Mindax Limited

ABN 28 106 866 442

Annual Report

for the year ended 30 June 2023

Corporate Information

ABN 28 106 866 442

Directors
Benjamin Chow (Executive Chair)
Qinglong Zeng (Non-Executive Director)
Biaozhun Zhu (Non-Executive Director)

Company Secretary
Dennis Wilkins

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Stock Exchange Listing
Mindax Limited shares are listed on the Australian Securities Exchange (ASX code MDX).

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Directors' Report

Your directors submit their report on the consolidated entity (referred to hereafter as the Group) consisting of Mindax Limited and the entities it controlled at the end of, or during, the year ended 30 June 2023.

DIRECTORS

The names and details of the Group's directors in office during the financial year and until the date of this report are as follows. Where applicable, all current and former directorships held in listed public companies over the last three years have been detailed below. Directors were in office for this entire period unless otherwise stated.

Names, qualifications, experience and special responsibilities

Benjamin Chow, AO, BE (Executive Chair (appointed 4 February 2021), member of audit committee and member of the remuneration and nomination committee)

Benjamin, aged 75 years, is a distinguished Australian citizen who was born and educated in China, emigrating to Australia in 1962. He has a business background in engineering, property development and leadership in the Chinese and Australian financial sectors.

He chaired the Council for Multicultural Australia which assists the Australian Government in implementing its multicultural policies. He has previously served as President of Australian Chinese Community Association of NSW, President of Chinese Australian Forum of NSW and Vice-president of the Ethnic Communities Council of NSW. He is a past member of the Council of National Museum of Australia, a member of the Bond University Council, President of Sydney University Nerve Research Foundation, a Trustee and current Chairman of Australian Chinese Charity Foundation and a Director of Chain Reaction Foundation Ltd.

Within the last 3 years, prior to his reappointment on 4 February 2021, Mr Chow was also a former director of Mindax Limited having resigned on 8 April 2020 (appointed 6 October 2009).

Qinglong Zeng, (Non-Executive Director (appointed 19 June 2019), Chair of audit committee, member of remuneration and nomination committee)

Qinglong, aged 38 years, is an Australian citizen who was born in China and has a background in construction and property development businesses both in China and Australia.

Mr Zeng has not held any other public company directorships in the last 3 years.

Biaozhun Zhu, (Non-Executive Director (appointed 8 April 2020), Chair of remuneration and nomination committee, member of audit committee)

Biaozhun, aged 40 years, has more than 15 years' experience in the hospitality industry, where he has owned and operated several successful businesses in Australia and China.

Mr Zhu has not held any other public company directorships in the last 3 years.

COMPANY SECRETARY

Dennis Wilkins, B.Bus, MAICD, ACIS

Mr Wilkins is the founder and principal of DWCorporate Pty Ltd a leading privately held corporate advisory firm servicing the natural resources industry. Since 1994 he has been a director of, and involved in the executive management of, several publicly listed resource companies with operations in Australia, PNG, Scandinavia and Africa. From 1995 to 2001 he was the Finance Director of Lynas Corporation Ltd during the period when the Mt Weld Rare Earths project was acquired by the group. He was also founding director and advisor to Atlas Iron Limited at the time of Atlas' initial public offering in 2006.

Since July 2001 Mr Wilkins has been running DWCorporate Pty Ltd where he advises on the formation of, and capital raising for, emerging companies in the Australian resources sector. Mr Wilkins is currently a non-executive director of Key Petroleum Ltd since 5 July 2006. Within the last 3 years Mr Wilkins is a former alternate director of Middle Island Resources Ltd (appointed 1 May 2010, resigned 31 January 2021).

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

As at the date of this report, the relevant interests of the directors in the shares of Mindax Limited were:

	Ordinary Shares	Options over Ordinary Shares
Benjamin Chow	6,196,000	8,000,000
Qinglong Zeng	25,565,000	5,000,000
Biaozhun Zhu	-	5,000,000

Directors' Report continued

PRINCIPAL ACTIVITIES

During the year, the Group's principal activity was mineral exploration.

There was no significant change in the nature of the Group's activities during the year.

DIVIDENDS

No dividends were paid or declared during the financial year. No recommendation for payment of dividends has been made.

REVIEW OF OPERATIONS

Activities during the year were focussed on assessing the Company's existing projects, reviewing new opportunities, and securing additional funding.

Mt Lucky Gold Project (MDX 100%)

During July 2022 the Company entered into and completed an agreement to acquire a 100% legal and beneficial interest in granted exploration licence E38/3336 (**Mt Lucky**). Under the terms of the agreement the Company acquired a 100% interest for a cash payment of $80,000.

Mt Lucky lies within the Mt Margaret Mineral Field of the north-eastern Goldfields of Western Australia (Laverton Greenstone Belt), approximately 7 km east of the Granny Smith gold mine (plant capacity 3.5 Mtpa) and 12 km southeast of Laverton. The ground has widespread gold anomalism and artisanal-scale gold workings.

The Company considers Mt Lucky as a desirable gold exploration project with fieldwork undertaken in November 2022 involving a site reconnaissance field visit to determine the existence of outcrops, reviewing indications of shearing and alteration or quartz veining that would indicate the presence of potential large shear zones. The site visit was also used to determine accessibility of the tenement, the terrain and the local infrastructure in order to consider the most appropriate initial exploration techniques to be used and any significant barriers for drilling activity. Heritage surveying of the tenement was completed in June 2023 and drill planning is currently underway with field work scheduled to be completed during Q3 2023.

Meekatharra Gold Project (MDX 100%)

As announced on 20 April 2022, geophysical processing of the high-resolution sub-audio magnetic (**SAM**) ground survey in combination with additional geological and drilling information for the project area was completed by Southern Geoscience during the year.

A revised geological interpretation along with the structural framework has identified several new exploration targets. A total of 18 targets were identified, and an aircore drill program focussing on the 5 highest ranked targets was designed. The Company's contracted geological team conducted a site reconnaissance field trip to mark out and clear all drill sites during December 2022.

A 23 hole, 2,187 metre aircore drill programme was completed at the project during May 2023. The programme was targeted at five of the SAM conductors and designed to identify any large-scale alteration, structural deformation or pathfinder element anomalism that might be indicative of the presence of a bedrock gold mineralisation system. Assay results are being received and interpretations of the results are currently being completed.

Mt Forrest Iron Project (MDX 65.0%)

The Mt Forrest Iron Project (**Mt Forrest**) is operated via a joint venture between Mindax, Yilgiron Pty Ltd (**Yilgiron**), and Norton Gold Fields Pty Ltd (**Norton**) pursuant to a shareholders agreement dated 22 July 2021. In December 2022 deeds of variation were executed to amend the shareholders agreement dated 22 July 2021 (**Amended Agreement**) between the Company, Norton and Yilgiron and the Management Services Agreement (**Amended MA Agreement**) between Norton and Yilgiron (see the Company's announcement dated 12 December 2022). The amendments saw the Company strengthen its day-to-day oversight and involvement in the operations of Yilgiron, the incorporated joint venture that has been used to progress exploration work at Mt Forrest.

As announced by the Company on 26 May 2023, Yilgiron notified Mindax and Norton (together, the **Shareholders**) that the Second Earning Condition, as defined in the shareholders agreement dated 22 July 2021 (as amended) (**SHA**), had been satisfied. This notification to the Shareholders crystallised the variation of the rights of 290 non-voting B Class Shares in the capital of Yilgiron, held by Norton, to voting shares with the same terms as ordinary shares in Yilgiron and Norton's shareholding interest in Yilgiron increased to 35.0% from 19.9%.

The Second Earning Condition was satisfied by the provision of a final report complying with the 2012 JORC Code issued to Yilgiron that identified an Indicated Mineral Resource of at least 380 million tonnes of magnetite at 32.6% Fe (**SRK Report**). A copy of that report, compiled by SRK Consulting (Australasia) Pty Ltd (**SRK**), was attached to the Company's ASX announcement dated 26 May 2023, and included an Indicated Mineral Resource of 422 Mt @33.37% and Inferred Mineral Resource of 599 Mt @ 33.59% Fe (refer Table 1 below).

As announced by Mindax on 1 June 2023, Norton issued a notice to Mindax and Yilgiron advising it would not proceed to completion of the Third Earning Condition under the SHA, being the delivery of a Pre-Feasibility Study (**Withdrawal Notice**).

As a result of Norton's decision, the 502 C Class Shares in the capital of Yilgiron held by Norton were cancelled for nil consideration and the earning period under the SHA has expired. Norton's shareholding interest in Yilgiron will remain at 35.0%.

While the issue of the Withdrawal Notice does not amend the terms of the SHA, as a consequence, Mindax will have greater control over appointments to the board of Yilgiron. With 65% shareholding interest in Yilgiron (i.e., above the 50% threshold set out in the SHA), Mindax is entitled to the greater of three directors or the total number that may be appointed by all other shareholders plus two. Norton is entitled to one director. Changes to the Yilgiron board were enacted subsequent to the end of the reporting period such that Mindax has three appointees and Norton one appointee.

Directors' Report continued

Mindax will now review further development opportunities for Mt Forrest, including (subject to the SHA) seeking alternative joint venture partners to assist with development.

Prior to the completion of the SRK Report and expiration of the earning period under the SHA, exploration activities completed by the Company and Norton at Mt Forrest are summarised below.

A total of 6,451m of RC and 1,189m of diamond drilling was completed since 1 July 2022 to complete the planned exploration programme with a grand total of 38,044m of RC and 3,393m of diamond drilling completed since exploration work on the project resumed in September 2021. Drilling completed focussed on testing the MF6 prospect with infill drilling on existing drill lines to provide additional sample and drill definition information to assist in the generation of a new resource estimate for the project. The final assay results have now been returned for all the drilling programmes. The results received were consistent with those previously reported and continue to provide further confirmation of the continuity and quality of the high-grade mineralisation present at Mt Forrest. Refer to the Company's ASX announcements dated 18 July 2022, 17 November 2022 and 25 November 2022 for more information on Mt Forrest exploration results.

MF1 Definition Drilling

A small amount of infill drilling was completed at MF1 with two RC holes for 472m and three diamond holes for 1,189m being completed. The holes were designed to confirm the BIF unit contact positions to assist in geological interpretation prior to the resource estimation being completed. The new assays have confirmed strong continuity for the interpreted high-grade magnetite between 100m spaced drill holes both along strike and down dip. Additional sampling was conducted on one RC hole to test the down dip potential of the two western most BIF units after the hole was originally ended before intersecting them. These new assays have extended the BIF units to more than 300m below surface.

MF2 Definition Drilling

No drilling was completed on the prospect, however numerous assay results from previously drilled holes were returned. The results were encouraging as they confirmed that the BIF units at MF2 have consistent high-grade mineralisation of widths up to 100m thick over a strike length of 3km.

These results have extended the strike length of the existing mineralisation to the north and south and also have delineated a new high grade BIF unit to the east of the main ridge, and they show the potential for the prospect to contain a significant amount of high-grade mineralisation. All the new results will assist in improving the geological interpretation and resource estimate.

MF6 Definition Drilling

The bulk of the drilling focussed on this area with 18 RC holes for 5,979m being completed. The holes were designed to infill the historic drill lines to 100m along strike and 100m along downdip and provide additional sampling information to allow for the generation of an updated mineral resource estimate to be included. Assay results confirmed the presence of consistent high-grade magnetite mineralisation at the prospect and identified three individual BIF units ranging in width from 50m to 100m and with a strike length of more than 1km.

Mt Forrest Share Infrastructure – Australian Gas Infrastructure Group (MDX 100%)

On 9 November 2022 the Company announced the execution of a heads of agreement (**HOA**) with AGI Operations Pty Ltd (a company within the Australian Gas Infrastructure Group of companies) (**AGIG**) to understand the commercial viability of development of infrastructure, including power and water, for the export of iron ore in the form of magnetite, from the Mid-West Region of Western Australia.

The parties agreed to commission Verbrec Limited (**Verbrec**) to prepare studies in three phases: Phase one is a Scoping Study (**Scoping Study**); phase two is a Pre-Feasibility Study (**PFS**) on the viability of developing infrastructure which will allow Yilgiron, and other miners in the Mid-West, to transport magnetite ore to port and to be loaded onto a ship for export. Phase three will be a Detailed Feasibility Study.

The Scoping Study was completed and received during the March 2023 quarter. Following a review of the Scoping Study, Mindax and AGIG agreed to proceed with, and have commenced during the June 2023 quarter, the PFS.

The PFS is being carried out and project managed by Verbrec supported by key discipline engineers, sub-consultants and suppliers, including representatives of AGIG Operations and AGIG Commercial. AGIG will contribute additional labour and services on an in-kind basis to support the PFS. Mindax will contribute in total $1.8 million to the PFS in addition to the $200,000 contributed for the Scoping Study.

The PFS's objective is to develop a cost model, targeting capital and operating cost estimates to +/- 25% accuracy, to verify whether or not the business case to develop the infrastructure is both robust and resilient.

The PFS is anticipated to be completed towards the end of the September 2023 quarter.

Directors' Report continued

MINERAL RESOURCE STATEMENT

There has been a material change made to the Magnetite iron mineral resource estimate this financial year (refer Tables 1 and 2).

The Regolith Mineralisation mineral resource estimate (still reported in accordance with 2004 JORC Code) has been removed from the Company's inventory of mineral resources. All mineral resource estimates reported by the Company are now reported in accordance with the 2012 edition of the JORC Code.

Magnetite Iron

The current primary magnetite resource stands at 1,021 Million tonnes @ 33.67% H Fe (422.4 Mt @ 33.8% HFe Indicated and 599.4 Mt @ 33.6% HFe Inferred). Table 1 summarises the reported consolidated magnetite resource above a 18% MR cut-off:

Table 1: Mt Forrest Iron Project –Magnetite Mineralisation above a 25% Fe cut-off grade as at 30 June 2023

Resource Category	Domain	Tonnes	In Situ			Concentrate					
			HFe	$HSiO_2$	MR	Fe	SiO_2	Al_2O_3	P	S	LOI
		[Mt]	[%]	[%]	[%]	[%]	[%]	[%]	[%]	[%]	[%]
Indicated JORC 2012	MF1	114.54	34.48	44.05	40.04	65.01	8.49	0.16	0.02	0.11	-2.59
	MF2	240.09	33.83	46.56	42.08	65.52	8.33	0.07	0.02	0.16	-2.63
	MF6	67.73	32.47	48.12	41.43	61.64	13.49	0.06	0.03	0.41	-2.27
	Total	**422.37**	**33.79**	**46.13**	**41.42**	**64.76**	**9.2**	**0.09**	**0.02**	**0.18**	**-2.56**
Inferred JORC 2012	MF1	142.75	33.75	44.97	42.01	64.83	8.95	0.15	0.02	0.10	-2.74
	MF2	250.40	34.31	45.34	44.33	64.80	9.18	0.10	0.02	0.16	-2.65
	MF6	206.25	32.62	47.93	42.51	61.97	13.07	0.06	0.03	0.44	-2.3
	Total	**599.40**	**33.59**	**46.14**	**43.15**	**63.85**	**10.45**	**0.10**	**0.02**	**0.24**	**-2.55**

Note: Totals are subject to rounding.

Table 2: Comparative Mineral Resources - Mt Forrest Iron Project –Magnetite Mineralisation

	Resource type	Tonnes	In Situ			Concentrate					
			HFe	$HSiO_2$	MR	Fe	SiO_2	Al_2O_3	P	S	LOI
		[Mt]	[%]	[%]	[%]	[%]	[%]	[%]	[%]	[%]	[%]
As at 30 Jun 2023 (JORC 2012)	Indicated	422.37	33.79	46.13	41.42	64.76	9.2	0.09	0.02	0.18	-2.56
	Inferred	599.40	33.59	46.14	43.15	63.85	10.45	0.10	0.02	0.24	-2.55
As at 30 Jun 2022 (JORC 2004)	Indicated	248	32.6	47.0	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Inferred	1,462	31.6	47.9	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Note: Totals are subject to rounding.

Review of material changes

A new Magnetite iron Mineral Resource estimate was completed which has utilised the new drill hole results that were completed in 2021-22 and this new resource has been reported according to the 2012 JORC Code. The new drilling data has allowed for more detailed geological interpretations and wireframing of the BIF units which has provided a much higher confidence resource estimate as the previous resource estimate had only limited magnetite drilling information available. As such this new resource is considered to entirely replace the previous resource. Refer to the Company's ASX announcement dated 26 May 2023 for more information.

Governance controls

All Mineral Resource estimates are prepared by qualified professionals following JORC Code compliant procedures and follow standard industry methodology for drilling, sampling, assaying, geological interpretation, 3-dimensional modelling and grade interpolation techniques.

The Mineral Resource estimates were calculated by a suitably qualified consultant and overseen by a suitably qualified employees and/or consultants.

Directors' Report continued

Competent Person Statements

This Mineral Resources Statement as a whole has been approved by John Vinar who is consultant at Barking Outback Pty Ltd. Mr Vinar is a Member of AusIMM and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Vinar has given his prior written consent to the inclusion in this report of the Mineral Resources statement in the form and context in which it appears. Mr Vinar is a shareholder in the Company.

The Magnetite Mineral Resource estimate completed in 2022 is based on, and fairly represents, information and supporting documentation prepared by Mr Yuanjian Zhu (Principal Consultant, Resource Geology) who is a member of the Australian Institute of Mining and Metallurgy. Mr Yuanjian Zhu is a Principal Consultant, Resource Geology at SRK and has sufficient experience which is relevant to the style of mineralisation and type of deposit and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the "Australasian Code Reporting of Exploration Results, Mineral Resources and Ore Reserves".

The information in this report which relates to Magnetite Mineral Resources was extracted from the Company's ASX announcement dated 26 May 2023, which is available to view on the Company's website. The Company confirms it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in the original market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

The information in this report that relates to exploration results is extracted from the Company's ASX announcements noted in the text of the report which are available to view on the Company's website. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original announcements and that the form and context in which the competent person's findings are presented have not been materially altered.

Directors' Report continued

Corporate

During the year, the Company raised additional funds with a view to advance the Company and increase shareholder returns.

During the year, placements from unrelated parties totalling 108,201,100 ordinary shares were completed raising a total of $5,410,075 cash. A total of 6,660,000 ordinary shares were also issued during the year in satisfaction of introduction fees totalling $333,000.

The Company's securities were suspended from trading on ASX from 1 March 2022 until reinstatement to official quotation on 1 March 2023.

Finance Review

The Group began the financial year with a cash reserve of $1,681,585. During the year, placements from unrelated parties totalling 108,201,100 ordinary shares were completed raising a total of $5,410,075 cash.

During the year total exploration expenditure incurred by the Group amounted to $1,094,301 (2022: $123,282). In line with the Company's accounting policies, exploration expenditure is capitalised where tenure is current, with $200,000 (2022: $21,696) of this amount expensed to the profit of loss during the year. Net administration, corporate, depreciation and salaries and employee benefits expenditure incurred amounted to $1,180,225 (2022: $1,085,870) and the Group recognised its share of the net losses of the investment equity accounted for of $569,513 (2022: $270,893). The Group incurred a share-based payment expense of $545,400 (2022: nil) and recognised a loss on disposal of equity accounted investment of $3,073,077 (2022: nil) in relation to the changes in ownership of Mt Forrest. This has resulted in an operating loss after income tax for the year ended 30 June 2023 of $5,568,215 (2022: $13,419,607 profit).

At 30 June 2023, cash available totalled $4,627,577.

Operating Results for the Year

Summarised operating results are as follows:

	2023	
	Revenues $	Loss $
Consolidated entity revenues and loss before income tax expense	2	(5,568,215)

Shareholder Returns

	2023	2022
Basic and diluted (loss)/earnings per share (cents)	**(0.3)**	0.7

Risk Management

The board is responsible for ensuring that risks, and opportunities, are identified on a timely basis and that activities are aligned with the risks and opportunities identified by the board.

The Company believes that it is crucial for all board members to be a part of this process, and as such the board has not established a separate risk management committee.

The board has a number of mechanisms in place to ensure that management's objectives and activities are aligned with the risks identified by the board. These include the following:

- Board approval of a strategic plan, which encompasses strategy statements designed to meet stakeholders needs and manage business risk.
- Implementation of board approved operating plans and budgets and board monitoring of progress against these budgets.

Company specific business risks that could interfere with the achievement of the Company's future operational and financial success are listed below.

Exploration risks

The mineral tenements of the Company are in the early stages of exploration. Because mineral exploration and development are high-risk undertakings, there can be no assurance that exploration of these or any future tenements will result in the discovery of an economic deposit. If exploration is successful, there will be additional costs and processes involved in moving to the development phase.

Exploration and development costs are based on estimates and assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may differ materially from these estimates and assumptions. Such differences may materially and adversely affect the Company's viability.

New projects and acquisitions

The Company has to date and will continue to pursue and assess other new business opportunities. These new business opportunities may take the form of direct project acquisitions, joint ventures, farm-ins, acquisition of tenements/permits, or direct equity participation.

The acquisition of projects or other assets (whether completed or not) may require the payment of monies (as a deposit and/or exclusivity fee) after only limited due diligence and prior to the completion of comprehensive due diligence. There can be no guarantee that any proposed acquisition will be completed or successful. If the proposed acquisition is not completed, monies already advanced may not be recoverable, which may have a material adverse effect on the Company.

If an acquisition is completed, the Directors will need to reassess, at that time, the funding allocated to current projects and new projects or assets, which may result in the Company reallocating funds from other projects and/or the raising of additional capital (if available). Furthermore, notwithstanding that an acquisition may proceed upon the completion of due diligence, the usual risks associated with the new project/business activities will remain.

Directors' Report continued

Furthermore, if a new investment or acquisition by the Company is completed, ASX may require the Company to seek Shareholder approval and to meet the admission requirements under Chapters 1 and 2 of the ASX Listing Rules as if the Company were a new listing. There would be costs associated in re-complying with the admission requirements. The Company may be required to incur these costs in any event, were it to proceed to seek to acquire a new project which is considered to result in a significant change to the nature or scale of its existing operations.

If a new investment or acquisition is not completed, then the Company may not be in a position to comply with the ongoing ASX Listing Rules, which includes but is not limited to, maintaining a sufficient level of operations and financial position. Given the nature of resource exploration, this may also occur if the Company abandons and/or relinquishes a project which is no longer considered viable.

Any new project or business acquisition may change the risk profile of the Company, particularly if the new project is located in another jurisdiction, involving a new commodity and/or changes to the Company's capital/funding requirements. Should the Company propose or complete the acquisition of a new project or business activity, investors may re-assess their investment in the Company in light of the new project/business activity.

Regulatory risks

The Company's exploration and development activities are subject to extensive laws and regulations relating to numerous matters including, without limitation, tenement and concession requirements and risks, conditions including environmental compliance and rehabilitation, taxation, employee relations, health and worker safety, waste disposal, protection of the environment, native title and heritage matters, protection of endangered and protected species and other matters. The Company requires environmental licences from regulatory authorities to authorise the Company's operations. These licences relate to development, production and rehabilitation activities (although no such activities are currently in progress).

Obtaining necessary licences can be a time-consuming process and there is a risk that the Company will not obtain these licences on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining necessary licences and complying with these licences and applicable laws and regulations could materially delay or restrict the Company from proceeding with the development of a project. Any failure to comply with applicable laws and regulations or licences, even if inadvertent, could result in material fines, penalties or other liabilities. In extreme cases, failure could result in suspension of the Company's activities or forfeiture of one or more of the projects in which the Company currently holds an interest.

Resource and Reserve estimates

An estimate is an expression of judgement based on knowledge, experience and industry practice. Estimates that were valid when originally calculated may alter significantly when new information or techniques become available. In addition, by their very nature, resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further information becomes available through additional fieldwork and analysis, the estimates are likely to change. This may result in alterations to development.

Additional requirements for capital

The Company's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its operations, the Company may require further financing. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its exploration programmes as the case may be. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.

Key personnel and employee's risk

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

Government policy changes

Adverse changes in government policies or legislation may affect ownership of mineral interests, taxation, royalties, land access, labour relations, and mining and exploration activities of the Company.

Operating risks

The current and future operations of the Company, including exploration, appraisal and possible production activities may be affected by a range of factors, including:

(i) adverse geological conditions;
(ii) failure to achieve predicted grades in exploration and mining;
(iii) limitations on activities due to seasonal weather patterns and cyclone activity;
(iv) unanticipated operational and technical difficulties encountered in geophysical surveys, drilling and production activities;
(v) difficulties in commissioning and operating plant and equipment;
(vi) mechanical failure of operating plant and equipment;
(vii) unanticipated metallurgical problems which may affect extraction recoveries and costs;
(viii) industrial and environmental accidents, industrial disputes and other force majeure events;
(ix) unexpected shortages or increases in the costs of labour, consumables, spare parts, plant and equipment; and
(x) inability to obtain or maintain any necessary consents or approvals.

No assurances can be given that the Company will achieve commercial viability through successful exploration and/or mining. Until the Company is able to realise value from its projects, it is likely to incur ongoing operating losses.

Directors' Report continued

Commodity price volatility and exchange rate risks

If the Company achieves success leading to mineral production, the revenue it will derive through the sale of commodities exposes the potential income of the Company to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for commodities, technological advancements, forward selling activities and other macro-economic factors.

Furthermore, international prices of various commodities are denominated in United States dollars, whereas the income and expenditure of the Company are and will be taken into account in Australian currency, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined in international markets.

Title risk

Although the Company has investigated title to all of its tenements, the Company cannot give any assurance that title to such tenements will not be challenged or impugned. Accordingly, there is a residual risk that, despite the Company's investigations, the tenements may be subject to prior unregistered agreements or transfers, or title may be affected by unregistered encumbrances, third party interests or defects. Tenements are also subject to minimum expenditure requirements. In the event that these minimum expenditure requirements are not met, those tenements may be subject to forfeiture proceedings.

Environmental risks

The operations and proposed activities of the Company are subject to laws and regulations concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds.

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

Mining operations have inherent risks and liabilities associated with safety and damage to the environment and the disposal of waste products occurring as a result of mineral exploration and production. The occurrence of any such safety or environmental incident could delay production or increase production costs. Events, such as unpredictable rainfall or bushfires, may impact on the Company's ongoing compliance with environmental legislation, regulations and licences. Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or non-compliance with environmental laws or regulations.

The disposal of mining and process waste and mine water discharge are under constant legislative scrutiny and regulation. There is a risk that environmental laws and regulations become more onerous making the Company's operations more expensive.

Approvals are required for land clearing and for ground disturbing activities. Delays in obtaining such approvals can result in the delay or modification to anticipated exploration programmes or mining activities. There is always a risk that detailed environmental investigations will identify endangered or other protected species that may affect the ability of the Company to obtain any necessary government approvals or carry out its operations as planned.

Force Majeure

The Company's projects now or in the future may be adversely affected by risks outside the control of the Company including labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Significant changes in the state of affairs of the Group during the financial year were as follows:

- During the year the Company amended the terms of the arrangement with Norton resulting in the Company obtaining joint control of Yilgiron, from which time the Company's investment in Yilgiron has been determined to be a joint venture.
- On 26 May 2023, Yilgiron notified Mindax and Norton that the Second Earning Condition, as defined in the SHA, had been satisfied resulting in Norton's shareholding interest in Yilgiron increasing to 35.0% from 19.9%.
- On 1 June 2023, Norton issued a notice to Mindax and Yilgiron advising it will not proceed to completion of the Third Earning Condition under the SHA. As a result of the Withdrawal Notice, Norton's shareholding interest in Yilgiron will remain at 35.0%.
- During the year, placements from unrelated parties totalling 108,201,100 ordinary shares were completed raising a total of $5,410,075 cash.
- During the year, a total of 6,660,000 ordinary shares were issued as consideration for services to the value of $333,000.
- The Company's securities were suspended from trading on ASX from 1 March 2022 until reinstatement to official quotation on 1 March 2023.

Directors' Report continued

SIGNIFICANT EVENTS AFTER THE REPORTING DATE

Change of control of Yilgiron Pty Ltd

Subsequent to the issue of the Withdrawal Notice by Norton and resultant expiration of the earning period under the SHA (refer note 8), the following changes to the control of Mt Forrest (being the incorporated joint venture entity of Yilgiron) have occurred:

- Potential voting rights held by Norton (Class C shares) have been cancelled;
- Mindax obtained control of the Yilgiron board by virtue of a majority of Yilgiron directors being Mindax appointees. The initial change resulted in the Yilgiron board consisting of five directors (three nominated by Mindax and two nominated by Norton), with further changes reducing this to three directors (two nominated by Mindax and one nominated by Norton) at the date of signing of these financial statements; and
- Mindax obtained control of day-to-day operations of Yilgiron following its appointment as manager in accordance with the execution of a Management Services Agreement.

The above actions have concluded with a change of control event in relation to Yilgiron effective on 7 July 2023 (**Acquisition**), being the date on which Mindax obtained control of the Yilgiron board of directors. From this date, with control of Yilgiron's board, majority ownership interest and control of the day-to-day operations, Mindax now controls Yilgiron which will become a subsidiary of Mindax, with Norton retaining a non-controlling interest.

At the date of Acquisition Mindax held 65.0% of the issued shares in Yilgiron, the owner of Mt Forrest for which exploration work progresses, with Norton holding the remaining 35.0%. In accordance with the terms of the SHA the Acquisition has occurred for nil consideration.

The financial effects of this transaction have not been recognised at 30 June 2023. The operating results and assets and liabilities of the acquired company will be consolidated from 7 July 2023. Note 19 provides further information about this transaction.

No other matters or circumstances have arisen since the end of the year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial periods.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

The Group expects to maintain the present status and level of operations and hence there are no likely developments in the entity's operations.

ENVIRONMENTAL REGULATION AND PERFORMANCE

The Group is subject to significant environmental regulation in respect to its exploration activities.

The Group aims to ensure the appropriate standard of environmental care is achieved, and in doing so, that it is aware of and is in compliance with all environmental legislation. The directors of the Group are not aware of any breach of environmental legislation for the year under review.

The directors have considered the recently enacted National Greenhouse and Energy Reporting Act 2007 (the NGER Act) which introduces a single national reporting framework for the reporting and dissemination of information about greenhouse gas emissions, greenhouse gas projects, and energy use and production of corporations. At the current stage of development, the directors have determined that the NGER Act will have no effect on the Group for the current, nor subsequent, financial year. The directors will reassess this position as and when the need arises.

REMUNERATION REPORT (AUDITED)

The information provided in this audited remuneration report has been audited as required by section 308(3C) of the *Corporations Act 2001*.

The key management personnel covered in this report are:

Benjamin Chow	Executive Chair
Qinglong Zeng	Non-Executive Director
Biaozhun Zhu	Non-Executive Director

Principles used to determine the nature and amount of remuneration

Remuneration Policy

The Remuneration Committee is comprised of Mr Zhu as chair and Messrs Chow and Zeng. The remuneration policy of Mindax Limited has been designed to align director and executive objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific long-term incentives based on key performance areas affecting the Group's financial results. All short-term incentives are decided at board level. The Board of Mindax Limited believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best executives and directors to run and manage the Group.

The Board's policy for determining the nature and amount of remuneration for board members and senior executives of the Group is as follows:

The Board may exercise discretion in relation to approving incentives, bonuses and options. The policy is designed to attract and retain the highest calibre of executives and reward them for performance that results in long-term growth in shareholder wealth.

Executives are also entitled to participate in the employee share and option arrangements.

Directors' Report continued

The executive directors and executives, if any, who receive a salary from the Company also receive a superannuation guarantee contribution as required by the government, which was 10.5% for the 2023 financial year, and do not receive any other retirement benefits. Some individuals, however, may choose to sacrifice part of their salary to increase payments towards superannuation.

All remuneration paid to directors and executives is valued at the cost to the Group and expensed. Options are valued using either the Black-Scholes or Binomial methodologies.

The Board policy is to remunerate non-executive directors at market rates for comparable companies for time, commitment and responsibilities. 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 maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders at the Annual General Meeting (currently $400,000 approved at the 2010 AGM). Fees for non-executive directors are not linked to the performance of the Group. However, to align directors' interests with shareholder interests, the directors are encouraged to hold shares in the Company and can participate in the employee option plan.

Directors are also entitled to Committee Fees, payable to members of the Audit and Remuneration Committees. The Board has agreed to fees of $2,500 per annum for each member of a committee, and $5,000 per annum for the Chair of each committee.

Performance based remuneration

At this stage, the Group's remuneration of key management personnel does not include any performance conditions. The Board believes that at this stage of the Group's development, linking remuneration to financial performance indicators such as share price, revenue or profit for these personnel is inappropriate. This may change if the Group was to commence mine production.

Company performance, shareholder wealth and directors' and executives' remuneration

The remuneration policy has been tailored to increase goal congruence between shareholders, directors and executives, including the occasional issue of options to directors and executives which is to encourage the alignment of personal and shareholder interests. This may be facilitated through the issue of options to key management personnel, including non-executive directors, to encourage the alignment of personal and shareholder wealth. The Company believes this policy will be effective in increasing shareholder wealth. For details of options granted to key management personnel during the 2023 financial year, refer to the 'Share-based compensation' section later in the Remuneration Report. There were no options granted during the 2022 financial year.

The table below shows the gross revenue, losses and earnings per share for the last five years for the listed entity.

	2023	2022	2021	2020	2019
	$	$	$	$	$
Revenue and other income	2	14,836,332	775,884	9	69
Net (loss)/profit	(5,568,215)	13,419,607	(1,131,604)	(586,112)	(755,191)
(Loss)/earnings per share (cents)	(0.3)	0.7	(0.1)	(0.1)	(0.1)
Share price at year end (cents)	6.2	5.9[(1)]	7.0	0.3[(2)]	0.3[(2)]

No dividends have been paid.

(1) The Company's securities were suspended from trading on the ASX from 1 March 2022 till 1 March 2023. The price quoted was the price of the last trade prior to suspension.

(2) The Company's securities were suspended from trading on the ASX from 26 June 2019 till 14 May 2021. The price quoted was the price of the last trade prior to suspension.

Use of remuneration consultants

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

Voting and comments made at the Company's 2022 Annual General Meeting

The Company received 99.96% of "yes" votes on its remuneration report for the 2022 financial year. The Company did not receive any specific feedback at the AGM or throughout the year on its remuneration practices.

Directors' Report continued

Details of remuneration

Details of the remuneration of the directors and the key management personnel of the Group are set out in the following table.

No remuneration paid to key management personnel of the Group was linked to performance in the 2023 and 2022 financial years.

Key management personnel of the Group

	Short-Term			Post Employ-ment	Term-ination	Share-Based Payments	Total	Percentage Relevant to Share-Based Payments
	Salary & Fees	Non-Cash benefits	Other	Super-annuation	Term-ination benefits			
	$	$	$	$	$	$	$	%
Directors								
Benjamin Chow								
2023	**257,000**	**27,369**	**-**	**13,125**	**-**	**101,600**	**399,094**	**25.5**
2022	257,000	-	-	12,500	-	-	269,500	-
Qinglong Zeng								
2023	**32,500**	**-**	**-**	**3,412**	**-**	**63,500**	**99,412**	**63.9**
2022	30,694	-	-	3,069	-	-	33,763	-
Biaozhun Zhu								
2023	**32,500**	**-**	**-**	**3,412**	**-**	**63,500**	**99,412**	**63.9**
2022	29,792	-	-	2,979	-	-	32,771	-
Kgai Mun Loh (retired 10 November 2021)								
2022	20,500	-	-	2,010	-	-	22,510	-
Yonggang Li (retired 10 November 2021)								
2022	10,000	-	-	1,000	-	-	11,000	-
Total key management personnel compensation								
2023	**322,000**	**27,369**	**-**	**19,949**	**-**	**228,600**	**597,918**	
2022	347,986	-	-	21,558	-	-	369,544	

Service agreements

The details of service agreements of the key management personnel of Mindax Limited and the Group are as follows:

Benjamin Chow, Executive Chair and Chief Executive Officer:

- Term of agreement – 2 years commenced 1 June 2014, and currently remains in place under the same terms.
- Monthly consultancy fees of $10,000, plus GST, are paid to BMTC Pty Limited, a company controlled by Mr Chow for Mr Chow’s role as CEO, plus $1,000, plus GST, per month to cover use of Mr Chow’s equipment including computers, printers, communication equipment and consumables.
- The above fee is in addition to Mr Chow’s Chair fees ($120,000 per annum), and committee fees, as outlined in the ‘remuneration policy’ above, which do not cover executive duties.
- Mr Chow to be provided with a fully maintained Company vehicle.

None of the other directors or key management personnel have service agreements in place.

Directors' Report continued

Share-based compensation

Options

Options may be issued to directors and executives as part of their remuneration. The options are not issued based on performance criteria but are issued to the majority of directors and executives of Mindax Limited to increase goal congruence between executives, directors and shareholders. The Company does not have a formal policy in relation to the key management personnel limiting their exposure to risk in relation to the securities, but the Board actively discourages key personnel management from obtaining mortgages in securities held in the Company. The following options over ordinary shares of the Company were granted to or vesting with key management personnel during the year:

	Grant Date	Granted Number	Vesting Date	Expiry Date	Exercise Price (cents)	Value per option at grant date (cents) (1)	Exercised Number	% of Remuner-ation
Directors								
Benjamin Chow	16/11/2022	8,000,000	16/11/2022	16/11/2023	8.0	1.3	Nil	25.5
Qinglong Zeng	16/11/2022	5,000,000	16/11/2022	16/11/2023	8.0	1.3	Nil	63.9
Biaozhun Zhu	16/11/2022	5,000,000	16/11/2022	16/11/2023	8.0	1.3	Nil	63.9

(1) The value at grant date in accordance with AASB 2 *Share Based Payments* of options granted during the year as part of remuneration. For options granted during the current year, the valuation inputs for the Black-Scholes option pricing model were as follows:

	Underlying Share Price (cents)	Exercise Price (cents)	Volatility	Risk Free Interest Rate	Valuation Date	Expiry Date
Directors	5.0	8.0	100.0%	3.2%	16/11/2022	16/11/2023

Ordinary Shares

No ordinary shares in the Company have been provided as a result of the exercise of remuneration options to each director of Mindax Limited and other key management personnel of the Group during the year.

Equity instruments held by key management personnel

Share holdings

The numbers of shares in the Company held during the financial year by each director of Mindax Limited and other key management personnel of the Group, including their personally related parties, and any nominally held, are set out below. There were no shares granted during the reporting period as compensation.

2023	Balance at start of the year	Received during the year on the exercise of options	Other changes during the year	Balance at end of the year (1)
Directors of Mindax Limited				
Ordinary shares				
Benjamin Chow	**10,196,000**	-	-	**10,196,000**
Qinglong Zeng	**25,565,000**	-	-	**25,565,000**
Biaozhun Zhu	-	-	-	-

(1) At year end there are no nominally held shares.

Option holdings

The numbers of options over ordinary shares in the Company held during the financial year by each director of Mindax Limited and other key management personnel of the Company, including their personally related parties, are set out below:

2022	Balance at start of the year	Granted as compen-sation	Exercised	Other changes	Balance at end of the year	Vested and exercisable	Unvested
Directors of Mindax Limited							
Benjamin Chow	-	**8,000,000**	-	-	**8,000,000**	**8,000,000**	-
Qinglong Zeng	-	**5,000,000**	-	-	**5,000,000**	**5,000,000**	-
Biaozhun Zhu	-	**5,000,000**	-	-	**5,000,000**	**5,000,000**	-

End of audited Remuneration Report

Directors' Report continued

SHARES UNDER OPTION

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

Date options issued	Expiry date	Exercise price (cents)	Number of options
5 December 2022 (1)	16 November 2023	8.0	32,000,000
7 March 2023	16 November 2023	8.0	5,000,000
Total number of options outstanding at the date of this report			**37,000,000**

No option holder has any right under the options to participate in any other share issue of the Company or any other entity.

(1) Included in these options were options granted as remuneration to the directors and the five most highly remunerated officers during the year. Details of options granted to key management personnel are disclosed on page 14 above. In addition, the following options were granted to officers who are among the five highest remunerated officers of the Company, but are not key management persons and hence not disclosed in the remuneration report:

Name of officer	Date granted	Exercise price (cents)	Number of options
Dennis Wilkins	16 November 2022	8.0	2,000,000

No options were granted to the directors or any of the five highest remunerated officers of the Company since the end of the financial year.

INSURANCE OF DIRECTORS AND OFFICERS

The Group has paid premiums to insure directors against liabilities for costs and expenses incurred by them in defending legal proceedings arising from their conduct while acting in the capacity of director of the Group, other than conduct involving a wilful breach of duty in relation to the Group.

DIRECTORS' MEETINGS

During the year the Company held four meetings of directors. The attendance of directors at meetings of the board were:

			Committee Meetings			
	Directors Meetings		Audit		Remuneration & Nomination	
	A	B	A	B	A	B
Benjamin Chow	4	4	-	-	1	1
Qinglong Zeng	4	4	-	-	1	1
Biaozhun Zhu	4	4	-	-	1	1

Notes

A - Number of meetings attended.

B - Number of meetings held during the time the director held office during the year.

Whilst the Audit Committee did not hold any meetings during the year, their duties were discharged through alternative means as required.

NON-AUDIT SERVICES

The following non-audit services were provided by the entity's auditor, BDO Audit (WA) Pty Ltd or associated entities. The directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The directors are satisfied that the provision of non-audit services by the auditor, as set out below, did not compromise the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- All non-audit services have been reviewed by the audit committee to ensure they do not impact the impartiality and objectivity of the auditor;
- None of the services undermine the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants*.

BDO Audit (WA) Pty Ltd or associated entities received or are due to receive the following amounts for the provision of non-audit services:

	2023 $	2022 $
Tax compliance and advisory services	-	11,900
Other assurance services	**4,105**	-
Total remuneration for non-audit services	**4,105**	11,900

Directors' Report continued

PROCEEDINGS ON BEHALF OF THE COMPANY

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

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the *Corporations Act 2001*.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 17.

Signed in accordance with a resolution of the directors.

Benjamin Chow
Executive Chair
Perth, 22 September 2023

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DECLARATION OF INDEPENDENCE BY NEIL SMITH TO THE DIRECTORS OF MINDAX LIMITED

As lead auditor of Mindax Limited for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Mindax Limited and the entities it controlled during the period.

Neil Smith

Director

BDO Audit (WA) Pty Ltd

Perth

22 September 2023

Corporate Governance Statement

Mindax Limited and the Board are committed to achieving and demonstrating the highest standards of corporate governance. Mindax Limited has reviewed its corporate governance practices against the Corporate Governance Principles and Recommendations (4th edition) published by the ASX Corporate Governance Council.

The 2023 Corporate Governance Statement was approved by the Board on 22 September 2023 and is current as at 22 September 2023. A description of the Group's current corporate governance practices is set out in the Group's Corporate Governance Statement which can be viewed at www.mindax.com.au.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

YEAR ENDED 30 JUNE 2023	Notes	2023 $	2022 $
REVENUE AND OTHER INCOME			
Interest	4	**2**	-
Other income	4	-	59,962
Gain on disposal of subsidiary		-	14,776,370
EXPENDITURE			
Administration expenses		**(151,232)**	(66,757)
Corporate expenses		**(767,590)**	(826,148)
Depreciation expense	9	**(11,459)**	(945)
Exploration expenditure expensed		**(200,000)**	(21,696)
Loss on partial disposal of investment accounted for using the equity method	8(a)	**(3,073,077)**	-
Salaries and employee benefits expense		**(249,946)**	(230,286)
Share-based payments expense	22	**(545,400)**	-
Share of net loss of investment accounted for using the equity method	8(c)	**(569,513)**	(270,893)
(LOSS)/PROFIT BEFORE INCOME TAX		**(5,568,215)**	13,419,607
INCOME TAX EXPENSE	6	-	-
(LOSS)/PROFIT FOR THE YEAR ATTRIBUTABLE TO OWNERS OF MINDAX LIMITED		**(5,568,215)**	13,419,607
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR ATTRIBUTABLE TO OWNERS OF MINDAX LIMITED		**(5,568,215)**	13,419,607
(LOSS)/EARNINGS PER SHARE FOR THE YEAR ATTRIBUTABLE TO MEMBERS OF MINDAX LIMITED			
Basic and diluted (loss)/earnings per share (cents per share)	21	**(0.3)**	0.7

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Notes to the Consolidated Financial Statements.

Consolidated Statement of Financial Position

AT 30 JUNE 2023	Notes	2023	2022
		$	$
CURRENT ASSETS			
Cash and cash equivalents	7	**4,627,577**	1,681,585
Trade and other receivables		**51,561**	-
Prepayments		**18,492**	8,504
TOTAL CURRENT ASSETS		**4,697,630**	1,690,089
NON-CURRENT ASSETS			
Investments accounted for using the equity method	8	**13,157,567**	16,800,157
Plant and equipment	9	**92,648**	6,548
Exploration and evaluation assets	10	**1,375,568**	481,267
TOTAL NON-CURRENT ASSETS		**14,625,783**	17,287,972
TOTAL ASSETS		**19,323,413**	18,978,061
CURRENT LIABILITIES			
Trade and other payables		**272,031**	360,740
Employee benefit obligations		**1,923**	-
TOTAL CURRENT LIABILITIES		**273,954**	360,740
TOTAL LIABILITIES		**273,954**	360,740
NET ASSETS		**19,049,459**	18,617,321
EQUITY			
Contributed equity	11	**55,424,250**	49,969,297
Reserves	12	**1,416,852**	871,452
Accumulated losses		**(37,791,643)**	(32,223,428)
TOTAL EQUITY		**19,049,459**	18,617,321

The above Consolidated Statement of Financial Position should be read in conjunction with the Notes to the Consolidated Financial Statements.

Consolidated Statement of Changes in Equity

YEAR ENDED 30 JUNE 2023

	Notes	Contributed Equity $	Share-based Payments Reserve $	Accumulated Losses $	Total $
BALANCE AT 1 JULY 2021		48,625,460	871,452	(45,643,035)	3,853,877
Profit for the year		-	-	13,419,607	13,419,607
TOTAL COMPREHENSIVE INCOME		-	-	13,419,607	13,419,607
TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS					
Shares issued during the year	11	1,410,000	-	-	1,410,000
Share issue transaction costs	11	(66,163)	-	-	(66,163)
BALANCE AT 30 JUNE 2022		**49,969,297**	**871,452**	**(32,223,428)**	**18,617,321**
Loss for the year		**-**	**-**	**(5,568,215)**	**(5,568,215)**
TOTAL COMPREHENSIVE LOSS		**-**	**-**	**(5,568,215)**	**(5,568,215)**
TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS					
Shares issued during the year	11	**5,743,075**	**-**	**-**	**5,743,075**
Share issue transaction costs	11	**(288,122)**	**-**	**-**	**(288,122)**
Options issued to employees and consultants	12	**-**	**545,400**	**-**	**545,400**
BALANCE AT 30 JUNE 2023		**55,424,250**	**1,416,852**	**(37,791,643)**	**19,049,459**

The above Consolidated Statement of Changes in Equity should be read in conjunction with the Notes to the Consolidated Financial Statements.

Consolidated Statement of Cash Flows

YEAR ENDED 30 JUNE 2023	Notes	2023	2022
		$	$
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		**(1,240,537)**	(1,003,807)
Payments for exploration expenditure not capitalised		**(200,000)**	(21,696)
Other income received		**-**	59,962
Interest received		**2**	-
NET CASH (OUTFLOW) FROM OPERATING ACTIVITIES	20(a)	**(1,440,535)**	(965,541)
CASH FLOWS FROM INVESTING ACTIVITIES			
(Payments for)/recoupment of exploration expenditure		**(863,002)**	208,508
Payments for plant and equipment		**(97,559)**	-
Payment of lease security deposit		**(41,702)**	-
NET CASH (OUTFLOW)/INFLOW FROM INVESTING ACTIVITIES		**(1,002,263)**	208,508
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issues of ordinary shares	11	**5,410,075**	1,250,000
Payments for share issue transaction costs		**(21,285)**	-
NET CASH INFLOW FROM FINANCING ACTIVITIES		**5,388,790**	1,250,000
NET INCREASE IN CASH AND CASH EQUIVALENTS		**2,945,992**	492,967
Cash and cash equivalents at the beginning of the financial year		**1,681,585**	1,188,618
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	7	**4,627,577**	1,681,585

The above Consolidated Statement of Cash Flows should be read in conjunction with the Notes to the Consolidated Financial Statements.

Notes to the Consolidated Financial Statements

30 JUNE 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the consolidated entity consisting of Mindax Limited and its subsidiaries. The financial statements are presented in the Australian currency. Mindax Limited is a company limited by shares, domiciled and incorporated in Australia. The financial statements were authorised for issue by the directors on 22 September 2023. The directors have the power to amend and reissue the financial statements.

(a) Basis of preparation

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

(i) Compliance with IFRS

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

(ii) New and amended standards adopted by the Group

The Group has adopted all the new, revised or amending Accounting Standards and Interpretations issued by the AASB that are relevant to its operations and effective for the current annual reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these standards.

(iii) New accounting standards and interpretations not yet mandatory or early adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2023 reporting periods and have not been early adopted by the Group. The Group’s assessment of the impact of these new standards and interpretations is that they are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

(iv) Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified, where required, by the measurement at fair value of selected financial assets and financial liabilities.

(v) Rounding of amounts

The Company is of a kind referred to in *Corporations Instrument 2016/191*, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest dollar.

(b) Principles of consolidation

(i) Subsidiaries

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

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

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

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

(ii) Associates

Associates are all entities over which the group has significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see (iv) below), after initially being recognised at cost.

(iii) Joint arrangements

Under AASB 11 *Joint Arrangements* investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. Mindax Limited has a joint venture.

Joint ventures

Interests in joint ventures are accounted for using the equity method (see (iv) below), after initially being recognised at cost.

Notes to the Consolidated Financial Statements continued

30 JUNE 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(iv) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit or loss, and the group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

Where the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity-accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described in note 1(f).

(v) Changes in ownership interests

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

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

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

(c) Segment reporting

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

(d) Interest revenue

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

(e) 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 differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Group operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

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

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

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

Notes to the Consolidated Financial Statements continued

30 JUNE 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

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

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

(f) Impairment of assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(g) Cash and cash equivalents

For statement of cash flows presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

(h) Trade and other receivables

Trade and other receivables are recognised at amortised cost using the effective interest rate method, less any allowance for expected credit losses.

The Group assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired. For trade and other receivables, the Group applies the simplified approach permitted by AASB 9 to determine any allowances for expected credit losses, which requires expected lifetime losses to be recognised from initial recognition of the receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience. The amounts held in trade and other receivables do not contain impaired assets and are not past due. Based on the credit history of these trade and other receivables, it is expected that the amounts will be received when due.

(i) Financial instruments

(i) Classification

The Group classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through OCI or through profit or loss); and
- Those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

(ii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

(iii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

Notes to the Consolidated Financial Statements continued

30 JUNE 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other income or expenses. Impairment losses are presented as a separate line item in the statement of profit or loss.
- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other income or expenses. Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other income or expenses and impairment losses are presented as a separate line item in the statement of profit or loss.
- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other income or expenses in the period in which it arises.

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payment is established.

Changes in the fair value of financial assets at FVPL are recognised in other income or expenses in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iv) Impairment

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology depends on whether there has been a significant increase in credit risk.

(j) Exploration and evaluation costs

Exploration and evaluation expenditures are accumulated in respect of each separate area of interest.

Exploration and evaluation costs are carried forward where right of tenure of the area of interest is current and they are expected to be recouped through sale or successful development and exploitation of the area of interest, or, where exploration and evaluation activities in the area of interest have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Development costs related to an area of interest are carried forward to the extent that they are expected to be recouped either through sale or successful exploitation of the area of interest.

When an area of interest is abandoned or the directors decide that it is not commercial, any accumulated expenditures in respect of that area are written off in the financial period the decision is made. The carrying value of the Group's projects are reviewed at least annually for appropriateness and to determine if there are any impairment indicators.

(k) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting date. They are recognised initially at fair value and subsequently at amortised cost. The amounts are unsecured and are paid on normal commercial terms.

(l) Employee benefits

(i) Wages and salaries and annual leave

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

(ii) Share-based payments

The Group provides benefits to employees (including directors) of the Group in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares ('equity-settled transactions').

The cost of these equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an internal valuation using a Black-Scholes option pricing model.

Notes to the Consolidated Financial Statements continued

30 JUNE 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

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

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

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

Where 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.

(m) Contributed equity

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.

(n) Earnings per share

(i) Basic earnings per share

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

(ii) Diluted earnings per share

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

(o) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

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

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

(p) Critical accounting judgements, estimates and assumptions

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

Exploration expenditure

The future recoverability of capitalised exploration and evaluation expenditure is dependent on a number of factors, including whether the Group decides to exploit the related lease itself or, if not, whether it successfully recovers the related exploration and evaluation asset through sale.

Factors that could impact the future recoverability include the level of reserves and resources, future technological changes, costs of drilling and production, production rates, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices.

Environmental Issues

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

Investments accounted for using the equity method

Refer to note 8(b) for details of judgements made on the "classification of joint arrangement" and "indicators of impairment" in relation to Mt Forrest.

Notes to the Consolidated Financial Statements continued

30 JUNE 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

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 internal valuation using a Black-Scholes option pricing model.

2. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: market risk (including currency risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.

Risk management is carried out by the full Board of Directors as the Group believes that it is crucial for all board members to be involved in this process. The chief executive officer, with the assistance of advisors as required, has responsibility for identifying, assessing, treating and monitoring risks and reporting to the Board on risk management.

(a) Market risk

(i) Foreign exchange risk

As all operations are currently within Australia, the Group is not exposed to any material foreign exchange risk.

(ii) Commodity price risk

Given the current level of operations the Group is not exposed to commodity price risk.

(iii) Interest rate risk

The Group is exposed to movements in market interest rates on cash and cash equivalents. The Group policy is to monitor the interest rate yield curve out to 120 days to ensure a balance is maintained between the liquidity of cash assets and the interest rate return.

The risk is not material and sensitivity analysis does not result in a material effect on Group results or financial position.

(b) Credit risk

The maximum exposure to credit risk at the reporting date is the carrying amount (net of provision for impairment) of those assets as disclosed in the statement of financial position and notes to the financial statements. The only significant concentration of credit risk for the Group is the cash and cash equivalents held with financial institutions. All material deposits are held with the major Australian banks for which the Board evaluate credit risk to be minimal (credit rating AA-).

The Group assesses debt instruments carried at cost for any future expected credit losses.

As the Group does not presently have any significant trade receivables, lending, significant stock levels or any other credit risk, a formal credit risk management policy is not maintained.

(c) Liquidity risk

The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and ensuring sufficient cash is available to meet the current and future commitments of the Group. Due to the nature of the Group's activities, being mineral exploration, the Group does not have ready access to credit facilities, with the primary source of funding being equity raisings. The Board of Directors constantly monitor the state of equity markets in conjunction with the Group's current and future funding requirements, with a view to initiating appropriate capital raisings as required.

The financial liabilities of the Group are confined to trade and other payables as disclosed in the statement of financial position. All trade and other payables are non-interest bearing and due within 12 months of the reporting date.

The table below reflects an undiscounted contractual maturity analysis for financial liabilities. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates and does not reflect management's expectations that borrowing facilities may be rolled forward.

	Within 1 Year		1 to 5 Years		Total Contractual Cashflow	
	2023	2022	2023	2022	2023	2022
	$	$	$	$	$	$
Financial liabilities due for payment						
Trade and other payables	**272,031**	360,740	-	-	**272,031**	360,740
Total contractual outflows	**272,031**	360,740	-	-	**272,031**	360,740

Notes to the Consolidated Financial Statements continued

30 JUNE 2023

2. FINANCIAL RISK MANAGEMENT (cont'd)

(d) Fair value estimation

There were no financial assets or liabilities at 30 June 2023 requiring fair value estimation and disclosure as they are either not carried at fair value or, in the case of short-term financial assets and financial liabilities, their carrying values approximate fair value.

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The carrying amounts and estimated fair values of financial assets and financial liabilities are as follows:

	2023 $	2022 $
Financial Assets		
Cash and cash equivalents	**4,627,577**	1,681,585
Trade and other receivables	**51,561**	-
Total Financial Assets	**4,679,138**	1,681,585
Financial Liabilities		
Trade and other payables	**272,031**	360,740
Total Financial Liabilities	**272,031**	360,740

The methods and assumptions used to estimate the fair value of financial instruments are outlined below:

Cash

The carrying amount is fair value due to the liquid nature of these assets.

Receivables/Payables

Due to the short-term nature of these financial rights and obligations, their carrying amounts are estimated to represent their fair values.

Fair value measurements of financial assets

The carrying values of financial assets and liabilities of the Group approximate their fair values. Fair values of financial assets and liabilities have been determined for measurement and/or disclosure purposes.

Fair value hierarchy

The Group classifies assets and liabilities carried at fair value using a fair value hierarchy that reflects the significance of the inputs used in determining that value. The following table analyses financial instruments carried at fair value by the valuation method. The different levels in the hierarchy have been defined as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

3. SEGMENT INFORMATION

For management purposes, the Group has identified two reportable segments based on the minerals present in the Projects detailed in the Quarterly Activities Report released to the Australian Securities Exchange each quarter. Based on the contents of this report, the reportable segments identified are:

1. Gold (comprising the Meekatharra and Mt Lucky Projects); and
2. Iron Ore (comprising the Mt Forrest Project via the equity accounted investment in Yilgiron).

Segment information provided to the directors for the year ended 30 June 2023 is as follows:

	Gold $	Iron Ore $	Total $
Year ended 30 June 2023			
Total segment revenue and other income	-	**(3,842,590)**	**(3,842,590)**
Intersegment revenue	-	-	-
Revenue and other income from external customers	-	-	-
Reportable segment profit/(loss)	-	**(3,842,590)**	**(3,842,590)**
Year ended 30 June 2022			
Total segment revenue	-	14,505,477	14,505,477
Intersegment revenue	-	-	-
Revenue from external customers	-	14,505,477	14,505,477
Reportable segment profit/(loss)	-	14,505,477	14,505,477

Notes to the Consolidated Financial Statements continued

30 JUNE 2023

	Gold $	Iron Ore $	Total $
3. SEGMENT INFORMATION (cont'd)			
Total segment assets			
30 June 2023	**825,568**	**13,713,309**	**14,538,877**
30 June 2022	481,267	16,806,705	17,287,972
Total segment liabilities			
30 June 2023	**35,124**	**-**	**35,124**
30 June 2022	3,826	-	3,826

	2023 $	2022 $
Reportable segment assets are reconciled to total assets of the Group as follows:		
Segment assets	**14,538,877**	17,287,972
Intersegment eliminations	**-**	-
Unallocated		
Cash and cash equivalents	**4,627,577**	1,681,585
Trade and other receivables	**51,561**	-
Prepayments	**18,492**	8,504
Other non-current assets	**86,906**	-
Total assets	**19,323,413**	18,978,061
Reportable segment liabilities are reconciled to total liabilities of the Group as follows:		
Segment liabilities	**35,124**	3,826
Intersegment eliminations	**-**	-
Unallocated		
Trade and other payables	**236,907**	356,914
Employee benefit obligations	**1,923**	-
Total liabilities	**273,954**	360,740
Reconciliation of reportable segment profit or loss to profit or loss before income tax of the Group is as follows:		
Total profit for reportable segments	**(3,842,590)**	14,505,477
Intersegment eliminations	**-**	-
Unallocated		
Interest revenue	**2**	-
Other income	**-**	59,962
Depreciation expense	**(11,459)**	(945)
Share-based payments expense	**(545,400)**	-
Other expenses	**(1,168,768)**	(1,144,887)
Profit/(loss) before income tax	**(5,568,215)**	13,419,607

4. REVENUE AND OTHER INCOME

	2023 $	2022 $
Revenue and other income from continuing operations		
Interest revenue	**2**	-
Sale of exploration results data	**-**	59,962

5. EXPENSES

	2023 $	2022 $
Specific expenses requiring disclosure:		
Defined contribution superannuation expense	**22,137**	20,799

Notes to the Consolidated Financial Statements continued

30 JUNE 2023	2023	2022
	$	$
6. INCOME TAX		
(a) Income tax benefit		
Current tax	-	-
Deferred tax	-	-
	-	-
(b) Numerical reconciliation of income tax expense to prima facie tax payable		
(Loss)/profit from continuing operations before income tax expense	**(5,568,215)**	13,419,607
Prima facie tax (benefit)/expense at the Australian tax rate of 30% (2022: 25%)	**(1,670,465)**	3,354,902
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Share-based payments	**163,620**	-
Loss on part disposal of investment accounted for using the equity method	**921,923**	-
Share of net losses of investment accounted for using the equity method	**170,854**	-
Gain on disposal of subsidiary	-	(3,626,369)
	(414,068)	(271,467)
Movements in unrecognised temporary differences	**(269,507)**	25,833
Tax effect of current year tax losses for which no deferred tax asset has been recognised	**683,575**	245,634
Income tax expense/benefit	-	-
(c) Tax losses		
Unused tax losses for which no deferred tax asset has been recognised	**46,877,431**	44,598,848
Potential tax benefit at 30% (2022: 25%)	**14,063,229**	11,149,712
(d) Unrecognised temporary differences		
Deferred Tax Assets (at 30% (2022: 25%))		
Other temporary differences	**10,223**	4,213
Carry forward tax losses	**14,063,229**	11,149,712
Deferred Tax Liabilities (at 30% (2022: 25%))		
Capitalised exploration and evaluation expenditure	**(412,670)**	(120,317)
Net deferred tax assets	**13,660,782**	11,033,608

Net deferred tax assets have not been brought to account as it is not probable within the immediate future that tax profits will be available against which deductible temporary differences and tax losses can be utilised. The recoupment of available tax losses as at 30 June 2023 is contingent upon the following:

(i) The Group deriving future assessable income of a nature and an amount sufficient to enable the benefit from the deductions for the losses to be realised;

(ii) The Group continues to comply with the conditions for deductibility imposed by tax legislation in Australia; and

(iii) There being no changes in tax legislation which adversely affect the Group from realising the benefit.

7. CURRENT ASSETS – CASH AND CASH EQUIVALENTS

	2023	2022
Cash at bank and in hand	**4,627,577**	1,681,585
Cash and cash equivalents as shown in the statement of financial position and the statement of cash flows	**4,627,577**	1,681,585

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

Notes to the Consolidated Financial Statements continued

30 JUNE 2023

8. NON-CURRENT ASSETS – INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Set out below is the equity-accounted investment of the Group as at 30 June 2023. Yilgiron has share capital consisting of ordinary shares and Class C shares (with the Class C shares being cancelled, for nil consideration, subsequent to the end of the reporting period, refer to note 19). Yilgiron was incorporated in Australia, which is also its principal place of business. The proportion of ownership interest is the same as the proportion of voting rights held. The percentage of ownership was subject to dilution upon completion of Earning Conditions prior to the issue of the Withdrawal Notice. Yilgiron is a private exploration company with minerals interests in Australia. It is a strategic investment which holds the Group's Mt Forrest Iron Project.

	% of ownership interest		Carrying amount	
	2023	2022	2023	2022
Name of entity	%	%	$	$
Yilgiron Pty Ltd (1)	**65.0**	80.1	**13,157,567**	16,800,157
			13,157,567	16,800,157

(1) Yilgiron is a private entity, there is no quoted price available.

(a) Description

Change of classification of joint arrangement

During December 2022 deeds of variation were executed to amend the Shareholders Agreement between the Company, Norton and Yilgiron and the Management Services Agreement between Norton and Yilgiron. The amendments have seen the Company strengthen its day-to-day oversight and involvement in the operations of Yilgiron, the incorporated joint venture that has been used to progress exploration work at Mt Forrest.

With effect on and from execution of the Amended Agreement and Amended MA Agreement it was determined that the Company had joint control of Yilgiron, in conjunction with Norton, as opposed to the previous classification of significant influence. In accordance with applicable accounting standards, the Company's investment in the joint arrangement (being Yilgiron) has been determined to be a joint venture.

This change in classification of the Company's continuing investment in Yilgiron from an associate (by virtue of significant influence) to a joint venture (by virtue of joint control) has not resulted in any changes to the balances disclosed as the investment continues to be equity-accounted. Terminology and disclosure surrounding the investment has been amended as required.

Second Earning Condition

On 26 May 2023, Yilgiron notified Mindax and Norton that the Second Earning Condition, as defined in the SHA, had been satisfied. This notification to the Shareholders crystallised the variation of the rights of 290 non-voting B Class Shares, in the capital of Yilgiron, held by Norton, to voting shares with the same terms as ordinary shares in Yilgiron and Norton's shareholding interest in Yilgiron increased to 35.0% from 19.9%. Mindax's shareholding in Yilgiron correspondingly decreased from 80.1% to 65.0%.

This change in shareholdings upon satisfaction of the Second Earning Condition represents a reduction in ownership interest of Yilgiron for Mindax, with the investment still classified as a joint venture as there are no changes to the control conditions associated with this change in ownership interests. The reduction in ownership interest by 15.1%, for nil consideration, has resulted in a loss on disposal of investment of $3,073,077 (2022: nil) during the reporting period.

Withdrawal Notice

Also on 26 May 2023, Norton issued the Withdrawal Notice to Mindax and Yilgiron advising it will not proceed to completion of the Third Earning Condition under the SHA, being the delivery of a Pre-Feasibility Study.

As a result of Norton's decision, the 502 C Class Shares in the capital of the Company held by Norton were cancelled, after the reporting date, for nil consideration and the earning period under the SHA has expired. Norton's shareholding interest in Yilgiron will remain at 35.0% with Mindax's shareholding in Yilgiron to remain at 65.0%.

While the issue of the Withdrawal Notice does not amend the terms of the SHA, as a consequence, Mindax will have greater control over appointments to the board of Yilgiron. With 65% shareholding interest in Yilgiron (i.e., above the 50% threshold set out in the SHA), Mindax is entitled to the greater of three directors or the total number that may be appointed by all other shareholders plus two. Norton is entitled to one director. Changes to the Yilgiron board were enacted subsequent to the end of the reporting period such that Mindax has three appointees and Norton one appointee.

For the year ended 30 June 2023, no objective evidence of impairment was identified by the Directors in respect to the Investment in Joint venture asset.

Notes to the Consolidated Financial Statements continued

30 JUNE 2023

8. NON-CURRENT ASSETS – INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (cont'd)

(b) Critical accounting estimates and judgements

Accounting for this transaction has required management to exercise a high degree of judgement over the following areas:

Classification of joint arrangement

With effect on and from execution of the Amended Agreement and Amended MA Agreement, by virtue of the amended contractual rights contained therein, it has been determined that the Company now has joint control of Yilgiron, in conjunction with Norton. Specific changes impacting this change include: the approval of the Business Plan and Budget, and any modification thereafter has been changed to a special majority decision, meaning that, during the Earn in period, 100% of all votes which may be cast are required for a matter to be passed; and the requirement for the Company to approve any movement of funds.

Management have determined that the joint arrangement provide Mindax and Norton rights to Yilgiron's net assets (opposed to the rights to the gross assets and obligation for the gross liabilities of the arrangement), thereby classifying the investment as a joint venture.

Indicators of impairment

The Group assesses whether there is objective evidence that the investment accounted for using the equity method is impaired by reference to one or more events that occurred during a reporting period that would have an impact on the estimated future cashflow of the investment. This includes the assessment of whether facts and circumstances suggest that the Mt Forrest project held in the investment could be impaired together with other factors such as resource estimate. As at 30 June 2023 there were no internal and external indicators to suggest that the investment is impaired.

(c) Summarised financial information for associate

The tables below provide summarised financial information for Yilgiron, the Group's associate. The information disclosed reflects the amount presented in the financial statements of Yilgiron and not Mindax Limited's share of those amounts. They have been amended to reflect adjustments made by the Group when using the equity method.

	2023 $	2022 $
Summarised statement of financial position		
Total current assets	**221,073**	7,039,341
Non-current assets	**22,235,216**	16,370,199
Current liabilities	**(1,620,610)**	(1,471,911)
Non-current liabilities	**(586,184)**	(953,171)
Net assets	**20,249,495**	20,984,458
Summarised statement of profit or loss and other comprehensive income		
Revenue and other income	**112,459**	133,338
Loss for the period	**(734,963)**	(338,362)
Other comprehensive income	**-**	-
Total comprehensive loss	**(734,963)**	(338,362)
Dividends received from associate	-	-
Reconciliation of value of investment		
Opening carrying amount	**16,800,157**	-
Addition of investment in Yilgiron	**-**	17,071,050
Loss on part disposal of investment in Yilgiron	**(3,073,077)**	-
Share of associate's loss and other comprehensive income	**(569,513)**	(270,893)
Closing carrying amount	**13,157,567**	16,800,157

(d) Contingent assets and liabilities of associate

Yilgiron is seeking to recover from Norton expenditure of approximately $1,600,000 incurred prior to the expiry of the Earning Period, in excess of the $20,000,000 Subscription Proceeds provided by Norton, as allowed by the SHA. Negotiations are continuing for the recovery of this amount, with the Board of Yilgiron believing a favourable outcome is probable. However, the contingent asset has not been recognised as a receivable at 30 June 2023 as receipt of the amount is dependent on the outcome of the ongoing negotiations.

There are no material contingent liabilities of Yilgiron at reporting date.

Notes to the Consolidated Financial Statements continued

30 JUNE 2023	Plant and Equipment $	Campsite $	Motor Vehicles $	Total $
9. NON-CURRENT ASSETS – PLANT AND EQUIPMENT				
At 1 July 2021				
Cost	1,375	37,380	-	38,755
Accumulated depreciation	(1,375)	(29,887)	-	(31,262)
Net book amount	-	7,493	-	7,493
Year ended 30 June 2022				
Opening net book amount	-	7,493	-	7,493
Depreciation expensed to profit or loss	-	(945)	-	(945)
Closing net book amount	-	6,548	-	6,548
At 30 June 2022				
Cost	1,375	37,380	-	38,755
Accumulated depreciation	(1,375)	(30,832)	-	(32,207)
Net book amount	-	6,548	-	6,548
Year ended 30 June 2023				
Opening net book amount	**-**	**6,548**	**-**	**6,548**
Additions	**2,325**	**-**	**95,234**	**97,559**
Depreciation expensed to profit or loss	**(314)**	**(806)**	**(10,339)**	**(11,459)**
Closing net book amount	**2,011**	**5,742**	**84,895**	**92,648**
At 30 June 2023				
Cost	**3,700**	**37,380**	**95,234**	**136,314**
Accumulated depreciation	**(1,689)**	**(31,638)**	**(10,339)**	**(43,666)**
Net book amount	**2,011**	**5,742**	**84,895**	**92,648**

10. NON-CURRENT ASSETS – EXPLORATION AND EVALUATION ASSETS

	Notes	2023 $	2022 $
Exploration and evaluation assets		**1,375,568**	481,267
Balance at the beginning of the year		**481,267**	2,875,979
Expenditure incurred		**894,301**	101,586
Expenditure disposed upon deconsolidation of Yilgiron		**-**	(2,496,298)
Balance at the end of the year	10(a)	**1,375,568**	481,267

(a) The ultimate recoupment of costs carried forward for exploration and evaluation is dependent on the successful development and commercial exploitation or sale of the respective mining areas. Amortisation of the costs carried forward for the development phase is not being charged pending the commencement of production.

The carrying value of the Group's projects was reviewed, and no impairment indicators were identified during the 2023 or 2022 financial years in relation to the Group's tenements.

Notes to the Consolidated Financial Statements continued

30 JUNE 2023

11. CONTRIBUTED EQUITY

	Notes	2023 Number of shares	2023 $	2022 Number of shares	2022 $
(a) Share capital					
Ordinary shares fully paid	11(b), 11(d)	**2,045,558,780**	**55,424,250**	1,930,697,680	49,969,297
Total contributed equity		**2,045,558,780**	**55,424,250**	1,930,697,680	49,969,297
(b) Movements in ordinary share capital					
Beginning of the financial year		**1,930,697,680**	**49,969,297**	1,872,935,775	48,625,460
Issued during the year:					
– Issued for cash at $0.042 per share		**-**	**-**	4,761,905	200,000
– Issued for cash at $0.05 per share		**108,201,000**	**5,410,050**	21,000,000	1,050,000
– Issued for cash at $0.25 per share		**100**	**25**	-	-
– Issued as consideration for share issue costs (1), (2)		**6,660,000**	**333,000**	-	-
– Issued as consideration for introduction fees (3)		**-**	**-**	32,000,000	160,000
Transaction costs incurred (1), (2)		**-**	**(288,122)**	-	(66,163)
End of the financial year		**2,045,558,780**	**55,424,250**	1,930,697,680	49,969,297

(1) On 19 July 2022 the Company issued 1,250,000 ordinary shares, on 12 August 2022 the Company issued 1,250,000 ordinary shares, on 24 February 2023 the Company issued 1,660,000 ordinary shares, and on 28 April 2023 the Company issued 2,500,000 ordinary shares in consideration for consulting services classified as share issue costs. The fair value of the shares recognised is by direct reference to the fair value of services received. This was determined by corresponding invoices which totalled $333,000 (excluding GST). These amounts have been recognised in the statement of financial position under transaction costs to share capital.

(2) The 1,250,000 ordinary shares issued on 19 July 2022, with a fair value of $62,500, related to services provided during the 2022 financial year for which the transaction costs were recognised during the 2022 financial year.

(3) On 24 September 2021 the Company issued 32,000,000 ordinary shares in part satisfaction of a fee of 5% of the initial earn-in value of the BHOA with Norton Gold payable to the party (unrelated to the Company) who introduced Norton Gold and the transaction to the Company. The fair value of the shares recognised is by direct reference to the fair value of services received. This was determined by corresponding invoices which totalled $160,000 (excluding GST). This amount was expensed to the profit or loss and is included within 'corporate expenses'.

(c) Movements in options on issue

	Number of options 2023	Number of options 2022
Balance at the beginning of the financial year	**-**	-
Issued, exercisable at $0.08 on or before 16 November 2023	**37,000,000**	-
Balance at the end of the financial year	**37,000,000**	-

(d) Ordinary shares

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 continued

30 JUNE 2023	Notes	2023 $	2022 $

11. CONTRIBUTED EQUITY (cont'd)

(e) Capital risk management

The Group's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they may continue to provide returns for shareholders and benefits for other stakeholders.

Due to the nature of the Group's activities, being mineral exploration, the Group does not have ready access to credit facilities, with the primary source of funding being equity raisings. Therefore, the focus of the Group's capital risk management is the current working capital position against the requirements of the Group to meet exploration programmes and corporate overheads. The Group's strategy is to ensure appropriate liquidity is maintained to meet anticipated operating requirements, with a view to initiating appropriate capital raisings as required. The working capital position of the Group at 30 June 2023 and 30 June 2022 are as follows:

	Notes	2023 $	2022 $
Cash and cash equivalents		**4,627,577**	1,681,585
Trade and other receivables		**51,561**	-
Prepayments		**18,492**	8,504
Trade and other payables		**(272,031)**	(360,740)
Employee benefit obligations		**(1,923)**	-
Working capital position		**4,423,676**	1,329,349

12. RESERVES

Share-based payments reserve	Notes	2023 $	2022 $
Balance at the beginning of the financial year		**871,452**	871,452
Options issued during the year	22	**545,400**	-
Balance at the end of the financial year		**1,416,852**	871,452

The share-based payments reserve is used to recognise the fair value of options and performance rights granted.

13. DIVIDENDS

No dividends were paid during the financial year. No recommendation for payment of dividends has been made.

14. REMUNERATION OF AUDITORS

During the year the following fees were paid or payable for services provided by the auditor of the parent entity, its related practices and non-related audit firms:

Auditors of the Group – BDO Audit (WA) Pty Ltd ("BDO") and related network firms

	2023 $	2022 $
Audit services		
Audit and review of Group financial reports	**42,942**	40,192
Total audit and review of financial reports	**42,942**	40,192
Other assurance services	**4,105**	-
Non-audit services		
Tax compliance and advisory services	-	11,900
Total other non-audit services	-	11,900
Total services provided by BDO	**47,047**	52,092

15. CONTINGENCIES

There are no material contingent liabilities or contingent assets of the Group at reporting date.

Notes to the Consolidated Financial Statements continued

30 JUNE 2023	2023 $	2022 $

16. COMMITMENTS

Exploration commitments

The Group has certain commitments to meet minimum expenditure requirements on the mineral exploration assets it has an interest in. Outstanding exploration commitments are as follows:

	2023 $	2022 $
Within one year	**1,315,867**	33,555
Later than one year but not later than five years	**99,422**	100,665
Later than five years	**-**	-
	1,415,289	134,220

17. RELATED PARTY TRANSACTIONS

(a) Parent entity

The ultimate parent entity within the Group is Mindax Limited.

(b) Subsidiaries

Interests in subsidiaries are set out in note 18.

(c) Key management personnel compensation

	2023 $	2022 $
Short-term benefits	**349,369**	347,986
Post-employment benefits	**19,949**	21,558
Share-based payments	**228,600**	-
	597,918	369,544

Detailed remuneration disclosures are provided in the remuneration report on pages 11 to 14.

18. SUBSIDIARIES

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1(b):

Name	Country of incorporation	Class of shares	Equity Holding [(1)] 2023 %	Equity Holding [(1)] 2022 %
Mindax Energy Pty Ltd	Australia	Ordinary	**100**	100
Yilgiron Infrastructure Pty Ltd	Australia	Ordinary	**100**	100

(1) The proportion of ownership interest is equal to the proportion of voting power held.

Notes to the Consolidated Financial Statements continued

30 JUNE 2023

19. EVENTS OCCURRING AFTER THE REPORTING DATE

Change in control of Yilgiron Pty Ltd

Subsequent to the issue of the Withdrawal Notice by Norton and resultant expiration of the earning period under the SHA (refer note 8), the following changes to the control of Mt Forrest (being the incorporated joint venture entity of Yilgiron) have occurred:

- Potential voting rights held by Norton (Class C shares) have been cancelled;
- Mindax obtained control of the Yilgiron board by virtue of a majority of Yilgiron directors being Mindax appointees. The initial change resulted in the Yilgiron board consisting of five directors (three nominated by Mindax and two nominated by Norton), with further changes reducing this to three directors (two nominated by Mindax and one nominated by Norton) at the date of signing of these financial statements; and
- Mindax obtained control of day-to-day operations of Yilgiron following its appointment as manager in accordance with the execution of a Management Services Agreement.

The above actions have concluded with a change of control event in relation to Yilgiron effective on 7 July 2023 (**Acquisition**), being the date on which Mindax obtained control of the Yilgiron board of directors. From this date, with control of Yilgiron's board, majority ownership interest and control of the day-to-day operations, Mindax now controls Yilgiron which will become a subsidiary of Mindax, with Norton retaining a non-controlling interest.

At the date of Acquisition Mindax held 65.0% of the issued shares in Yilgiron, the owner of Mt Forrest for which exploration work progresses, with Norton holding the remaining 35.0%. In accordance with the terms of the SHA the Acquisition has occurred for nil consideration.

The financial effects of this transaction have not been recognised at 30 June 2023. The operating results and assets and liabilities of the acquired company will be consolidated from 7 July 2023.

Acquisition consideration and fair value of net assets acquired

The Acquisition is considered a business combination achieved in stages. Details of the acquisition consideration are:

	$
Acquisition date fair value of Mindax's equity interest in Yilgiron	**13,157,567**
Total Acquisition consideration	**13,157,567**

The fair values of the assets and liabilities of Yilgiron Pty Ltd as at the date of acquisition are as follows:

	Fair value $
Cash and cash equivalents	**174,806**
Trade and other receivables	**35,316**
Inventory	**10,952**
Plant and equipment	**157,383**
Exploration and evaluation assets	**22,077,833**
Trade and other payables	**(1,620,611)**
Deferred tax liabilities	**(586,184)**
Net identifiable assets acquired	**20,249,495**
Less: non-controlling interests	**(7,091,928)**
Net assets acquired	**13,157,567**

The Group recognised the non-controlling interest in Yilgiron at its proportionate share of the acquired net identifiable assets.

No other matters or circumstances have arisen since 30 June 2023, which has significantly affected, or may significantly affect the operations of the Group, the result of those operations, or the state of affairs of the Group in subsequent financial years.

Notes to the Consolidated Financial Statements continued

30 JUNE 2023		2023 $	2022 $
20. CASH FLOW INFORMATION			
(a) Reconciliation of net (loss)/profit after income tax to net cash outflow from operating activities			
Net (loss)/profit for the year		**(5,568,215)**	13,419,607
Non-Cash Items			
Depreciation of non-current assets		**11,459**	945
Corporate fees settled by the issue of shares	20(b)	**-**	160,000
Share-based payments		**545,400**	-
Net gain on disposal of subsidiary		**-**	(14,776,370)
Loss on part disposal of investment accounted for using the equity method		**3,073,077**	-
Share of net losses of investment accounted for using the equity method		**569,513**	270,893
Change in operating assets and liabilities			
(Increase)/decrease in trade and other receivables		**(9,859)**	17,522
(Increase)/decrease in prepayments		**(9,988)**	2,994
(Decrease) in trade and other payables		**(53,845)**	(61,132)
Increase in employee benefit obligations		**1,923**	-
Net cash outflow from operating activities		**(1,440,535)**	(965,541)

(b) Non-cash investing and financing activities

During the 2023 financial year, the Company issued a total of 6,660,000 ordinary shares at an issue price of $0.05 as consideration for consulting services classified as share issue costs capitalised to the value of $333,000.

On 24 September 2021 the Company issued 32,000,000 ordinary shares in part satisfaction of a fee of 5% of the initial earn-in value of the BHOA with Norton Gold payable to the party (unrelated to the Company) who introduced Norton Gold and the transaction to the Company. The fair value of the shares recognised is by direct reference to the fair value of services received. This was determined by corresponding invoices which totalled $160,000 (excluding GST).

21. LOSS PER SHARE

	Cents	Cents
(a) Basic and diluted (loss)/earnings per share		
Basic and diluted (loss)/earnings per share attributable to the ordinary equity holders of the Company	**(0.3)**	0.7

	$	$
(b) Reconciliation of (loss)/profit used in calculating (loss)/earnings per share		
(Loss)/profit attributable to the owners of the Company used in calculating basic and diluted (loss)/earnings per share	**(5,568,215)**	13,419,607

	Number of shares	Number of shares
(c) Weighted average number of shares used as the denominator		
Weighted average number of ordinary shares used as the denominator in calculating basic and diluted (loss)/earnings per share	**1,977,368,874**	1,899,949,213

(d) Information on the classification of options

As the Group made a loss for the year ended 30 June 2023, the options on issue were considered anti-dilutive and were not included in the calculation of diluted earnings per share. The options currently on issue could potentially dilute basic earnings per share in the future.

Notes to the Consolidated Financial Statements continued

30 JUNE 2023

22. SHARE-BASED PAYMENTS

(a) Employee and consultant options

The Company provides benefits to employees (including directors), contractors and consultants of the Group in the form of share-based payment transactions, whereby employees, contractors and consultants render services in exchange for options to acquire ordinary shares. The options granted and on issue at 30 June 2023 have an exercise price of $0.08 and expiry date of 16 November 2023.

Options granted carry no dividend or voting rights. When exercisable, each option is convertible into one ordinary share of the Company with full dividend and voting rights.

The weighted average fair value of the options granted during the 2023 financial year was 1.5 cents (2022: n/a). The fair value was calculated by using the Black-Scholes European Option Pricing Model applying the following inputs:

	2023	2022
Weighted average exercise price (cents)	**8.00**	-
Weighted average life of the option (years)	**0.96**	-
Weighted average underlying share price (cents)	**5.43**	-
Expected share price volatility	**100.00%**	-
Risk free interest rate	**3.20%**	-

Set out below is a summary of the share-based payment options granted:

	Company			
	2023		2022	
	Number of options	Weighted average exercise price cents	Number of options	Weighted average exercise price cents
Outstanding at the beginning of the year	**-**	**-**	-	-
Granted	**37,000,000**	**8.0**	-	-
Forfeited	**-**	**-**	-	-
Exercised	**-**	**-**	-	-
Expired	**-**	**-**	-	-
Outstanding at year-end	**37,000,000**	**8.0**	-	-
Exercisable at year-end	**37,000,000**	**8.0**	-	-

The weighted average remaining contractual life of share options outstanding at the end of the financial year was 0.4 years (2022: n/a), with an exercise price of $0.08.

(b) Expenses arising from share-based payment transactions

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

	2023	2022
	$	$
Options issued to employees shown as share-based payments	**545,400**	-

Notes to the Consolidated Financial Statements continued

30 JUNE 2023	2023 $	2022 $

23. PARENT ENTITY INFORMATION

The following information relates to the parent entity, Mindax Limited. The information presented here has been prepared using accounting policies consistent with those presented in note 1.

	2023 $	2022 $
Current assets	**4,697,630**	1,690,089
Non-current assets	**14,625,783**	17,287,972
Total assets	**19,323,413**	18,978,061
Current liabilities	**273,954**	360,740
Total liabilities	**273,954**	360,740
Contributed equity	**55,424,250**	49,969,297
Share-based payments reserve	**1,416,852**	871,452
Accumulated losses	**(37,791,643)**	(32,223,428)
Total equity	**19,049,459**	18,617,321
(Loss)/profit for the year	**(5,568,215)**	13,420,497
Total comprehensive (loss)/income for the year	**(5,568,215)**	13,420,497

Directors' Declaration

In the directors' opinion:

(a) the financial statements comprising the statement of profit or loss and other comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows and accompanying notes set out on pages 19 to 41 are in accordance with the *Corporations Act 2001*, including:

(i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and

(ii) giving a true and fair view of the consolidated entity's financial position as at 30 June 2023 and of its performance for the financial year ended on that date;

(b) there are reasonable grounds to believe that the consolidated entity will be able to pay its debts as and when they become due and payable;

(c) the remuneration disclosures included in the Directors' Report (as part of the audited Remuneration Report), for the year ended 30 June 2023, comply with Section 300A of the *Corporations Act 2001*; and

(d) a statement that the attached financial statements are in compliance with International Financial Reporting Standards has been included in the notes to the financial statements.

The directors have been given the declarations by the chief executive officer and chief financial officer required by section 295A of the *Corporations Act 2001*.

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

Benjamin Chow
Executive Chair
Perth, 22 September 2023

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INDEPENDENT AUDITOR'S REPORT

To the members of Mindax Limited

Report on the Audit of the Financial Report

Opinion

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

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

(i) Giving a true and fair view of the Group's financial position as at 30 June 2023 and of its financial performance for the year ended on that date; and

(ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

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

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

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

Key audit matters

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

Accounting Treatment of the Yilgiron Joint Venture

Key audit matter	*How the matter was addressed in our audit*
In December 2022 Deeds of Variation were executed in relation to the Yilgiron Joint Venture Agreement, whereby assessment of control needed to be reconsidered. Yilgiron was previously accounted for as an investment in associate and upon the Deed Variation was reassessed as a joint venture and equity accounted for. As of 30 June 2023, Mindax recognised a joint venture asset of $13,157,567. The underlying asset of this investment is the Mount Forrest Iron Ore Project in which Mindax holds a 65% equity interest. At each reporting date management are required to assess whether there is any objective evidence of impairment in accordance with the requirements of AASB 128 Investment in associates and joint ventures ("AASB 128"). Where indicators are identified, the recoverable amount of the investment is required to be determined. Refer to Note 8 to the Financial Report for a description of the accounting policy and significant judgements and estimates applied to the joint venture. This is a key audit matter as the carrying value of the joint venture represents a significant asset of the Group and the assessment of its carrying value requires management to exercise judgment in identifying indicators of impairment for purposes of determining whether the recoverable amount of the asset needs to be estimated. Further we note there are significant judgments involved in the reassessment of control.	Our procedures included, but were not limited to: • Reading the relevant agreements to understand the key terms and conditions of the transaction; • Testing material balances on Yilgiron's 30 June 2023 trial balance; • Reviewing management's calculation of the of their share of profit/loss for the period based on the audited trial balance; • Assessing the reasonableness of management's joint venture classification of the investment in accordance with the Australian Accounting standards; • Examining Yilgiron's right to tenure over the project held including the corroboration of ownership to third party documentation; • Considering the status of the ongoing exploration programmes by holding discussions with management, and reviewing the Yilgiron's exploration budgets and the Company's ASX announcements and directors' minutes for potential contradictory information compared to management's assessment; • Assessing potential indicators of impairment in accordance with AASB 128, including assessing the Associate's performance outlook and other factors such as economic changes and regulatory developments; • Assessing the market capitalisation of the Company compared to the net asset position of the Company; and • Assessing the adequacy of the related disclosures the Financial Report.

Other information

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Group's annual report for the year ended 30 June 2023, but does not include the financial report and our auditor's report thereon.

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

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

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

Responsibilities of 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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (http://www.auasb.gov.au/Home.aspx) at:

http://www.auasb.gov.au/auditors_responsibilities/ar3.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 11 to 14 of the directors' report for the year ended 30 June 2023.

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

Responsibilities

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

BDO Audit (WA) Pty Ltd

BDO

Neil Smith

Director

Perth

22 September 2023

ASX Additional Information

Additional information required by Australian Stock Exchange Ltd and not shown elsewhere in this report is as follows. The information is current as at 14 September 2023.

(a) Distribution of equity securities

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

			Ordinary shares	
			Number of holders	**Number of shares**
1	-	1,000	76	12,191
1,001	-	5,000	89	299,572
5,001	-	10,000	128	1,021,487
10,001	-	100,000	303	11,393,917
100,001		and over	358	2,032,831,613
			954	2,045,558,780
The number of shareholders holding less than a marketable parcel of shares are:			248	883,250

(b) Equity Security Holders

Twenty largest quoted equity security holders

The names of the twenty largest holders of quoted ordinary shares are:

		Listed ordinary shares	
		Number of shares	**Percentage of ordinary shares**
1	MS LAI YOU	201,524,431	9.85
2	MISS YUHUAN CHEN	127,518,027	6.23
3	MONEX BOOM SECURITIES (HK) LTD <CLIENTS ACCOUNT>	86,702,920	4.24
4	MS JING WANG	86,000,000	4.20
5	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	83,905,368	4.10
6	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	83,097,065	4.06
7	JIANHE CHEN	81,250,000	3.97
8	TAO ZHANG	60,000,000	2.93
9	WANTING CAI	54,000,000	2.64
10	MR YUFENG ZHUANG	51,705,522	2.53
11	WEISHENG CHEN	43,250,000	2.11
12	L&Y INVESTMENT HOLDINGS PTE LTD	40,000,000	1.96
13	ERFU CHEN	36,350,000	1.78
14	QING CHEN	35,000,000	1.71
15	WENSHENG OU	34,000,000	1.66
16	LAP EXPLORATION PTE LTD	32,034,616	1.57
17	YISHEN ZHANG	30,000,000	1.47
18	MRS HUI BI YU	29,300,000	1.43
19	MR CHENFEI ZHUANG	27,344,956	1.34
20	CITICORP NOMINEES PTY LIMITED	24,785,058	1.21
		1,247,767,963	60.99

ASX Additional Information continued

(c) Substantial shareholders

The names of substantial shareholders who have notified the Company in accordance with section 671B of the *Corporations Act 2001* are:

	Number of Shares
Andrew Tsang	227,089,431
Yuhuan Chen	127,518,027
Yufeng Zhuang	23,305,522
HSBC Custody Nominees (Aus) Ltd	22,663,105

(d) Voting rights

All ordinary shares (whether fully paid or not) carry one vote per share without restriction.

(e) Unquoted securities

			Holders of 20% or more of the class	
Class	Number of Securities	Number of Holders	Holder Name	Number of Securities
8 cent Options, Expiry 16 November 2023	37,000,000	8	Dr Roberta Therese Chow	8,000,000

(f) Schedule of interests in mining tenements

Tenement	Project	Locality	Status	Interest %
M29/257	Mount Forrest	Mount Forrest - Bulga Downs	Granted	65.0
M29/258	Mount Forrest	Mount Forrest - Bulga Downs	Granted	65.0
M29/314	Mount Forrest	Mount Forrest	Granted	65.0
M29/348	Mount Forrest	Toucan - Bulga Downs	Granted	65.0
M29/349	Mount Forrest	Macaw North - Bulga Downs	Granted	65.0
M29/350	Mount Forrest	Macaw - Bulga Downs	Granted	65.0
M29/351	Mount Forrest	Bulga Downs	Granted	65.0
E51/1705	Meekatharra	Meekatharra	Granted	100
E38/3336	Mount Lucky	Mount Lucky	Granted	100