Mindax Limited

ABN 28 106 866 442

Annual Financial Report

for the year ended 30 June 2021

Corporate Information

ABN 28 106 866 442

Directors
Benjamin Chow (Executive Chairman)
Kgai Mun Loh (Non-Executive Director)
Yonggang Li (Non-Executive Director)
Qinglong Zeng (Non-Executive Director)
Biaozhun Zhu (Non-Executive Director)

Company Secretary
Dennis Wilkins

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Commonwealth Bank
1263 Hay Street
WEST PERTH WA 6005

Share Register
Advanced Share Registry Services
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NEDLANDS WA 6009
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Auditors
BDO Audit (WA) Pty Ltd
38 Station Street
SUBIACO WA 6008

Internet Address
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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 2021.

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 (appointed as director and Executive Chairman on 4 February 2021, member of audit committee from 4 February 2021 and member of the remuneration and nomination committee from 4 February 2021)

Benjamin, aged 74 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 implement 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 immediate past 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).

Kgai Mun Loh, (Non-Executive Director from 4 February 2021, non-executive chairman prior to this date, Chairman of audit committee, Chairman of remuneration and nomination committee)

Kgai (known as Eric), aged 60 years, is the Executive Director of Lion Asiapac Limited, a company listed on the Singapore Exchange, since August 2008. Lion Asiapac is a substantial shareholder of the Company.

Mr Loh has a wealth of management experience including listed companies with multi-national operations. He has also been involved in strategic planning and has spearheaded numerous merger and acquisition projects.

Prior to 2008, Mr Loh was the Group General Manager of Lion Asiapac Limited and oversaw operational, financial and management matters of the Lion Asiapac Group.

In 1998, Mr Loh joined the Lion Group as the Financial Controller of the Group's telecommunications business unit. Concurrently, he also headed their internal audit and group information systems divisions in Singapore.

Mr Loh holds a Masters' Degree in Business Administration from the Edinburgh University Management School and is an Associate Member of the Institute of Chartered Accountant's in England and Wales.

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

Yonggang Li, (Non-Executive Director, member of audit committee)

Yonggang, aged 46 years, graduated in Electronic Accounting from Hebei Economic and Trade University in 1999.

From 1999 to 2001 he was the accountant and auditor for Zheng Xiang Accounting Firm Hebei province.

In 2001 Mr Li jointly established the Hebei Zhuxin Construction Company and was previously the Chairman.

In 2003 Mr Li jointly established the Shijiazhuang Zhengqian Construction Installation Engineering Company Ltd and the Hebei Jiangtai Construction Installation Engineering Company Ltd. He was previously the Chairman of both boards of directors.

In 2005 Mr Li joined with others to acquire Luanping Jinhuifeng Mining Company Ltd and was previously the Chairman.

In 2010 Mr Li jointly established Huihua Huimei Investment (Beijing) Company Ltd and is the current Chairman.

In 2011 Mr Li acquired a private mining company for dolomite iron ore in Xiaoying Village Luanping County. The company currently extracts 500,000 tonnes of 63% vanadium and titanium ore concentrate.

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

Qinglong Zeng, (Non-Executive Director, member of remuneration and nomination committee, member of audit committee from the beginning of the year until 4 February 2021)

Qinglong, aged 37 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, member of remuneration and nomination committee from the beginning of the year until 4 February 2021)

Biaozhun, aged 39 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.

Directors' Report continued

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
Benjamin Chow	6,196,000
Eric Loh	-
Yonggang Li	5,000,000
Qinglong Zeng	25,565,000
Biaozhun Zhu	-

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.

Meekatharra Gold Project

During the year, the Group completed a drilling program at the Meekatharra Gold Project. A total of 18 holes for 2,162m were drilled and assay results for gold were returned (refer ASX announcement of 28 June 2021).

The programme encountered challenging ground conditions with ground water ingress affecting sample recovery at depth for some of the holes. The majority of the programme was completed with some holes terminated prematurely when ground water influences prevented further progress.

Anomalous gold intersections returned are:

MNC020	88-92m	4m@0.57g/t Au
MNC021	110-111m	1m@0.52 g/t Au
MNC023	120-127	7m@0.53 g/t Au
Including	120-122	2m@1.21g/t Au

Phase 1 of the 2021 exploration campaign focussed on the northern end of the tenement testing several priority targets located along southern structural corridors interpreted from the Andy Well Mine and within proximity to historic drilling. This previous work returned significant gold intercepts; drilled for Sub Audio Magnetic (SAM) geophysical targets and tested geochemical and biogeochemical survey anomalies.

The exploration programme confirmed the presence and extension of gold mineralised structures or corridors. Several drill holes intersected narrow vein quartz with minor pyrite to wider zones, up to 6m, with variable vein quartz hosted in basalt or dolerite returning anomalous gold mineralisation. The best result was returned from hole MNC023, intersecting 2m @ 1.21g/t from 120m.

The northern geological stratigraphy included a substantial thick and weathered regolith profile comprising up to 30m cover of transported sediments that overlay an extensively oxidised saprolite which overlies primary basalt and or dolerite.

Several drill holes intersected repeated bands of basalt and dolerite indicating the drilling was potentially close to a dolerite contact. Previous exploration by Doray Minerals in 2013 identified the presence of West-East cross cutting Proterozoic dolerite dykes which are generally unmineralised.

The drill program identified the presence of low-grade gold mineralisation from a gold bearing structure, trending NE-SW, refer to Figure 1. Further drilling, phase 2 of the 2021 exploration campaign, is being planned to systematically explore the structure and follow up on the results from the programme.

Directors' Report continued

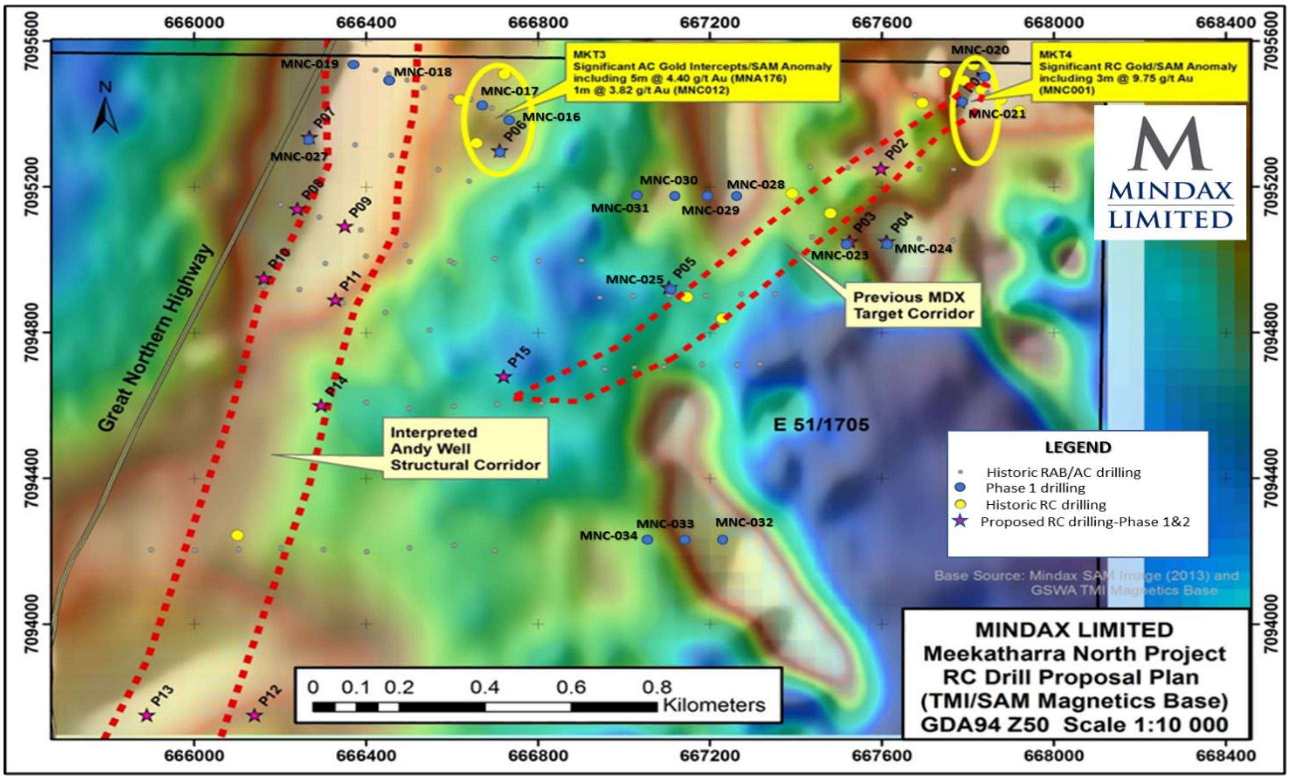

Figure 1: Drill Collar Locations with interpreted mineralised corridors and priority targeting.

Mt Forrest Iron Project

The Mt Forrest Project, wholly owned by Mindax Limited through its subsidiary Yilgiron Pty Ltd (Yilgiron), is situated 165 km from line of rail at Menzies and some 645 km from the Esperance port. On this project the Company has built up an iron ore inventory, with the JORC mineral resource currently standing at 1.71 billion tonnes of primary magnetite ore grading 31.8% Fe and 27.1 Mt of regolith (hematite/goethite) mineralisation. Additional information can be reviewed in the "Mineral Resource Summary". Results of an Updated Scoping Study were released in November 2013.

During the year the Company negotiated a Binding Heads of Agreement with Norton Gold Fields Pty Ltd (Norton Gold) concerning an Earn-In Agreement and Joint Venture over the Mt Forrest Project (Project), where Norton Gold will earn a 19.9% joint venture interest by sole funding AUD$20 million of joint venture expenditure (BHOA).

As a result of the execution of the BHOA, Norton Gold and the Company have formed an important strategic relationship in the form of a joint venture on the Mt Forrest Project tenements.

Key commercial terms are as follows:

(a) Norton Gold has the right, but not the obligation to earn a 19.9% Joint Venture Interest by sole funding AUD20 million of expenditure in relation to the Project within one (1) year following the condition precent satisfaction date.

(b) If Norton Gold satisfies the earn-in condition the Joint Venture Interests will be held:

   (i) Norton Gold - 19.9%; and

   (ii) Yilgiron Pty Ltd - 80.1% (Yilgiron is a 100% owned subsidiary of Mindax Limited).

The BHOA is subject to the following conditions precedent:

(a) Norton Gold obtains all necessary regulatory approvals (whether in the People's Republic of China or Australia), including FIRB approval;

(b) Norton Gold being satisfied with its due diligence in relation to the transaction;

(c) the parties finalise and execute full form agreements;

(d) if required, the shareholders of Mindax approve the transactions contemplated by the BHOA;

(e) no material adverse change occurs; and

(f) no change in control occurs in relation to Mindax or Yilgiron Pty Ltd.

During the year, whilst the full form agreements were being prepared, the parties formed an informal working committee. That committee devised a programme of work to advance the Project which work is being undertaken on behalf of the proposed joint venture and is to be re-imbursed by Norton Gold at its risk.

Directors' Report continued

The Company, Norton Gold and the Company's wholly owned subsidiary Yilgiron executed a Subscription Agreement, Shareholders Agreement, Management Agreement and other associated documents (Transaction Documents) subsequent to the end of the year as announced to the ASX on 22 July 2021. Norton Gold and Mindax have agreed that Norton Gold will subscribe for securities in Yilgiron pursuant to the Subscription Agreement, and the parties will form an incorporated joint venture for the purposes of continuing exploration on and achieving the earning conditions for the Mt Forrest Project (Norton Gold Transaction).

The Transaction Documents are subject to conditions precedent, which are summarised in the 22 July 2021 ASX release.

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 629,502,000 ordinary shares, and a rights issue of 3,137,416 ordinary shares, were completed raising a total of $3,163,272 cash at an issue price of $0.005 per share ($150,000 had been received prior to 1 July 2020 in respect of 30,000,000 ordinary shares that were issued on 16 July 2020). A total of 31,475,000 ordinary shares were also issued during the year in satisfaction of share raising costs totalling $157,375, and 168,000,000 ordinary shares were issued in satisfaction of introduction fees totalling $840,000 associated with the Norton Gold Transaction.

The Company's securities were removed from quotation on ASX on 26 June 2019 and recommenced trading on 14 May 2021.

The audit report issued by the Group's auditor contains a material uncertainty related to the Group's ability to continue as a going concern. Refer to note 1(a)(v) for additional details.

Competent Person's Statement:

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.

Finance Review

The Group began the financial year with a cash reserve of $178,776. During the year, placements from unrelated parties totalling 629,502,000 ordinary shares, and a rights issue of 3,137,416 ordinary shares, were completed raising a total of $3,163,272 cash at an issue price of $0.005 per share ($150,000 had been received prior to 1 July 2020 in respect of 30,000,000 ordinary shares that were issued on 16 July 2020).

During the year total exploration expenditure incurred by the Group amounted to $464,492 (2020: $229,825). In line with the Company's accounting policies, exploration expenditure is capitalised. Net administration, corporate and depreciation expenditure incurred amounted to $1,131,604 (2020: $586,112), including the write-back of $775,805 following the forgiveness by the directors and a former director of 80% of accrued director fees up to 31 December 2020. This has resulted in an operating loss after income tax for the year ended 30 June 2021 of $1,131,604 (2020: $586,112).

At 30 June 2021, surplus funds available totalled $1,188,618.

Operating Results for the Year

Summarised operating results are as follows:

	2021	
	Revenues and Other Income $	Results $
Consolidated entity revenues and other income and loss before income tax expense	775,884	(1,131,604)

Shareholder Returns

	2021	2020
Basic and diluted loss per share (cents)	**(0.1)**	(0.1)

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.

Directors' Report continued

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

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

- During the year the Company negotiated a BHOA with Norton Gold concerning an Earn-In Agreement and Joint Venture over the Mt Forrest Project, where Norton Gold will earn a 19.9% joint venture interest by sole funding AUD$20 million of joint venture expenditure.
- During the year, placements from unrelated parties totalling 629,502,000 ordinary shares, and a rights issue of 3,137,416 ordinary shares, were completed raising a total of $3,163,272 cash at an issue price of $0.005 per share ($150,000 had been received prior to 1 July 2020 in respect of 30,000,000 ordinary shares that were issued on 16 July 2020).
- During the year, a total of 199,475,000 ordinary shares were issued as consideration for services to the value of $997,375.
- Mr Benjamin Chow was appointed Chairman of the Company effective from 4 February 2021.
- The Company's securities were reinstated to official quotation by the ASX with the suspension in trading lifted from the commencement of trading on 14 May 2021.

SIGNIFICANT EVENTS AFTER THE REPORTING DATE

During July 2021 the Group announced that formal agreements had been entered relating to the Norton Gold Transaction. Following approval by shareholders at a general meeting of the Company held on 16 September 2021, the Norton Transaction completed on 28 September 2021.

Norton Gold has subscribed for, and been issued, securities in Yilgiron, in accordance with the subscription agreement dated 22 July 2021 between Mindax, Norton Gold and Yilgiron (Subscription Agreement), and the parties have formed an incorporated joint venture for the purposes of continuing exploration on and achieving the earning conditions for the Mt Forrest Project.

Norton Gold now holds 19.94% of Yilgiron's ordinary securities and Yilgiron is no longer a wholly owned subsidiary of Mindax. Norton Gold has provided $20,000,000 to Yilgiron as consideration for the issue of the securities.

From 28 September 2021, the Yilgiron board of directors has been reconfigured from the existing three directors (all directors of Mindax) to five directors (two nominated by Mindax and three nominated by Norton Gold), with Norton Gold having control of the operations of Yilgiron through the board (except for a number of decisions which require unanimous approval of the shareholders).

Yilgiron and Norton Gold have entered into a management services agreement appointing Norton Gold as the manager of the Mt Forrest Project to provide management services in accordance with the terms of the agreement. Norton Gold's appointment as manager commenced from 28 September 2021.

No other matters or circumstances have arisen since 30 June 2021, 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.

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	Chairman, appointed 4 February 2021, Chief Executive Officer for the full year
Kgai Mun Loh	Non-Executive Director from 4 February 2021, Non-Executive Chairman prior to this date
Yonggang Li	Non-Executive Director
Qinglong Zeng	Non-Executive Director
Biaozhun Zhu	Non-Executive Director

Directors' Report continued

Principles used to determine the nature and amount of remuneration

Remuneration Policy

From 4 February 2021 the Remuneration Committee is comprised of Mr Loh as chairman and Messrs Chow and Zeng. Prior to this date the Remuneration Committee was comprised of Mr Loh as chairman and non-executive directors Messrs Zeng and Zhu. 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.

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 9.5% for the 2021 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 Chairman of each committee.

Performance based remuneration

At this stage, the Group's remuneration of key management personnel (excluding directors) 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 once the Group commences production.

In relation to non-executive directors, the Board believes that a portion of the remuneration package for the non-executive directors should be linked to some form of financial performance indicator, such as share price, from time to time, as determined by the Board. In this regard, options over unissued shares provide a performance linked incentive component in the remuneration package for non-executive directors to motivate and reward their performance. No options were granted during the 2021 or 2020 financial years.

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. The Company believes this policy will be effective in increasing shareholder wealth.
The table below shows the gross revenue, losses and earnings per share for the last five years for the listed entity.

	2021	**2020**	**2019**	**2018**	**2017**
	$	**$**	**$**	**$**	**$**
Revenue and other income	775,884	9	69	10,012	5
Net loss	(1,131,604)	(586,112)	(755,191)	(596,167)	(570,718)
Loss per share (cents)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Share price at year end (cents)	7.0	0.3(1)	0.3(1)	0.8	0.6

No dividends have been paid.

(1) 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 2021.

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

The Company received 99.9% of "yes" votes on its remuneration report for the 2020 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 2021 and 2020 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 (1)								
2021	**182,521**	**-**	**-**	**4,799**	**-**	**-**	**187,320**	**-**
2020	176,385	-	-	4,217	-	-	180,602	-
Kgai Mun Loh								
2021	**73,583**	**-**	**-**	**6,990**	**-**	**-**	**80,573**	**-**
2020	59,296	-	-	5,633	-	-	64,929	-
Yonggang Li								
2021	**27,500**	**-**	**-**	**2,613**	**-**	**-**	**30,113**	**-**
2020	27,500	-	-	2,613	-	-	30,113	-
Qinglong Zeng								
2021	**28,990**	**-**	**-**	**2,754**	**-**	**-**	**31,744**	**-**
2020	25,499	-	-	2,422	-	-	27,921	-
Biaozhun Zhu								
2021	**26,490**	**-**	**-**	**2,517**	**-**	**-**	**29,007**	**-**
2020	5,985	-	-	569	-	-	6,554	-
Total key management personnel compensation								
2021	**339,084**	**-**	**-**	**19,673**	**-**	**-**	**358,757**	**-**
2020	294,665	-	-	15,454	-	-	310,119	-

(1) Mr Chow was Executive Chairman from the commencement of the comparative period until his resignation on 8 April 2020 and was reappointed to the position on 4 February 2021. During the period Mr Chow was not a director of the Company, he continued in the role of Chief Executive Officer and was classified as other Key Management Personnel. Amounts disclosed include all remuneration paid to Mr Chow in his capacity either as a director or as other KMP.

Service agreements

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

Benjamin Chow, appointed Executive Chairman from 4 February 2021, Chief Executive Officer for the entire financial year:

- 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 Chairman fees ($120,000 per annum), and committee fees, paid since his appointment as a director, as outlined in the 'remuneration policy' above, which do not cover executive duties.

Kgai Mun Loh, Non-Executive Chairman until 4 February 2021, Non-Executive Director from 4 February 2021:

- Term of agreement – ongoing, commenced 1 January 2016.
- Monthly consultancy fees of $2,000 for services rendered.
- The above fee is in addition to Mr Loh's non-executive director/chairman fees, and committee fees as outlined in the 'remuneration policy' above, which do not cover executive duties.

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. There were no options granted to or vesting with key management personnel during the year.

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.

2021	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**
Kgai Mun Loh	**-**	**-**	**-**	**-**
Yonggang Li	**-**	**-**	**5,000,000[(2)]**	**5,000,000**
Qinglong Zeng	**25,565,000**	**-**	**-**	**25,565,000**
Biaozhun Zhu	**-**	**-**	**-**	**-**

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

(2) Other changes during the year represent off-market purchases.

Other transactions with key management personnel

During the year the directors and a former director agreed to unconditionally forgive, for no consideration, 80% of fees accrued from 1 April 2015 to 31 December 2020. The total amount of fees forgiven was $775,805, as noted as 'Other income' on the Consolidated Statement of Profit or Loss and Other Comprehensive Income, with the remaining balance paid during the year. Amounts forgiven are detailed below:

	2021 **$**
Benjamin Chow	**241,066**
Kgai Mun Loh	**194,710**
Yonggang Li	**152,867**
Qinglong Zeng	**35,348**
Biaozhun Zhu	**16,878**
Former director	**134,936**
Total directors' fees forgiven	**775,805**

End of audited Remuneration Report

SHARES UNDER OPTION

There are no unissued ordinary shares of Mindax Limited under option at the date of this report.

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' Report continued

DIRECTORS' MEETINGS

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

	Directors Meetings		Committee Meetings: Audit		Committee Meetings: Remuneration & Nomination	
	A	B	A	B	A	B
Benjamin Chow, appointed 4 February 2021	-	-	-	-	-	-
Kgai Mun Loh	4	4	-	-	-	-
Yonggang Li	3	4	-	-	*	*
Qinglong Zeng	4	4	-	-	-	-
Biaozhun Zhu	4	4	*	*	-	-

Notes

A - Number of meetings attended.

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

* - Not a member of the relevant Committee.

Whilst neither the Audit nor Remuneration Committee's held 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:

	2021 $	2020 $
Tax compliance and advisory services	4,466	-
Total remuneration for non-audit services	**4,466**	-

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 12.

Signed in accordance with a resolution of the directors.

Benjamin Chow
Executive Chairman
Perth, 30 September 2021

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Australia

DECLARATION OF INDEPENDENCE BY ASHLEIGH WOODLEY TO THE DIRECTORS OF MINDAX LIMITED

As lead auditor of Mindax Limited for the year ended 30 June 2021, 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.

Ashleigh Woodley

Director

BDO Audit (WA) Pty Ltd

Perth, 30 September 2021

Consolidated Statement of Profit or Loss and Other Comprehensive Income

YEAR ENDED 30 JUNE 2021	Notes	2021 $	2020 $
REVENUE	4	**79**	9
Other income	4	**775,805**	-
EXPENDITURE			
Administration expenses		**(56,558)**	(45,897)
Corporate expenses		**(1,604,640)**	(360,790)
Depreciation expense	9	**(1,109)**	(1,316)
Salaries and employee benefits expense		**(245,181)**	(178,118)
LOSS BEFORE INCOME TAX		**(1,131,604)**	(586,112)
INCOME TAX BENEFIT	6	-	-
LOSS FOR THE YEAR ATTRIBUTABLE TO OWNERS OF MINDAX LIMITED		**(1,131,604)**	(586,112)
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE LOSS FOR THE YEAR ATTRIBUTABLE TO OWNERS OF MINDAX LIMITED		**(1,131,604)**	(586,112)
LOSS PER SHARE FOR THE YEAR ATTRIBUTABLE TO MEMBERS OF MINDAX LIMITED			
Basic and diluted loss per share (cents per share)	21	**(0.1)**	(0.1)

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 2021	Notes	2021 $	2020 $
CURRENT ASSETS			
Cash and cash equivalents	7	**1,188,618**	178,776
Trade and other receivables	8	**167,124**	16,043
Prepayments		**8,613**	1,138
TOTAL CURRENT ASSETS		**1,364,355**	195,957
NON-CURRENT ASSETS			
Plant and equipment	9	**7,493**	8,602
Other assets		**2,885**	2,885
Exploration and evaluation assets	10	**2,875,979**	2,411,487
TOTAL NON-CURRENT ASSETS		**2,886,357**	2,422,974
TOTAL ASSETS		**4,250,712**	2,618,931
CURRENT LIABILITIES			
Trade and other payables	11	**396,835**	1,486,722
TOTAL CURRENT LIABILITIES		**396,835**	1,486,722
TOTAL LIABILITIES		**396,835**	1,486,722
NET ASSETS		**3,853,877**	1,132,209
EQUITY			
Contributed equity	12	**48,625,460**	44,772,188
Reserves	13	**871,452**	871,452
Accumulated losses		**(45,643,035)**	(44,511,431)
TOTAL EQUITY		**3,853,877**	1,132,209

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 2021

	Notes	Contributed Equity $	Share-based Payments Reserve $	Accumulated Losses $	Total $
BALANCE AT 1 JULY 2019		44,214,188	871,452	(43,925,319)	1,160,321
Loss for the year		-	-	(586,112)	(586,112)
TOTAL COMPREHENSIVE LOSS		-	-	(586,112)	(586,112)
TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS					
Shares issued during the year	12	638,400	-	-	638,400
Share issue transaction costs	12	(80,400)	-	-	(80,400)
BALANCE AT 30 JUNE 2020		**44,772,188**	**871,452**	**(44,511,431)**	**1,132,209**
Loss for the year		-	-	**(1,131,604)**	**(1,131,604)**
TOTAL COMPREHENSIVE LOSS		-	-	**(1,131,604)**	**(1,131,604)**
TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS					
Shares issued during the year	12	**4,010,647**	-	-	**4,010,647**
Share issue transaction costs	12	**(157,375)**	-	-	**(157,375)**
BALANCE AT 30 JUNE 2021		**48,625,460**	**871,452**	**(45,643,035)**	**3,853,877**

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 2021	Notes	2021 $	2020 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		**(1,358,649)**	(232,623)
Interest received		**79**	9
NET CASH (OUTFLOW) FROM OPERATING ACTIVITIES	20(a)	**(1,358,570)**	(232,614)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for exploration expenditure	10	**(644,860)**	(154,107)
NET CASH (OUTFLOW) FROM INVESTING ACTIVITIES		**(644,860)**	(154,107)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issues of ordinary shares	12	**3,013,272**	558,000
NET CASH INFLOW FROM FINANCING ACTIVITIES		**3,013,272**	558,000
NET INCREASE IN CASH AND CASH EQUIVALENTS		**1,009,842**	171,279
Cash and cash equivalents at the beginning of the financial year		**178,776**	7,497
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	7	**1,188,618**	178,776

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 2021

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 30 September 2021. 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 2021 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) Going concern

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

During the year the Group incurred a net loss of $1,131,604 (2020: $586,112) and incurred net cash outflows from operating activities of $1,358,570 (2020: $232,614). The Group also increased exploration and evaluation activities during the year with payments for exploration of $644,860 (2020: $154,107). The Group had net working capital of $967,520 (2020: $1,290,765 deficiency) and trade and other payables of $396,835 (2020: $1,486,722) at reporting date. In addition, the Group has forecast significant future exploration program expenditure in order to develop the Group's existing projects.

The ability of the Group to continue as a going concern is therefore dependent on the ability to raise additional funding through debt and/or equity and the sale or farm out of currently 100% owned tenements as evidenced by the Completion of the Norton Gold Transaction subsequent to the end of the reporting period, refer note 19.

These conditions indicate a material uncertainty that may cast a significant doubt about the Group's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

Management believe that as at the date of this report there are reasonable grounds to believe that the Group will continue as a going concern for the following reasons:

- Following Completion of the Norton Gold Transaction subsequent to the end of the reporting period, refer note 19, Norton Gold will be the manager of the Mt Forrest Project and the Group will no longer be responsible for undertaking exploration activities and expenditure on the Mt Forrest tenements;
- The Group retains the option to seek to sell or farmout its currently 100% owned tenements; and
- The ability to raise additional funding through debt and/or equity.

Should the Group not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that may differ from those stated in the financial statements. The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that might be necessary should the Group not continue as a going concern.

Notes to the Consolidated Financial Statements continued

30 JUNE 2021

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

(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) 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 2021

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.

Notes to the Consolidated Financial Statements continued

30 JUNE 2021

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

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:

- 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. 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

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.

Notes to the Consolidated Financial Statements continued

30 JUNE 2021

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

(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.

Taxation

Balances disclosed in the financial statements and the notes thereto related to taxation are based on the best estimates of the directors. These estimates consider both the financial performance and position of the Group as they pertain to current income taxation legislation, and the directors understanding thereof. No adjustment has been made for pending or future taxation legislation. The current income tax position represents that directors' best estimate, pending an assessment by the Australian Taxation Office.

COVID-19

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the Group based on known information. Currently there is no significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the Group unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

Notes to the Consolidated Financial Statements continued

30 JUNE 2021

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 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 and the other debtor amount receivable from Norton Gold. 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. The Group has individually assessed the credit worthiness of Norton Gold with respect to the other debtor amount receivable and is satisfied the amount is recoverable in full.

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	
	2021	2020	2021	2020	2021	2020
	$	$	$	$	$	$
Financial liabilities due for payment						
Trade and other payables	**396,835**	1,486,722	-	-	**396,835**	1,486,722
Total contractual outflows	**396,835**	1,486,722	-	-	**396,835**	1,486,722

Notes to the Consolidated Financial Statements continued

30 JUNE 2021

2. FINANCIAL RISK MANAGEMENT (cont'd)

(d) Fair value estimation

There were no financial assets or liabilities at 30 June 2021 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:

	2021 $	2020 $
Financial Assets		
Cash and cash equivalents	**1,188,618**	178,776
Trade and other receivables	**167,124**	16,043
Total Financial Assets	**1,355,742**	194,819
Financial Liabilities		
Trade and other payables	**396,835**	1,486,722
Total Financial Liabilities	**396,835**	1,486,722

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 Project); and
2. Iron Ore (comprising the Mt Forrest Project).

Segment information provided to the directors for the year ended 30 June 2021 is as follows:

	Gold $	Iron Ore $	Total $
Year ended 30 June 2021			
Total segment revenue	-	-	-
Intersegment revenue	-	-	-
Revenue from external customers	-	-	-
Reportable segment profit/(loss)	-	-	-
Year ended 30 June 2020			
Total segment revenue	-	-	-
Intersegment revenue	-	-	-
Revenue from external customers	-	-	-
Reportable segment profit/(loss)	-	-	-

Notes to the Consolidated Financial Statements continued

30 JUNE 2021	Gold $	Iron Ore $	Total $
3. SEGMENT INFORMATION (cont'd)			
Total segment assets			
30 June 2021	**379,682**	**2,668,618**	**3,048,300**
30 June 2020	148,537	2,271,552	2,420,089
Total segment liabilities			
30 June 2021	**-**	**44,952**	**44,952**
30 June 2020	10,990	64,729	75,719

	2021 $	2020 $
Reportable segment assets are reconciled to total assets of the Group as follows:		
Segment assets	**3,048,300**	2,420,089
Intersegment eliminations	**-**	-
Unallocated		
Cash and cash equivalents	**1,188,618**	178,776
Trade and other receivables	**2,296**	16,043
Prepayments	**8,613**	1,138
Other non-current assets	**2,885**	2,885
Total assets	**4,250,712**	2,618,931
Reportable segment liabilities are reconciled to total liabilities of the Group as follows:		
Segment liabilities	**44,952**	75,719
Intersegment eliminations	**-**	-
Unallocated		
Trade and other payables	**351,883**	1,411,003
Total liabilities	**396,835**	1,486,722
Reconciliation of reportable segment loss to loss before income tax of the Group is as follows:		
Total loss for reportable segments	**-**	-
Intersegment eliminations	**-**	-
Unallocated		
Interest revenue	**79**	9
Forgiveness of Directors' fees	**775,805**	-
Depreciation expense	**(1,109)**	(1,316)
Other expenses	**(1,906,379)**	(584,805)
Loss before income tax	**(1,131,604)**	(586,112)

4. REVENUE AND OTHER INCOME

	2021 $	2020 $
Revenue and other income from continuing operations		
Interest revenue	**79**	9
Forgiveness of Directors' fees (note 17)	**775,805**	-

5. EXPENSES

	2021 $	2020 $
Specific expenses requiring disclosure:		
Defined contribution superannuation expense	**46,376**	15,454

Notes to the Consolidated Financial Statements continued

30 JUNE 2021	2021 $	2020 $
6. INCOME TAX		
(a) Income tax benefit		
Current tax	-	-
Deferred tax	-	-
	-	-
(b) Numerical reconciliation of income tax expense to prima facie tax payable		
Loss from continuing operations before income tax expense	**(1,131,604)**	(586,112)
Prima facie tax benefit at the Australian tax rate of 30% (2020: 30%)	**(339,481)**	(175,834)
Movements in unrecognised temporary differences	**(143,768)**	(77,393)
Tax effect of current year tax losses for which no deferred tax asset has been recognised	**483,249**	253,227
Income tax benefit	-	-
(c) Tax losses		
Unused tax losses for which no deferred tax asset has been recognised	**43,776,877**	42,005,478
Potential tax benefit at 30% (2020: 30%)	**13,133,063**	12,601,643
(d) Unrecognised temporary differences		
Deferred Tax Assets (at 30% (2020: 30%))		
Capital raising costs	-	1,848
Other temporary differences	**4,065**	6,638
Carry forward tax losses	**13,133,063**	12,601,643
Deferred Tax Liabilities (at 30% (2020: 30%))		
Capitalised exploration and evaluation expenditure	**(862,794)**	(723,446)
Net deferred tax assets	**12,274,334**	11,886,683

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 2021 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

	2021 $	2020 $
Cash at bank and in hand	**1,188,618**	178,776
Cash and cash equivalents as shown in the statement of financial position and the statement of cash flows	**1,188,618**	178,776

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

8. CURRENT ASSETS – TRADE AND OTHER RECEIVABLES

	2021 $	2020 $
Sundry debtors	**167,124**	16,043

Sundry debtors includes an amount of $164,828 receivable from Norton Gold relating to expenditure that the Group has incurred on behalf of the prospective joint venture in relation to the BHOA.

Sundry debtors are not past due nor impaired, and based on history are expected to be fully recoverable. Information about the Group's exposure to credit risk is provided in note 2.

Notes to the Consolidated Financial Statements continued

30 JUNE 2021

	Plant and Equipment $	Campsite $	Total $
9. NON-CURRENT ASSETS – PLANT AND EQUIPMENT			
At 1 July 2019			
Cost	1,375	37,380	38,755
Accumulated depreciation	(1,374)	(27,463)	(28,837)
Net book amount	1	9,917	9,918
Year ended 30 June 2020			
Opening net book amount	1	9,917	9,918
Depreciation expensed to profit or loss	(1)	(1,315)	(1,316)
Closing net book amount	-	8,602	8,602
At 30 June 2020			
Cost	1,375	37,380	38,755
Accumulated depreciation	(1,375)	(28,778)	(30,153)
Net book amount	-	8,602	8,602
Year ended 30 June 2021			
Opening net book amount	-	**8,602**	**8,602**
Depreciation expensed to profit or loss	-	**(1,109)**	**(1,109)**
Closing net book amount	-	**7,493**	**7,493**
At 30 June 2021			
Cost	**1,375**	**37,380**	**38,755**
Accumulated depreciation	**(1,375)**	**(29,887)**	**(31,262)**
Net book amount	-	**7,493**	**7,493**

10. NON-CURRENT ASSETS – EXPLORATION AND EVALUATION ASSETS

	Notes	2021 $	2020 $
Exploration and evaluation assets		**2,875,979**	2,411,487
Balance at the beginning of the year		**2,411,487**	2,181,662
Expenditure incurred		**464,492**	229,825
Balance at the end of the year	10(a)	**2,875,979**	2,411,487

(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 2021 or 2020 financial years in relation to the Group's tenements.

11. CURRENT LIABILITIES - TRADE AND OTHER PAYABLES

	2021	2020
Trade payables	**171,169**	226,040
Other payables and accruals	**225,666**	1,260,682
	396,835	1,486,722

Included in the above trade and other payables of $396,835 (2020: $1,486,722) are amounts owed to related parties and internal creditors totalling $142,016 (2020: $1,384,185).

Notes to the Consolidated Financial Statements continued

30 JUNE 2021

	Notes	2021 Number of shares	2021 $	2020 Number of shares	2020 $
12. CONTRIBUTED EQUITY					
(a) Share capital					
Ordinary shares fully paid	12(b), 12(c)	**1,872,935,775**	**48,625,460**	1,040,821,359	44,772,188
Total contributed equity		**1,872,935,775**	**48,625,460**	1,040,821,359	44,772,188
(b) Movements in ordinary share capital					
Beginning of the financial year		**1,040,821,359**	**44,772,188**	943,141,359	44,214,188
Issued during the year:					
– Issued for cash at $0.005 per share (1)		**632,638,416**	**3,013,192**	81,600,000	558,000
– Issued for cash at $0.08 per share		**1,000**	**80**	-	-
– Issued as consideration for share issue costs (2), (3)		**31,475,000**	**157,375**	16,080,000	80,400
– Issued as consideration for introduction fees (4)		**168,000,000**	**840,000**	-	-
Transaction costs incurred (2), (3)		**-**	**(157,375)**	-	(80,400)
End of the financial year		**1,872,935,775**	**48,625,460**	1,040,821,359	44,772,188

(1) As at 30 June 2020 $150,000 had been received in respect of 30,000,000 ordinary shares that were issued on 16 July 2021.

(2) On 6 October 2020 the Company issued 3,850,000 ordinary shares, on 9 October 2020 the Company issued 1,400,000 ordinary shares and on 22 January 2021 the Company issued 26,225,000 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 $157,375 (excluding GST). These amounts have been recognised in the statement of financial position under transaction costs to share capital.

(3) On 29 October 2019 the Company issued 6,000,000 ordinary shares, on 20 December 2019 the Company issued 8,500,000 ordinary shares and on 28 May 2020 the Company issued 1,580,000 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 $80,400 (excluding GST). These amounts have been recognised in the statement of financial position under transaction costs to share capital.

(4) On 17 May 2021 the Company issued 100,000,000 ordinary shares and on 8 June 2021 the Company issued 68,000,000 ordinary shares in part satisfaction of a fee of 5% of the initial earn-in value of the Binding Heads of Agreement with Norton Gold Fields Pty Ltd ("Norton") payable to the party (unrelated to the Company) who introduced Norton 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 $840,000 (excluding GST). This amount has been expensed to the profit or loss and is included within 'corporate expenses'.

(c) 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 2021	2021	2020
	$	$

12. CONTRIBUTED EQUITY (cont'd)

(d) 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 2021 and 30 June 2020 are as follows:

	2021	2020
Cash and cash equivalents	**1,188,618**	178,776
Trade and other receivables	**167,124**	16,043
Prepayments	**8,613**	1,138
Trade and other payables	**(396,835)**	(1,486,722)
Working capital position	**967,520**	(1,290,765)

13. RESERVES

Share-based payments reserve

	2021	2020
Balance at the beginning of the financial year	**871,452**	871,452
Balance at the end of the financial year	**871,452**	871,452

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

14. DIVIDENDS

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

15. 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:

(a) Audit services

	2021	2020
BDO Audit (WA) Pty Ltd - audit and review of financial reports	**27,480**	25,786
Total remuneration for audit services	**27,480**	25,786

(b) Non-audit services

	2021	2020
BDO Audit (WA) Pty Ltd – tax compliance and advisory services	**4,466**	-
Total remuneration for other services	**4,466**	-

16. CONTINGENCIES

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

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.

Notes to the Consolidated Financial Statements continued

30 JUNE 2021	2021 $	2020 $
17. RELATED PARTY TRANSACTIONS (cont'd)		
(c) Key management personnel compensation		
Short-term benefits	**339,084**	294,665
Post-employment benefits	**19,673**	15,454
Other long-term benefits	-	-
Termination benefits	-	-
Share-based payments	-	-
	358,757	310,119

Detailed remuneration disclosures are provided in the remuneration report on pages 7 to 10.

(d) Other transactions with related parties

During the year the directors and a former director agreed to unconditionally forgive, for no consideration, 80% of fees accrued from 1 April 2015 to 31 December 2020. The total amount of fees forgiven was $775,805, as noted as 'Other income' on the Consolidated Statement of Profit or Loss and Other Comprehensive Income, with the remaining balance paid during the year. Amounts forgiven are detailed below:

	2021 **$**
Benjamin Chow	**241,066**
Kgai Mun Loh	**194,710**
Yonggang Li	**152,867**
Qinglong Zeng	**35,348**
Biaozhun Zhu	**16,878**
Former director	**134,936**
Total directors' fees forgiven	**775,805**

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*	
			2021 %	2020 %
Mindax Energy Pty Ltd	Australia	Ordinary	**100**	100
Yilgiron Pty Ltd	Australia	Ordinary	**100**	100
Yilgiron Infrastructure Pty Ltd	Australia	Ordinary	**100**	100

* The proportion of ownership interest is equal to the proportion of voting power held.

19. EVENTS OCCURRING AFTER THE REPORTING DATE

During July 2021 the Group announced that formal agreements had been entered relating to the Norton Gold Transaction. Following approval by shareholders at a general meeting of the Company held on 16 September 2021, the Norton Transaction completed on 28 September 2021.

Norton Gold has subscribed for, and been issued, securities in Yilgiron, in accordance with the subscription agreement dated 22 July 2021 between Mindax, Norton Gold and Yilgiron (Subscription Agreement), and the parties have formed an incorporated joint venture for the purposes of continuing exploration on and achieving the earning conditions for the Mt Forrest Project.

Norton Gold now holds 19.94% of Yilgiron's ordinary securities and Yilgiron is no longer a wholly owned subsidiary of Mindax. Norton Gold has provided $20,000,000 to Yilgiron as consideration for the issue of the securities.

From 28 September 2021, the Yilgiron board of directors has been reconfigured from the existing three directors (all directors of Mindax) to five directors (two nominated by Mindax and three nominated by Norton Gold), with Norton Gold having control of the operations of Yilgiron through the board (except for a number of decisions which require unanimous approval of the shareholders).

Yilgiron and Norton Gold have entered into a management services agreement appointing Norton Gold as the manager of the Mt Forrest Project to provide management services in accordance with the terms of the agreement. Norton Gold's appointment as manager commenced from 28 September 2021.

No other matters or circumstances have arisen since 30 June 2021, 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 2021	Notes	2021 $	2020 $
20. CASH FLOW INFORMATION			
(a) Reconciliation of net loss after income tax to net cash outflow from operating activities			
Net loss for the year		**(1,131,604)**	(586,112)
Non-Cash Items			
Depreciation of non-current assets		**1,109**	1,316
Corporate fees settled by the issue of shares	20(b)	**840,000**	-
Change in operating assets and liabilities			
(Increase) in trade and other receivables		**(1,480)**	(1,076)
(Increase)/decrease in prepayments		**(7,475)**	4,008
(Decrease)/increase in trade and other payables		**(1,059,120)**	349,250
Net cash outflow from operating activities		**(1,358,570)**	(232,614)

(b) Non-cash investing and financing activities

During the year, the Company issued a total of 31,475,000 (2020: 16,080,000) ordinary shares at an issue price of $0.005 as consideration for consulting services classified as share issue costs capitalised to the value of $157,375 (2020: $80,400).

On 17 May 2021 the Company issued 100,000,000 ordinary shares and on 8 June 2021 the Company issued 68,000,000 ordinary shares in part satisfaction of a fee of 5% of the initial earn-in value of the Binding Heads of Agreement with Norton Gold Fields Pty Ltd ("Norton") payable to the party (unrelated to the Company) who introduced Norton 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 $840,000 (excluding GST).

21. LOSS PER SHARE

	2021	2020
(a) Reconciliation of loss used in calculating loss per share		
Loss attributable to the owners of the Company used in calculating basic and diluted loss per share	**(1,131,604)**	(586,112)

	Number of shares	Number of shares
(b) 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 per share	**1,391,533,242**	989,697,206

22. 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.

	2021 $	2020 $
Current assets	**1,364,355**	195,957
Non-current assets	**2,885,467**	2,422,084
Total assets	**4,249,822**	2,618,041
Current liabilities	**396,835**	1,486,722
Total liabilities	**396,835**	1,486,722
Contributed equity	**48,625,460**	44,772,188
Share-based payments reserve	**871,452**	871,452
Accumulated losses	**(45,643,925)**	(44,512,321)
Total equity	**3,852,987**	1,131,319
Loss for the year	**(1,131,604)**	(586,083)
Total comprehensive loss for the year	**(1,131,604)**	(586,083)

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 13 to 30 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 2021 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 2021, 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 Chairman
Perth, 30 September 2021

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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 2021, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial 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 2021 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.

Material uncertainty related to going concern

We draw attention to Note 1 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the group's ability to continue as a going concern and therefore the group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

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. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Carrying Value of Exploration and Evaluation Assets

Key audit matter	*How the matter was addressed in our audit*
At 30 June 2021, the Group held a significant carrying value of Exploration and Expenditure Assets as disclosed in notes 1(j) and 10 of the Financial Report. As the carrying value of these Exploration and Evaluation Assets represents a significant asset of the Group, we considered it necessary to assess whether any facts or circumstances exist to suggest that the carrying amount of this asset may exceed its recoverable amount. Judgement is applied in determining the treatment of exploration expenditure in accordance with Australian Accounting Standard AASB 6 *Exploration for and Evaluation of Mineral Resources*. In particular: • Whether the conditions for capitalisation are satisfied; • Which elements of exploration and evaluation expenditures qualify for recognition; and • Whether facts and circumstances indicate that the exploration and expenditure assets should be tested for impairment. As a result, this is considered a key audit matter.	Our procedures included, but were not limited to: • Obtaining a schedule of the areas of interest held by the Group and assessing whether the rights to tenure of those areas of interest remained current at balance date; • Considering the status of the ongoing exploration programmes in the respective areas of interest by holding discussions with management, and reviewing the Group's exploration budgets, ASX announcements and director's minutes; • Considering whether any such areas of interest had reached a stage where a reasonable assessment of economically recoverable reserves existed; • Verifying, on a sample basis, exploration and evaluation expenditure capitalised during the year for compliance with the recognition and measurement criteria of AASB 6; • Considering whether any facts or circumstances existed to suggest impairment testing was required; and • Assessing the adequacy of the related disclosures in Notes 1(j) and 10 of the Financial Report.

Other information

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

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

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

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

Responsibilities of the directors for the Financial Report

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

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

Auditor's responsibilities for the audit of the Financial Report

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

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: https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.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 7 to 10 of the directors' report for the year ended 30 June 2021.

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

Responsibilities

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

BDO Audit (WA) Pty Ltd

BDO

Ashleigh Woodley

Director

Perth, 30 September 2021