Anson Resources

Anson Resources Limited

(ABN 46 136 636 005)

Financial Report
for the Year Ended 30 June 2021

Index

Corporate Information

Directors

Bruce Richardson
Executive Chairman and CEO

Peter (Greg) Knox
Executive Director

Michael van Uffelen
Non-executive Director

Auditor

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West Perth WA 6005

Company Secretary

Nicholas Ong

Registered and Principal Office

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Securities Exchange Listings

Australian Securities Exchange: (ASX: ASN)

OTC Markets Group (OTCQB: ANSNF)

ABN: 46 136 636 005

Directors' Report

Your Directors submit their report on the Group consisting of Anson Resources Limited (the "Company" or "Anson") and its controlled entities (the "Group") for the year ended 30 June 2021.

Directors

The names of directors who held office during or since the end of the financial year and until the date of this report are as follows. Directors were in office for this entire financial year unless otherwise stated.

Bruce Andrew Richardson, B.A (Hons)
Executive Chairman and CEO (Director since 30 April 2009)

Mr Richardson has a proven track record of over ten years in exploration, mining and production in public and private companies, and over 30 years of international business experience, with a particular focus on China. He has raised over $170 million of investment in mining projects.

He is fluent in Mandarin and has 10 years' experience in the public sector having worked as an Australian Trade Commissioner in the Australian Embassy in Beijing, with responsibility for the resources portfolio, and Trade Development Director, Australian Commerce & Industry Office Taipei, Taiwan. In 2006 and 2007 Mr Richardson worked for the Government of Western Australia as Manager China, Department of Industry and Resources developing business and political relationships with China.

Directorships in other listed entities in the past 3 years: None

Peter (Greg) Knox, B.Sc (Geology)
Non-executive Director (Director since 22 September 2011)

Mr Knox is a qualified geologist with over 30 years of experience in the resources industry in exploration, mine development and mining operations. He has worked on projects from grass-roots exploration through to mine development and production and has extensive experience in gold, base metals and iron for several ASX listed companies.

Directorships in other listed entities in the past 3 years: None

Michael van Uffelen, B.Comm, CA
Non-executive Director (Director since 18 October 2018)

Mr van Uffelen holds a Bachelor of Commerce from the University of Western Australia and is a Chartered Accountant. He has more than 30 years accounting and finance experience gained with major accounting firms, investment banks and public companies both in Australia and internationally.

Directorships in other listed entities in the past 3 years:

- Nanoveu Limited (14 February 2018 to present)
- Tian Poh Resources Limited (31 May 2015 to present)

Directors' interests in securities of the Company and related bodies corporate

The relevant interests of each Director in the securities of Anson Resources Limited at the date of this Report are as follows:

	Fully paid ordinary shares No.	Performance Rights No.
Bruce Richardson	25,094,223	12,200,000
Peter (Greg) Knox	15,158,270	5,200,000
Michael van Uffelen	483,000	3,600,000

Directors' Report (continued)

Company Secretary

Nicholas Ong, B.Comm, MBA, GradDipAppFin, GradDipACG (Appointed on 30 November 2020)

Nicholas brings 16 years' experience in listing rules compliance and corporate governance. He is experienced in mining project finance, mining and milling contract negotiations, mine CAPEX & OPEX management, and toll treatment reconciliation. Nicholas is a Fellow of the Governance Institute of Australia and Fellow of Institute of Chartered Secretaries and Administrators. He holds a Bachelor of Commerce and a Master of Business Administration from the University of Western Australia.

Mr Tino Kapfumo, B.Comm CA (Resigned on 30 November 2020)

Mr Kapfumo holds a Bachelor of Commerce from the University of Western Australia and is a Chartered Accountant. He has gained experience with both major and mid-tier accounting firms dealing with a wide variety of entities including listed entities; not for profit entities and large private companies with operations both in Australia and internationally.

Dividends

No dividends have been paid or declared since the start of the financial year and the Directors do not recommend the payment of a dividend in respect of this financial year.

Principal Activities

The principal activities during the year of the entities within the Group were:

- Exploration for minerals in the State of Utah in the United States of America and the mid-west of Western Australia;
- Development of the Paradox Brine Project in Utah, primarily for the extraction of lithium, bromine, iodine and boron chemicals; and
- Exploration of The Bull Project's mafic-ultramafic intrusive complex which has similar geological terrane as Chalice Gold Mines Limited's (ASX:CHN) Julimar Ni-Cu-PGE Discovery.

Operating and financial review

Paradox Brine Project – Utah, USA

Key focus areas during the year were advancing engineering studies and performance testing of lithium hydroxide and lithium carbonate in lithium-ion battery test cells. Anson intends to use these results to further discussions with prospective off-take partners.

Following a strategic review and recognition of changing market conditions for lithium, Anson has decided to accelerate the production of lithium chemicals to Stage 1 of the Project. An updated PEA (Scoping Study) was released to the ASX on 1 September 2021.

The geologic model for the Paradox Basin brine aquifers has similar affinities to brine concentrations in Tertiary aged closed evaporative basins, as well as those associated with brine aquifer hosted in older Carboniferous and Palaeozoic sediments and commonly associated with hydrocarbon deposits.

Location:

The location of the Paradox Brine Project within the Paradox Basin is shown in Figure 1.

Directors' Report (continued)

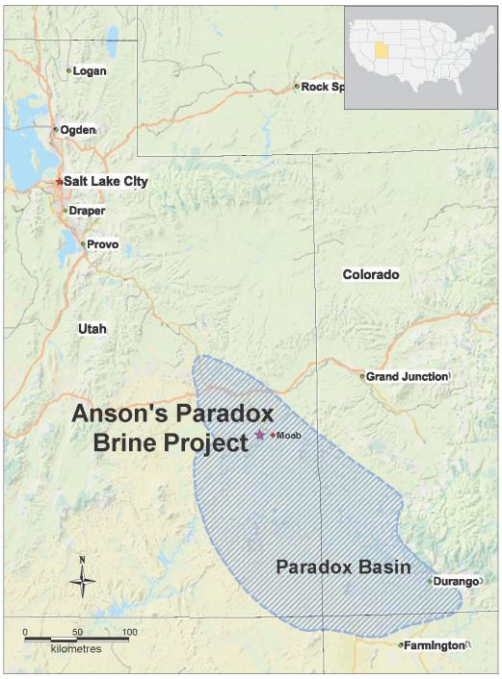

Figure 1: Location of the Paradox Brine Project.

Pre-feasibility Studies:

Following completion of the initial PEA is 2020 for sodium bromide production (see ASX Announcement of 5 June 2020) updated PEAs were completed in two stages:

- Adding the production of lithium chemicals via the use of direct lithium extraction (see ASX Announcement of 25 March 2021); and
- Using an alternative direct lithium extraction process in which lithium was recovered without the use of chemicals thereby reducing the cost of the lithium extraction process and reducing the estimated operating costs, (see ASX Announcement of 1 September 2021).

The next stage is to progress to a feasibility study. Worley will complete the cost estimates for PFS for the Stage 1 development of the Project, a 15,000tpa sodium bromide (NaBr) plant (see ASX Announcement 5 June 2020). The PFS will expand upon Anson's latest PEA which includes Lithium Carbonate and will provide further definition of CAPEX/OPEX expectations of this project. Deliverables from the study include the piping and instrumentation diagrams, plant layout and civil work estimates as well as those for utility connections and infrastructure.

Worley's scope of work also includes the preliminary design for the NaBr plant together with the brine pipeline, chlor-alkali plant, the ancillary equipment and utility and supply infrastructure. The chlor-alkali plant, a key component of the facility, will produce the chlorine required to separate the bromine from the well brine. Chemetics®, part of the Worley group, will design the chlor-alkali plant. It is expected that this work will be completed in 1H of FY22.

Furthermore, Anson commissioned De Dietrich to produce a process design for the bromine extraction component of the 15,000tpa NaBr plant. This work includes mass and energy balance, process calculations, equipment lists and specifications as well as the preliminary plant layout required for the completion of the PFS. De Dietrich has conducted tests on Anson's brine, used for the extraction of bromine and conversion to sodium bromide, up to pilot plant stage (see ASX Announcement 20 December 2019). This work has been completed and has been included in the PFS for the NaBr plant.

Anson is continuing its negotiations with a number of other companies for the supply of equipment, utilities and other supplies. Most significantly Anson commissioned a "Interconnect/System Impact Study" (the Study) by the local electrical power provider, Rocky Mountain Power (Rocky Mountain). The Study concluded that the load service required by Anson for Stage 1 of the Project can be "accomodated" from two nearby power lines.

Directors' Report (continued)

Production Wells Planning / Application to Drill Two Production Wells:

Anson submitted an Application Permit to Drill (APD) two production wells covering a total area of 6.56 acres within the Company's Paradox Brine Project. The APD has been submitted to the School and Institutional Trust Lands Administration (SITLA) of the Government of Utah and the Utah Department of Gas and Minerals (UDOGM).

Significantly, the two production bores (LCW-1 and LCW-2) are located on the "The Little Utah" (see Figure 1), lease which covers 80 acres and was granted to Anson by the Utah State government earlier this year under Other Business Arrangement (OBA) (see ASX announcement 30 March 2021). An OBA allows for special consideration to bring significant projects into production, demonstrating the Government of Utah's support for the development of Paradox. It is expected that Anson's application will be considered by both SITLA and DOGM by the end of Q3 2021, however this timeline may be affected by delays related to the COVID-19 pandemic.

JORC 2012 Estimate Re-entry Program – Extension to Leadville

Anson has recently updated its JORC resource estimates for brine located in the Paradox Formation including its main target clastic zone 31(see ASX announcement 30 March 2021). The Company's strategy to increase the inferred and indicated JORC resource was to conduct additional re-entry programs and sample the targeted Paradox clastic zones and had prepared and submitted a Plan of Operations (PoO) to the Bureau of Land Management (BLM) to re-enter the Mineral Canyon well to sample brine from Clastic zones 17, 19, 29, 31 and 33 (see ASX Announcement 10 September 2020).

However, as the revised Exploration Target provides justification for re-entering old wells to sample the saturated brines found in the Leadville, Anson altered its exploration program for the Mineral Canyon well and redesigned the drilling procedures to enable it to extend the sampling program to extend into the Leadville limestone brines that have been recorded for the Mineral Canyon well. As a result, Anson has submitted a revised PoO to the BLM for its consideration. Once approved, Anson intends to conduct its first sampling of the Leadville. If successful, this data can then be utilised in future JORC Resource estimation upgrades.

The table below shows a summary of contained tonnes for Li_2CO_3, Br and NaBr extracted from the JORC estimate, see ASX announcement "Anson Granted Additional Paradox Brine Project Claims" released on 30 March 2021.

Category	Clastic Zone	Brine Tonnes (Mt)	Effective Porosity (%)	Li (ppm)	Br (ppm)	B (ppm)	I (ppm)	Contained ('000t)[1]	
								LCE	Br_2
indicated	31	38	14.5	172	3,304	162	141	35	126
Inferred	31	73	16.9	177	2,542	164	164	68	185
Resource		111		173	3,292	3,324	153	103	311
indicated	17,19,29,33	39	14	74	3,397	122	54	15	131
Inferred	17,19,29,33	172	14	75	3,320	147	51	68	570
Resource		211		74	3,334			83	701
TOTAL		322						186	1,012

Table 1: Table showing the contained tonnes in Indicated and Inferred Categories for the Paradox Brine Project.

[1] Lithium is converted to lithium carbonate (Li_2CO_3) using a conversion factor of 5.32. Rounding errors may occur.

Directors' Report (continued)

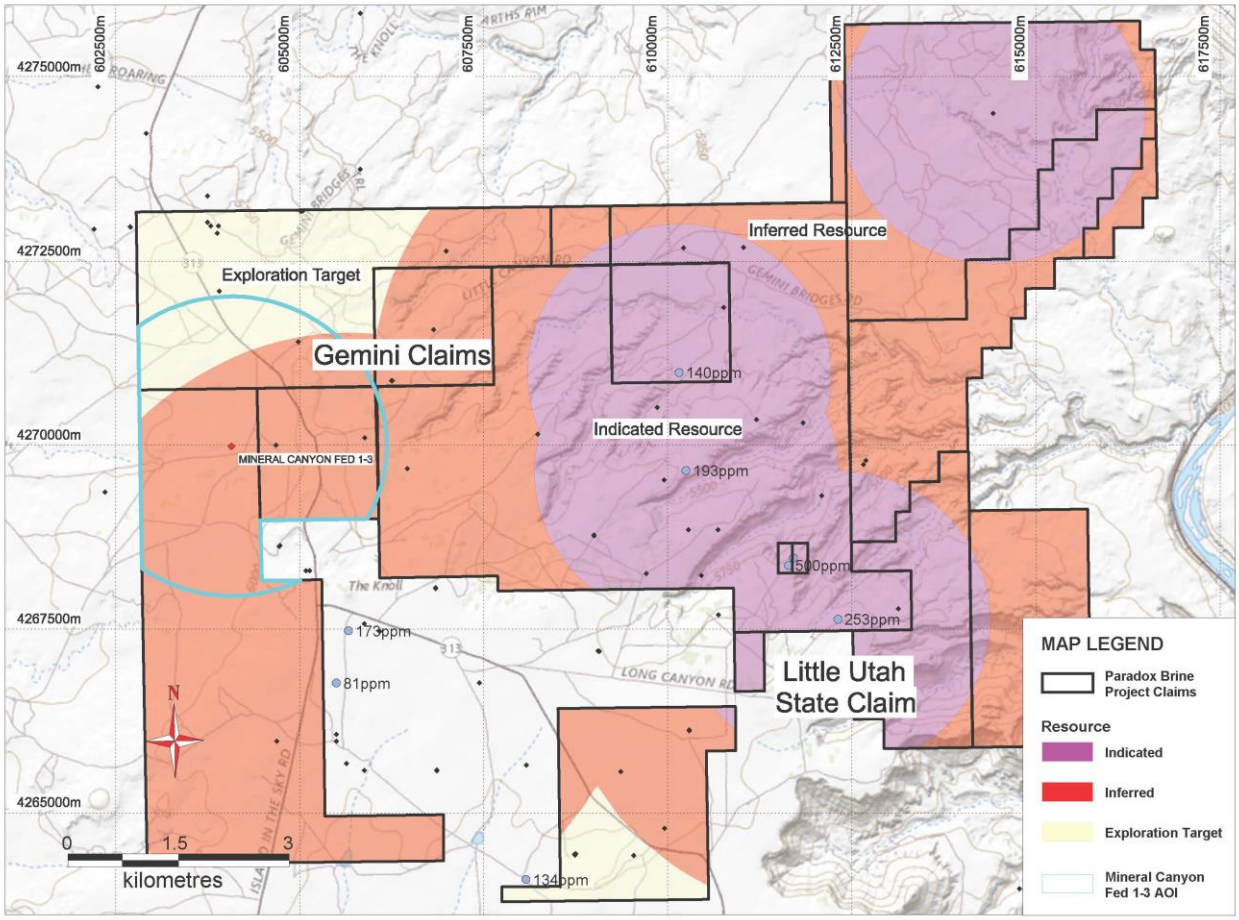

Figure 2: Map showing the updated inferred and indicated resource areas & the 2km area of influence of the Mineral Canyon Fed 1-3 well.

Increase in Exploration Target:

Following an extensive review of historic data bases from previous exploration programs within the Paradox Brine Project area, a massive brine aquifer has been identified in the Mississippian Leadville Formation aka Leadville Limestone (Leadville) approximately 1,500 feet below the current target clastic zones that are located within the Paradox Formation (Paradox) at approximately 6,500 feet which includes the clastic zones 17,19, 29, 31 and 33 and have been used to calculate the current Indicated and Inferred JORC resource estimate.

The Exploration Target for the Leadville supersaturated brine consists of 1.3Bt – 1.8Bt grading 80 – 140ppm Li and 2,000 – 3,000ppm Br (see ASX announcement 6 April 2021), see Table 2.

Leadville Limestone Exploration Target	Porosity (%)	Density	Brine (Mt)	Li Grade (ppm)	Li (Tonnes)	Li_2CO_3 (Tonnes)	Br Grade (ppm)	Br (Tonnes)
MIN	14	1.27	**1,300**	**80**	104,000	**553,000**	2,000	**2,600,000**
MAX	14	1.27	**1,800**	**140**	252,000	**1,340,000**	3,000	**5,400,000**

Table 2: Leadville Exploration Target Range with brine & grade variables.

The Exploration Target figure is conceptual in nature as there has been insufficient exploration undertaken on the Project to define a mineral resource for the Leadville. It is uncertain that future exploration will result in a mineral resource.

The revised Exploration Target is of both the Mississippian Leadville and Pennsylvanian Paradox Units has a combined range of 1.7 billion tons to 2.5 billion tons of brine. This represents an up to 230% increase in contained Li, see Table 3, and a 493% increase in contained Br of the previous Exploration Target (see ASX announcement 11 May 2020).

Directors' Report (continued)

Unit and Clastic Zones	Porosity (%)	Density	Brine (Mt)	Li Grade (ppm)	Li (Tonnes)	Li_2CO_3 (Tonnes)	Br Grade (ppm)	Br (Tonnes)
Mississippian Leadville Formation								
Minimum	14	1.27	**1,300**	**80**	104,000	**553,000**	2,000	**2,600,000**
Maximum	14	1.27	**1,800**	**140**	252,000	**1,340,000**	3,000	**5,400,000**
Pennsylvanian Paradox Formation (Clastic Zones 17,19, 29,31,33)								
Minimum	14	1.27	**365**	**50**	18,250	**97,090**	2,000	**730,000**
Maximum	14	1.27	**700**	**300**	109,500	**582,450**	3,000	**1,095,000**
TOTAL								
Minimum			**1,665**		122,250	**650,090**		**3,330,000**
Maximum			**2,500**		361,250	**1,922,450**		**6,495,000**

Table 3: Exploration Target Mississippian Leadville & Paradox Formations with brine & grade variables.

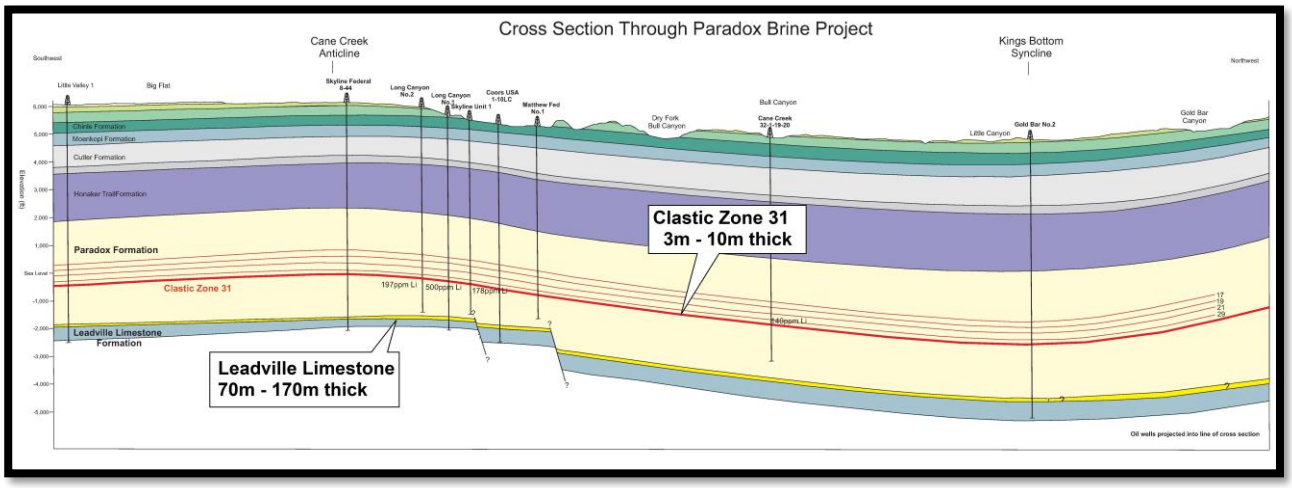

Figure 3: Cross section of the location of existing wells drilled into the Paradox and Leadville rock units

(Not to Scale)

Project Flow Sheet:

The flow sheet below shows the project producing both NaBr and Li_2CO_3. Significantly, the chlorine that will be produced from the electrolysis process will be fed into the bromine extraction process negating the need to purchase chlorine as part of the bromine production process. Some of the chlorine that is produced will also be converted to hydrochloric acid (HCl) for use in both the bromine and lithium extraction processes.

Directors' Report (continued)

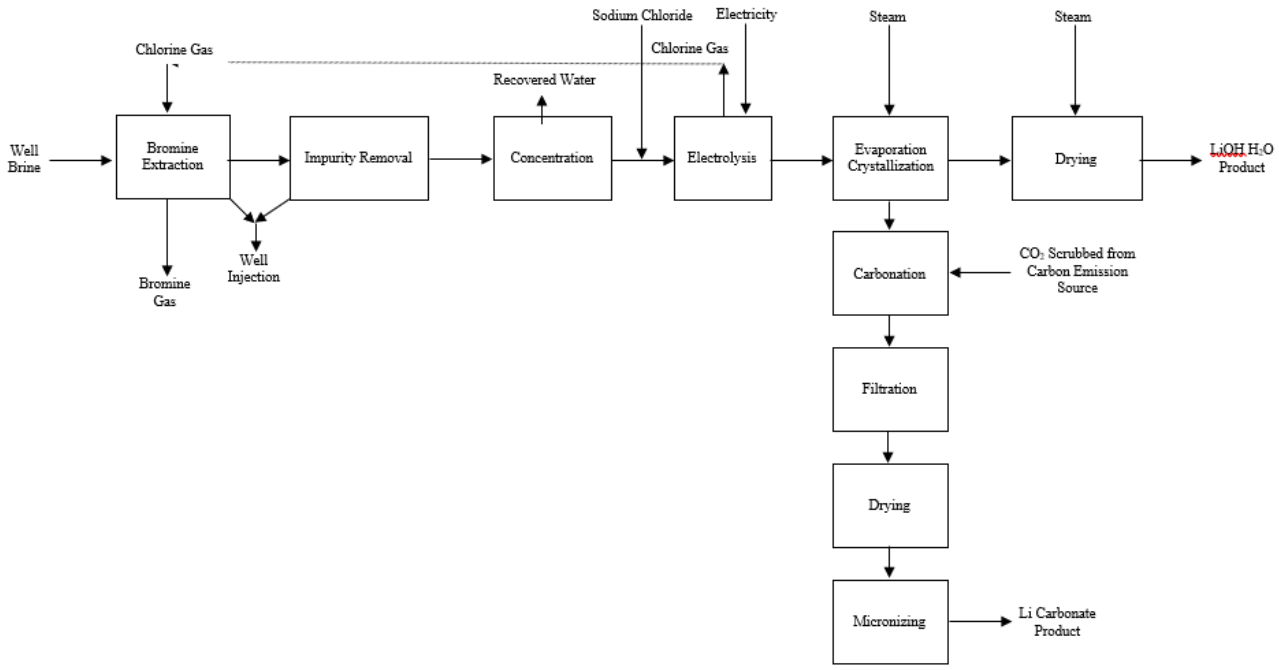

Figure 4: Paradox Brine Project Phase 1 Flowsheet

Test Work:

Lithium Hydroxide & Lithium Carbonate Battery Test Work

Initial test work by Novonix Battery Technology Solutions in Nova Scotia, Canada (parent Novonix Limited, ASX: NVX, OTCQX: NVNXF) using Anson's lithium hydroxide ($LiOH.H_2O$) and lithium carbonate (Li_2CO_3) bulk samples extracted from Paradox Brine Project has indicated a lithium quality that exceeds commercially available Tier 1 products currently used in the production of high-performance lithium-ion batteries. Novonix sintered commercial NMC622-hydroxide precursor powders with Tier 1 commercial lithium products, Anson's Li_2CO_3 and $LiOH.H_2O$ and conducted an electrochemical evaluation of the respective performance in coin half-cells. The batteries were charged and discharged for up to 10 cycles (cycle testing on-going). From coin cells, capacity retention and impedance growth were measured. Anson's Li_2CO_3 outperformed the commercial product blend while its $LiOH.H_2O$ performed similarly to the market available product. In particular Anson's Li_2CO_3 showed improved capacity retention over commercial grade Li_2CO_3. Capacity retention improvement in batteries is a key objective in the lithium-ion battery industry to extend battery life (See ASX announcement 8 March 2021).

Alternate DLE Technology Test Work

On 13 August 2021, Anson announced that it has successfully conducted test work at a third-party laboratory using an alternate Direct Lithium Extraction ("DLE") technology that has improved the estimated lithium recovery rate in the first stage of the extraction process to 91.5%, an increase of over 10% from the previous test work results (see ASX Announcement 14 November 2018). DLE technologies use physical or chemical selective processes to remove lithium from brines while leaving other components in the brine. As part of its continual improvement agenda, Anson has continued to test several alternative DLE technologies over the past two years, with the aim of improving operational and economic performance, as well as taking into account Environmental, Social & Governance (ESG) considerations.

Elemental bromine production

De Dietrich Process Systems GmbH (De Dietrich) successfully completed the second stage of test work to extract bromine from brine from Anson's Paradox Brine Project. The test work was conducted in De Dietrich's bromine pilot plant in Germany and achieved a yield of 90% (See Announcement of 20 December 2019 titled *Anson Bromine Piloting Successful*).

De Dietrich has extensive experience in bromine plants having designed, engineered and supplied equipment to 31 bromine projects throughout the world, most recently to companies in India.

Directors' Report (continued)

The Bull Nickel-Copper-PGE Project – Western Australia

During the year the Bull Ni-Cu-PGE Project tenement was granted to Anson. The Bull tenement abuts the Chalice Gold Mines Limited's (Chalice) tenements and is 20km south west along strike of the Julimar Ni-Cu-PGE high grade deposit.

Initial ground truthing program completed at the 100% owned The Bull Project located in Western Australia (The Bull) has confirmed the interpreted mafic-ultramafic intrusive complex. The confirmation of the mafic-ultramafic intrusive complex is significant as it determines that The Bull has a similar geological terrane as Julimar Ni-Cu- PGE discovery correlating with the geophysical interpretation (see ASX announcement 19 November 2020). Geochemical samples confirmed presence of PGE with associated nickel and copper (see ASX announcement 21 December 2020).

Anson had previously reprocessed historical aeromagnetic surveys and identified 3 major targets. Target 1 was modelled as a 1,400m long x 500m wide x 500m deep chonolith body, with favourable geometry for hosting large-scale magmatic sulphide deposits (see Figure 6). The interpreted chonolith geometry is considered significant, as similar irregular intrusive bodies host globally significant magmatic Ni-Cu+/-PGE sulphide deposits including the Jinchuan Deposit in China and the Kabanga Deposit in Tanzania.

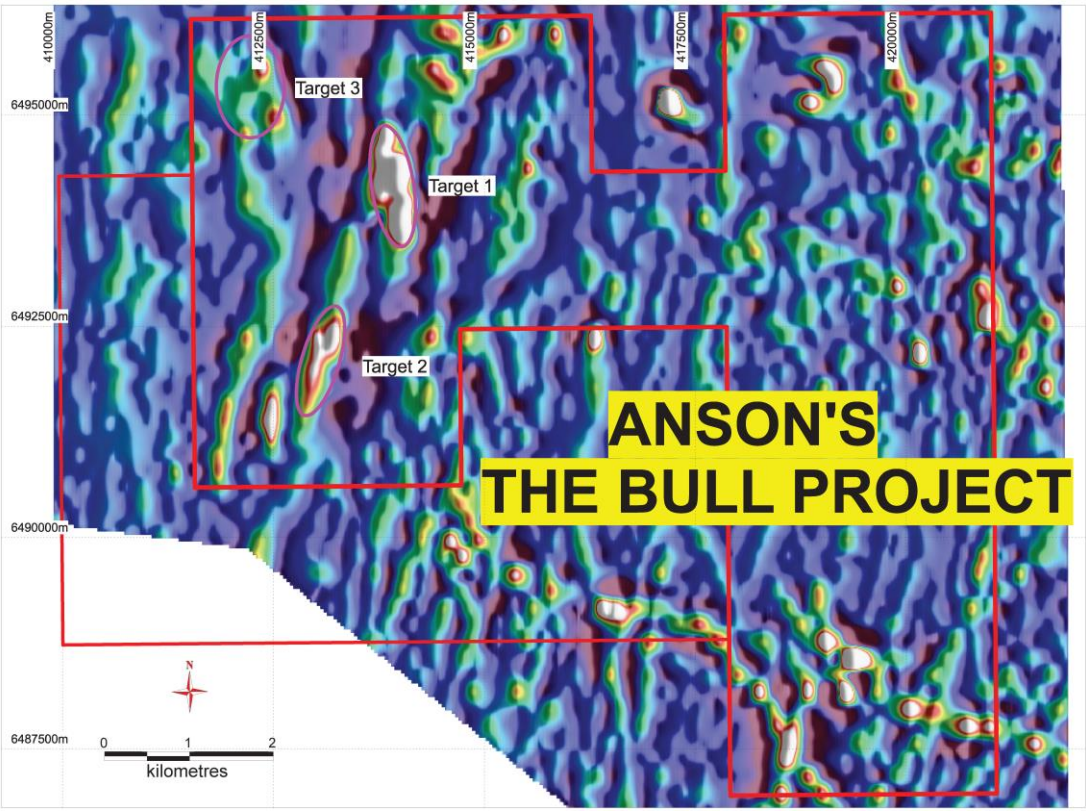

Figure 5: A TMI aeromagnetic image showing three Target anomalies.

Anson announced a Fixed Loop Electromagnetic (FLEM) survey at Target 1. The commencement of the FLEM follows the completion of the 3D Aeromagnetic Inversion Model (see ASX Announcement 7 July 2021) which confirmed the favourable geometry and mineralised potential of the Target 1 ovoid shaped anomaly at The Bull Project. The FLEM survey is an important next step in identifying and refining targets for future drill programs.

Directors' Report (continued)

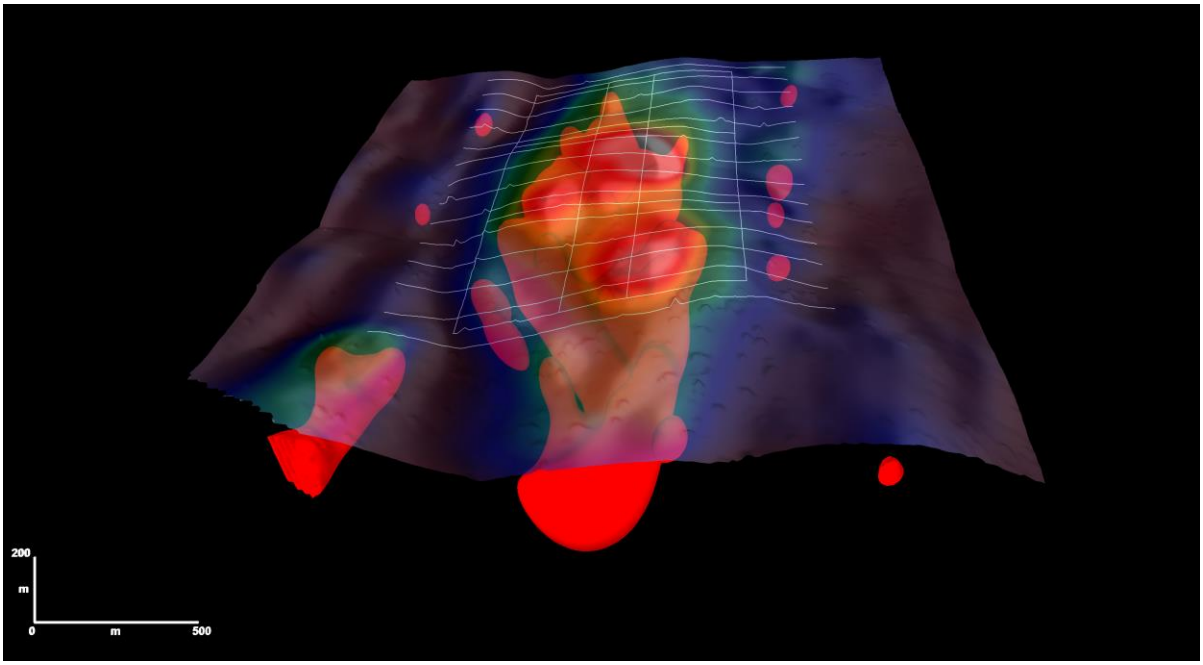

Figure 6: The planned layout for the Fixed Loop Electromagnetic Survey (FLEM) overlaying the 3D model.

Independent geophysical consultants have designed the FLEM survey at The Bull Project to completely cover the 3D magnetic model. The aim is to identify bedrock conductors within the anomaly given the relative shallow depth of the target, which may represent massive sulphide accumulations.

The data generated from the FLEM survey will be considered with other geophysical surveys to identify drilling targets and prepare a Programme of Works (PoW) for submission to the Department of Mines, Industry Regulations and Safety (DMIRS).

Yellow Cat Project – Utah, USA

The Yellow Cat Project is located 30 km north of Moab, in the Thompson District, Grand County Utah. There are two separate areas; the Yellow Cat claims and the Yellow Cat West claims. In total the Project consists of 85 Lode claims for a total of 708 hectares.

The Yellow Cat Project is considered prospective for the development of both uranium and vanadium due to the high historic grade mineralisation present on the Claims, see Table 8 below and also ASX announcements dated 22nd and 30th June 2020. Mineralisation occurs within the sandstone units of the Salt Wash member, a rock unit synonymous with uranium and vanadium production across the Colorado Plateau.

Activities During the Year:

SRK completed the initial uranium and vanadium exploration program. Multiple occurrences of visible mineralisation were observed and XRF readings were taken on the faces of these workings. Exceptional XRF values of up to 26.51% uranium (U3O8) and 81,030ppm vanadium (V) were recorded by SRK during a site visit to the Yellow-Cat project area. Refer ASX announcement of 15 October 2020 for detailed results. Following the review of the ground survey and XRF screening results, SRK conducted rock sampling of areas where the XRF screening had been conducted as well as from additional outcrop and underground locations. All samples were submitted to ALS Reno, Nevada. High grade assay values of up to 87,600ppm uranium (U) (10.33% U_3O_8) and 143,500ppm vanadium (V) (25.61% V_2O_5) were reported (see ASX announcement 21 September 2021).

Directors' Report (continued)

Ajana Project – Western Australia

The Ajana Project is located in Northampton, Western Australia, a proven and established mining province for zinc, lead and silver. The Ajana Project is adjacent to the North West Coast Highway and 130km north of Geraldton. The prospective ground on the 222km^2 of tenements E66/89 and E66/94 contain extensive areas of graphitic schist mineralization. The Ajana area is dominated by the Proterozoic gneiss with conformable lenses of meta-sediment, pelitic gneiss, meta-quartzite, mafic gneiss and graphitic schist known as the Northampton Metamorphic Complex, which typically hosts high-grade graphite deposits in Western Australia and graphite deposits worldwide.

Activities During the Year:

Anson has completed a heritage survey, which included archaeological and ethnographical work area clearance, in the Galena area at its Ajana Project. The survey was undertaken with the full involvement of the Nanda representatives who were nominated by the native title group. The survey was completed over the Surprise, Ethel Maud and Block 1 prospect areas.

Anson completed the heritage survey so small exploration programs can be carried out in these areas. The exploration programs will consist of reverse circulation (RC) drilling under and along strike of existing pits and mine shafts.

During the quarter, three POWs were submitted for the Surprise, Ethel Maude and Block 1 Cu targets. POW at Ethel Maude is now approved. Anson is proposing to drill 23 holes at Surprise. 16 holes at Ethel Maude to target lead, zinc and silver, and 8 holes at Block 1.

JORC (2012) Resource Estimate:

The 100% owned Mary Springs tenement, E66/94, contains a JORC 2012 Mineral Resource estimate for lead and is summarised in Table 4. The Ore Block Modelling and the interpretative work was carried out using a 1% lead cut-off.

Category	Indicated			Inferred			Total		
	BCM	Tonnes	% Pb	BCM	Tonnes	% Pb	BCM	Tonnes	% Pb
+ 1% Pb	80,000	240,000	6.6	50,000	150,000	6.2	130,000	390,000	6.5

Table 4: Mary Springs Mineral Resource Estimate, JORC 2012.

Zones of Pb-Zn-Cu-Ag rich mineralisation were intersected in drilling which has yet to be modelled into the resource. Additionally, further drilling may enable the zinc, copper and silver bearing zones to be modelled as part of a future resource.

Hooley Wells Nickel-Cobalt Laterite – Western Australia

The Hooley Wells Nickel-Cobalt Laterite Project is located 800km north of Perth and 300km east of Geraldton in Western Australia. Tenement E9/2218 and E9/2219 contain historical shallow drilling which has intersected nickel and cobalt laterites.

The project contains extensive cobalt mineralisation over an area of 1.5km * 0.8km. Results of some historic drilling are shown below.

- HAC004, 22m @ 0.97% Ni & 0.06% Co & 1.05% Cr
  - Incl. 4m @ 1.41% Ni & 0.11% Co & 1.99% Cr
- HAC003, 33m @ 0.5% Ni & 0.04 % Co & 0.55% Cr
  - Incl. 8m @ 0.84% Ni & 0.10% Co & 0.22% Cr

Activities During the Year:

An aerial magnetic survey was completed over the Hooley Well tenements to define magnetic target areas for future drilling programs. Data interpretation is underway.

Directors' Report (continued)

COVID-19

Beginning in February 2020, governments worldwide issued increasingly stringent orders to contain the spread of COVID-19, including shelter-in-place orders and travel bans. In response to this Anson ceased travel for all employees. The Group however continued to operate at full capacity including enacting necessary precautions for essential staff attending offices in accordance with local restrictions, which also included some staff working from home at times. The continued safe operation of the Group during this period allowed the completion and publication of the PEA, resulting in the project advancing despite uncertain and difficult operating conditions.

The COVID-19 pandemic is a new risk to human health and is a concern the Anson Board takes seriously and is confident appropriate procedures are in place to navigate the Group through this period.

Government assistance during the year as a result of the pandemic amounted to $22,500.

Operating results for the year

Net loss attributable to equity holders of the parent for the year ended 30 June 2021 was $4,521,182 (2020: loss of $3,596,915) of which $1,413,658 (2020: $1,055,559) was spent on exploration and evaluation activities and $nil (2020: $193,388) was incurred in acquiring projects. The loss per share was 0.54 cents (2020: loss per share of 0.60 cents).

Cash and cash equivalents at 30 June 2021 totalled $2.233 million (2020: $0.568 million).

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the Group during the financial year.

Significant events after balance date

On 13 August 2021 Anson announced 4,400,000 shares were issued on the exercise of options at $0.08685 per share.

On 20 September 2021, Anson completed an equity capital raising of $7.36m by way of the issue of 89,849,693 ordinary shares at 0.091 per share.

On 24 September 2021, Anson announced 4,293,150 shares were issued on the exercise of ASNOC listed options at $0.035 per share.

On 27 September 2021, Anson concluded a Bonus Issue of 97,702,126 options exercisable $0.091 expiring 29 October 2021.

Other than the above there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect significantly the operations of the Group and the results of those operations.

Likely developments and expected results

Likely developments, future prospects and business strategies of the operations of the Group and the expected results of those operations have not been included in this report as the Directors believe that the inclusion of such information would likely to result in unreasonable prejudice to the Group.

Environmental legislation

The Group's projects are subject to the respective laws and regulations regarding environmental matters and the discharge of hazardous wastes and materials in the countries in which the projects are located.
As with all exploration, these projects would be expected to have a variety of environmental impacts should development proceed.

The Group intends to conduct its activities in an environmentally responsible manner and in accordance with applicable laws and industry standards. Areas disturbed by the Group's activities will be rehabilitated as required by the respective laws and regulations.

Directors' Report (continued)

Share Options and Performance Rights

Options and performance rights granted

There were no performance rights granted during the year ended 30 June 2021.

The following options were granted in the financial year:

Class	Grant Date	Expiry Date	Exercise Price	Number Issued
Unlisted Options	4 Dec 2020	4 Dec 2022	$0.056	24,088,000
Unlisted Options	29 Jan 2021	30 Jun 2023	$0.0555	5,000,000

Options exercised and performance rights converted

The following options and performance rights have been converted to fully paid ordinary shares during the year ended 30 June 2021.

Class	Grant Date	Expiry Date	Exercise Price	Number Converted
Listed Options	24 Jun 2020	30 Jun 2023	$0.035	690,000
Unlisted Options	4 Dec 2020	4 Dec 2022	$0.056	24,088,000
Performance Rights	12 Nov 2019	16 Feb 2027	Nil	1,800,000

The following options have been converted to fully paid ordinary shares since 30 June 2021 to the date of this report.

Class	Grant Date	Expiry Date	Exercise Price	Number Issued
Unlisted Options	17 May 2019	16 May 2022	$0.08685	4,400,000

Options and performance rights expiry

Options and performance rights on issue

At the date of this report, unissued ordinary shares of the Company under option and performance rights yet to convert are:

Class	Grant Date	Expiry Date	Exercise Price	Number of Options/rights
Unlisted Options	17 May 2019	16 May 2022	$0.08685	7,114,105
Listed Options	24 June 2020	30 June 2023	$0.035	61,810,000
Unlisted Options	29 January 2021	30 Jun 2023	$0.0555	5,000,000
Unlisted Options	27 Sep 2021	29 Oct 2021	$0.091	97,702,126
Performance rights	20 April 2018	18 April 2025	Nil	4,800,000
Performance rights	30 November 2018	29 November 2023	Nil	1,400,000
Performance rights	12 Nov 2019	16 Feb 2027	Nil	14,800,000

These options and rights do not entitle the holder to participate in any share issue of the Company or any other entity.

Convertible note

At the date of this report, assumed unissued shares of the company under convertible note yet to convert is 37,125,037.

Directors' Report (continued)

Indemnification and insurance of Directors and Officers

The Company has agreed to indemnify directors and executive officers against all liabilities to another person (other than the Company or related body corporate) that may arise from their position as officers of the Company and its controlled entities, except where the liability arises out of conduct involving a lack of good faith. The agreement stipulates that the Company will meet the full amount of any such liabilities, including costs and expenses. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

No indemnity has been paid in respect of auditors of the Group.

Directors' Meetings

The number of meetings of Directors held during the financial year and the number of meetings attended by each Director was as follows:

Name	Number of meeting eligible to attend	Number of meetings attended
B Richardson	8	8
G Knox	8	8
M van Uffelen	8	8

Auditor Independence and Non-Audit Services

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 24.

Non-Audit Services

The Company's auditor, Stantons, did not provide any non-audit services to the Company during the year.

Proceedings on Behalf of the Company

There are no proceedings on behalf of the Company under section 237 of the Corporations Act 2001 in the financial year or at the date of this report.

Forward Looking Statements: Statements regarding plans with respect to Anson's mineral projects are forward looking statements. There can be no assurance that Anson's plans for development of its projects will proceed as expected and there can be no assurance that Anson will be able to confirm the presence of mineral deposits, that mineralisation may prove to be economic or that a project will be developed.

Competent Person's Statement 1: The information in this announcement that relates to exploration results and geology is based on information compiled and/or reviewed by Mr Greg Knox, a member in good standing of the Australasian Institute of Mining and Metallurgy. Mr Knox is a geologist who has sufficient experience which is relevant to the style of mineralisation under consideration and to the activity being undertaken to qualify as a "Competent Person", as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves and consents to the inclusion in this report of the matters based on information in the form and context in which they appear. Mr Knox is a director of Anson and a consultant to Anson.

Competent Person's Statement 2: The information contained in this ASX release relating to Exploration Results and Mineral Resource Estimates has been prepared by Mr Richard Maddocks, MSc in Mineral Economics, BSc in Geology and Grad Dip in Applied Finance. Mr Maddocks is a Fellow of the Australasian Institute of Mining and Metallurgy (111714) with over 30 years of experience. Mr Maddocks has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a competent person as defined in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.

Directors' Report (continued)

Mr Maddocks is an independent consultant to Anson Resources Ltd. Mr Maddocks consents to the inclusion in this announcement of this information in the form and context in which it appears. The information in this announcement is an accurate representation of the available data from exploration at the Paradox Brine Project.

Information is extracted from reports entitled 'Anson Obtains a Lithium Grade of 235ppm at Long Canyon No 2' created on 1 April 2019, 'Anson Estimates Exploration Target For Additional Zones' created on 12 June 2019, 'Anson Estimates Maiden JORC Mineral Resource' created on 17 June 2019, 'Anson Re-enters Skyline Well to Increase Br-Li Resource' created on 19 September 2019, 'Anson Confirms Li, Br for Additional Clastic Zones' created on 23 October 2019 and all are available to view on the ASX website under the ticker code ASN. Anson confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. Anson confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Remuneration report (audited)

This remuneration report for the year ended 30 June 2021 outlines remuneration arrangements of the Company and the Group in accordance with the requirements of the *Corporations Act 2001* (the Act) and its regulations. This information has been audited as required by section 308(3C) of the Act.

The remuneration report details the remuneration arrangements for key management personnel (KMP) who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company and the Group, directly or indirectly, including any director (whether executive or otherwise) of the parent company, and including the executives in the Parent and the Group receiving the highest remuneration.

For the purposes of this report, the term "executive" includes the executive directors, Chief Executive Officer (CEO), Chief Finance Officer (CFO) and other senior management of the Company. For this financial year the CFO and company secretary are appointed through an outsourced private entity and hence are not classified as KMP.

Individual key management personnel disclosures

The following were key management personnel of the Group at any time during the financial year and unless otherwise indicated were key management personnel for the entire year:

(i) Directors

B Richardson	Executive Chairman and Chief Executive Officer
G Knox	Executive Director
M van Uffelen	Non-executive Director

(ii) Executives

T Kapfumo	Company Secretary (resigned 30 November 2021)

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

A. Principles used to determine the nature and amount of remuneration
B. Details of remuneration for the year ended 30 June 2021
C. Details of remuneration for the year ended 30 June 2020
D. Service agreements
E. Share-based compensation
F. Option holdings of key management personnel
G. Share holdings of key management personnel
H. Loans to key management personnel
I. Other transactions and balances with key management personnel
J. Use of remuneration consultants
K. Voting and comments made at the Company's 2020 Annual General Meeting

Directors' Report (continued)

Remuneration report (audited) (continued)

The information provided under headings A-I includes remuneration disclosures that are required under Accounting Standard AASB 124 *Related Party Disclosures*. These disclosures have been transferred from the financial report and have been audited.

This report outlines the remuneration arrangements in place for Directors and executives of Anson Resources Ltd and its controlled entities (the "Company" and the "Group").

A. Principles used to determine the nature and amount of remuneration

Remuneration philosophy

The performance of the Group depends upon the quality of its directors and executives. To prosper, the Group must attract, motivate and retain highly skilled directors and executives.

To this end, the Group embodies the following principles in its compensation framework:

- Provide competitive rewards to attract high calibre executives;
- Link executive rewards to shareholder value;
- Significant portion of executive compensation 'at risk', dependent upon meeting pre-determined performance benchmarks; and
- Establish appropriate, demanding performance hurdles in relation to variable executive compensation

Remuneration consists of fixed remuneration and variable remuneration.

Fixed Remuneration

Fixed remuneration is reviewed annually by the Board of Directors. The process consists of a review of relevant comparative remuneration in the market and internally and, where appropriate, external advice on policies and practices.

Variable Remuneration

For the purposes of assisting in incentivising the board and management, an employee share plan was introduced in 2013 under which loan funded shares and performance rights have been issued. Given the current structure of that plan, there exists a direct link between the creation of shareholder wealth performance and the financial rewards for Directors and key management personnel.

Remuneration Reviews

The Board of Directors of the Company is responsible for determining and reviewing compensation arrangements for the directors, the Executive Chairman and CEO and all other key management personnel.

The Board of Directors assesses the appropriateness of the nature and amount of compensation of key management personnel on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high quality board and executive team.

Remuneration structure

In accordance with best practice Corporate Governance, the structure of non-executive director and executive remuneration is separate and distinct.

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.

Directors' Report (continued)

Remuneration report (audited) (continued)

The Constitution and 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 amount of aggregate remuneration sought to be approved by shareholders and the manner in which it is apportioned amongst directors is reviewed annually. The Board considers advice from external shareholders as well as the fees paid to non-executive directors of comparable companies when undertaking the annual review process. Non-executive directors receive a fee for being a director of the Company. The compensation of non-executive directors for the year ended 30 June 2021 is detailed below.

Senior Manager and Executive Director remuneration

Objective

The entity aims to reward executives with a level and mix of compensation commensurate with their position and responsibilities within the entity so as to:

- reward executives for company, business unit and individual performance against targets set to appropriate benchmarks;
- align the interests of executives with those of shareholders;
- link rewards with the strategic goals and performance of the company; and
- ensure total compensation is competitive by market standards.

Compensation consists of the following key elements:

- Fixed Compensation; and
- Variable Compensation - Long Term Incentive (LTI).

The proportion of fixed compensation and variable compensation (potential short term and long term incentives) is established for each key management person by the Directors.

Fixed Compensation

Objective

Fixed compensation is reviewed annually by the Directors. The process consists of a review of individual performance, relevant comparative compensation in the market and internally and, where appropriate, external advice on policies and practices.

Structure

Executives are given the opportunity to receive their fixed remuneration in a variety of forms including cash and fringe benefits such as motor vehicles and expense payment plans.

Variable Pay — Long Term Incentive (LTI)

Objective

The objective of the LTI plan is to reward executives in a manner that aligns this element of compensation with the creation of shareholder wealth. As such LTI grants are only made to executives who are able to influence the generation of shareholder wealth and thus have a direct impact on the Group's performance against the relevant long term performance hurdle.

Structure
LTI grants to key management personnel are delivered in the form of loan funded share plans, options and performance rights.

Directors' Report (continued)

Remuneration report (audited) (continued)

B. Details of remuneration for the year ended 30 June 2021

	Salary & Fees(i)	Non monetary benefits(ii)	Superannuation	Share-based payments(iii)	Total	Proportion of remuneration performance related %
Directors						
Non-executive						
M van Uffelen (iv)	132,528	-	3,470	28,112	164,110	17%
Executive						
B Richardson (vi)(vii)	455,966	56,333	-	84,881	597,180	14%
P G Knox (iv)	192,652	-	3,470	40,138	236,260	17%
Total Directors	**781,146**	**56,333**	**6,940**	**153,131**	**997,550**	**15%**
Other KMPs						
T Kapfumo (v)	53,327	-	5,066	-	58,393	-
Total other KMPs	53,327	-	5,066	-	58,393	-
Total KMPs	**834,473**	**56,333**	**12,006**	**153,131**	**1,055,943**	**15%**

(i) This amount is gross of taxes and mandatory statutory deductions as applicable in Australia and the United States. As such for Mr Knox income is not comparable to the prior period as prior periods were partially subject to USA and Australian tax regulations. Further to this Messrs. Richardson and Knox's income derived in the United States includes deductions for Medicare and Social Security which they will not benefit from as they not citizens of the United States. Finally, these amounts are presented in Australian Dollars, however some payments are made in United States Dollars, as such the Australian Dollar value varies depending on the exchange rate, which experienced an increased level of volatility in financial year 2021.

(ii) Relates to annual leave accrued but not taken by Mr Richardson during the year.

(iii) Share based payments comprise the amortisation of the measured cost of performance rights issued at grant date. This grant date cost is based on the price of the Company's shares which is amortised to the estimated date of the hurdle being achieved based on an assessment of the probability of achievement of the hurdles specified in the performance rights. See Note 19 for further information. The ultimate benefit received by the participant may be materially different to this calculated value, and may be received at a significantly different time to the date presented in this table. See Note 19 for details of performance shares granted which converted to fully paid ordinary shares in this financial year.

(iv) Includes consulting fees for services provided by a related entity. Note consulting fees are based on services provided and these fees are dependent on the work required in any given month.

(v) Resigned on 30 November 2020.

(vi) Amounts exclude expatriate benefits.

(vii) Amount includes a gross payment of US$45,156 (2020: Nil) to Mr Richardson due to an underpayment of monies owned under his employment contract. This has also had an impact on accruement of leave that was not taken by Mr Richardson during this period.

Directors' Report (continued)

Remuneration report (audited) (continued)

C. Details of remuneration for the year ended 30 June 2020

	Salary & Fees(i)	Non monetary benefits(ii)	Superannuation	Share-based payments(iii)	Total(iv)	Proportion of remuneration performance related %
Directors						
Non-executive						
M van Uffelen (v)	166,527	-	3,470	66,879	236,876	28
A Grant (vi)	31,624	-	-	-	31,624	-
Executive						
B Richardson (vii)	409,402	38,530	-	187,475	635,407	30
P G Knox (vii)	187,179	-	3,470	83,687	274,336	31
Total Directors	**794,732**	**38,530**	**6,940**	**338,041**	**1,178,243**	**29**
Other KMPs						
T Kapfumo	123,390	4,514	11,723	-	139,627	-
Total other KMPs	**123,390**	**4,514**	**11,723**	**-**	**139,627**	**-**
Total KMPs	**918,122**	**43,044**	**18,663**	**338,041**	**1,317,870**	**26**

(i) This amount is gross of taxes and mandatory statutory deductions as applicable in Australia and the United States. As such for Messrs. Richardson and Knox incomes are not comparable to the prior period as prior periods were partially subject to Australian tax regulations. Further to this Messrs. Richardson and Knox's income derived in the United States includes deductions for Medicare and Social Security which they will not benefit from as they not citizens of the United States. Finally, these amounts are presented in Australian Dollars, however some payments are made in United States Dollars, as such the Australian Dollar value varies depending on the exchange rate, which experienced an increased level of volatility in calendar year 2020.

(ii) Relates to annual leave accrued but not taken during the year. No net leave was accrued in the prior period.

(iii) Share based payments comprise the amortisation of the measured cost of performance rights issued at grant date. This grant date cost is based on the price of the Company's shares which is amortised to the estimated date of the hurdle being achieved based on an assessment of the probability of achievement of the hurdles specified in the performance rights. See Note 19 for further information. The ultimate benefit received by the participant may be materially different to this calculated value, and may be received at a significantly different time to the date presented in this table. No performance shares granted converted to fully paid ordinary shares in this financial year.

(iv) Effective 1 April 2020 to 30 June 2020 the board and management took voluntarily reductions in remuneration in light of the uncertainty brought about by the COVID-19 pandemic. Refer Section D *Service Agreements* for further details.

(v) Includes consulting fees for services provided by a related entity. Note consulting fees are based on services provided and these fees are dependent on the work required in any given month.

(vi) Resigned on 31 July 2019

(vii) Amounts exclude expatriate benefits.

Directors' Report (continued)

Remuneration report (audited) (continued)

D. Service agreements

Executive Directors

Bruce Richardson
Executive Chairman and CEO, Mr Richardson, is employed under contract. The current employment contract commenced on 19 February 2019 and has no fixed term.

The main terms of the employment contract with Mr Richardson are as follows:

- Remuneration of US$300,000 p.a.;
- 25 days of annual leave p.a.;
- 6-month notice period
- Expatriate benefits to ensure the employee is no worse off as a result of relocation.

P. Gregory Knox
Mr Knox receives a Director fee of $40,000 per annum inclusive of superannuation that was set by the Board in 2011.

In addition to this fee the Company also pays Attadale Land Access Pty Ltd (an entity controlled by Mr Knox) a monthly fee of $13,000 including GST for geological consulting services for work performed in Australia. Note that consulting fees are based on services provided and these fees are dependent on the work required in any given month.

When work was performed in the United States, Mr Knox receives a base salary of US$120,000 pa. Mr Knox relocated from the USA to Australia in November 2020.

Non-executive Directors' remuneration

Michael van Uffelen
Mr van Uffelen receives a Non-executive Director fee of $40,000 per annum inclusive of superannuation. In addition to the director fees, Mr van Uffelen is paid for additional services provided to the board under contract with Black Tourmaline Consulting, an entity in which Mr van Uffelen has a beneficial interest, for remuneration of $8,000 per month plus GST. Note that consulting fees are based on services provided and these fees are dependent on the work required in any given month.

E. Share-based compensation

Options granted to key management personnel

No options were granted as compensation during the year to KMPs.

No options vested during the year.

Performance rights issued to Key Management Personnel (KMP)

No performance rights were granted as compensation during the year to KMPs.

1,800,000 performance rights vested during the year, refer to table and notes below.

Directors' Report (continued)

Remuneration report (audited) (continued)

The amount recognised as share-based payment expense for the performance rights issued to the KMPs during the year was $153,131 (2020: $338,041). This is disclosed under director and employee benefits expenses.

The table below shows the number of Performance Rights granted, converted and forfeited during the year.

30 June 2021	Balance at start of year	Granted	Converted	Forfeited	Balance at end of year
Directors					
B Richardson	13,200,000	-	(1,000,000)	-	12,200,000
P G Knox	5,600,000	-	(400,000)	-	5,200,000
M van Uffelen	4,000,000	-	(400,000)	-	3,600,000
Other KMP					
T Kapfumo	-	-	-	-	-

On 22 July 2020, the Company issued 1,800,000 ordinary shares for nil consideration, as a result of the satisfaction of performance milestone – Tranche O, being completion of the PEA as at 30 June 2020.

The shares to be issued in the event of vesting of the Performance Rights shall rank pari-passu in all respects with other fully paid ordinary shares in the Company.

F. Option holdings of key management personnel

The movement during the reporting period in the number of options over ordinary shares held directly, indirectly or beneficially by each key management person, including their related parties, is as follows:

30 June 2021	Balance at start of the year	Granted	Exercised	Options Lapsed	Balance at end of the year	Vested and exercisable
Directors						
B Richardson	-	-	-	-	-	-
P G Knox	-	-	-	-	-	-
M van Uffelen	-	-	-	-	-	-
Other KMP						
T Kapfumo	-	-	-	-	-	-

Directors' Report (continued)

Remuneration report (audited) (continued)

G. Share holdings of key management personnel

The movement during the reporting period in the number of ordinary shares in the Company held directly, indirectly or beneficially by each key management person, including their related parties, is as follows:

30 June 2021	Balance at start of the year	Issued upon vesting of performance rights	On-market acquisitions/ (disposals)	Balance at end of the year
Directors				
B Richardson	24,094,223	1,000,000	-	25,094,223
P G Knox	14,758,270	400,000	-	15,158,270
M van Uffelen	83,000	400,000	-*	483,000
Other KMP				
T Kapfumo	58,824	-	(58,824)	-

*During the year Michael van Uffelen transferred 400,000 ordinary shares from a controlled entity to another related party.

H. Loans to Key Management Personnel

On 27 February 2014, the Company issued 3,000,000 shares at 1.4 cents per share to Key Management Personnel (KMPs) under a loan funded share plan approved at the Annual General Meeting of the Company held on 28 November 2013.

On 10 December 2014, the Company issued 5,000,000 shares at 1.3 cents per share to Key Management Personnel (KMPs) under a loan funded share plan approved at the Annual General Meeting of the Company held on 26 November 2014.

On 21 December 2015, the Company issued 4,250,000 shares at 0.9 cents per share to Key Management Personnel (KMPs) under a loan funded share plan approved at the Annual General Meeting of the Company held on 27 November 2015.

The cost of the loan funded share plan is recognised as a share-based payment expense. The terms of the loans are:

- Term of loan: 10 years.
- Interest rate: 8% per annum.
- Lien: The Company shall have a lien over the shares until the loan is repaid and the Company shall be entitled to sell the shares in accordance with the terms of the Employee Share Plan if the loan is not repaid when due.
- Payments in relation to shares: Any dividends or capital returns in relation to the shares shall be applied against repayment of the loan.
- Proceeds of sale: In the event of sale of the shares all sales proceeds shall be applied against repayment of the loan.

Limit of liability: The liability of the employee to repay the loan is limited to the payments received by the employee in relation to the shares and any proceeds from the disposal of the shares.

Directors' Report (continued)

Remuneration report (audited) (continued)

I. Other transactions and balances with Key Management Personnel

Other than the compensation show above there were no other transactions with KMPs or their associated entities during the year. No other transactions with key management personnel occurred during the year.

J. Use of remuneration consultants

The Group did not engage the services of a remuneration consultant during the year.

K. Voting and comments made at the Company's 2020 Annual General Meeting

At the 2020 AGM, no comments were made on the remuneration report considered at the meeting and votes cast against adoption of the remuneration report were fewer than the threshold of 25%.

END OF THE REMUNERATION REPORT

Signed in accordance with a resolution of the Directors:

Bruce Richardson
Executive Chairman and Chief Executive Officer

Perth, 30 September 2021

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Australia

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30 September 2021

Board of Directors
Anson Resources Limited
Level 1
35 Outram Street
West Perth WA 6005

Dear Directors

RE: ANSON RESOURCES LIMITED

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Anson Resources Limited.

As Audit Director for the audit of the financial statements of Anson 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.

Yours sincerely

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD

Martin Michalik
Director

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

	Note	Consolidated 2021 $	2020 $
Other Income			
Interest income		166	335
Other income		22,500	51,237
		22,666	51,572
Expenses			
Consultants		(119,386)	(33,267)
Depreciation	9	(111,955)	(158,019)
Director and employee benefits expenses		(1,088,715)	(1,260,340)
Exploration and evaluation costs		(1,413,658)	(1,055,559)
Foreign exchange gain		108,421	658
Loss on derivative instrument at fair value profit and loss	16	(1,070,196)	(2,610)
Interest expense		(276,411)	(142,020)
Occupancy costs		(109,306)	(133,992)
Project acquisition costs	13(a)	125,000	(193,388)
Share-based payment expenses	19	-	(82,901)
Travel and accommodation		(10,933)	(203,388)
Other expenses	2	(576,709)	(383,661)
Loss from continuing operations before income tax expense		(4,521,182)	(3,596,915)
Income tax expense	3	-	-
Loss from continuing operations after income tax expense		**(4,521,182)**	**(3,596,915)**
Other Comprehensive Income:			
Items that will not be reclassified subsequently to profit or loss			
Changes in fair value of financial assets – fair value OCI	18	87,545	(35,916)
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign subsidiaries	18	(233,023)	27,905
Total comprehensive loss for the year		**(4,666,660)**	**(3,604,926)**
Loss for the year attributable to members of the parent entity		**(4,521,182)**	**(3,596,915)**
Total comprehensive loss for the year attributable to members of the parent entity		**(4,666,660)**	**(3,604,926)**
Basic and diluted loss per share (cents per share)	5	**(0.54)**	**(0.60)**

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2021

	Note	Consolidated 2021 $	2020 $
CURRENT ASSETS			
Cash and cash equivalents	6	2,232,947	568,250
Trade and other receivables	7	21,466	23,803
Other assets	8	87,857	47,521
Total Current Assets		**2,342,270**	**639,574**
NON-CURRENT ASSETS			
Property, plant and equipment	9	201,363	193,113
Intangible assets	10	2,799,392	2,517,958
Financial assets - fair value OCI	11	130,594	94,810
Other assets	8	611,625	666,720
Total Non-Current Assets		**3,742,974**	**3,472,601**
TOTAL ASSETS		**6,085,244**	**4,112,175**
CURRENT LIABILITIES			
Trade and other payables	12	396,095	600,531
Provisions	13	91,128	179,650
Lease liabilities	14	63,450	112,488
Convertible note	15	674,113	553,882
Derivative financial liability	16	1,705,318	635,122
Total Current Liabilities		**2,930,104**	**2,081,673**
NON-CURRENT LIABILITIES			
Provisions	13	278,448	294,069
Lease liabilities	14	24,748	50,333
Total Non-current Liabilities		**303,196**	**344,402**
TOTAL LIABILITIES		**3,233,300**	**2,426,075**
NET ASSETS		**2,851,944**	**1,686,100**
EQUITY			
Contributed equity	17	26,657,184	21,838,998
Reserves	18	2,885,223	2,016,383
Accumulated losses		(26,690,463)	(22,169,281)
TOTAL EQUITY		**2,851,944**	**1,686,100**

The accompanying notes form part of these financial statements

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

	Note	Consolidated 2021 $	Consolidated 2020 $
Cash flows from Operating Activities			
Payments to suppliers and employees		(1,583,967)	(1,455,081)
Payments for acquisition of projects		-	(85,623)
Payments for exploration		(1,216,278)	(1,386,139)
Interest paid		(10,670)	(25,733)
Other income received		22,500	30,990
Net cash (used in) operating activities	26(i)	(2,788,415)	(2,921,586)
Cash Flows from Investing Activities			
Purchase of property, plant & equipment		(58,358)	(4,831)
Proceeds on the sale of property, plant & equipment		-	19,000
Proceeds from sale of financial assets – FVOCI		102,434	13,933
Proceeds from return of office rental bonds		-	10,782
Payments for refundable exploration bonds		-	(25,538)
Proceeds from return of refundable exploration bonds		-	124,663
Interest received		155	335
Payment for development expenditures		(1,164,542)	(1,594,640)
Net cash (used in) investing activities		(1,120,311)	(1,456,296)
Cash Flows from Financing Activities			
Proceeds from the issue of shares		4,613,800	2,100,000
Capital raising costs		(307,505)	(33,120)
Proceeds from exercise of options		1,373,078	-
Proceeds from issue of convertible note		-	1,089,554
Repayment of lease liabilities		(91,875)	(71,627)
Net cash provided by financing activities		5,587,498	3,084,807
Net increase/(decrease) in cash held		1,678,772	(1,293,075)
Cash at the beginning of the financial year		568,250	1,855,438
Effect of foreign exchange on amounts held in foreign currencies		(14,075)	5,887
Cash at the end of the financial year	6	2,232,947	568,250

The accompanying notes form part of these financial statements

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

Consolidated Group	Contributed Equity	Accumulated Losses	Share Based Payments Reserve	Financial Asset-Fair Value OCI Reserve	Foreign Currency Translation Reserve	Total
	$	$	$	$	$	$
Balance at 1 July 2019	**19,700,213**	**(18,572,366)**	**1,545,543**	**51,081**	**(187,337)**	**2,537,134**
Loss attributable to members of the parent entity	-	(3,596,915)	-	-	-	(3,596,915)
Change in fair value of financial assets – Fair Value OCI	-	-	-	(35,916)	-	(35,916)
Exchange differences on translation of foreign subsidiaries	-	-	-	-	27,905	27,905
Total comprehensive loss for the year	**-**	**(3,596,915)**	**-**	**(35,916)**	**27,905**	**(3,604,926)**
Transactions with owners in their capacity as owners:						
Issue of share capital	2,100,000	-	-	-	-	2,100,000
Shares issued for acquisition of an asset	300,000	-	-	-	-	300,000
Share issue costs	(261,215)	-	-	-	-	(261,215)
Issue of performance rights	-	-	338,041	-	-	338,041
Issue of options	-	-	277,066	-	-	277,066
Balance at 30 June 2020	**21,838,998**	**(22,169,281)**	**2,160,650**	**15,165**	**(159,432)**	**1,686,100**
Balance at 1 July 2020	**21,838,998**	**(22,169,281)**	**2,160,650**	**15,165**	**(159,432)**	**1,686,100**
Loss attributable to members of the parent entity	-	(4,521,182)	-	-	-	(4,521,182)
Change in fair value of financial assets – Fair Value OCI	-	-	-	87,545	-	87,545
Exchange differences on translation of foreign subsidiaries	-	-	-	-	(233,023)	(233,023)
Total comprehensive loss for the year	**-**	**(4,521,182)**	**-**	87,545	(233,023)	**(4,666,660)**
Transactions with owners in their capacity as owners:						
Issue of share capital	4,613,800	-	-	-	-	4,613,800
Share issue costs	(1,224,492)	-	-	-	-	(1,224,492)
Conversion of options	1,373,078	-	-	-	-	1,373,078
Conversion of performance rights	55,800	-	(55,800)	-	-	-
Vesting of performance rights	-	-	153,131	-	-	153,131
Issue of options	-	-	916,987	-	-	916,987
Balance at 30 June 2021	**26,657,184**	**(26,690,463)**	**3,174,968**	**102,710**	**(392,455)**	**2,851,944**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

i. Statement of Compliance

The financial report is a general-purpose financial report, which has been prepared in accordance with Australian Accounting Standards, including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board ("AASB") and the Corporations Act 2001 (Cth).

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 to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards as issued by the IASB. Material accounting policies adopted in the preparation of these financial statements are presented below. They have been consistently applied unless otherwise stated.

The financial report has also been prepared on an accruals basis and are based on historical cost basis other than for certain financial assets which are carried at fair value.

The financial report is presented in Australian dollars.

The Company has been an ASX listed public company since 6 July 2010 and is incorporated in Australia. It has operations in Australia and the United States of America. The principal activities are the exploration for minerals primarily for the extraction and development of lithium, bromine, iodine and boron chemicals from a project in the United States of America.

The financial statements were authorised for issue on 30 September 2021.

(b) Application of new and revised Accounting Standards

New standards and interpretations adopted

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

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

New standards and interpretations not yet adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2021. The consolidated entity has not yet assessed the impact of these new or amended Accounting Standards and Interpretations

(c) Statement of compliance

The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS).

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Basis of consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent (Anson Resources Limited) and its subsidiaries. Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. A list of the subsidiaries is provided in Note 21(a).

The assets, liabilities and results of all the 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 comprehensive income.

(e) Critical accounting judgements and key sources of estimation uncertainty

The preparation of the Group’s consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In the process of applying the Group’s accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements:

Determining the lease term of contracts with renewal and termination options – Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Group has a lease contract that includes an extension option. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

Share-based payment transactions:

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option or appreciation right, volatility and dividend yield and making assumptions about them.

The Group measures the cost of equity-settled share-based payments at fair value at the grant date using an option pricing model, taking into account the terms and conditions upon which the instruments were granted. The fair value is determined by a valuation using a Black Scholes Option Pricing Model, using the assumptions detailed in Note 19.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use.

The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

Deferred taxation

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, base level of future taxable profits together with future tax planning strategies.

Recovery of deferred tax assets

Deferred tax assets are recognised for deductible temporary differences only when management considers that it is probable that sufficient future tax profits will be available to utilise those temporary differences. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits over the next two years together with future tax planning strategies.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the consolidated statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow (DCF) model.

The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions relating to these factors could affect the reported fair value of financial instruments.

Leases - Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in a lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

(f) Cash and cash equivalents

Cash comprises cash at bank and in hand. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the Consolidated Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

(g) Trade and other receivables

Trade receivables are measured on initial recognition at fair value and are subsequently measured at amortised cost using the effective interest rate method, less provision for impairment. Trade receivables are generally due for settlement within periods ranging from 30 to 90 days.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Foreign currency translation

Both the functional and presentation currency of the Company is Australian dollars. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions in foreign currencies are initially recorded in the functional currency by applying the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date.

All exchange differences in the consolidated financial report are taken to profit or loss with the exception of differences on foreign currency borrowings that provide a hedge against a net investment in a foreign entity. These are taken directly to equity until the disposal of the net investment, at which time they are recognised in profit or loss.

Tax charges and credits attributable to exchange differences on those borrowings are also recognised in equity.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

The functional currency of the foreign operations, Tikal Minerals SA; A1 Lithium Inc., Paradox Lithium LLC and Blackstone Resources Inc is USD.

As at the reporting date the assets and liabilities of these subsidiaries are translated into the presentation currency of Anson Resources Limited at the rate of exchange prevailing at the balance date and their statements of profit or loss are translated at the average exchange rate for the year.

The exchange differences arising on the translation are taken directly to a separate component of equity.

On disposal of a foreign entity, the deferred cumulative amount recognised in equity relating to that particular foreign operation is recognised in profit or loss.

(i) Income tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

Deferred income tax is provided on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except:

- when the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the deductible temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

(j) Other taxes

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

- when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Consolidated Statement of Financial Position.

Cash flows are included in the Consolidated Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(k) Property, plant and equipment

Plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses. Such cost includes the cost of replacing parts that are eligible for capitalisation when the cost of replacing the parts is incurred. Similarly, when each major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement only if it is eligible for capitalisation.

Depreciation is calculated on a straight-line basis over the estimated useful life of the assets as follows:

Office Equipment – over 2 to 5 years

Computer Equipment – over 2.5 years

Motor vehicles – over 2 to 5 years

Plant and Equipment – over 2 to 5 years

Right to use Buildings – over 2 to 4 years

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end.

(i) Impairment

The carrying values of plant and equipment are reviewed for impairment at each reporting date, with the recoverable amount being estimated when events or changes in circumstances indicate that the carrying value may be impaired.

The recoverable amount of plant and equipment is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For an asset that does not generate largely independent cash inflows, recoverable amount is determined for the cash-generating unit to which the asset belongs, unless the asset's value in use can be estimated to be close to its fair value.

An impairment exists when the carrying value of an asset or cash-generating units exceeds its estimated recoverable amount. The asset or cash-generating unit is then written down to its recoverable amount.

For plant and equipment, impairment losses are recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

(ii) De-recognition and disposal

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

(l) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income in the expense category that is consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statement of profit or loss and other comprehensive income.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Research and development costs

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Group can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation is recorded in cost of sales. During the period of development, the asset is tested for impairment annually.

(m) Financial Instruments - Initial recognition and subsequent measurement

(i) Financial assets

Initial recognition and measurement

Financial assets are classified at initial recognition and subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under AASB 15.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

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

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial assets at amortised cost (debt instruments)

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

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

The Group's financial assets at amortised cost includes trade and other receivables.

Financial assets at fair value through OCI (debt instruments)

The Group measures debt instruments at fair value through OCI if both of the following conditions are met:

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

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost.

The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under AASB 132 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Group elected to classify irrevocably its listed equity investments under this category.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the consolidated statement of financial position at fair value with net changes in fair value recognised in the consolidated statement of profit or loss and other comprehensive income.

This category includes derivative instruments and any listed equity investments which the Group decides not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are also recognised as other income in the statement of profit or loss when the right of payment has been established.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if: the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

A derivative embedded within a hybrid contract containing a financial asset host is not accounted for separately. The financial asset host together with the embedded derivative is required to be classified in its entirety as a financial asset at fair value through profit or loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired; Or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

For debt instruments at fair value through OCI, the Group applies the low credit risk simplification. At every reporting date, the Group evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Group reassesses the internal credit rating of the debt instrument. In addition, the Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

(ii) Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

The Group's financial liabilities include trade and other payables, loans and borrowings including a convertible note, and derivative financial instruments.

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by AASB 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in AASB 9 are satisfied. The Group has designated the convertible note embedded derivative liability as at fair value through profit or loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included as finance costs in the statement of profit or loss.

This category generally applies to interest-bearing loans and borrowings.

Convertible Notes

Convertible notes are recognised as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

Derecognition

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(iii) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(n) Impairment of assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset unless the asset is carried at revalued amount (in which case the impairment loss is treated as a revaluation decrease).

An assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

(o) Trade and other payables

Trade payables and other payables are carried at amortised costs and represent liabilities for goods and services provided to the Group prior to the end of the period that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services.

(p) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability.

When discounting is used, the increase in the provision due to the passage of time is recognised as a borrowing cost.

Provision for Rehabilitation

In accordance with the Group's environmental policy and applicable legal requirements, a provision for site rehabilitation is recognised in respect of the estimated cost of rehabilitation, decommissioning and restoration of the area disturbed during mining activities up to the reporting date but not yet rehabilitated.

When the liability is initially recognised, the estimated cost is included within exploration expenditure. At each reporting date the site rehabilitation provision is re-measured to reflect any changes in discount rates and timing or amounts of the costs to be incurred. Additional disturbances or changes in rehabilitation costs will be recognised as additions or changes to the corresponding exploration expenditure and rehabilitation provision, prospectively from the date of change.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Employee entitlements

A current liability is recognised for the amount expected to be paid an employee for annual leave they are presently entitled to as a result of past service. The liability includes allowances for on-costs such as superannuation and payroll taxes as well as any future salary and wage increases that the employee may be reasonably entitled to.

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service up to reporting date, plus related on costs. The benefit is discounted to determine its present value and the discount rate is the yield at reporting date on high-quality corporate bonds that have maturity dates approximating the terms of the Group's obligations.

(q) Employee leave benefits

(i) Wages, salaries, annual leave and sick leave

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

(ii) Long service leave

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures, and period of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

(r) Share-based payment transactions

The Group provides benefits to directors, employees (including senior executives) and consultants of the Group in the form of share-based payments, whereby services are rendered in exchange for shares or rights over shares (equity-settled transactions).

The cost of these equity-settled transactions with employees is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by an internal valuation model, further details of which are given in Note 19.

In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of Anson Resources Limited (market conditions) if applicable.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or 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 (i) the extent to which the vesting period has expired and (ii) the Group's best estimate of the number of equity instruments that will ultimately vest. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. The statement of comprehensive income charge or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is only conditional upon a market condition. If the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee, as measured at the date of modification.

If an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of earnings per share (see Note 5).

The value of shares issued to employees financed by way of a non-recourse loan under the Employee Share Plan is recognised with a corresponding increase in equity when the Company receives funds from either the employees repaying the loan or upon the loan termination. All shares issued under the plan with non-recourse loans are considered, for accounting purposes, to be options.

(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) Earnings/(loss) per share

Basic earnings/(loss) per share is calculated as net profit/(loss) attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted earnings/(loss) per share is calculated as net profit/(loss) attributable to members of the parent, adjusted for:

- costs of servicing equity (other than dividends) and preference share dividends;
- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares; divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

(u) Exploration and evaluation expenditure

Exploration and evaluation costs are expensed as incurred. Acquisition costs will normally be expensed but will be assessed on a case by case basis and if appropriate may be capitalised. These acquisition costs are only carried forward to the extent that they are expected to be recouped through the successful development or sale of the area. Accumulated acquisition costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

The carrying values of acquisition costs are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

(v) Fair value of assets and liabilities

The Group measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the Group would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques.

These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (ie the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (ie the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

Valuation techniques

In the absence of an active market for an identical asset or liability, the Group selects and uses one or more valuation techniques to measure the fair value of the asset or liability, The Group selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Group are consistent with one or more of the following valuation approaches:

- Market approach: valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.
- Income approach: valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.
- Cost approach: valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Group gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

Fair value hierarchy

AASB 13 requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1

Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2

Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3

Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

The Group would change the categorisation within the fair value hierarchy only in the following circumstances:

- if a market that was previously considered active (Level 1) became inactive (Level 2 or Level 3) or vice versa; or
- if significant inputs that were previously unobservable (Level 3) became observable (Level 2) or vice versa.

When a change in the categorisation occurs, the Group recognises transfers between levels of the fair value hierarchy (i.e. transfers into and out of each level of the fair value hierarchy) on the date the event or change in circumstances occurred.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(w) Leases

For any new contracts entered into on or after 1 July 2018, the Group considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition the Group assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Group
- the Group has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract
- the Group has the right to direct the use of the identified asset throughout the period of use. The Group assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

Measurement and recognition of leases as a lessee

At lease commencement date, the Group recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

On the statement of financial position, right-of-use assets have been included in property, plant and equipment and lease liabilities have been shown separately.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(x) Going concern

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

Based upon the Group's existing cash resources, the Directors consider there are reasonable grounds to believe that the Group will be able to continue as a going concern after consideration of the following factors:

- The Group has cash reserves of $2,232,947 at 30 June 2021;
- The Group has no loans or borrowings;
- The Group has the ability to adjust its expenditure outlays subject to results of its exploration activities and the Group's funding position; and
- The Directors regularly monitor the Group's cash position and on an on-going basis consider a number of strategic and operational plans to ensure that adequate funding continues to be available for the Group to meet its business objectives.

The Directors believe that the above indicators demonstrate that the Group will be able to pay its debts as and when they fall due and continue as a going concern. Therefore, the Directors believe it is appropriate to adopt the going concern basis for the preparation of the Group's 2021 annual financial report.

NOTE 2: OTHER EXPENSES

	Consolidated	
	2021	**2020**
	$	**$**
Compliance costs	115,818	71,009
Conference costs	16,166	-
Legal fees	48,027	55,284
Printing and postage	18,579	26,273
Audit fees	49,081	29,625
Gain on sale of property plant and equipment	-	(12,273)
Insurance	55,823	73,726
Share registry costs	38,509	16,330
Website and IT costs	8,660	42,080
Sundry expenses	226,046	81,607
Total other expenses	**576,709**	**383,661**

NOTE 3: INCOME TAX

(a)	**Income tax benefit**	-	-
	No income tax is payable by the parent or consolidated entities as they recorded losses for income tax purposes for the financial year.		
(b)	**Numerical reconciliation between income tax benefit and pre-tax net loss**		
	Loss before income tax benefit	(4,521,182)	(3,596,915)
	Income tax calculated at 26% (2020: 27.5%)	(1,175,507)	(989,152)
	Tax effect of:		
	Cost of equity settled awards	39,814	92,961
	Sundry amounts	14,847	7,986
	Section 40-880 deduction	(137,246)	(89,395)
	Exploration acquisition costs (reversed)/incurred	(32,500)	53,182
	Derivative FVPL	278,251	-
	Future income tax benefit not brought to account	1,012,341	924,418
	Income tax benefit	**-**	**-**
(c)	**Tax losses**		
	Unused tax losses for which no deferred tax asset has been recognised (as recovery is currently not probable)		
	Potential at 25% (2020: 27.5%)	6,602,177	5,628,773
(d)	**Unrecognised temporary differences**		
	Temporary differences for which deferred tax assets have not been recognised (at 25%; 2020: 27.5%):		
	Accruals	8,233	17,453
	Section 40-880 deduction	137,246	89,395
	Unrecognised deferred tax assets relating to the above temporary differences	145,479	106,848

The potential tax benefit at 30 June 2021 in respect of tax losses not brought into account has been calculated at 25%. A rate of 27.5% was applied for the year ended 30 June 2020.

NOTE 4: SEGMENT REPORTING

Identification of reportable segments

The Group operates predominantly in the mineral exploration industry in Australia and USA. Inter-segment transactions are priced at cost to the Consolidated Group.

The Group has identified its operating segments based on monthly internal reports. Management has identified the operating segments based on the two principal locations of its projects – Australia and the United States of America ("USA"). The Group also maintains a treasury function primarily responsible for overall management of the operating segments, raising capital and distributing funds to operating segments.

Segment assets include the costs to acquire tenements (where applicable) and the capitalised development costs of those tenements. Financial assets including cash and cash equivalents, and investments in financial assets, are reported in the Corporate segment.

Basis of accounting for purposes of reporting by operating segments

Accounting policies adopted

Unless stated otherwise, all amounts reported to the board of directors, being the chief decision maker with respect to operating segments, are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Group.

Inter-segment transactions

An internally determined transfer price is set for all inter-segment sales. This price is reset quarterly and is based on what would be realised in the event the sale was made to an external party at arm's length. All such transactions where applicable are eliminated on consolidation of the Group's financial statements.

Corporate charges, where applicable are allocated to reporting segments based on the segments' overall proportion of revenue generation within the Group. The board of directors believes this is representative of likely consumption of head office expenditure that should be used in assessing segment performance and cost recoveries.

Inter-segment loans payable and receivable are initially recognised at the consideration received/to be received net of transaction costs. If inter-segment loans receivable and payable are not on commercial terms these are not adjusted to fair value based on market interest rates. This policy represents a departure from that applied to the statutory financial statements.

Segment assets

Where an asset is used across multiple segments, the asset is allocated to that segment that receives majority economic value from that asset. In the majority of instances, segment assets are clearly identifiable on the basis of their nature and physical location.

Segment liabilities

Liabilities are allocated to segments where there is a direct nexus between the incurrence of the liability and the operations of the segment. Borrowings and tax liabilities are generally considered to relate to the Group as a whole and are not allocated. Segment liabilities include trade and other payables and certain direct borrowings.

Unallocated items

The following items of expenses, assets and liabilities are not allocated to operating segments as they are not considered part of the core operations of any segment:

- Non-exploration impairment of assets and other non-recurring items of revenue or expense
- Income tax expense
- Deferred tax assets and liabilities
- Current tax liabilities
- Other financial assets and liabilities

NOTE 4: SEGMENT REPORTING (Continued)

For the year ended 30 June 2021	Mineral Exploration Australia $	Mineral Exploration USA $	Corporate $	Total $
Segment revenue	-	-	166	166
Segment loss/profit results	(13,311)	(1,275,599)	45,924	(1,242,986)
Amounts not included in segment results but reviewed by the board:				
Expenses not directly allocable to identified segments or areas of interest				
Depreciation				(111,955)
Consultants				(119,386)
Director and employee expenses				(1,088,715)
Interest Expense				(276,411)
Occupancy				(109,306)
Share based payment expense				-
Travel and accommodation				(10,933)
Foreign exchange gain				108,421
Other expenses				(1,669,911)
Loss after income tax				**(4,521,182)**
AS AT 30 JUNE 2021				
Segment assets	-	3,386,859	2,353,854	5,740,713
Unallocated assets:				
Trade and other receivables				21,466
Plant and equipment				201,363
Other assets				121,702
Total Assets				**6,085,244**
Segment asset increases for the year				
Capital expenditure – development	-	281,434	-	281,434
Total segment asset increases for the year	**-**	**281,434**	**-**	**281,434**
Segment Liabilities	6,245	268,448	2,379,431	2,654,124
Unallocated liabilities:				
Trade and other payables				389,850
Provisions				101,128
Financial liabilities				88,198
Total Liabilities				**3,233,300**

NOTE 4: SEGMENT REPORTING (Continued)

For the year ended 30 June 2020	Mineral Exploration Australia $	Mineral Exploration USA $	Corporate $	Total $
Segment revenue	-	-	335	335
Segment loss results	(241,303)	(993,449)	(90,448)	(1,325,200)
Amounts not included in segment results but reviewed by the board:				
Expenses not directly allocable to identified segments or areas of interest				
Depreciation				(158,019)
Consultants				(33,267)
Director and employee expenses				(1,260,340)
Loss on derivative instrument at FVPL				(2,610)
Occupancy				(133,992)
Share based payment expense				(82,901)
Travel and accommodation				(203,388)
Foreign exchange gain				658
Other expenses				(397,856)
Loss after income tax				**(3,596,915)**
AS AT 30 JUNE 2020				
Segment assets	-	3,184,681	636,590	3,821,271
Unallocated assets:				
Trade and other receivables				23,803
Plant and equipment				193,113
Other assets				73,988
Total Assets				**4,112,175**
Segment asset increases for the year				
Capital expenditure – development	-	1,422,132	-	1,422,132
Total segment asset increases for the year	**-**	**1,422,132**	**-**	**1,422,132**
Segment Liabilities	6,269	613,628	1,189,004	1,808,901
Unallocated liabilities:				
Trade and other payables				274,703
Provisions				179,650
Financial liabilities				162,821
Total Liabilities				**2,426,075**

NOTE 5: LOSS PER SHARE

	Consolidated 2021	Consolidated 2020
Basic loss per share (cents per share)	(0.54)	(0.60)
Diluted loss per share (cents per share)	(0.54)	(0.60)

The loss and weighted average number of ordinary shares used in the calculation of basic loss per share is as follows:

	$	$
Loss for the year	(4,521,182)	(3,596,915)
	No.	**No.**
Weighted average number of shares outstanding during the year used in calculations of basic and diluted loss per share:	835,229,050	597,769,997

There is no dilution of shares due to options, performance rights and the convertible note, as the potential ordinary shares are not dilutive and therefore not included in the calculation of diluted loss per share.

NOTE 6: CASH AND CASH EQUIVALENTS

	Consolidated 2021 $	Consolidated 2020 $
Cash at bank and term deposits	2,232,947	568,250
	2,232,947	568,250

Cash at bank earns interest at floating rates based on daily bank deposit rates.
The Group's exposure to interest rate risk and a sensitivity analysis for financial assets and liabilities are disclosed in note 25(a).

As at 30 June 2021, The Group's cash and cash equivalents denominated in USD amounted to $118,686 (2020: 269,992).

NOTE 7: TRADE AND OTHER RECEIVABLES

	Consolidated 2021 $	Consolidated 2020 $
Current		
GST recoverable	10,966	3,556
Other receivables	10,500	20,247
	21,466	23,803

NOTE 8: OTHER ASSETS

	Consolidated 2021 $	Consolidated 2020 $
Current		
Prepayments	78,173	37,837
Office lease security deposits	9,684	9,684
	87,857	47,521
Non-current		
Office lease security deposits	24,161	26,467
Exploration bonds	587,464	640,253
	611,625	666,720

As at 30 June 2021, The Group's other assets denominated in USD amounted to $611,625 (2020: 666,720)

NOTE 9: PROPERTY, PLANT AND EQUIPMENT

	Consolidated 2021 $	Consolidated 2020 $
At cost	535,002	464,687
Accumulated depreciation	(333,639)	(271,574)
	201,363	193,113

	Right of Use Buildings $	Motor Vehicles $	Plant and Equipment $	Office Equipment $	Total $
Cost					
As at 1 July 2019	265,478	82,378	79,494	52,031	479,381
Additions	-	-	-	4,831	4,831
Disposals	-	(28,378)	-	-	(28,378)
Exchange differences	3,353	2,738	2,635	127	8,853
At 30 June 2020	**268,831**	**56,738**	**82,129**	**56,989**	**464,687**
Additions	48,170	46,162	6,650	3,602	104,584
Disposals	-	-	-	-	-
Exchange differences	(19,030)	(4,942)	(7,155)	(3,142)	(34,269)
As at 30 June 2021	**297,971**	**97,958**	**81,624**	**57,449**	**535,002**
Depreciation and impairment					
As at 1 July 2019	29,450	33,628	50,817	22,504	136,399
Depreciation charge for the year	98,039	15,146	21,525	23,309	158,019
Disposals	-	(23,386)	-	-	(23,386)
Exchange differences	411	17	81	33	542
As at 30 June 2020	**127,900**	**25,405**	**72,423**	**45,846**	**271,574**
Depreciation charge for the year	77,569	21,716	4,901	7,769	111,955
Disposals	-	(44,545)	-	-	(44,545)
Exchange differences	4,577	-	(6,926)	(2,996)	(5,345)
As at 30 June 2021	**210,046**	**2,576**	**70,398**	**50,619**	**333,639**
Net Book Value					
As at 30 June 2020	140,931	31,333	9,706	11,143	193,113
As at 30 June 2021	87,925	95,382	11,226	6,830	201,363

Included in the net carrying amount of property, plant and equipment are right-of-use assets as follows:

	Consolidated 2021 $	Consolidated 2020 $
Right of Use Buildings	87,926	140,931
	87,926	140,931

Depreciation in relation to right-of-use assets during the year was $77,569 (2020: $98,039)

NOTE 9: PROPERTY, PLANT AND EQUIPMENT (continued)

During the year, an office lease was extended after the initial term has ended for a period of a further two years. This addition to write of use assets was measured at its carrying value at the commencement date and the incremental borrowing rate applied to corresponding lease liability was 4%.

The useful life of the assets were estimated as follows for 2021 and 2020

Right of Use Buildings	2-4 years
Motor vehicles	2-5 years
Plant and equipment	2-5 years
Office equipment	2-5 years

NOTE 10: INTANGIBLE ASSETS

	Consolidated	
	2021	2020
	$	$
Development costs	2,799,392	2,517,958
	2,799,392	2,517,958

	Consolidated	
	2021	2020
Reconciliation of movements during the year:	$	$
Balance at the beginning of the year	2,517,958	1,095,826
Development costs capitalised	281,434	1,422,132
	2,799,392	2,517,958

During the year the Group continued the development of its bromine and lithium extraction process flowsheet including metallurgical testing test work that produced bromine, lithium carbonate and lithium hydroxide and advanced engineering studies at its Paradox Brine Project in Utah, USA.

The recoverability of the carrying amount of the development costs is dependent on the successful development and commercial exploitation or sale of chemical products of the project.

Capitalised development costs will be amortised over the expected useful life of the intangible asset once full commercialisation of production commences.

NOTE 11: FINANCIAL ASSETS – FAIR VALUE OCI

	Consolidated	
	2021	2020
	$	$
Non-Current		
Shares in listed entities	130,594	94,810
	130,594	94,810
Shares in listed entities		
Opening balance	94,810	146,833
Disposals	(48,541)	(15,253)
Movements in fair value	87,545	(35,916)
Movements in foreign currency	(3,220)	(854)
	130,594	94,810

These listed entities shares have been valued using quoted prices in active markets. The fair value of these shares is denominated in Canadian Dollars.

NOTE 12: TRADE AND OTHER PAYABLES

	Consolidated	
	2021	2020
Current	$	$
Trade payables	275,709	483,272
Other payables	15,395	29,613
Accruals	31,666	63,467
Convertible note interest payable	73,325	24,179
	396,095	600,531

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

As at 30 June 2021, The Group's trade and other payables denominated in USD amounted to $116,009 (2020: $452,915).

NOTE 13: PROVISIONS

		Consolidated	
		2021	2020
		$	$
Current			
Employee entitlements		91,128	44,650
Project acquisition	a	-	125,000
Rehabilitation	b	-	-
Make good	c	-	10,000
		91,128	179,650
Non-current			
Make good	c	10,000	-
Rehabilitation	b	268,448	294,069
		278,448	294,069

a. The Group has recognised a provision for the estimated costs required in relation to hurdles pursuant to an agreement entered into for the acquisition of the Paradox Lithium Brine Project. During the year, a court case in relation to the original acquisition of the Paradox Lithium Brine Project was settled, and as a result, these offer shares have been reversed.

b. The rehabilitation provision relates to the Group's rehabilitation obligations in the United States. Such activities include dismantling infrastructure; removal of waste material and land rehabilitation. The provision is shown at its present value taking into account the time value of money.

c. This relates to the estimated cost of making good the premises in relation to the lease entered into during the year.

NOTE 14: LEASE LIABILITIES

	Consolidated	
	2021 $	2020 $
Current	63,450	112,488
Non-Current	24,748	50,333
	88,198	162,821

The Group has leases for its offices and some IT equipment. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. Variable lease payments which do not depend on an index or a rate (such as lease payments based on a percentage of Group sales) are excluded from the initial measurement of the lease liability and asset. The Group classifies its right-of-use assets in a consistent manner to its property, plant and equipment (see Note 9).

Each lease generally imposes a restriction that, unless there is a contractual right for the Group to sublet the asset to another party, the right-of-use asset can only be used by the Group. Leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee. Some leases contain an option to purchase the underlying leased asset outright at the end of the lease, or to extend the lease for a further term. The Group is prohibited from selling or pledging the underlying leased assets as security.

For leases over office buildings the Group must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease. Further, the Group must insure items of property, plant and equipment and incur maintenance fees on such items in accordance with the lease contracts.

The table below describes the nature of the Group's leasing activities by type of right-of-use asset recognised on balance sheet:

Right of use asset	Number leased	Range of remaining term	Average remaining term	Leases with extension options	Leases with purchase option
Office Building	2	1-2yrs	1.50yrs	1	nil

The lease liabilities are secured by the related underlying assets. Future minimum lease payments at 30 June 2021 and 2020 were as follows:

			Minimum lease payments due				
	Within 1 Year ($)	1-2 Years ($)	2-3 Years ($)	3-4 Years ($)	4-5 Years ($)	After 5 Years ($)	Total ($)
30 June 2021							
Lease payments	67,122	25,199	-	-	-	-	92,321
Finance Charges	(3,672)	(451)	-	-	-	-	(4,123)
Net present values	**63,450**	**24,748**	**-**	**-**	**-**	**-**	**88,198**

NOTE 14: LEASE LIABILITIES (continued)

			Minimum lease payments due				
	Within 1 Year ($)	**1-2 Years ($)**	**2-3 Years ($)**	**3-4 Years ($)**	**4-5 Years ($)**	**After 5 Years ($)**	**Total ($)**
30 June 2020							
Lease payments	126,399	53,904	-	-	-	-	179,803
Finance Charges	(13,911)	(3,071)	-	-	-	-	(16,982)
Net present values	**112,488**	**50,333**	**-**	**-**	**-**	**-**	**162,821**

Lease payments not recognised as a liability

The Group has elected not to recognise a lease liability for short term leases (leases with an expected term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis. In addition, certain variable lease payments are not permitted to be recognised as lease liabilities and are expensed as incurred.

The expense relating to payments not included in the measurement of the lease liability is as follows:

	Consolidated	
	2021	**2020**
	($)	**($)**
Short term leases	11,898	34,684
Leases of low value assets	3,510	4,885
	15,408	39,569

The interest expense on lease liabilities during the year was $13,668 (2020: $25,733).

As at 30 June 2021, The Group's lease liabilities denominated in USD amounted to $41,788 (2020: $141,399).

NOTE 15: CONVERTIBLE NOTE

On 21 January 2020, the Company completed the issue of a convertible note to its strategic investor, Chia Tai Xingye International, Zhongfan Group (Chia Tai).

The convertible note is unsecured; has a face value of US$750,000; and matures on 20 January 2023. The convertible note has a coupon interest rate of 5% per annum. Chia Tai may convert the note into fully paid ordinary shares at a conversion price of A$0.028 per share at any time before maturity date and the Company may redeem the notes at any time before conversion.

The conversion feature of the note is required to be separated from the note and is accounted for a as derivative financial liability. The fair value of the embedded derivative at the time of issuance was $632,512 and was recorded at a discount for purposes of accounting for the debt component of the notes. The discount is amortised as interest expense using the effective interest method over the term of the convertible note.

The principal amount, unamortised debt discount and net carrying amount of the liability component of the convertible note as at year end is as follows:

	Consolidated	
	2021	**2020**
	$	**$**
Principal amount	997,606	1,092,817
Unamortised debt discount	(323,493)	(538,935)
Carrying value	674,113	553,882

Coupon interest expense and amortisation of debt discount for the year is as follows:

	Consolidated	
	2021	**2020**
	$	**$**
Coupon interest expense	49,146	24,179
Amortisation of debt discount	215,442	93,577
Total finance expense on convertible note	264,588	117,756

NOTE 16: DERIVATIVE FINANCIAL LIABILITY

The Group's derivative financial liability consists of the conversion feature of the convertible note issued during the year (See Note 15).

The fair value of this conversion feature is determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. Inputs into the valuation include share price volatility and time to expiration. At initial recognition, the proceeds received on issue of the convertible note are split between the host debt contract and the embedded derivative liability. The embedded derivative liability is calculated first and the residual value is assigned to the debt host liability component.

The conversion feature derivative liability represents an embedded derivative financial instrument in the host debt contract. The conversion feature represents the Group's obligation to issue Anson Resources Limited shares should the note holder exercise their conversion option. The embedded conversion derivative is carried in the Consolidated Statement of Financial Position at its estimated fair value and adjusted at the end of each reporting period, with any unrealised gain or loss reflected in the Consolidated Statement of Profit or Loss and Other Comprehensive Income. During the year, the Group recognised $1,070,196 (2020: $2,610) revaluation loss in the Consolidated Statement of Profit or Loss and Other Comprehensive Income relating to the conversion feature derivative.

The fair value at year end is shown below:

	Consolidated	
	2021	**2020**
	$	**$**
Derivative financial liability (conversion feature on convertible note)	1,705,318	635,122
Total derivative financial liability	1,705,318	635,122

NOTE 17: CONTRIBUTED EQUITY

	Consolidated	
	2021	**2020**
	$	**$**
Paid up capital – ordinary shares	30,659,297	24,616,619
Capital raising costs	(4,002,113)	(2,777,621)
	26,657,184	21,838,998

NOTE 17: CONTRIBUTED EQUITY (continued)

(a) Ordinary shares

	Number of shares	$
2021 movements in ordinary share capital:		
Balance at 1 July 2020	662,461,778	21,838,998
Issue of shares via private placement at $0.0185 each	62,702,704	1,160,000
Issue of shares via share purchase plan at $0.0185 each	56,486,587	1,045,000
Issue of shares on conversion of performance rights at $0.031 each	1,800,000	55,800
Issue of shares via private placement at $0.028 each	86,028,573	2,408,800
Issue of shares on conversion of unlisted options at $0.056 each	24,088,000	1,348,928
Issue of shares on conversion of listed options at $0.035 each	690,000	24,150
Capital raising costs (i)	-	(1,224,492)
Balance at 30 June 2021	894,257,642	26,657,184
2020 movements in ordinary share capital:		
Balance at 1 July 2019	549,961,778	19,700,213
Issue of shares via private placement at $0.03 each	50,000,000	1,500,000
Issue of shares via private placement at $0.012 each	50,000,000	600,000
Issue of shares to vendors for acquisition of State Exploration Pty Ltd	12,500,000	300,000
Capital raising costs	-	(261,215)
Balance at 30 June 2020	662,461,778	21,838,998

(i) Included in the capital raising costs is the value of 5,000,000 and 24,088,000 options issued to the underwriters of the share purchase plan which amounted to $916,987

NOTE 17: CONTRIBUTED EQUITY (continued)

(b) Share options

	Note (i)	*Note (ii)*	*Note (iii)*	*Note (iv)*	*Note (v)*	*Note (vi)*	*Note (vii)*
2021							
Balance at 1 July 2020	5,681,819	10,000,000	11,514,105	10,000,000	62,500,000	-	-
Issued during the year	-	-	-	-	-	24,088,000	5,000,000
Exercised during the year	-	-	-	-	(690,000)	(24,088,000)	-
Expired during the year	(5,681,819)	(10,000,000)	-	-	-	-	-
Balance at 30 June 2021	-	-	11,514,105	10,000,000	61,810,000	-	5,000,000
2020							
Balance at 1 July 2019	5,681,819	10,000,000	11,514,105	-	-	-	-
Issued during the year	-	-		10,000,000	62,500,000	-	-
Exercised during the year	-	-		-	-	-	-
Expired during the year	-	-		-	-	-	-
Balance at 30 June 2020	5,681,819	10,000,000	11,514,105	10,000,000	62,500,000	-	-

(i) Unlisted options exercisable at 20c each on or before 18/07/20 issued as part of a private placement. These options expired during the year.

(ii) Unlisted options exercisable at 20c each on or before 18/07/20 issued to brokers as part of fees of raising capital. These options expired during the year.

(iii) Unlisted options exercisable at 8.7c each on or before 16/05/22 issued as part of an equity placement agreement.

(iv) Unlisted options exercisable at 6c each on or before 10/09/21 issued as part of an equity placement agreement.

(v) Listed options exercisable at 3.5c each on or before 30/06/23 issued as part of an equity placement agreement. During the year 690,000 listed options were exercised and converted into ordinary shares at $0.035 each.

(vi) Unlisted options issued 04/12/20, exercisable at 5.6c each on or before 04/12/22 issued as part of an equity placement agreement. During the year, these options were exercised and converted into ordinary shares at $0.0555 each.

(vii) Unlisted options issued 29/01/21, exercisable at 5.55c each on or before 30/06/23 issued as part of an equity placement agreement.

Refer Note 19(a) for further details of options granted by the Company.

(c) Performance Rights

		2021 (No.)	**2020 (No.)**
Opening balance		22,800,000	6,200,000
Issued during the year	a. b.	-	16,600,000
Vested during the year	c.	(1,800,000)	-
Closing balance		21,000,000	22,800,000

NOTE 17: CONTRIBUTED EQUITY (continued)

a. No performance shares were issued during the year.

b. In the prior year the 16,600,000 Performance Rights were issued with the following vesting milestones:

i. 1.8m on passing first stage battery/cathode manufacturer lithium chemical acceptance testing;
ii. 2.2m on securing an off-take agreement for lithium and / or bromine chemicals;
iii. 1.8m on securing funding for a full-scale production plant;
iv. 1.8m on completing a scoping or pre-feasibility study for lithium and / or bromine chemicals. This milestone was met during the year;
v. 2m on securing an off-take agreement(s) for chemical products other than lithium or bromine from the Paradox Brine project. This milestone was assessed to be unachievable and hence no expense has been recognized from date of grant.
vi. 2m on securing a strategic investor to finance boron, bromine and/or iodine production in an on-site pilot plant program
vii. 2.6m on divestment, joint venture or financing of any project; and
viii. 2.4m on establishing a JORC Resource for a mineral exploration project other than the Paradox Brine Project.

c. These Performance Rights vested and were converted to ordinary shares as a result of the following performance hurdles being achieved:

i. 1.8m on completing a scoping or pre-feasibility study for lithium and / or bromine chemicals.

Refer Note 19(b) for further details of Performance Rights granted by the Company.

NOTE 18: RESERVES

The following table shows a breakdown of the Consolidated Statement of Financial Position line item 'Reserves' and the movements in these reserves during the year. A description of the nature and purpose of each reserve is provided below the table.

	Share-based payments $	Financial Assets – FVOCI $	Foreign currency translation $	Total reserves $
As at 1 July 2020	2,160,650	15,165	(159,432)	2,016,383
Foreign currency translation of subsidiary	-	-	(233,023)	(233,023)
Revaluation of financial assets	-	87,545	-	87,545
Issue of options	916,987	-	-	916,987
Vesting of Performance Rights	153,131	-	-	153,131
Conversion of Performance Rights	(55,800)	-	-	(55,800)
As at 30 June 2021	3,174,968	102,710	(392,455)	2,885,223

	Share-based payments $	Financial Assets – FVOCI $	Foreign currency translation $	Total reserves $
As at 1 July 2019	1,545,543	51,081	(187,337)	1,409,287
Foreign currency translation of subsidiary	-	-	27,905	27,905
Revaluation of financial assets		(35,916)	-	(35,916)
Issue of options	277,066	-	-	277,066
Issue of Performance Rights	338,041	-	-	338,041
As at 30 June 2020	2,160,650	15,165	(159,432)	2,016,383

NOTE 18: RESERVES (continued)

Share-based payments reserve

The share-based payment reserve represents the fair value of the actual or estimated number of unexercised share options and performance rights granted to management and consultants of the Company recognised in accordance with the accounting policy adopted for share-based payments and the cash price of rights options issued to investors and the proceeds raised from the issue of options under an entitlement issue.

Financial Assets - FVOCI

Changes in the fair value and exchange differences arising on translation of financial assets that are classified as fair value through other comprehensive income (FVOCI), are recognised in other comprehensive income and accumulated in a separate reserve within equity. Amounts are not reclassified to profit or loss when the associated assets are sold or impaired.

Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries.

NOTE 19: SHARE BASED PAYMENTS

(a) Options

During the year, the following options were granted to brokers and equity providers in consideration for services provided in managing and assisting with raising capital.

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Risk free rate	Dividend yield	Number of options	Value per Option	Total Value $	Vesting terms
04/12/2020	04/12/22	$0.034	$0.056	137%	0.12%	0%	24,088,000	$0.0198	477,263	Immediately
29/01/2021	30/06/23	$0.100	$0.0555	168%	0.11%	0%	5,000,000	$0.0879	439,724	Immediately
									916,987	

The fair value of the equity-settled share options granted is estimated as at the date of grant using the Black Scholes model taking into account the terms and conditions upon which the options and shares were granted, unless the share options are listed and have a quoted market price.

The fair value of the options granted are recognised as capital raising costs.

The Black Scholes Option Pricing Model assumes that the securities the subject of the valuation can be sold on a secondary market. The terms and conditions of the Options state that no application will be made for the Shares to be listed for official quotation on ASX, until certain milestones are met. Accordingly, a discount for lack of marketability is required to determine an indicative fair value of the Options.

For the purposes of arriving at an appropriate discount rate, the Company has considered:

- that discounts have traditionally been applied in the range of 10% to 30% to reflect the non-negotiability of unlisted equities; and
- the fact that the Securities will be unlisted.

The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome. No other features of options granted were incorporated into the measurement of fair value.

In addition, a further 50,000,000 free attaching options were granted during the year, with a weighted average exercise price of 3.5 cents and expiring on 30 June 2023. These were issued as part of a private placement. None were exercised during the year.

NOTE 19: SHARE BASED PAYMENTS (continued)

Options issued in prior year

During the prior year, the following options were granted to brokers and equity providers in consideration for services provided in managing and assisting with raising capital.

Class	Grant Date	Expiry Date	Exercise Price	Number of Options granted
Unlisted Options	12 Nov 2019	10 Sept 2021	$0.060	10,000,000
Unlisted Options	24 June 2020	30 June 2023	$0.035	12,500,000

The fair value of the equity-settled share options granted is estimated as at the date of grant using the Black Scholes model taking into account the terms and conditions upon which the options and shares were granted, unless the share options are listed and have a quoted market price.

The fair value of the options granted are recognised as an expense over the period from grant to vesting date.

The Black Scholes Option Pricing Model assumes that the securities the subject of the valuation can be sold on a secondary market. The terms and conditions of the Options state that no application will be made for the Shares to be listed for official quotation on ASX, until certain milestones are met. Accordingly, a discount for lack of marketability is required to determine an indicative fair value of the Options.

For the purposes of arriving at an appropriate discount rate, the Company has considered:

- that discounts have traditionally been applied in the range of 10% to 30% to reflect the non-negotiability of unlisted equities; and
- the fact that the Securities will be unlisted.

The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome. No other features of options granted were incorporated into the measurement of fair value.

The below table lists the assumptions used in the valuation:

	Grant Date	Vesting Date	Number Issued	Stock Price at Grant Date	Exerc. Price	Risk Free Rate	Volatility	Value Per option
Options	12/11/19	12/11/19	10,000,000	$0.031	6c	0.84%	86%	0.83c
Options	24/06/20	24/06/20	12,500,000	$0.024	3.5c	0.27%	120%	1.55c

In addition, a further 50,000,000 free attaching options were granted during the prior year, with a weighted average exercise price of 3.5 cents and expiring on 30 June 2023. These were issued as part of a private placement.

NOTE 19: SHARE BASED PAYMENTS (continued)

(b) Performance Rights

The movement in performance rights during the year is presented below:

	30 June 2021 (No.)	30 June 2020 (No.)
Balance at start of the year	**22,800,000**	**6,200,000**
Issued during the year:		
Bruce Richardson	-	8,600,000
Greg Knox	-	4,000,000
Michael van Uffelen	-	4,000,000
	-	**16,600,000**
Converted during the year:		
Bruce Richardson	(1,000,000)	-
Greg Knox	(400,000)	-
Michael van Uffelen	(400,000)	-
	(1,800,000)	**-**
Balance at year end	**21,000,000**	**22,800,000**

The Performance Rights issued were for nil cash consideration and nil issue price.

The vesting of the Performance Rights is conditional upon the Group's achievement of various performance hurdles in relation to the Group's projects.

The shares to be issued in the event of vesting of the Performance Rights shall rank pari-passu in all respects with other fully paid ordinary shares in the Company.

Unvested Performance Rights issued in prior periods (1,400,000) will lapse on 29 November 2023 and 4,800,000 will lapse on 18 April 2025 and 14,800,000 will lapse on 16 February 2027.

The assessed fair value at grant date of the Performance Rights granted in the prior year was 3.1 cents. The initial undiscounted value of the Performance Rights is the value of an underlying share in the Company as traded on ASX at the deemed date of grant of the Performance Right. As the performance conditions are not market based performance conditions, no discount is applied. The value of the Performance Rights is amortised over the period during which the respective performance hurdle may be achieved. In the event the performance hurdle is achieved before the end of the vesting period, the remaining unamortised value is immediately expensed.

(c) Expenses arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognised during the year were as follows:

	2021 $	2020 $
Performance rights issued (Included in director and employee benefits)	153,131	338,041
Options Issued	-	82,901
	153,131	420,942

(d) Loan Funded Share Plan Shares

The Company has established a Loan Funded Share Plan for the purposes of attracting and retaining the services of Directors and employees of a high calibre. No shares were issued under the Plan in the current financial year (2019: Nil). As at balance date, a total of 8,750,000 shares remain on issue under the Plan.

NOTE 20: COMMITMENTS AND CONTINGENCIES

(a) Expenditure commitments contracted for exploration tenements:

In order to maintain current rights of tenure to exploration tenements, the Group is required to meet minimum expenditure requirements. These obligations are not provided for in the financial statements are summarised below:

	Consolidated	
	2021	2020
	$	$
No later than 12 months	132,000	65,500
Between 12 months and 5 years	832,000	58,125
	964,000	123,625

(b) Earn-in agreement for exploration claims:

In September 2016 the Group agreed to earn into a project comprising of 87 Placer Claims (ULI Project). Legal agreements were completed in March 2017 with Voyageur Minerals Inc. (Voyageur) for the Group to earn up to a 70% interest in these 87 Placer Claims.

An initial 10% interest was earned upon signing the joint venture agreement and in consideration for payment of a fee of US$75,000.

A further 40% interest was earned through completion of agreed milestones, which included defining the location(s) for one or more drill holes, completing a NI 43-101 technical report, and expending US$666,000 (any underspent portion of which could be deferred to the next stage of the earn-in without the additional 40% interest being affected). The achievement of these milestones increased the Group's intertest in the 87 claims of the ULI Project to 50%[2].

At the date of this Report, the joint venture partner, Voyageur, (current holding of 50% interest) had not completed the formalities to transfer the claims to the joint venture company as required under the agreement. This has not had any impact on this financial report.

(c) Operating lease commitments:

The Group is the lessee in respect of certain low value items which have not been capitalised.

At the reporting date, the Group had outstanding minimum commitments under these non-cancellable operating leases, which fall due as follows:

	Consolidated	
	2021	2020
	$	$
No later than 12 months	629	5,977
Between 12 months and 5 years	-	629
Greater than 5 years	-	-
	629	6,606

(d) Contingent liabilities

The are no contingent liabilities as at 30 June 2021.

[1] Anson commenced with a 10% interest in these 87 claims which increased to 50% from the work done and may be subject to finalisation under the terms of the agreement to earn-into the ULI Project.

NOTE 20: COMMITMENTS AND CONTINGENCIES (continued)

(e) Loan funded share plan contingent asset

The Company has issued shares to key management personnel under a loan funded share plan. The grant of these securities is accounted for as a share based payment with the value having been calculated using a Black-Scholes option pricing model at the date of issue. Notwithstanding the accounting treatment of the loan funded share plan as an option, the shares are restricted and can only be released upon the holder paying the loan attached to the shares. The balance of the contingent asset increased due to interest and was:

	Consolidated	
	2021	2020
	$	$
Loan funded share plan contingent asset	175,399	161,957
	175,399	**161,957**

NOTE 21: RELATED PARTY DISCLOSURE

(a) Subsidiaries

The consolidated financial statements include the financial statements of Anson Resources Limited and the subsidiaries listed in the following table:

Name	Country of Incorporation	% Equity Interest 2021	% Equity interest 2020
Tikal Minerals SA (i) (iii)	Guatemala	100%	100%
Rhodes Resources Pty Ltd (iii)	Australia	100%	100%
Western Cobalt Pty Ltd (iii)	Australia	100%	100%
A1 Lithium Inc.	USA	100%	100%
Paradox Lithium LLC (iii)	USA	100%	100%
Blackstone Resources Inc (ii) (iii)	USA	100%	100%
State Exploration Pty Ltd (iii)	Australia	100%	100%

(i) One share owned by Bruce Richardson, Executive Chairman and CEO, beneficially held on behalf of Anson Resources Limited. 4,999 shares held by Anson Resources Limited directly.
(ii) Incorporated 15 November 2018.
(iii) Dormant entities

(b) Ultimate parent

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

(c) Key management personnel (KMP)

Refer to Note 22 for details of compensation to key management personnel.

There were no other transactions with KMPs or their associated entities during the year and in the prior year.

NOTE 21: RELATED PARTY DISCLOSURE (continued)

(d) Loan funded share plan contingent asset

The Company has issued shares to key management personnel under a loan funded share plan. The grant of these securities is accounted for as a share based payment with the value having been calculated using a Black-Scholes option pricing model at the date of issue. Notwithstanding the accounting treatment of the loan funded share plan as an option, the shares are restricted and can only be released upon the holder paying the loan attached to the shares. The balance of the contingent asset increased due to interest and was:

	Consolidated	
	2021	2020
	$	$
Loan funded share plan contingent asset	175,399	161,957
	175,399	161,957

NOTE 22: COMPENSATION FOR KEY MANAGEMENT PERSONNEL

	Consolidated	
	2021	2020
	$	$
Short-term employee benefits	890,806	961,166
Post-employment benefits	12,006	18,663
Share-based payments	153,131	338,041
	1,055,943	1,317,870

Refer to the Remuneration Report for further information.

Included in the short-term employee benefits is an amount of $81,728 of consulting fees capitalised as development cost (2020: $28,291).

NOTE 23: EVENTS AFTER BALANCE DATE

On 13 August 2021 Anson announced 4,400,000 shares were issued on the exercise of options at $0.08685 per share.

On 20 September 2021, Anson completed an equity capital raising of $7.36m by way of the issue of 80,849,693 ordinary shares at 0.091 per share.

On 24 September 2021, Anson announced 4,293,150 shares were issued on the exercise of ASNOC listed options at $0.035 per share.

On 27 September 2021, Anson concluded a Bonus Issue of 97,702,126 options exercisable $0.091 expiring 29 October 2021.

Other than the above there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect significantly the operations of the Group and the results of those operations.

NOTE 24: AUDITOR'S REMUNERATION

	Consolidated	
	2021	2020
	$	$
Amounts received or due and receivable by the auditors for:		
Audit or review of the financial reports of the Group	49,081	29,625
	49,081	29,625

NOTE 25: FINANCIAL RISK MANAGEMENT

The Group's financial situation is not complex. Its activities may expose it to a variety of financial risks in the future: market risk (including currency risk and fair value interest rate risk), credit risk, liquidity risk and cash flow interest rate risk. At that stage the Group's overall risk management program will focus on the unpredictability of the financial markets and seek to minimise potential adverse effects on the financial performance of the Group.

Risk management is carried out under an approved framework covering a risk management policy and internal compliance and control by management. The Board identifies, evaluates and approves measures to address financial risks.

The Group holds the following financial instruments:

	Consolidated	
	2021	2020
	$	$
Financial Assets		
Cash and cash equivalents	2,232,947	568,250
Trade and other receivables	21,446	23,803
Other assets - deposits and bonds paid	621,309	676,404
Financial Assets – Fair Value OCI	130,594	94,810
	3,006,296	1,363,267
Financial Liabilities		
Trade and other payables	396,095	600,531
Lease liabilities	88,198	162,821
Convertible Note	674,113	553,882
Derivative financial liability	1,705,318	635,122
	2,863,724	1,952,356

(a) Market risk

Cash flow and fair value interest rate risk

The Group receives interest on its cash management accounts based on daily balances at variable rates. The Group's operating accounts do not attract interest. The Group did not have any deposits at fixed rates during the year. Deposits at variable rates expose the Group to cash flow interest rate risk.

NOTE 25: FINANCIAL RISK MANAGEMENT (continued)

At reporting date the interest rate profile of the Group's interest bearing financial instruments was:

	Consolidated	
	2021	2020
	$	$
Variable rate instruments		
Cash at bank	2,232,947	568,250
Fixed rate instruments		
Lease liabilities	88,198	162,821
Convertible note	674,113	553,882
	762,311	716,703

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates would increase or decrease the Group's loss by $22,329 (2020: $5,683), based on the cash at bank at reporting date and calculated on an annual basis. The Board assessed a 100 basis point movement as being reasonably possible based on short term historical movements. This analysis assumes that all other variables remain constant.

Foreign currency risk

As a result of USD cash deposits, the Group's statement of financial performance can be affected significantly by movements in the US$/A$ exchange rates.

The Group also has transactional currency exposures. Such exposure arises from sales or purchases by an operating entity in currencies other than the functional currency.

The Group had the following exposure to US$ foreign currency expressed in A$ equivalents, which are not designated as cash flow hedges:

	Consolidated	
	2021	2020
	$	$
Financial Assets		
Cash and cash equivalents	118,686	269,992
Other assets - deposits and bonds paid	611,625	666,720
	730,311	936,712
Financial Liabilities		
Trade and other payables	116,009	452,915
Lease Liabilities	41,788	141,399
	157,797	594,314

The Group had the following exposure to Canadian Dollar foreign currency expressed in A$ equivalents, which are not designated in cash flow hedges:

	Consolidated	
	2021	2020
	$	$
Financial Assets		
Investments	130,594	94,810
	130,594	94,810

NOTE 25: FINANCIAL RISK MANAGEMENT (continued)

Sensitivity analysis

The following table illustrates sensitivities to the Group's exposures to exchange rates:

	Consolidated	
	Profit/loss	Equity
	$	$
Year ended 30 June 2021		
+/- 5% in $A/$US	21,520	21,520
+/- 5% in $A/$CAD	-	6,530
Year ended 30 June 2020		
+/- 5% in $A/$US	352,805	352,805
+/- 5% in $A/$CAD	-	4,515

Other price risk

Other price risk relates to the risk that the fair value of future cash flows on a financial instrument will fluctuate because of changes in market prices due to demand and supply factors (other than those arising from interest rate or currency risk).

The Group is exposed to securities price risk on financial assets FVOCI listed on the TSX Venture Exchange in Canada in the metals and mining sector.

At 30 June 2021, the Group had the following exposure to security price risk:

	Consolidated	
	2021	2020
	$	$
Financial Assets		
Investments	130,594	94,810
	130,594	94,810

The following table illustrates sensitivities to the Group's exposures to security price risk:

	Consolidated	
	Profit/loss	Equity
	$	$
Year ended 30 June 2021		
+/- 20% in listed investments	-	26,119
Year ended 30 June 2020		
+/- 20% in listed investments	-	18,962

(b) Credit risk

The Group has no significant concentrations of credit risk. Cash transactions are limited to high credit quality financial institutions.

Credit risk arises from cash and cash equivalents, and deposits with banks and financial institutions, as well as credit exposures on outstanding receivables and committed transactions. In relation to other credit risk areas management assesses the credit quality of the customer, taking into account its financial position, past experience and other factors.

The maximum exposure to credit risk at the reporting date is the carrying amount of the financial assets as summarised at the beginning of this note.

NOTE 25: FINANCIAL RISK MANAGEMENT (continued)

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close-out market positions. The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. The Group will aim at maintaining flexibility in funding by accessing appropriate committed credit lines available from different counterparties where appropriate and possible. Surplus funds when available are generally only invested in high credit quality financial institutions in highly liquid markets.
The Group has no borrowing facilities.

(d) 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 shareholders. The capital structure of the Company consists of equity attributable to equity holders, comprising issued capital and reserves as disclosed in Notes 17 and 18.

The Board reviews the capital structure on a regular basis and considers the cost of capital and the risks associated with each class of capital. The Company will balance its overall capital structure through new share issues as well as the issue of debt, if the need arises.

As part of the management of capital in the prior period the Company arranged an equity funding facility of $15 million. Under the terms of the facility, the Company may, at its discretion, call for the subscriber to subscribe for shares in the Company at any time until April 2022, up to a total placement amount of $15,000,000. Each placement amount is up to $250,000 in any period of 20 trading days (and up to $1,500,000 with the prior consent of the subscriber).

Shares issued to the subscriber will be priced at the average of 2 daily volume weighted average prices (VWAP) of Company shares nominated by the subscriber from those during the 20 trading days which follow a placement notice being given by the Company to the subscriber (but cannot be priced at less than the minimum acceptable price specified by the Company in a placement notice). A commission of 5% will be payable by the Company at the time of issue.

The Company raised $nil (2020: $nil) under this equity placement facility during the financial year.

NOTE 26: CASH FLOW INFORMATION

(i) Reconciliation of loss after income tax to net cash flows from operating activities:

	Consolidated	
	2021 $	**2020 $**
Loss for the year	(4,521,182)	(3,596,915)
Adjustments for:		
Depreciation	111,955	158,019
Loss on derivative instrument FVPL	1,070,196	2,610
Share-based payments	153,131	720,941
Interest income	(166)	(335)
Interest expense	276,411	116,287
Gain on sale of property, plant & equipment	1,696	(12,273)
Project acquisition costs	(125,000)	-
Unrealised foreign exchange differences	411,027	27,247
	(2,621,932)	(2,584,419)
Changes in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	2,337	(20,577)
Decrease/(Increase) in other assets	14,759	229,236
(Decrease)/Increase in trade and other payables	(204,436)	(153,289)
(Decrease)/Increase in provisions	20,857	(392,537)
Net cash outflow from operating activities:	(2,788,415)	(2,921,586)

(ii) Changes in liabilities arising from financing activities

	1 July 2020	**New Leases**	**Cash Flows**	**Other**	**30 June 2021**
Current Finance Leases and hire purchase contracts	-	-	-	-	-
Lease liabilities	162,821	48,170	(91,875)	(30,918)	88,198
Convertible note	553,882	-	-	120,231	674,113
Total liabilities from financing activities	**716,703**	**48,170**	**(91,875)**	**89,313**	**762,311**

	30 June 2019	**New Leases**	**Cash Flows**	**Other**	**30 June 2020**
Current Finance Leases and hire purchase contracts	3,627	-	(3,627)	-	-
Lease liabilities	230,822	-	(71,627)	3,626	162,182
Convertible note	-	-	1,089,554	(535,672)	553,882
Total liabilities from financing activities	**234,449**	**-**	**1,014,300**	**(532,046)**	**716,064**

The 'Other' column includes the effect of reclassification of non-current portion of interest-bearing loans and borrowings, including obligations under finance leases and hire purchase contracts to current due to the passage of time and the effect of accrued but not yet paid interest on interest-bearing loans and borrowings. The Group classifies interest paid as cash flows from operating activities.

NOTE 27: PARENT ENTITY INFORMATION

(a) Information relating to Anson Resources Limited

	Consolidated	
	2021	2020
	$	$
Current assets	2,204,687	317,900
Non-current assets	669,289	435,202
Total assets	2,873,976	753,102
Current liabilities	(2,436,395)	(1,495,001)
Non-current liabilities	(24,748)	-
Total liabilities	(2,461,143)	(1,495,001)
Net (liabilities)/assets	412,833	(741,899)
Contributed equity	26,657,184	21,838,998
Reserves	3,277,678	2,175,816
Accumulated losses	(29,522,029)	(24,756,713)
Total shareholders' equity	412,833	(741,899)
Loss of the parent entity	(4,765,316)	(4,621,304)
Total comprehensive loss of the parent entity	(4,677,770)	(4,657,220)

(b) Guarantees

No guarantees have been entered into by the Company in relation to the debts of its subsidiaries.

(c) Commitments and Contingencies

Commitments and contingencies of the Company as at reporting date are disclosed in Note 20 to the financial statements.

NOTE 28: FAIR VALUE MEASUREMENT

Fair value hierarchy

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

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

NOTE 28: FAIR VALUE MEASUREMENT (continued)

The following table details the Group's assets and liabilities measured or disclosed at fair value.

	Level 1	Level 2	Level 3	Total
	$	$	$	$
2021				
Assets				
Financial Assets - FVOCI	130,594	-	-	130,594
Total assets	130,594	-	-	130,594
Liabilities				
Derivative Liability	-	1,705,318	-	1,705,318
Total liabilities	-	1,705,318	-	1,705,318
2020				
Assets				
Financial Assets - FVOCI	94,810	-	-	94,810
Total assets	94,810	-	-	94,810
Liabilities				
Derivative Liability	-	635,122	-	635,122
Total liabilities	-	635,122	-	635,122

Estimates of fair value take into account factors and market conditions evident at balance date. Uncertainty and changes in global market conditions in the future may impact fair values in the future.

Transfers between level 1 and 3

There were no movements between different fair value measurement levels during the financial year (2020: none).

DIRECTORS' DECLARATION

1. In the opinion of the Directors:

   a) the consolidated financial statements and notes of the Group are 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 performance for the year ended 30 June 2021; and

      (ii) complying with Accounting Standards and Corporations Regulations 2001;

      (iii) the financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board; and

   b) there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

2. 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 for the year ended 30 June 2021.

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

Bruce Richardson
Executive Chairman and CEO

30 September 2021

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ANSON RESOURCES LIMITED

Report on the Audit of the Financial Report

Our Opinion

We have audited the financial report of Anson 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 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 year. 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.

We have determined the following matters described to be Key Audit Matters to be communicated in our report.

Key Audit Matters	How these matters were addressed in the audit
Capitalised development costs As disclosed in Note 10 to the consolidated financial statements, the carrying value of the capitalised development costs at 30 June 2021 was $2,799,392. We identified the capitalisation of development costs as a key audit matter due to the quantum (46% of total assets) and nature of the amount in addition to the significant management judgment about the future performance and viability of the Paradox Brine Project to which the costs relate to. The Group conducts a significant level of development activities and has to apply judgment in identifying costs that meet the criteria for capitalisation under the requirements of the accounting standards.	Inter alia, our audit procedures included the following: ▪ Evaluated the nature of the development costs incurred that are capitalised as intangible assets; ▪ Assessed the reasonableness of the capitalisation based on our knowledge of the business and industry; ▪ Evaluated the appropriateness of expenses capitalised, on a sample basis, by agreeing material costs incurred to external invoices and other relevant supporting documents; and ▪ Assessed whether any impairment of the capitalised development costs was necessary at 30 June 2021.
Measurement of Share based payments As disclosed in Note 19 of the consolidated financial statement, the Company granted 24,088,000 and 5,000,000 unlisted options to brokers and equity providers in consideration for the services provided in managing, and assisting with, raising capital. The total fair value recognised as capital raising costs amounted to $916,987. The Company accounted for these options in accordance with AASB 2: *Share-based Payment*. Measurement of share-based payments was a key audit matter due to the complex and judgmental estimates used in determining the fair value of the share-based payments.	Inter alia, our procedures included the following: ▪ Reviewed the relevant agreements to obtain an understanding of the contractual nature and terms and conditions of the share-based payment arrangements; ▪ Reviewed management's determination of the fair value of the share-based payments granted, considering the appropriateness of the valuation models used in assessing the valuation inputs focusing on the Group's interpretation of grant date; vesting dates and vesting conditions; ▪ Assessed the allocation of the share-based payment expense over the relevant period (as applicable); and ▪ Assessed the adequacy of the disclosures in accordance with the applicable accounting standards.

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 our auditor's report thereon.

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

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

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

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

Auditor's Responsibilities for the Audit of the Financial Report

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

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report.

The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

We conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Group to cease to continue as a going concern.

Stantons

We evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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

The Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements. We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on the Remuneration Report

We have audited the Remuneration Report included in pages 15 to 23 of the directors' report for the year ended 30 June 2021. 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.

Opinion on the Remuneration Report

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

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(An Authorised Audit Company)

Stantons International Audit & Consulting Pty Ltd

Martin Michalik
Director

West Perth, Western Australia
30 September 2021

ASX ADDITIONAL INFORMATION

Additional information required by the Australian Securities Exchange and not shown elsewhere in this report is as follows. The information is current as at 22 September 2021.

(A) DISTRIBUTION OF EQUITY SECURITIES

Ordinary share capital

- 970,757,335 fully paid ordinary shares are held by 5,924 individual shareholders.

  All issued fully paid ordinary shares carry one vote per share and carry the rights to dividends.

Options

- 7,114,105 options expiring 15 May 2022 and exercisable at $0.08685 are held by 1 option holder.
- 61,810,000 options expiring 30 June 2023 and exercisable at $0.035 are held by 226 option holders.

  Options do not carry a right to vote.

The number of security holders by size of holding are:

	Fully paid ordinary shares			*Options*		
Range	**Holders**	**Units**	**%**	**Holders**	**Units**	**%**
1 - 1,000	130	11,797	0.00	4	647	-
1,001 - 5,000	512	1,984,213	0.20	1	4,112	0.01
5,001 - 10,000	1,099	8,897,890	0.92	6	51,017	0.08
10,001 - 100,000	3,043	122,382,398	12.61	117	5,653,614	9.15
100,001 - Over	1,140	837,481,037	86.27	98	56,100,610	90.76
Total	5,924	970,757,335	100.00	226	61,810,000	100.00

Unquoted equity securities shareholdings greater than 20%

Unlisted options with an exercise price of $0.08685 and expiring 16 May 2022	Number	%
LS WHITEHALL GROUP INC	7,114,105	100

Unlisted convertible note with a face value of US750,000, maturing 20 January 2023 with a conversion price of A$0.028

	Number	%
CHIA TAI XINGYE INTERNATIONAL	1	100

(B) SUBSTANTIAL SHAREHOLDERS

	Fully paid	
Ordinary shareholders	**Number**	**Percentage**
CHIA TAI XINGYE INTNL	117,500,000	12.10%

ASX ADDITIONAL INFORMATION (continued)

(c) TWENTY LARGEST SECURITY HOLDERS

	Fully paid	
Ordinary shareholders	**Number**	**Percentage**
CHIA TAI XINGYE INTERNATIONAL	117,500,000	12.10%
MR DESHUN SHI	17,184,951	1.77%
CITICORP NOMINEES PTY LIMITED	14,628,261	1.51%
MR DARREN MICHAEL WARNE	13,200,000	1.36%
JACK THE DOG PTY LTD <JACK THE DOG SUPER FUND A/C>	13,076,258	1.35%
CS THIRD NOMINEES PTY LIMITED <HSBC CUST NOM AU LTD 13 A/C>	12,314,456	1.27%
P.G. KNOX	11,408,270	1.18%
RICHARDSON BUSINESS CONSULTANTS PTY LTD	11,403,636	1.17%
APEDAILE STEVEN J + ML	10,700,000	1.10%
MR BASSAM OTHMAN	9,740,000	1.00%
MRS XIAOXUAN LI	8,150,000	0.84%
MR JASWANT SINGH	8,085,862	0.83%
BNP PARIBAS NOMINEES PTY LTD ACF CLEARSTREAM	7,684,784	0.79%
MR LI XIAO	7,650,000	0.79%
BRUCE RICHARDSON	7,326,951	0.75%
MRS BHAVYA RAVIKIRAN	7,242,890	0.75%
MR TOMAS SONER	7,000,000	0.72%
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	6,074,735	0.63%
WO WAH INDUSTRIAL INVESTMENT LIMITED	6,000,000	0.62%
MR KEITH RAYMOND BALLARD & MRS MICHELLE KATHLEEN BALLARD <K & M BALLARD UNIT A/C>	5,450,000	0.56%
	301,821,054	31.09%

(D) UNMARKETABLE PARCELS

There were 751 holdings (2,579,776 shares in total) of less than a marketable parcel of ordinary shares at 22 September 2021.

(E) VOTING RIGHTS

The voting rights attaching to ordinary shares are:

On a show of hands, each member present in person or by proxy has one vote, and upon a poll, each share has one vote.

Options do not carry any voting rights.

(F) ON-MARKET BUY BACK

There is no current on-market buy-back.

(G) PRINCIPLES OF GOOD CORPORATE GOVERNANCE AND RECOMMENDATIONS

The Board has adopted and approved the Company's Corporate Governance Statement, which can be found on the Company's website at www.ansonresources.com/corporate.

(H) RESTRICTED SECURITIES

There are currently 8,750,000 employee loan plan shares on issue which can be released once the amounts owing on them are paid.

ASX ADDITIONAL INFORMATION (continued)

(I) MINERAL TENEMENTS

The Group holds the following tenements:

Project	Lease	Commodity	Holder	Locality	Status
Ajana	E66/89	Graphite and base metals	Rhodes Resources Pty Ltd	Western Australia	Granted
	E66/94	Graphite and base metals	Anson Resources Limited	Western Australia	Granted
Hooley Well	E9/2218	Cobalt, nickel	Western Cobalt Pty Ltd	Western Australia	Granted
	E9/2219	Cobalt, nickel	Anson Resources Limited	Western Australia	Granted
	ELA9/2462	Cobalt, nickel	Anson Resources Limited	Western Australia	Under Application
The Bull	E70/5420	Ni-Cu-PGE	State Exploration Pty Ltd	Western Australia	Granted
	ELA70/5619	Ni-Cu-PGE	Anson Resources Limited	Western Australia	Under Application
Paradox Brine	87 Placer Claims	Lithium	(i)	Utah, USA	(i)
Paradox Brine	155 Placer Claims	Lithium	A1 Lithium Inc	Utah, USA	(ii)
Paradox Brine	71 Placer Claims	Lithium	A1 Lithium Inc	Utah, USA	(iii)
Paradox Brine	189 Placer Claims	Lithium	A1 Lithium Inc	Utah, USA	(iv)
Paradox Brine	66 Placer Claims	Lithium	A1 Lithium Inc	Utah, USA	(v)
Paradox Brine	178 Placer Claims	Lithium	A1 Lithium Inc	Utah, USA	(vi)
Paradox Brine	334 Placer Claims	Lithium	A1 Lithium Inc	Utah, USA	(vii)
Paradox Brine	2 Potash & Mineral Lease	Lithium	A1 Lithium Inc	Utah, USA	(viii)
Paradox Brine	2 Industrial Permit	Lithium	A1 Lithium Inc	Utah, USA	(ix)
Yellow Cat Project	66 Lode Claims	Vanadium and Uranium	Blackstone Resources Inc	Utah, USA	(x)

ASX ADDITIONAL INFORMATION (continued) (Tenements as at 30 June 2021)

(i) **Anson currently holds a 50% interest in 87 Placer Claims in Utah, USA (the ULI Project).**

At the date of this Report, the holder of the remaining 50% interest had not completed the formalities to transfer the claims to the joint venture company (Paradox Lithium LLC) established for this purpose. Further, achievement of the milestones which increased Anson's interest to 50% may be subject to finalisation under the terms of the agreement to earn-into the ULI Project

These claims are referred to as ULI-13, ULI-14, ULI-14S, ULI-15, ULI15S, ULI16, ULI16S, ULI-30, ULI-31, ULI-32, ULI-33, ULI-34, ULI-35, ULI-36, ULI-37, ULI-38, ULI-39, ULI-40, ULI-41, ULI-42, ULI-43, ULI-54, ULI-55, ULI-56, ULI-57, ULI-58, ULI-59, ULI-60, ULI-60-E, ULI-61-E, ULI-62-E, ULI-63, ULI-64, ULI-64 N, ULI-65, ULI-65 W, ULI-66, ULI-67, ULI-68, ULI-69, ULI-70, ULI-71, ULI-77, ULI-78, ULI-79, ULI-80, ULI-81, ULI-81 W, ULI-82, ULI-83, ULI-84, ULI-85, ULI-86, ULI-87, ULI-88, ULI-89, ULI-90, ULI-91, ULI-92, ULI-93, ULI-93 E, ULI-94, ULI-95, ULI-96, ULI-97, ULI-97 E, ULI-98, ULI-98 N, ULI-99, ULI-100, ULI-101, ULI-102, ULI-102 N, ULI-103, ULI-104, ULI-105, ULI-105 N, ULI-106, ULI-107, ULI-107 N, ULI-108, ULI-109, ULI-110, ULI-111, ULI-112, ULI-113 and ULI-114.

(ii) **Anson currently holds a 100% interest in 155 Placer Claims in Utah, USA. Under the terms of an earn-in agreement for the ULI Project, these placer claims may be subject to area of interest provisions of the agreement to earn-into the ULI Project.**

These claims are referred to as ULI201, ULI202, ULI203, ULI204, ULI205, ULI206, ULI207, ULI208, ULI209, ULI210, ULI211, ULI212, ULI213, ULI214, ULI215, ULI216, ULI217, ULI218, ULI219, ULI220, ULI225, ULI226, ULI227, ULI228, ULI229, ULI230, ULI231, ULI232, ULI233, ULI234, ULI235, ULI236, ULI237, ULI238, ULI239, ULI240, ULI241, ULI242, ULI243, ULI244, ULI245, ULI249, ULI250, ULI251, ULI252, ULI253, ULI254, ULI255, ULI256, ULI257, ULI258, ULI259, ULI260, ULI261, ULI262, ULI263, ULI264, ULI265, ULI266, ULI267, ULI268, ULI269, ULI273, ULI274, ULI275, ULI276, ULI277, ULI278, ULI279, ULI280, ULI281, ULI282, ULI283, ULI284, ULI285, ULI286, ULI287, ULI288, ULI289, ULI293, ULI294, ULI295, ULI296, ULI297, ULI298, ULI299, ULI300, ULI301, ULI302, ULI303, ULI304, ULI305, ULI306, ULI307, ULI311, ULI312, ULI313, ULI314, ULI315, ULI316, ULI317, ULI318, ULI319, ULI320, ULI321, ULI322, ULI323, ULI324, ULI325, ULI326, ULI330, ULI331, ULI332, ULI333, ULI334, ULI335, ULI336, ULI337, ULI338, ULI339, ULI340, ULI341, ULI342, ULI343, ULI344, ULI345, ULI350, ULI351, ULI352, ULI353, ULI354, ULI355, ULI356, ULI357, ULI358, ULI359, ULI360, ULI361, ULI362, ULI369, ULI370, ULI371, ULI372, ULI373, ULI374, ULI375, ULI376, ULI379, ULI380, ULI381, ULI382, ULI383, ULI384, ULI385, ULI386,

(iii) **Anson currently holds a 100% interest in 71 Placer Claims in Utah, USA. Under the terms of an earn-in agreement for the ULI Project, these placer claims may be subject to area of interest provisions of the agreement to earn-into the ULI Project.**

These claims are referred to as ULI501, ULI525, ULI549, ULI573 ULI597, ULI621, ULI645, ULI646, ULI647, ULI648, ULI653, ULI654, ULI655, ULI656, ULI661, ULI662, ULI663, ULI664, ULI665, ULI666, ULI667, ULI668, ULI669, ULI670, ULI671, ULI672, ULI673, ULI674, ULI675, ULI676, ULI677, ULI678, ULI679, ULI680, ULI681, ULI682, ULI683, ULI688, ULI689, ULI690, ULI691, ULI696, ULI697, ULI698, ULI699, ULI700, ULI701, ULI702, ULI703, ULI704, ULI705, ULI706, ULI707, ULI708, ULI709, ULI710, ULI711, ULI712, ULI713, ULI714, ULI715, ULI716, ULI717, ULI718, ULI719, ULI720, ULI721, ULI722, ULI723, ULI724, and ULI725.

ASX ADDITIONAL INFORMATION (continued) (Tenements as at 30 June 2021)

(iv) **Anson currently holds a 100% interest in 189 Placer Claims in Utah, USA.**

These claims are referred to as, ,ULI649, ULI650, ULI651, ULI652, ULI657, ULI658, ULI659, ULI660, ULI726, ULI727, ULI728, ULI729, ULI730, ULI731, ULI732, ULI733, ULI734, ULI735, ULI736, ULI737, ULI738, ULI739, ULI740, ULI741, ULI742, ULI743, ULI744, ULI745, ULI746, ULI747, ULI748, ULI749, ULI750, ULI751, ULI752, ULI753, ULI754, ULI755, ULI756, ULI757, ULI758, ULI759, ULI760, ULI761, ULI762, ULI763, ULI764, ULI765, ULI766, ULI767, ULI768, ULI769, ULI770, ULI771, ULI772, ULI773, ULI774, ULI775, ULI776, ULI777, ULI778, ULI779, ULI780, ULI781, ULI782, ULI783, ULI784, ULI785, ULI786, ULI787, ULI788, ULI789, ULI790, ULI791, ULI792, ULI793, ULI794, ULI795, ULI844, ULI845, ULI846, ULI847, ULI848, ULI849, ULI850, ULI851, ULI852, ULI853, ULI854, ULI855, ULI856, ULI857, ULI858, ULI859, ULI860, ULI861, ULI862, ULI863, ULI864, ULI865, ULI866, ULI867, ULI868, ULI869, ULI870, ULI871, ULI872, ULI873, ULI874, ULI875, ULI876, ULI877, ULI878, ULI879, ULI880, ULI881, ULI882, ULI883, ULI884, ULI885, ULI886, ULI887, ULI888, ULI889, ULI890, ULI891, ULI892, ULI893, ULI894, ULI895, ULI896, ULI897, ULI898, ULI899, ULI900, ULI901, ULI902, ULI903, ULI904, ULI905, ULI906, ULI907, ULI908, ULI909, ULI910, ULI911, ULI912, ULI913, ULI914, ULI915, ULI916, ULI917, ULI918, ULI919, ULI920, ULI921, ULI922, ULI923, ULI924, ULI925, ULI926, ULI927, ULI928, ULI929, ULI930, ULI931, ULI932, ULI933, ULI934, ULI935, ULI936, ULI937, ULI938, ULI939, ULI940, ULI941, ULI942, ULI943, ULI944, ULI945, ULI946, ULI947, ULI948, ULI949, ULI950, ULI951, ULI952, ULI953 and ULI954.

(v) **Anson currently holds a 100% interest in 66 Placer Claims in Utah, USA.**

These claims are referred to as CLOUD001, CLOUD002, CLOUD003, CLOUD004, CLOUD005, CLOUD006, CLOUD007, CLOUD008, CLOUD009, CLOUD010, CLOUD011, CLOUD012, CLOUD013, CLOUD014, CLOUD015, CLOUD016, CLOUD017, CLOUD018, CLOUD019, CLOUD020, CLOUD021, CLOUD022, CLOUD023, CLOUD024, CLOUD025, CLOUD026, CLOUD027, CLOUD028, CLOUD029, CLOUD030, CLOUD031, CLOUD032, CLOUD033, CLOUD034, CLOUD035, CLOUD036, CLOUD037, CLOUD038, CLOUD039, CLOUD040, CLOUD041, CLOUD042, CLOUD043, CLOUD044, CLOUD045, CLOUD046, CLOUD047, CLOUD048, CLOUD049, CLOUD050, CLOUD051, CLOUD052, CLOUD053, CLOUD054, CLOUD055, CLOUD056, CLOUD057, CLOUD058, CLOUD059, CLOUD060, CLOUD061, CLOUD062, CLOUD063, CLOUD064, CLOUD065 and CLOUD066

(vi) **Anson currently holds a 100% interest in 178 Placer Claims in Utah, USA.**

These claims are referred to as CANE001, CANE002, CANE003, CANE004, CANE005, CANE006, CANE007, CANE008, CANE009, CANE010, CANE011, CANE012, CANE013, CANE014, CANE015, CANE016, CANE017, CANE018, CANE019, CANE020, CANE021, CANE022, CANE023, CANE024, CANE025, CANE026, CANE027, CANE028, CANE029, CANE030, CANE031, CANE032, CANE033, CANE034, CANE035, CANE036, CANE037, CANE038, CANE039, CANE040, CANE041, CANE042, CANE043, CANE044, CANE045, CANE046, CANE047, CANE048, CANE049, CANE050, CANE051, CANE052, CANE053, CANE054, CANE055, CANE056, CANE057, CANE058, CANE059, CANE060, CANE061, CANE062, CANE063, CANE064, CANE065, CANE066, CANE067, CANE068, CANE069, CANE070, CANE071, CANE072, CANE073, CANE074, CANE075, CANE076, CANE077, CANE078, CANE079, CANE080, CANE081, CANE082, CANE083, CANE084, CANE085, CANE086, CANE087, CANE088, CANE089, CANE090, CANE091, CANE092, CANE093, CANE094, CANE095, CANE096, CANE097, CANE098, CANE099, CANE100, CANE101, CANE102, CANE103, CANE104, CANE105, CANE106, CANE107, CANE108, CANE109, CANE110, CANE111, CANE112, CANE113, CANE114, CANE115, CANE116, CANE117, CANE118, CANE119, CANE120, CANE121, CANE122, CANE123, CANE124, CANE125, CANE126, CANE127, CANE128, CANE129, CANE130, CANE131, CANE132, CANE133, CANE134, CANE135, CANE136, CANE137, CANE138, CANE139, CANE140, CANE141, CANE142, CANE143, CANE144, CANE145, CANE146, CANE147, CANE148, CANE149, CANE150, CANE151, CANE152, CANE153, CANE154, CANE155, CANE156, CANE157, CANE158, CANE159, CANE160, CANE161, CANE162, CANE163, CANE164, CANE165, CANE166, CANE167, CANE168, CANE169, CANE170, CANE171, CANE172, CANE173, CANE314, CANE175, CANE176, CANE177, and CANE178.

ASX ADDITIONAL INFORMATION (continued) (Tenements as at 30 June 2021)

(vii) **Anson currently has applied for a 100% interest in 334 Placer Claims in Utah, USA. Under the terms of the earn-in agreement referred to in point (i) above for the ULI Project, 88 of these placer claims may be subject to area of interest provisions of the agreement to earn-into the ULI Project.**

These claims are referred to as CLOUDIII001, CLOUDIII002, CLOUDIII003, CLOUDIII004, CLOUDIII005, CLOUDIII006, CLOUDIII007, CLOUDIII008, CLOUDIII009, CLOUDIII010, CLOUDIII011, CLOUDIII012, CLOUDIII013, CLOUDIII014, CLOUDIII015, CLOUDIII016, CLOUDIII017, CLOUDIII018, CLOUDIII019, CLOUDIII020, CLOUDIII021, CLOUDIII022, CLOUDIII023, CLOUDIII024, CLOUDIII025, CLOUDIII026, CLOUDIII027, CLOUDIII028, CLOUDIII029, CLOUDIII030, CLOUDIII031, CLOUDIII032, CLOUDIII033, CLOUDIII034, CLOUDIII035, CLOUDIII036, CLOUDIII037, CLOUDIII038, CLOUDIII039, CLOUDIII040, CLOUDIII041, CLOUDIII042, CLOUDIII043, CLOUDIII044, CLOUDIII045, CLOUDIII046, CLOUDIII047, CLOUDIII048, CLOUDIII049, CLOUDIII050, CLOUDIII051, CLOUDIII052, CLOUDIII053, CLOUDIII054, CLOUDIII055, CLOUDIII056, CLOUDIII057, CLOUDIII058, CLOUDIII059, CLOUDIII060, CLOUDIII061, CLOUDIII062, CLOUDIII063, CLOUDIII064, CLOUDIII065, CLOUDIII066, CLOUDIII067, CLOUDIII068, CLOUDIII069, CLOUDIII070, CLOUDIII071, CLOUDIII072, CLOUDIII073, CLOUDIII074, CLOUDIII075, CLOUDIII076, CLOUDIII077, CLOUDIII078, CLOUDIII079, CLOUDIII080, CLOUDIII081, CLOUDIII082, CLOUDIII083, CLOUDIII084, CLOUDIII085, CLOUDIII086, CLOUDIII087, CLOUDIII088, CLOUDIII089, CLOUDIII090, CLOUDIII091, CLOUDIII092, CLOUDIII093, CLOUDIII094, CLOUDIII095, CLOUDIII096, CLOUDIII097, CLOUDIII098, CLOUDIII099, CLOUDIII100, CLOUDIII101, CLOUDIII102, CLOUDIII103, CLOUDIII104, CLOUDIII105, CLOUDIII106, CLOUDIII107, CLOUDIII108, CLOUDIII109, CLOUDIII110, CLOUDIII111, CLOUDIII112, CLOUDIII113, CLOUDIII114, CLOUDIII115, CLOUDIII116, CLOUDIII117, CLOUDIII118, CLOUDIII119, CLOUDIII120, CLOUDIII121, CLOUDIII122, CLOUDIII123, CLOUDIII124, CLOUDIII125, CLOUDIII126, CLOUDIII127, CLOUDIII128, CLOUDIII129, CLOUDIII130, CLOUDIII131, CLOUDIII132, CLOUDIII133, CLOUDIII134, CLOUDIII135, CLOUDIII136, CLOUDIII137, CLOUDIII138, CLOUDIII139, CLOUDIII140, CLOUDIII141, CLOUDIII142, CLOUDIII143, CLOUDIII144, CLOUDIII145, CLOUDIII146, CLOUDIII147, CLOUDIII148, CLOUDIII149, CLOUDIII150, CLOUDIII151, CLOUDIII152, CLOUDIII153, CLOUDIII154, CLOUDIII155, CLOUDIII156, CLOUDIII157, CLOUDIII158, CLOUDIII159, CLOUDIII160, CLOUDIII161, CLOUDIII162, CLOUDIII163, CLOUDIII164, CLOUDIII165, CLOUDIII166, CLOUDIII167, CLOUDIII168, CLOUDIII169, CLOUDIII170, CLOUDIII171, CLOUDIII172, CLOUDIII173, CLOUDIII174, CLOUDIII175, CLOUDIII176, CLOUDIII177, CLOUDIII178, CLOUDIII179, CLOUDIII180, CLOUDIII181, CLOUDIII182, CLOUDIII183, CLOUDIII184, CLOUDIII185, CLOUDIII186, CLOUDIII187, CLOUDIII188, CLOUDIII189, CLOUDIII190, CLOUDIII191, CLOUDIII192, CLOUDIII193, CLOUDIII194, CLOUDIII195, CLOUDIII196, CLOUDIII197, CLOUDIII198, CLOUDIII199, CLOUDIII200, CLOUDIII201, CLOUDIII202, CLOUDIII203, CLOUDIII204, CLOUDIII205, CLOUDIII206, CLOUDIII207, CLOUDIII208, CLOUDIII209, CLOUDIII210, CLOUDIII211, CLOUDIII212, CLOUDIII213, CLOUDIII214, CLOUDIII215, CLOUDIII216, CLOUDIII217, CLOUDIII218, CLOUDIII219, CLOUDIII220, CLOUDIII221, CLOUDIII222, CLOUDIII223, CLOUDIII224, CLOUDIII225, CLOUDIII226, CLOUDIII227, CLOUDIII228, CLOUDIII229, CLOUDIII230, CLOUDIII231, CLOUDIII232, CLOUDIII233, CLOUDIII234, CLOUDIII235, CLOUDIII236, CLOUDIII237, CLOUDIII238, CLOUDIII239, CLOUDIII240, CLOUDIII241, CLOUDIII242, CLOUDIII243, CLOUDIII244, CLOUDIII245, CLOUDIII246, CLOUDIII247, CLOUDIII248, CLOUDIII249, CLOUDIII250, CLOUDIII251, CLOUDIII252, CLOUDIII253, CLOUDIII254, CLOUDIII255, CLOUDIII256, CLOUDIII257, CLOUDIII258, CLOUDIII259, CLOUDIII260, CLOUDIII261, CLOUDIII262, CLOUDIII263, CLOUDIII264, CLOUDIII265, CLOUDIII266, CLOUDIII267, CLOUDIII268, CLOUDIII269, CLOUDIII270, CLOUDIII271, CLOUDIII272, CLOUDIII273, CLOUDIII274, CLOUDIII275, CLOUDIII276, CLOUDIII277, CLOUDIII278, CLOUDIII279, CLOUDIII280, CLOUDIII281, CLOUDIII282, CLOUDIII283, CLOUDIII284, CLOUDIII285, CLOUDIII286, CLOUDIII287, CLOUDIII288, CLOUDIII289, CLOUDIII290, CLOUDIII291, CLOUDIII292, CLOUDIII293, CLOUDIII294, CLOUDIII295, CLOUDIII296, CLOUDIII297, CLOUDIII298, CLOUDIII299, CLOUDIII300, CLOUDIII301, CLOUDIII302, CLOUDIII303, CLOUDIII304, CLOUDIII305, CLOUDIII306, CLOUDIII307, CLOUDIII308, CLOUDIII309, CLOUDIII310, CLOUDIII311, CLOUDIII312, CLOUDIII313, CLOUDIII314, CLOUDIII315, CLOUDIII316, CLOUDIII317, CLOUDIII318, CLOUDIII319, CLOUDIII320, CLOUDIII321, CLOUDIII322, CLOUDIII323, CLOUDIII324, CLOUDIII325, CLOUDIII326, CLOUDIII327, CLOUDIII328, CLOUDIII329, CLOUDIII330, CLOUDIII331, CLOUDIII332, CLOUDIII333 and CLOUDIII334.

(viii) Anson currently holds a 100% interest in 2 SITLA Potash and Mineral Salts Lease in Utah, USA. This claim is referred to as ML-53853-OBA and ML-54099-OBA.

(ix) Anson currently holds a 100% interest in 2 SITLA Industrial Permit in Utah, USA. These claims are referred to as SULA1872 and 1930.

ASX ADDITIONAL INFORMATION (continued) (Tenements as at 30 June 2021)

(x) Anson currently holds a 100% interest in 66 lode claims. These claims are referred to as YELLOWCAT002, YELLOWCAT011, YELLOWCAT012, YELLOWCAT013, YELLOWCAT014, YELLOWCAT015, YELLOWCAT016, YELLOWCAT017, YELLOWCAT018, YELLOWCAT019, YELLOWCAT020, YELLOWCAT021, YELLOWCAT022, YELLOWCAT023, YELLOWCAT024, YELLOWCAT025, YELLOWCAT039, YELLOWCAT041, YELLOWCAT042, YELLOWCAT043, YELLOWCAT044, YELLOWCAT045, YELLOWCAT046, YELLOWCAT047, YELLOWCAT048, YELLOWCAT049, YELLOWCAT050, YELLOWCAT051, YELLOWCAT052, YELLOWCAT053, YELLOWCAT054, YELLOWCAT055, YELLOWCAT056, YELLOWCAT057, YELLOWCAT058, YELLOWCAT059, YELLOWCAT060, YELLOWCAT061, YELLOWCAT073, YELLOWCAT074, YELLOWCAT076, YELLOWCAT078, YELLOWCAT080, YELLOWCAT082, YELLOWCAT083, YELLOWCAT084, YELLOWCAT086, YELLOWCAT236, YELLOWCAT238, YELLOWCAT240, YELLOWCAT242, YELLOWCAT244, YELLOWCAT246, YELLOWCAT271, YELLOWCAT272, YELLOWCAT273, YELLOWCAT274, YELLOWCAT275, YELLOWCAT276, YELLOWCAT277, YELLOWCAT278, YELLOWCAT284, YELLOWCAT312, YELLOWCAT314, and JM#1 to JM#22.