NORTHAM
RESOURCES

ABN 57 619 335 321

Financial Statements
For the year ended 30 June 2024

Contents

Message from the Chairman

Dear Shareholders,

Thank you for your support of Northam Resources Ltd (**Northam** or the **Company**).

Your Board continues to focus on maximising value from our existing exploration portfolio, minimising costs, whilst also reviewing opportunities for further growth. Several potential project opportunities have been reviewed in detail, yet none have been able to deliver demonstrable synergistic value with our existing portfolio.

Like many shareholders, the Board is also motivated to see the Company listed, however not being so has placed us in an enviable position over our peers over the last year, as many have experienced significant value destruction. Often to the point where their market valuations are now well below fair value.

The Company has a professional and motivated Joint Venture partner in Chalice Mining Ltd (**Chalice**), who is actively exploring the tenement portfolio, and provides regular updates around their achievements and forward plans. They have identified some new and exciting exploration targets, based on the systematic application of good science and the latest technology. We are particularly looking forward to their upcoming drilling campaign, which will commence once harvest has been completed in the Northam area.

More generally we believe that we are starting to see an initial recovery in equity markets. This appears to have been triggered by a global trend towards lower inflation, followed more recently by the lowering of central bank interest rates, both in the USA and a number of other advanced economies. If this momentum continues, we expect that this will translate into investors moving from bonds and fixed term interest investments, back into equities, as investors chase higher returns. The Company is well positioned to benefit from this change in sentiment.

As such the Board will continue to focus on managing the JV with Chalice, as well as looking for new flagship assets to support the Company's future IPO.

On behalf of your Board, I would like to thank you again for your patience and support this year. The Company is well positioned for the future, and I look forward to keeping you informed as our plans unfold.

Mat Longworth
Chairman

Directors' Report

The names and details of the Company's directors in office during the financial year and until the date of this report are set out below. Directors were in office for this entire period unless otherwise stated.

Directors

The names of the Directors in office at any time during or since the end of the year are:

Name	Position	Term
Mr Mathew Longworth	Non-executive Chairman	Appointed 5 March 2021
Mr Danny Hanna	Non-executive Director	Appointed 15 July 2019
Mr James Larkham	Non-executive Director	Appointed 9 July 2018
Mr Edward Grieve	Non-executive Director	Appointed 1 June 2023, resigned 25 October 2023

Mr Mathew Longworth – Non-Executive Chairman (appointed 5 March 2021)

Mr Longworth is an experienced geologist and mining executive with over 33 years experience across large projects, exploration and discoveries. He holds over 20 years of board level experience, and his areas of expertise include exploration, due diligence, operational audits, and mining asset valuation, covering gold, nickel, iron ore, base metals and coal.

Mr Longworth has held Exploration Manager, Chief Operations Officer, Managing Director and Chief Executive Officer roles with Heron Resources Limited (ASX: HRR). He has also served as General Manager of a national mining consulting firm, and as an Independent Mining Consultant with a small funds management firm. He has led expert evidence on exploration, valuation and due diligence in matters before the Federal Court and Administrative Appeals Tribunal. He also holds significant gold, copper, nickel (sulphide and laterite), base metals, iron ore and coal experience in Australia, Greenland, Africa, South America and the Pacific.

Mr Longworth is currently non-executive chairman of ASX listed Ardea Resources Limited (ASX:ARL) and public unlisted Greenfields Exploration Limited as well as non-executive director of Asra Minerals Limited (ASX:ASR). He was also non-executive chairman of Echo Resources Limited from 2012 to 2016 and non-executive chairman of Metalicity Limited (ASX:MCT) from July 2019 to May 2021.

Mr Danny Hanna – Non-executive Director (appointed 15 July 2019)

Mr Hanna is a Member of the Australian Institute of Company Directors and has 30 years of extensive experience in the property development and construction industry. Mr Hanna is the founder of Hannas Group of Companies, a privately owned property and civil infrastructure company.

Mr Hanna has been involved in the construction and management of a wide and diverse range of significant infrastructure projects, including major substations, chemical dosing plants, roads, water treatment plants, major oil and gas facilities, and has been involved in the construction and management of large waste recycling facilities, major residential developments as well as commercial and industrial properties.

Mr Hanna has successfully overseen exponential growth of his business in the past 30 years and has developed Hannas Group of Companies into a dynamic, diversified and respected company within the industry.

Mr James Larkham – Non-executive Director (appointed 9 July 2018)

Mr Larkham is a knowledgeable strategic professional who holds a bachelor's degree in Civil Engineering and is a member of the Australian Institute of Company Directors. Mr Larkham has extensive operational experience working for tier one mining and infrastructure companies.

Mr Larkham is a highly numerate individual with a strong academic grounding, who thrives in high-pressure environments and under tight deadlines. Mr Larkham has proven career experience using astute financial acumen, strategic planning and resolute decision making to surpass targets and constantly achieve successful results. Mr Larkham has the character and decorum to stand behind ethical decisions and promote fair and impartial engagement in the company and shareholders' best interests.

Mr Edward Grieve – Non-executive Director (appointed 1 June 2023, resigned 25 October 2023)

Company Secretary

Mr Patrick Soh (appointed 23 February 2023)

Mr Soh is a CPA with a Bachelor of Business from Curtin University and has 28 years of experience in financial strategies, analysis and governance with both international and Australian companies.

He has worked across multiple industry sectors including, mining, exploration, automotive manufacture and energy market operators. He has extensive experience in financial risk foresight. Mr Soh is also the CFO for the Australian Silica Quartz Group Ltd.

Ms Kate Stoney (appointed 1 February 2022, resigned 23 February 2023)

Principal Activity

The principal activity of the Company is exploration for mineral resources.

Directors' Meetings

During the year the Company held twelve Board meetings. Board decisions were also undertaken via circular resolutions signed by all Directors entitled to vote.

Director	Eligible to Attend	Attended
Mat Longworth	3	3
Eddie Grieve	3	3
Danny Hanna	3	3
James Larkham	3	3

Review of operations and financial results

Following the execution of the Bolgart Earn-in Joint Venture Agreement (EJVA) during FY23, a second EJVA was signed with Chalice in July 2023. Following the completion of this agreement, Chalice became the operating exploration manager across the Company's entire tenement portfolio in the Northam region of Western Australia. In summary, the high-level terms of this second agreement include:

- $150k in cash,
- Up to $3.46m in cash or shares, and
- Up to $17m in exploration expenditure.

The final amounts are conditional on Chalice completing both stages of the earn-in.

Exploration completed by Chalice:

- Drilling at the Bolgart prospect, completing 3 diamond core holes:
    - Hole BPLN016 tested an EM conductor and returned massive pyrrhotite-dominant sulphides in a gneissic sediment. Pyrrhotite is magnetic but does not contain nickel or copper.
    - Hole BLN015 was abandoned at 30m due to ground conditions.
    - Hole BLN017 intercepted ultramafic rocks from 70m to 140m but no sulphides were identified.
- Collected 333 hand auger samples over targets on E70/5150 and E70/5149.
- Assayed 515 auger soil samples at Howard, Bagshaw and Chamberlain targets, previously collected by Northam.
- Completed 53 out of a planned 105 roadside visits, identifying 7 newly recognised ultramafic occurrences that are associated with aeromagnetic anomalies.
- 570 primary Moving Loop EM (**MLEM**) stations completed over 8 targets
- 60 follow up Fixed Loop EM (**FLEM**) stations completed over 2 targets
- Follow up FLEM and final modelling of conductors has resulted in the upgrading of previously reported plates at the Chamberlain, Howard Kelpie, Schrodinger North and Schrodinger South.
- SQUID MLEM at KL Bulldog, Kann, Trelawny, Yerecoin North has downgraded these targets.

Schrodinger

- Schrodinger is a large complex magnetic high in the centre of E70/5149.
- A FLEM survey completed has identified a discrete 150x50m 8kS plate which projected to surface correlates with the centre of the magnetic anomaly.
- Other plates identified included Schrodinger N (2kS plate) and Schrodinger S (two western 500S plates).

Howard Kelpie

- Follow-up FLEM identified a 3kS plate within a 1600S plate at Howard Kelpie.
- The target consists of a discrete magnetic high with correlating short strike length 100x75m 3,000S plate within a larger 200x50m 1,600S plate interpreted to be the thinning of the massive sulphide horizon.

Yerecoin North

- Relogged and resampled 12 diamond-core holes at Yerecoin North, identifying three different ultramafic units. A high-Ti sulphide ultramafic unit contained chalcopyrite stringers and fine disseminated chalcopyrite +/- pyrrhotite.
- 130 SQUID MLEM stations were completed across Yerecoin North, screening the region around the drillholes which intersected Cu-sulphides in an ultramafic unit and the AEM picks.
- This MLEM programme found a single, low conductance 2,500x200m 70S conductor that correlates to a magnetic break, interpreted to be a structure.

Chamberlain

- Follow-up FLEM and final modelling of conductors has resulted in the upgrading of previously reported plates, including two eastern 500S plates and a western 700S plate.

Kann

- A promising new target in E70/5150, Kann consists of a cohesive 2,000x300m Ni/Cr/Co/Cu/Au anomaly coincident with a magnetic high and base/precious metal Gonneville-type enriched serpentinised ultramafic rock chips with values up to 2,000ppm Cu and 250ppb Au.
- Ground EM has so far been unresponsive, but the target is planned for drill testing due to the positive geochemistry and favourable rock chips.

Lasker

- Lasker is a Fehlburg trend target with patches of Gonneville-type dunitic float around a magnetic feature in the south.
- Soil sampling conducted over the northern extension has found a second region of Ni/Cr/Pt/Pd anomalism correlating to a second magnetic high with AEM picks along the contact.
- Ground EM will be conducted when crop has been harvested alongside a second soil programme to the south.

Lithium and gold review

- A review of lithium potential is underway by Chalice, utilising historical data and reviewing Northam's extensive core library.
- Review of historical data has identified an extension to a gold in soil anomaly within the tenement block.
- Further work is required during the next field season to determine the significance of the gold and lithium potential.

During the year, the Company recorded a loss before tax of $975,047 (2023: Loss $648,316).

Significant events after the reporting date

No matters or circumstance have arisen since 30 June 2024 which significantly affected or could significantly affect the operations of the consolidated group in future financial years except for the following:

Exploration

Two new exploration targets, Pirc and Seabrook have been identified:

Pirc

- Is a cohesive nickel chrome soil anomaly over 2,000m by 500m with a smaller and tighter platinum and palladium soil anomaly. This is associated with cumulate ultramafic rocks. There is no associated AEM anomaly, and a more sensitive ground EM survey is planned for after harvest.

Seabrook

- The Seabrook target is part of an ultramafic trend on E70/5097 with dunnite surface float similar to Gonneville.
- Soil sampling has identified two anomalous nickel and chrome anomalies with tighter platinum/palladium and gold anomalism. There are no associated AEM anomaly, a sensitive ground-based EM survey is planned for post-harvest.

Future development, prospects and business strategies

The company is currently focused on maximizing the value from its existing exploration portfolio, while also looking for new project opportunities that would drive future business growth.

A such the Company is well positioned:

- All fixed costs have been either removed or reduced to a minimum to maintain cash for future exploration or commercial activities.
- Chalice is required to actively explore our JV tenements and must spend a minimum of $2m within the first 2 years. As a result, there are no direct exploration cash obligations.
- Should Chalice decide not to proceed after spending the $2m, they would retain no interest in the tenements.
- The agreement ensures funds are focused on in-ground exploration and all JV tenement tenements must be maintained in good standing.
- A material discovery by Chalice will provide NRL shareholders with significant value uplift.

The Board will continue to assess strategic growth options as market conditions continue to improve and will actively assess any potential acquisitions or other commercial options. The long-standing aim of listing the Company, subject to delivering fair value for existing shareholders, remains unchanged.

Environmental issues

The Company holds a number of exploration tenements. The various authorities granting such tenements require the tenement holder to comply with the terms of the grant of the tenement and all directions given to it under those terms of the tenement. To the best of the Directors' knowledge, the Company has adequate systems in place to ensure compliance with the requirements of all environmental legislation described above and is not aware of any breach of those requirements during the financial year and up to the date of the Directors' report.

Dividends paid or recommended

No dividends have been paid or declared since the start of the financial year and none are recommended.

Unissued shares under option

There were no unissued ordinary shares of Northam Resources Limited under option at the date of this report.

Indemnities given to, and insurance premiums paid for, auditors and officers

Insurance of officers

During the year, the Company paid a premium to insure officers of the Company. The officers of the Company covered by the insurance policy include all Directors.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the Company, and any other payments arising from liabilities incurred by the officers in connection with such proceedings, other than where such liabilities arise out of conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else to cause detriment to the Company.

The Company has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify any current or former officer of the Company against a liability incurred as such by an officer.

Indemnity of auditors

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

Proceedings on behalf of 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.

Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001* is set out on page 7 and forms part of this Directors' Report.

Signed in accordance with a resolution of the Board of Directors.

Mat Longworth
Non-executive Chairman
31 October 2024

GrantThornton

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Auditor's Independence Declaration

To the Directors of Northam Resources Limited

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the audit of Northam Resources Limited for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been:

a no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

b no contraventions of any applicable code of professional conduct in relation to the audit.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

J C Rubelli
Partner – Audit & Assurance

Perth, 31 October 2024

For the year ended 30 June 2024

Statement of Profit or Loss and Other Comprehensive Income

	Notes	2024 $	2023 $
Other revenue		11,048	12,000
Employee benefits expense		(345,918)	(22,364)
Depreciation and amortisation		(61,500)	(142,970)
Administration costs		(240,918)	(692,479)
Impairment of lease assets		2,244	-
Gain on sale of assets		12,683	10,806
Loss on sale of investment		(352,686)	-
Share based payment expense		-	186,691
Profit (loss) before income tax		(975,047)	(648,316)
Income tax expense	5	-	-
Profit (loss) for the year		**(975,047)**	**(648,316)**
Other comprehensive income			
Other comprehensive income for the year, net of income tax		-	-
Total other comprehensive income (loss) for the year		**(975,047)**	**(648,316)**
Profit (loss) per share:			
Basic and diluted profit (loss) per share (cents)	24	**(0.01)**	**(0.01)**

This statement should be read in conjunction with the notes to the financial statements.

As at 30 June 2024

Statement of Financial Position

	Notes	2024 $	2023 $
Current assets			
Cash and cash equivalents	6	295,339	10,605
Other current assets	7	24,558	87,076
Total current assets		**319,897**	**97,681**
Non-current assets			
Property, plant and equipment	8	-	74,210
Exploration and evaluation assets	9	1,722,344	3,676,981
Right-of-use assets	11	-	116,998
Total non-current assets		**1,722,344**	**3,868,189**
Total assets		**2,042,241**	**3,965,870**
Current liabilities			
Trade and other payables	10	3,863	362,779
Lease liabilities	11	-	81,610
Employee benefits	12	467	47,448
Accrued expenses	13	50,423	208,158
Total current liabilities		**54,753**	**699,995**
Non-current liabilities			
Lease liabilities	11	-	38,340
Convertible notes	16	-	300,000
Total non-current liabilities		**-**	**338,340**
Total liabilities		**54,753**	**1,038,335**
Net assets		**1,987,488**	**2,927,535**
Equity			
Share capital	14	11,252,421	11,217,421
Share option reserve	15	-	442,752
Accumulated losses		(9,264,933)	(8,732,638)
Total equity		**1,987,488**	**2,927,535**

This statement should be read in conjunction with the notes to the financial statements.

For the year ended 30 June 2024

Statement of Changes in Equity

	Notes	Share capital	Share option reserves	Performance rights reserve	Accumulated losses	Total
		$	$	$	$	$
Balance at 30 June 2022		**11,217,421**	**454,794**	**186,691**	**(8,096,364)**	**3,762,542**
Loss for the year		-	-	-	(648,316)	(648,316)
Other comprehensive income		-	-	-	-	-
Total comprehensive loss for the year		-	-	-	(648,316)	(648,316)
Transactions with owners in their capacity as owners:						
Performance rights written back	15	-	-	(186,691)	-	(186,691)
Options expired	15	-	(12,042)	-	12,042	-
Balance at 30 June 2023		**11,217,421**	**442,752**	**-**	**(8,732,638)**	**2,927,535**
Profit for the year		-	-	-	(975,047)	(975,047)
Other comprehensive income		-	-	-	-	-
Total comprehensive income for the year		-	-	-	(975,047)	(975,047)
Transactions with owners in their capacity as owners:						
Shares issued	14	**35,000**	-	-	-	35,000
Options expired	15	-	(442,752)	-	442,752	-
Balance at 30 June 2024		**11,252,421**	**-**	**-**	**(9,264,933)**	**1,987,488**

This statement should be read in conjunction with the notes to the financial statements.

For the year ended 30 June 2024

Statement of Cash Flows

	Notes	2024 $	2023 $
Cash flows from operating activities			
Receipts from customers		3,600	6,060
Interest received		7,448	
Payments to suppliers and employees		(999,313)	(371,949)
Convertible note interest paid		(20,493)	-
Net cash used in operating activities	20	**(1,008,758)**	**(365,889)**
Cash flows from investing activities			
Purchase of property, plant and equipment		-	-
Sale of property, plant and equipment		37,191	22,727
Exploration expenditure capitalised		(671,363)	(1,007,886)
Sale of investments		2,247,314	
Net cash used in investing activities		**1,613,142**	**(985,159)**
Cash flows from financing activities			
Proceeds from convertible notes		-	300,000
Repayment of convertible notes		(290,000)	
Cost of capital raising		-	-
Lease repayments		(29,650)	(84,364)
Net cash (used in) / from financing activities		**(319,650)**	**215,636**
Net change in cash and cash equivalents held		284,734	(1,135,412)
Cash and cash equivalents at beginning of financial year		10,605	1,146,017
Cash and cash equivalents at end of financial year	6	**295,339**	**10,605**

This statement should be read in conjunction with the notes to the financial statements.

Notes to the Financial Statements

1 Nature of operations

The principal activities of the Company included the acquisition and exploration for mineral resources in a number of tenements in Western Australia.

2 General information and statement of compliance and going concern assumption

The general purpose financial statements of the Company have been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board (AASB). Compliance with Australian Accounting Standards results in full compliance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). Northam Resources Limited is a for-profit entity for the purpose of preparing the financial statements.

Northam Resources Limited is an unlisted public company incorporated and domiciled in Australia. The address of its registered office and its principal place of business is 6 Kearns Cres, Ardross, WA 6153.

The financial statements for the year ended 30 June 2024 were approved and authorised for issue by the Board of Directors on 31 October 2024.

Going concern

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

The Company incurred a loss after tax for the year of $975,047 and had net cash inflow from operating activities and investing activities of $604,384. At the 30 June 2024 the Company had a working capital surplus of $265,144.

The financial report to June 2024 may indicate a material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business. The financial report does not include any adjustments relating to the recoverability or classification of recorded asset amounts, nor the amounts or classification of liabilities that might be necessary should the Company not be able to continue as a going concern.

The ability to continue as a going concern is dependent upon the Company being successful in achieving the cash flow forecast prepared by management for one year from the date of signing the financial report. This includes successfully continuing its exploration projects or sourcing alternate debt or equity funding to meet commitments, if needed.

3 Changes in accounting policies

New standards adopted as at 1 July 2023

The Company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. There has not been any impact with the adoption of these new Accounting Standards and Interpretations.

Standards, New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended, but are not yet mandatory, have not been adopted early by the Company for the reporting period ended 30 June 2024. The Company is not aware of any new or amended Accounting Standards and Interpretations that are expected to materially impact the Company’s financial statements.

4 Statement of significant accounting policies

Basis of preparation

The Company's financial statements have been prepared on an accrual basis and under the historical cost convention except for the revaluation of investments. Monetary amounts are expressed in Australian Dollars (AUD) are rounded to the nearest whole dollar.

Significant accounting policies

Income tax

The income tax expense / (revenue) for the year comprises current income tax expense / (income) and deferred tax expense / (income). Current and deferred income tax expense / (income) is charged or credited directly to other comprehensive income instead of the profit or loss when the tax relates to items that are credited or charged directly to other comprehensive income.

Current tax

Current income tax expense charged to the 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.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur.

Deferred tax

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well unused tax losses.

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.

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 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.

Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment

Plant and equipment are measured at cost less depreciation and impairment losses.

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 economic 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 statement of profit or loss and other comprehensive income during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets including building and capitalised leased assets, but excluding freehold land, is depreciated on a straight line basis over their useful lives to the Company commencing from the time the asset is held ready for use. Leased assets and leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the assets.

The depreciation rates used for each class of depreciable assets are:

Class of fixed asset	*Depreciation rate*
Plant and equipment:	10% – 40%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting period date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of profit or loss and other comprehensive income.

When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

Leased assets

The Company makes use of leasing arrangements principally for the provision of office rentals. The rental contracts for offices are typically negotiated for terms of between 2 and 3 years and some of these have extension terms. All the leases are negotiated on an individual basis and contain a wide variety of different terms and conditions such as purchase options and escalation clauses.

The Company assesses whether a contract is or contains a lease at inception of the contract. A lease conveys the right to direct the use and obtain substantially all of the economic benefits of an identified asset for a period of time in exchange for consideration.

Some lease contracts contain both lease and non-lease components. These non-lease components are usually associated with facilities management services at offices and servicing and repair contracts in respect of motor vehicles. The Company has elected to not separate its leases for offices into lease and non-lease components and instead accounts for these contracts as a single lease component. For its other leases, the lease components are split into their lease and non-lease components based on their relative stand-alone prices.

Measurement and recognition of leases as a lessee

At lease commencement date, the Company recognises a right-of-use asset and a lease liability in its consolidated statement of financial position. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Company depreciates the right-of-use asset on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the Company's incremental borrowing rate because as the lease contracts are negotiated with third parties it is not possible to determine the interest rate that is implicit in the lease. The incremental borrowing rate is the estimated rate that the Company would have to pay to borrow the same amount over a similar term, and with similar security to obtain an asset of equivalent value. This rate is adjusted should the lessee entity have a different risk profile to that of the Company.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced by lease payments that are allocated between repayments of principal and finance costs. The finance cost is the amount that produces a constant periodic rate of interest on the remaining balance of the lease liability. The lease liability is reassessed when there is a change in the lease payments. Changes in lease payments arising from a change in the lease term or a change in the assessment of an option to purchase a leased asset. The revised lease payments are discounted using the Company's incremental borrowing rate at the date of reassessment when the rate implicit in the lease cannot be readily determined. The amount of the remeasurement of the lease liability is reflected as an adjustment to the carrying amount of the right-of-use asset. The exception being when the carrying amount of the right-of-use asset has been reduced to zero then any excess is recognised in profit or loss.

Payments under leases can also change when there is either a change in the amounts expected to be paid under residual value guarantees or when future payments change through an index or a rate used to determine those payments, including changes in market rental rates following a market rent review. The lease liability is remeasured only when the adjustment to lease payments takes effect and the revised contractual payments for the remainder of the lease term are discounted using an unchanged discount rate. Except for where the change in lease payments results from a change in floating interest rates, in which case the discount rate is amended to reflect the change in interest rates.

To respond to business needs, particularly in the demand for office space, the Company will enter into negotiations with landlords to either increase or decrease available office space or to renegotiate amounts payable under the respective leases. In some instances, the Company is able to increase office capacity by taking additional floors available and therefore agrees with the landlord to pay an amount that is commensurate with the stand-alone pricing adjusted to reflect the particular contract terms. In these situations, the contractual agreement is treated as a new lease and accounted for accordingly.

In other instances, the Company is able to negotiate a change to a lease such as reducing the amount of office space taken, reducing the lease term or by reducing the total amount payable under the lease, both of which were not part of the original terms and conditions of the lease. In these situations, the Company does not account for the changes as though there is a new lease. Instead, the revised contractual payments are discounted using a revised discount rate at the date the lease is effectively modified. For the reasons explained above, the discount rate used is the Company's incremental borrowing rate determined at the modification date, as the rate implicit in the lease is not readily determinable.

The remeasurement of the lease liability is dealt with by a reduction in the carrying amount of the right-of-use asset to reflect the full or partial termination of the lease for lease modifications that reduce the scope of the lease. Any gain or loss relating to the partial or full termination of the lease is recognised in profit or loss. The right-of-use asset is adjusted for all other lease modifications.

The Company has elected to account for short-term leases and leases of low-value assets using practical expedients. These leases relate to items of office equipment such as desks, chairs, and certain IT equipment. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

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. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of profit or loss and other comprehensive income. Impairment testing is performed annually for intangible assets with indefinite lives and intangible assets not yet available for use. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Employee benefits

Short-term employee benefits

Short-term employee benefits are benefits, other than termination benefits, that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. Examples of such benefits include wages and salaries, non-monetary benefits and accumulating sick leave. Short-term employee benefits are measured at the undiscounted amounts expected to be paid when the liabilities are settled.

Share-based payments

Equity-settled and cash-settled share-based compensation benefits are provided to executives & employees.

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

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

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

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

- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

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

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

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

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

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

Provisions

Provisions are recognised when the Company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are measured using the best estimate of amounts required to settle the obligation at the end of the reporting period.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances, the GST 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.

Exploration and evaluation assets

Exploration and evaluation expenditure incurred by or on behalf of the Company is accumulated separately for each area of interest. Such expenditure comprises direct and indirect costs but does not include general overheads or administrative expenditure not having a specific nexus with a particular area of interest. Exploration expenditure for each area of interest is carried forward as an asset provided the rights to tenure of the area of interest are current and one of the following conditions is met:

(i) The exploration and evaluation expenditures are expected to be recouped through successful development and exploitation of the area of interest, or alternatively, by its sale; and

(ii) Exploration and evaluation activities in the area of interest have not at the reporting date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration is written off when it fails to meet at least one of the conditions outlined above or an area of interest is abandoned. Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. When facts and circumstances suggest that the carrying amount exceeds the recoverable amount the impairment loss will be measured and disclosed in accordance with AASB 6 *Exploration for and Evaluation of Mineral Resources*.

Cash and cash equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

Financial instruments

Recognition and derecognition

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and initial measurement

Financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Financial assets are classified into the following categories:

- amortised cost
- fair value through profit or loss (FVTPL)
- fair value through other comprehensive income (FVOCI)

In the periods presented, the Company does not have any financial assets categorised as FVOCI.

The classification is determined by both:
- the entity’s business model for managing the financial asset
- the contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

Subsequent measurement of financial assets

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised at fair value through profit and loss. Further, irrespective of business model financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVTPL.

Assets in this category are measured at fair value with gains or losses recognised in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

Impairment of financial assets

AASB 9's impairment requirements use more forward-looking information to recognise expected credit losses – the 'expected credit loss (ECL) model'. This replaced IAS 39's 'incurred loss model'. Instruments within the scope of the new requirements included loans and other debt-type financial assets measured at amortised cost and FVOCI, trade receivables, contract assets recognised and measured under AASB 15 and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss.

Recognition of credit losses is no longer dependent on the Company first identifying a credit loss event. Instead, the Company considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1') and
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').
- 'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date.

'12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Trade and other receivables and contract assets

The Company makes use of a simplified approach in accounting for trade and other receivables as well as contract assets and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, the Company uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

The Company assess impairment of trade receivables on a collective basis as they possess shared credit risk characteristics they have been grouped based on the days past due.

Classification and measurement of financial liabilities

The Company's financial liabilities include borrowings, trade and other payables and derivative financial instruments.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Company designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments).

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

Estimation uncertainty

When preparing the financial statements management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses.

The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

Information about significant judgements, estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below.

Leases – determination of the appropriate discount rate to measure lease liabilities

As noted above, the Company enters into leases with third-party landlords and as a consequence the rate implicit in the relevant lease is not readily determinable. Therefore, the Company uses its incremental borrowing rate as the discount rate for determining its lease liabilities at the lease commencement date. The incremental borrowing rate is the rate of interest that the Company would have to pay to borrow over similar terms which requires estimations when no observable rates are available. The Company consults with its main bankers to determine what interest rate they would expect to charge the Company to borrow money to purchase a similar asset to that which is being leased. These rates are, where necessary, then adjusted to reflect the credit worthiness of the entity entering into the lease and the specific condition of the underlying leased asset.

The estimate is not revised in future periods.

Equity, reserves and dividend payments

Share capital represents the fair value of shares that have been issued. Any transaction costs associated with the issuing of shares are deducted from share capital, net of any related income tax benefits. Other components of equity include the following:

Share option reserve: comprises movements equity-settled share-based remuneration/payments for its employees and consultants.

Retained earnings include all current and prior period retained profits.

All transactions with owners of the parent are recorded separately within equity.

Critical Accounting Estimates and Judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Impairment of capitalised exploration and evaluation expenditure

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

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

Recognition of convertible notes

When convertible notes are issued, the fair value of the liability portion is determined by applying a discount rate to a net present value of the cash flows. When the net present value is less than the face value a residual equity portion is recognised.

5 Income tax expense

a) Income tax recognised in the Statement of Profit or Loss and other Comprehensive Income

The major components of tax expense and the reconciliation of the expected tax expense based on the domestic effective tax rate of Northam Resources Limited at 25% (2023: 25%) and the reported tax expense in profit or loss are as follows:

	2024 $	2023 $
Profit (loss) before income tax expense	(975,047)	(648,316)
Domestic tax rate for Northam Resources Limited	25%	25%
Total current tax	(243,762)	(162,079)
Deferred income tax benefit/(expense):		
Deferred tax assets not brought to account	(172,856)	459,592
Deferred Tax Asset temporary differences not brought to account	416,618	(297,513)
Total income tax expense/(benefit)	**-**	**-**

(b) Deferred tax

Deferred tax relates to the following:		
Temporal differences - deferred tax assets	81,775	798,354
Temporal differences - deferred tax liabilities	(951,281)	(814,139)
Tax losses	2,502,866	2,675,722
Derecognition of deferred tax assets	(1,633,360)	(2,659,937)
	-	**-**

Deferred tax assets have not been recognised in respect of tax losses amounting to $10,011,465 (2023: $10,702,888) because it is not probable that future taxable profit will be available against which the Group can use the benefits therefrom.

Recoverability of tax losses is subject to satisfying either the Continuity of Ownership Test or the Business Continuity Test in accordance with the tax legislation requirements.

6 Cash and cash equivalents

	2024 $	2023 $
Cash at bank and in hand	**295,339**	**10,605**

7 Other current assets

	2024 $	2023 $
Trade receivable	6,413	5,940
GST refund receivable	1,767	48,997
Prepayments	-	15,761
Security deposits (rental bond)	16,378	16,378
	24,558	**87,076**

8 Property, plant and equipment

	2024 $	2023 $
Gross carrying amount		
Balance 1 July	166,336	187,150
Additions	-	-
Disposals	(110,535)	(20,814)
Balance 30 June	**55,801**	**166,336**
Accumulated depreciation		
Balance 1 July	(92,126)	(42,965)
Disposals	58,163	8,892
Depreciation expense	(21,838)	(58,053)
Balance 30 June	**(55,801)**	**(92,126)**
Carrying amount at 30 June	**-**	**74,210**

9 Exploration and evaluation assets

	2024 $	2023 $
Opening balance	3,676,981	2,664,988
Capitalised exploration costs	645,363	1,011,993
Earn-in joint venture funding	(2,600,000)	-
Closing balance	**1,722,344**	**3,676,981**

The recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation phase is dependent on the successful development and commercial exploitation or sale of the respective areas. During the year the Company entered into an Earn-in Joint Venture Agreement with Chalice Mining Limited which included receipt of $150,000 in cash and $2,450,000 in shares.

10 Trade and other payables

		2024 $	2023 $
Current			
Unsecured liabilities:			
a)	trade payables	3,863	265,266
b)	PAYG and GST withholdings payable	-	97,513
		3,863	**362,779**

11 Leases

Right-of-use asset

	2024 $	2023 $
Gross carrying amount		
Balance 1 July	**220,079**	**217,977**
Additions	-	2,102
Write-off lease assets	(220,079)	
Balance 30 June	**-**	**220,079**
Accumulated amortisation		
Balance 1 July	**116,998**	**(18,164)**
Amortisation expense	(39,662)	(84,917)
Write-off lease assets	(77,336)	
Balance 30 June	**-**	**(103,081)**
Carrying amount at 30 June	**-**	**116,998**

Lease liabilities

	2024 $	2023 $
Current	-	81,610
Non-current	-	38,340
	-	**119,950**

The Company has leases for an office building and exploration office. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected in the statement of financial position as a right-of-use asset and a lease liability. Variable lease payments which do not depend on an index or a rate (such as lease payments based on a percentage of Company sales) are excluded from the initial measurement of the lease liability and asset. The Company classifies its right-of-use assets in a consistent manner to its property, plant and equipment (see Note 8).

Each lease generally imposes a restriction that, unless there is a contractual right for the Company to sublet the asset to another party, the right-of-use asset can only be used by the Company. Leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee. Some leases contain an option to purchase the underlying leased asset outright at the end of the lease, or to extend the lease for a further term. The Company is prohibited from selling or pledging the underlying leased assets as security. For leases over office buildings and factory premises the Company must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease. Further, the Company must insure right-of-use assets and incur maintenance fees on such items in accordance with the lease contracts.

The table below describes the nature of the Company's leasing activities by type of right-of-use asset recognised in the consolidated statement of financial position:

Right-of-use asset	No. of right-of-use assets leased	Range of remaining term	Average remaining lease term	No. of lease with extension options	Number of leases with options to purchase	Number of variance payments linked to an index	Number of leases with termination options
Office building	Nil	-	-	-	-	-	-
Exploration office	Nil	-	-	-	-	-	-

11 Leases (cont.)

The lease liabilities are secured by the related underlying assets. Future lease payments at 30 June 2024 were as follows:

	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	After 5 years	Total
30 June 2024				-	-	-	
Lease payments	-	-	-	-	-	-	-
Finance charges	-	-	-	-	-	-	-
Net present values	-	-	-	-	-	-	**-**
30 June 2023				-	-	-	
Lease payments	86,734	39,000	-	-	-	-	125,734
Finance charges	(5,124)	(660)	-	-	-	-	(5,784)
Net present values	81,610	38,340	-	-	-	-	**119,950**

Lease payments not recognised as a liability

The Company has no short term leases.

12 Employee benefits

	2024 $	2023 $
Current		
Annual leave	-	45,231
Wages & Superannuation	467	2,217
	467	**47,448**

The current portion of these liabilities represents the Company's obligations to which the employee has a current legal entitlement. These liabilities arise solely from accrued annual leave entitlements at reporting date.

13 Accrued expenses

	2024 $	2023 $
Related party accruals	11,550	154,438
Audit fees	38,013	38,013
Interest expense	-	9,578
Miscellaneous expenses	860	6,129
	50,423	**208,158**

14 Share capital

The share capital of the Company consists only of fully paid ordinary shares; the shares do not have a par value. Ordinary shares participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held.

	2024 Shares	2023 Shares	2024 $	2023 $
Beginning of the period	**100,656,624**	**100,656,624**	**11,217,421**	**11,217,421**
Shares issued	700,000	-	35,000	-
Share issue costs	-	-	-	-
Total contributed equity at 30 June 2024	**101,356,624**	**100,656,624**	**11,252,421**	**11,217,421**

Ordinary shares participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held. At the shareholders' meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

15 Reserves

	Share based payment reserve $	Performance rights reserve $	Total $
Balance at 1 July 2022	**454,794**	**186,691**	**641,485**
Performance rights unlikely to meet vesting conditions	-	(186,691)	(186,691)
Options expired	(12,042)	-	(12,042)
Balance at 30 June 2023	**442,752**	**-**	**442,752**
Options expired	(442,752)	-	(442,752)
Balance at 30 June 2024	**-**	**-**	**-**

Options on issue at 30 June 2024

There were no option on issue at 30 June 2024 and no options were issued during the year.

Grant date	Expiry date	Exercise price $	Balance at the start of the year $	Granted No.	Exercised No.	Expired No.	Balance at the end of the year No
15-02-2021	15-02-2024	0.20	4,919,470	-	-	4,919,470	-

The options were not subject to service conditions.

Performance rights

Holder	Balance at the start of the year $	Granted No.	Exercised No.	Expired No.	Balance at the end of the year No
Intrepid Concepts Pty Ltd [1]	1,000,000	-	-	-	**1,000,000**
Mr John Harris [2]	250,000	-	-	-	**250,000**
Mr Mat Longworth [3]	500,000	-	-	-	**500,000**
Mr C Moulton [4]	3,000,000	-	-	-	**3,000,000**
Ms K Stoney [5]	200,000	-	-	-	**200,000**

Notes:

1. On 20 October 2020, the Company issued one class of Performance Rights totalling 2,000,000 to Intrepid Concepts Pty Ltd, an entity associated with Mr Robert Benussi, a Director of the Company at the time, as part of his employment package. The vesting conditions for the performance rights included, the company being admitted to the ASX and traded on at a 30 day volume weighted average price (VWAP) of more than $0.50 per share. On 7 February 2022, those Performance Rights were consolidated on a 2-for-1 basis in line with the rest of the Company's share and option capital. As at the date of this report, the vesting conditions for the Performance Rights had not been met.
2. On 11 August 2021, the Company issued two tranches of 250,000 Performance Rights to Mr John Harris, the Company's technical manager, in line with his employment agreement. The first tranche of Performance Rights has a three-year term and vests upon the discovery by the Company of a significant project with multiple economic intersections. The second tranche of Performance Rights has a four-year term and vests upon the definition of an Indicated Mineral Resource by the Company. On 7 February 2022, both tranches of Performance Rights were consolidated on a 2-for-1 basis in line with the rest of the Company's share and option capital. As at the date of this report, the vesting conditions for the Performance Rights had not been met.
3. On 28 April 2022, the Company issued 500,000 Class G Performance Rights to Mr Mat Longworth, a Director of the Company. The Performance Rights are subject to the below vesting conditions, which as at the date of this report have not been met.
4. On 15 September 2022, the Company issued 3,000,000 Performance Rights to Mr Craig Moulton, as CEO of the Company in four classes (500,000 Class H, 500,000 Class I, 1,000,000 Class J and 1,000,000 Class K). The Performance Rights are subject to the below vesting conditions, which as at the date of this report have not been met.

15 Reserves (Cont.)

5. On 15 September 2022, the Company issued 200,000 Class H Performance Rights to Ms Kate Stoney, as Company Secretary of the Company. The Performance Rights are subject to the below vesting conditions, which as at the date of this report have not been met.

   The details of the vesting rights of each class of performance rights is as follows.

   Class G Performance Rights

   The Performance Rights will entitle the holder to convert the Performance Rights into an equivalent number of Shares and will have the following vesting condition attached to them:
   (i) Upon the Company being admitted to the Official List of ASX;
   (ii) Continuous service to the Company for a period of 12-months after the date that the Company is admitted to the Official List of ASX; and
   (iii) Upon the Company's Shares achieving a volume-weighted average price (VWAP) of at least 30 cents calculated over 30 consecutive trading days on which trades in the Company's Shares are recorded.

   For the performance rights relating to Mr Longworth were valued using a monte carlo analysis valuation technique. The valuation model inputs used to determine the fair value at the grant date were as follows:

Grant date	Expiry date	Share price at grant date $	Exercise price $	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date $
31-01-2022	31-10-2022	0.135	0.30	100%	-	0.1217%	0.1034

   Class H Performance Rights

   Completion of the following:
   (i) continuous service to the Company for a period of 12-months from the date of appointment; and
   (ii) the Company is successfully listed on the ASX within 5 years from the grant date.

   Class I Performance Rights

   The Company's Shares achieving a VWAP of at least 150% of its share listing price, calculated over 30 consecutive trading days on which trades in the Company's Shares are recorded by:
   (i) the date that is 18 months from the date that the Company successfully lists on the ASX; or
   (ii) 1 March 2025, which ever is the lesser.

   Class J Performance Rights

   The Company, in respect of any of the mining tenements or projects it holds an interest in at the issue date of the Performance Rights, announces a JORC 2012 compliant Nickel PGE resource of at least 1Mt @ 2% Ni equivalent:
   (i) within 3 years from the date that the Company successfully lists on the ASX; or
   (ii) by 1 March 2027, which ever is the lesser.

   Class K Performance Rights

   The Company's Shares achieving a VWAP of at least 200% of its share listing price, calculated over 30 consecutive trading days on which trades in the Company's Shares are recorded by:
   (i) the date that is 3 years from the date that the Company successfully lists on the ASX; or
   (ii) 1 March 2027, which ever is the lesser.

16 Convertible Notes

	2024 $	2023 $
Convertible notes	-	300,000

During the period Convertible Note subscribers were offered an option to have their funds repaid with interest or convert a proportion to ordinary shares at $0.05 per share. In relation to the $300,000 of Convertible Note subscribers, $290,000 was repaid in cash and $10,000 was converted to shares. The Convertible Note term sheet provided to shareholders had the following key terms.

SUMMARY OF CONVERTIBLE NOTE TERMS	
Interest	16% per annum, payment by issue of fully paid ordinary shares in the Company (each a Share) on conversion (payable in kind (PIK)). Increased by the Board during the period from 14%.
Conversion Valuation	Conversion at the lower: • 40% discount to the IPO price or trade sale price; or • the Valuation Cap
Valuation Cap	A$15,000,000 on a post money basis
Maturity / Redemption	The Notes will be redeemed 18 months from the date of issue of the Notes (Maturity Date), unless already converted or their tenor has been agreed to be extended
Redemption	The Face Value of the Notes plus accrued interest must be redeemed at maturity (unless a Noteholder has elected to convert at maturity)
Ranking	Secured, ranks equally with all other secured creditors, ranks above equity and unsecured creditors
Transferability	Not transferable without the consent of the Issuer
Mandatory Conversion	• the Company will be obliged to pay to each Noteholder, 100% of the principal and accrued interest in respect of all Notes to be converted to Shares on conversion; and • the number of Shares received on Conversion will be based on the Conversion Ratio that will be calculated as follows: Conversion Ratio = (Face Value of Notes + accrued interest) / Conversion Valuation
Conversion Event	All Notes automatically convert into Shares at the Conversion Valuation on the completion of: • an IPO of the Issuer; or • the sale of all Shares in the Issuer and/or all issued securities that are convertible into Shares (trade sale); or the sale of all the Assets (asset sale).

17 Capital and leasing commitments

	2024 $	2023 $
a. Operating lease commitments		
Non-cancellable operating leases contracted for but not capitalised in the financial statements		
Payable – minimum lease payments:		
not later than 12 months	-	-
between 12 months and five years	-	-
greater than five years	-	-
	-	**-**
b. Capital expenditure commitments		
Capital expenditure commitments contracted for:		
Tenement rents and minimum expenditure	**-**	**1,053,000**

18 Related party transactions

The Company's related parties include its key management personnel, related parties of its key management personnel, and others as described below.

Unless otherwise stated, none of the transactions incorporate special terms and conditions and no guarantees were given or received. Outstanding balances are usually settled in cash.

Transactions with related parties

	2024 $	2023 $
Services provided by related parties	529,537	546,217

	2024 $	2023 $
Amounts due to related parties at reporting date	14,660	165,526

Transactions with key management personnel

Key management of the Company are the Non-executive members of the Company's Board of Directors and the Company's Chief Executive Officer. Key management personnel remuneration includes the following expenses:

	2024 $	2023 $
Short-term employee benefits:		
Director's fees and consulting fees	140,654	267,665
Salaries	381,321	252,083
Share based payments	-	-
Total short-term employee benefits	**521,975**	**519,748**
Long service leave	-	-
Total other long-term benefits		
Post-employment benefits:		
Superannuation	7,562	26,469
Total post-employment benefits	**-**	**-**
Total remuneration	**529,537**	**546,217**

19 Contingent assets and contingent liabilities

There were no contingent liabilities or contingent assets as at 30 June 2024.

20 Cash flow information

	2024 $	2023 $
Reconciliation of cash flow from operations with profit after income tax		
Profit (loss) after income tax	(975,047)	(783,316)
Non-cash flows in profit:		
Adjustment for non-cash items	65,900	(39,681)
Depreciation and amortisation	61,500	142,970
Sale of fixed assets	(12,683)	-
Sale of investments	352,686	-
Changes in assets and liabilities:		
(Increase)/decrease in other current assets	62,518	99,379
(Decrease)/increase in trade and other payables	(358,915)	226,704
(Decrease)/increase in employee benefits	(46,981)	18,013
(Decrease)/increase in accrued expenses	(157,736)	(29,958)
Net cash used in operating activities	**(1,008,758)**	**(365,889)**

21 Events after the reporting date

No matters or circumstance have arisen since 30 June 2024 which significantly affected or could significantly affect the operations of the consolidated group in.

22 Financial risk management

The Company has exposure to the following risks arising from financial instruments:

a) Credit risk;
b) Liquidity risk; and
c) Market risk.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

Risk Management Framework
The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's principal financial instruments comprise cash and short-term deposits. The Company has various other financial instruments such as trade debtors and trade creditors, which arise directly from its operations. It is, and has been throughout the period under review, the Company's policy that no trading in financial instruments shall be undertaken.

Credit Risk
Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables and term deposits.
The Company holds the majority of its cash and cash equivalents with banks and financial institution counterparties with acceptable credit ratings of A1+ or above. As part of managing its credit risk on cash and cash equivalents, all funds are held in Australian banks, which have the higher credit rating amongst the banks and financial institution counterparties. The carrying amount of financial assets represents the maximum credit exposure. The maximum credit exposure to credit risk at the end of the reporting period was as follows:

Carrying value	2024 $	2023 $
Cash and cash equivalents	295,339	10,605
	295,339	**10,605**

None of the Company's trade and other receivables are past due as at 30 June 2024.

Liquidity risk
Liquidity risk arises from the possibility that the Company might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities.The Company manages liquidity risk by monitoring forecast cash flows, only investing surplus cash with major financial institutions; and comparing the maturity profile of financial liabilities with the realisation profile of financial assets. The Board meets on a regular basis to analyse financial risk exposure and evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

The Board's overall risk management strategy seeks to assist the Company in managing its cash flows. Financial liabilities are expected to be settled within 12 months.

			Contractual Cashflow			
	Carrying value	Total	Six months or less	Six to 12 months	One to two years	Two to five years
30 June 2024						
Trade and other payables	**3,863**	**3,863**	**3,863**	**-**	-	-
Convertible notes	**-**	**-**	**-**	**-**	-	-
30 June 2023						
Trade and other payables	**362,779**	**362,779**	**362,779**	**-**	-	-
Convertible notes	**300,000**	**300,000**	**-**	**-**	300,000	-

22 Financial risk management (Cont.)

Market Risk
Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency Risk
The Company is not exposed to significant foreign currency risk on transactions that are denominated in a currency other than the respective functional currencies of the Company being the Australian Dollar (AUD).

Interest Rate Risk
The Company's exposure to market risk for changes in interest rates relates primarily to the Company's cash deposits. The interest-bearing cash at bank and the respective interest rates as at each balance sheet date are:

	2024 $	2023 $
Cash and cash equivalents	**295,339**	**10,605**
Interest rate	0.25% and 1%	0.25% and 1%

Fair value sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets or liabilities at fair value through profit or loss. Therefore, a change in market interest rates at reporting date would not affect profit or loss. The sensitivity analysis following table illustrates the impact of 100 basis points in variable interest rates, with all other variables held constant, would have resulted in an increase/(decrease) in the Company's loss profit before tax as follows:

	2024 $	2023 $
100bp increase	-	-
100bp decrease	-	-

23 Capital management

The Board policy is to maintain a capital base to maintain investor, creditor and market confidence and to sustain future development of the business. Capital consists of ordinary shares and retained earnings (or accumulated losses). The Board of Directors manages the capital of the Company to ensure that the Company can fund its operations and continue as a going concern.

There are no externally imposed capital requirements.

24 Earnings per share

Basic EPS is calculated by dividing the profit/(loss) for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by dividing the profit/(loss) attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

The following table reflects the income and share data used in the basic and diluted EPS calculations:

	2024 $	2023 $
Continuing operations		
Net loss attributable to ordinary equity holders of the Company		
Profit (Loss) attributable to ordinary equity holders of the parent for basic earnings	(975,047)	(783,316)
Weighted average number of ordinary shares for basic EPS	101,174,930	100,656,624

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of authorisation of these financial statements.

25 Consolidated Entity Disclosure Statement

Northam Resources Limited is not required by Australian Accounting Standards to prepare consolidated financial statements, and as a result subsection 295(3A)(a) of the Corporations Act 2001 to prepare a Consolidated Entity Disclosure Statement does not apply to the Company.

26 Company details

The registered office and principal place of business of the Company is:

Northam Resources Limited
Lot 11744 Cubbine Road
KAURING WA 6302

Directors' Declaration

1. In the opinion of the Directors of Northam Resources Limited:

   a. The financial statements and notes of Northam Resources Limited are in accordance with the *Corporations Act 2001*, including:

      i. Giving a true and fair view of its financial position as at 30 June 2024 and of its performance for the financial year ended on that date; and

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

   b. There are reasonable grounds to believe that Northam Resources Limited will be able to pay its debts as and when they become due and payable.

2. Note 2 confirms that the financial statements comply with International Financial Reporting Standards.

Signed in accordance with a resolution of the Directors made pursuant to s.295(5) of the *Corporations Act 2001*.

On behalf of the Directors

Mat Longworth
Non-executive Chairman
31 October 2024

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Independent Auditor's Report

To the Members of Northam Resources Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of Northam Resources Limited (the Company), which comprises the statement of financial position as at 30 June 2024, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the Directors' declaration.

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

a giving a true and fair view of the Company's financial position as at 30 June 2024 and of its performance for the year ended on that date; and

b 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 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 2 in the financial statements, which indicates that the Company incurred a loss after tax of $975,047 had net cash inflow from operating activities and investing activities of $604,384 for the year ended 30 June 2024 and had a working capital surplus of $265,144. as at 30 June 2024. As stated in Note 2, these events or conditions, along with other matters as set forth in Note 2, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Information other than the financial report and auditor's report thereon

The Directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon.

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

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

If, based on the work we have performed, 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*. The Directors' responsibility also includes 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 have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

J C Rubelli
Partner – Audit & Assurance

Perth, 31 October 2024