	446889	270726
ND 12	446890	270727
ND 13	446891	270728
ND 14	446892	270729
ND 15	446893	270730
ND 16	446894	270731
ND 17	446895	270732
ND 18	446896	270733
ND 19	446897	270734
ND 20	446898	270735
ND 21	446899	270736
ND 22	446900	270737
ND 23	446901	270738
ND 24	446902	270739
ND 25	446903	270740
ND 26	446904	270741
ND 27	446905	270742
ND 28	446906	270743
ND 29	446907	270744
ND 30	446908	270745
ND 31	446909	270746
ND 32	446910	270747
ND 33	446911	270748

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ND 34	446912	270749
ND 35	446913	270750
ND 36	446914	270751
ND 37	446915	270752
ND 38	446916	270753
ND 39	446917	270754
ND 40	446918	270755
ND 41	446919	270756
ND 42	446920	270757
ND 43	446921	270758
ND 44	446922	270759
ND 45	446923	270760
ND 46	446924	270761
ND 47	446925	270762
ND 48	446926	270763
ND 49	446927	270764
ND 50	446928	270765
ND 51	446929	270766
ND 52	446930	270767
ND 53	446931	270768
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ND 55	446933	270770
ND 56	446934	270771
ND 57	446935	270772
ND 58	446936	270773
ND 59	446937	270774
ND 60	446938	270775
ND 61	446939	270776
ND 62	446940	270777
ND 63	446941	270778
ND 64	446942	270779
ND 65	446943	270780
ND 66	446944	270781
ND 67	446945	270782
ND 68	446946	270783
ND 69	446947	270784
ND 70	446948	270785
ND 71	446949	270786
ND 72	446950	270787
ND 73	446951	270788
ND 74	446952	270789
ND 75	446953	270790
ND 76	446954	270791
ND 77	446955	270792
ND 78	446956	270793

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ND 79	446957	270794
ND 80	446958	270795
ND 81	446959	270796
ND 82	446960	270797
ND 83	446961	270798
ND 84	446962	270799
ND 85	446963	270800
ND 86	446964	270801
ND 87	446965	270802
ND 88	446966	270803
ND 89	446967	270804

LP 1	UMC 447645	272099
LP 2	UMC 447646	272100
LP 3	UMC 447647	272101
LP 4	UMC 447648	272102
LP 5	UMC 447649	272103
LP 6	UMC 447650	272104
LP 7	UMC 447651	272105
LP 8	UMC 447652	272106
LP 9	UMC 447653	272107
LP 10	UMC 447654	272108
LP 11	UMC 447655	272109
LP 12	UMC 447656	272110
LP 13	UMC 447657	272111
LP 14	UMC 447658	272112
LP 15	UMC 447659	272113
LP 16	UMC 447660	272114
LP 17	UMC 447661	272115
LP 18	UMC 447662	272116
LP 19	UMC 447663	272117
LP 20	UMC 447664	272118
LP 21	UMC 447665	272119
LP 22	UMC 447666	272120
LP 23	UMC 447667	272121
LP 24	UMC 447668	272122
LP 25	UMC 447669	272123
LP 26	UMC 447670	272124
LP 27	UMC 447671	272125
LP 28	UMC 447672	272126
LP 29	UMC 447673	272127
LP 30	UMC 447674	272128

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**Utah State Lease for Metalliferous Minerals (ML53495)**

Lessee	Effective Date	Term	Rent	Premises	Acres
Valyrian Resources Corp.	1 November 2017	10	USD\$1 per acre	T28S, R11W, SLB&M Sec. 27: E2NE4  T28S, R12W, SLB&M Sec. 2: Lots 1(24.31), 2 (24.28), 3 (24.26), 4 (24.23), 5 (40.00), 6 (40.00), 7 (40.00), 8 (40.00), S2N2, S2 (ALL)	817.08

Lessee	Effective Date	Term	Rent	Premises	Acres
Valyrian Resources Corp.	1 March 2021	10	USD\$1 per acre per year	Sec 32: T14S, R10W,	640.00

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