KOBA resources limited

Annual Report 2022

From 14 May 2021 (Date of Incorporation) to 30 June 2022
ABN 59 650 210 067

Cobalt for the EV revolution

Koba Resources is an Australian resources company exploring a portfolio of high-grade cobalt projects in the USA to support the electric vehicle revolution and the world's path to net zero emissions.

Corporate Directory

Company Details

Koba Resources Limited
ACN 650 210 067
ASX Code: KOB

Directors

Non-Executive Chairman
Mr Michael Haynes

Managing Director
Mr Benjamin Vallerine

Non-Executive Director
Mr Scott Funston

Company Secretary

Mr Ian Cunningham

Registered Office

Suite 24-26, Level 3, 22 Railway Road
Subiaco WA 6008
Telephone: +61 (8) 9226 1356
www.kobaresources.com

Auditor

Stantons
Level 2, 40 Kings Park Road
West Perth WA 6005

P: +61 8 9481 3188
F: +61 8 9321 1204

Share Registry

Automic Registry Services
Level 5, 191 St Georges Terrace
Perth WA 6000
P: 1300 288 664 (within Australia)
P: +61 8 9324 2099 (outside Australia)

All securityholder correspondence to:

GPO Box 5193
Sydney NSW 2001

Home Exchange

Australian Securities Exchange
Central Park
152-158 St Georges Terrace
Perth WA 6000

ASX Code: KOB

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Review of Operations

Review of Operations

The board is pleased to provide this update and review of operations since Koba Resources was incorporated on 14 May 2021.

Koba commenced trading on the Australian Securities Exchange on 4 May 2022, following completion of an oversubscribed IPO which raised $9 million (before costs). This followed its demerger from ASX-listed New World Resources Limited in April 2022.

Koba Resources has acquired a 100% interest in four high-grade, highly prospective projects in the Idaho Cobalt Belt in Idaho, USA – one of the premier cobalt districts in the western world. The Idaho Cobalt Belt is a 55km long metallogenic district in eastern-central Idaho that is distinguished by the presence of multiple high-grade stratiform cobalt deposits. The largest of these deposits are:

(i) the historical Blackbird Mine – where more than 5 million tonnes of ore were mined between 1938 and 1969 at average grades of 0.6% Co and 1.5% Cu[1]; and

(ii) Jervois Global's Idaho Cobalt Operation, which comprises a new mine and processing facility that is currently under construction; with first production targeted for October 2022. Resources there currently comprise 6.8Mt at 0.42% Co, 0.64% Cu and 0.51 g/t Au[2].

Koba's projects are in close proximity to these two deposits and, strategically, the Company has secured some of the most advanced prospects in the Idaho Cobalt Belt, outside these two deposits. Importantly, the limited exploration that has been undertaken previously at the Company's projects has demonstrated that high-grade cobalt mineralisation is present at all of them.

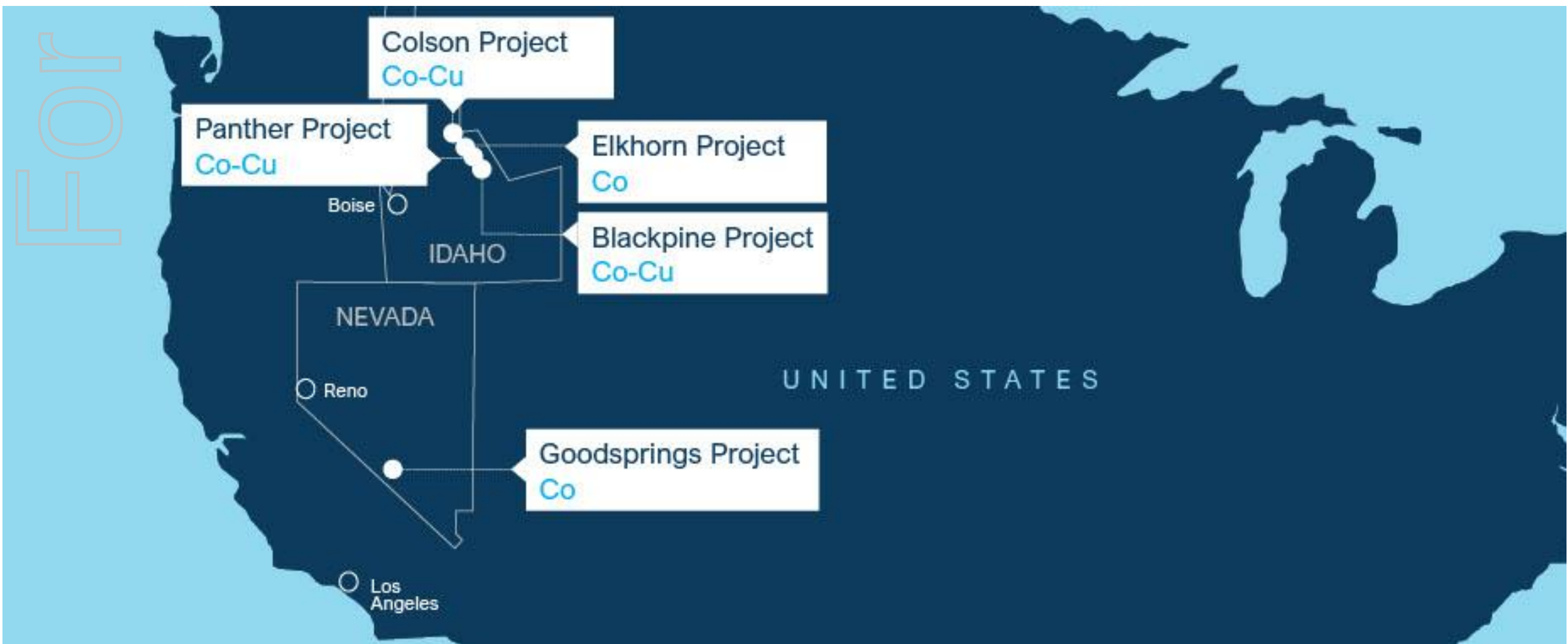
Koba has assembled its highly prospective portfolio of cobalt projects at a time when global cobalt demand is increasing. Cobalt is an important component of lithium-ion batteries – batteries that are a critical component of electric vehicles and portable technology, including smartphones and laptop computers.

The rapidly increasing adoption of electric vehicles, due to the global desire to reduce carbon emissions, has resulted in a forecast deficit in cobalt supply in the near term. Koba's high-grade projects, in the stable jurisdiction of Idaho in the USA, provide excellent opportunities to help bridge the forecast cobalt supply shortfall and fulfil the USA's desire for domestically sourced critical minerals, including cobalt.

[1] Lund, K., Tysdal, R.G., Evans, K.V., Kunk, M.J. and Pillers, R.M., Structural Controls and Evolution of Gold-Silver and REE-Bearing Copper-Cobalt Ore Deposits, Blackbird District, East-Central Idaho: Epigenetic Origins, 2011, Society of Economic Geologists Inc, Economic Geology v 106, pp. 585-618.

[2] Idaho Cobalt Operation resource breakdown: Measured 2.65Mt @ 0.45% Co, 0.59% Cu and 0.45g/t Au; Indicated 2.59Mt @ 0.42% Co, 0.80% Cu and 0.62g/t Au; Inferred 1.57Mt @ 0.35% Co, 0.44% Cu and 0.45g/t Au, using 0.15% Co as a cut-off grade. Source: Sletten, M et al, 2020, Idaho Cobalt Operations Form 43-101F1 Technical Report Feasibility Study, November 13, 2020.

Figure 1. Location of Koba Resources Projects in Idaho and Nevada, USA



Blackpine Cobalt-Copper Project

Idaho, USA | Ownership 100%

IP surveying at the Blackpine Cobalt-Copper Project during Q2 2022 delineated multiple, undrilled strong chargeability IP anomalies over 4km of strike. Many of the IP anomalies are coincident with strong cobalt-copper soil anomalism hence are high-quality drill targets. These standout drill targets together with known mineralisation in previous drilling and historical production at the Blackpine Mine, culminate in a very exciting opportunity to discover additional high-grade cobalt-copper mineralisation at the Blackpine Project, located just 15km southeast of the highly endowed Blackbird district.

Koba commenced a detailed, project-wide induced polarisation (IP) geophysical survey during May 2022 with the acquisition phase of the survey successfully completed in June 2022. The IP survey was undertaken to locate extensions of high-grade mineralisation at the historic Blackpine Mine, as well as to identify other areas across the entire project where additional sulphide-rich mineralisation may be present.

During September 2022, the Company started drill testing shallow IP anomalies at the Swift Prospect and will follow up on high-grade mineralisation intersected in previous drilling.

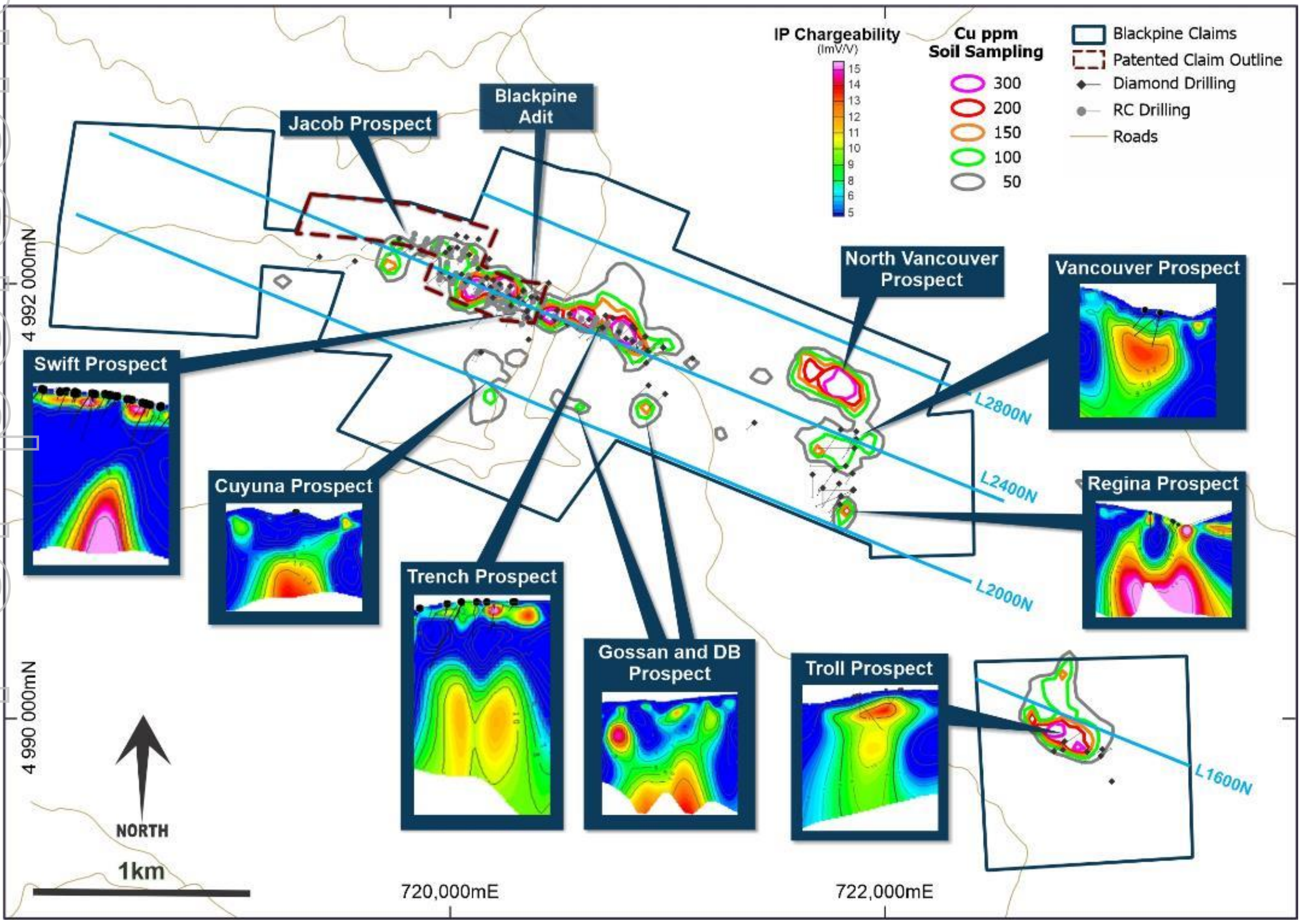


Figure 2. Plan showing the location of the IP section lines superimposed on contours of copper soil geochemistry, together with select IP anomalies (insets) that coincide with soil geochemistry anomalies

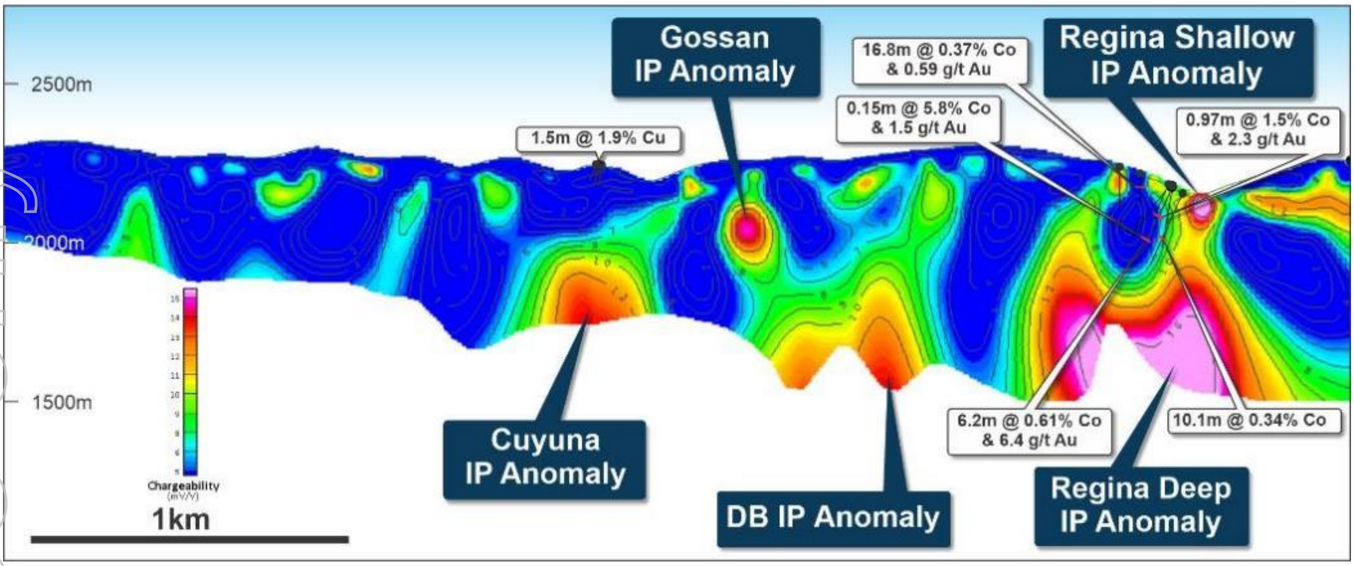


Figure 3. Cobalt-in-soil geochemistry at the Blackpine Cobalt-Copper Project, together with traces of all historical drill holes.

The highest priority IP anomalies identified during the IP survey include:

- ***The Regina IP Anomaly*** – a large, strong IP anomaly that lies 200m immediately below very high-grade shallow cobalt mineralisation intersected in previous drilling (see Figure 3). Significant results from limited previous drilling include:
  - o **0.15m @ 5.84% Co & 1.47 g/t Au from 75.5m; and**
  - o **6.16m @ 0.61% Co & 6.40 g/t Au from 77.4m**
- ***The Swift IP Anomaly*** - a strong IP anomaly located less than 250m below the historic Blackpine Mine (see Figure 4). Previous drilling into shallow IP anomalism in this area returned very promising results including:
  - o **7.32m @ 0.16% Co & 0.15 g/t Au from 1.5m;**
  - o **12.2m @ 0.01% Co, 2.80% Cu & 0.43 g/t Au from 29.0m; and**
  - o **4.27m @ 0.02% Co, 7.47% Cu & 0.78 g/t Au from 124.6m.**
- ***The Troll IP Anomaly*** - coincident with strong cobalt-copper soil anomalism. High grade cobalt and copper mineralisation has been intersected in limited historic drilling that tested the uppermost portions of the IP anomaly (see Figure 5), including:
  - o **2.80m @ 0.16% Co, 4.90% Cu & 0.45 g/t Au from 10.7m;**
  - o **1.86m @ 0.13% Co, 3.86% Cu & 0.11 g/t Au from 24.1m; and**
  - o **0.52m @ 0.32% Co, 0.05% Cu & 0.01 g/t Au from 54.9m.**

The IP anomalism indicates there is potential to discover deeper extensions of the mineralisation at the Troll Prospect.

- The ***Trench IP Anomaly*** is a large anomaly that lies immediately below shallow drilling that intersected **6.5m @ 0.18% cobalt and 5.9m @ 4.4% copper**.
- The ***Vancouver IP Anomaly*** is another strong anomaly located immediately below historical shallow drill holes that intersected **5.1m @ 2.7% copper and 1.5m @ 0.12% cobalt**.
- The ***Gossan, DB and Cuyuna IP Anomalies*** are all strong IP anomalies untested by drilling (see Figure 3). Significant copper, cobalt and/or gold mineralisation has been identified at all three prospects in drilling or rock chip sampling.

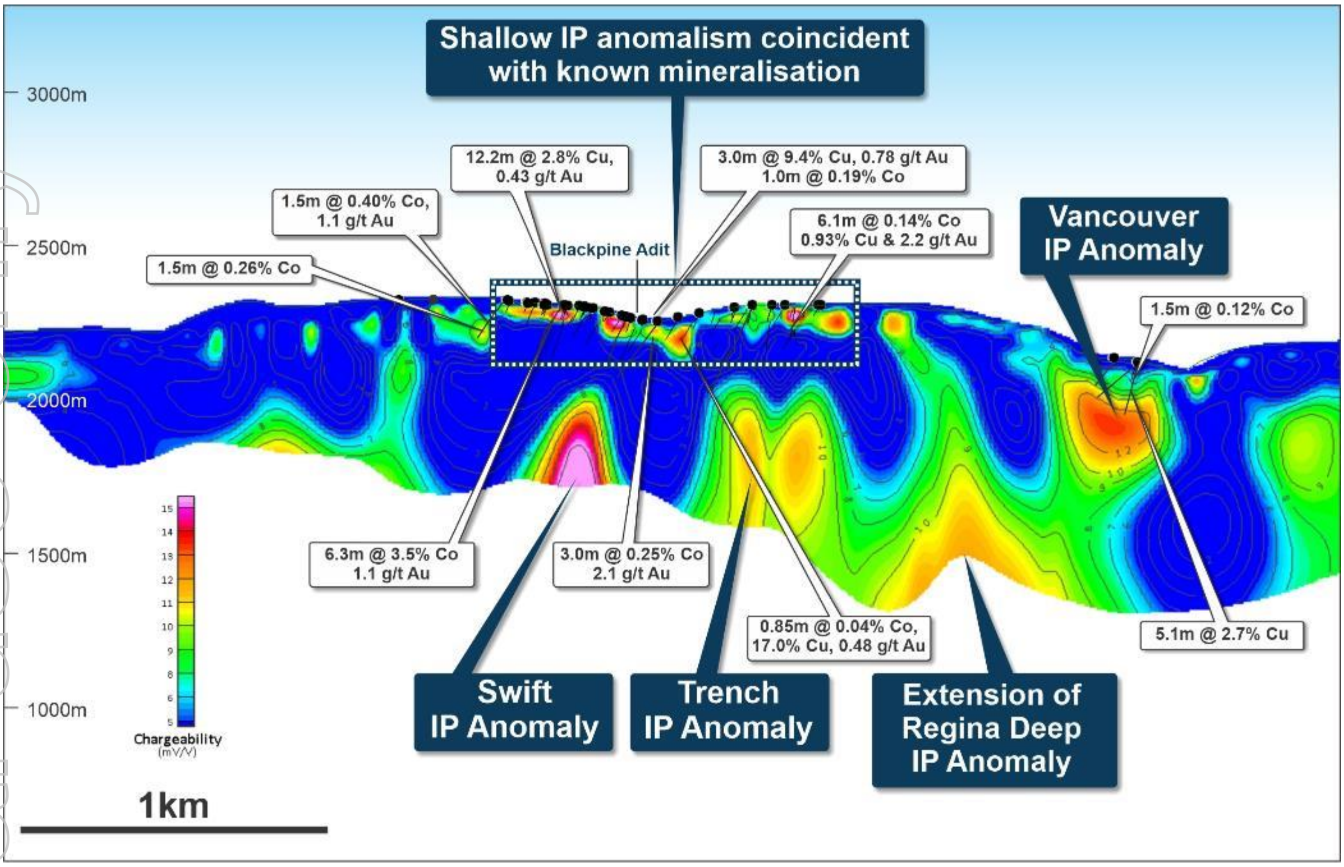


Figure 4. *2D IP section L2400N showing strong IP anomalies untested by previous drilling.*

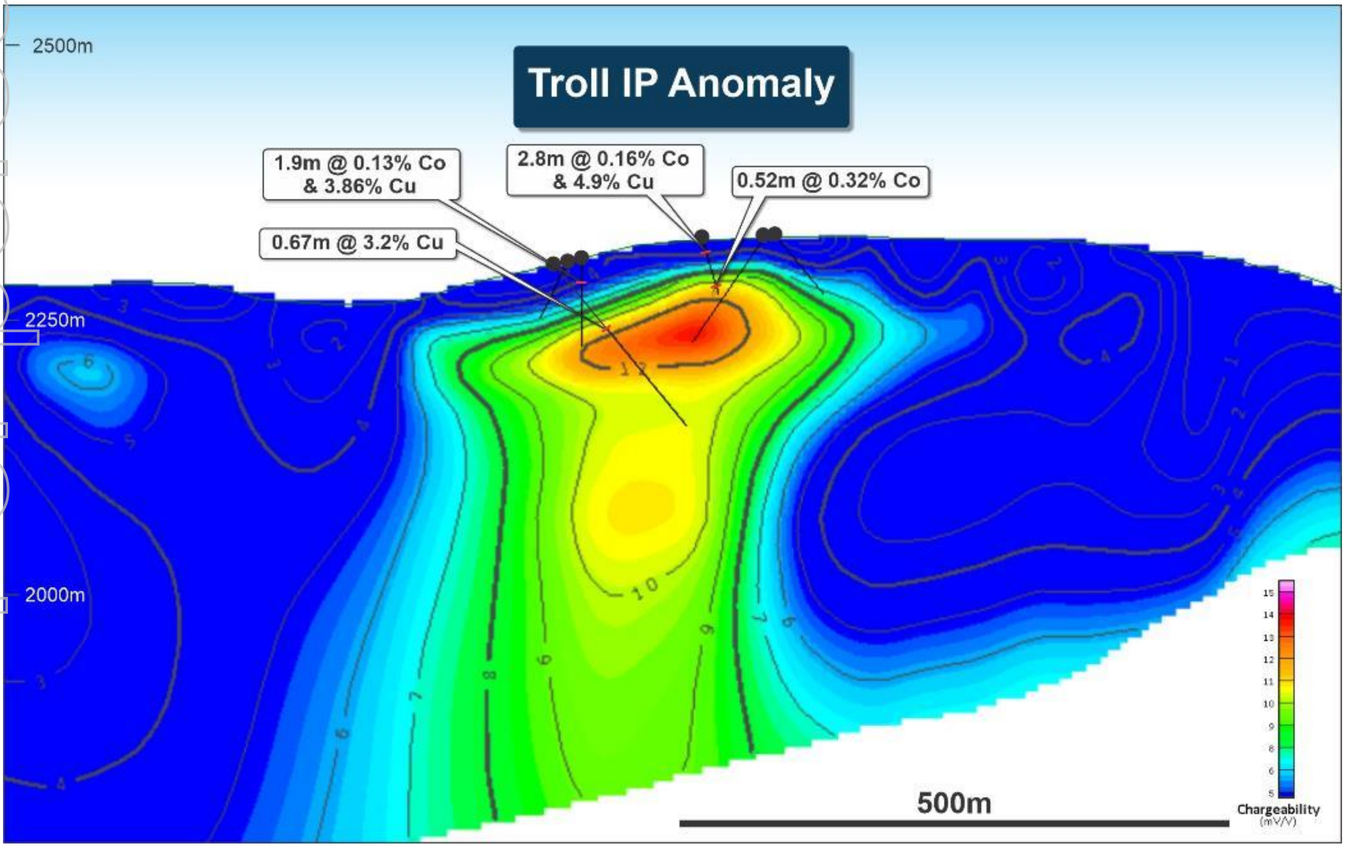


Figure 5. *2D IP section L1600N showing strong IP anomalism at the Troll Prospect.*

Blackpine Project - Drill Program

The Company commenced drilling from within the patented mining claims at the Swift Prospect in early September 2022 (see Figure 2). Patented mining claims are privately-owned property and Koba has all the requisite approvals in place to commence drilling. The drill program will target extensions to known mineralisation and shallow IP targets delineated at the Swift Prospect.

Many of the high-quality coincident IP and cobalt-copper soil anomaly targets at the Blackpine Project, including Regina, Troll and Trench, are located on unpatented mining claims (government property), which are governed by a different permitting regime. Koba has submitted applications to drill-test these targets, with approvals anticipated in 2023.

Previous Exploration

Between 1993 and 1996 Formation Capital undertook soil sampling, rock chip sampling and drilling programs at the Blackpine Project. Formation delineated significant cobalt-copper soil anomalies over 5km of strike (see Figure 6).

Formation drilled 196 holes at eight different prospects, targeting mapped mineralisation and cobalt-copper soil anomalism; completing 17,935m in total. This comprised 96 diamond holes and 100 RC holes. The majority of the drilling targeted shallow mineralisation in the vicinity of the Blackpine Mine, with limited drilling testing below 150m depth. Mineralisation remains open at depth and along the entire 5km of strike over which surface geochemistry anomalies are evident.

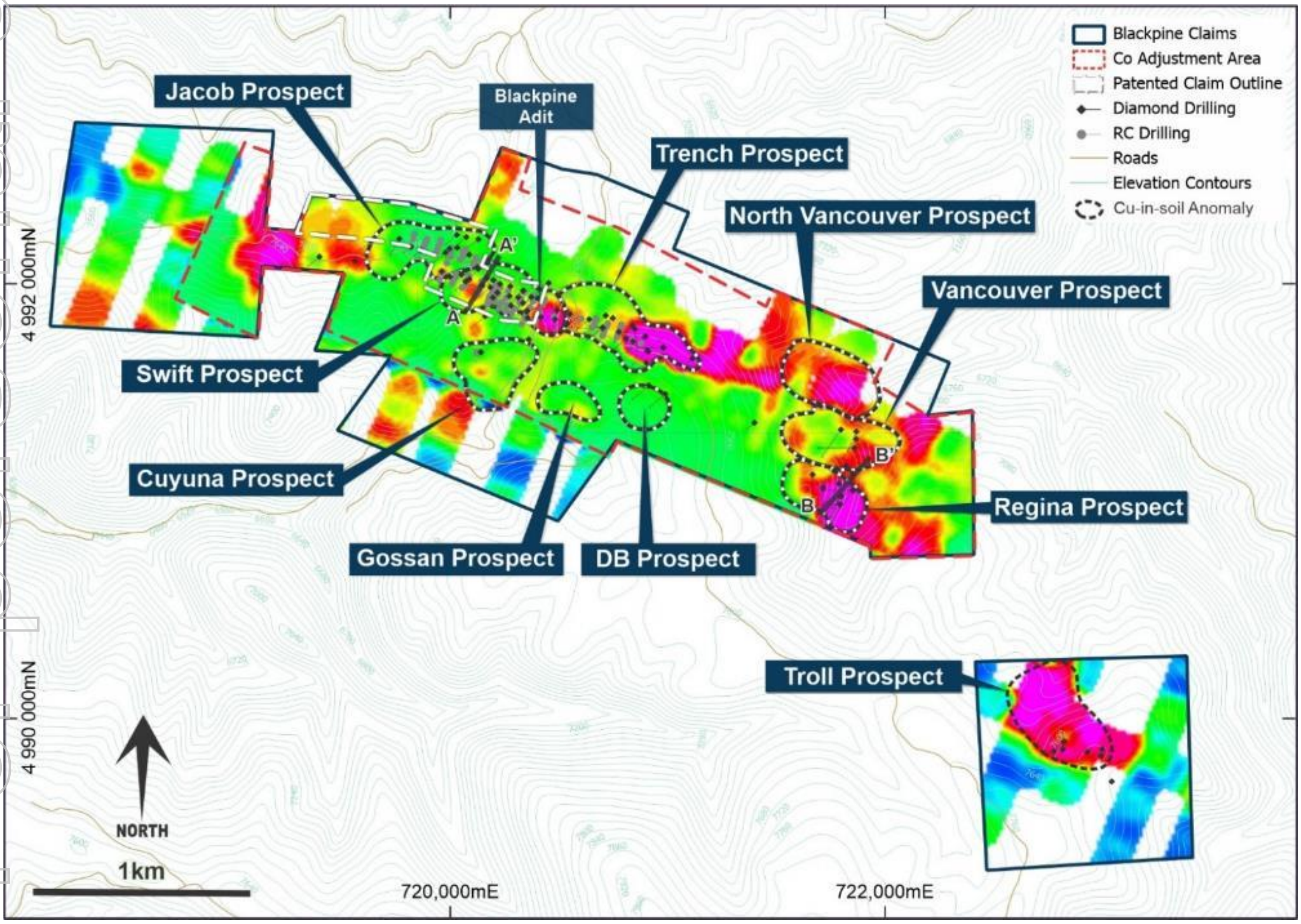


Figure 6. Cobalt-in-soil geochemistry at the Blackpine Cobalt-Copper Project, with the copper in soil anomalies annotated together with traces of all previous drill holes.

Colson Cobalt-Copper Project

Idaho, USA | Ownership 100%

The Colson Cobalt-Copper Project includes a series of strong IP anomalies coincident with strong cobalt-copper soil anomalism along strike from the historic Salmon Canyon Mine, from which several hundred tonnes of copper-cobalt-gold ore were mined between 1964 and 1979, the ore receovered from approximately 650m of underground infrastructure.

Koba's Maiden Drilling Program

In late June 2022, Koba commenced its maiden drilling program at the Colson Cobalt-Copper Project. Drilling targeted a series of large, strong induced polarisation (IP) geophysical anomalies delineated during a 2018 survey at the Long Tom and Rattlesnake Prospects. The strong IP anomalies coincide with strong cobalt-copper soil anomalies including very high-grades up to 0.11% cobalt and 0.39% copper. These prospects are located along strike from known high-grade mineralisation, including historic underground workings, at the Salmon Canyon Mine.

The 986.6m drill program concluded in August with all the samples submitted to the laboratory, all assays are pending. The initial drill holes tested the Long Tom and Rattlesnake West Prospects.

Previous Exploration

Drilling at the Salmon Canyon Prospect in 2018 discovered extensions of the high-grade cobalt

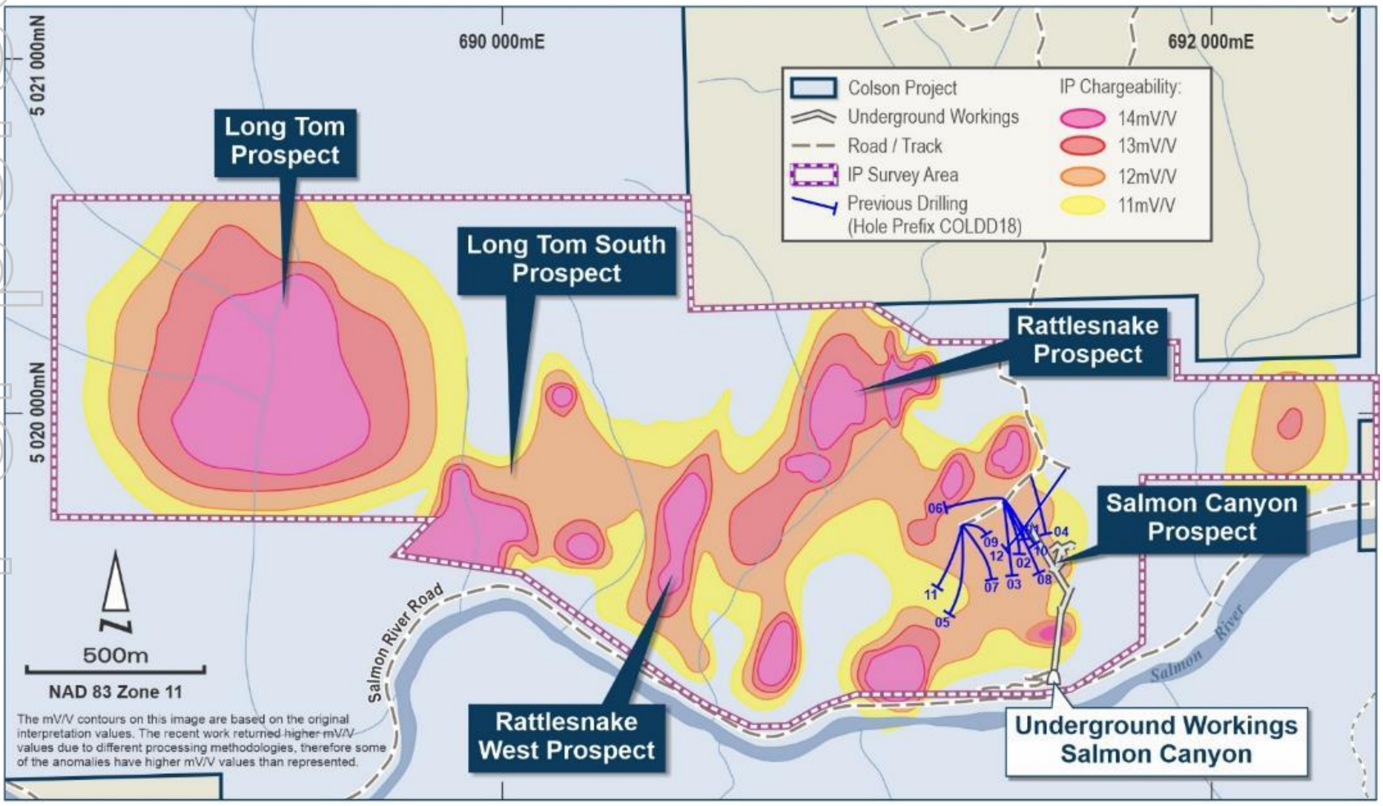


Figure 7. IP anomalies at the Colson Cobalt-Copper Project.

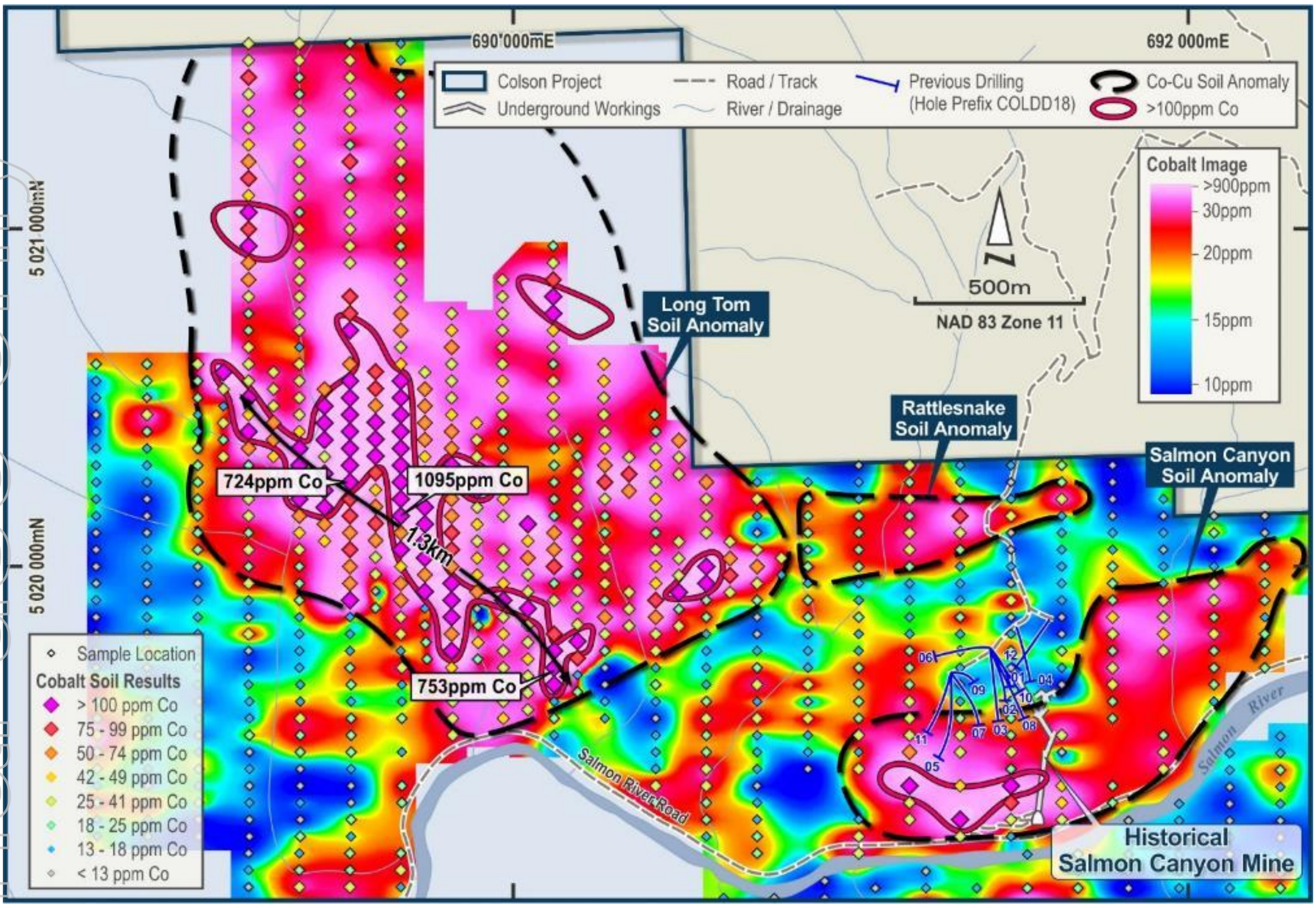


Figure 8. Cobalt soil geochemistry results at the Colson Cobalt-Copper Project.

mineralisation present at the Salmon Canyon Mine with results including;

- 5.5m @ **0.20% Co**, 0.69 g/t Au;
  *incl. 0.3m @ **1.26% Co**, 0.17% Cu, & 2.95 g/t Au;*
  *and 0.7m @ **0.49% Co** & 0.30 g/t Au.*

Subsequent IP surveying revealed the mineralisation at the mine coincides with moderate IP anomalies, and that considerably stronger IP anomalies are present immediately along strike. It is thought these may arise from thicker and/or higher-grade mineralisation.

Long Tom Prospect

The Long Tom Prospect is located 1.8km along strike from the Salmon Canyon Mine. It includes a 2km long, very-high-tenor cobalt-copper-arsenic soil geochemistry anomaly with samples assaying up to 1,095ppm (0.11%) cobalt and 3,930ppm (0.39%) copper. The high-grade core of the Long Tom soil anomaly includes over 30 samples assaying greater than 100ppm cobalt over 1.3km of strike (see Figure 8). A strong IP anomaly, extending over 700m x 700m, coincides with the highest tenor cobalt-copper soil anomalism (see Figures 8 and 9). It is a high priority exploration target.

Rattlesnake Prospect

The Rattlesnake Prospect is located approximately 600m northwest of the Salmon Canyon Prospect. It includes a very strong IP anomaly, measuring 750m x 250m, that is coincident with cobalt-copper soil anomalism. The mineralisation intersected during drilling at the Salmon Canyon Prospect in 2018 is associated with adjacent but less intense IP anomalism, hence the IP anomalism at Rattlesnake may be due to thicker and/or higher-grade mineralisation. It is another high-priority, undrilled target.

Reprocessing of Colson IP Data

During the June 2022 quarter, Koba engaged an independent geophysical consultant to re-process and re-model the IP data that had been acquired across the Colson Project in 2018. The objectives were to verify the location, strength and extents of the IP anomalies prior to drill-testing them. Results included:

- Confirmation that the Long Tom Prospect is the highest priority target.
- Confirmation that the Rattlesnake Prospect is a high priority target.
- Confirmation and expansion of the Long Tom South Prospect, a high-priority target.
- A new "Rattlesnake West" Prospect was delineated - a strong IP target.
- New IP targets within the Salmon Canyon Prospect, adjacent to the historical Salmon Canyon Mine were delineated.

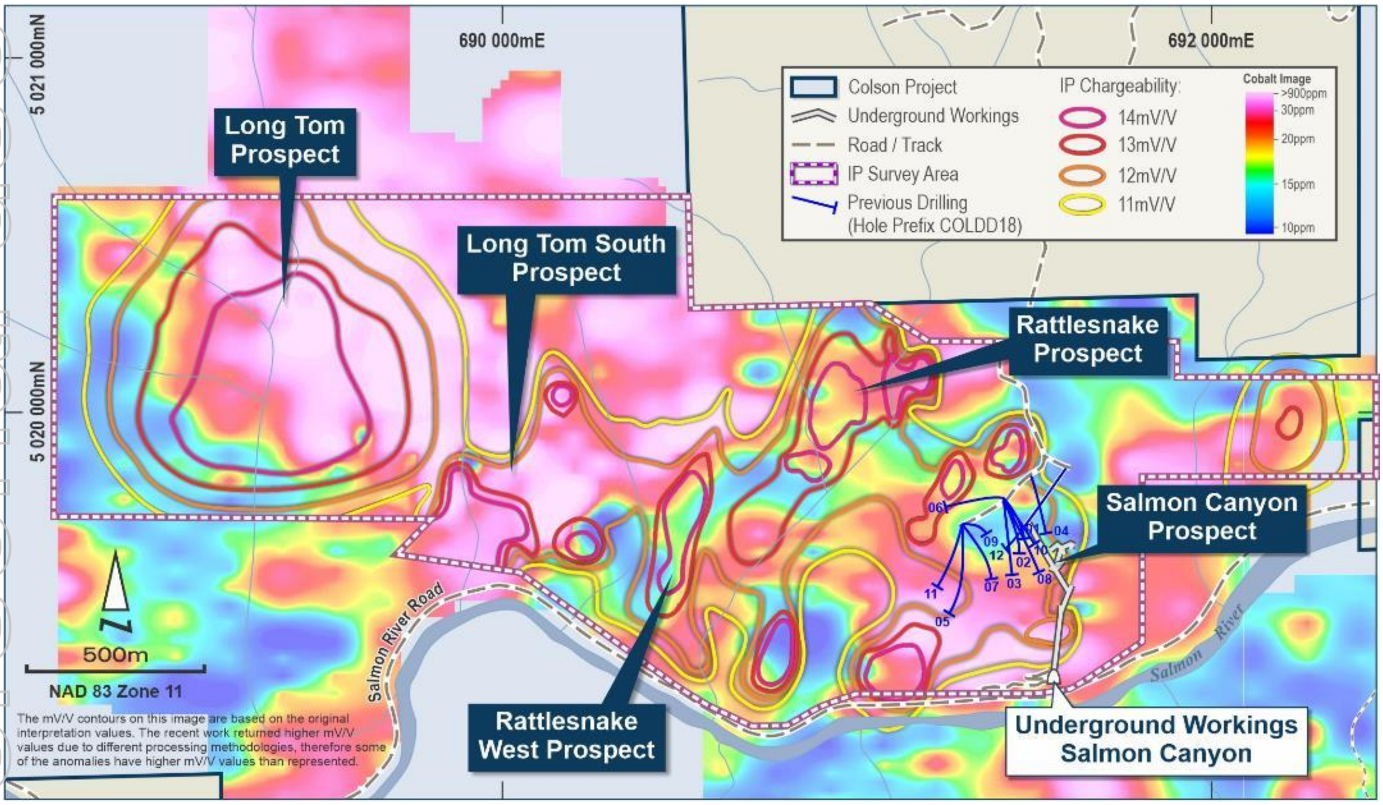


Figure 9. IP anomaly contours overlying an image of cobalt soil geochemistry at the Colson Cobalt-Copper Project.

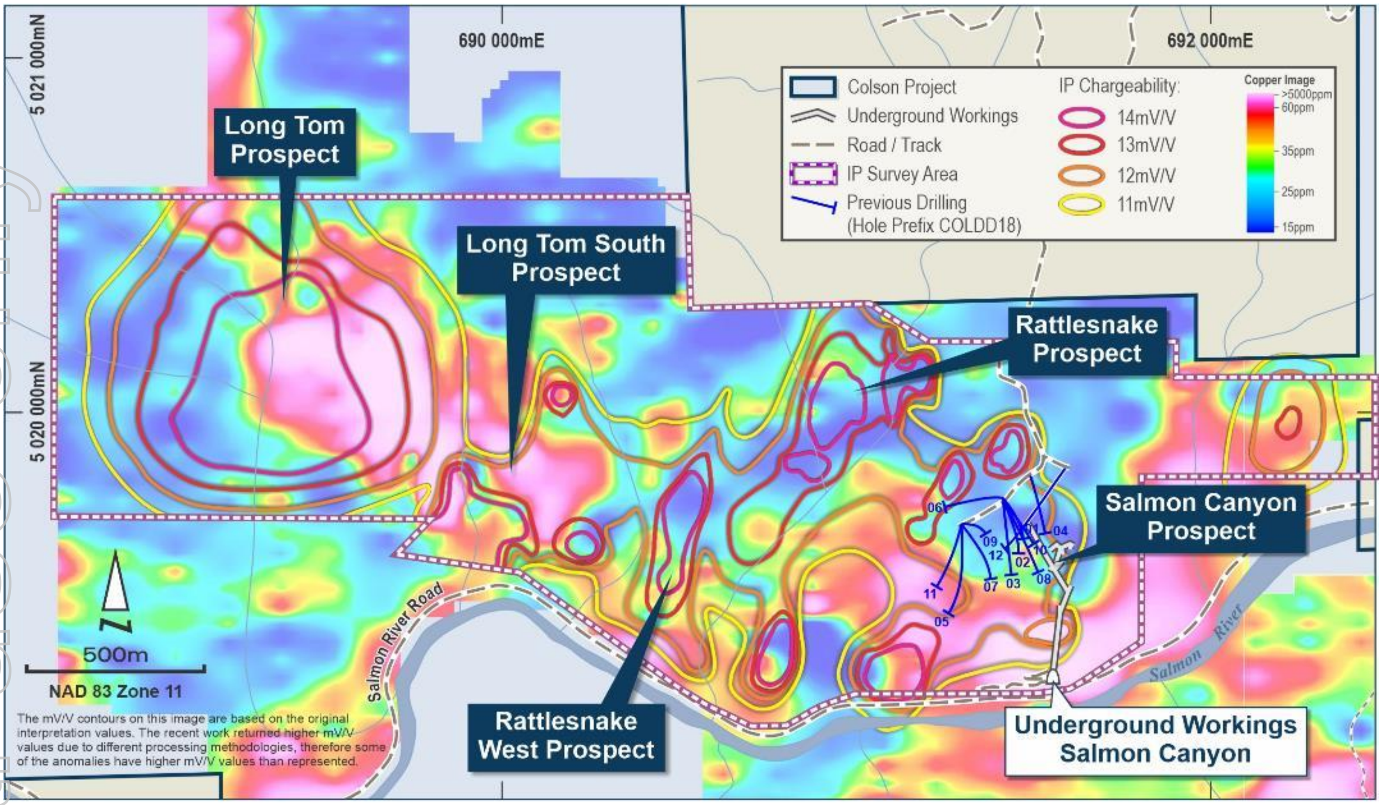


Figure 10. IP anomaly contours overlying an image of copper soil geochemistry at the Colson Copper-Cobalt Project.

Panther Cobalt-Copper Project

Idaho, USA | Ownership 100%

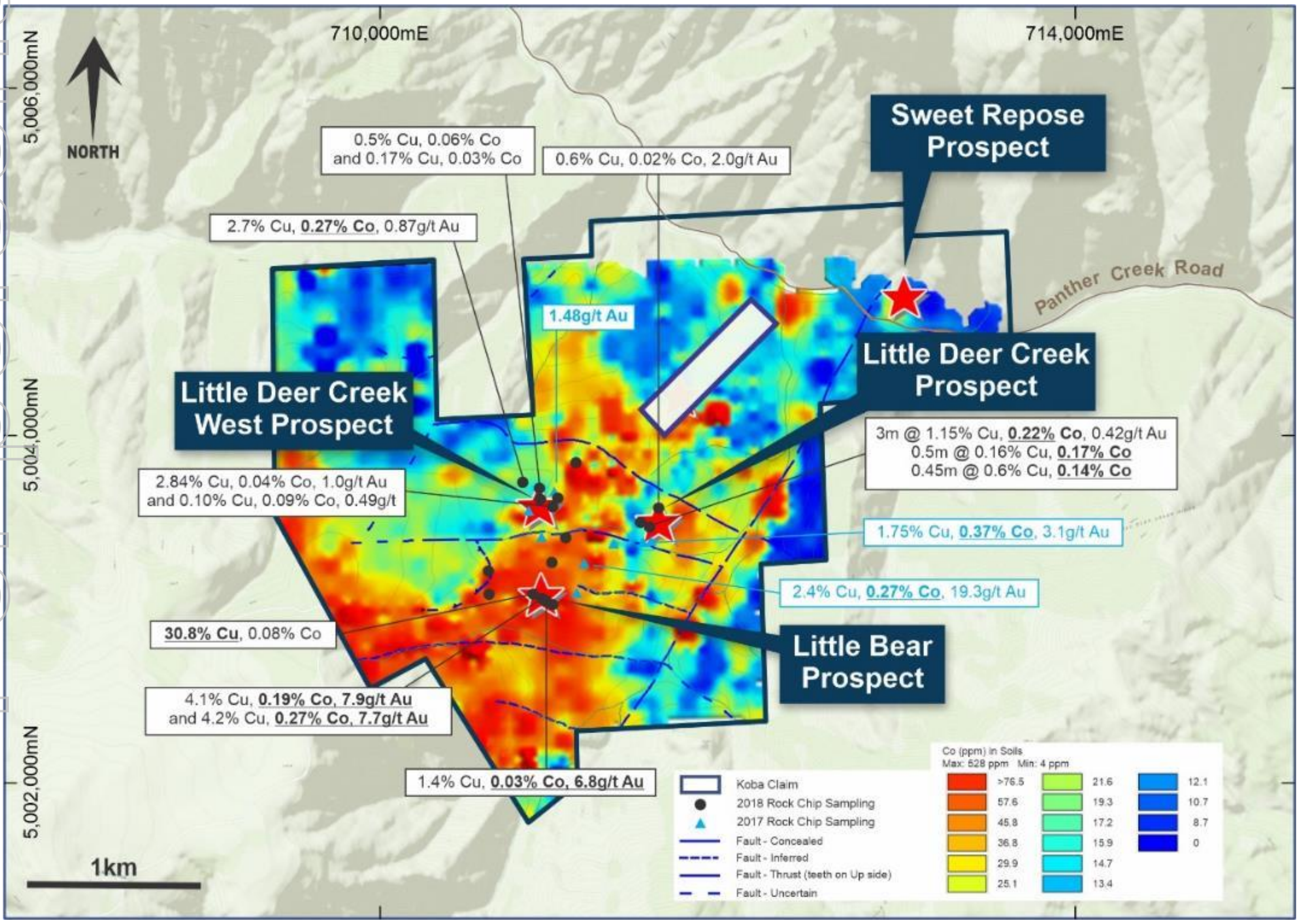
The Panther Cobalt-Copper Project lies within the Blackbird District just 3km east of Jervois' Idaho Cobalt Operation, where cobalt production is set to commence in October 2022, and 3km to the northeast of the historic Blackbird Cobalt Mine. The estimated total endowment of the Blackbird District is 17Mt averaging 0.74% Co, 1.4% Cu and 1.0 g/t Au[3].

The 870-hectare Panther Cobalt-Copper Project is located approximately 30km west of the town of Salmon. The Panther Creek Road crosses the north-eastern corner of the Project, passing within 200m of the old Sweet Repose Adit.

The Panther Project has undergone small-scale past production at the historic Sweet Repose Mine where cobalt-copper mineralisation and lithologies similar to those at the Blackbird Mine have been identified.

The project was actively explored between 2017 and 2018, when ePower Metals Inc (now Prime Mining Corp) collected a total of 1,534 soils samples, 53 surface rock samples and 29 underground samples.

Figure 11. Prospects and rock chip sampling locations on cobalt-in-soil geochemistry image.



[3] *Bookstrom, A.A., et al. 2016: Geologic history of the Blackbird Co-Cu district in the Lemhi sub-basin of the Belt-Purcell Basin, in Maclean, J.S., and Sears, J.W., eds., Belt Basin: Window to Mesoproterozoic Earth: Geological Society of America Special Paper 522, p. 185 – 219.*

The work confirmed wide-spread soil anomalism and delineated three high-priority prospects that contain high-grade cobalt, copper and gold mineralisation. The prospects include:

Little Bear Prospect - first identified in 2018 with strong cobalt, copper, gold and arsenic anomalism in soil sampling. Extremely high-grade assays have been returned from rock chip sampling including;

- 30.8% Cu, 0.08% Co & 21.9 g/t Ag;
- 4.2% Cu, 0.27% Co, 7.7 g/t Au & 9.0 g/t Ag; and
- 4.1% Cu, 0.19% Co, 7.9 g/t Au & 10.4 g/t Ag.

Little Dear Creek - comprises a small collapsed adit, together with a series of excavations in outcropping cobalt-copper mineralisation that extend over approximately 200m and coincide with copper-cobalt-arsenic soil anomalism that extends over 1,000m.

Better rock chip and channel samples include:

- 1.75% Cu, 0.37% Co and 3.1 g/t Au; (rock chip) and
- 3.0m @ 1.15% Cu, 0.22% Co and 0.42g/t Au (channel sample).

Little Dear Creek West - there are several historical prospecting pits mapped over approximately 150m with cobalt, copper and arsenic soil anomalism extending over 1,000m encompassing the Little Dear Creek and Little Dear Creek West Prospects. Better rock chip samples include:

- 2.7% Cu, 0.27% Co and 0.87 g/t Au; and
- 2.84% Cu, 0.037% Co and 1.0 g/t Au.

Koba has not yet undertaken any activities at Panther.

Figure 11. *Managing Director – Ben Vallerine at the Sweet Repose adit.*

Elkhorn Cobalt Project

Idaho, USA | Ownership 100%

The Elkhorn Cobalt Project is an early-stage prospect with historic prospecting pits containing cobalt-copper oxides over 1.5km of strike length. The character of the mineralisation, together with the host stratigraphy, invite analogies between Elkhorn and the known deposits within the Idaho Cobalt Belt.

Cobalt-copper mineralisation was discovered in the late 1800's, outcropping cobalt-copper mineralisation in prospecting pits and trenches scattered over 1.5km of strike. Cobalt-copper oxides are present in rock fractures, with cobaltite present in fresh rocks.

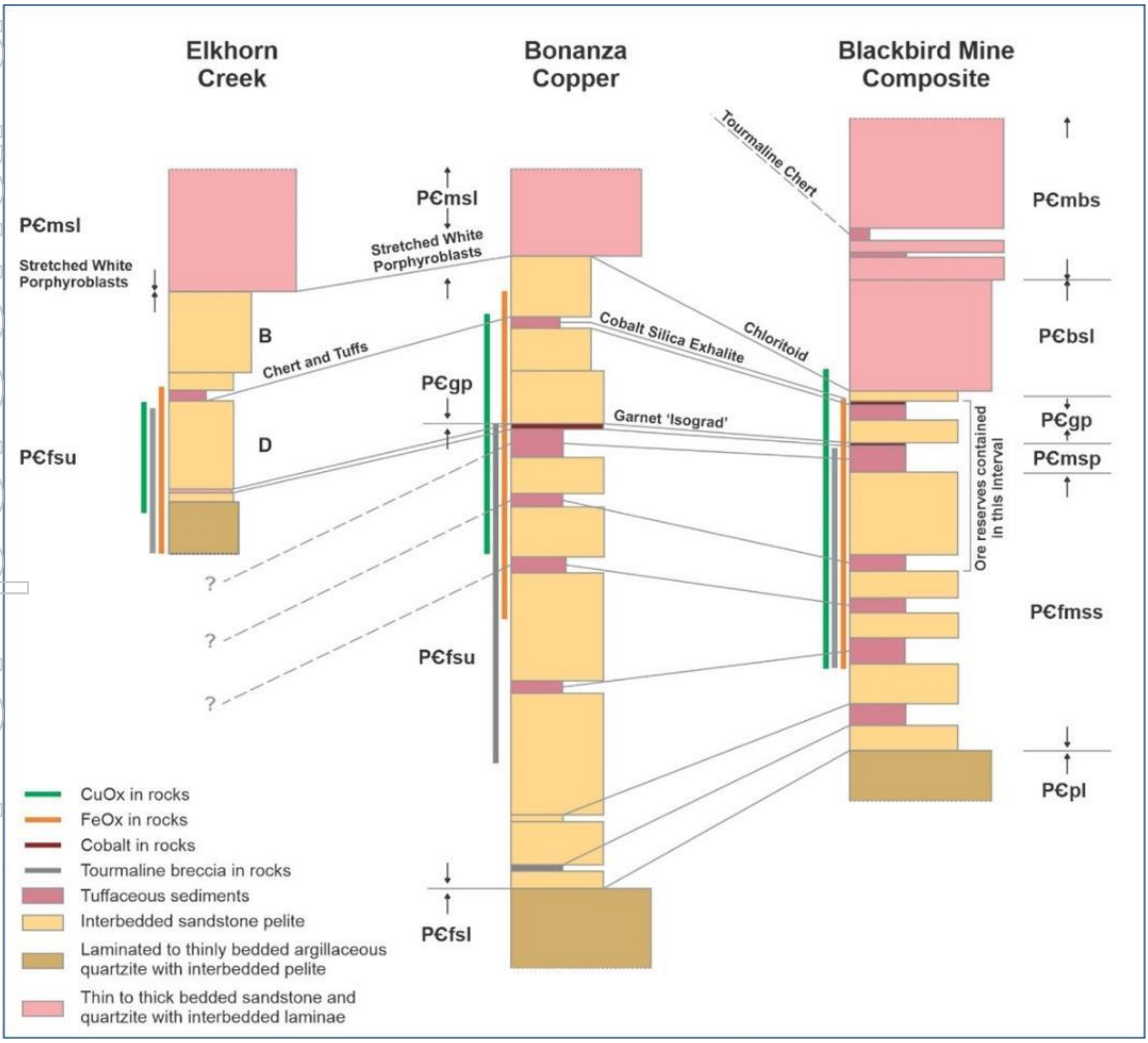


Figure 12. Geological comparison between Elkhorn, the Blackbird Mine and the Bonanza Prospect.

The 227-hectare Elkhorn Cobalt Project is approximately 15km northwest of the Blackbird Cobalt District that contains the past producing Blackbird Cobalt Mine and Jervois Global's Idaho Cobalt Operation that is set to commence production in October 2022. The estimated total endowment of the Blackbird District is 17Mt averaging 0.74% Co. 1.4% Cu and 1.0 g/t Au[3].

Reconnaissance field work during 2018 included the collection of 52 soil samples on two traverses.

Significant cobalt, copper, arsenic and gold anomalism was evident with assays up to 200ppm Co.

The Elkhorn Project is an early-stage exploration play where there is considerable potential to discover high-grade cobalt mineralisation similar to the deposits in the Blackbird District.

Koba has not yet undertaken at Elkhorn.

Goodsprings Copper-Cobalt Project

Nevada, USA | Ownership 100%

There is a long history of small-scale mining activity in the Goodsprings District. Since 1921, 19.1 tonnes of ore, at an average grade of 9.5% Co, were shipped from four mines.

The Goodsprings Project is located in the mining friendly, Tier 1 jurisdiction of Nevada, USA. The project is near the township of Goodsprings, approximately 50km southwest of Las Vegas. Access to the Project is via sealed roads and then throughout the Project via a network of unsealed gravel roads. Koba owns a 100% interest in 118 unpatented mining claims covering approximately 900 hectares.

Systematic Soil Sampling Program

Systematic soil geochemistry sampling was completed across the project in 2018 with 2,351 samples collected on 200m x 50m centres to help delineate the lateral extent of mineralised areas.

16 significant copper and cobalt anomalies were delineated including:

- a series of five coherent cobalt-copper soil anomalies that extend over more than 5,000m of strike either side of the historical Columbia Mine, where shipments of ore grading up to 29.2% cobalt were recorded in 1921. These anomalies – Double Down, Surprise, Columbia and Mill are all mapped to lie within the same geological sequence as that which hosts the Columbia Mine; and
- Blue Jay – a 1,000m long coincident cobalt-copper soil anomaly over and along strike from the historical Blue Jay Mine, where a shipment of ore grading 6.37% cobalt was recorded in 1922.

IP Survey

An IP survey was completed in 2018, covering a total area of 7.2km^2 over seven of the highest priority cobalt-copper soil anomalies. 18 high-priority targets were identified where moderate chargeability and/or high conductivity anomalies were coincident with, or adjacent to, anomalous cobalt and copper in soil geochemistry.

No follow-up work has been undertaken on these coincident IP and soil anomalies, and no drilling has been undertaken previously.

Koba has not yet undertaken any activities at Goodsprings.

Figure 13. Old mining cart near the town of Goodsprings.

Additional Information

Competent Person Statement

The information in this report that relate to past exploration results is based on, and fairly reflects, information compiled by Mr Ben Vallerine, who is Koba Resources' Managing Director. Mr Vallerine is a Member of the Australian Institute of Geoscientists. Mr Vallerine has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and the activity he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results and Mineral Resources (JORC Code). Mr Vallerine consents to the inclusion in the announcement of the matters based on the information in the form and context in which it appears.

Past exploration results disclosed in this report have been previously prepared and disclosed by Koba Resources Limited (the "Company") in accordance with JORC 2012 in its:

(i) ASX announcement of 1 September 2022; and

(ii) Prospectus dated 4 March 2022 (refer copy filed on the Company's ASX announcements platform on 2 May 2022).

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement or the Prospectus. The Company confirms that the form and content in which the Competent Person's findings are presented here have not been materially modified from the original market announcement or the Prospectus.

Forward Looking Statements

Any forward-looking information contained in this report is based on numerous assumptions and is subject to all of the risks and uncertainties inherent in the Company's business, including risks inherent in mineral exploration and development. As a result, actual results may vary materially from those described in the forward-looking information. Readers are cautioned not to place undue reliance on forward-looking information due to the inherent uncertainty thereof.

Directors' Report

DIRECTORS' REPORT

In accordance with the provisions of the Corporations Act 2001, the Directors submit the annual financial report of the consolidated entity consisting of Koba Resources Limited ("Koba" or the "Company") and the entities it controlled (collectively the "Group" or "Consolidated Entity") for the financial period from 14 May 2021 (date of incorporation) to 30 June 2022.

Directors

The names of Directors who held office during or since the end of the financial period 14 May 2021 (date of incorporation) to 30 June 2022 and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Michael Haynes (Non-Executive Chairman) – appointed 14 May 2021
Benjamin Vallerine (Managing Director) – appointed 21 December 2021
Scott Funston (Non-Executive Director) – appointed 21 December 2021
Richard Hill (Non-Executive Director) – appointed 14 May 2021, resigned 22 December 2021
Anthony Polglase - (Non-Executive Director) – appointed 14 May 2021, resigned 22 December 2021

Names, qualifications, experience and special responsibilities of Directors holding office during or since the end of the financial period:

Current Directors

Mr Michael Haynes – appointed 14 May 2021
Non-Executive Chairman
Mr Haynes has almost 30 years' experience in the mining industry. He has been intimately involved in the exploration and development of resource projects, targeting a wide variety of commodities, throughout Australia and extensively in Southeast and Central Asia, Africa, North and South America, and Europe. Mr Haynes holds a Bachelor of Science degree with Honours in geology and geophysics from the University of Western Australia.

Mr Haynes has held technical positions with both BHP Minerals Limited and Billiton plc. He ran his own successful consulting business for a number of years providing professional geophysical and exploration services to both junior and major resource companies. He has worked extensively on project generation and acquisition throughout his career. Over the past sixteen years he has been intimately involved in the incorporation, ongoing financing and management of numerous resources companies.

In the three years immediately before the end of the financial year, Mr Haynes is currently serving as Managing Director of New World Resources Limited (appointed 31 October 2017).

Mr Ben Vallerine – appointed 21 December 2021
Managing Director

Mr Vallerine has more than 20 years' experience in the mining industry. He has been involved in a senior management capacity with exploration and development resource projects, across a range of commodities, predominantly in Australia and North America. Mr Vallerine holds a Bachelor of Science degree with Honours in economic geology from the University of Tasmania and is a member of the Australian Institute of Geoscientists.

Mr Vallerine was most recently the Exploration Manager for ASX-listed explorer Caspin Resources Limited and prior to that role he was the CEO & Exploration Manager for ASX listed Renegade Exploration Limited. Mr Vallerine's North American experience includes roles as Exploration Manager for PolarX Limited (Alaska) and as Country Manager for Black Range Minerals Limited (Colorado) where he gained considerable experience in the identification, acquisition and exploration of mineral assets in North America.

In the three years immediately before the end of the financial year, Mr Vallerine is currently serving as a Non-Executive Director of Okapi Resources Limited (appointed 25 August 2021).

DIRECTORS' REPORT (continued)

Mr Scott Funston – appointed 21 December 2021
Non-Executive Director

Mr Funston is a qualified Chartered Accountant and Company Secretary with nearly 20 years' experience in the mining industry and accounting profession.

Mr Funston's expertise is financial management, regulatory compliance and corporate advice. Mr Funston possesses a strong knowledge of the Australian Securities Exchange requirements and has previously assisted a number of ASX listed resources companies as CFO and Company Secretary operating in Australia, South America, Asia, Africa, USA. Most recently he was CFO and Company Secretary of Avanco Resources, a Brazilian focussed copper and gold producer, that was acquired by Oz Minerals Limited.

In the three years immediately before the end of the financial year, Mr Funston is currently serving as an Executive Director of Challenger Exploration Limited (appointed 4 July 2019).

Mr Richard Hill – appointed 14 May 2021, resigned 22 December 2021
Non-Executive Director

Mr Hill is a geologist and solicitor with over 25 years' experience in the resources industry. He has performed roles as commercial manager and geologist for several mid cap Australian mining companies and as founding director for a series of successful ASX-listed companies. Mr Hill has practical geological experience as a mine based and exploration geologist in a range of commodities.

In the three years immediately before the end of the financial year, Mr Hill is currently serving as a Non-Executive Director of Sky Metals Limited (appointed 20 June 2019), Non-Executive Chairman of New World Resources Limited (appointed 31 October 2017) and Accelerate Resources Limited (appointed 3 July 2020).

Mr Anthony Polglase – appointed 14 May 2021, resigned 22 December 2021
Non-Executive Director

Mr Polglase has a Bachelor of Engineering First Class Honours degree in Metallurgy from the Camborne School of Mines and Higher National Certificates in both Mechanical Engineering and Electrical Engineering.

Mr Polglase started his career at the South Crofty Mine in Cornwall. Since then he has accumulated more than 40 years of experience working globally in different mining disciplines for companies including Ashanti, Rio Tinto, TVX and Ivernia in Africa, Europe, the Former Soviet Union, Australia, and, for the last decade, in Brazil. Mr Polglase was most recently both a founder and the Managing Director of Avanco Resources Limited, which he took to production and, later, acquisition by OZ Minerals Limited for $418 million in 2018.

In the three years immediately before the end of the financial year, Mr Polglase served as a Non-Executive Director of Metals X Limited (from 24 October 2019 to 10 July 2020). Mr Polglase is currently serving as a Non-Executive Director of Black Cat Syndicate Limited (appointed 25 May 2020) and New World Resources Limited (appointed 17 October 2019).

Mr Ian Cunningham – appointed 14 May 2021
Company Secretary

Mr Cunningham is a Chartered Accountant and Chartered Secretary and holds a Bachelor of Commerce degree and a Bachelor of Laws degree from the University of Western Australia. He also holds a Graduate Diploma in Applied Corporate Governance from the Governance Institute of Australia.

Mr Cunningham has more than 17 years' experience in the resources industry in executive and senior management roles, including with New World Resources, PolarX Limited and Adamus Resources Limited. During his tenure at Adamus, it developed the Nzema Gold Mine (Ghana) and subsequently merged with Endeavour Mining Corporation.

Mr Cunningham has also worked in the Financial Advisory division of Deloitte in both Australia and the UK.

DIRECTORS' REPORT (continued)

Interests in the shares, options and rights of the Company and related bodies corporate

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

Directors	Number of options over ordinary shares	Number of performance rights	Number of fully paid ordinary shares
Michael Haynes	4,500,000	480,000	620,954
Ben Vallerine	-	4,000,000	117,403
Scott Funston	2,500,000	180,000	-

7,000,000 share options were granted to Directors during the financial period 14 May 2021 (date of incorporation) to 30 June 2022.

4,660,000 performance rights were granted to Directors during the financial period 14 May 2021 (date of incorporation) to 30 June 2022 as part of their remuneration.

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

Expiry date	*Exercise price*	*Number of options*
26 April 2025	30 cents	3,000,000
26 April 2027	30 cents	13,500,000

At the date of this report, unissued ordinary shares of the Company under performance rights are:

Expiry date	*Number of performance rights*
26 April 2027	5,500,000

Dividends

No dividends have been paid or declared since the start of the financial period and the Directors do not recommend the payment of a dividend in respect of the financial period 14 May 2021 (date of incorporation) to 30 June 2022.

Principal Activities

The principal activities of the Group during the year were exploration for mineral resources.

Review of Operations

Our operations are reviewed on pages 2 to 17.

Operating results for the year

The consolidated loss of the Group for the financial period after providing for income tax amounted to $2,376,030.

Review of financial conditions

The Company considers that it has sufficient financial resources to fund its proposed exploration and development activities and general working capital requirements for the next 12 months. In the event that further capital was required, the ability to access this capital will depend upon the state of financial markets at the time and the Company's performance. The Directors of the Company believe that they have the ability to raise additional capital as required through further equity financings.

DIRECTORS' REPORT (continued)

Risk management

The Company has a policy for the oversight and management of material business risks, which is available on the Company's website.

The Board is ultimately responsible for ensuring the Company maintains effective risk management systems and processes. The Board delegates responsibility for implementing appropriate risk systems to management and management is required by the Board to report back on the efficiency and effectiveness of such risk systems.

Significant changes in the state of affairs

Significant changes in the state of affairs of the Company and the Group during the financial year are detailed in the Review of Operations.

In the opinion of the directors, there were no other significant changes in the state of affairs of the Company and the Group that occurred during the financial period 14 May 2021 (date of incorporation) to 30 June 2022 under review not otherwise disclosed in this report or in the financial report.

Significant events after balance date

There are no matters or circumstances that have arisen since the balance date which significantly affects or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

Likely developments and expected results

The Group will continue to implement its strategy of exploring and developing its North American mineral assets. The Group will also consider any suitable acquisition opportunities.

Environmental legislation

The Group carries out operations that are subject to environmental regulations under Federal and State legislation in the USA. The Group has procedures in place to ensure regulations are adhered to. The Group is not aware of any breaches in relation to environmental matters.

Indemnification and insurance of Directors and Officers

The Group has made agreements indemnifying all the Directors and Officers of the Group against all losses or liabilities incurred by each Director or Officer in their capacity as Directors or Officers of the Group to the extent permitted by the *Corporations Act 2001*. The indemnification specifically excludes wilful acts of negligence. The Group paid insurance premiums in respect of Directors' and Officers' Liability Insurance contracts for current Officers of the Group, including Officers of the Group's controlled entities. The liabilities insured are damages and legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the Officers in their capacity as officers of entities in the Group. The total amount of insurance premiums paid has not been disclosed due to confidentiality reasons.

DIRECTORS' REPORT (continued)

Remuneration report (Audited)

This report outlines the remuneration arrangements in place for the key management personnel of the Group for the financial period 14 May 2021 (date of incorporation) to 30 June 2022. The information provided in this remuneration report has been audited as required by Section 308(3C) of the Corporations Act 2001.

The remuneration report details the remuneration arrangements for 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 consolidated entities, directly or indirectly, including any Director (whether executive or otherwise) of the parent company, and certain executives.

Key Management Personnel

Directors
Michael Haynes (Non-Executive Chairman) – appointed 14 May 2021
Ben Vallerine (Managing Director) – appointed 21 December 2021
Scott Funston (Non-Executive Director) – appointed 21 December 2021
Richard Hill (Non-Executive Director) – appointed 14 May 2021, resigned 22 December 2021
Anthony Polglase (Non-Executive Director) – appointed 14 May 2021, resigned 22 December 2021

Company Secretary
Ian Cunningham – appointed 14 May 2021

Remuneration philosophy
The performance of the Group depends upon the quality of the Directors and executives. The philosophy of the Group in determining remuneration levels is to:

- set competitive remuneration packages to attract and retain high calibre employees;
- link executive rewards to shareholder value creation; and
- establish appropriate performance hurdles for variable executive remuneration.

In the absence of a remuneration committee, the Board determines payments to the Non-Executive Directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. The Group did not employ a remuneration consultant during the period 14 May 2021 (date of incorporation) to 30 June 2022.

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 Group with the ability to attract and retain Directors of the highest calibre, whilst incurring a cost that is acceptable to shareholders.

In accordance with the Company's Constitution and the ASX Listing Rules, the maximum aggregate remuneration that may be paid to Non-Executive Directors is currently set at $250,000 per annum.

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 consultants as well as the fees paid to Non-Executive Directors of comparable companies when undertaking the annual review process.

The remuneration of Non-Executive Directors for the financial period 14 May 2021 (date of incorporation) to 30 June 2022 is detailed from page 23 to 26 of this report.

Executive Director and Senior Manager Remuneration
Remuneration consists of fixed and variable components (currently comprising a long-term incentive scheme).

Fixed remuneration currently consists of cash remuneration. Fixed remuneration levels are reviewed annually by the Board, taking into consideration past performance, time commitments, relevant market comparatives and the Company's stage of development. The Board has access to external advice if required.

DIRECTORS' REPORT (continued)

Remuneration Report (continued)

The Board determines the appropriate form and levels of variable remuneration as and when they consider rewards are warranted. Variable remuneration currently consists of share option and performance rights grants (long term incentives), which are currently considered to be the most effective and appropriate form of long-term incentives given the Company's financial resources and stage of development. The objective of the long term incentives is to link the variable remuneration to the achievement of key operational targets and shareholder value creation.

Letters of Appointment
Mr Michael Haynes was appointed non-executive Chairman on 14 May 2021 and receives fixed remuneration of $50,000 per annum for this role.

Mr Scott Funston was appointed non-executive Director on 21 December 2021 and receives fixed remuneration of $30,000 per annum for this role.

Service Contracts
Mr Ben Vallerine was appointed Managing Director on 21 December 2021 and provides his services as Managing Director pursuant to an employment contract, the key terms of which are:

- total fixed salary of $240,000 per annum (inclusive of any superannuation obligations); and
- a three-month notice period is required in order to terminate the agreement.

Other than the agreement with Ben Vallerine, there are no other service contracts currently in place for any of the directors.

Mr Ian Cunningham was appointed Company Secretary on 14 May 2021 and consults to the Company at an average monthly rate of $5,000 (excluding GST). The consulting agreement may be terminated with one months' notice.

Remuneration of Directors

Table 1: Directors' remuneration for the financial period 14 May 2021 (date of incorporation) to 30 June 2022

		Short-term employee benefits	**Equity**				
		Salary and fees	**Options**	**Performance rights**	**Total**	**Fixed Remuneration**	**Remuneration linked to performance**
		$	**$**	**$**	**$**	**%**	**%**
Michael Haynes	**2022**	**12,500**	**633,202**	**3,393**	**649,095**	**2**	**98**
Ben Vallerine	**2022**	**108,000**	**-**	**28,274**	**136,274**	**79**	**21**
Scott Funston	**2022**	**5,000**	**351,779**	**1,272**	**358,051**	**1**	**99**
Richard Hill*	**2022**	**-**	**-**	**-**	**-**	**-**	**-**
Anthony Polglase*	**2022**	**-**	**-**	**-**	**-**	**-**	**-**
Ian Cunningham	**2022**	**37,623**	**492,490**	**3,393**	**533,506**	**7**	**93**
Totals	**2022**	**163,123**	**1,477,471**	**36,332**	**1,676,926**	**10**	**90**

* Date of resignation 22 December 2021

Table 2: Options granted as compensation to key management personnel for the financial period 14 May 2021 (date of incorporation) to 30 June 2022

30 June 2022	**Number granted**	**Grant date**	**Value per option at grant date $**	**Value of options at grant date $**	**Date exercised**	**Ordinary shares issued on exercise**	**Vesting and first exercise date**	**Last exercised date**
Michael Haynes	4,500,000	26/04/2022	0.1407	633,202	-	-	26/04/2022	-
Ben Vallerine	-	-	-	-	-	-	-	-
Scott Funston	2,500,000	26/04/2022	0.1407	351,779	-	-	26/04/2022	-
Ian Cunningham	3,500,000	26/04/2022	0.1407	492,490	-	-	26/04/2022	-

DIRECTORS' REPORT (continued)

Remuneration Report (continued)

Table 3: Performance Rights granted as compensation to key management personnel for the financial period 14 May 2021 (date of incorporation) to 30 June 2022

30 June 2022	Number granted	Grant date	Value per performance right at grant date $	Value of performance right at grant date $	Date exercised	Ordinary shares issued on exercise	Vesting and first exercise date	Last exercised date
Michael Haynes	480,000	26/04/2022	0.1929, 0.1873, 0.1822	89,990	-	-	26/04/2022	-
Ben Vallerine	4,000,000	26/04/2022	0.1929, 0.1873, 0.1822	749,915	-	-	26/04/2022	-
Scott Funston	180,000	26/04/2022	0.1929, 0.1873, 0.1822	33,746	-	-	26/04/2022	-
Ian Cunningham	480,000	26/04/2022	0.1929, 0.1873, 0.1822	89,990	-	-	26/04/2022	-

In April 2022, 5,500,000 performance rights were issued to the Company's Directors and Officers as part of their remuneration package ("the Performance Rights"). The Performance Rights, which have a nil exercise price and expiry date of 26 April 2027, are to vest over a 60-month period and were subject to specific milestones. Each Performance Right will convert into a fully paid Ordinary Share on a 1 for 1 basis. The Performance Rights were valued at the Company's share price on the date of issue and are being brought to account over the vesting period.

Exercised

No options or performance rights granted as compensation in the current period 14 May 2021 (date of incorporation) to 30 June 2022 were exercised.

Forfeited/lapsed during the year

No options or performance rights granted as compensation in the current period 14 May 2021 (date of incorporation) to 30 June 2022 were forfeited / lapsed.

Option holdings of Key Management Personnel Granted as Remuneration

	Balance at beginning of year	Options exercised	Options expired	Allotment of Options(i)	Balance at end of year	Vested as at end of year: Total	Vested as at end of year: Exercisable	Vested as at end of year: Not Exercisable
30 June 2022								
Directors								
Michael Haynes	-	-	-	4,500,000	4,500,000	4,500,000	4,500,000	-
Ben Vallerine	-	-	-	-	-	-	-	-
Scott Funston	-	-	-	2,500,000	2,500,000	2,500,000	2,500,000	-
Ian Cunningham	-	-	-	3,500,000	3,500,000	3,500,000	3,500,000	-
Total	-	-	-	10,500,000	10,500,000	10,500,000	10,500,000	-

(i) Each exercisable at $0.30 on or before 26 April 2027.

Details of the valuation basis of these options are disclosed in Note 12 of the financial report.

DIRECTORS' REPORT (continued)

Remuneration Report (continued)

Shareholdings of Key Management Personnel

	Balance at beginning of year	Granted as remuneration	Net change other	Balance at end of year
30 June 2022				
Directors				
Michael Haynes	-	-	620,954	620,954
Ben Vallerine	-	-	117,403	117,403
Scott Funston	-	-	-	-
Ian Cunningham	-	-	179,695	179,695
30 June 2022	-	-	918,052	918,052

Other transactions and balances with Key Management Personnel (included in remuneration Table 1)

	2022 $
Director's fees paid to Bullseye Geoservices Pty Ltd, a company in which Michael Haynes is a director	12,500
Consulting fees paid to Peak 8 Geological Consulting Pty Ltd, a company in which Ben Vallerine is a director	28,000
Director's fees paid to Resourceful International Consulting Pty Ltd, a company in which Scott Funston is a director	5,000
Company Secretary fees paid to Vickery Corporate Pty Ltd, a company of which Ian Cunningham is a director	32,623
Consulting fees paid to Vickery Corporate Pty Ltd, a company of which Ian Cunningham is a director	5,000
Serviced office fees paid to MQB Ventures Pty Ltd, a company in which Michael Haynes is a director	33,710

All equity transactions with key management personnel other than those arising from the exercise of remuneration options have been entered into under terms and conditions no more favourable than those the Group would have adopted if dealing at arm's length.

There have been no other transactions with key management personnel.

End of Remuneration Report.

DIRECTORS' REPORT (continued)

Directors' meetings

The number of meetings of Directors' held during the financial period 14 May 2021 (date of incorporation) to 30 June 2022 and the number of meetings attended by each Director was as follows:

Director	Board Meetings	
	Number Attended	Number eligible to attend
Michael Haynes	1	1
Ben Vallerine	1	1
Scott Funston	1	1

Proceedings on behalf of the Company or the Group

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

Auditor independence and non-audit services

Section 307C of the Corporations Act 2001 requires the Group's auditors, Stantons, to provide the Directors of the Company with an Independence Declaration in relation to the audit of the Annual Report. This Independence Declaration is set out on page 28 and forms part of this Directors' Report for the financial period 14 May 2021 (date of incorporation) to 30 June 2022.

Non-audit services

The Group may decide to employ the auditors on assignments additional to their statutory duties where the auditors' expertise and experience with the Group are important.

During the financial period 14 May 2021 (date of incorporation) to 30 June 2022, there were no non-audit services provided by the Group's auditors.

Corporate Governance Statement

The Company's 2022 Corporate Governance Statement has been released as a separate document and is located on our website at: www.kobaresources.com

Signed in accordance with a resolution of the Directors.

Michael Haynes
Non-Executive Chairman
30 September 2022

PO Box 1908
West Perth WA 6872
Australia

Level 2, 40 Kings Park Road
West Perth WA 6005
Australia

Tel: +61 8 9481 3188
Fax: +61 8 9321 1204

ABN: 84 144 581 519
www.stantons.com.au

30 September 2022

Board of Directors
Koba Resources Limited
Unit 24-26, Level 3, 22 Railway Road
Subiaco, WA 6008

Dear Directors

RE: KOBA 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 Koba Resources Limited.

As Audit Director for the audit of the financial statements of Koba Resources Limited for the financial period from 14 May 2021 (date of incorporation) to 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.

Yours sincerely

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

Samir Tirodkar
Director

Liability limited by a scheme approved under Professional Standards Legislation

Russell Bedford
taking you further

Stantons Is a member of the Russell Bedford International network of firms

Financial Report

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD 14 MAY 2021 (DATE OF INCORPORATION) TO 30 JUNE 2022

	Notes	Consolidated 14 May 2021 (date of incorporation) to 30 June 2022 $
Revenue	2(a)	232
Depreciation expense	8	(297)
Share-based payment expense	12	(1,938,481)
Other expenses	2(b)	(702,924)
Loss before income tax expense		**(2,641,470)**
Income tax expense	3	-
Net loss for the period		**(2,641,470)**
Other comprehensive income		
Items which may subsequently be reclassified to profit or loss:		
Exchange differences on translation of foreign operations		265,440
Total comprehensive loss for the period		**(2,376,030)**
Loss attributable to:		
Owners of the parent		(2,641,470)
Total loss for the period		**(2,641,470)**
Total comprehensive loss attributable to:		
Owners of the parent		(2,376,030)
Total comprehensive loss for the period		**(2,376,030)**
Basic and diluted loss per share (cents per share) from continuing operations	5	(16.68)

The accompanying notes form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022

	Notes	Consolidated 2022 $
Current Assets		
Cash and cash equivalents	6	4,535,554
Trade and other receivables	7	407,083
Prepayments		412,762
Total Current Assets		**5,355,399**
Non-Current Assets		
Property, plant and equipment	8	21,709
Exploration and evaluation expenditure	9	5,700,471
Total Non-Current Assets		**5,722,180**
Total Assets		**11,077,579**
Current Liabilities		
Trade and other payables	10	720,012
Total Current Liabilities		**720,012**
Total Liabilities		**720,012**
Net Assets		**10,357,567**
Equity		
Issued capital	11	10,463,389
Reserves	12	2,535,648
Accumulated losses	12	(2,641,470)
Total equity attributable to the owners of the parent		10,357,567
Total Equity		**10,357,567**

The accompanying notes form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD 14 MAY 2021 (DATE OF INCORPORATION) TO 30 JUNE 2022

Consolidated	Issued Capital $	Accumulated Losses $	Options Reserve $	Performance Rights Reserve $	Foreign Exchange Reserve $	Total $
Balance as at 14 May 2021 (date of incorporation)	-	**-**	**-**	**-**	**-**	**-**
Loss for the period	-	(2,641,470)	-	-	-	(2,641,470)
Exchange differences on translation of foreign operations	-	-	-	-	265,440	265,440
Total Comprehensive (loss)/income for the period	**-**	**(2,641,470)**	**-**	**-**	**265,440**	**(2,376,030)**
Shares issued during the period	11,350,000	-	-	-	-	11,350,000
Options issued during the period	-	-	2,231,332	-	-	2,231,332
Performance Rights issued during the period	-	-	-	38,876	-	38,876
Share issue costs	(886,611)	-	-	-	-	(886,611)
Balance as at 30 June 2022	**10,463,389**	**(2,641,470)**	**2,231,332**	**38,876**	**265,440**	**10,357,567**

The accompanying notes form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD 14 MAY 2021 (DATE OF INCORPOPRATION) TO 30 JUNE 2022

	Notes	Consolidated 2022 $
Cash Flows from Operating Activities		
Payments to suppliers and employees		(624,390)
Interest received		232
Net cash (used in) operating activities	6(ii)	(624,158)
Cash Flows from Investing Activities		
Payments for plant and equipment		(22,006)
Payments for acquisition costs and exploration and evaluation expenditure		(5,613,398)
Net cash (used in) investing activities		(5,635,404)
Cash Flows from Financing Activities		
Proceeds from issue of shares		11,350,000
Payment for share issue costs		(554,884)
Net cash provided by financing activities		10,795,116
Net increase/(decrease) in cash and cash equivalents		4,535,554
Cash and cash equivalents at the beginning of the period		-
Cash and Cash Equivalents at the End of the Period	6(i)	**4,535,554**

The accompanying notes form part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD 14 MAY 2021 (DATE OF INCORPORATION) TO 30 JUNE 2022

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, Accounting Standards and Interpretations and complies with other requirements of the law.

The financial statements comprise the financial statements for the consolidated entity ("Group") consisting of the Company and its controlled entities. For the purposes of preparing the consolidated financial statements, the Group is a for-profit entity.

Except for cashflow information, the consolidated financial report has been prepared on an accrual basis and are based on historical cost, modified where applicable by the measurement at fair value of select non-current assets, financial assets and financial liabilities.

The accounting policies detailed below have been consistently applied to all years presented unless otherwise stated. The financial statements are for the Group.

The financial report is presented in Australian dollars.

The Company is a listed public company, incorporated in Australia and operating in Australia and North America. The entity's principal activities are exploration of mineral resources.

(b) New standards, interpretations and amendments adopted by the Group

In the period 14 May 2021 (date of incorporation) to 30 June 2022, the Directors have reviewed all the new and revised Standards and Interpretations issued by the AASB that are relevant to the Company and effective for the year end reporting period beginning on or after 1 July 2021.

As a result of this review, the Directors have applied all new and amended Standards and Interpretations that were effective as at 1 July 2021 including:

AASB 2021-3: Amendments to Australian Accounting Standards – COVID-19 Related Rent Concessions beyond 30 June 2021

The Group has applied AASB 2021-3: Amendments to Australian Accounting Standards – COVID-19-Related Rent Concessions beyond 30 June 2021 this reporting period.

The amendment amends AASB 16 to extend by one year, the application of the practical expedient added to AASB 16 by AASB 2020-4: Amendments to Australian Accounting Standards – COVID-19-Related Rent Concessions. The practical expedient permits lessees not to assess whether rent concessions that occur as a direct consequence of the COVID-19 pandemic and meet specified conditions are lease modifications and instead, to account for those rent concessions as if they were not lease modifications. The amendment has not had a material impact on the Group's financial statements.

AASB 2020-8: Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform – Phase 2

The Group has applied AASB 2020-8 which amends various standards to help listed entities to provide financial statement users with useful information about the effects of the interest rate benchmark reform on those entities' financial statements. As a result of these amendments, an entity:

- will not have to derecognise or adjust the carrying amount of financial statements for changes required by the reform, but will instead update the effective interest rate to reflect the change to the alternative benchmark rate;
- will not have to discontinue its hedge accounting solely because it makes changes required by the reform, if the hedge meets other hedge accounting criteria; and
- will be required to disclose information about new risks arising from the reform and how it manages the transition to alternative benchmark rates. The amendment has not had a material impact on the Group's financials.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD 14 MAY 2021 (DATE OF INCORPORATION) TO 30 JUNE 2022

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Statement of compliance

The financial report was authorised for issue on 30 September 2022.

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).

(d) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Group consisting of the Company and its controlled entities as at 30 June 2022 and the results of all controlled entities for the year then ended.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies.

In preparing the consolidated financial statements, all intercompany balances and transactions, income and expenses and profit and losses resulting from intra-group transactions have been eliminated in full.

Controlled entities are fully consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group. Control exists where the company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing when the Group controls another entity.

Business combinations have been accounted for using the acquisition method of accounting.

Non-controlling interests represent the portion of profit or loss and net assets in subsidiaries not held by the Group and are presented separately in the consolidated statement of comprehensive income and within equity in the consolidated statement of financial position. Losses are attributed to the non-controlling interests even if that results in a deficit balance.

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

When the Group loses control of a controlled entities, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill) and liabilities of the subsidiary and any non-controlling interests. When assets of the subsidiary are carried at revalued amounts or fair values and the related cumulative gain or loss has been recognised in other comprehensive income and accumulated in equity, the amounts previously recognised in other comprehensive income and accumulated in equity are accounted for as if the Group had directly disposed of the relevant assets (i.e. reclassified to profit or loss or transferred directly to retained earnings as specified by applicable Standards). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under AASB 139 'Financial Instruments: Recognition and Measurement' or, when applicable, the cost on initial recognition of an investment in an associate or jointly controlled entity.

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

The application of accounting policies requires the use of judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD 14 MAY 2021 (DATE OF INCORPORATION) TO 30 JUNE 2022

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions are recognised in the period in which the estimate is revised if it affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Share-based payment transactions
The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by an external valuer using a Black-Scholes model, using the assumptions detailed in Note 13.

The Group measures the cost of cash-settled share-based payments at fair value at the grant date using the Black-Scholes formula taking into account the terms and conditions upon which the instruments were granted, as discussed in Note 13.

Exploration and evaluation costs carried forward
In accordance with accounting policy note 1(v), management determines when an area of interest should be abandoned. When a decision is made that an area is not commercially viable, all costs that have been capitalised in respect of those areas of interest are written off. In determining this, certain assumptions including the maintenance of title, ongoing expenditure and prospectivity are made.

Deferred Tax Assets and Liabilities
The Group recognises deferred tax assets in respect of tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Judgement is required to determine the amount of deferred tax assets that can be recognised, based upon likely timing and level of future taxable profits, together with future tax planning strategies. Deferred tax liabilities are recognised when it is considered probable that there will be a future outflow of funds to a taxing authority. A change in estimate of the likelihood of a future outflow and/or in the expected amount to be settled would be recognised in profit or loss in the period in which the change occurs. This requires the application of judgment as to the ultimate outcome, which can change over time depending on facts and circumstances.

(f) Going concern

The consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes the commercial realisation of the future potential of the Group's assets and the discharge of its liabilities in the normal course of business.

As at 30 June 2022, the Group had cash and cash equivalents of $4,535,554. For the financial period 14 May 2021 (date of incorporation) to 30 June 2022, the Group incurred a loss of $2,376,030 and a net cash outflow from operating activities of $624,158.

The Board considers that the Group is a going concern on the basis that it should have sufficient financial resources to fund its operations and further develop its mineral exploration and evaluation assets during the twelve month period from the date of this report.

Accordingly, the Directors believe that it is appropriate to adopt that basis of accounting in the preparation of the financial report.

The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts nor to the amounts and classification of liabilities that might be necessary should the Group not continue as a going concern.

(g) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of Koba Resources Limited.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD 14 MAY 2021 (DATE OF INCORPORATION) TO 30 JUNE 2022

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Foreign currency translation

Both the functional and presentation currency of the Company and its Australian controlled entities 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 balance 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. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

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.

In addition, in relation to the partial disposal of a subsidiary that does not result in the Group losing control over the controlled entity, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates or jointly controlled entities that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

(i) Revenue recognition

Revenue is recognised when a performance obligation in the contract with customer is satisfied or when the control of the goods or services underlying the particular performance obligation is transferred to the customer.

Interest income
Income is recognised as the interest accrues (using the effective interest method, which is the rate exactly discounts estimated future cash flow receipts through the expected life of the financial instrument) to the net carrying amount of the financial asset.

(j) Borrowing costs

Borrowing costs are capitalised that are directly attributable to the acquisition, construction or production of qualifying assets where the borrowing cost is added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

(k) Income tax

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD 14 MAY 2021 (DATE OF INCORPORATION) TO 30 JUNE 2022

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) Income tax (continued)

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

Current tax assets and liabilities for the current and prior periods 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 date.

Deferred income tax is provided on all temporary differences at the balance 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.

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 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 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.

(l) Other taxes

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

- when the GST or VAT incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST or VAT 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 and VAT included.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD 14 MAY 2021 (DATE OF INCORPORATION) TO 30 JUNE 2022

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(l) Other taxes

The net amount of GST and VAT 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 and VAT 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 or VAT recoverable from, or payable to, the taxation authority.

(m) Impairment of non-financial assets

The Group assesses at each balance 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 balance 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.

(n) 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. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

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

(o) Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method. Trade receivables are generally due for settlement within periods ranging from 15 days to 30 days.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD 14 MAY 2021 (DATE OF INCORPORATION) TO 30 JUNE 2022

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(p) Financial instruments

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

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

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

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD 14 MAY 2021 (DATE OF INCORPORATION) TO 30 JUNE 2022

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(p) Financial instruments (continued)

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.

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 statement of profit or loss.

This category includes derivative instruments and listed equity investments which the Group had 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.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD 14 MAY 2021 (DATE OF INCORPORATION) TO 30 JUNE 2022

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(p) Financial instruments (continued)

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.

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 bank overdrafts, and derivative financial instruments.

Subsequent measurement

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD 14 MAY 2021 (DATE OF INCORPORATION) TO 30 JUNE 2022

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(p) Financial instruments (continued)

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 not designated any financial 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.

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 consolidated statement of profit or loss.

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.

(q) Property, plant and equipment

Plant and equipment is 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:
Plant and equipment 2.5 years to 8 years

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD 14 MAY 2021 (DATE OF INCORPORATION) TO 30 JUNE 2022

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(q) Property, plant and equipment (continued)

Derecognition 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 derecognition 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.

(r) Trade and other payables

Trade payables and other payables are carried at amortised cost and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. Trade and other payables are presented as current liabilities unless payment is not due within 12 months.

(s) Share-based payment transactions

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

The cost of equity-settled transactions with employees and consultants 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 using the Black-Scholes model or the binomial option valuation model.

In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the Company's shares (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 or consultants become fully entitled to the award (the vesting period).

The cumulative expense recognised for equity-settled transactions at each balance 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD 14 MAY 2021 (DATE OF INCORPORATION) TO 30 JUNE 2022

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(s) Share-based payment transactions (continued)

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of earnings/loss per share.

(t) 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. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a new business are not included in the cost of acquisition as part of the purchase consideration.

(u) Earnings/loss per share

Basic earnings/loss per share is calculated as net profit or 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 or 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.

(v) Exploration and evaluation

Exploration and evaluation expenditures in relation to each separate area of interest are recognised as an exploration and evaluation asset in the year in which they are incurred where the following conditions are satisfied:

(i) the rights to tenure of the area of interest are current; and

(ii) at least one of the following conditions is also met:
- the exploration and evaluation expenditures are expected to be recouped through successful development and exploration of the area of interest, or alternatively, by its sale; or
- exploration and evaluation activities in the area of interest have not at the balance date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are initially measured at cost and include acquisition of rights to explore, studies, exploratory drilling, trenching and sampling and associated activities and an allocation of depreciation and amortisation of assets used in exploration and evaluation activities. General and administrative costs are only included in the measurement of exploration and evaluation costs where they are related directly to operational activities in a particular area of interest.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The recoverable amount of the exploration and evaluation asset (for the cash generating unit(s) to which it has been allocated being no larger than the relevant area of interest) is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD 14 MAY 2021 (DATE OF INCORPORATION) TO 30 JUNE 2022

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(v) Exploration and evaluation (continued)

Where a decision has been made to proceed with development in respect of a particular area of interest, the relevant exploration and evaluation asset is tested for impairment and the balance is then reclassified to development.

(w) Parent Entity Financial Information

The financial information for the parent entity Koba Resources Limited, disclosed in Note 16 has been prepared on the same basis as the consolidated financial statements, except as below;

(i) Investments in subsidiaries, associates and joint ventures

Investments in subsidiaries, associates and joint venture entities are accounted for at cost in the parent entity's financial statements. Dividends received from associates are recognised in the parent entity's profit or loss, rather than being deducted from the carrying amount of these investments.

(ii) Share-based payments

The grant by the company of options over its equity instruments to the employees of and consultants to subsidiary undertakings in the Group is treated as a capital contribution to that subsidiary undertaking. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an increase to investment in subsidiary undertakings, with a corresponding credit to equity.

NOTE 2: REVENUE AND EXPENSES

	Consolidated 14 May 2021 (date of incorporation) to 30 June 2022 $
(a) Revenue	
Interest income	232
	232
(b) Expenses	
Administration costs	214,739
Auditor's remuneration	52,000
Marketing and travel costs	62,721
Costs of Initial Public Offer	335,751
Other	37,713
	702,924

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD 14 MAY 2021 (DATE OF INCORPORATION) TO 30 JUNE 2022

NOTE 3: INCOME TAX EXPENSE

	Consolidated 14 May 2021 (date of incorporation) to 30 June 2022 $
The major components of tax expense for the years ended 30 June 2022 and 30 June 2021 are:	
Income tax expense - current	-
Income tax expense - deferred	-
Income tax expense reported in the consolidated statement of profit or loss and other comprehensive income	-
A reconciliation of income tax expense applicable to accounting loss before income tax at the statutory income tax rate to income tax expense at the Group's effective income tax rate for the years ended 30 June 2022 and 30 June 2021 is as follows:	
Loss before income tax expense	(2,641,470)
At the statutory income tax rate of 30%	(792,441)
Add:	
Other permanent differences	724,263
Tax rate differential	858
Current year tax loss not brought to account as a deferred tax asset	67,320
Foreign tax rate differential	-
Deferred income tax recognised	-
Income tax expense reported in the consolidated statement of profit or loss and other comprehensive income	-
Unrecognised deferred tax assets	
Deferred tax assets have not been recognised in respect of the following items:	
Accruals	21,452
Australian tax losses	43,865
Foreign tax losses	2,003
	67,320

The tax losses do not expire under current legislation. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Group can utilise the benefits.

NOTE 4: SEGMENT REPORTING

Description of segments

During the year, the consolidated entity operated predominantly in Australia and the USA and in one business segment being, mineral mining and exploration and substantially all of the entity's resources are deployed for this purpose.

Reporting segments disclosed are Australia and USA. Reporting segments were determined based on areas of operation.

Segment information

The following tables present revenue and loss information and certain asset and liability information regarding business segments for the financial period 14 May 2021 (date of incorporation) to 30 June 2022.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD 14 MAY 2021 (DATE OF INCORPORATION) TO 30 JUNE 2022

NOTE 4: SEGMENT REPORTING (continued)

	Australia $	USA $	Consolidated $
Year ended 30 June 2022			
Revenue			
Other revenue	232	-	232
Total segment revenue	**232**	**-**	**232**
Segment net operating (loss) after tax	**(2,366,492)**	**(9,538)**	**(2,376,030)**
Share based payments	**(1,938,481)**	**-**	**(1,938,481)**
Segment assets	**3,274,212**	**7,803,366**	**11,077,579**
Segment liabilities	**(191,658)**	**(528,354)**	**(720,012)**
Acquisition of non-current assets	-	5,700,471	5,700,471

NOTE 5: LOSS PER SHARE

	Consolidated 14 May 2021 (date of incorporation) to 30 June 2022 cents per share
Basic and diluted loss per share:	
Continuing operations	(16.68)
Total basic and diluted loss per share	(16.68)

	2022 $
The loss and weighted average number of ordinary shares used in the calculation of basic and diluted loss per share is as follows:	
Loss from continuing operations	(2,641,470)

	No.
Weighted average number of ordinary shares for the purposes of basic and diluted loss per share	15,837,913

The share options and performance rights outstanding as at 30 June 2022 have no impact on the calculation of loss per share as they are anti-dilutive. These options and performance rights could potentially dilute basic EPS in the future.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD 14 MAY 2021 (DATE OF INCORPORATION) TO 30 JUNE 2022

NOTE 6: CASH AND CASH EQUIVALENTS

	Consolidated 2022 $
Cash at bank and on hand	4,535,554
	4,535,554

Cash at bank earns interest at floating rates based on daily bank deposit rates.

Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

As at 30 June 2022, cash and cash equivalents of $1,374,465 is denominated in USD.

(i) Reconciliation to Consolidated Statement of Cash Flows
For the purposes of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and at bank net of outstanding bank overdrafts (if any).

Cash and cash equivalents as shown in the consolidated statement of cash flows is reconciled to the related items in the consolidated statement of financial position as follows:

	Consolidated 2022 $
Cash and cash equivalents	4,535,554

(ii) Reconciliation of loss for the year to net cash flows used in operating activities

	Consolidated 14 May 2021 (date of incorporation) to 30 June 2022 $
Loss after income tax	(2,376,030)
Depreciation	297
Share based payments	1,938,481
Foreign exchange loss	(87,073)
Increase in trade and other receivables and prepayments	(819,845)
Increase in trade and other payables	720,012
Net cash flows used in operating activities	(624,158)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD 14 MAY 2021 (DATE OF INCORPORATION) TO 30 JUNE 2022

NOTE 7: TRADE AND OTHER RECEIVABLES

	Consolidated 2022 $
Other receivables	
- GST recoverable	84,100
- Other debtors	322,983
	407,083

Due to nature of the above receivables an aging is not presented. The receivables are not past their contractual terms nor past due.

As at 30 June 2022, trade and other receivables of $322,983 is denominated in USD.

NOTE 8: PROPERTY, PLANT AND EQUIPMENT

	Consolidated	
	Plant and equipment $	Total $
At 30 June 2022		
Additions	22,006	22,006
Depreciation charge for the year	(297)	(297)
Net carrying amount	21,709	21,709

The useful lives of the assets were estimated as follows for 2022:
Plant and equipment 5 years

NOTE 9: EXPLORATION AND EVALUATION EXPENDITURE

	Consolidated 2022 $
Costs carried forward in respect of:	
Exploration and evaluation phase - at cost	
Balance at beginning of the year	-
Acquisition cost*	2,308,120
Expenditure incurred	3,392,351
Total exploration expenditure	5,700,471

*Refer Note 20 for details on the agreement pursuant to which Koba Inc., a wholly owned subsidiary of Koba acquired the Colson, Panther, Elkhorn and Goodsprings cobalt projects for total consideration of US$1.66 million.

The recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation phases is dependent on the successful development and commercial exploitation or sale of the respective areas.

NOTE 10: TRADE AND OTHER PAYABLES

	Consolidated 2022 $
Trade and other payables (i)	269,224
Sundry payables and accrued expenses	450,788
	720,012

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

As at 30 June 2022, trade and other payables of $528,354 is denominated in USD.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD 14 MAY 2021 (DATE OF INCORPORATION) TO 30 JUNE 2022

NOTE 11: ISSUED CAPITAL

Issued Capital
Movements in issued capital were as follows:

	Consolidated 2022 $
65,000,000 ordinary shares issued and fully paid	11,350,000
Share issue costs[1]	(886,611)
	10,463,389

[1] Share issue costs includes an amount of $331,727 attributable to the options issued to the brokers and lead managers to the initial public offering ("IPO").

Movement in ordinary shares on issue	2022 No.	2022 $
Balance at date of incorporation	**-**	**-**
Shares issued upon incorporation (a)	1	1
Shares issued pursuant to a placement (b)	19,999,999	2,349,999
Shares issued pursuant to the IPO (c)	45,000,000	9,000,000
Balance at end of the financial year	**65,000,000**	**11,350,000**

(a) The Company issued 1 Share at an issue price of $1 on 14 May 2021.
(b) On 21 January 2022, the Company entered into a subscription agreement with New World Resources Limited (NWC) pursuant to which the company issued 19,999,999 ordinary shares at an issue price of $0.1175 per share. Upon the demerger of the Group from NWC, the 20,000,000 Shares held by NWC in the Company were returned to shareholders of NWC in the form of an in-specie distribution on a pro-rata basis.
(c) The Company issued 45,000,000 Shares at an issue price of $0.20 per share in May 2022, pursuant to the IPO.

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

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

Ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD 14 MAY 2021 (DATE OF INCORPORATION) TO 30 JUNE 2022

NOTE 12: ACCUMULATED LOSSES AND RESERVES

Accumulated Losses
Movements in accumulated losses were as follows:

	Consolidated 2022 $
Balance at the beginning of the financial year	-
Net loss for the year	(2,641,470)
Balance at the end of the financial year	(2,641,470)

Option Reserve	
Movement in options over ordinary shares on issue	
Balance at the beginning of the financial year	-
Issue of director and employee options	1,899,605
Issue of broker options	331,727
Balance at the end of the financial year	2,231,332
Foreign Currency Translation Reserve	
Balance at the beginning of the financial year	-
Currency translation differences	265,440
Balance at the end of the financial year	265,440
Performance Rights Reserve	
Balance at the beginning of the financial year	-
Performance rights issued	38,876
Balance at the end of the financial year	38,876
Total Reserves	2,535,648

Nature and purpose of reserves
Share based payments reserve
This reserve is used to record the value of equity benefits provided to third parties, employees and directors in consideration for the acquisition of assets or services.

Option reserve
This reserve is used to record the amounts received from option holders when the options are issued.

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 operations. It is also used to record the effect of foreign exchange variations or net investments in foreign operations on consolidation.

Performance rights reserve
This reserve is used to record the value of performance rights benefits provided to third parties, employees and directors in consideration for the acquisition of assets or services.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD 14 MAY 2021 (DATE OF INCORPORATION) TO 30 JUNE 2022

NOTE 12: ACCUMULATED LOSSES AND RESERVES (continued)

Share-based payment transactions

The following share based payment arrangements were in place during the current and prior periods:

	Number	Grant date	Expiry date	Exercise price $	Fair value at grant date
Class I unlisted options	3,000,000	26 April 2022	26 April 2025	0.30	$331,727
Class I unlisted options	13,500,000	26 April 2022	26 April 2027	0.30	$1,899,605

The fair value of the equity settled share options granted is estimated as at the date of grant using the Black and Scholes option valuation method taking into account the terms and conditions upon which the options were granted as follows:

2022

The following share options were issued during the period 14 May 2021 (date of incorporation) to 30 June 2022 in relation to the provision of services to the Company:

- 3,000,000 unlisted options were issued at 30 cents exercisable on or before 26 April 2025.
- 13,500,000 unlisted options were issued at 30 cents exercisable on or before 26 April 2027.

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. The options were valued using the Black and Scholes option valuation method with the following inputs:

- Expected volatility 100%
- Risk free interest rate 2.732% and 2.958%

All other inputs relate to the Company's share price at the date of grant and the expiry date of the options.

The Group recognised share-based payment expense of $1,899,605 in the consolidated statement of profit or loss and other comprehensive income and $331,727 as capital raising costs.

The following table illustrates the number (No.) and weighted average exercise prices of and movements in share options issued during the period 14 May 2021 (date of incorporation) to 30 June 2022:

	2022 No.	2022 Weighted average exercise price
Outstanding at the beginning of the year	-	-
Granted during the year	16,500,000	30 cents
Outstanding at the end of the year	16,500,000	30 cents

The weighted average remaining contractual life for the share options outstanding as at 30 June 2022 is 4.49 years.

The following table illustrates the number (No.) and movements in performance rights during the current and prior periods:

	2022 No.
Outstanding at the beginning of the year	-
Issued during year (a)	5,500,000
Outstanding at the end of the year	5,500,000

(a) In April 2022, 5,500,000 performance rights were issued to the Company's Directors and key management as part of their remuneration package ("the Performance Rights"). The Performance Rights, which have a nil exercise price and expire on 26 April 2027, are to vest over a 60-month period and were subject to specific milestones.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD 14 MAY 2021 (DATE OF INCORPORATION) TO 30 JUNE 2022

NOTE 12: ACCUMULATED LOSSES AND RESERVES (continued)

	Number	Deemed grant date	Expiry date	Fair value at grant date
Managing Director performance rights	4,000,000	26 April 2022	26 April 2027	$749,915
Non-Executive Director performance rights	660,000	26 April 2022	26 April 2027	$123,736
Management performance rights	840,000	26 April 2022	26 April 2027	$158,293

The Group recognised $38,876 as share-based payment expense for the financial period 14 May 2021 (date of incorporation) to 30 June 2022 in the consolidated profit or loss and other comprehensive income.

Each Performance Right will convert into a Share on a 1 for 1 basis subject to specific milestones.

5,500,000 Performance Rights are subject to the following vesting conditions:

Tranche	% of Performance Rights	Vesting Period	Performance Hurdle
1	33.33	5 Years	The Company achieves a share price (on a volume weighted average basis) of at least $0.30 over 20 consecutive days.
2	33.33	5 Years	The Company achieves a share price (on a volume weighted average basis) of at least $0.40 over 20 consecutive days.
3	33.34	5 Years	The Company achieves a share price (on a volume weighted average basis) of at least $0.50 over 20 consecutive days.

The following table illustrates the number (No.) and movements in performance rights issued during the year:

	2022	
Movement in performance rights	No.	$
Balance at beginning of financial year	-	-
Managing Director performance rights issued	4,000,000	749,915
Non-Executive Chairman/Director performance rights issued	660,000	123,736
Management performance rights issued	840,000	158,293
Balance at end of the financial year	**5,500,000**	**1,031,944**

NOTE 13: FINANCIAL INSTRUMENTS

(a) Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Group consists of debt, cash and cash equivalents and equity attributable to equity holders of the parent, comprising issued capital, reserves and accumulated losses.

None of the Group's entities are subject to externally imposed capital requirements.

Operating cash flows are used to maintain and expand operations, as well as to make routine expenditures such as tax and general administrative outgoings.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD 14 MAY 2021 (DATE OF INCORPORATION) TO 30 JUNE 2022

NOTE 13: FINANCIAL INSTRUMENTS (CONTINUED)

(b) Categories of financial instruments

	Consolidated 2022 $
Financial assets	
Cash and cash equivalents	4,535,554
Trade and other receivables	407,083
Financial liabilities	
Trade and other payables	720,012

At the balance date there are no significant concentrations of credit risk relating to loans and receivables at fair value through profit or loss.

(c) Financial risk management objectives

The Group is exposed to market risk (including currency risk and fair value interest rate risk), credit risk, liquidity risk and cash flow interest rate risk. Due to the size of the operations, the Group does not enter into derivative financial instruments.

(d) Market risk

The Group's activities expose it to the financial risks of changes in foreign currency exchange rates.

Due to the size of the operations, the Group does not enter into derivative financial instruments to manage its exposure to foreign currency risk. The foreign currency risk is immaterial in terms of possible impact on profit and loss and total equity and as such a sensitivity analysis has not been completed.

There has been no change to the Group's exposure to market risks or the manner in which it manages and measures the risk from the previous period.

(i) Foreign currency risk management

The Group undertakes certain transactions denominated in foreign currencies, hence exposures to exchange rate fluctuations arise. Due to the size of the operations, the Group does not enter into derivative financial instruments to manage its exposure to foreign currency risk.
The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the balance date expressed in Australian dollars are as follows:

	Liabilities 2022 $	Assets 2022 $
US Dollars	528,354	7,803,366

The foreign currency risk is immaterial in terms of possible impact on profit and loss and total equity and as such a sensitivity analysis has not been completed.

(ii) Interest rate risk management

The Company and the Group are exposed to interest rate risk as entities in the Group borrow funds at both fixed and floating interest rates.

The Company and Group's exposures to interest rate on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD 14 MAY 2021 (DATE OF INCORPORATION) TO 30 JUNE 2022

NOTE 13: FINANCIAL INSTRUMENTS (CONTINUED)

Interest rate risk sensitivity analysis

The sensitivity analyses below have been determined based upon the exposure to interest rates for non-derivative financial instruments at the balance date and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the change in interest rates.

At balance date, if interest rates had been 50 basis points higher or lower and all other variables were held constant, there would be an immaterial impact on equity and profit or loss.

(e) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and as such, collateral is not requested nor is it the Group's policy to securitise its trade and other receivables.

The carrying amount of financial assets recorded in the financial statements, net of any allowance for losses, represents the Group's maximum exposure to credit risk without taking account of any collateral obtained.

(f) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Board of Directors, who have built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained.

The following table details the Company's and the Group's expected maturity for its non-derivative financial liabilities. These have been drawn up based on undiscounted contractual maturities of the financial liabilities based on the earliest date the Group can be required to repay. The tables include both interest and principal cash flows.

Consolidated **2022**	Less than one month $	1 – 3 months $	3 months – 1 year $	1 year – 5 years $	5 + years $
Fixed interest rate loan	-	-	-	-	-
Non-interest bearing	720,012	-	-	-	-
	720,012	-	-	-	-

NOTE 14: COMMITMENTS AND CONTINGENCIES

Blackpine Project

On 29 October 2021, Koba entered into an agreement with Jervois Global Limited and Jervois Mining (USA) Limited (collectively Jervois), pursuant to which Koba acquired its 100% interest in the Blackpine Project. The Blackpine Project comprises:

1. four patented mining claims covering an area of approximately 70 acres and 36 unpatented mining claims covering a further 720 acres, which are subject to an option agreement with a third party ("**the Option Agreement**"); and
2. a further 23 unpatented mining claims covering an area of 460 acres.

In relation to the Optioned Claims, Koba has the right to acquire 100% of those claims before May 2037 by either;

(i) paying the underlying patent owners a 2.0% NSR royalty on production from the patented claims to a maximum amount of US$1,500,000; or

(ii) paying US$1,500,000 (less the sum of any previous royalties paid) in cash.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD 14 MAY 2021 (DATE OF INCORPORATION) TO 30 JUNE 2022

NOTE 14: COMMITMENTS AND CONTINGENCIES (CONTINUED)

Other

The Company's US subsidiaries also own other US mining claims which require annual renewal payments by 1 September each year. Failure to make a renewal payment would result in the forfeiture of the underlying claim. There are no additional minimum expenditure obligations in relation to these mining claims.

NOTE 15: RELATED PARTY DISCLOSURE

Controlled Entities

Name	*Country of Incorporation*	*% Equity Interest*
		2022
Koba Inc.	United States	100*
Codaho LLC	United States	100
Covada LLC	United States	100

* Incorporated on 6 July 2021

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

MQB Ventures Pty Ltd, a Company of which Mr. Michael Haynes is a Director, provided the Company with a fully serviced office including administration support for a fee totalling $33,710 during the year. $33,710 was outstanding at year end.

NOTE 16: PARENT ENTITY DISCLOSURES

Financial position

	30 June 2022 $
Assets	
Current assets	3,274,211
Non-current assets	7,283,516
Total assets	10,557,727
Liabilities	
Current liabilities	191,656
Total liabilities	191,656
Equity	
Issued capital	10,463,389
Accumulated losses	(2,367,526)
Reserves	
Performance rights reserve	38,876
Option reserve	2,231,332
Total equity	10,366,071

Financial performance

Loss for the year	(2,367,526)
Total comprehensive loss	(2,367,526)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD 14 MAY 2021 (DATE OF INCORPORATION) TO 30 JUNE 2022

NOTE 17: EVENTS AFTER THE REPORTING PERIOD

There are no matters or circumstances that have arisen since the balance date which significantly affects or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

NOTE 18: AUDITOR'S REMUNERATION

The auditor of Koba Resources Limited is Stantons

	Consolidated 2022 $
Amounts received or due and receivable by Stantons for*:*	
An audit or review of the financial report of the entity and any other entity in the Group	52,000

NOTE 19: DIRECTORS AND EXECUTIVES DISCLOSURE

(a) Details of Key Management Personnel

Directors
Michael Haynes (Non-Executive Chairman)
Ben Vallerine (Managing Director)
Scott Funston (Non-Executive Director)
Richard Hill (Non-Executive Director)
Anthony Polglase (Non-Executive Director)

Company Secretary
Ian Cunningham

(b) Summary of remuneration paid

The totals of remuneration paid to Key Management Personnel of the company and the Group during the year are as follows:

	2022 $
Short term employee benefits	163,123
Options based payments	1,477,471
Performance rights based payments	36,332
Total Key Management Personnel compensation	**1,676,926**

Key management personnel remuneration has been included in the Remuneration Report section of the Directors' Report.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD 14 MAY 2021 (DATE OF INCORPORATION) TO 30 JUNE 2022

NOTE 20: ACQUISITION OF ASSETS

On 21 January 2022, Liazus Inc. ("Liazus"), a wholly owned subsidiary of New World, and Koba Inc., a wholly owned subsidiary of Koba, entered into a Membership Interest Purchase Agreement pursuant to which Koba Inc. agreed to acquire all of the securities (membership interests) in each of Covada LLC and Codaho LLC ("MIPA").

Codaho LLC is an Idaho limited liability which owned the Colson Cobalt-Copper, Panther Cobalt-Copper and Elkhorn Cobalt Projects. Covada is a Nevada limited liability company which owned the Goodsprings Copper-Cobalt Project.

Under the terms of the MIPA, Koba Inc paid Liazus the following consideration:
(a) US$0.1m for 100% of the membership interests in Covada LLC; and
(b) US$1.56m for 100% of the membership interests in Codaho LLC.

The terms of the MIPA also required that Liazus fully forgive the following loans before closing of the transaction:
(a) loan to Codaho LLC in the amount of US$4,010,456; and
(b) loan to Covada LLC in the amount of US$1,111,095.

DIRECTORS' DECLARATION

1. In the opinion of the Directors of Koba Resources Limited (the 'Company'):

   a. the accompanying consolidated financial statements and notes 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 2022 and of its performance for the financial period from 14 May 2021 (date of incorporation) to 30 June 2022; and

      ii. complying with Australian Accounting Standards, the Corporations Regulations 2001, professional reporting requirements and other mandatory requirements.

   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.

   c. the consolidated financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.

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 financial period 14 May 2021 (date of incorporation) to 30 June 2022.

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

Michael Haynes
Non-Executive Chairman
30 September 2022

Stantons

PO Box 1908
West Perth WA 6872
Australia

Level 2, 40 Kings Park Road
West Perth WA 6005
Australia

Tel: +61 8 9481 3188
Fax: +61 8 9321 1204

ABN: 84 144 581 519
www.stantons.com.au

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

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Koba Resources Limited ("the Company") and its subsidiaries ("the Group"), 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 period from 14 May 2021 (date of incorporation) to 30 June 2022 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 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 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 Matters	How the matters were addressed in the audit

Carrying Value of Exploration and Evaluation Assets

As disclosed in Note 9 to the consolidated financial statements, exploration and evaluation expenditure amounted to $5,700,471 as at 30 June 2022.

The carrying value of exploration and evaluation expenditure is a key audit matter due to:

- The significance of the expenditure capitalised representing 52% of total assets;
- The necessity to assess management's application of the requirements of the accounting standard Exploration for and Evaluation of Mineral Resources ("AASB 6"), in light of any indicators of impairment that may be present; and
- The assessment of significant judgements made by management in relation to the capitalised exploration and evaluation expenditure.

Inter alia, our audit procedures included the following:

i. Assessed the Group's right to tenure over exploration assets by corroborating the ownership of the relevant licences for mineral resources to government registries and relevant third-party documentation;

ii. Reviewed the directors' assessment of the carrying value of the capitalised exploration and evaluation costs, ensuring the veracity of the data presented and assessing management's consideration of potential impairment indicators and the stage of the Group's projects also against AASB 6;

iii. Evaluated the Group's documents for consistency with the intentions for continuing exploration and evaluation activities in areas of interest and corroborated in discussions with management. The documents we evaluated included:

- Minutes of the board and management; and
- Announcements made by the Group to the Australian Securities Exchange; and

iv. Evaluated the adequacy of disclosures in the consolidated financial statements in accordance with the relevant accounting standards.

Asset Acquisition

As disclosed in Note 9 to the consolidated financial statements, the Company entered into a membership interest purchase agreement with New World Resources Limited ("NWC") to which, Koba Inc acquired 100% interest in Codaho LLC and Covada LLC which holds NWC's Cobalt Assets of $2,308,120.

This area is a key audit matter due to the material nature of the transaction as well as the significant judgment involved in considering whether to account for this transaction as a business combination or an asset acquisition.

Inter alia, our audit procedures included the following:

i. Examined the membership interest purchase agreement and other supporting documents to confirm consideration and assets being acquired;

ii. Reviewed recognition requirements of AASB 3 *Business Combinations*; and

iii. Assessed the adequacy of the disclosures in accordance with the applicable accounting standards.

Measurement of Share-based Payments

As disclosed in Note 12 to the consolidated financial statements, the Company granted the following options and performance rights during the financial period:

Inter alia, our audit procedures included the following:

i. Reviewed the relevant agreements to obtain an understanding of the contractual nature and

Key Audit Matters	How the matters were addressed in the audit
▪ 3,000,000 unlisted options to the Joint Lead Managers; ▪ 13,500,000 unlisted options to Directors and management; and ▪ 5,500,000 performance rights to directors and employees. The options issued are vested immediately while the performance rights are subject to various vesting conditions. The Company accounted for these options and performance rights in accordance 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.	terms and conditions of the share-based payment arrangements; ii. 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; iii. Assessed the allocation of the share-based payment expense over the relevant vesting period; and iv. Assessed the adequacy of the disclosures in accordance with the applicable accounting standards.
Going Concern Assessment As disclosed in Note 1 (f), the financial report has been prepared on a going concern basis. As a junior exploration mining company, borrowing or raising capital is required to fund its operations. At 30 June 2022, the Group has cash and cash equivalents of $4,535,554 and incurred loss from continuing operations after income tax of $2,376,030. The Group has net operating cash outflows totalling $624,158. The going concern assumption is considered to be a key audit matter as the Group is reliant on existing cash.	Inter alia, our audit procedures included the following: i. Assessed the cash flow requirements of the Group over 12 months from the date of sign-off of the financial report based on budgets and forecasts; ii. Understand the assumptions used by management mainly what forecast expenditure is committed and what could be considered discretionary; iii. Considered the liquidity of existing assets on balance sheet; and iv. Assessed the adequacy of the disclosures in the notes regarding the going concern basis of preparation.

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 2022 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 opinion 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.

Stantons

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.

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.

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

Report on the Remuneration Report

Opinion on the Remuneration Report

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

In our opinion, the Remuneration Report of Koba 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.

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

Stantons International Audit and Consulting Pty Ltd

Samir Tirodkar
Director
West Perth, Western Australia
30 September 2022

DETAILS OF INTERESTS IN MINING TENEMENTS (as at 30 June 2022)

Tenement	Project	Location	Ownership
USA			
Idaho			
23 BLM mining claims: Noah#1-Noah #10, Noah #11 Amended, Noah #12, Noah #13 Frac Noah #14 – Noah #23	Blackpine Cobalt-Copper Project	Lemhi County, Idaho USA	100% interest
36 BLM mining claims: Raven No.2 – Raven No.4, Cobalt No.1 – Cobalt No.21, Cobalt "A" – Cobalt "L"	Blackpine Cobalt-Copper Project	Lemhi County, Idaho USA	Option to acquire 100%
4 patented mining claims on Mineral Survey No.1700: Blackpine Blackpine Extension Cross Cut Copper Fraction 1	Blackpine Cobalt-Copper Project	Lemhi County, Idaho USA	Option to acquire 100%
10 BLM mining claims: Jeep#1– Jeep#10	Colson Cobalt-Copper Project	Lemhi County, Idaho USA	100% interest
190 BLM mining claims: Codaho 1 – Codaho 46, Codaho 52 – Codaho 74, Codaho 90 – Codaho 99, Codaho 104 – Codaho 138, Codaho 146 – Codaho 148, Codaho 174, Codaho 175, Codaho 178, Codaho 179, Codaho 182, Codaho 183, Codaho 187, Codaho 188, Codaho 215 – Codaho 222, Codaho 244, Codaho 245, Codaho 258 – Codaho 292, Codaho 296 - Codaho 297, Codaho 319 – Codaho 336		Lemhi County, Idaho USA	100% interest
107 BLM mining claims: PC-01 – PC-107	Panther Cobalt-Copper Project	Lemhi County, Idaho USA	100% interest
28 BLM mining claims: Elk 2 – Elk 29	Elkhorn Cobalt Project	Lemhi County, Idaho USA	100% interest
Nevada			
118 BLM mining claims: GS 1 – GS 3, GS 17, GS 29 – GS 34, GS 36, GS 43, GS 64, GS 66 – GS 80, GS 82, GS 84 – GS 89, GS 92 – GS 100, GS 102, GS 104 – GS 106, GS 110 – GS 133, GS 135, GS 137, GS 177, GS 214 – GS 227, GS 229 – GS 230, GS 283 – 285, GS 287, GS 289, GS 307 – 310, GS348, 350, GS 391, GS 393, GS 395, GS 406, GS 503, GS 505, GS 507, GS 509, GS 522, GS 523, GS 611, GS 638, GS 640, GS 642, GS 650, GS 652	Goodsprings Copper-Cobalt Project	Clark County, Nevada, USA	100% interest

ASX ADDITIONAL INFORMATION

Additional information required by the ASX Listing Rules, and not shown elsewhere in this report is detailed below. The information is current as at 23 September 2022.

Share Capital

There were 65,000,000 listed fully paid ordinary shares (“Shares”) on issue held by 863 shareholders.

Analysis of numbers of listed equity security holders by size of holding are:

Holding	Number of shareholders	Number of Shares
1 - 1,000	8	1,895
1,001 - 5,000	242	799,298
5,001 - 10,000	153	1,129,315
10,001 - 100,000	338	11,957,687
100,001 and over	122	51,111,805
	863	**65,000,000**

There were 201 shareholders holding less than a marketable parcel of ordinary shares.

In addition to the Shares on issue, the Company also has on issue 5,500,000 unlisted performance rights and 16,500,000 unlisted options (refer details below).

Statement of Restricted Securities

The following securities are subject to 24 month escrow, expiring 4 May 2024.

Class	Number of securities
Unlisted options exercisable at $0.30 each on or before 26 April 2025	3,000,000
Unlisted options exercisable at $0.30 each on or before 26 April 2027	13,500,000
Unlisted performance rights expiring 26 April 2027 with nil exercise price	5,500,000

Substantial Shareholders

The Company is of the view, after taking into account available information, that there are no substantial shareholders of the Company.

Voting Rights

All Shares carry one vote per Share.

Options and Performance Rights have no voting rights.

Quoted Equity Security Holders

The names of the twenty largest shareholders of the Company as at 23 September 2022 are as follows:

Shareholder	Number of Shares	% of Issued Capital
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	3,519,101	5.41
STANDARD PASTORAL COMPANY PTY LTD	2,875,000	4.42
CITICORP NOMINEES PTY LIMITED	2,763,104	4.25
PONDEROSA INVESTMENTS (WA) PTY LTD <PONDEROSA INVESTMENT A/C>	2,625,709	4.04
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	2,513,889	3.87
MR GEOFFREY KEVIN CAMMELL	2,427,311	3.73
MR GEOFFREY KEVIN CAMMELL <CAMMELL DISCRETIONARY A/C>	955,691	1.47
MR CALCIDON CAMILLERI	750,000	1.15
TREASURY SERVICES GROUP PTY LTD <NERO RESOURCE FUND A/C>	750,000	1.15
MR DOMINIC OHANLON & MRS KAREN OHANLON <OHANLON SUPER A/C>	750,000	1.15
JEFF TOWLER BUILDING PTY LTD	740,077	1.14
BNP PARIBAS NOMS PTY LTD <DRP>	726,198	1.12
BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	626,933	0.96
BULLSEYE GEOSERVICES PTY LTD <HAYNES FAMILY A/C>	620,954	0.96
BFB HOLDINGS PTY LTD <BFB INVESTMENT A/C>	612,620	0.94
BOVINE HOLDINGS PTY LTD <GREENER PASTURES S/FUND A/C>	545,304	0.84
MRS SARA JACOB	539,256	0.83
HOLICARL PTY LIMITED <HUNTER GRAIN S/F A/C>	537,572	0.83
MR STEPHEN KAM LO TONG & MRS PATSY LIN HAP TONG <BIALLA SUPER FUND A/C>	530,000	0.82
MR MURRAY JOHN JACOB & MRS SARA CAROLINE JACOB <AQUATICA SUPERFUND A/C>	520,469	0.80
INJI INVESTMENTS PTY LTD	500,000	0.77
DAHIMA PTY LTD <BRIGGS R&P SCHEME A/C>	500,000	0.77
RSF HOLDINGS PTY LTD	500,000	0.77
VAN MERWYK SUPERANNUATION FUND PTY LTD <VAN MERWYK SUPER FUND A/C>	500,000	0.77
MR MURRAY JOHN JACOB	482,993	0.74
	28,412,181	**43.71%**

Unquoted Equity Securities

Class	Number of securities
Unlisted options exercisable at $0.30 each on or before 26 April 2025[1]	3,000,000
Unlisted options exercisable at $0.30 each on or before 26 April 2027	13,500,000
Unlisted performance rights expiring 26 April 2027 with nil exercise price	5,500,000

1. 1,500,000 (50%) held by Peloton Capital Pty Ltd and 1,500,000 (50%) held by Euroz Hartleys Limited.

Group Cash and Assets

In accordance with Listing Rule 4.10.19, the Group confirms that it has been using the cash and assets it had acquired at the time of admission and for the year ended 30 June 2022 in a way that is consistent with its business objectives and strategy.

KOBA
resources limited

Koba Resources Limited

Registered Office
Suite 24-26, Level 3, 22 Railway Road
Subiaco WA 6008
Telephone: +61 (8) 9226 1356

ACN 650 210 067
ASX KOB

kobaresources.com