

**Ballymore Resources Limited**  
**ACN 632 893 611**

**FINANCIAL REPORT  
FOR THE YEAR ENDED  
30 JUNE 2021**

## Contents

---

Cautionary Statements	2
Corporate Information	3
Review of Operations	4
Directors' Report	8
Auditor's Independence Declaration	21
Shareholder Information	22
Interests in Tenements	26
Statement of Profit or Loss and Other Comprehensive Income for the Year Ended 30 June 2021	27
Statement of Financial Position as at 30 June 2021	28
Statement of Changes in Equity for the Year Ended 30 June 2021	29
Statement of Cash Flows for the Year Ended 30 June 2021	30
Notes to the Financial Statements for the Year Ended 30 June 2021	31
Directors' Declaration	52
Independent Auditor's Report	53

## Cautionary Statements

---

### Forward-looking statements

This document may contain certain forward-looking statements. Such statements are only predictions, based on certain assumptions and involve known and unknown risks, uncertainties and other factors, many of which are beyond the Company's control. Actual events or results may differ materially from the events or results expected or implied in any forward-looking statement.

The inclusion of such statements should not be regarded as a representation, warranty or prediction with respect to the accuracy of the underlying assumptions or that any forward-looking statements will be or are likely to be fulfilled. Ballymore Resources Limited undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date of this document (subject to securities exchange disclosure requirements).

The information in this document does not take into account the objectives, financial situation or particular needs of any person or organisation. Nothing contained in this document constitutes investment, legal, tax or other advice.

### Competent Person Statement

The information in this report that relates to Exploration Results is based on information compiled or reviewed by Mr David A-Izzeddin. The Company is not aware of any new information or data that materially affects the information included in these Company reports and announcements. Mr A-Izzeddin is a Member of The Australasian Institute of Geoscientists and is an employee of the Company. Mr A-Izzeddin has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr A-Izzeddin consents to the inclusion in the report of the matters based on his information in the form and context in which it applies.

## Corporate Information

---

### Directors and Company Secretary

David A-Izzeddin  
Andrew Gilbert  
Nicholas Jorss  
Duncan Cornish (Company Secretary)

### Head Office and Registered Office

Suite 606, Level 6, 10 Market Street  
Brisbane QLD 4000  
Phone: (07) 3212 6299  
Fax: (07) 3212 6250  
[www.ballymoreresources.com](http://www.ballymoreresources.com)

### Auditors

BDO Audit Pty Ltd  
Level 10, 12 Creek Street  
Brisbane QLD 4000  
Tel: +61 7 3237 5999  
Fax: +61 7 3221 9227  
[www.bdo.com.au](http://www.bdo.com.au)

### Share Registry

Link Market Services Limited  
Level 21, 10 Eagle Street  
Brisbane QLD 4000  
Tel: 1300 554 474  
[www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

### Stock Exchange Listing

Australian Securities Exchange Ltd  
ASX Code: BMR

### Australian Company Number

632 893 611

### Solicitor

Colin Biggers & Paisley Pty Ltd  
Level 35, 1 Eagle Street  
Brisbane QLD 4000

### Banker

Westpac Banking Corporation Limited

## Review of Operations

### PROJECTS

Ballymore Resources Limited (**Ballymore** or the **Company**) has a portfolio of exploration and development assets in north Queensland that are prospective for gold and base metals. The Company holds a portfolio comprising two granted Mining Leases (MLs), eleven granted Exploration Permits for Minerals (EPMs) and an EPM application. These licences are centred over three project areas at Dittmer, Ruddygore and Ravenswood. The total area covered by the tenements is 1,355 km<sup>2</sup>.

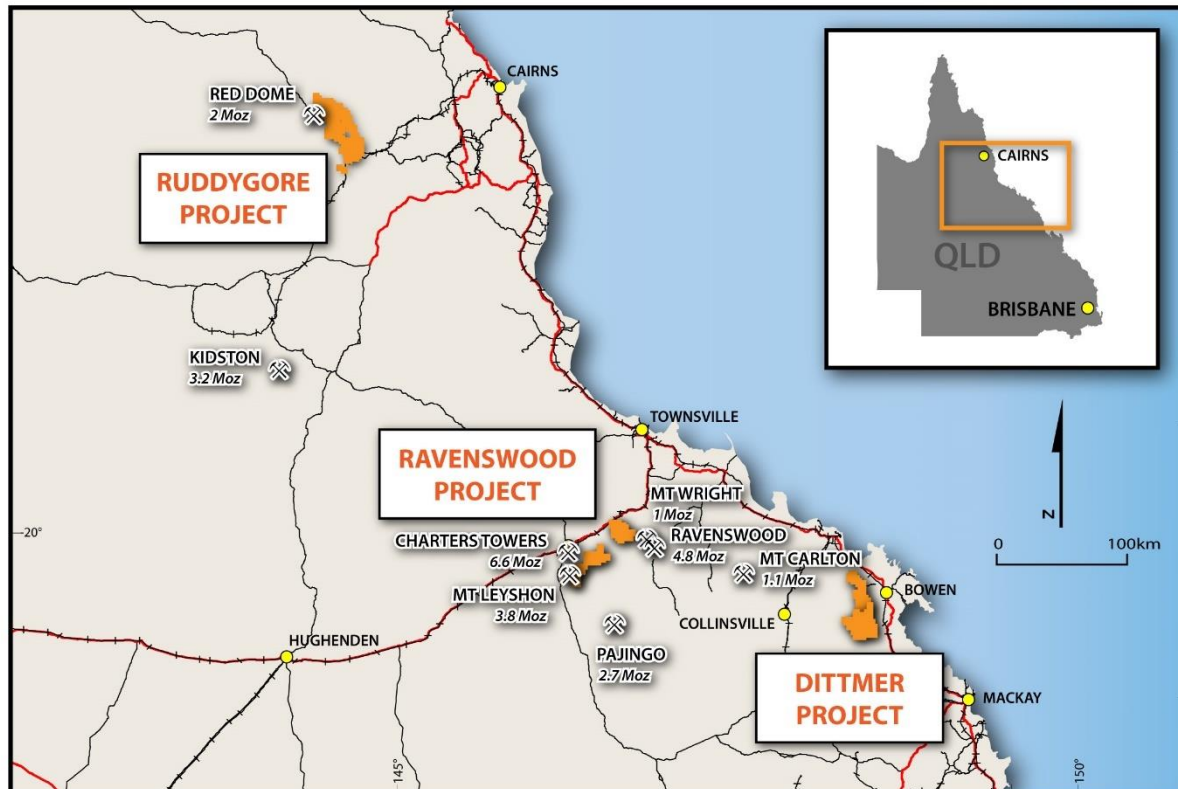


Figure 1: Ballymore Project Locations

The focus of the Company's exploration activities is gold and base metals in northeast Queensland. The eastern coast of Queensland has a history of discovering and mining porphyry-related mineralisation (copper and copper-gold) and Intrusion-Related Gold Systems (IRGS) mineralisation. Known deposits in northeast Queensland include Charters Towers (6.6 Moz Au), Kidston (5 Moz Au), Ravenswood/Mount Wright (5.8 Moz Au), Mount Leyshon (3.8 Moz Au), Red Dome/Mungana (3.2 Moz Au) and Mt Morgan (17 Moz Au and 239 Kt Cu). The deposits occur in a wide range of geological settings including porphyries, breccias, skarns and veins. All three Projects held by the Company either host historical gold and base metal mining and / or are adjacent to significant mineral deposits that have been mined. All Projects remain prospective with little modern exploration and numerous geophysical and geochemical anomalies that have not been tested.

#### Dittmer Project (100%)

The Company's Dittmer Project comprises two granted Mining Leases (ML 10340 and ML 10341) and three granted exploration permits - Dittmer EPM 14255, EPM 26912 and Mount Hector EPM 27282. The Dittmer Project covers an area of 488 km<sup>2</sup> and is located 20 – 50 km west and southwest of the regional centre of Proserpine in central Queensland.

## Review of Operations

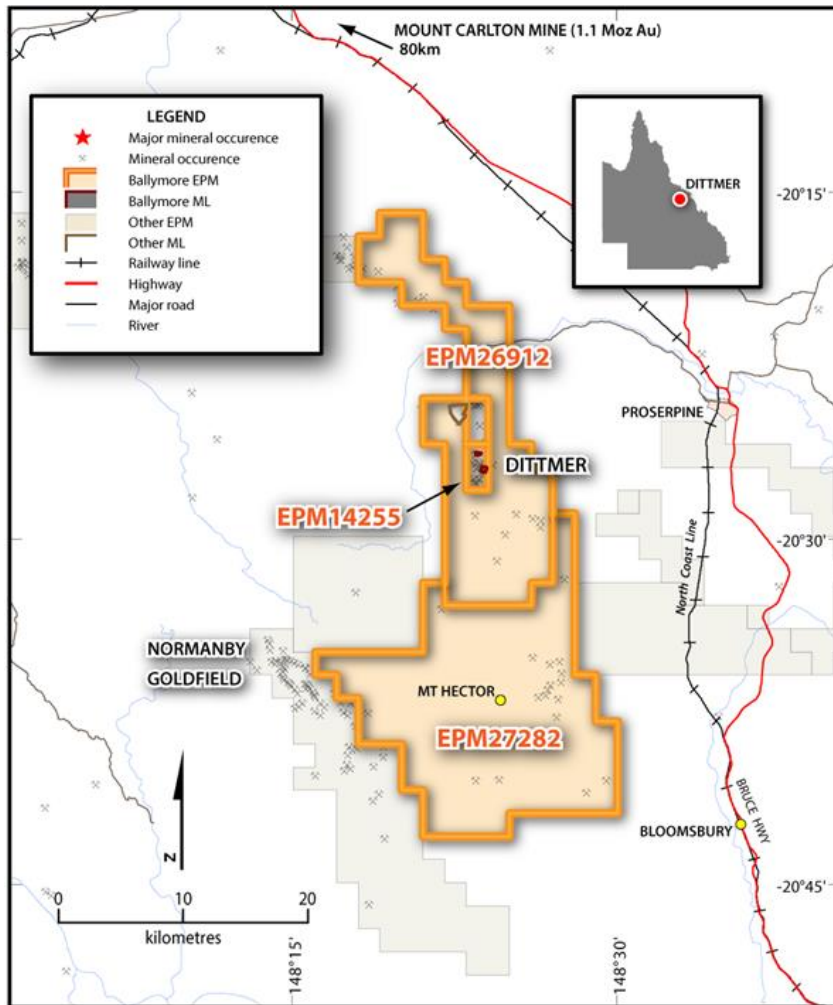


Figure 2: Dittmer Project tenement location plan

During the reporting period the Company has completed mining redevelopment works, including compilation of available development and mining information from the Dittmer and Lamington mines, refurbishment of 4-level at Dittmer mine, geological mapping and channel sampling and commencement of dewatering the mine below 4-level. Ballymore has also undertaken refurbishment of 36-level, 54-level and 92-level at Lamington, as well as geological mapping, channel sampling, and completion of a drilling program of short sludge drillholes to test for parallel splays off the main vein.

The Company has also completed 5 diamond drill holes at Lamington and two diamond drillholes at Dittmer for 1,387.8m. All drillholes (except the abandoned LMDD004) successfully intersected the targeted lode structures and significant drilling results included 2.0m @ 5395 g/t Ag, 2.08% Cu and 0.17 g/t Au (DTDD002: 28 – 30m) and 3.0m @ 4.31g/t Au, 2.46g/t Ag and 0.65% Cu (LMDD001: 31 – 34m) at Lamington. In addition the Company has completed preliminary reconnaissance mapping and rock chip sampling in the Cedar Ridge area (EPM 27282), assessment and definition of priority target areas for exploration as well as preliminary prospecting of various historic prospects and mines within the Project area.

Planned works for FY2022 include follow-up drilling of Dittmer mine area from underground. In addition, mapping and soil sampling of other prospects is planned and detailed stream sediment sampling around the Dittmer – Lamington mine area will also be completed.

### Ruddygore Project (100%)

The Ruddygore Project is located adjacent to the regional centre of Chillagoe in north Queensland and consists of three granted EPMs and an EPM application, covering a combined area of 558 km<sup>2</sup>. The exploration permits include Ruddygore EPM 14015, Metal Hills EPM 15047 and EPM 15053. In addition, Ballymore applied for Scardons EPM 27840 on 1 March 2021 and is awaiting grant.

## Review of Operations

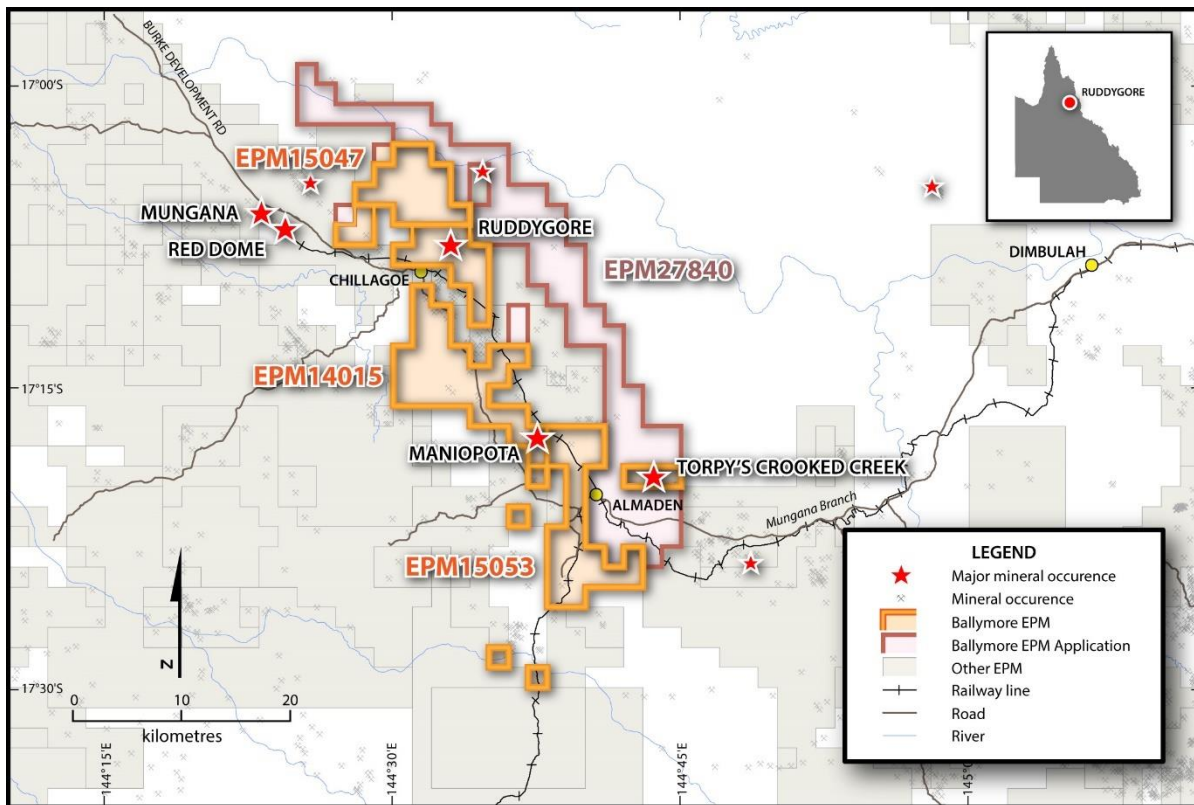


Figure 3: Ruddygore Project tenement location plan

Work completed has included stream sediment sampling and regional mapping and prospecting of the licence areas. In addition, geological mapping and soil sampling of the Ruddygore mine area (EPM 14015) and Torpy's Crooked Creek mine area (EPM 14015) was completed. Soil sampling of the Ruddygore mine area revealed a large, annular, polymetallic copper-lead-zinc +/- silver-arsenic-bismuth-tin soil anomaly over an area of 2,800 m x 1,900 m. Soil sampling at Torpy's Crooked Creek highlighted a strong northeast trending lead-zinc-silver-arsenic anomaly that extends over an area of 800 m x 270 m. The anomaly remains open along strike to the northeast and southwest. In addition, a detailed airborne magnetic survey was also completed over Ruddygore mine area and Maniopota – Torpy's Crooked Creek area.

Planned works for FY2022 will include Induced Polarisation – Resistivity (IP) surveys over the Ruddygore mine area and Torpy's Crooked Creek and reverse circulation drilling to test priority targets. Ongoing mapping and soil sampling of other prospects within the Project area will also be completed.

### Ravenswood Project (Farm-in Agreement with ActivEX—option to earn up to 100%)

On 31 October 2019, Ballymore and ActivEX signed a binding term sheet over the Ravenswood Project tenements and the Company took over exploration management. The Ravenswood Project comprises five granted exploration permits - Mt Leyshon EPM 18424, Cornishman EPM 18426, King Solomon EPM 18637, Charlie Creek EPM 25466 and Birthday Hills EPM 25467. The Ravenswood Project covers an area of 309 km<sup>2</sup> and is located to the south and east of the regional centre of Charters Towers in north Queensland.

## Review of Operations

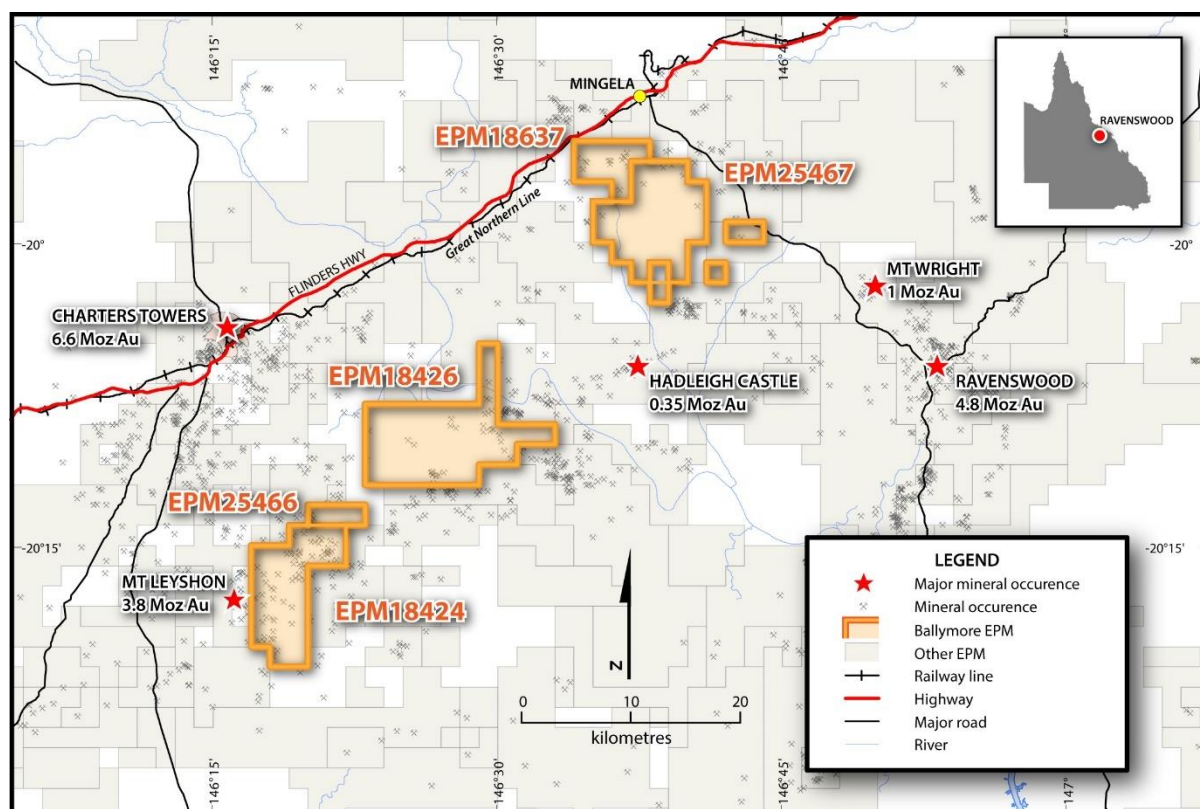


Figure 4: Ravenswood Project tenement location plan

Work completed has included re-processing of historic geophysical datasets and regional mapping and prospecting of the licence areas. In addition, geological mapping and soil sampling of various prospects including the Seventy Mile Mount – Matthews Pinnacle (EPM 18424), Rose of Allandale – King Solomon (EPM 18637), Bowsters (EPM 25466), and Finnerty’s - Sunrise (EPM25467) areas was completed. This work has highlighted a number of priority targets including Seventy Mile Mount, Middle Mount, Matthews Pinnacle and Pinnacle Creek areas in the southeastern part of the project area. In the central area three priority targets have been highlighted including SE Anomaly, Cockfields and the Day Dawn areas and in the northeastern part of the project area the priority targets include King Solomon, Rose of Allandale and Finnerty’s. An Induced Polarisation – Resistivity (IP) survey was also completed in the Seventy Mile Mount – Matthews Pinnacle area, infilling a gap in the historic IP surveys. Two chargeable anomalies were defined west of Matthews Pinnacle and adjacent to Seventy Mile Mount. The Matthews Pinnacle anomaly has a coincident low resistivity signature and there is a faint response in the historic gravity data as well.

Planned works for FY2022 include a drilling program to test the Seventy Mile Mount and Matthews Pinnacle breccia targets. Other works include prospecting of historic workings, mapping of various prospects including Butterfly (EPM 18637), Day Dawn (EPM 18426), SE Anomaly (EPM 18426), Cockfields (EPM 18426), Mitchell (EPM 25467), South Heathfield (EPM 25467) and soil sampling programs at Day Dawn and various regional targets.

### CORPORATE

During the year ended 30 June 2021, the Company completed a private placement of 11,609,147 shares at \$0.30, raising \$3,482,744. The Company’s capital raising initiatives included:

- completed a private placement in August 2020 of 11,609,147 shares at \$0.30, raising \$3,482,744; and
- undertook a (2 for 1) share split in May 2021, resulting in a further 60,178,066 shares being issued.

During the second half of the year ended 30 June 2021 the Company was preparing a Prospectus for an Initial Public Offering (IPO) and listing on the ASX. The Prospectus was lodged on 23 July 2021. On 31 August 2021, 35,000,000 shares were issued as part of the IPO, raising \$7,000,000 before costs. On 1 September 2021 the Company was admitted to the Official List of the ASX.



## Directors' Report

The directors submit their report on Ballymore Resources Limited (**Ballymore** or the **Company**) at the end of, and during, the financial year ended 30 June 2021.

### Directors

The following persons were directors (and secretary) of Ballymore during the financial period and up to the date of this report:

- David A-Izzeddin
- Andrew Gilbert
- Nicholas Jorss

### Information on Directors

The board has a strong combination of technical, managerial, commercial and capital markets experience. Expertise and experience includes mineral exploration and development and operation of mining projects. The names and qualifications of the current directors are summarised as follows:

#### *David A-Izzeddin- Executive Director*

<b>Qualifications</b>	B.App.Sc. (App. Geol.), B.Sc. (Hons)
<b>Appointment Date</b>	12 April 2019
<b>Length of Service</b>	2 years, 5 months
<b>Current ASX Listed Directorships</b>	Nil
<b>Former ASX Listed Directorships (in last 3 years)</b>	Nil

David is a geologist with over 30 years' experience in exploration, project assessment, feasibility studies, mine development and business development across a broad range of commodities including gold, base metals, iron, uranium, phosphate and bauxite and has worked in Australia, Asia-Pacific, Europe, North and South America.

He has operated in a number of operational and management roles and played a major role in the discovery and development of a number of deposits, including Mount Wright (1.0 Moz Au) and the Sarsfield / Nolan's complex (4.8 Moz Au), both of which are located near Ravenswood and of similar styles to the types of deposits the Company is seeking there.

David has worked extensively in north Queensland exploring for gold and base metals for various companies including Dominion Mining, Cyprus Gold, MIM Exploration, Ross Mining, Xstrata Copper and Capricorn Copper. David has also coordinated project generation activities globally for Xstrata Copper for 5 years, where he was directly involved in the successful negotiation of project acquisitions and joint venture agreements within Australia and internationally.

David is a co-founder and director of Konstantin Resources Pty Ltd, a private company with gold and copper tenements in the prospective Timok Basin in Serbia.

#### *Andrew Gilbert- Executive Director*

<b>Qualifications</b>	B.Eng (Hons) (Mining)
<b>Appointment Date</b>	12 April 2019
<b>Length of Service</b>	2 years, 5 months
<b>Current ASX Listed Directorships</b>	Nil
<b>Former ASX Listed Directorships (in last 3 years)</b>	Nil

## Directors' Report

Andrew is a Mining Engineer with 20 years' experience in engineering, operational and management roles within the mining and tunnelling industry. He has been integral in the establishment, development, and operational control of surface and underground mine sites for companies including Glencore, Xstrata, Oz Minerals, Capricorn Copper and Thiess/John Holland. Andrew has specialised in the delivery of key projects for these major companies across various commodities and followed up the project delivery phases with operational and statutory management of large in house and contractor workforces for delivery of budget KPI's. Key projects include the Ernest Henry underground expansion, AirportLink Tunnel, Carrapateena underground mine and the Capricorn Copper mine refurb and establishment.

Andrew is a Member of the Australasian Institute of Mining and Metallurgy and holds a Queensland First Class Mine Manager Certificate of Competency.

### *Nicholas Jorss- Non-Executive Chairman*

<b>Qualifications</b>	BE (Hons) Civil, MBA, GDip App Fin (Sec Inst)
<b>Appointment Date</b>	25 March 2020
<b>Length of Service</b>	1 year, 6 months
<b>Current ASX Listed Directorships</b>	Bowen Coking Coal Ltd
<b>Former ASX Listed Directorships (in last 3 years)</b>	Nil

Nick is the Executive Chairman of Bowen Coking Coal Ltd, a \$210 million ASX listed metallurgical coal exploration and development company. Nick is also a co-founder and Director of Konstantin Resources Pty Ltd, a private company exploring for gold, copper and other metals in Serbia.

Nick was the founding Managing Director of Stanmore Coal Ltd and served on Stanmore's Board from its formation in June 2008 through to 26 November 2016. He has some 30 years' experience in exploration and mining, investment banking, civil engineering, corporate finance and project management. Nick was instrumental in the success of Stanmore Coal Ltd, which currently has a market value of around \$210 million. As the founding Managing Director, he led Stanmore's growth from a coal exploration company to a profitable, mid-tier producer.

Prior to this, Nick worked in investment banking (as a director of Pacific Road Corporate Finance), leading advisory mandates with corporate, government and private equity clients across industry sectors ranging from resources to infrastructure.

Nick worked as an engineer with Baulderstone Hornibrook from 1991 to 1998 where he delivered significant infrastructure and resource projects and has previously held director roles with Kurilpa Uranium, Vantage Private Equity Growth, Vantage Asset Management and WICET Holdings Pty Ltd.

Nick holds a Bachelor with Honours in Civil Engineering from the University of Queensland, a Master of Business Administration from the University of NSW (AGSM) and a Graduate Diploma of Applied Finance and Investment (FINSIA).

### **Company Secretary**

#### **Duncan Cornish – Company Secretary and CFO**

<b>Appointment Date</b>	25 March 2020
<b>Resignation Date</b>	N/A

Duncan was the founding CFO and Company Secretary for Stanmore Coal Ltd (ASX:SMR), Waratah Coal Ltd (TSX and ASX:WCI), Bow Energy Ltd (ASX:BOW) and Orbis Gold Ltd (ASX:OBS) and is a Chartered Accountant with significant experience as a public company CFO and Company Secretary, focused on finance, administration and governance roles.

## Directors' Report

He has more than 30 years' experience in the accountancy profession both in England and Australia, mainly with the accountancy firms Ernst & Young and PricewaterhouseCoopers. He has extensive experience in all aspects of company financial reporting, corporate regulatory and governance areas, business acquisition and disposal due diligence, capital raising, company initial public offerings and company secretarial responsibilities and has served as CFO and/or Company Secretary of several Australian and Canadian public companies.

### Interests in Securities

As at the date of this report, the interests of each director in shares and options issued by the Company are shown in the table below:

Directors	Shares	Options (\$0.25 @ 30-Jun-24)
David A-Izzeddin	18,974,150 <sup>(1)</sup>	1,044,000
Andrew Gilbert	9,846,815	1,044,000
Nicholas Jorss	22,579,150 <sup>(1)</sup>	870,000

#### Notes:

(1) This balance includes 1,625,000 shares are held by Ballymore Gold Pty Ltd, an entity of which both Messrs A-Izzeddin and Jorss have an associated interest

### Dividends Paid or Recommended

There were no dividends paid or recommended during the financial year.

### Principal Activities

The principal activity of the Company during the period was gold and base metal exploration.

Since the incorporation of Ballymore Resources Pty Ltd on 12 April 2019, the Company has been compiling and exploring a portfolio of gold and base metal projects in Queensland.

### Review of Operations

Information on the operations of the Company during the financial year and up to the date of this report is set out separately in the Annual Report under Review of Operations.

### Operating Results

The Company's operating loss for the financial year was \$568,668 (2020: \$313,189). The increased loss was caused principally by:

- General corporate and administrative expenses (\$243,940);
- Exploration expenses (\$35,208);
- Employee benefits expense (\$141,922); and
- Share-based payments (\$175,999).

### Review of Financial Condition

#### Capital Structure

As at 30 June 2020 the Company had 48,568,919 ordinary shares and 10,000,000 options (exercisable at \$0.30 each, expiring on or before 30 June 2024) on issue.

On 31 August 2020, 11,609,147 shares were issued at \$0.30 per share following a private placement, raising \$3,482,744.

On 1 November 2020, 620,000 options exercisable at \$0.45 each, expiring on or before 30 June 2024, were issued to employees.

## Directors' Report

---

On 20 November 2020, the Company converted to a public company.

On 23 April 2021, 400,000 options exercisable at \$0.45 each, expiring on or before 30 June 2024, were issued to an employee, and 2,500,000 options (exercisable at \$0.30 each, expiring on or before 30 June 2024) were cancelled.

On 11 May 2021 the Company undertook a (2 for 1) share split, resulting in 60,178,066 new shares and 8,520,000 new options being issued.

On 29 June 2021, 11,520,000 of the \$0.15 options (expiring on 30 June 2024) were cancelled and the exercise price of the remaining 3,480,000 options increased to \$0.25 each. The 2,040,000 \$0.225 options expiring on 30 June 2024 were not affected.

At 30 June 2021, the Company had 120,356,132 ordinary shares and 5,520,000 options on issue.

On 23 July 2021, the Company completed a selective buy back (for nominal consideration) and cancellation of 33,998,243 shares.

On 31 August 2021, 35,000,000 shares were issued as part of the Company's Initial Public Offering (IPO) on the ASX, raising \$7,000,000 (before costs).

As at the date of this report, the Company had 121,357,889 ordinary shares and 5,520,000 options on issue.

### Financial Position

At 30 June 2021, the Company's net assets totalled \$3,713,287 (2020: \$623,212) which included cash assets of \$224,132 (2020: \$411,358). The movement in net assets largely resulted from the following factors:

- Operating losses of \$568,668;
- Cash outflows from operating activities of \$285,527;
- Cash outflow from plant and equipment of \$172,312;
- Cash outflows on exploration and evaluation assets of \$3,212,131; and
- Cash inflows from issue of shares and options of \$3,482,744.

Throughout the year the Company focussed on exploration and development on the Company's gold and base metal projects.

The Company's working capital, being current assets less current liabilities has decreased from \$261,836 in 2020 to \$86,750 in 2021.

### Treasury policy

The Company does not have a formally established treasury function. The Board is responsible for managing the Company's finance facilities. The Company does not currently undertake hedging of any kind and is not currently directly exposed to material currency risks.

### Liquidity and funding

The Company has sufficient funds to finance its operations and exploration activities, and to allow the Company to take advantage of favourable business opportunities, not specifically budgeted for, or to fund unforeseen expenditure.

### Significant Changes in State of Affairs

Other than the securities issued as noted above, there were no other significant changes in the state of affairs of the Company in the financial year.

## Directors' Report

---

### Subsequent Events

As noted above, on 23 July 2021, the Company completed a selective buy back (for nominal consideration) and cancellation of 33,998,243 shares.

As noted above, on 31 August 2021, 35,000,000 shares were issued as part of the Company's Initial Public Offering (IPO) on the ASX, raising \$7,000,000 before costs.

On 1 September 2021 the Company was admitted to the Official List of the ASX.

In May 2020 the Company entered into a Farm-In and Option Agreement for the Ravenswood Project, comprising EPMs 18424, 18426, 18637, 25466 and 25467. The agreement required \$200,000 to be spend on the project by October 2020 (successfully achieved) and a further \$300,000 to be spent by October 2021 to earn 51% (Initial Interest). The Initial Interest was successfully earned in September 2021. Ballymore has the option to acquire the remaining 49% for \$5.0m (by 31 October 2024).

There are no other matters or circumstances that have arisen since the end of the year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

### COVID-19 Impact

The COVID-19 pandemic has impacted the Company on several fronts. The exploration program was impacted by intra-state travel restrictions for the exploration team and also additional costs to keep the team on site and compliant with Queensland Government regulations. These measures have not only limited movement of people, but also, as a result, the supply of goods and services. Supply chains have been disrupted and it is not known whether the proposed rollouts of vaccines will prevent further restrictions on the movement of people, the disruption of supply chains and resulting adverse economic impacts. Disruptions caused by ongoing outbreaks of COVID-19 may give rise to economic uncertainty, limiting the Company's ability to move personnel and equipment to and from exploration projects, cause delays or cost increases and adversely impact the performance of the Company and the price of its Securities. Social distancing restrictions and inter-state travel restrictions have resulted in roadshows, investor meetings and board meetings being scheduled as virtual events.

### Business Results

The prospects of the Company in progressing their exploration projects may be affected by a number of factors. These factors are similar to most exploration companies moving through exploration phase and attempting to get projects into development. Some of these factors include:

- Exploration - the results of the exploration activities may be such that the estimated resources are insufficient to justify the financial viability of the projects. The Company undertakes extensive exploration and product quality testing prior to establishing JORC compliant resource estimates and to (ultimately) support mining feasibility studies. The Company engages external experts to assist with the evaluation of exploration results where required and utilises third party competent persons to prepare JORC resource statements or suitably qualified senior management of the Company. Economic feasibility modelling of projects will be conducted in conjunction with third party experts and the results of which will usually be subject to independent third party peer review.
- Social Licence to Operate – the ability of the Company to secure and undertake exploration and development activities within prospective areas is also reliant upon satisfactory resolution of native title and (potentially) overlapping tenure. To address this risk, the Company develops strong, long term effective relationships with landholders with a focus on developing mutually acceptable access arrangements. The Company takes appropriate legal and technical advice to ensure it manages its compliance obligations appropriately.

## Directors' Report

---

- **Environmental** - All phases of mining and exploration present environmental risks and hazards. The Company's operations are subject to environmental regulations pursuant to a variety of state and municipal laws and regulations. Environmental legislation provides for, among other things, restrictions and prohibitions on spills, releases or emissions of various substances produced in association with mining operations. Compliance with such legislation can require significant expenditures and a breach may result in the imposition of fines and penalties, some of which may be material. Environmental legislation is evolving in a manner expected to result in stricter standards and enforcement, larger fines and liability and potentially increased capital expenditures and operating costs. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers and employees. The Company assesses each of its projects very carefully with respect to potential environmental issues, in conjunction with specific environmental regulations applicable to each project, prior to commencing field exploration. Periodic reviews are undertaken once field exploration commences.
- **Safety** - Safety is of critical importance in the planning, organisation and execution of the Company's exploration and development activities. The Company is committed to providing and maintaining a working environment in which its employees are not exposed to hazards that will jeopardise an employee's health, safety or the health and safety of others associated with our business. The Company recognises that safety is both an individual and shared responsibility of all employees, contractors and other persons involved with the operation of the organisation. The Company has a Safety and Health Management system which is designed to minimise the risk of an uncontrolled safety and health event and to continuously improve the safety culture within the organisation.
- **Funding** - the Company will require additional funding to continue exploration and potentially move from the exploration phase to the development phases of its projects. There is no certainty that the Company will have access to available financial resources sufficient to fund its exploration, feasibility or development costs at those times.
- **Market** - there are numerous factors involved with exploration and early stage development of its projects, including variance in commodity price and labour costs which can result in projects being uneconomical.

### Environmental Issues

The Company is subject to significant environmental regulations under the (Federal, State and local) laws in which the Company operates, which currently includes Australia.

The directors monitor the Company's compliance with environmental obligations. The directors are not aware of any compliance breach arising during the year and up to the date of this report.

### Native Title

Mining tenements that the Company currently holds may be subject to Native Title claims. The Company has a policy that is respectful of the Native Title rights and will, as required, negotiate with relevant indigenous bodies.

## Directors' Report

---

### Remuneration Report (Audited)

This report details the nature and amount of remuneration for each director and other key management personnel.

The names of key management personnel of Ballymore Resources Limited who have held office during the financial year are:

David A-Izzeddin	Executive Director
Andrew Gilbert	Executive Director
Nicholas Jorss	Non-Executive Director
Duncan Cornish	Company Secretary and Chief Financial Officer

### Remuneration Policy

The Company's remuneration policy seeks to align director and executive objectives with those of shareholders and the business, while at the same time, recognising the early development stage of the Company and the criticality of funds being utilised to achieve development objectives. The board believes the current policy has been appropriate and effective in achieving a balance of these objectives.

The Company's remuneration policy provides for long-term incentives to be offered through a director and employee equity incentive plan. Options, shares or performance rights may be granted under this plan to align directors', executives', employees' and shareholders' interests. Two methods may be used to achieve this aim, the first being securities that vest upon reaching or exceeding specific predetermined objectives, and the second being options granted with higher exercise prices (than the share price at issue) rewarding share price growth.

The board of directors is responsible for determining and reviewing the Company's remuneration policy, remuneration levels and performance of both executive and non-executive directors. Independent external advice will be sought when required. No independent external advice was sought during the current year.

### Performance-Based Remuneration

Performance-based remuneration includes both short-term and long-term incentives and is designed to reward key management personnel for reaching or exceeding specific objectives or as recognition for strong individual performance. Short-term incentives are available to eligible staff of the Company and may be comprised of cash bonuses, determined on a discretionary basis by the board. No short-term incentives were made available during the year.

Long-term incentives are currently comprised of share options, which are granted from time-to-time to encourage sustained strong performance in the realisation of strategic outcomes and growth in shareholder value.

The exercise price of the options is determined after taking into account the underlying share price performance in the period leading up to the date of grant and if applicable, performance conditions attached to the share options. Subject to specific vesting conditions, each option is convertible into one ordinary share.

The Company's policy for determining the nature and amount of remuneration of board members and key executives is set out below.

## Directors' Report

---

### Remuneration Report (Audited) (Continued)

#### ***Non-Executive Directors***

Board policy is to remunerate non-executive directors at market rates for comparable companies for time, commitment and responsibilities. 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 and is not linked to the performance of the Company. The maximum aggregate amount of fees that can be paid to non-executive directors approved by shareholders is currently \$300,000. One-third, by number, of non-executive directors retires by rotation at the Company's Annual General Meeting. Retiring directors are eligible for re-election by shareholders at the Annual General Meeting of the Company. The appointment conditions of the non-executive directors are set out and agreed in letters of appointment.

#### ***Executives***

The remuneration structure for executives is based on a number of factors, including length of service, particular experience of the individual concerned, and overall performance of the Company.

The executives receive payments provided for under an employment or service agreement, which may include cash, superannuation, short-term incentives and equity-based performance remuneration.

#### David A-Izzeddin (Executive Director)

The Company has entered into an Executive Services Agreement with Mr A-Izzeddin as Executive Director - Technical. The engagement of Mr A-Izzeddin under this agreement will commence on the date that the Company's Shares are admitted to the Official List of ASX and continues until terminated on 4 weeks' notice by either party. However, the Company may terminate the agreement (and hence Mr A-Izzeddin's role as Executive Director - Technical) without notice if Mr A-Izzeddin engages in serious misconduct.

Prior to the Company's Shares being admitted to the Official List of ASX, the Company had entered into an Employment Contract with Mr A-Izzeddin for the position of Technical Director. The role was full time and paid an annual salary of \$200,000 plus statutory superannuation.

Subsequent to the Company listing on the ASX, Mr A-Izzeddin's cash remuneration for his role as Executive Director - Technical is a salary of \$150,000 per annum plus statutory superannuation, based on being employed by the Company for three days per week. If required to work additional days, Mr A-Izzeddin will be paid a daily rate of \$961 plus statutory superannuation. Mr A-Izzeddin's remuneration is subject to salary reviews conducted by the Board.

#### Andrew Gilbert (Executive Director)

The Company has entered into an Executive Services Agreement with Mr Andrew Gilbert as Executive Director - Operations.

The engagement of Mr Andrew Gilbert under this agreement will commence on the date that the Company's Shares are admitted to the Official List of ASX and continues until terminated on 4 weeks' notice by either party. However, the Company may terminate the agreement (and hence Mr Andrew Gilbert role as Executive Director - Operations) without notice if Mr Gilbert engages in serious misconduct.

Prior to the Company's Shares being admitted to the Official List of ASX, the Company had entered into an Employment Contract with Mr Gilbert for the position of Mine Manager. The role was full time and paid an annual salary of \$200,000 plus statutory superannuation.

Subsequent to the Company listing on the ASX, Mr Gilbert's cash remuneration for his role as Executive Director - Operations is a salary of \$250,000 per annum plus statutory superannuation, based on being employed by the Company on a full-time basis. Mr Gilbert's remuneration is subject to salary reviews conducted by the Board.



## Directors' Report

### Remuneration Report (Audited) (Continued)

Duncan Cornish (Chief Financial Officer and Company Secretary)

The Company has a services agreement with Corporate Administration Services Pty Ltd ("CAS") and Duncan Cornish, the Company's CFO and Company Secretary. Under the agreement, CAS also provides accounting, bookkeeping and administrative services. Both the Company and CAS are entitled to terminate the agreement upon giving not less than three months' written notice. The base fee under the services agreement is \$131,400 per annum, in effect from date that the Company's Shares are admitted to the Official List of ASX. The agreement also provides for additional services to be charged as agreed in advance.

### Remuneration Details of Key Management Personnel

The remuneration of the key management personnel of Ballymore Resources Limited for the year ended 30 June 2021 was as follows:

Key Management Personnel	Short Term Benefits		Post-Employment		Equity-settled Share-based Payments		Total	Performance related %	% consisting of options/rights
	Salary & Fees	Prov for leave entitlements	Super-annuation	Provision for leave entitlements	Shares	Options /Rights			
	\$	\$	\$	\$	\$	\$			
D. A-Izzeddin	183,333	15,443	17,417	-	-	-	216,193	0%	0%
A. Gilbert	183,333	15,443	17,417	-	-	-	216,193	0%	0%
N. Jorss <sup>(1)</sup>	-	-	-	-	-	-	-	-	-
D. Cornish	20,000	-	-	-	-	-	20,000	0%	0%
<b>Total</b>	<b>386,666</b>	<b>30,886</b>	<b>34,834</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>452,386</b>		

**Notes:**

(1) No director fees payable to Nick Jorss until IPO completed

The remuneration of the key management personnel of Ballymore Resources Limited for the year ended 30 June 2020 was as follows:

Key Management Personnel	Short Term Benefits		Post-Employment		Equity-settled Share-based Payments		Total	Performance related %	% consisting of options/rights
	Salary & Fees	Non-cash Benefits	Super-annuation	Provision for leave entitlements	Shares	Options /Rights			
	\$	\$	\$	\$	\$	\$			
D. A-Izzeddin	-	-	-	-	-	61,658	61,658	100%	100%
A. Gilbert	-	-	-	-	-	61,658	61,658	100%	100%
N. Jorss <sup>(2)</sup>	-	-	-	-	-	51,382	51,382	100%	100%
D. Cornish <sup>(2)</sup>	-	-	-	-	-	30,829	30,829	100%	100%
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>205,527</b>	<b>205,527</b>		

**Notes:**

(2) Appointed on 25 March 2020

## Directors' Report

### Remuneration Report (Audited) (Continued)

The percentage of equity-based remuneration for persons who were key management personnel of the Company during the year ended 30 June 2021 is set out below:

Key Management Personnel	Proportion of Remuneration	
	Equity Based	Salary and Fees
D. A-Izzeddin	0%	100%
A. Gilbert	0%	100%
N. Jorss	0%	100%
D. Cornish	0%	100%

### Company Performance, Shareholder Wealth, and Director and Executive Remuneration

During the financial year, the Company generated losses as its principal activity was mineral exploration. As the Company is still in the exploration and development stage, the link between remuneration, company performance and shareholder wealth is tenuous. Share prices are subject to the influence of commodity prices and market sentiment towards the sector, and as such, increases and decreases might occur independent of executive performance and remuneration.

### Options Held by Key Management Personnel

Details of options held directly, indirectly or beneficially by key management personnel during the year ended 30 June 2021 were as follows:

Key Management Personnel	D. A-Izzeddin	A. Gilbert	N. Jorss	D. Cornish
Balance as at 1-Jul-20	3,000,000	3,000,000	2,500,000	1,500,000
Granted as compensation	-	-	-	-
Cancelled (as at 23-Apr-21)	(750,000)	(750,000)	(625,000)	(375,000)
Share Split 1:2 (as at 11-May-21)	2,250,000	2,250,000	1,875,000	1,125,000
Cancelled (as at 29-Jun-21)	(3,456,000)	(3,456,000)	(2,880,000)	(1,728,000)
Balance as at 30-Jun-21	1,044,000	1,044,000	870,000	522,000

All of the above options were issued on 7 May 2020. All of the above options vested on grant date and expire on 30 June 2024. At 30 June 2021, the exercise price of all of each of the above options was \$0.25. The fair value of options granted was 2.055 cents per option. The cancellations and share/option split noted above did not impact the financial statements.

### Options Granted as Remuneration

No options were granted as remuneration to the key management personnel during the financial year ended 30 June 2021.

## Directors' Report

### Remuneration Report (Audited) (Continued)

#### Shares Held by Key Management Personnel

Details of shares held directly, indirectly or beneficially by key management personnel during the year ended 30 June 2021 were as follows:

Key Management Personnel	Balance at 1 July 2020	Acquired	Share Split	Balance at 30 June 2021	Buy-back/cancellation	Balance at the date of this report
D. A-Izzeddin	14,595,500	-	14,595,500	29,191,000 <sup>(1)</sup>	(10,216,850)	18,974,150 <sup>(1)</sup>
A. Gilbert	7,574,473	-	7,574,473	15,148,946	(5,302,131)	9,846,815
N. Jorss	17,345,500	-	17,345,500	34,691,000 <sup>(1)</sup>	(12,141,850)	22,549,150 <sup>(1)</sup>
D. Cornish	1,803,446	196,554	2,000,000	4,000,000	(1,262,412)	2,737,588

**Notes:**

(1) This balance includes 1,625,000 shares are held by Ballymore Gold Pty Ltd, an entity of which both Messrs A-Izzeddin and Jorss have an associated interest

#### Company performance and link to remuneration

Because the Company is currently a mineral explorer, there is no direct relationship between the Company's financial performance and the level of remuneration paid to key management personnel.

The link between remuneration, company performance and shareholder wealth generation is tenuous, particularly in the mineral exploration industry while a Company is in the exploration stage. Share prices are subject to the influence of international sentiment towards the sector and increases or decreases may occur independently of executive performance or remuneration.

The earnings of the Company and factors that affect shareholder returns for the five years to 30 June 2021 are summarised below:

	2021	2020	2019	2018	2017
Other Income (\$)	28,401	2	n/a	n/a	n/a
Net loss attributable to owners of the Company (\$)	568,668	313,189	n/a	n/a	n/a
Share price at year-end (cents per share)	15.0 <sup>(1)</sup>	2.0 <sup>(1)</sup>	n/a	n/a	n/a
Dividends paid (cents per share)	-	-	n/a	n/a	n/a

**Notes:**

(1) The Company was not listed (on the ASX) until September 2021. Therefore there was no liquid market for the Company's shares during the years ended 30 June 2020 and 2021. The prices per shares shown in the table above are the most recent prices that shares were issued at prior to 30 June of each of those years.

The Company may issue options to provide an incentive for key management personnel which, it is believed, is in line with industry standards and practice and is also believed to align the interests of key management personnel with those of the Company's shareholders. Options were issued to all key management and employees during the current and prior periods.

#### Other transactions with Key Management Personnel

There have been no other transactions with key management personnel during the year ended 30 June 2021.

#### End of Remuneration Report (Audited)

## Directors' Report

---

### Options

At the date of this report, the unissued ordinary shares of the Company under options are as follows:

#### Unlisted Options

Grant Date	Expiry Date	Exercise Price	Number of Options
7-May-20	30-Jun-24	\$0.25	3,480,000
1-Nov-20	30-Jun-24	\$0.225	2,040,000
<b>Total</b>			<b>5,520,000</b>

There have been no unissued shares or interests under option during or since reporting date. Option holders do not have any rights to participate in any share issue or other interests in the Company or any other entity.

### Directors' Meetings

It is noted that the Directors were able to attend to business of the Company during the year by circulated resolution and telephone meetings as permitted by the Company's Constitution in place of conducting meetings. Now that the Company is listed on the ASX, regular formal board meetings have commenced.

The Company does not have an audit committee. The Board is of the opinion that due to the nature and size of the Company, the functions performed by an audit committee can be adequately handled by the full Board. At such time when the Company is of sufficient size, a separate Audit and Risk Management Committee will be formed.

### Corporate Governance

In recognising the need for the highest standards of corporate behaviour and accountability, the directors of Ballymore Resources Limited support and, where practicable or appropriate, have adhered to the ASX Principles of Corporate Governance. The Company's Corporate Governance Statement is lodged separately on the ASX and can be found on the Company's website ([www.ballymoreresources.com](http://www.ballymoreresources.com)).

### Indemnifying Directors and Auditors

The Company has entered into a Deed with each of the Directors (and the Company Secretary) whereby the Company has agreed to provide certain indemnities to each Director (and the Company Secretary) to the extent permitted by the Corporations Act and to use its best endeavours to obtain and maintain directors' and officers' indemnity insurance, subject to such insurance being available at reasonable commercial terms.

The Company has paid premiums to insure each of the directors (and the Company Secretary) of the Company against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director (or Company Secretary) of the Company, other than conduct involving a wilful breach of duty in relation to the Company. The contracts include a prohibition on disclosure of the premium paid and nature of the liabilities covered under the policy.

The Company has not given an indemnity or entered into an agreement to indemnify or paid or agreed to pay insurance premiums in respect of any person who is or has been an auditor of the Company or a related entity during the year and up to the date of this report.

### Proceedings on Behalf of the Company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceedings during the year.

## Directors' Report

---

### Non-Audit Services

The auditors signed an Investigating Accountant's Report on 23 July 2021 for inclusion on the Company's Prospectus for the IPO and listing on the ASX. Some of this work was performed during the year ended 30 June 2021 (incurring \$5,552 in the year ended 30 June 2021).

The board of directors is satisfied that the provision of the 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 did not compromise the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

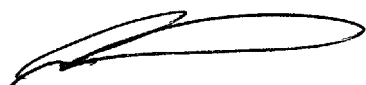
- all non-audit services have been reviewed by the board of directors to ensure they do not impact the impartiality and objectivity of the auditor, and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants*.

The auditors did not provide any other non-audit services during the period.

### Auditor's Independence Declaration

The lead auditor's independence declaration under section 307C of the Corporations Act 2001 is attached to this financial report.

Signed in accordance with a resolution of the board of directors.



Nick Jorss  
Director

Dated: 29 September 2021  
Brisbane, Queensland

## Auditor's Independence Declaration

---



Tel: +61 7 3237 5999  
Fax: +61 7 3221 9227  
www.bdo.com.au

Level 10, 12 Creek St  
Brisbane QLD 4000  
GPO Box 457 Brisbane QLD 4001  
Australia

### DECLARATION OF INDEPENDENCE BY R M SWABY TO THE DIRECTORS OF BALLYMORE RESOURCES LIMITED

As lead auditor of Ballymore Resources 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.

A handwritten signature in black ink, appearing to read 'R M Swaby', written in a cursive style.

**R M Swaby**  
Director

**BDO Audit Pty Ltd**

Brisbane

29 September 2021

BDO Audit Pty Ltd ABN 33 134 022 870 is a member of a national association of independent entities which are all members of BDO Australia Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Audit Pty Ltd and BDO Australia Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation.

## Shareholder Information

Additional information required by the Australian Securities Exchange Ltd and not shown elsewhere in this report is as follows. The information is current as at 15 September 2021.

### (a) Distribution of equity securities

The number of holders, by size of holding, in each class of security are:

	Ordinary Shares	
	No. Holders	No. Shares
1 - 1,000	6	3,091
1,001 - 5,000	94	249,834
5,001 - 10,000	209	1,995,605
10,001 - 100,000	167	5,998,231
100,001 and over	92	113,111,128
<b>Total</b>	<b>568</b>	<b>121,357,889</b>

	Unlisted Options (\$0.25 @ 3-Jun-24)		Unlisted Options (\$0.225 @ 30-Jun-24)	
	No. Holders	No. Options	No. Holders	No. Perf. Rights
1 - 1,000	-	-	-	-
1,001 - 5,000	-	-	-	-
5,001 - 10,000	-	-	-	-
10,001 - 100,000	-	-	-	-
100,001 and over	4	3,480,000	3	2,040,000
<b>Total</b>	<b>4</b>	<b>3,480,000</b>	<b>3</b>	<b>2,040,000</b>

There are 30 shareholders holding less than a marketable parcel of 1,725 shares.

## Shareholder Information

### (b) Twenty Largest Shareholders

The names of the twenty largest holders of Ordinary Shares (both Quoted and Unquoted) are:

#	Registered Name	Number of Shares	% of total Shares
1	DAVID IBRAHIM A-IZZEDDIN & DIANAH MAY A-IZZEDDIN	17,349,150	14.3%
2	MR NICHOLAS CHRISTIAN JORSS & MRS KATHERINE JORSS *	11,730,000	9.7%
3	CLAIRE ELIZABETH GILBERT	9,846,815	8.1%
4	OLROSS INVESTMENTS PTY LTD	9,224,150	7.6%
5	CS THIRD NOMINEES PTY LIMITED	7,750,000	6.4%
6	MONTANA DRAFTING & DESIGN PTY LTD *	4,692,678	3.9%
7	BRAZIL FARMING PTY LTD *	4,000,000	3.3%
8	WISHART FAMILY SUPER PTY LTD *	3,405,000	2.8%
9	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	3,307,694	2.7%
10	PIT2 CO PTY LTD *	2,916,666	2.4%
11	ALBIANO HOLDINGS PTY LTD	2,737,588	2.3%
12	LATIMORE FAMILY PTY LTD	2,000,000	1.6%
13	RAPLON PTY LTD *	1,890,000	1.6%
14	BALLYMORE GOLD PTY LTD	1,625,000	1.3%
15	MR PETER DAVID SPIERS & MRS FIONA LYNETTE SPIERS *	1,625,000	1.3%
16	MICHAEL JOHN TOBIN *	1,383,334	1.1%
17	ZIGGY PROVIDENT PTY LIMITED	1,333,334	1.1%
18	CAPE COAL PTY LTD *	1,283,840	1.1%
19	CHARLES RICHARD THOMPSON & ROBYN MARJORIE THOMPSON *	1,175,000	1.0%
20	INVIA CUSTODIAN PTY LIMITED	1,000,000	0.8%
	<b>TOP 20 TOTAL</b>	<b>90,275,249</b>	<b>74.4%</b>
	<b>Total of Securities</b>	<b>121,357,889</b>	<b>100.0%</b>

\*Denotes merged holding



## Shareholder Information

The names of the twenty largest holders of Quoted Ordinary Shares are:

#	Registered Name	Number of Shares	% of total Shares
1	CS THIRD NOMINEES PTY LIMITED	7,750,000	6.4%
2	MONTANA DRAFTING & DESIGN PTY LTD *	4,692,678	3.9%
3	BRAZIL FARMING PTY LTD *	4,000,000	3.3%
4	WISHART FAMILY SUPER PTY LTD *	3,405,000	2.8%
5	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	3,307,694	2.7%
6	PIT2 CO PTY LTD *	2,916,666	2.4%
7	ALBIANO HOLDINGS PTY LTD	2,737,588	2.3%
8	LATIMORE FAMILY PTY LTD *	2,000,000	1.6%
9	RAPLON PTY LTD *	1,890,000	1.6%
10	MR PETER DAVID SPIERS & MRS FIONA LYNETTE SPIERS *	1,625,000	1.3%
11	MICHAEL JOHN TOBIN *	1,383,334	1.1%
12	ZIGGY PROVIDENT PTY LIMITED	1,333,334	1.1%
13	CAPE COAL PTY LTD *	1,283,840	1.1%
14	CHARLES RICHARD THOMPSON & ROBYN MARJORIE THOMPSON *	1,175,000	1.0%
15	INVIA CUSTODIAN PTY LIMITED	1,000,000	0.8%
16	FREO NOMINEES PTY LTD	1,000,000	0.8%
17	WESTMARK INVESTMENTS PTY LTD	1,000,000	0.8%
18	HUNTINGDALE CAPITAL PTY LTD	1,000,000	0.8%
19	GEAT INCORPORATED	889,420	0.7%
20	MR NICHOLAS CHRISTIAN JORSS & MRS KATHERINE JORSS	757,692	0.6%
	<b>TOP 20 TOTAL (Quoted Shares)</b>	<b>45,147,246</b>	<b>37.2%</b>
	Balance of Quoted Shares	26,330,834	21.7%
	Total Unquoted Shares	49,879,809	41.1%
	<b>Total of Securities</b>	<b>121,357,889</b>	<b>100.0%</b>

\*Denotes merged holding

## Shareholder Information

### (c) Substantial Shareholders

The Company has received substantial shareholder notices from the following entities:

Name of Shareholder	Ordinary Shares	% of total Shares
David & Dianah A-Izzeddin	18,974,150	15.6%
Claire Gilbert	9,846,815	8.1%
Nicholas Jorss	22,579,150	18.6%
Regal Funds Management Pty Ltd	7,750,000	6.4%

The Company notes that, as at the date of this report, the following shareholders own substantial shareholdings ( $\geq 5.0\%$ ) in Ballymore Resources Limited:

Name of Shareholder	Ordinary Shares	% of total Shares
David & Dianah A-Izzeddin	18,974,150	15.6%
Claire Gilbert	9,846,815	8.1%
Nicholas Jorss	22,579,150	18.6%
CS Third Nominees Pty Limited	7,750,000	6.4%

### (d) Voting rights

All ordinary shares carry one vote per share without restriction.

Options and performance rights do not carry voting rights.

### (e) Restricted securities

As at the date of this report, there are:

- 49,879,809 ordinary shares subject to ASX escrow for a period of 24 months from the date of official quotation of the Company's shares (being 3 September 2023); and
- 28,858,080 ordinary shares subject to voluntary escrow for a period of 6 months from the date of official quotation of the Company's shares (being 3 March 2022).

### (f) On-market buy back

There is not a current on-market buy-back in place.

### (g) Business objectives

The Company has used its cash and assets that are readily convertible to cash in a way consistent with its business objectives.

## Interests in Tenements

Ballymore Resources Limited held the following interests in tenements as at the date of this report:

Country	Location	Project	Tenement	Status	Current Interest (%)
Australia	Queensland	Dittmer	ML 10340	Granted	100%
Australia	Queensland	Dittmer	ML 10341	Granted	100%
Australia	Queensland	Dittmer	EPM 14255	Granted	100%
Australia	Queensland	Dittmer	EPM 26912	Granted	100%
Australia	Queensland	Dittmer	EPM 27282	Granted	100%
Australia	Queensland	Ruddygore	EPM 14015	Granted	100%
Australia	Queensland	Ruddygore	EPM 15047	Granted	100%
Australia	Queensland	Ruddygore	EPM 15053	Granted	100%
Australia	Queensland	Ruddygore	EPMA 27840	Application	100%
Australia	Queensland	Ravenswood	EPM 18424	Granted	51%*
Australia	Queensland	Ravenswood	EPM 18426	Granted	51%*
Australia	Queensland	Ravenswood	EPM 18637	Granted	51%*
Australia	Queensland	Ravenswood	EPM 25466	Granted	51%*
Australia	Queensland	Ravenswood	EPM 25467	Granted	51%*
Australia	Queensland	Mount Molloy	EPMA 27918	Application	0%

\* The Company has a binding farm-in agreement for the Ravenswood Project, comprising EPMs 18424, 18426, 18637, 25466 and 25467.

## Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2021

	Note	2021 \$	2020 \$
Other income	2	28,401	2
Corporate and administrative expenses	3	(243,940)	(79,347)
Employee benefits expenses	3	(317,921)	(205,528)
Exploration expenses		(35,208)	(28,316)
Loss before income tax expense		(568,668)	(313,189)
Income tax expense	4	-	-
<b>Loss for the year</b>		<b>(568,668)</b>	<b>(313,189)</b>
Other comprehensive income			
Other comprehensive income for the year, net of tax		-	-
<b>Total comprehensive loss for the year</b>		<b>(568,668)</b>	<b>(313,189)</b>
<b>Total comprehensive loss for the year attributable to the owners of the Company</b>		<b>(568,668)</b>	<b>(313,189)</b>
Loss per share attributable to owners of the parent company		<b>Cents</b>	<b>Cents</b>
Basic and diluted earnings per share	15	(0.49)	(1.7)

The accompanying notes form part of these financial statements.

## Statement of Financial Position

### As at 30 June 2021

	Note	30 June 2021 \$	30 June 2020 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	5	224,132	411,358
Other receivables	6	65,692	31,680
Prepayments	7	69,047	-
<b>Total Current Assets</b>		<b>358,871</b>	<b>443,038</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	8	147,122	-
Exploration and evaluation assets	9	3,479,415	361,376
<b>Total Non-Current Assets</b>		<b>3,626,537</b>	<b>361,376</b>
<b>TOTAL ASSETS</b>		<b>3,985,408</b>	<b>804,414</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	10	272,121	181,202
<b>Total Current Liabilities</b>		<b>272,121</b>	<b>181,202</b>
<b>TOTAL LIABILITIES</b>		<b>272,121</b>	<b>181,202</b>
<b>NET ASSETS</b>		<b>3,713,287</b>	<b>623,212</b>
<b>EQUITY</b>			
Issued capital	11	4,213,617	730,873
Reserves	12	381,527	205,528
Accumulated losses		(881,857)	(313,189)
<b>TOTAL EQUITY</b>		<b>3,713,287</b>	<b>623,212</b>

The accompanying notes form part of these financial statements.

## Statement of Changes in Equity For the Year Ended 30 June 2021

	Note	Issued Capital \$	Reserve \$	Accumulated Losses \$	Total Equity \$
<b>Balance on incorporation</b>		<b>4</b>	<b>-</b>	<b>-</b>	<b>4</b>
Loss for the year		-	-	(313,189)	(313,189)
<b>Total comprehensive loss</b>		<b>-</b>	<b>-</b>	<b>(313,189)</b>	<b>(313,189)</b>
Transactions with owners in their capacity as owners					
Issue of shares	11	730,869	-	-	730,869
Share-based payments	19	-	205,528	-	205,528
<b>Balance at 30 June 2020</b>		<b>730,873</b>	<b>205,528</b>	<b>(313,189)</b>	<b>623,212</b>
<b>Balance at 1 July 2020</b>		<b>730,873</b>	<b>205,528</b>	<b>(313,189)</b>	<b>623,212</b>
Loss for the year		-	-	(568,668)	(568,668)
<b>Total comprehensive loss</b>		<b>-</b>	<b>-</b>	<b>(568,668)</b>	<b>(568,668)</b>
Transactions with owners in their capacity as owners					
Issue of shares	11	3,482,744	-	-	3,482,744
Share-based payments	19	-	175,999	-	175,999
<b>Balance at 30 June 2021</b>		<b>4,213,617</b>	<b>381,527</b>	<b>(881,857)</b>	<b>3,713,287</b>

The accompanying notes form part of these financial statements.

## Statement of Cash Flows

### For the Year Ended 30 June 2021

		2021	2020
		\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Interest receipts		401	2
Other receipts/payments		28,000	-
Payments to suppliers and employees		(313,928)	(119,296)
<b>Net cash used in operating activities</b>	14	<b>(285,527)</b>	<b>(119,294)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment		(172,312)	-
Payments for exploration and evaluation assets		(3,212,131)	(200,217)
<b>Net cash used in investing activities</b>		<b>(3,384,443)</b>	<b>(200,217)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from issue of shares	11	3,482,744	730,869
<b>Net cash provided by financing activities</b>		<b>3,482,744</b>	<b>730,869</b>
Net increase in cash held		(187,226)	411,358
Cash at beginning of the year		411,358	-
<b>Cash at end of the year</b>	5	<b>224,132</b>	<b>411,358</b>

The accompanying notes form part of these financial statements.

## Notes to the Financial Statements For the Year Ended 30 June 2021

---

### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements are general purpose financial statements that have been prepared in accordance with the Corporations Act 2001, Australian Accounting Standards, and other authoritative pronouncements of the Australian Accounting Standards Board. Ballymore Resources Limited is a for-profit entity for the purpose of preparing the financial statements. The financial statements are presented in Australian dollars.

Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards.

The financial statements are for Ballymore Resources Limited (the Company). Ballymore Resources Limited is a listed public company, incorporated and domiciled in Australia. The financial report was authorised for issue on 29 September 2021 by the directors of the Company.

The principal activity of the Company is gold and base metal exploration.

The financial report is presented in Australian dollars, rounded to the nearest dollar, which is the functional currency of the Company.

Material accounting policies adopted in the preparation of these financial statements are presented below. They have been consistently applied unless otherwise stated.

#### Historical Cost Convention

The financial statements have been prepared under the historical cost convention.

#### Going Concern

The financial statements have been prepared on a going concern basis which contemplates the continuity of normal business activities and the realisation of assets and discharge of liabilities in the ordinary course of business.

For the year ended 30 June 2021 the Company generated a loss of \$568,668 and incurred operating cash outflows of \$285,527. As at 30 June 2021 the Company has cash and cash equivalents of \$224,132 and net assets of \$3,713,287. Subsequent to 30 June 2021, the Company raised a further \$7.0 million (before costs) after completing an IPO and listing on the ASX.

The Company's ability to continue to adopt the going concern assumption will depend upon the Company being able to manage its liquidity requirement and by taking some or all of the following actions:

1. raising additional capital;
2. successful exploration and subsequent exploitation of the Company's tenements; and
3. reducing its working capital expenditure.



## Notes to the Financial Statements for the Year Ended 30 June 2021

---

### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Going Concern (Continued)

The directors have concluded as a result of the requirement to raise funds in the future there exists a material uncertainty that may cast significant doubt regarding the Company's ability to continue as a going concern and therefore, the Company may be unable to realise their assets and discharge their liabilities in the normal course of business. Nevertheless, after taking into account the current financial position of the Company (including the \$7.0 million IPO completed subsequent to 30 June 2021), and the Company's ability to raise further capital, the directors have a reasonable expectation that the Company will have adequate resources to fund its future operational requirements and for these reasons they continue to adopt the going concern basis in preparing the financial report.

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

#### 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 Executive Director/Chief Executive Officer.

The Company has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources.

The Company is managed primarily on the basis of geographical locations as these locations have notably different risk profiles and performance assessment criteria. Operating segments are therefore determined on the same basis. Reportable segments disclosed are based on aggregating operating segments where the segments are considered to have similar economic characteristics and are similar with respect to any external regulatory requirements. Management currently identifies the Company as having only one reportable segment, being the exploration of mineral projects in Australia.

#### Income Tax

The income tax expense/income for the period comprises current income tax expense/income and deferred tax expense/income. Current income tax expense charged to profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities/assets are therefore measured at the amounts expected to be paid to/recovered from the relevant taxation authority. Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the period as well as unused tax losses. Current and deferred income tax expense/income is charged or credited directly to equity instead of profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

**Notes to the Financial Statements for the Year Ended 30 June 2021**

---

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)**Income Tax** (Continued)

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised. The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the Company will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

**Exploration and Evaluation Assets**

Exploration and evaluation assets are recognised in relation to tenements held directly by the company, as well as those subject to farm-in arrangements. Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. Such expenditures comprise net direct costs and an appropriate portion of related overhead expenditure but do not include overheads or administration expenditure not having a specific nexus with a particular area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage which permits reasonable assessment of the existence of economically recoverable reserves and active or significant operations in relation to the area are continuing.

A regular review will be undertaken on each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. A provision is raised against exploration and evaluation assets where the directors are of the opinion that the carried forward net cost may not be recoverable or the right of tenure in the area lapses. The increase in the provision is charged against the results for the year. Accumulated costs in relation to an abandoned area are written off in full against profit or loss in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

**Restoration Costs**

Costs of site restoration are provided over the life of the facility from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with clauses of the exploration and mining permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

Any changes in the estimates for the costs are accounted for on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly, the costs have been determined on the basis that the restoration will be completed within one year of abandoning the site.

The Company is not currently liable for any future restoration costs in relation to current areas of interest. Consequently, no provision for restoration has been deemed necessary.

**Impairment of Non-Financial Assets**

At each reporting date, the Company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to profit or loss.

## Notes to the Financial Statements for the Year Ended 30 June 2021

---

### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial Instruments

##### *Recognition and Initial Measurement*

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the company becomes a party to the contractual provisions of the instrument. Trade date accounting is adopted for financial assets. Financial instruments are initially measured at fair value plus transactions costs where the instrument is not classified as at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately.

##### *Derecognition*

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the company no longer has any significant continuing involvement in the risks and benefits associated with the asset.

Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

##### *Classification and Subsequent Measurement*

Financial instruments are subsequently measured at fair value or amortised cost using the effective interest rate method. Fair value is the price that would be received to sell an asset or paid to transfer an asset. Amortised cost is calculated as:

- (a) the amount at which the financial asset or financial liability is measured at initial recognition;
- (b) less principal repayments;
- (c) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method; and
- (d) less any reduction for impairment.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

The Company does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of accounting standards specifically applicable to financial instruments.

##### *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

##### *Financial liabilities*

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

**Notes to the Financial Statements for the Year Ended 30 June 2021**

---

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)**Financial Instruments** (Continued)*Impairment*

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

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

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

**Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of less than 3 months.

**Issued Capital**

Ordinary shares are classified as equity. Transaction costs (net of tax where the deduction can be utilised) arising on the issue of ordinary shares are recognised in equity as a reduction of the share proceeds received.

**Share-Based Payments**

The Company makes equity-settled share-based payments to directors, employees and other parties for services provided or the acquisition of exploration assets. Where applicable, the fair value of the equity is measured at grant date and recognised as an expense over the vesting period, with a corresponding increase to an equity account. The fair value of shares is ascertained as the market bid price. The fair value of options is ascertained using the Black and Scholes option valuation pricing model which incorporates all market vesting conditions. Where applicable, the number of shares and options expected to vest is reviewed and adjusted at each reporting date such that the amount recognised for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

Where the fair value of services rendered by other parties can be reliably determined, this is used to measure the equity-settled payment.

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

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

## Notes to the Financial Statements for the Year Ended 30 June 2021

---

### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Share-Based Payments (Continued)

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

#### Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST (or overseas VAT), except where the amount of GST incurred is not recoverable. In these circumstances the GST (or overseas VAT) is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST. Cash flows are presented in the statement of cash flows on a gross basis except for the GST component of investing and financing activities which are disclosed as operating cash flows.

#### Plant and Equipment

Each class of property, plant and equipment is carried at cost less, accumulated depreciation and any impairment losses. Plant and equipment are measured on the cost basis and therefore carried at cost less accumulated depreciation and any accumulated impairment. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss. A formal assessment of recoverable amount is made when impairment indicators are present.

The carrying amount of plant and equipment is reviewed periodically by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

The cost of fixed assets constructed within the Company includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the profit or loss and other comprehensive income during the financial period in which they are incurred.

#### *Depreciation*

The depreciable amount of all fixed assets is depreciated on a straight-line basis over the asset's useful life to the Company commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements. The depreciation rates used for each class of depreciable assets are:

- Plant and equipment 20%
- Motor Vehicles 20%
- Office equipment 33.3%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the profit or loss.

#### Employee Benefits

##### *Short-term employee benefit obligations*

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled wholly within 12 months after the end of the reporting period are recognised in liabilities in respect of employees' services rendered up to the end of the reporting period and are measured at amounts expected to be paid when the liabilities are settled.

## Notes to the Financial Statements for the Year Ended 30 June 2021

---

### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Employee Benefits (Continued)

##### *Other long-term employee benefits*

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

##### *Defined contribution superannuation expense*

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

#### Current and non-current classification

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

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

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

Deferred tax assets and liabilities are always classified as non-current.

#### Earnings Per Share (EPS)

Basic earnings per share is calculated by dividing the loss attributable to equity holders 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 any bonus elements in ordinary shares issued during the year.

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.

#### New and Amended Standards and Interpretations

The Company has adopted all of the new or amended Accounting Standards and Interpretations issued by the AASB that are necessary for the current reporting period. Adoption of these new and amended standards and interpretations did not have material impact to the financial statements.

#### New Standards and Interpretations Not Yet Adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2021 reporting periods. The Company has decided against early adoption of these standards. The Company has assessed the impact of these new standards that are not yet effective and determined that they are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

## Notes to the Financial Statements for the Year Ended 30 June 2021

### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Critical Accounting Estimates and Judgements

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies.

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision effects only that period or in the period and future periods if the revision affects both current and future periods. The following estimates and judgements were used for the current financial year:

#### Exploration and Evaluation Assets

The Company performs regular reviews on each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. These reviews are based on detailed surveys and analysis of exploration and drilling results performed to reporting date. Exploration and evaluation assets as at 30 June 2021 were \$3,479,415.

### NOTE 2: OTHER INCOME

	2021	2020
	\$	\$
<b>Other income:</b>		
Interest received from other persons	401	2
Gain on sale of equipment <sup>(1)</sup>	28,000	-
	<u>28,401</u>	<u>2</u>

#### Notes:

(1) An item of plant was sold to a third party during the year. On acquisition of the Dittmer project this item was ascribed no value due to its age and condition. Hence the full consideration represents a gain..

### NOTE 3: EXPENSES

	2021	2020
	\$	\$
<b>Included in expenses are the following items:</b>		
Share based payment expense	175,299	205,528
Accounting and audit fees	63,210	16,000
ASX, ASIC, share registry expenses	73,312	-
Consulting fees	-	30,000
Insurance	17,983	-
Legal fees	55,108	22,238
Employee benefits expense comprises:		
Directors and senior management fees	90,981	-
Provision for leave entitlement	50,610	-

## Notes to the Financial Statements for the Year Ended 30 June 2021

### NOTE 4: INCOME TAX EXPENSE

#### Recognised in the Statement of profit or loss

	2021	2020
	\$	\$
<b>a) Tax expense</b>		
Current tax expense	-	-
Deferred tax expense	-	-
Total income tax expense per the Statement of profit or loss	-	-

#### b) Numerical reconciliation between tax expense and pre-tax net profit or (loss)

<b>Net loss before tax</b>	<b>(568,668)</b>	<b>(313,189)</b>
<i>Corporate tax rate applicable</i>	26%	27.5%
<b>Income tax benefit on above at applicable corporate rate</b>	<b>(147,854)</b>	<b>(86,127)</b>
Increase in income tax due to tax effect of:		
Share-based payments expense	45,578	56,520
Non-deductible expenses	472	14,799
Current year tax losses not recognised	138,967	14,808
Temporary differences recognised	(37,163)	-
Income tax expense attributable to entity	-	-

#### Deferred tax assets and liabilities

<b>(c) Recognised deferred tax assets and liabilities</b>	26%	27.5%
<b>Deferred tax assets</b>		
Employee provisions	4,930	-
Other provisions and accruals	50,185	-
Tax losses	681,841	57,195
	736,956	57,195
Set-off of deferred tax liabilities	(736,956)	(57,195)
Net deferred tax assets	-	-



**Notes to the Financial Statements for the Year Ended 30 June 2021****NOTE 4: INCOME TAX EXPENSE** (Continued)

	2021	2020
	\$	\$
<b>(c) Recognised deferred tax assets and liabilities</b> (Continued)		
<b>Deferred tax liabilities</b>		
Prepayments	17,952	-
Exploration and mine properties	719,004	57,195
Gross deferred tax liabilities	<u>736,956</u>	<u>57,195</u>
Set-off of deferred tax assets	<u>(736,956)</u>	<u>(57,195)</u>
Net deferred tax liabilities	<u>-</u>	<u>-</u>

**(d) Unused tax losses and temporary differences for which no deferred tax assets has been recognised**

Deferred tax assets have not been recognised in respect of the following using corporate tax rates of:

	26%	27.5%
Tax losses not recognised	153,775	14,808
Total unrecognised deferred tax assets	<u>153,775</u>	<u>14,808</u>

The corporate tax rates on both recognised and unrecognised deferred tax assets and deferred tax liabilities have been calculated with respect to the tax rate that is expected to apply in the year the deferred tax asset is realised or the liability is settled.

Unused losses at 30 June 2021 total \$3,213,908 (2020: 261,828). The benefit of these losses will only be obtained if:

- the Company derives future assessable income of a nature and of an amount sufficient to enable the losses to be realised;
- the Company continues to comply with the conditions for deductibility imposed by the law; and
- no changes in tax legislation adversely affect the Company in realising the losses.

**NOTE 5: CASH AND CASH EQUIVALENTS**

	2021	2020
	\$	\$
Cash at bank and on hand	<u>224,132</u>	<u>411,358</u>
	<b>224,132</b>	<b>411,358</b>

## Notes to the Financial Statements for the Year Ended 30 June 2021

### NOTE 6: OTHER RECEIVABLES

	2021	2020
	\$	\$
Current:		
Other receivables	65,692	31,680
	<b>65,692</b>	<b>31,680</b>

Receivables are non-interest bearing and are generally on 30-60 day terms. No allowance for expected credit losses has been recorded for the current period.

Due to the short term nature of these receivables, their carrying value is assumed to approximate fair value. The maximum exposure to credit risk is the carrying value of receivables. Collateral is not held as security.

The receivables are not exposed to foreign exchange risk.

### NOTE 7: OTHER CURRENT ASSETS

	2021	2020
	\$	\$
Current:		
Prepayments	69,048	-
	<b>69,048</b>	-

### NOTE 8: PROPERTY, PLANT AND EQUIPMENT

	2021	2020
	\$	\$
At cost	172,312	-
Accumulated depreciation	(25,190)	-
	<b>147,122</b>	-
Plant and equipment, at cost	144,237	-
Accumulated depreciation	(19,713)	-
	124,524	-
Motor vehicle, at cost	22,000	-
Accumulated depreciation	(4,050)	-
	17,950	-
Computer equipment	6,075	-
Accumulated depreciation	(1,427)	-
	4,648	-
	<b>147,122</b>	-

Reconciliation of the carrying amounts for property, plant and equipment is set out below:

	Plant and equipment	Motor Vehicle	Computer equipment	Total
Balance at 1 July 2020	-	-	-	-
Additions- at cost	144,237	22,000	6,075	172,312
Depreciation expense	(19,713)	(4,050)	(1,427)	25,190
Disposals	-	-	-	-
<b>Balance at 30 June 2021</b>	<b>124,524</b>	<b>17,950</b>	<b>4,648</b>	<b>147,122</b>

## Notes to the Financial Statements for the Year Ended 30 June 2021

### NOTE 9: EXPLORATION AND EVALUATION ASSETS

	2021	2020
	\$	\$
Exploration and evaluation expenditure carried forward in respect of areas of interest are:		
Acquisitions - at cost	714,016	153,395
Exploration and evaluation phase - at cost	2,765,399	207,981
	3,479,415	361,376
Movement in exploration and evaluation assets:		
Acquisitions:		
Opening balance - at cost	153,395	-
Acquisition costs - purchase prices paid to acquire projects	515,000 <sup>(1)(2)</sup>	109,567 <sup>(3)(4)</sup>
Acquisition costs - other project acquisition costs	45,621	43,828
Total acquisitions costs	714,016	153,395
Exploration and evaluation phase – at cost:		
Opening balance - at cost	207,981	-
Capitalised exploration expenditure	2,557,418	207,981
Total exploration and evaluation phase – at cost:	2,765,399	207,981
<b>Carrying amount at the end of the year</b>	<b>3,479,415</b>	<b>361,376</b>

Recoverability of the carrying amount of exploration assets is dependent on the successful development and commercial exploitation of projects, or alternatively, through the sale of the areas of interest.

Notes for the above table relating to the year ended 30 June 2021 are:

- (1) On 20 June 2020 the Company entered into a Mining Asset Sale Agreement to acquire EPM14255, ML10340 and ML10341. The total cash consideration was \$490,000 payable upon achievement of certain conditions, with \$290,000 paid in December 2020 upon the successful transfer of the title and ownership of the licences to Ballymore, and the balance of \$200,000 paid in June 2021 after the successful transfer of the title and ownership of the licences to Ballymore.
- (2) In June 2020 the Company entered into a Mining Asset Sale Agreement to acquire EPM26912, forming part of the Dittmer Project. The consideration price of \$25,000 was paid in February 2021 upon the successful transfer of the title and ownership of the licence to Ballymore.

Notes for the above table relating to the year ended 30 June 2020 are:

- (3) The Company paid \$69,567 purchase price for the assignment of a binding term sheet for the farm-in agreement for the Ravenswood Project, comprising EPMs 18424, 18426, 18637, 25466 and 25467.
- (4) The Company paid \$40,000 purchase price after entered into a Sale and Purchase Agreement for the Ruddygore Project, comprising EPMs 14015, 15047 and 15053.

## Notes to the Financial Statements for the Year Ended 30 June 2021

### NOTE 10: TRADE AND OTHER PAYABLES

	2021	2020
	\$	\$
Current:		
Trade payables and accrued expenses	253,160	181,202
Short term employee benefits	18,961	-
<b>Total payables (unsecured)</b>	<b>272,121</b>	<b>181,202</b>

The average credit period on purchases of goods and services is 30 days. No interest is paid on trade payables.

### NOTE 11: CONTRIBUTED EQUITY

#### Fully paid ordinary shares

		2021		2020	
		No. of Shares	\$	No. of Shares	\$
Balance at the beginning of the year	(a)	48,568,919	730,873	4	4
Share issues:					
Placement – March 2020	(b)	-	-	36,068,915	230,869
Placement – May 2020	(c)	-	-	12,500,000	500,000
Placement – August 2020	(d)	11,609,147	3,482,744	-	-
Share split – May 2021	(e)	60,178,066	-	-	-
<b>Balance as at 30 June</b>		<b>120,356,132</b>	<b>4,213,617</b>	<b>48,568,919</b>	<b>730,873</b>

Ordinary shareholders are entitled to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amount paid on the shares held. Every ordinary shareholder present at a meeting in person or by proxy is entitled to one vote on a show of hands or by poll. Ordinary shares have no par value.

Notes for the above table are:

- (a) Issued at \$1 for 1 share for the incorporation of the Company on 12 April 2019.
- (b) In March 2020, 12,981,995 shares were issued to the founding shareholders of the Company (for no consideration) and a further 23,086,920 shares were issued at \$0.01 each, raising \$230,869.
- (c) In May 2020, 12,500,000 shares were issued at \$0.04 each, raising \$500,000.
- (d) In August 2020, 11,609,147 shares were issued at \$0.30 each, raising \$3,482,744.
- (e) In May 2021 the Company undertook a (2 for 1) share split resulting in 60,178,066 new shares being issued.

## Notes to the Financial Statements for the Year Ended 30 June 2021

### NOTE 11: CONTRIBUTED EQUITY (Continued)

#### Unlisted Options

	Note	Weighted average exercise price	2021 No. of Options	Weighted average exercise price	2020 No. of Options
Unlisted Share Options		\$0.272	5,520,000	\$0.30	10,000,000
Balance at the beginning of the year		\$0.30 <sup>(1)</sup>	10,000,000	-	-
Change of options during the year:					
Issued to directors and consultants	19	-	-	\$0.30	10,000,000
Issued to employees	19	\$0.225 <sup>(2)</sup>	620,000	-	-
Issued to consultants	19	\$0.225 <sup>(2)</sup>	400,000	-	-
Options cancelled		-	(2,500,000)	-	-
Share/Option split (2 for 1)		-	8,520,000	-	-
Options cancelled		-	(11,520,000)	-	-
<b>Exercisable at end of year</b>		<b>\$0.272</b>	<b>5,520,000</b>	<b>\$0.30</b>	<b>10,000,000</b>

Notes for the above table:

- (1) In May 2021 the Company undertook a (2 for 1) share/option split resulting in the option exercises prices being adjusted (to 50% from when issued). Also during the year ended 30 June 2021 the Company cancelled some options and adjusted the exercise price of the options held by directors (and one consultant). These changes resulted in the options on issue at 30 June 2020 (10,000,000 with exercises prices of \$0.30) being 3,480,000 options with exercise prices of \$0.25 each at 30 June 2021.
- (2) In May 2021 the Company undertook a (2 for 1) share/option split resulting in the option exercises prices being adjusted (to 50% from when issued). These options issued to employees and consultants were originally issued with \$0.45 exercise prices.

#### Capital Management

Exploration companies such as Ballymore Resources Limited are funded almost exclusively by share capital. Management controls the capital of the Company to ensure it can fund its operations and continue as a going concern. Capital management policy is to fund its exploration activities principally by way of equity, and where required, debt and/or project finance. No dividend will be paid while the Company is in exploration stage. There are no externally imposed capital requirements.

There have been no other changes to the capital management policies during the year.

### NOTE 12: RESERVES

#### Share-Based Payments Reserve

The share-based payment reserve is used to recognise the fair value of options and performance shares issued to directors, employees and consultants. This reserve can be reclassified to accumulated losses if options lapse. Refer to note 19 for details of share based payment arrangements and valuations.

## Notes to the Financial Statements for the Year Ended 30 June 2021

### NOTE 13: OPERATING SEGMENTS

#### Segment Information

#### Identification of reportable segments

The Company does not have any products or services that it derives revenue from. The Company's exploration and development activities in Australia is the Company's sole focus.

Accordingly, management currently identifies the Company as having only one reportable segment, being the exploration of mineral projects in Australia. There have been no changes in the reporting segments during the year. Accordingly, all significant operating decisions are based upon analysis of the Company as one segment. The financial results from this segment are equivalent to the financial statements of the Company as a whole.

### NOTE 14: CASH FLOW INFORMATION

	2021	2020
	\$	\$
<b>A. Reconciliation of Cash Flow from Operations with Loss after Income Tax:</b>		
Loss after income tax	(568,668)	(313,189)
Non-cash flows in loss from ordinary activities:		
Impairment of loans		
Share based payments	175,999	205,528
Changes in operating assets and liabilities:		
(Increase)/Decrease in receivables	(34,012)	(31,680)
(Increase)/Decrease in prepayments and other assets	(69,048)	
Increase/(decrease) in payables and accruals	210,202	20,047
<b>Net cash used in operations</b>	<b>(285,527)</b>	<b>(119,294)</b>

#### B. Reconciliation of Cash Flow from Investing and Financing with Loss after Income Tax:

There were no non-cash investing or financing activities.

### NOTE 15: EARNINGS PER SHARE

	2021	2020
	\$	\$
Net loss used in the calculation of basic and diluted EPS attributable to owners of the Company	(568,668)	(313,189)
Weighted average number of ordinary shares outstanding during the period used in the calculation of basic EPS	116,412,203	18,758,142

Options are considered potential ordinary shares. Options issued are not presently dilutive and were not included in the determination of diluted earnings per share for the period.

## Notes to the Financial Statements for the Year Ended 30 June 2021

### NOTE 16: COMMITMENTS

#### (a) Exploration Commitments

The Company has certain obligations to expend minimum amounts on exploration in tenement areas. These obligations may be varied from time to time and are expected to be fulfilled in the normal course of operations of the Company.

The following commitments exist at reporting date but have not been brought to account. If the relevant option to acquire a mineral tenement is relinquished the expenditure commitment also ceases. The Company has the option to negotiate new terms or relinquish the tenements and also to meet expenditure requirements by joint venture or farm-in arrangements.

	2021	2020
	\$	\$
Not later than 1 year	975,142	426,936
Later than 1 year but not later than 5 years	2,159,249	2,495,518
Later than 5 years	-	305,554
<b>Total commitment</b>	<b>3,134,391</b>	<b>3,228,008</b>

In May 2020 the Company entered into a Farm-In and Option Agreement for the Ravenswood Project, comprising EPMs 18424, 18426, 18637, 25466 and 25467. The agreement required \$200,000 to be spend on the project by October 2020 (successfully achieved) and a further \$300,000 to be spent by October 2021 to earn 51% (Initial Interest). This was achieved in September 2021. Ballymore has the option to acquire the remaining 49% for \$5.0m (by 31 October 2024). There are also standard sole funding or joint venture contribution clauses. None of these amounts are included in the table above.

#### (b) Short-term Lease Commitments

The Company has no short-term leases.

#### (c) Capital Commitments

The Company has no capital commitments.

### NOTE 17: CONTINGENT LIABILITIES

As set out in Note 9, the Company entered into a Mining Asset Sale Agreement to acquire EPM14255, ML10340 and ML10341. The agreement includes a royalty of 5.0% of all revenue from future mining activities. The Company has the option to acquire the royalty for \$3.75million.

There were no other contingent liabilities at the end of the reporting period.

## Notes to the Financial Statements for the Year Ended 30 June 2021

### NOTE 18: RELATED PARTY TRANSACTIONS

#### Key Management Personnel

	2021	2020
	\$	\$
Short-term employee benefits	417,552	-
Share-based payments	-	205,527
Post employment benefits	34,834	-
	<b>452,386</b>	<b>205,527</b>

As at 30 June 2020, invoices totalling \$78,265 (\$71,150 plus GST) were outstanding to Izmin Pty Ltd for geological services performed over the period from November 2019 to June 2020. Izmin Pty Ltd is a company owned by David A-Izzeddin, a director of Ballymore Resources Limited.

### NOTE 19: SHARE-BASED PAYMENTS

#### Director and Employee Share-based Payments

Share-based payment expense recognised during the year:

	2021	2020
	\$	\$
Share-based payment expense recognised during the period:		
Options issued to directors (1)	-	174,699
Options issued to a consultant (1)	-	30,829
Options issued to employees (2)	109,981	-
Options issued to a consultant (3)	66,018	-
	<b>175,999</b>	<b>205,528</b>

Notes for the above table, relating to the years ended 30 June 2021 and 30 June 2020 are:

- (1) During the year ended 30 June 2020, 8,500,000 options were granted to the Board and 1,500,000 to a consultant. The options vested on grant date and expire on 30 June 2024. At the time of grant, the exercise price of the options was the higher of 6.0 cents or the price of the next capital raise, which resulted in the exercise price being confirmed as 30.0 cents.

The fair value of options granted during the year was 2.055 cents per option. The fair value at grant date was determined by an independent valuator using a Black-Scholes option pricing model that takes into account the share price at grant date, probable exercise prices (and attaching probabilities), expected volatility, option life, expected dividends, the risk free rate, the impact of dilution, and the fact that the options are not tradeable. The inputs used for the Black-Scholes option pricing model for the option granted during the year ended 30 June 2020 were as follows:

- grant date: 7 May 2020
- deemed share price at grant date: 4.0 cents
- exercise price: range between 6.0 cents and 30.0 cents
- expected volatility: 100%
- expected dividend yield: nil%
- risk free rates: 0.3326%



## Notes to the Financial Statements for the Year Ended 30 June 2021

### NOTE 19: SHARE-BASED PAYMENTS (Continued)

- (2) During the year ended 30 June 2021, 620,000 options were granted to employees. The options vested on grant date and expire on 30 June 2024. The exercise price of the options is 45.0 cents.

The fair value of options granted was 17.74 cents per option. The fair value at grant date was determined by an independent valuator using a Black-Scholes option pricing model that takes into account the share price at grant date, exercise price, expected volatility, option life, expected dividends, the risk free rate, the impact of dilution, and the fact that the options are not tradeable. The inputs used for the Black-Scholes option pricing model for the options granted were as follows:

- grant date: 1 November 2020
- deemed share price at grant date: 30.0 cents
- exercise price: 45.0 cents
- expected volatility: 100%
- expected dividend yield: nil%
- risk free rates: 0.1902%

- (3) During the year ended 30 June 2021, a further 400,000 options were granted to a consultant. The options vested on grant date and expire on 30 June 2024. The exercise price of the options is 45.0 cents.

The fair value of options granted was 16.5 cents per option. The fair value at grant date was determined by an independent valuator using a Black-Scholes option pricing model that takes into account the share price at grant date, exercise price, expected volatility, option life, expected dividends, the risk free rate, the impact of dilution, and the fact that the options are not tradeable. The inputs used for the Black-Scholes option pricing model for the options granted were as follows:

- grant date: 26 April 2021
- deemed share price at grant date: 30.0 cents
- exercise price: 45.0 cents
- expected volatility: 100%
- expected dividend yield: nil%
- risk free rates: 0.1101%.

\*Note: All options noted above were issued prior to a (2 for 1) share/option split that took place on 11 May 2021, and prior any option cancellations (refer note 11). As such, all share and option exercise prices noted above are before the share/option split and cancellations. There was no impact on the financial statements as a result of the cancellations and share/option split noted above.

### NOTE 20: AUDITOR'S REMUNERATION

Remuneration for the auditor of the Company:

	2021	2020
	\$	\$
BDO Audit Pty Ltd and its related entities:		
Auditing or reviewing the financial reports	54,851	11,000
IPO due diligence services	5,552	-
	<b>60,403</b>	<b>11,000</b>

## Notes to the Financial Statements for the Year Ended 30 June 2021

---

### NOTE 21: FINANCIAL RISK MANAGEMENT

#### (a) Financial Risk Management Policies

The Company's financial instruments comprises cash balances, receivables and payables. The main purpose of these financial instruments is to provide finance for operations.

#### *Treasury Risk Management*

Key executives of the Company meet on a regular basis to analyse exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

The board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. Management is responsible for developing and monitoring the risk management policies and reports to the board.

#### *Financial Risks*

The main risks the Company is exposed to through its financial instruments are interest rate risk, foreign currency risk, credit risk and liquidity risk. These risks are managed through monitoring of forecast cash flows, interest rates, economic conditions and ensuring adequate funds are available.

#### *Interest Rate Risk*

The Company's exposure to interest rate risk, which is the risk that a financial instrument's cash flows or fair value will fluctuate as a result of changes in market interest rates, arises in relation to the Company's bank balances. This risk is managed through the use of variable rate bank accounts.

#### *Liquidity Risk*

Liquidity risk is the risk that the Company will not be able meet its financial obligations as they fall due. This risk is managed by ensuring, to the extent possible, that there is sufficient liquidity to meet liabilities when due, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's activities are funded from equity and where required and available debt and/or project finance.

#### *Credit Risk*

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is their carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements.

Credit risk arises from exposures to deposits with financial institutions and sundry receivables.

Credit risk is managed and reviewed regularly by key executives. The key executives monitor credit risk by actively assessing the rating quality and liquidity of counter parties:

- only banks and financial institutions with an 'A' rating are utilised; and
- all other entities are rated for credit worthiness taking into account their size, market position and financial standing.

At 30 June 2021, there was no concentration of credit risk, other than bank balances.

## Notes to the Financial Statements for the Year Ended 30 June 2021

### NOTE 21: FINANCIAL RISK MANAGEMENT (Continued)

#### (a) Financial Risk Management Policies (Continued)

##### *Foreign Currency Risk*

The Company has no material exposure to foreign currency risk at the end of the reporting period.

#### (b) Financial Instrument Composition and Contractual Maturity Analysis

	2021	2020
	\$	\$
<b>Financial assets:</b>		
Within 6 months:		
cash & cash equivalents <sup>(1)</sup>	224,132	411,358
receivables <sup>(1)</sup>	25,097	31,680
	<b>249,229</b>	<b>443,038</b>
<b>Financial liabilities:</b>		
Within 6 months:		
payables <sup>(1)</sup>	253,160	181,202
	<b>146,010</b>	<b>181,202</b>

##### **Notes:**

(2) *Non-interest bearing. The contractual cash flows do not differ to the carrying amount.*

#### (c) Net Fair Values

Fair values of financial assets and financial liabilities are materially in line with carrying values.

#### (d) Sensitivity Analysis

The Company has performed sensitivity analysis relating to its exposure to interest rate risk. At year end, the effect on profit and equity as a result of a 1% change in the interest rate, with all other variables remaining constant, is immaterial.

**Notes to the Financial Statements for the Year Ended 30 June 2021**

---

**NOTE 22: SUBSEQUENT EVENTS**

On 23 July 2021, the Company completed a selective buy back (for nominal consideration) and cancellation of 33,998,243 shares. On the same date, 11,520,000 of the \$0.15 options (expiring on 30 June 2024) were cancelled and the exercise price of the remaining 3,480,000 options increased to \$0.25 each. The 2,040,000 \$0.225 options expiring on 30 June 2024 were not effected.

On 31 August 2021, 35,000,000 shares were issued as part of the Company's Initial Public Offering (IPO) on the ASX, raising \$7,000,000 (before costs).

On 1 September 2021 the Company was admitted to the Official List of the ASX.

In May 2020 the Company entered into a Farm-In and Option Agreement for the Ravenswood Project, comprising EPMs 18424, 18426, 18637, 25466 and 25467. The agreement required \$200,000 to be spend on the project by October 2020 (successfully achieved) and a further \$300,000 to be spent by October 2021 to earn 51% (Initial Interest). The Initial Interest was successfully earned in September 2021. Ballymore has the option to acquire the remaining 49% for \$5.0m (by 31 October 2024).

Other than the matters noted above, there are no other matters or circumstances that have arisen since the end of the year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

**NOTE 23: COMPANY DETAILS**

The registered office and principal place of business is:

Suite 606, Level 6, 10 Market Street  
Brisbane, Queensland, 4000 Australia

**NOTE 24: DIVIDENDS & FRANKING CREDITS**

There were no dividends paid or recommended during the financial year. There are no franking credits available to the shareholders of the Company.

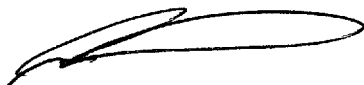
## Directors' Declaration

---

The directors of the Company declare that:

1. The attached financial statements and notes are in accordance with the Corporations Act 2001, the Corporations Regulations 2001, including:
  - a. complying with the Australian Accounting Standards which, as stated in accounting policy note 1 to the financial statements, constitutes explicit and unreserved compliance with International Financial Reporting Standards (IFRS); and
  - b. giving a true and fair view of the Company's financial position as at 30 June 2021 and of its performance for the financial year ended on that date.
2. The chief executive officer (or equivalent) and chief financial officer have each declared that:
  - a. the financial records of the Company for the financial year have been properly maintained in accordance with section 286 of the Corporations Act 2001;
  - b. the financial statements and notes for the financial year comply with the Accounting Standards; and
  - c. the financial statements and notes for the financial year give a true and fair view.
3. In the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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



Nick Jorss  
Director

Dated: 29 September 2021  
Brisbane, Queensland

## INDEPENDENT AUDITOR'S REPORT

To the members of Ballymore Resources Limited

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of Ballymore Resources Limited (the Company), which comprises the statement of financial position as at 30 June 2021, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the 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 Ballymore Resources Limited, is in accordance with the *Corporations Act 2001*, including:

- (i) Giving a true and fair view of the Company's financial position as at 30 June 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 Company 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 entity's ability to continue as a going concern and therefore the entity 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
<p>The Entity carries exploration and evaluation assets in accordance with the Entity's accounting policy for exploration and evaluation assets as set out in Note 9.</p> <p>The recoverability of exploration and evaluation asset is a key audit matter due to the significance of the total balance as a proportion of total assets and the level of procedures undertaken to evaluate management's application of the requirements of AASB 6 Exploration for and Evaluation of Mineral Resources ('AASB 6') in light of any indicators of impairment that may be present.</p>	<p>Our procedures included:</p> <ul style="list-style-type: none"> <li>Obtaining evidence that the Entity has valid rights to explore in the areas represented by the capitalised exploration and evaluation expenditure by obtaining supporting documentation such as licence agreements and also considering whether the Entity maintains the tenements in good standing.</li> <li>Making enquiries of management with respect to the status of ongoing exploration programs in the respective areas of interest.</li> <li>Enquiring of management, reviewing ASX announcements and reviewing directors' minutes to ensure that the Entity had not decided to discontinue activities in any applicable areas of interest and to assess whether there are any other facts or circumstances that existed to indicate impairment testing was required.</li> </ul>

### Other information

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

Our opinion on the financial report does not cover the other information and 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or 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/ar2\\_2020.pdf](https://www.auasb.gov.au/admin/file/content102/c3/ar2_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 on pages 14 to 18 of the directors' report for the year ended 30 June 2021.

In our opinion, the Remuneration Report of Ballymore Resources 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 Pty Ltd**

A handwritten signature in black ink, appearing to read 'R M Swaby'. Above the signature, the letters 'BDO' are written in a smaller, cursive script.

**R M Swaby**  
Director

Brisbane, 29 September 2021