OSMOND RESOURCES

ABN 96 649 477 734

Annual Report - 30 June 2022

Osmond Resources Limited
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30 June 2022

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Directors	Mr Rhoderick Grivas – Non-Executive Chair Mr Andrew Shearer – Executive Director and CEO Mr Daniel Eddington – Non-Executive Director
Company secretary	Mr Adrien Wing
Registered office and Principal place of business	Level 2 480 Collins Street Melbourne VIC 3000 Phone: +61 9614 0600
Share register	Automic Proprietary Limited Level 5 126 Phillip Street Sydney NSW 2000 Phone: 1300 288 664
Auditor	RSM Australia Partners Level 21 55 Collins Street Melbourne VIC 3000
Solicitors	Steinpreis Paganin Level 6 99 William Street Melbourne VIC 3000
Bankers	National Australia Bank 800 Bourke Street Melbourne VIC 3000
Stock exchange listing	Osmond Resources Limited shares are listed on the Australian Securities Exchange (ASX code: OSM)
Website	www.osmondresources.com.au

Osmond Resources Limited
Activities Report
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KEY MILESTONES

Initial Public Offering & ASX Listing

- **Osmond Resources (ASX:OSM) commenced trading on the ASX on 22 April 2022, following a successful IPO**
- **A total of 25,000,000 Shares were issued price at $0.20 per Share to raise $5,000,000 (before costs)**
- **The Company is focused on base and precious metal exploration in their South Australia and Victorian Projects**
- **Preparations are continuing for geophysical surveys on the South Australian and Victorian tenements to better define future drilling targetsThe proximity of the Victorian, Sandford Project, to recent neighbouring rare earth discoveries is also being investigated**

Sandford Project, western Victoria

- **Soil sampling program across the Sandford Tenement has commenced**
- **Assay results are expected approximately 6 weeks from completion of the program**
- **Aim of the survey is to identify areas of possible clay hosted REE mineralisation for more detailed exploration**
- **The Survey was located along roads which are generally coincident with the areas of duricrust development**
- **Designed as a regional sampling program, and a first pass exploration into the potential for REE's and base metals**

Corporate

- **Mr Anthony Hall appointed Strategic Advisor to work with senior management team on delivering corporate strategy and positive shareholder outcomes**
- **Highly experienced Geologist Mr. Charles Nesbitt appointed as Exploration Manager and Chief Technical Officer and will fulfil the role of Company Competent Person (CP)**
- **As outlined in the Prospectus the Company will, in parallel with advancing the current projects, continue to assess other exploration opportunities that will either complement the existing or potentially offer better exploration potential and Shareholder value. To this end new projects have been offered to the company, these are subject to ongoing preliminary first pass initial review.**

Osmond Resources Limited (ASX:OSM) commenced trading on the Australian Securities Exchange on 22 April 2022, after a successful initial public offer. A total of 25,000,000 Shares were issued price of $0.20 per Share to raise $5,000,000 (before costs). The Lead Manager to the Public Offer was Canaccord Genuity (Australia) Limited. (OSM Prospectus)

The proximity of Osmond's Projects to nearby mineral occurrences, in particular nickel in South Australia, will be the Company's initial focus. The Board is excited by recent developments in these frontier areas for gold and base metals and the potential of the Osmond's Projects.

Osmond has an experienced Board with extensive corporate experience and a strong track record in creating shareholder value through successful mineral exploration, project development and mergers and acquisitions.

To support its objectives, the Company made two key appointments: Mr. Anthony Hall as Strategic Advisor and Mr. Charles Nesbitt as Exploration Manager and Chief Technical Officer.

The Company announced in July 2022 that it had commenced an initial survey to assess the mineral potential of its Sandford Project. The presence of mafic igneous rocks (potential source rocks for REE) and proximity to nearby Rare Earth discoveries and resources has increased the potential for the region and the mineralised terrain to extend into Osmond's ground.

About Osmond Resources

Osmond Resources Limited is a mineral and exploration company committed to increasing shareholder wealth through the exploration, development and acquisition of mineral resource projects. Osmond was formed with the purpose of assembling a portfolio of projects predominantly located in the Gawler Craton region of South Australia and the Glenelg structural zone of western Victoria. (Please refer to maps below.)

Figure 1:Osmond Resources Projects

Since its incorporation, the Company has secured agreements in respect of a number of tenements that are considered highly prospective for gold, copper, nickel and REE. The Company is excited by recent exploration successes in these frontier areas for gold and base metals.

Osmond has entered into acquisition agreements in South Australia, with Fowler Resources Pty Ltd (Fowler) for exploration tenements EL6417 (Yumbarra Tenement), EL6615 (Tallacootra Tenement) and EL6692 (Coorabie Tenement) and with Kimba Resources Pty Ltd (Kimba) (being a wholly owned subsidiary of ASX-listed Investigator Resources Pty Ltd (Investigator)) for EL6603 and EL6604 (together, the Fowler Tenements); and in Victoria with Providence Gold and Minerals Pty Ltd (Providence), for EL6958 (Sandford Tenement).

Projects

The Fowler Domain Projects straddle the boundary of this geological domain in far western South Australia. These major crustal scale domain bounding structures that traverse the tenements have potential to host structurally upgraded magmatic Ni-Cr-Cu-PGE; layered intrusive-hosted Ni-Cr-PGE; IOCG (Hiltaba Suite) deposits; intrusion-related (Tunkillia-type) Au; and orogenic Au. While the proximity of the Fowler Domain Projects to nearby mineral occurrences is no guarantee that it will be prospective for an economic reserve, recent discoveries by Western Areas Limited (ASX:WSA) in the Fowler Domain have indicated the nickel-copper sulphide pedigree of the region.

The Yumbarra Project located in the Nuyts Domain of the Gawler Craton contains a highly magnetic feature that is interpreted as a layered ultramafic intrusive. Historic drilling has reported a best intersection of Ni-Co anomalism in basement drilling of 1357 ppm Ni and 1066 ppm Co (further details in respect of which are set out in the prospectus). There are also identified electromagnetic surveying targets yet to be drilled on this target.

The Sandford Project located in western Victoria is considered prospective for Avebury-style nickel; SEDEX base metals; porphyry Cu-Au; porphyry Mo-Au; (R)IRGS style deposits; and orogenic Au deposits related to major structures that pass through the tenement. In addition, rare earth element (REE) potential is recognised within the tenement, for clays developed at the base of the extensive duricrusts that formed from the deep weathering of basement granitoid bodies with elevated REE concentrations. Initial targeting on the Sandford Project has commenced and will seek to identify prospective regions for the formation of the REE hosted clays and also base and precious metal occurrences.

THE SANDFORD PROJECT: SOIL SURVEY COMMENCED

The Company announced in July 2022 that a regional soil sampling survey was in progress across the Sandford Tenement (EL6958) (Figure 2). (ASX Announcement 26 July 2022) The survey is designed as a first pass regional program, with a sample spacing of 500m along roads (Figure 3) to quickly identify targets of interest for follow up infill sampling at closer spacing. This is the first comprehensive regional geochemical survey conducted over the whole tenement area. The aim of the survey is to identify anomalous base metals as well as REE and potentially mineral sands.

In addition to the regional sampling program, landholder engagement is currently underway for access to private land to target areas of igneous-metasediment contacts and nearby geological structures prospective for base metal deposits.

To assist in identifying anomalous areas a hand-held XRF will be used, these in the field results will assist in reducing the number of samples submitted for assay and reduce the overall cost, as the use of the XRF will be not representative it is not intended to release the results until the full assays are available.

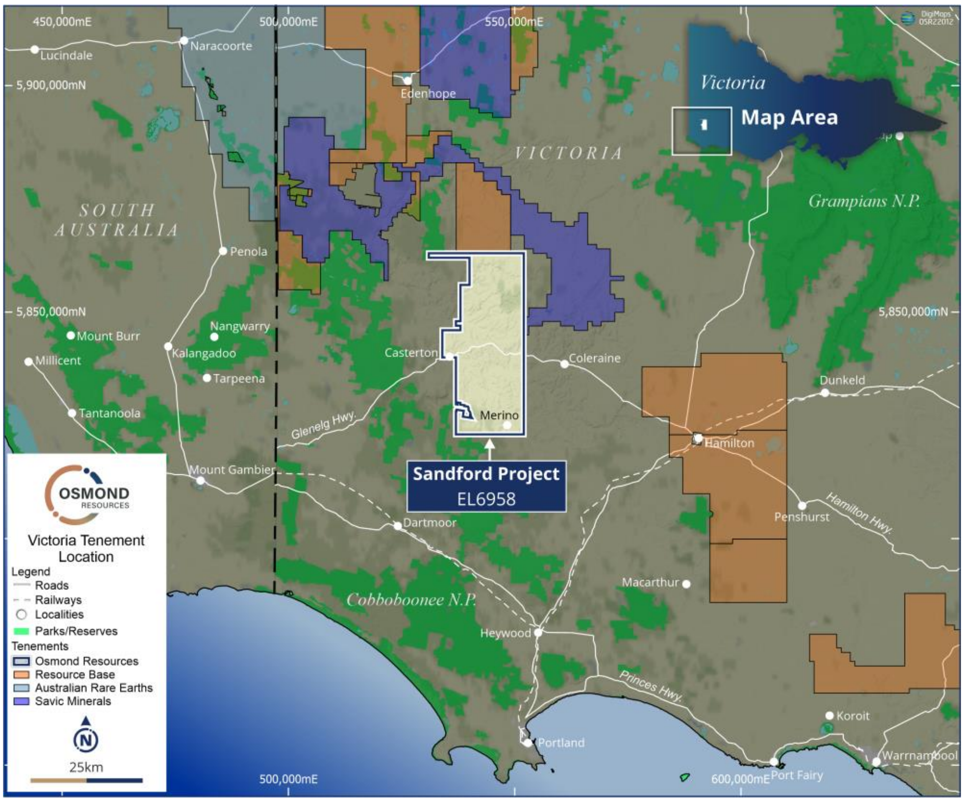

Figure 2. Sandford Tenement (EL6958) relative to neighboring company tenements.

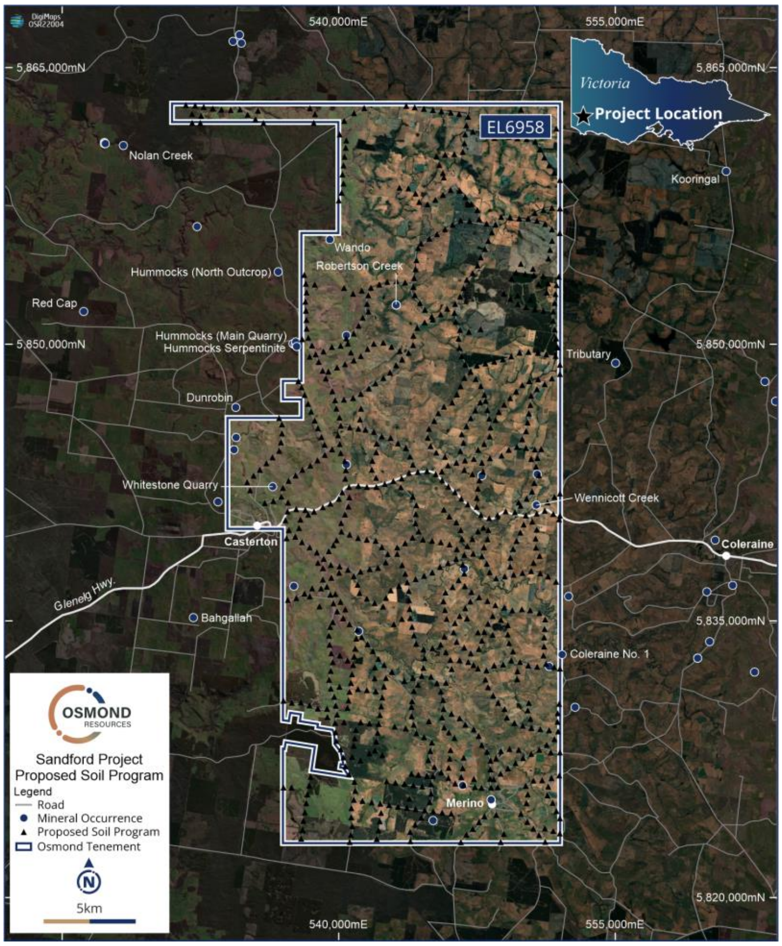

Figure 3: Location of soil sample sites (black dots) over the Sandford tenement (EL6958).

CORPORATE

Mr Anthony Hall appointed Strategic Advisor

In July, the Company announced the appointment of Mr Anthony Hall as advisor to the Company, for an initial 12-month period. Anthony complements the existing Board and managements skills and will work with the team on strategic corporate developments to build shareholder value, in line with the Company's business strategy and objectives.

Anthony is a proven industry executive who was a founding director and CEO of Highfield Resources and 5E Advanced Materials, both entities trading at 15x IPO price during his executive management. He has over 20 years´ commercial experience in venture capital, risk management, strategy and business development. He holds a Bachelor of Laws (Honours), a Bachelor of Business and Graduate Diploma of Applied Finance and Investment.

Mr. Charles Nesbitt appointed as Exploration Manager and Chief Technical Officer

In May, the Company announced the appointment of Mr Charles Nesbitt (BSc (Hons) Geology, M.AusIMM) to the role of Exploration Manager and Chief Technical Officer. Charles is an experienced geologist and also a founding director of Fowler Resources Pty Ltd, the private company that Osmond has agreements with for South Australian Projects, namely EL6417 (Yumbarra Tenement), EL6615 (Tallacootra Tenement) and EL6692 (Coorabie Tenement). Charles is based in Adelaide and has an intimate knowledge of Osmond's South Australian Projects. His experience with the projects over a number of years will be invaluable to fast tracking exploration activities.

Prior to joining Osmond, Charles was Senior Project Geologist at Taruga Minerals (ASX:TAR), where he was responsible for developing the greenfield exploration models for their South Australian exploration program. Previous experience includes management and senior roles with a number of companies including PNX Metals, Boss Resources, Uranium Equities, Heathgate Resources and WMC.

Osmond Resources Limited
Directors' report
30 June 2022

The Directors present their report, together with the financial statements, on Osmond Resources Limited (referred to hereafter as the 'Company') for the financial year ended 30 June 2022.

Directors

The following persons were Directors of Osmond Resources Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Rhoderick Grivas – Non-Executive Chair (appointed 15 September 2021)
Andrew Shearer – Executive Director and CEO (appointed 15 September 2021)
Daniel Eddington – Non-Executive Director

Principal activities

During the financial year the principal continuing activities of the company entity consisted of consisted of exploration and development focused on gold, base metals and Rare Earth discoveries.

Dividends

No dividends were paid during the financial period.

Review of operations

The loss for the Company after providing for income tax amounted to $859,506 ($7,210 for the period from 15 April 2021 to 30 June 2021).

Significant changes in the state of affairs

On 17 August 2021, the Company changed its status from a private company to a public company.

During August and September 2021, $620,000 in funds were raised via the issue of Convertible Notes.
The key terms and conditions of the Notes were as follows:

- Face Value of $620,000, Nil interest rate.
- The liabilities of the convertible notes will be extinguished as follows:
    - If an Initial Public Offering (IPO) or Reverse TakeOver (RTO) occurs the number of shares to be issued is 620,000/60% of the IPO or RTO price; or
    - If the maturity date is 12 months after the date of the Agreement, the number of shares to be issued is 620,000/60% of the last proposed IPO or RTO price; or
    - If the maturity date is 18 months after the date of the Agreement, the number of shares to be issued is 620,000/60% of the last proposed IPO or RTO price or the last completed financing price.

During October 2021, the Company issued 400,000 shares valued at $40,000 as consideration for Options in respect to exploration projects.

On 1 February 2022, the Company issued 300,000 shares valued at $30,000 as consideration for additional Options in respect to exploration projects. On 5 April 2022, pursuant to acquisition and Option agreements, the Company issued 2,600,000 shares valued at $520,000 as consideration for exploration project rights and interests.

On 4 February 2022, the Board agreed to issue 3,000,000 unlisted Options exercisable at 25 cents each with an expiry date of 3 years from the date of admission of the Company shares trading on the ASX. Recipients were key management personnel and a consulting firm.

On 6 April 2022, the Company issued 5,166,675 shares at 12 cents each upon conversion of the Convertible Notes. The Board also agreed to issue 2,500,000 unlisted Options to brokers, exercisable at 25 cents each with an expiry date of 3 years from the date of admission of the Company shares trading on the ASX.

On 22 April 2022, the Company commenced trading on the ASX following a successful initial public offering of 25,000,000 shares at 20 cents each, raising $5 million (before costs).

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

Matters subsequent to the end of the financial year
On 1 July 2022, the Company issued 1,250,000 Options, exercisable at 35 cents on or before 30 June 2025, to Mr Anthony Hall upon his appointment as strategic advisor to the Company.

No other matter or circumstance has arisen since 30 June 2022 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

Likely developments and expected results of operations
The company will continue to conduct exploration and development activities focused on gold and base metals discoveries.

Environmental regulation
The Company is not subject to any significant environmental regulation under Australian Commonwealth or State law.

The Company's exploration activities are in Australia and is subject to environmental regulations in the country. The Board maintains responsibility that the Company is in compliance with all relevant environmental legislation and maintains a high standard of environmental care. During the year, there were no known breaches of tenement conditions, and no such breaches have been notified by any government agencies.

Information on directors

Name:	Rhoderick Grivas
Title:	Non-Executive Chair
Experience and expertise:	Mr Grivas is a geologist with over 30 years of experience in the resource industry, including 20 years of board experience on ASX listed companies. Mr Grivas has held several director and management positions with publicly listed mining and exploration companies, including Managing Director of ASX and TSX listed gold miner Dioro Exploration NL (ASX: DIO), where he oversaw the discovery and development of a gold resource through feasibility to production. Mr Grivas has a strong combination of equity market, M&A, commercial, strategic, and executive management capabilities.
Other current directorships:	Golden Mile Resources Ltd (Non-Executive Director) Lexington Gold Ltd (Non-Executive Director)
Former directorships (last 3 years):	Aldoro Resources Ltd (Non-Executive Director) - 20 November 2019 to 25 November 2020 Okapi Resources Ltd (Non-Executive Director) - 30 June 2020 to 13 May 2021 Andromeda Metals Ltd (Non-Executive Director) (resigned 19 January 2022)
Interests in shares:	2,466,667
Interests in options:	750,000

Name:	Andrew Shearer
Title:	Executive Director and Chief Executive Officer
Experience and expertise:	Mr Shearer has over 25 years' experience in the finance and resource sectors, with an ability to combine both technical and financial experience in the assessment of investment opportunities. He has an extensive network of contacts from both the mining and finance communities, providing opportunities to develop new projects and source market information. Most recently, Mr Shearer held the position of Senior Resources Analyst at PAC Partners, a well-respected and trusted analyst and corporate advisor of companies with extensive experience in reporting accurately and concisely on findings with an ability to tailor reports to the target audience. Industry experience has included senior management and technical roles with Mount Isa Mines, Glengarry Resources, and the South Australian Government.
Other current directorships:	Investigator Resources Ltd (Non-Executive Director) Resolution Minerals Ltd (Non-Executive Director)
Former directorships (last 3 years):	Okapi Resources Ltd (Non-Executive Director) Andromeda Metals Ltd (Non-Executive Director) (resigned 24 August 2022)
Interests in shares:	2,425,000
Interests in options:	750,000

Name:	Daniel Eddington
Title:	Non-executive Director
Experience and expertise:	Mr Eddington has over 20 years' experience in the financial markets with experience across multiple sectors including the resource, energy, and industrial sectors. He specialises in equity capital markets and has been responsible for IPO's, placements, reverse takeovers, underwritings, corporate negotiations, and corporate advisory for companies predominantly in the resource sector. Mr Eddington has a Bachelor of Commerce Degree from The University of South Australia and a Graduate Diploma in Applied Finance & Investment from the Securities Institute of Australia.
Other current directorships:	Sparc Technologies Ltd (Non-Executive Director) Jade Gas Holdings Ltd (Non-Executive Director) Computer DisAbility Ltd (Non-Executive Director) Secure Payment Processes Ltd (Non-Executive Director)
Former directorships (last 3 years):	None
Interests in shares:	2,310,001
Interests in options:	500,000

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

Company secretary
Mr Adrien Wing (B.Bus, CPA) was the company secretary of the Company during the whole of the financial year and up to the date of this report. Mr Wing is CPA qualified. He practised in the audit and corporate divisions of a chartered accounting firm before working with a number of public companies listed on the ASX as a corporate/accounting consultant and Company Secretary.

Meetings of directors
The number of meetings of the Company's Board of Directors ('the Board') and of each Board committee held during the year ended 30 June 2022, and the number of meetings attended by each director were:

	Full board	
	Attended	Held
Rhoderick Grivas	8	8
Andrew Shearer	8	8
Daniel Eddington	8	8

Held: represents the number of meetings held during the time the director held office or was a member of the relevant committee.

Remuneration report (audited)
The remuneration report details the key management personnel remuneration arrangements for the company, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors.

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
- C Service agreements
- D Share-based compensation
- E Additional information

A Principles used to determine the nature and amount of remuneration

The Board practice for determining the nature and amount of remuneration of directors and other key management personnel is agreed by the Board of Directors as a whole. The Board obtains professional advice where necessary to ensure that the Company attracts and retains talented and motivated Directors and employees who can enhance Company performance through their contributions and leadership.

Remuneration consists of a fixed remuneration, performance-based bonuses and long-term share options as considered appropriate. The Board believes that options are an effective remuneration tool which preserves the cash reserves of the Company whilst providing valuable remuneration.

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

Executive Director Remuneration

Due to the limited size of the Company and of its operations and financial affairs, the use of a separate remuneration committee is not considered appropriate. In determining the level and make-up of the Executive Director remuneration, the Board negotiates a remuneration to reflect the market salary for a position and individual of comparable responsibility and experience.

Remuneration is periodically compared to relevant external market conditions. This is done based on surveys of peer companies' Managing Director remuneration and also taking into account the increase in consumer price index. If required, the Board may engage an external consultant to provide independent advice in the form of a written report detailing market levels of remuneration for comparable executive roles.

No external consultant was engaged during the year for the purpose of remuneration review.

Non-Executive Directors remuneration

Non-Executive Directors' fees are paid within an aggregate limit which is approved by the shareholders from time to time. Retirement payments, if any, are agreed to be determined in accordance with the rules set out in the Corporations Act at the time of the Directors retirement or termination. Non-Executive Directors remuneration may include an incentive portion consisting of bonuses and/or options, as considered appropriate by the Board, which may be subject to shareholder approval in accordance with the ASX Listing Rules.

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 the amount of Director fees being paid by comparable companies with similar responsibilities and the experience of the Non-Executive Directors when undertaking the annual review process.

Company performance, shareholder wealth and director and other key management personnel remuneration
The remuneration policy has been tailored to increase goal congruence between shareholders, Directors and other key management personnel through successfully achieving its primary objectives. During exploration project development phase, these objectives are not linked to earnings. Instead, the successful discovery or acquisition of mineral resources and progress with project development are the primary means of value creation and thus, are the primary objectives of the Company. The achievement of this aim has been through the issue of options to Directors to encourage the alignment of personal and shareholder interests. The recipients of the options are responsible for growing the Company and increasing shareholder value. If they achieve this goal, the value of the options granted to them will also increase. Therefore, the options provide an incentive to the recipients to remain with the Company and to continue to work to enhance the Company's value.

B Details of remuneration

Details of the remuneration of the Directors and other key management personnel (defined as those who have the authority and responsibility for planning, directing and controlling major activities) of the Company are set out in the following tables.

	Short-term benefits	Post-employment benefits	Share-based payments	
2022	Cash salary and fees $	Super-annuation $	Options $	Total $
Non-Executive Directors:				
Rhoderick Grivas (appointed 15 September 2021)	54,546	5,454	90,000	150,000
Daniel Eddington	27,904	2,790	60,000	90,694
Executive Director:				
Andrew Shearer (appointed 15 September 2021)	64,811	6,481	90,000	161,292
Company Secretary:				
Adrien Wing (appointed 15 September 2021)	29,417	-	60,000	89,417
	176,678	14,725	300,000	491,403
2021				
Non-Executive Director:				
Daniel Eddington	-	-	-	-

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

	Fixed remuneration		At risk - STI	
Name	2022	2021	2022	2021
Non-Executive Directors:				
Rhoderick Grivas	40%	-	60%	-
Daniel Eddington	34%	-	66%	-
Executive Director:				
Andrew Shearer	44%	-	56%	-
Company Secretary:				
Adrien Wing	33%	-	67%	-

C Service agreements

Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

Name:	Andrew Shearer
Title:	Executive Director and Chief Executive Officer
Agreement commenced:	15 September 2021
Term of agreement:	0.6 Full time equivalent hours
Details:	Gross salary is $150,000 plus superannuation per annum. The Company or the employee may terminate the employment contract without cause by providing 3 months written notice or making payment in lieu of notice, based on the annual salary component. Termination payments are generally not payable on resignation or dismissal for serious misconduct. In the instance of serious misconduct the Company can terminate employment at any time.

D Share-based compensation

Options

The terms and conditions of each grant of options over ordinary shares affecting remuneration of directors and other key management personnel in this financial year or future reporting years are as follows:

Name	Number of options granted	Grant date	Vesting date and exercisable date	Expiry date	Exercise price	Fair value per option at grant date
R Grivas	750,000	4.2.2022	4.2.2022	22.4.2025	$0.25	$0.12
A Shearer	750,000	4.2.2022	4.2.2022	22.4.2025	$0.25	$0.12
D Eddington	500,000	4.2.2022	4.2.2022	22.4.2025	$0.25	$0.12
A Wing	500,000	4.2.2022	4.2.2022	22.4.2025	$0.25	$0.12

Options granted carry no dividend or voting rights.

All options were granted over unissued fully paid ordinary shares in the company. The number of options granted was determined having regard to the satisfaction of performance measures and weightings as described above in the section 'Company performance and link to remuneration'. Options vest based on the provision of service over the vesting period whereby the executive becomes beneficially entitled to the option on vesting date. Options are exercisable by the holder as from the vesting date. There has not been any alteration to the terms or conditions of the grant since the grant date. There are no amounts paid or payable by the recipient in relation to the granting of such options other than on their potential exercise.

E Additional information

The factors that are considered to affect total shareholders return ('TSR') are summarised below:

	2022
Share price at financial year end ($)	0.17
Total dividends declared (cents per share)	-
Basic earnings per share (cents per share)	(3.69)

Additional disclosures relating to key management personnel

Shareholding
The number of shares in the Company held during the financial year by each director and other members of key management personnel of the company, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/ other	Balance at the end of the year
Ordinary shares					
R Grivas	2,300,000	-	166,667	-	2,466,667
D Eddington	2,300,001	-	10,000	-	2,310,001
A Shearer	2,300,000	-	125,000	-	2,425,000
A Wing	2,300,000	-	458,334	-	2,758,334
	9,200,001	-	760,001	-	9,960,002

Options holding
The number of options over ordinary shares in the company held during the financial year by each director and other members of key management personnel of the company, including their personally related parties, is set out below:

	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
Options over ordinary shares					
R Grivas	-	750,000	-	-	750,000
D Eddington	-	500,000	-	-	500,000
A Shearer	-	750,000	-	-	750,000
A Wing	-	500,000	-	-	500,000
	-	2,500,000	-	-	2,500,000

This concludes the remuneration report, which has been audited.

Shares under option
Unissued ordinary shares of Osmond Resources Limited under option at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under option
4.2.2022	22.4.2025	$0.25	3,000,000
22.4.2022	22.4.2025	$0.25	2,500,000
1.7.2022	30.6.2025	$0.35	1,250,000
			6,750,000

No person entitled to exercise the options had or has any right by virtue of the option to participate in any share issue of the company or of any other body corporate.

Indemnity and insurance of officers
The Company has indemnified the directors and executives of the company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

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

Indemnity and insurance of auditor

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

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

Proceedings on behalf of the company

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

Non-audit services

Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 14 to the financial statements.

The directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The directors are of the opinion that the services as disclosed in note 14 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:

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

Auditor's independence declaration

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

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

On behalf of the directors

Andrew Shearer
Executive Director

26 August 2022
Melbourne

RSM Australia Partners

Level 21, 55 Collins Street Melbourne VIC 3000
PO Box 248 Collins Street West VIC 8007

T +61 (0) 3 9286 8000
F +61 (0) 3 9286 8199

www.rsm.com.au

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Osmond Resources Limited for the year ended 30 June 2022, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

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

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

RSM

RSM AUSTRALIA PARTNERS

R J MORILLO MALDONADO
Partner

Dated: 26 August 2022
Melbourne, Victoria

Osmond Resources Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2022

	Note	2022 $	Period 15 April 2021 to 30 June 2021 $
Revenue from continuing operations			
Other income		-	-
Expenses			
Legal expenses		(15,231)	(6,210)
IPO listing expenses		(189,160)	-
Employee benefits expense		(115,256)	-
Share based payments – Options	11	(360,000)	-
Exploration and evaluation expenses		(22,585)	-
Administration expenses		(157,274)	(1,000)
(Loss)/profit before income tax expense from continuing operations		(859,506)	(7,210)
Income tax expense	5	-	-
(Loss)profit after income tax expense for the year		(859,506)	(7,210)
Total comprehensive (loss)/income for the year		(859,506)	(7,210)
		Cents	**Cents**
Earnings/(loss) per share attributable to the owners of Osmond Resources Limited			
Basic earnings per share	64	(3.69)	(0.04)
Diluted earnings per share	64	(3.69)	(0.04)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Osmond Resources Limited
Statement of financial position
As at 30 June 2022

	Note	2022 $	2021 $
Assets			
Current assets			
Cash and cash equivalents	6	4,570,907	763
Trade and other receivables	7	33,728	536
Prepayments		43,712	-
Total current assets		4,648,347	1,299
Non-current assets			
Exploration and evaluation	8	724,204	-
Total non-current assets		724,204	-
Total assets		5,372,551	1,299
Liabilities			
Current liabilities			
Trade and other payables	9	84,433	6,899
Annual leave provision		1,706	-
Total current liabilities		86,139	6,899
Total liabilities		86,139	6,899
Net assets		5,286,412	(5,600)
Equity			
Contributed equity	10	5,493,128	1,610
Reserves	11	660,000	-
Accumulated losses		(866,716)	(7,210)
Total equity		5,286,412	(5,600)

The above statement of financial position should be read in conjunction with the accompanying notes

Osmond Resources Limited
Statement of changes in equity
For the year ended 30 June 2022

	Issued capital $	Reserves $	Accumulated losses $	Total equity $
Balance at 15 April 2021	-	-	-	-
Loss after income tax expense for the year	-	-	(7,210)	(7,210)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive loss for the year	-	-	(7,210)	(7,210)
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs	1,610	-	-	1,610
Balance at 30 June 2021	1,610	-	(7,210)	(5,600)

	Issued capital	Reserves	Accumulated losses	Total equity
Balance at 1 July 2021	1,610	-	(7,210)	(5,600)
Loss after income tax expense for the year	-	-	(859,506)	(859,506)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive loss for the year	-	-	(859,506)	(859,506)
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs	5,461,518	-	-	5,461,518
Options issued	-	660,000	-	660,000
Balance at 30 June 2022	5,463,128	660,000	(866,716)	5,256,412

The above statement of changes in equity should be read in conjunction with the accompanying notes

Osmond Resources Limited
Statement of cash flows
For the year ended 30 June 2022

	Note	2022 $	Period 15 April 2021 to 30 June 2021 $
Cash flows from operating activities			
Payments to suppliers and employees (inclusive of GST)		(501,470)	(847)
Net cash used in operating activities	17	(501,470)	(847)
Cash flows from investing activities			
Payment for exploration Option		(20,000)	-
Payments for exploration and evaluation		(109,904)	-
Net cash used in investing activities		(129,904)	-
Cash flows from financing activities			
Proceeds from issue of shares		5,000,000	1,610
Payments for capital raising costs		(418,482)	-
Proceeds from convertible notes		620,000	-
Net cash provided by financing activities		5,201,518	1,610
Net increase/(decrease) in cash and cash equivalents		4,570,144	763
Cash and cash equivalents at the beginning of the financial period		763	-
Cash and cash equivalents at the end of the financial period	6	4,570.907	763

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. General information

The financial statements cover Osmond Resources Limited as an individual entity. The financial statement is presented in Australian dollars, which is Osmond Resources Limited's functional and presentation currency.

Osmond Resources Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 2
480 Collins Street
Melbourne VIC 3000

A description of the nature of the Company's operations and its principal activities are included in the Directors' report. The financial report was authorised for issue, in accordance with a resolution of directors, on the date of the signing of the Directors’ declaration.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on the date of the signing of the Directors’ declaration.

Note 2. Significant accounting policies

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

New or amended Accounting Standards and Interpretations adopted

In the year ended 30 June 2022, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Company and effective for the current annual reporting period. There has been no material impact on the Company.

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

Basis of preparation

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

Historical cost convention
The financial statements have been prepared on an accrual basis under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss.

Critical accounting estimates
The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

Interest revenue
Interest revenue is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable

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

Note 2. Significant accounting policies (continued)

Income tax
The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:
- When the deferred income tax asset or liability arises from the initial recognition of goodwill or 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 nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

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

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

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

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

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

Cash and cash equivalents
Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables
Trade receivables and other receivables are recognised at amortised cost, less any allowance for expected credit losses.

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

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

Note 2. Significant accounting policies (continued)

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

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

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

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

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

Exploration and evaluation assets
Expenditure on acquisition, exploration and evaluation relating to an area of interest is carried forward at cost where rights to tenure of the area of interest are current and:
- It is expected that expenditure will be recouped through successful development and exploitation of the area of interest or alternatively by its sale; and/or
- Exploration and evaluation activities are continuing in an area of interest but at reporting date have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. Where uncertainty exists as to the future viability of certain areas, the value of the area of interest is written off or impaired.

Impairment
The carrying value of capitalised exploration and evaluation expenditure is assessed for impairment at the cash generating unit level whenever facts and circumstances suggest that its carrying amount may exceed its recoverable amount.

An impairment exists when the carrying amount of an asset or cash-generating unit exceeds its estimated recoverable amount. The asset or cash-generating unit is then written down to its recoverable amount. Any impairment losses are recognised in the profit and loss.

Provisions
Provisions are recognised when the Company has a present (legal or constructive) obligation as a result of a past event, it is probable the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Note 2. Significant accounting policies (continued)

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

Employee benefits
Wages and salaries, annual leave and sick leave
A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave, and sick leave when it is probable that settlement will be required, and they are capable of being measured reliably.

Liabilities recognised in respect of short-term employee benefits are measured at their nominal values using the remuneration rate expected to apply at the time of settlement. Liabilities recognised in respect of long-term employee benefits are measured as the present value of the estimated future cash outflows to be made by the Company in respect of services provided by employees up to reporting date

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

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

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

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

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

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

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

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

Note 2. Significant accounting policies (continued)

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

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

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

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

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

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

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

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

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

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.

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

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

Note 2. Significant accounting policies (continued)

Goods and Services Tax ('GST') and other similar taxes
Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

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

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

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

New Accounting Standards and Interpretations not yet mandatory or early adopted
Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the company for the annual reporting period ended 30 June 2022. The company has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Note 3. Critical accounting judgements, estimates and assumptions

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

Exploration and evaluation costs
Exploration and evaluation costs have been capitalised on the basis that the company will commence commercial production in the future, from which time the costs will be amortised in proportion to the depletion of the mineral resources. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised. In addition, costs are only capitalised that are expected to be recovered either through successful development or sale of the relevant mining interest. Factors that could impact the future commercial production at the mine include the level of reserves and resources, future technology changes, which could impact the cost of mining, future legal changes and changes in commodity prices. To the extent that capitalised costs are determined not to be recoverable in the future, they will be written off in the period in which this determination is made.

Share-based payment transactions
The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity. Refer to note 61 for further information.

Income tax
The Company is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Company recognises liabilities for anticipated tax audit issues based on the Company's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

Note 4. Expenses

	2022 $	Period 15 April 2021 to 30 June 2021 $
Loss before income tax includes the following expenses:		
Superannuation expense (defined contribution)	16,756	-

Note 5. Income tax expense

	2022 $	Period 15 April 2021 to 30 June 2021 $
Income tax expense		
Current tax	(225,689)	(260)
Deferred tax expense	225,689	260
	-	-
Numerical reconciliation of income tax expense and tax at the statutory rate		
Loss before income tax expense	859,506	7,210
Tax at the statutory tax rate of 25% (2021: 26%)	214,877	1,875
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Share-based payments	(90,000)	-
IPO costs	(47,290)	-
IPO and capital raising costs – black hole eligibility	151,910	-
Other non-deductible items	(3,808)	(1,615)
	225,689	260
Current year tax losses and temporary differences not recognised	(225,689)	(260)
Income tax expense	-	-

Deferred tax assets not recognised

	2022 $	Period 15 April 2021 to 30 June 2021 $
Deferred tax assets not recognised comprises temporary differences attributable to:		
Tax Losses	143,046	-
Temporary differences	82,893	260
Total deferred tax assets not recognised	225,939	260

Note 6. Current assets - cash and cash equivalents

	2022 $	2021 $
Cash at bank	4,570,907	763

Note 7. Current assets - trade and other receivables

	2022 $	2021 $
GST receivable	33,728	536

Due to the short-term nature of the receivables, their carrying value is assumed to approximate their fair value. Given the nature of the receivables as detailed, exposure to credit risk is not considered material.

Note 8. Non-current assets - exploration and evaluation

	2022 $	2021 $
Exploration and evaluation - at cost	694,204	-

Reconciliations
Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Exploration and evaluation $	Total $
Balance at 30 June 2021	-	-
Additions	694,204	694,204
Balance at 30 June 2022	694,204	694,204

Note 9. Current liabilities - trade and other payables

	2022 $	2021 $
Trade payables	19,410	5,899
Other payables	65,023	1,000
	84,433	6,899

Note 10. Equity - issued capital

	2022 Shares	2021 Shares	2022 $	2021 $
Ordinary shares - fully paid	49,566,676	16,100,001	5,493,128	1,610

Movements in ordinary share capital

Details	Date	Shares	Issue price	$
Balance		-		-
Issue of shares	May 2021	16,100,001	$0.0001	1,610
Balance	30 June 2021	16,100,001		1,610
Issue of shares – Option fees	October 2021	400,000	$0.10	40,000
Issue of shares – Option fees	February 2022	300,000	$0.10	30,000
Issue of shares – Convertible Notes	April 2022	5,166,675	$0.12	620,000
Issue of shares – Projects acquired	April 2022	2,600,000	$0.20	520,000
Issue of shares – IPO	April 2022	25,000,000	$0.20	5,000,000
Capital raising costs				(718,482)
Balance	30 June 2022	49,566,676		5,493,128

Ordinary shares
Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Capital risk management
The company's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

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

The company would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current company's share price at the time of the investment. The company is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

The capital risk management policy remains unchanged from the 30 June 2021 Annual Report.

Note 11. Reserves

	2022 $	2021 $
Share based payments reserve	660,000	-

Reconciliations
Movements in reserves are set out below:

	Share-based payments $	Total $
Balance at 30 June 2021	-	-
Options issued	660,000	660,000
Balance at 30 June 2022	660,000	660,000

Set out below are summaries of options granted:

2022

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
04/02/2022	22/04/2025	$0.25	-	3,000,000	-	-	3,000,000
22/02/2022	22/04/2025	$0.25	-	2,500,000	-	-	2,500,000
			-	5,500,000	-	-	5,500,000
Weighted average exercise price			-	$0.25	-	-	$0.25

Set out below are the options exercisable at the end of the financial year:

Grant date	Expiry date	2022 Number	2021 Number
04/02/2022	22/04/2025	3,000,000	-
22/02/2022	22/04/2025	2,500,000	-
		5,500,000	-

The weighted average remaining contractual life of options outstanding at the end of the financial year was 3.25 years (2021: nil years).

For the options granted during the current financial year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
04/02/2022	22/04/2025	$0.20	$0.25	100.00%	n/a	1.31%	$0.12
22/02/2022	22/04/2025	$0.20	$0.25	100.00%	n/a	1.31%	$0.12

Note 12. Financial instruments

Financial risk management objectives

The Company's activities expose it to a variety of financial risks: market risk (including interest rate risk), credit risk, and foreign currency risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Company. The Company uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate and foreign exchange risks, ageing analysis for credit risk and beta analysis in respect of investment portfolios to determine market risk.

Risk management is carried out by the Board. The policies employed to mitigate risk include identification and analysis of the risk exposure of the Company and appropriate procedures, controls and risk limits.

Market risk

Price risk
The Company is not exposed to any significant price risk.
Interest rate risk
The Company is not exposed to any significant interest rate risk.
Foreign currency risk
The Company is not exposed to any significant foreign currency risk.
Credit risk
The Company is not exposed to any significant credit risk.

Note 13. Key management personnel disclosures

Compensation
The aggregate compensation made to directors and other members of key management personnel is set out below:

	2022 **$**	**Period 15 April 2021 to 30 June 2021** **$**
Short-term employee benefits	176,678	-
Post-employment benefits	14,725	-
Share-based payments	300,000	-
	491,403	-

Note 14. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by RSM Australia Partners, the auditor of the company:

	2022 **$**	**Period 15 April 2021 to 30 June 2021** **$**
Audit services – RSM Australia Partners		
Audit or review of financial statements	28,000	1,000
Other services - RSM Australia Partners		
Investigating accountant's report	6,500	-
	34,500	1,000

Note 15. Commitments

The Company pays minimal annual licence and lease fees related to its tenements. These payments are discretionary; however, the Company intends to make these payments and maintain the licences in good standing.

Note 16. Events after the reporting period

On 1 July 2022, the Company issued 1,250,000 Options, exercisable at 35 cents on or before 30 June 2025, to Mr Anthony Hall upon his appointment as strategic advisor to the Company.

No other matter or circumstance has arisen since 30 June 2022 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

Note 17. Reconciliation of loss after income tax to net cash from operating activities

	2022 $	Period 15 April 2021 to 30 June 2021 $
Loss after income tax expense for the year	(859,506)	(7,210)
Adjustments for:		
Share-based payments - Options	360,000	-
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	(33,192)	(536)
Increase in prepayments	(43,711)	-
Increase/(decrease) in trade and other payables	73,233	6,899
Increase/(decrease) in employee benefits	1,706	-
Net cash used in operating activities	(501,470)	(847)

Note 18. Earnings per share

	2022 $	Period 15 April 2021 to 30 June 2021 $
Earnings per share for profit from continuing operations		
Loss after income tax	(859,506)	(7,210)
	Cents	**Cents**
Basic (loss)/earnings per share	(3.69)	(0.04)
Diluted (loss)/earnings per share	(3.69)	(0.04)

Osmond Resources Limited
Directors' declaration
30 June 2022

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;

- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2022 and of its performance for the financial year ended on that date; and

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

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

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

Andrew Shearer
Executive Director

26 August 2022
Melbourne

Celebrating 100 Est.1922 in Australia

RSM

RSM Australia Partners

Level 21, 55 Collins Street Melbourne VIC 3000
PO Box 248 Collins Street West VIC 8007

T +61 (0) 3 9286 8000
F +61 (0) 3 9286 8199

www.rsm.com.au

INDEPENDENT AUDITOR'S REPORT
To the Members of Osmond Resources Limited

Opinion

We have audited the financial report of Osmond Resources Limited ("the Company"), which comprises the consolidated statement of financial position as at 30 June 2022, 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 Company is in accordance with the *Corporations Act 2001*, including:

i. giving a true and fair view of the Company's financial position as at 30 June 2022 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 Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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

Key Audit Matters

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

Key Audit Matter	How our audit addressed this matter
Exploration and evaluation assets Refer to Note 8 in the financial statements	
As at 30 June 2022, the carrying value of the Company's capitalised Exploration and evaluation assets amounted to $724,204. We determined this to be a key audit matter due to the significance of these assets in the statement of financial position. Also, there are significant management estimates and judgments involved in assessing the carrying value in accordance with AASB 6 *Exploration for and Evaluation of Mineral Resources* (AASB 6), including: • Determination of whether expenditure can be associated with finding specific mineral resources, and the basis on which that expenditure is allocated to an area of interest. • Assessment whether the exploration and evaluation expenditures are expected to be recouped through successful development and exploitation of the area of interest. • Assessment as to whether indicators of impairment exist, and if so, the judgments applied to determine and quantify any impairment loss.	Our audit procedures in relation to the carrying value of Exploration and evaluation assets included: • Review of the Company's accounting policy in relation to exploration and evaluation expenditure to confirm is in accordance with AASB 6; • Agreeing a sample of the additions to supporting documentation and ensuring that the amounts were capital in nature and in line with the Company's accounting policy; • Reviewing the Company's assessment that no indicator of impairment existed; • Enquiring with management and reviewing budgets and plans to determine that the Company will incur substantive expenditure on further exploration for and evaluation of mineral resources in the specific areas of interests; and • Discussion with management and a review of the Company's ASX announcements and other relevant documentation, to assess management's determination that exploration activities have not yet progressed to the point where the existence or otherwise of an economically recoverable mineral resource may be determined.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2022; but does not include the financial report and the auditor's report thereon.

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

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

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

Responsibilities of the Directors for the Financial Report

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

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

Auditor's Responsibilities for the Audit of the Financial Report

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

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

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 5 to 9 in the directors' report for the year ended 30 June 2022.

In our opinion, the Remuneration Report of Osmond Resources Limited for the year ended 30 June 2022, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

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

RSM

RSM AUSTRALIA PARTNERS

R J MORILLO MALDONADO
Partner

Dated: 26 August 2022
Melbourne, Victoria

Osmond Resources Limited
Shareholder information
30 June 2022

The shareholder information set out below was applicable as at 31 July 2022.

Distribution of equitable securities
Analysis of number of equitable security holders by size of holding:

	Ordinary shares	
	Number of holders	% of total shares issued
1 to 1,000	4	0.00
1,001 to 5,000	18	0.13
5,001 to 10,000	37	0.74
10,001 to 100,000	161	16.95
100,001 and over	112	82.18
	332	100.00

There were 8 shareholders holding less than a marketable parcel.

Equity security holders

Twenty largest quoted equity security holders
The names of the twenty largest security holders of quoted equity securities are listed below:

	Ordinary shares	
	Number held	% of total shares issued
GOODHEART PTY LTD	2,466,667	4.98
VALAS INVESTMENTS PTY LTD	2,425,000	4.89
FERNDALE SECURITIES PTY LTD	2,300,000	4.64
SEAMIST ENTERPRISES PTY LTD	2,300,000	4.64
SCOR GO LUATH LIMITED	2,300,000	4.64
JULIA ANN HALL	2,300,000	4.64
DANIEL EDDINGTON & JULIE EDDINGTON	1,150,000	2.32
DACAMA PTY LTD	1,150,000	2.32
INVESTIGATOR RESOURCES LIMITED	1,100,000	2.22
FOWLER RESOURCES PTY LTD	1,100,000	2.22
PROVIDENCE GOLD AND MINERALS PTY LTD	1,100,000	2.22
CHEMBANK PTY LIMITED	750,000	1.51
CANE ASSET MANAGEMENT PTY LTD	744,013	1.50
GP SECURITIES PTY LTD	575,000	1.16
JAWAF ENTERPRISES PTY LTD	525,000	1.06
MR ZACHARY PURTON	500,000	1.01
WING INVESTMENT HOLDINGS PTY LTD	458,334	0.92
MR MARK TETI	450,000	0.91
E & E HALL PTY LTD	450,000	0.91
MR BENJAMIN PETER LUMBERS	400,000	0.81
MR JOSEPH PATRICK BURKE	400,000	0.81
CHEVAL HOLDINGS PTY LTD	400,000	0.81
	25,344,014	51.13
Total Issued Capital	49,566,676	100.00

Osmond Resources Limited
Shareholder information
30 June 2022

Unquoted equity securities

	Number on issue	Number of holders
Options over ordinary shares issued	6,750,000	9

Substantial holders
Substantial holders in the company are set out below:

	Ordinary shares	
	Number held	% of total shares issued
Joseph Burke	3,166,667	6.39
Julia Hall and Anthony Hall	2,825,000	5.69
Adrien and Michelle Wing	2,758,334	5.56

Voting rights
The voting rights attached to ordinary shares are set out below:

Ordinary shares
On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

There are no other classes of equity securities.