



**Kula Gold Limited**

**ABN 83 126 741 259**

## **Annual Report**

**for the year ended 31 December 2024**

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## Corporate Information

### Board of Directors

Mr Mark Stowell            Chairman  
Mr Ric Dawson  
Mr Mark Bojanjac

### Company Secretary

Mr Keith Bowker

### Principal Place of Business & Registered Office

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PERTH WA 6000

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St Georges Terrace  
PERTH WA 6831

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Website:      [www.kulagold.com.au](http://www.kulagold.com.au)

### Auditor

Elderton Audit Pty Ltd  
Level 32, 152 St Georges Terrace  
PERTH WA 6000  
Telephone:    +61 8 6324 2900  
Website:      [www.eldertongroup.com](http://www.eldertongroup.com)

### Share Registry

Automic Group  
Level 5, 191 St Georges Terrace  
PERTH WA 6000  
Telephone:    1300 288 664  
Email:         [hello@automic.com.au](mailto:hello@automic.com.au)  
Website:      [www.investor.automic.com.au](http://www.investor.automic.com.au)

### Securities Exchanges

Australian Securities Exchange  
Level 40, Central Park  
152- 158 St Georges Terrace  
PERTH WA 6000  
Website:      [www.asx.com.au](http://www.asx.com.au)  
ASX Code:     KGD

Berlin Stock Exchange: BE Code: 7KL

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# Annual report for the year ended 31 December 2024

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## Chairman's letter

Dear Shareholder

Kula's exploration activities have continued to seek the elephant that juniors strive to discover and reward all shareholders handsomely.

During the year we acquired the Mt Palmer Gold Mine and added this to our large Southern Cross landholding, so we cover the entire Mt Palmer/Yellowdine belt around this historic producer.

Work is well underway and many days in the field are now delivering a swathe of drill targets with some understanding of what is driving the gold mineralisation.

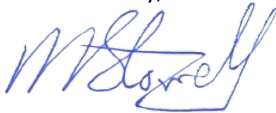
At Kirup WA last year we reported a new gold target with up to 3.5g/t gold in rockchips. This has moved quickly with Government EIS funding support and maiden drill program success with 2m @ 2.3g/t gold from 34m. Work is well underway on ground to get a better understanding of this exciting new area before further drilling.

Kula continues the long process of finalising the mining lease application and is continuing discussions to advance development of the Boomerang Kaolin Deposit, near Southern Cross WA.

We would like to thank all our team, contractors and consultants for their untiring efforts over the past year and look forward to seeing the Company put together its maiden gold resource.

*"The reliability of exploration is based not on certainty but on a radical lack of certainty.  
That's the challenge and exciting part of this business"*

Yours sincerely,



Mark Stowell  
Chairman  
Kula Gold Limited

## Cautionary statements

### Forward-looking statements

The annual report 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. Kula Gold Limited undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date of the annual report (subject to continuous disclosure requirements under the ASX Listing Rules).

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

### Previous Disclosure – 2012 JORC Code

The information in the annual report that relates to specific exploration results, exploration targets and exploration data for the Company's projects were extracted from previously released ASX announcements.

A copy of such announcements are available to view on the Company's website [www.kulagold.com.au](http://www.kulagold.com.au). The reports were issued in accordance with the 2012 Edition of the JORC Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Refer to the Mineral Resources and Ore Reserves Statement on pg 55 for further information.

## Directors' report

The directors of Kula Gold Limited ("Kula" or "the Company") and its controlled entities ("the Group") submit herewith the annual report of the Group for the financial year ended 31 December 2024. To comply with the provisions of the *Corporations Act 2001*, the directors report as follows:

### Information about the directors

The names and particulars of the directors of the Company during or since the end of the financial year are:

Mr Mark Stowell  
Qualifications

Non-Executive Chairman (appointed 16 September 2010)  
Chartered Accountant

Mr Stowell has over 20 years of corporate finance and resource business management experience. Mr Stowell has served as manager in the corporate division of Arthur Anderson and subsequently in the establishment and management of a number of successful ventures as principal, including resource companies operating in Australia and internationally.

Mr Stowell was a founder director of Anvil Mining Ltd (Democratic Republic of Congo), a copper explorer and developer, for seven years until 2000. He was a founder and Non-Executive Director of Incremental Petroleum Limited, an oil and gas producer with operations in Turkey and the USA, until its takeover by a USA operator. He was Chairman and founder of Mawson West Ltd, a copper producer and explorer which completed an IPO on the Toronto Stock Exchange in one of the largest base metal IPO's of 2011.

Mr Stowell resigned from Cannon Resources Limited following a successful cash takeover bid by Kinterra Capital, a North American private equity fund.

Mr Ric Dawson  
Qualifications

Managing Director (appointed 18 October 2023)  
BAppSc (Geology), MBA, MAusIMM

Mr Dawson holds a BAppSc (Geology) from Curtin University and an MBA from the University of Western Australia. Mr Dawson has over 20 years' experience in gold, nickel, copper and kaolin projects throughout Western Australia and the Northern Territory, and as a stockbroker/analyst during that time.

Mr Dawson has previously held the Manager Director roles with ASX listed companies Prosperity Resources Ltd and Altech Ltd. Mr Dawson's particular fields of expertise are in target generation and evolution of Archean shear-vein style, IOGC and hydrothermal porphyry gold in Australia and Indonesia. Mr Dawson was also involved in the development of the initial Australian studies into production of high purity alumina from kaolin deposits.

Mr Dawson played key roles in the advancement of gold deposits, including the Melville Deposit, the Masuparia Project and various Tennant Creek Projects and the research and development of the process of converting kaolin to high purity alumina at the Meckering Project in Western Australia.

Mr Mark Bojanjac  
Qualifications

Non-Executive Director (appointed 21 August 2017)  
BCom, Chartered Accountant

Mr Bojanjac is a Chartered Accountant with over 25 years' experience in developing resource companies. Mr Bojanjac was a founding director of Gilt-Edged Mining Limited which discovered one of Australia's highest-grade gold mines and was managing director of a public company which successfully developed and financed a 2.4m oz gold resource in Mongolia. He also cofounded a 3m oz gold project in China.

Mr Bojanjac was Chief Executive Officer of Adamus Resources Limited and oversaw its advancement from an early-stage exploration project through its definitive feasibility studies and managed the debt and equity financing of its successful Ghanaian gold mine.

The above named directors held office during the whole of the financial year and since the end of the financial year.

### Directorships of other listed companies

Directorships of other listed companies held by directors in the 3 years immediately before the end of the financial year are as follows:

Name	Company	Period of directorship
Mr Mark Stowell	Southern Hemisphere Mining Limited	Since 1 November 2019
	Cannon Resources Limited	24 June 2022 – 1 December 2022
Mr Mark Bojanjac	PolarX Limited	Since 13 December 2016

### Directors' shareholdings

The following table sets out each director's relevant interest in shares and options in shares of the Company as at the date of this report.

Directors	Fully paid ordinary shares	Unlisted share options
	Number	Number
Mr Mark Stowell	60,131,071	-
Mr Ric Dawson	5,400,000	12,000,000
Mr Mark Bojanjac	7,875,000	-

## Remuneration of key management personnel

Information about the remuneration of key management personnel is set out in the remuneration report section of this directors' report. The term 'key management personnel' refers to those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including any director (whether executive or otherwise) of the Group.

## Share options granted to directors and senior management

No share options were issued or granted to directors and senior management of the Company and its controlled entities as part of their remuneration during and since the end of the financial year.

## Company Secretary

Mr Keith Bowker is a qualified Chartered Accountant and holds a Bachelor of Commerce degree from Curtin University and has experience in company secretarial, corporate compliance and financial accounting matters. Mr Bowker was appointed as Company Secretary on 17 June 2022.

## Principle activities

The Group's principal activity during the course of the financial year was the exploration and evaluation of projects in Western Australia for gold, kaolin and lithium.

## Review of operations

For the 2024 financial year the Group delivered a loss before tax of \$2,406,947 (2023: \$2,594,866).

As at 31 December 2024, the net assets of the Group were \$1,030,575 (2023: \$1,610,930).

The cash and cash equivalents as at 31 December 2024 was \$39,314 (2023: \$393,378) and the Group had negative working capital of \$293,577 (2023: negative \$2,682).

## Mt Palmer Gold Mine – 51% earning to 80%,

The Company acquired 51% and earning to 80% of the historical Mt Palmer Gold Mine, located near Marvel Loch in the Southern Cross Goldfields in Western Australia, last commercially mined in 1944 down to only the 6<sup>th</sup> level (~160m) with 310,000 tonnes at 15.9g/t gold for 159,000 ounces production.

The Kula team is continuing to further develop existing gold prospects in the Mt Palmer Gold Mine, with the new advancing prospect Mt Palmer Bryant's Lode returning 4m at 3.02g/t gold from 18m near surface (24MPKC005) aligning with historic holes of up to 7m at 3g/t gold including 1m at 10.6g/t gold (MPRC078). Additional prospects include:

- El Dorado: 6m at 8.3g/t gold from 28m
- Meiers Find: 600m geochemistry anomaly and 1m at 15.4g/t gold from 36m

Significant desktop work has progressed on the surrounding tenements to test the full extent of the 10km long greenstone belt with high priority targets to discover high-grade gold mineralisation.

Diamond HQ3 core drilling was completed during the year on 3 planned holes to extend 3 pre-collared RC holes 24MPKC001, 24MPKC009 and 24MPKC0010 to test the down plunge, along strike extensions to the historically known orebody. These were diamond tails for a total of 307.4m to extend the RC pre-collar holes 24MPKC001 and 24MPKC009. They were primary key structural holes to start modelling the system, and unfortunately did not intersect resource grade gold. They do however provide valuable data for structural studies, which are required in these types of gold systems to understand the origin and formation of the rich lodes, for future discovery. SRK Consulting structural geology experts have completed their initial analysis, including core inspection pre-split, which Kula will build on. RQD testwork was also carried out on the core prior to cutting for geotechnical data for future use.

**Marvel Loch Project – 100%**

Boomerang Kaolin Deposit (Southern Cross Region WA)

The Company continued discussions to advance development of the large Boomerang Kaolin Deposit of 93.3Mt (indicated resource of 15.2Mt & inferred resource of 78.1Mt), near excellent infrastructure in Southern Cross WA.

Engineering studies for downstream processing on site to produce metakaolin products for the Green Construction Industry has been completed. Mineralogical/metallurgical test work by Sedgman has also been completed confirming the suitability of the raw material for green cement as well as many uses such as paint, rubber and pesticide production. Discussions with potential acquirers and developers of the project continue with a view to monetising this asset.

The Company has lodged applications for a Mining Licence ML77/1302 & a Miscellaneous Licence L77/359.

During the year, the Company had a gold exploration focus with multiple UFF soil programmes on various prospects, Boomerang, Crayfish, Stingray, G-Star, 311 and Nevoria North Prospects. The Boomerang Gold Prospect was drilled with no significant gold mineralisation.

**Kirup Project – 70% (30% Sentinel Exploration Limited)**

The Company acquired a 70% interest in April 2023 and has obtained land access to some landowners, mapped, rock chipped and soil sampled these properties. During the prior year, the Company RC drilled the Mustang Gold Prospect after receiving an Exploration Incentive Scheme (EIS) allocation with a virgin discovery of 2m @ 2.3g/t gold from 24m an excellent first up result from 1 RC hole into an UFF soil anomaly. This was preceded by a strong 3.5g/t rock chip at the eastern portion of the Mustang Prospect and will have more soil samples, mapping and rock chipping on this prospect.

**Brunswick Project – 100%**

The Brunswick Project is in the Western Gneiss Terrain within Australia's Southwest and is prospective for lithium, Archean gold and copper, epithermal gold (Donnybrook Gold Mine Prospect). Incredibly overlooked area, given the prospective geology, for example, the most recent material drilling programme in the project area was BHP in 1985 for gold under a ~\$5m JV farm-in.

Positive results from soil sampling and rock chip sampling at the Donnybrook Gold Mine Prospect (which hosts the historical Donnybrook Gold Mine) revealed a strong, continuous gold-in-soil anomaly of over 250m wide and extending over 650m along strike (open in both directions) that require ongoing investigation.

The Company has recognised two new gold prospect areas, Jarvis and Camilleri, where historical gold records for the Camilleri (Donnybrook) Mine had production of 236.7 ounces of gold from 51.3 tonnes of material extracted (146g/t gold). Geologically speaking, the Jarvis Prospect has numerous shafts, 4 ex-Metana Minerals NL percussion holes that drilled wet sample in that area including one hole that entered into one of the old shafts. This prospect also has a historical 500ppm soil sample from the same company.

**Southern Cross Project (Southern Cross, WA) 100%**

During the year the Company focused on its gold projects but is optimistic if the lithium price recovers to advance the Nadia, Sasha and Taliah Prospects with an emphasis on lithium exploration seeking mineralised pegmatites. All three prospects are now at a drill ready stage and the Company notes the announcement by Mineral Resources Ltd about establishing a lithium processing facility at the Lake Johnston Lithium Hub.

**Westonia Gold Project (Southern Cross, WA) 100%**

Moving forward the Company will UFF soil sample around the known 1.85g/t gold in a quartz vein rock sample from a lateritic breakaway as it appears the Westonia Project is situated on the same structural system as the 2Moz operating Edna May Gold Mine less than 5km away.

## Changes in state of affairs

There was no significant change in the state of affairs of the Group during the financial year.

## Dividends

There were no dividends paid or recommended during the financial year ended 31 December 2024 or 31 December 2023.

## Subsequent events

Subsequent to the year under review, the Company undertook the following activities:

- On 6 January 2025, the Company announced a non-renounceable pro-rata entitlement offer to eligible shareholders on the basis on one fully paid ordinary share for every two fully paid ordinary shares held at an issue price of \$0.005 to raise approximately \$1,600,000 before costs.
- On 22 January 2025, the Company announced that it has formed a joint venture that has applied for an exploration licence in Malawi, known as the Wozi Niobium Project, and that the Malawi Government's Mining and Minerals Regulatory Authority has recommended the grant, subject to completion of an environmental study.

Kula 75% and Manager, African Rare Metals Pty Ltd holds a 25% free carried interest for US\$100,000 then may contribute or dilute to a 10% free carried interest until a decision to mine. The JV agreement includes a 2% Net Smelter Royalty, which the Company can acquire for A\$10,000,000 at anytime and such right is transferrable.

- On 31 January 2025, the Company issued 66,441,764 fully paid ordinary shares at an issue price of \$0.005, raising \$332,209 pursuant to the non-renounceable pro-rata entitlement offer announced on 6 January 2025. The Company has 3 months from the closing date to place any shortfall from the offer.
- On 27 February 2025, the Company issued 211,600,000 fully paid ordinary shares at an issue price of \$0.005, raising an additional \$1,058,000 before costs under the shortfall of the non-renounceable pro-rata entitlement offer on 6 January 2025. The Company will pay a capital raising fee of 6% plus GST together with 20,000,000 unlisted options exercisable at \$0.015 on or before 31 May 2027 to the lead manager of the shortfall offer.
- On 27 February 2025, the Company issued 27,500,000 unlisted options exercisable at \$0.015 on or before 31 May 2027. 20,000,000 options were issued to the Lead Manager of the shortfall offer and 7,500,000 were issued under the Employee Incentive Option Plan.

Other than the above, there has not been any matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

## Future developments

The main focus of the Group for the year ahead is gold exploration in Western Australia, niobium exploration in Malawi and to continue development of the Boomerang Kaolin Deposit.

## Environmental Regulations

The Company is subject to the state and federal environmental regulation of Western Australia and Australia respectively and also environmental regulations in Malawi. The Company needs to ensure the appropriate standard of environmental care is achieved, and in doing so, that it is aware of and is in compliance with all environmental legislation. The directors of the Company are not aware of any breach of environmental legislation for the period under review.

## Shares under option or issue on exercise of options

Details of unissued shares under option as at the date of this report are:

Quoted / unlisted	Grant date	Number of shares under option	Exercise price of option	Expiry date of options
Unlisted	27 February 2025	20,000,000 <sup>1</sup>	\$0.015	31 May 2027
Unlisted	27 February 2025	7,500,000 <sup>2</sup>	\$0.015	31 May 2027
Unlisted	12 July 2024	7,500,000 <sup>3</sup>	\$0.025	30 June 2027
Unlisted	10 July 2024	10,000,000 <sup>4</sup>	\$0.015	31 May 2027
Unlisted	19 January 2024	5,000,000 <sup>5</sup>	\$0.02	1 July 2026
Unlisted	19 January 2024	5,000,000 <sup>5</sup>	\$0.05	1 July 2027
Unlisted	1 February 2023	1,300,000 <sup>7</sup>	\$0.06	1 July 2026
Unlisted	8 November 2022	2,300,000 <sup>7</sup>	\$0.06	1 July 2026
Unlisted	7 November 2022	6,000,000 <sup>6</sup>	\$0.08	7 November 2025
Unlisted	18 July 2022	1,800,000 <sup>7</sup>	\$0.06	1 July 2026
Unlisted	16 August 2021	575,000 <sup>7</sup>	\$0.085	1 August 2025
Unlisted	28 June 2021	2,950,000 <sup>7</sup>	\$0.06	1 July 2026
		<b>69,925,000</b>		

<sup>1</sup> Unlisted options were issued to Euroz Hartley (or nominee) for being Lead Manager to the Shortfall Offer under the non-renounceable pro-rata entitlement offer announced on 6 January 2025.

<sup>2</sup> Unlisted options were granted to an eligible participant under the Employee Incentive Option Plan ('EIOP') approved at the Annual General Meeting held in 2024. 50% of these options will vest on 27 February 2025 and 50% will vest on 27 February 2026.

<sup>3</sup> Unlisted options were granted to employees under the EIOP approved at the Annual General Meeting held in 2024. 50% vested on 12 July 2024 and 50% will vest on 12 July 2025.

<sup>4</sup> Unlisted options issued to Euroz Hartley (or nominee) for being Lead Manager to the Placement announced on 31 May 2024, following shareholder approval at the General Meeting held on 10 July 2024.

<sup>5</sup> Unlisted options were granted to Mr Dawson, following shareholder approval obtained at the General Meeting held on 19 January 2024. The unlisted options were granted to remunerate and incentivise Mr Dawson in his role as Managing Director and preserve cash resources of the Company. The unlisted options will vest when the Company's market capitalisation reaches \$12m.

<sup>6</sup> Unlisted options issued to Taylor Collison (or nominee) for being Lead Manager to the Placement announced on 19 September 2022, following shareholder approval at the General Meeting held on 7 November 2022.

<sup>7</sup> Unlisted options were granted to employees under the EIOP approved at the Annual General Meeting held in 2021. These options have fully vested.

The holders of these options do not have the right, by virtue of the option, to participate in any share issue or interest issue of the Company or of any other body corporate or registered scheme.

No fully paid ordinary shares were issued by the Company as a result of the exercise of options during or since the end of the financial year.

### Indemnification of officers and auditors

During the financial year, the Company paid a premium in respect of a contract insuring the directors and all executive officers of the Company against a liability incurred as such a director or executive officer to the extent permitted by the Corporations Act. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

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 an officer or auditor of the Company against a liability incurred as such an officer or 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. The Company was not a party to any such proceedings during the year.

### Directors' meetings

The following table sets out the number of directors' meetings held during the financial year and the number of meetings attended by each director. The directors communicate regularly and pass most resolutions via circular resolutions.

	Directors' Meetings		Audit Committee		Nomination Committee		Remuneration Committee		Finance and Operations Committee		
	Number eligible to attend	Number Attended	Number eligible to attend	Number Attended	Number eligible to attend	Number Attended	Number eligible to attend	Number Attended	Number eligible to attend	Number Attended	
Mr Mark Stowell	4	4	<i>At the date of this report, the Remuneration, Audit, Nomination, and Finance and Operations Committees comprise the full Board of Directors. The Directors believe the</i>								
Mr Mark Bojanjac	4	4	<i>Company is not currently of a size nor are its affairs of such complexity as to warrant the</i>								
Mr Ric Dawson	4	4	<i>establishment of these separate committees. Accordingly, all matters capable of delegation to such committees are considered by the full Board of Directors.</i>								

### Non-audit services

During the current and previous financial year, the Company's auditor, Elderton Audit Pty Ltd, did not perform any services other than their statutory audits. Details of remuneration paid to the auditor can be found within the financial statements at note 23.

In the event that non-audit services are provided by Elderton Audit Pty Ltd, the directors are satisfied that the provision of non-audit services are compatible with, and do not compromise, the auditor independence requirements of the Corporations Act 2001. These procedures include:

- All non-audit services will be reviewed and approved to ensure that they do not impact the integrity 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 issued by the Accounting Professional & Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision making capacity for the Company, acting as an advocate for the Company or jointly sharing economic risks and rewards.

### Auditor's independence declaration

The auditor's independence declaration is included after this report on page 15.

### Rounding off of amounts

The Company is a company of the kind referred to in *ASIC Corporations (Rounding in Financials/Directors' Reports) Instrument 2016/191*, dated 24 March 2016, and in accordance with that Corporations Instrument amounts in this directors' report are rounded off to the nearest dollar, unless otherwise indicated.

## Remuneration report

This remuneration report, which forms part of the directors' report, sets out information about the remuneration of Kula Gold Limited's key management personnel for the financial year ended 31 December 2024. The term 'key management personnel' refers to those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including any director (whether executive or otherwise) of the Group. The prescribed details for each person covered by this report are detailed below under the following headings:

- Key management personnel.
- Remuneration policy.
- Relationship between the remuneration policy any company performance.
- Remuneration of key management personnel.
- Key terms of employment contracts.

### Key management personnel

The directors and other key management personnel of the Group during or since the end of the financial year were:

- Mr Mark Stowell                      Chairman
- Mr Ric Dawson                      Managing Director
- Mr Mark Bojanjac                      Director

The named persons held their current position for the whole of the financial year and since the end of the financial year.

### Remuneration policy

In assessing the remuneration of its key management personnel, the Group does not have in place any formal objectives, criteria or analysis; instead, it relies mainly on Board discussion. The adoption of this remuneration report is periodically recommended for approval by shareholders via a non-binding resolution at the Company's Annual General Meeting.

The Group's policy regarding executive remuneration is that the executives are paid a commercial salary and benefits based on the market rate and experience designed to promote superior performance and long-term commitment to the Group.

The Group's executive compensation program has two principal components: base salary and incentive share options.

Base salaries for all employees of the Group are established for each position based on individual and corporate performances.

Non-Executive Director remuneration is not to exceed \$300,000 per annum. Directors have no entitlement to termination payments in the event of removal for misconduct.

Key management personnel are entitled to participate in the Group's Employee Incentive Option Plan ('EIOP'), which was approved by shareholders at the 2024 Annual General Meeting. The EIOP is designed to give each option holder an interest in preserving and maximising shareholder value. Such grants are determined by an informal assessment of an individual's performance, level of responsibilities and the importance of his/her position and contribution to the Group.

## Relationship between the remuneration policy and company performance

During the Group's exploration and development phases of its business, the Board anticipates that the Company will retain earnings (if any) and other cash resources for the exploration and development of its resource projects. Accordingly, the Company does not currently have a policy with respect to the payment of dividends and returns of capital. Therefore, there was no relationship between the Board's policy for determining, or in relation to, the nature during the current and previous financial years.

The Board did not determine the nature and amount of remuneration of the key management personnel by reference to changes in the price at which shares in the Company traded between the beginning and end of the current and previous financial years.

The table below sets out summary information about the Group's earnings and movements in shareholder wealth for the five years to 31 December 2023:

	31 Dec 2024	31 Dec 2023	31 Dec 2022	31 Dec 2021	31 Dec 2020
Interest and other income	306,100	549,998	447,157	14,541	36,601
Profit/(loss) after tax	(2,406,947)	(2,594,866)	(1,617,731)	(1,645,522)	(548,943)
Share price at start of year	0.015	0.025	0.048	0.041	0.037
Share price at end of year	0.006	0.015	0.025	0.048	0.041
Basic and diluted profit/(loss)	(0.43)	(0.69)	(0.64)	(0.87)	(0.53)

## Remuneration of key management personnel

The table of benefits and payment details, in respect to the financial year, the components of remuneration for each member of the key management personnel of the Group:

2024									
Group Key Management Personnel	Short-term employee benefits				Post- employment benefits	Long- term employee benefits	Share- based payments		Total
	Director fees	Cash bonus	Non- monetary	Consulting fees	Super- annuation	Long service	Equity	Options	
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Mr Mark Stowell	9,000	-	-	48,438	1,012	-	-	-	58,450
Mr Ric Dawson	6,000	-	-	142,500	16,745	-	-	-	165,245
Mr Mark Bojanjac	6,000	-	-	24,000	675	-	-	-	30,675
	<b>21,000</b>	-	-	<b>214,938</b>	<b>18,432</b>	-	-	-	<b>254,370</b>

2023									
Group Key Management Personnel	Short-term employee benefits				Post- employment benefits	Long- term employee benefits	Share- based payments		Total
	Director fees	Cash bonus	Non- monetary	Consulting fees	Super- annuation	Long service	Equity	Options	
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Mr Mark Stowell	9,000	-	-	41,250	968	-	-	-	51,218
Mr Ric Dawson <sup>1</sup>	1,210	-	-	150,000	15,375	-	-	-	166,585
Mr Mark Bojanjac	6,000	-	-	24,000	645	-	-	-	31,245
Mr John Hannaford <sup>2</sup>	4,790	-	-	18,600	512	-	-	-	23,902
	<b>21,000</b>	-	-	<b>234,450</b>	<b>17,500</b>	-	-	-	<b>272,950</b>

<sup>1</sup> Appointed 18 October 2023

<sup>2</sup> Resigned 24 October 2022

## Bonuses and share-based payments granted as compensation for the current financial year

There were no cash bonuses paid during the current or previous financial year and there are no set performance criteria for achieving cash bonuses.

On 25 January 2024, the Company issued 5,000,000 unlisted options exercisable at \$0.02 on or before 1 July 2026 and 5,000,000 unlisted options exercisable at \$0.05 on or before 1 July 2027, following shareholder approval obtained at the General Meeting held on 19 January 2024, to Mr Dawson following his appointment as Managing Director. The unlisted options were granted to remunerate and incentivise Mr Dawson and preserve cash resources of the Company. The options will vest when the Company's market capitalisation reaches \$12,000,000.

There was no remuneration paid to key management personnel linked to performance during the previous financial year.

No key management personnel appointed during the current or previous financial year received a payment as part of his consideration for agreeing to hold the position.

## Employee incentive option plan

Kula Gold Limited operates an ownership-based Employee Incentive Option Plan ('EIOP') for executives and senior employees of the Group.

In accordance with the terms and conditions of the EIOP, as approved by shareholders at the 2024 Annual General Meeting, each unlisted option converts to fully paid ordinary shares on a one-for-one basis.

No amounts are paid or payable by the recipient on receipt of the unlisted option. The options carry neither rights to dividends nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry. There is no performance based formula to calculate the number of options each executive or senior employee receives. Options expire on the expiry date and any unvested options expire on the resignation of the executive or senior employee. As at the date of this report the Group had 23,925,000 unlisted options on issue under the EIOP leaving a capacity of 398,096.

Terms and conditions of share-based payments granted as at the date of this report:

Option series	Grant date	Number of shares under option	Grant date fair value	Exercise price	Expiry date options	Vesting dates
7	27 Feb 2025	7,500,000	\$0.003	\$0.015	31 May 2027	50% Vested 50% vesting 27 Feb 2026
6	12 Jul 2024	7,500,000	\$0.008	\$0.025	30 June 2027	50% vested 50% vesting 12 Jul 2025
5	1 Feb 2023	1,300,000	\$0.016	\$0.06	1 July 2026	100% vested
4	8 Nov 2022	2,300,000	\$0.025	\$0.06	1 July 2026	100% vested
3	18 Jul 2022	1,800,000	\$0.016	\$0.06	1 July 2026	100% vested
2	16 Aug 2021	575,000	\$0.044	\$0.085	1 August 2025	100% vested
1	28 Jun 2021	2,950,000	\$0.029	\$0.06	1 July 2026	100% vested

There has been no alteration of the terms and conditions of the above share-based payment arrangements since the grant date.

No share-based payments were granted as compensation to key management personnel during the current or previous financial year under the EIOP.

No options were exercised during the current or previous financial years. No options lapsed during the financial year (2023: 1,000,000) as a result of the resignation of the executive or senior employee.

Each option converts into one fully paid ordinary share of the Company.

## Key management personnel equity holdings

Fully paid ordinary shares of Kula Gold Limited.

Name	Balance at 1 Jan 2023	Shares acquired	Shares disposed	Balance on resignation	Balance at 31 Dec 2023	Shares acquired subsequent year-end <sup>1</sup>	Balance at date of this report
	No.	No.	No.	No.	No.	No.	No.
Mr Mark Stowell	25,091,228	14,996,153	-	-	40,087,381	20,043,690	60,131,071
Mr Ric Dawson	2,500,000	1,100,000	-	-	3,600,000	1,800,000	5,400,000
Mr Mark Bojanjac	3,750,000	1,500,000	-	-	5,250,000	2,625,000	7,875,000

<sup>1</sup> On 31 January 2025, shares were issued at \$0.005 per share as a result of the Directors taking their full entitlement in the non-renounceable pro-rata entitlement offer pursuant to the prospectus lodged on 6 January 2025.

## Key terms of employment contacts

- The compensation for all Non-Executive Directors is not to exceed \$300,000 p.a.
- Directors have no entitlement to termination payments in the event of removal for misconduct.
- As Managing Director, Mr Dawson was paid a monthly consulting fee of \$12,500 + GST and superannuation. In December 2024, this monthly consulting fee was reduced to \$5,000 + GST and superannuation to preserve the cash resources of the Company.

Mr Dawson also receives directors' fees of 6,000 per annum plus superannuation.

On 25 January 2024, the Company issued 5,000,000 unlisted options exercisable at \$0.02 on or before 1 July 2026 and 5,000,000 unlisted options exercisable at \$0.05 on or before 1 July 2027, following shareholder approval obtained at the General Meeting held on 19 January 2024. The unlisted options were granted to remunerate and incentivise Mr Dawson and preserve cash resources of the Company. The options will vest when the Company's market capitalisation reaches \$12,000,000.

## Loans with key management personnel of the Group

On 27 September 2024, the Company entered a new loan facility agreement with Merchant Holdings Pty Ltd, a company controlled by Mr Mark Stowell. This agreement provided a loan facility for \$500,000 available for draw down for 3 months from the date of the agreement. In terms of the agreement interest accrued at the rate of 7.65% per annum on the outstanding principal with a default interest rate of 20% should the loan facility not be repaid within 3 months. During the financial year, the loan was drawn down to \$460,000 and subsequent to year-end drawn down to \$607,218.45 and interest of \$14,996.15 has been accrued to the date of this report. On 31 January 2025, the Company issued 21,176,966 fully paid ordinary shares at an issue price of \$0.005 to entities related to Mr Mark Stowell via the non-renounceable pro rata entitlement offer prospectus lodged with ASIC and ASX on 6 January 2025. On 28 February 2025, a cash payment of \$164,105.82 was paid and on 6 March 2025, a cash payment of \$10,000 was paid. As at 31 December 2024, the loan balance was \$467,476.82 and at the date of this report the loan balance was \$342,223.95.

On 23 April 2024, the Company entered a loan facility agreement with Merchant Holdings Pty Ltd, a company controlled by Mr Mark Stowell. This agreement provided a loan facility for \$100,000 available for draw down for 3 months from the date of the agreement. In terms of the agreement interest accrued at the rate of 7.65% per annum on the outstanding principal with a default interest rate of 20% should the loan facility not be repaid within 3 months. The loan was drawn down to \$108,000 during the period and interest of \$493 was accrued. Repayment of the loan in full occurred on 7 June 2024 via a cash payment of \$36,493 and the issue of 9,000,000 fully paid ordinary shares at an issue price of \$0.008 per share, shareholder approval was obtained at the Company's Annual General Meeting held on 17 May 2024.

## Other transactions with key management personnel of the Group

During the financial year, the Company leases premises at Suite 2, 20 Howard Street, Perth from an entity that is controlled by Mr Mark Stowell. The terms of this lease are set at a rate that is considered to be arms-length for comparable premises. The rent and outgoings paid for this premises during the financial year ended 31 December 2024 was \$37,348 (2023: \$41,714).

On 28 November 2022, the Company entered into a binding term sheet ('Agreement') with Sentinel Exploration Ltd ('Sentinel') to acquire a 70% interest in the lithium and related minerals in tenement E70/5452 ('Kirup Project').

Mr Mark Stowell is a current director of both Sentinel and the Company and Mr Simon Adams is a current director of Sentinel and a previous director of the Company, resigning on 2 November 2022. As a result, this transaction was considered a related party transaction and was approved by shareholders at a General Meeting held on 31 March 2023.

The consideration was as follows:

- \$200,000 for the reimbursement of exploration expenditure costs;
- Issued 12,000,000 fully paid ordinary shares at a deemed value of \$0.016 per share, subject to a 12-month escrow period from 4 April 2023; and
- A deferred consideration amount of \$2,000,000 payable in fully paid ordinary shares issued at the 10-day VWAP (commencing upon announcing the resource), with a minimum issue price of \$0.04 on completion of a JORC maiden inferred resource on the Kirup Project of a minimum of 10mt of ore at a grade of 1% lithium (or metal equivalent) or greater within 5 years of the lithium rights being acquired.

On 28 June 2024, a variation agreement was executed to:

- include 70% of all gold, base metal and non-LCT mineral rights acquired for the reimbursement of costs of \$10,000 as a result of the new epithermal potential.
- The 2,000,000 performance rights that convert to fully paid ordinary shares in the capital of the Company to be cancelled as a result of the current market and economic conditions of lithium and replaced with a 1% net smelter royalty.

As a result of the above variation made to the contingent consideration, being the 2,000,000 performance rights, the duty paid was reassessed and resulted in a refund of \$104,069 received in the current financial year.

This directors' report, is signed in accordance with a resolution of directors made pursuant to s.298(2) of the *Corporations Act 2001*.

On behalf of the Directors



Mr Mark Stowell

**Chairman**

27 March 2025

Perth, Western Australia

## Auditor's Independence Declaration

As the auditor for the audit of Kula Gold Limited for the year ended 31 December 2024, I declare that, to the best of my knowledge and belief, there have been:

- I) no contraventions of the independence requirements of the *Corporations Act 2001* in relation to the audit; and
- II) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is made in respect of Kula Gold Limited and the entities it controlled during the year.

Elderton Audit Pty Ltd

**Elderton Audit Pty Ltd**

Rafay

**Rafay Nabeel**  
Director

27 March 2025  
Perth

## Independent Audit Report to the members of Kula Gold Limited

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of Kula Gold Limited (the "Company") and its subsidiaries (collectively referred to as the "Group"), which comprises the Consolidated Statement of financial position as at 31 December 2024, the Consolidated Statement of profit or loss and other comprehensive income, the Consolidated Statement of changes in equity and the Consolidated Statement of cash flows for the year then ended, and notes to the Financial Statements, including a summary of significant accounting policies, the consolidated entity disclosure statement and the directors' declaration.

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

- (i) giving a true and fair view of the Group's financial position as at 31 December 2024 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

#### Basis for Opinion

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

We 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 the Basis of Preparation note 2 (b) of the financial report, which describes that the ability of the Company and the Group to continue as a going concern is dependent on fund raising activities. As a result, there is a material uncertainty related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern, and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

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. We have determined the matter described below to be a key audit matter to be communicated in our report.

## Capitalized Exploration

Refer to accounting policy Note 2(y) and Note 12 for the accounting policy and disclosures in relation to Exploration and Evaluation Expenditure (\$1,664,539) as at 30 December 2024.

Key Audit Matter	How our audit addressed the matter
The Group has incurred significant exploration and evaluation expenditures which have been capitalised. As the carrying value of exploration and evaluation expenditures represents a significant asset of the Group, we considered it necessary to assess whether facts and circumstances existed to suggest that the carrying amount of this asset may exceed its recoverable amount. As a result, the asset was required to be assessed for impairment.	<p>We carried out the following work in accordance with the guidance set out in AASB 6 <i>Exploration for and Evaluation of Mineral Resources</i>:</p> <ul style="list-style-type: none"><li>• We obtained evidence that the Group has valid rights to explore in the areas represented by the capitalised exploration and evaluation expenditures by obtaining independent searches of a sample of the Group's tenement holdings;</li><li>• We enquired with management and reviewed budgets to ensure that substantive expenditure on further exploration for and evaluation of the mineral resources in the Group's areas of interest were planned;</li><li>• We enquired with management, reviewed announcements made and reviewed minutes of directors' meetings to ensure that the Group had not decided to discontinue activities in any of its areas of interest;</li><li>• We enquired with management to ensure that the Group had not decided to proceed with development of a specific area of interest, to ensure the classification as exploration was appropriate.</li></ul>

Based on our testing, no issues were noted.

## Other Information

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

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

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

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

## Responsibilities of 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 Group'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 Group 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 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 the financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a Statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

## Report on the Remuneration Report

We have audited the Remuneration Report included in pages 10 to 13 of the directors' report for the year ended 31 December 2024. The directors of the Kula Gold Limited 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 in accordance with Australian Auditing Standards.

### Opinion

In our opinion, the Remuneration Report of Kula Gold Limited for the year ended 31 December 2024 complies with section 300A of the *Corporations Act 2001*.

Elderton Audit Pty Ltd

Elderton Audit Pty Ltd

Rafay

Rafay Nabeel  
Director

Perth  
27 March 2025

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## Directors' declaration

The directors declare that:

- (a) 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;
- (b) in the directors' opinion, the attached financial statements are in compliance with International Financial Reporting Standards, as stated in note 1 to the financial statements;
- (c) in the directors' opinion, the attached financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including compliance with accounting standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements and giving a true and fair view of the financial position as at 31 December 2024 and performance of the Group for the financial year ended on that date;
- (d) on the directors' opinion, the attached consolidated entity disclosure statement is true and correct; and
- (e) the directors have been given the declarations required by s.295A of the *Corporations Act 2001*.

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

Mr Mark Stowell

**Chairman**

27 March 2025

Perth, Western Australia

# Consolidated statement of profit or loss and other comprehensive income

for the year ended 31 December 2024

		Consolidated	
		Year ended	
	Note	31 December 2024 \$	31 December 2023 \$
<b>Continuing operations</b>			
Other income	4	306,100	549,998
Administration expenses		(888,812)	(896,140)
Share-based payments	20	(36,987)	(56,128)
Exploration and evaluation expenditure		(1,775,725)	(2,191,033)
Finance costs		(11,523)	(1,563)
<b>Loss before tax</b>		<b>(2,406,947)</b>	<b>(2,594,866)</b>
Income tax expense	6	-	-
<b>Loss for the year</b>	5	<b>(2,406,947)</b>	<b>(2,594,866)</b>
<b>Other comprehensive expense</b>			
Items that will not be reclassified subsequently to profit or loss		-	-
Items that may be reclassified subsequently to profit or loss		-	-
<b>Total other comprehensive loss for the year</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive loss for the year</b>		<b>(2,406,947)</b>	<b>(2,594,866)</b>
<b>Loss attributable to:</b>			
Owners of Kula Gold Limited		<b>(2,406,947)</b>	<b>(2,594,866)</b>
<b>Total comprehensive loss attributable to:</b>			
Owners of Kula Gold Limited		<b>(2,406,947)</b>	<b>(2,594,866)</b>
<b>Loss per share from continuing operations:</b>			
Basic and diluted (cents per share)	7	(0.43)	(0.69)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

## Consolidated statement of financial position as at 31 December 2024

		Consolidated	
		31 December 2024	31 December 2023
		\$	\$
<b>ASSETS</b>			
<b>Current assets</b>			
	8	39,314	393,378
	9	105,084	122,505
		<b>144,398</b>	<b>515,883</b>
<b>Non-current assets</b>			
	10	35,092	42,678
	11	31,267	52,112
	12	1,664,539	1,460,337
		<b>1,730,898</b>	<b>1,555,127</b>
		<b>1,875,296</b>	<b>2,071,010</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
	13	332,892	396,060
	14	467,477	-
	15	10,761	10,761
	11	11,522	19,668
		<b>822,652</b>	<b>426,489</b>
<b>Non-current liabilities</b>			
	11	22,069	33,591
		<b>22,069</b>	<b>33,591</b>
		<b>844,721</b>	<b>460,080</b>
		<b>1,030,575</b>	<b>1,610,930</b>
<b>Equity</b>			
	16	157,942,785	156,243,065
	17	934,577	807,705
		(157,846,787)	(155,439,840)
<b>Equity attributable to:</b>			
		1,030,575	1,610,930
		-	-
		<b>1,030,575</b>	<b>1,610,930</b>

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

## Consolidated statement of changes in equity for the year ended 31 December 2024

<u>Consolidated</u>	Note	Share-based					Total equity \$
		Share capital \$	payment reserve \$	Consolidation reserve \$	Total reserves \$	Accumulated losses \$	
<b>Balance at 1 January 2023</b>		<b>155,506,534</b>	<b>362,490</b>	<b>404,366</b>	<b>766,856</b>	<b>(152,860,253)</b>	<b>3,413,137</b>
Loss for the year		-	-	-	-	(2,594,866)	(2,594,866)
<b>Total other comprehensive loss for the year</b>		-	-	-	-	-	-
<b>Total comprehensive loss for the year</b>		-	-	-	-	(2,594,866)	(2,594,866)
Issue of share capital	16	600,000	-	-	-	-	600,000
Issue of shares part consideration for the Kirup Project	16	192,000	-	-	-	-	192,000
Share issue costs	16	(55,469)	-	-	-	-	(55,469)
Share-based payments	20	-	56,128	-	56,128	-	56,128
Lapsed employee incentive options	17	-	(15,279)	-	(15,279)	15,279	-
<b>Balance at 31 December 2023</b>		<b>156,243,065</b>	<b>403,339</b>	<b>404,366</b>	<b>807,705</b>	<b>(155,439,840)</b>	<b>1,610,930</b>
<b>Balance at 1 January 2024</b>		<b>156,243,065</b>	<b>403,339</b>	<b>404,366</b>	<b>807,705</b>	<b>(155,439,840)</b>	<b>1,610,930</b>
Loss for the year		-	-	-	-	(2,406,947)	(2,406,947)
<b>Total other comprehensive loss for the year</b>		-	-	-	-	-	-
<b>Total comprehensive loss for the year</b>		-	-	-	-	(2,406,947)	(2,406,947)
Issue of share capital	16	1,660,000	-	-	-	-	1,660,000
Issue of shares as consideration for the Mt Palmer Project	16	250,000	-	-	-	-	250,000
Share issue costs	16	(210,280)	89,885	-	89,885	-	(120,395)
Share-based payments	20	-	36,987	-	36,987	-	36,987
<b>Balance at 31 December 2024</b>		<b>157,942,785</b>	<b>530,211</b>	<b>404,366</b>	<b>934,577</b>	<b>(157,846,787)</b>	<b>1,030,575</b>

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

## Consolidated statement of cash flows for the year ended 31 December 2024

		Consolidated	
		Year ended	
		31 December	31 December
		2024	2023
		\$	\$
	Note		
<b>Cash flows from operating activities</b>			
Payments to suppliers and employees		(719,127)	(967,866)
<b>Net cash used in operating activities</b>	8	<b>(719,127)</b>	<b>(967,866)</b>
<b>Cash flows from investing activities</b>			
Purchases of property, plant and equipment	10	(2,467)	(2,000)
Payments for exploration and evaluation expenditure		(1,909,951)	(1,884,892)
Research and development grant	4	187,628	938,179
Refund of duties paid on acquisition of Kirup	4	104,069	-
Interest income	4	179	1,119
<b>Net cash used in investing activities</b>		<b>(1,620,542)</b>	<b>(947,594)</b>
<b>Cash flows from financing activities</b>			
Proceeds from issue of shares	16	1,574,000	600,000
Payment of share issue costs	16	(120,395)	(55,469)
Proceeds from loans and borrowings		568,000	-
Repayment of loans and borrowings		(36,000)	-
<b>Net cash provided by financing activities</b>		<b>1,985,605</b>	<b>544,531</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(354,064)</b>	<b>(1,370,929)</b>
Cash and cash equivalents at the beginning of the year		393,378	1,764,307
<b>Cash and cash equivalents at the end of the year</b>	8	<b>39,314</b>	<b>393,378</b>

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

# Notes to the consolidated financial statements

## for the year ended 31 December 2024

### 1. General information

Kula Gold Limited ('Kula Gold' or the 'Company') is an exploration stage company engaged in the acquisition and exploration of mineral properties, principally located in Western Australia. The Company and its subsidiaries (the 'Group') have not yet determined whether its mineral properties contain reserves that are economically recoverable.

Kula Gold is a company limited by shares incorporated and registered in Australia whose ordinary shares are publicly traded on the Australian Securities Exchange ('ASX') under ticker code (ASX: KGD). The address of the registered office is Suite 2, 20 Howard Street, Perth, Western Australia 6000. The financial report of the Group for the year ended 31 December 2024 was authorised for issue in accordance with a resolution of the directors on 27 March 2025.

### 2. Basis of preparation and significant accounting policies

#### (a) Statement of compliance

These consolidated financial statements as at and for the year ended 31 December 2024 have been prepared in accordance with Australian equivalents to International Financial Reporting Standards ("AIFRS"), other pronouncements of the Australian Accounting Standards Board ("AASB"), Australian Accounting Interpretations and the *Corporations Act 2001*. Compliance with AIFRS also ensures that the consolidated financial statements are in compliance with International Financial Reporting Standards (including interpretations).

#### (b) Basis of preparation

The financial report is a general-purpose financial report, which has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board ("AASB") and the *Corporations Act 2001*. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

Except for cash flow information, the financial report has been prepared on an accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. Material accounting policies adopted in preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

##### i. New or amended Accounting Standards and Interpretations adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

##### ii. 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 early adopted by the Group for the annual reporting period ended 31 December 2024. The Group has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

##### iii. Going concern

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

**iii. Going concern (continued)**

As disclosed in the financial statements for the year ended 31 December 2024, the Group incurred a loss of \$2,406,947 (2023: \$2,594,866), had net cash outflows from operating activities of \$719,127 (2023: \$967,866), had cash inflows from financing activities of \$1,985,605 (2023: \$544,531). As at 31 December 2024 the Group had net assets of \$1,030,575 (2023: \$1,610,930) and cash and cash equivalents of \$39,314 (2023: \$393,378).

As such, the directors believe that there are reasonable grounds to believe that the Group will be able to continue as a going concern, after consideration of the following factors:

- On 27 February 2025, the Company issued an additional 211,600,000 fully paid ordinary shares at an issue price of \$0.005 to raise \$1,058,000 before costs under the shortfall offer of the non-renounceable pro rata entitlement offer prospectus announced on 6 January 2025.
- On 31 January 2025, the Company issued 66,441,764 fully paid ordinary shares at an issue price of \$0.005 to raise \$332,209 pursuant to the non-renounceable pro rata entitlement offer prospectus announced on 6 January 2025.
- On 22 March 2024, the Company entered into an At-the-Market Subscription Agreement (“ATM”) with Acuity Capital. The ATM provides the Company with up to \$1,000,000 of standby equity capital over a period to 31 January 2029. As security for the ATM, the Company issued 24,000,000 fully paid ordinary shares to Acuity Capital at nil consideration.
- the current cash balance of the Company relative to its fixed and discretionary expenditure commitments;
- given the Company’s market capitalisation and the underlying prospects for the Company to raise further funds from the capital markets; and
- the fact that future exploration and evaluation expenditure is generally discretionary in nature (i.e. at the discretion of the directors having regard to an assessment of the Group’s eligible expenditure to date and the timing and quantum of its remaining earn-in expenditure requirements). Subject to meeting certain minimum expenditure commitments, further exploration activities may be slowed or suspended as part of the management of the Company’s working capital.

Accordingly, the directors believe that the Group will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report.

In the event that the Group is unsuccessful in the matters set out above in relation to obtaining future funds through capital raisings, there is a material uncertainty whether the Group will continue as a going concern, and therefore whether it will realise its assets and discharge its liabilities in the normal course of business, and at the amounts stated in the financial report.

The financial report does not include any adjustments relating to the recoverability and classification of recorded assets or to the amounts and classification of liabilities that might be necessary should the Group not continue as a going concern.

**(c) Parent Entity Information**

In accordance with the *Corporations Act 2001*, these financial statements present the results of the Group only.

**(d) Basis of Consolidation**

The Company’s consolidated financial statements include Kula Gold Limited and its subsidiaries, all of which are wholly owned.

**Subsidiaries**

Subsidiaries are entities controlled by the Company. Consolidation accounting is applied for all of the Company’s wholly owned subsidiaries. Control is achieved when the Company:

- Has power over the investee;
- Is exposed, or has rights, to variable returns from its involvement with the investee; and
- Has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee, if facts and circumstance indicate that there are changes to one or more of the three elements of control listed above.

***Subsidiaries (continued)***

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

Where the Group loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The Group recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

***Joint Ventures***

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Investments in joint ventures are accounted for using the equity method. Under the equity method, the share of the profits or losses of the joint venture is recognised in profit or loss and the share of the movements in equity is recognised in other comprehensive income. Investments in joint ventures are carried in the statement of financial position at cost plus post-acquisition changes in the Group's share of net assets of the joint venture. Income earned from joint venture entities reduce the carrying amount of the investment.

**(e) Operating Segments**

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

**(f) Functional and Presentation Currency**

Items included in the financial statements of each of the Company's operations are measured using the currency of the primary economic environment in which it operates ("the functional currency"). The financial statements are presented in Australian dollars, which is the Company's functional and presentation currency.

**(g) Use of Estimates and Judgements**

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

***Critical Accounting Estimates******Exploration and Evaluation Assets***

Estimates and assumptions made may change if new information becomes available. If, after expenditure is capitalised, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalised is recognised in loss in the period that the new information becomes available.

***Impairment***

Assets, including property, plant and equipment and exploration and evaluation assets, are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amounts exceed their recoverable amounts.

The assessment of the fair value often requires estimates and assumptions such as discount rates, exchange rates, commodity prices, rehabilitation and restoration costs, future capital requirements and future operating performance. Changes in such estimates could impact recoverable values of these assets. Estimates are reviewed regularly by management.

**Provisions and contingencies**

The amount recognised as a provision, including legal, contractual and other exposures or obligations, is the best estimate of the consideration required to settle the related liability, including any related interest charges, taking into account the risks and uncertainties surrounding the obligation. The Company assesses its liabilities and contingencies based upon the best information available, relevant tax laws and other appropriate requirements.

**Decommissioning and environmental provisions**

The Company's operations are subject to environmental regulations in Australia. Upon any establishment of commercial viability of a site, the Company estimates the cost to restore the site following the completion of commercial activities and depletion of reserves. These future obligations are estimated by taking into consideration closure plans, known environmental impacts, and internal and external studies which estimate the activities and costs that will be carried out to meet the decommissioning and environmental provisions obligations. Amounts recorded for decommissioning and environmental provisions are based on estimates of decommissioning and environmental costs which may not be incurred for several years or decades.

The decommissioning and environmental cost estimates could change due to amendments in laws and regulations in Australia. Additionally, actual estimated decommissioning and reclamation costs may differ from those projected. The Company is currently in the exploration stage and as such, there are no decommissioning and environmental reclamation costs at the year end.

**Fair value of share-based compensation**

The fair value of share-based compensation are subject to the limitation of the pricing models adopted that incorporates market data and involves uncertainty in estimates used by management in the assumptions. As the option pricing models require the input of highly subjective assumptions, including the volatility of share price, changes in subjective input assumptions can materially affect the fair value estimate. Where applicable, judgement is exercised on the probability and timing of achieving milestones related to the options.

**Critical Accounting Judgements****Exploration and Evaluation Assets**

The application of the Company's accounting policy for and determination on recoverability of capitalised exploration and evaluation expenditure requires judgement in determining whether future economic benefits are likely, which may be based on assumptions about future events or circumstances.

**Income taxes**

Judgement is required in determining whether deferred tax assets are recognised in the statements of financial position. Deferred tax assets, including those arising from unutilised tax losses, require management to assess the likelihood that the Company will generate taxable earnings in future periods, in order to utilise recognised deferred tax assets.

Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in Australia. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Company to realise the deferred tax assets recorded at the date of the statement of financial position could be impacted.

Additionally, future changes in tax laws in Australia in which the Company operates could limit the ability of the Company to obtain tax deductions in future periods.

**Fair value measurement hierarchy**

The Group is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being: Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly and Level 3: Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective. The fair value of assets and liabilities classified as Level 3 is determined by the use of valuation models.

***Fair value measurement hierarchy (continued)***

These include discounted cash flow analysis or the use of observable inputs that require significant adjustments based on unobservable inputs.

***Estimation of useful lives of assets***

The Group determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

**(h) Financial Instruments**

Financial assets and liabilities are recognised when the Company becomes party to the contractual provisions of the instrument. Financial assets are derecognised when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

***Effective Interest Method***

The effective interest method calculates the amortised cost of a financial instrument asset or liability and allocates interest income over the corresponding period. The effective interest rate is the rate that discounts estimated future cash receipts over the expected life of the financial asset or liability, or where appropriate, a shorter period. Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as fair value through profit and loss.

***Loans and Receivables***

These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These assets are measured at amortised cost using the effective interest method. Any gains or losses on the realisation of receivables are included in profit or loss.

***Impairment of Financial Assets***

The Group 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 Group'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 measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit or loss.

***Other financial liabilities***

They are measured at amortised cost using the effective interest method. Any gains or losses in the realisation of other financial liabilities are included in profit or loss.

***Fair values***

Fair values of financial assets and liabilities are based upon quoted market prices available from active markets or are otherwise determined using a variety of valuation techniques and models using quoted market prices.

**Fair values (continued)**

The Company has made the following classifications:

Other assets	Loans and receivables
Trade and other payables	Other liabilities

All financial instruments are required to be measured at fair value on initial recognition. Fair value measurement for financial instruments and liquidity risk disclosures require a three hierarchy that reflects the significance of the inputs used in making the measurements.

**(i) Long-Lived Asset Impairment**

Long-lived assets, which comprise exploration and evaluation assets and property, plant and equipment, are reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable.

The Company's property, plant and equipment are assessed for indication of impairment at each financial position date.

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. Internal factors, such as budgets and forecasts, as well as external factors, such as future prices, costs and other market factors are also monitored to determine if indicators of impairment exist. If any indication of impairment exists, an estimate of the assets' recoverable amount is calculated. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets of the Company's assets. If this is the case, the individual assets are grouped together into cash generating units ("CGU") for impairment purposes. Such CGU's represent the lowest levels for which there are separately identifiable cash inflows that are largely independent of the cash flows from other assets.

If the carrying amount of the asset exceeds its recoverable amount, the asset is impaired and an impairment loss is charged to profit or loss so as to reduce the carrying amount to its recoverable amount (i.e. the higher of fair value less cost to sell and fair value in use). Fair value less cost to sell is the amount obtainable from the sale of an asset of CGU in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal. Value in use is determined as the present value of the future cash flows expected to be derived from an asset of CGU.

Estimated future cash flows are calculated using estimated future prices, mineral reserves and resources and operating and capital costs. All assumptions used are those that an independent market participant would consider appropriate. 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 estimates of future cash flows have not been adjusted.

**(j) Decommissioning and Environmental Provisions**

The Company's mineral exploration and development activities are subject to various Australian laws and regulations regarding the protection of the environment. As a result, the Company is expected to incur expenses to discharge its obligations under these laws and regulations.

Decommissioning and environmental costs are estimated based on the Company's interpretation of current regulatory and operating license requirements. Initially, a liability for a decommissioning and environmental provision is recognised as its fair value in the period in which it is incurred. Upon initial recognition of the liability, the corresponding decommissioning and environmental provision is added to the carrying amount of the related asset and the cost is amortised as an expense over the economic life of the asset using either the unit of production method or the straight-line method, as appropriate.

**(k) Revenue recognition**

The Group recognises interest revenue as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

**(l) Receivables**

Receivables are recognised at amortised cost, less any allowance for expected credit losses.

**(m) Trade and other payables**

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

**(n) 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 Group's normal operating cycle, 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 Group's normal operating cycle, 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.

**(o) Property, plant and equipment**

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Buildings and leasehold improvements	25 years
Motor vehicles	3 years
Plant and equipment	6 years
Furniture and fittings	6 years

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

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Group. Gains and losses between the carrying amount and the disposed proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to accumulated losses.

**(p) Borrowings**

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

**(q) Employee benefits*****Short-term employee benefits.***

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long services leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

***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 period of services. 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.

**Share-based payments**

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

Equity-settled transactions are awards of shares, or options over shares, that are provided to 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 for reference to the share price.

The cost of equity-settled transactions are measured at the 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 Group receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

If the non-vesting condition is within the control of the Group or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Group 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.

**(r) Share capital**

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

**(s) Income tax**

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance date.

Deferred income tax is provided on all temporary differences at the statement of financial position date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or

**(s) Income tax (continued)**

- when the deductible temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each balance date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

**(t) Good and Services Tax (GST) and other similar taxes**

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

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

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

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

**(u) Cash and cash equivalents**

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

**(v) Rounding of amounts**

The Company is a company of the kind referred to in ASIC Corporations (Rounding in Financials/Directors' Reports) Instrument 2016/191, dated 24 March 2016 and in accordance with that Corporations Instrument amounts in the directors' report and the financial statements are rounded off to the nearest dollar, unless otherwise indicated.

**(w) Leases**

The accounting policy for leases under AASB 16 is as follows:

For any new contracts entered into as a lessee, the Company considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

To apply this definition the Company assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Company;
- the Company has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract; and
- the Company has the right to direct the use of the identified asset throughout the period of use. The Company assesses whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

At lease commencement date, the Company recognises a right-of-use asset and a lease liability on the balance sheet. 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 assets 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 interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate.

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 for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero. The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. 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. Lease liabilities are shown directly on the statement of financial position (current and non-current).

**(x) Provisions**

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

**(y) Exploration and evaluation expenditure**

Exploration and evaluation costs related to an area of interest are expensed as incurred except where they may be carried forward as an item in the statement of financial position where the rights of tenure of an area are current and one of the following conditions is met:

- the costs are expected to be recouped through successful development and exploitation of the area of interest, or alternatively, by its sale; or
- exploration and/or 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 is continuing.

Exploration and evaluation expenditure 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 in accordance with the Company's impairment policy (note 2(i)).

**3. Operating segments**

The Company has determined that it operates in one operating segment, being exploration in Western Australia and this is the basis on which internal reports are provided to the directors for assessing performance and determining the allocation of resources in the Company. Accordingly, the financial results of the segment are equivalent to the financial statements of the Company as a whole.

**4. Other income**

	<b>2024</b>	<b>2023</b>
	\$	\$
ATO – GST & fuel tax credits	14,224	-
Research and development government grant	187,628	548,879
Refund of duties paid on acquisition of Kirup	104,069	-
Interest on term deposit	179	1,119
	<b>306,100</b>	<b>549,998</b>

**5. Loss for the year**

	<b>2024</b>	<b>2023</b>
	\$	\$
Other income	(306,100)	(549,998)
<i>Depreciation</i>		
Furniture and fittings	10,053	11,847
Right-of-use-assets	20,845	10,422
Employee benefit expenses	434,540	413,581
Share-based payments	36,987	56,128
Professional and consulting expenses	119,730	183,364
Exploration and evaluation expenditure	1,775,725	2,191,033
<i>Interest</i>		
Right-of-use-assets	2,663	1,563
Insurance funding	1,385	-
Loans and borrowings	7,475	-
Other administration expenses	303,644	276,926
	<b>2,406,947</b>	<b>2,594,866</b>

**6. Income tax**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
The prima facie income tax benefit on the loss before income tax from continued operations reconciles to income tax:		
Loss before income tax	(2,406,947)	(2,594,866)
Corporate tax rate	25%	25%
Tax at the corporate tax rate	(601,737)	(648,716)
Tax effect of expenses that are not deductible in determining taxable profit	27,407	(3,770)
Tax effect of income that is not assessable in determining taxable profit	(76,480)	(137,220)
Tax effect of deferred taxes that would be recognised directly in equity	26,085	25,445
Change in unrecognised deferred tax assets	624,725	764,261
	-	-

The tax rates used in the above reconciliation is the corporate tax rate of 25% (2023: 25%) payable by Australian corporate entities on taxable profits under Australian tax law.

Unrecognised deferred tax assets and liabilities as at 31 December 2024 comprise:

	<b>Deferred tax assets</b>	<b>Deferred tax liabilities</b>	<b>Net</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Exploration and evaluation expenses		(416,135)	(416,135)
Trade and other payables	9,813	-	9,813
Provisions	2,690	-	2,690
Unexpired blackhole expenditure	64,197	-	64,197
Unused tax losses	2,771,792	-	2,771,792
	<b>2,848,492</b>	<b>(416,135)</b>	<b>2,432,357</b>

The tax benefits of the above net deferred tax assets will only be obtained if:

- (a) The Company derives future assessable income of a nature and of an amount sufficient to enable the benefits to be utilised;
- (b) The Company continues to comply with the conditions for deductibility imposed by law; and
- (c) No changes in income tax legislation adversely affect the Company in utilising the benefits.

## 7. Loss per share

	2024 \$	2023 \$
<b>Loss for the year</b>		
Loss for the year attributable to the owners of the Company used for the purposes of basic and diluted loss per share	(2,406,947)	(2,594,866)
	2024 No.	2023 No.
<b>Number of shares</b>		
Weighted average number of fully paid ordinary shares used for the purposes of basic and diluted loss per share	561,935,124	375,338,791
	2024 \$	2023 \$
<b>Loss per share</b>		
Basic and diluted loss per share	(0.43)	(0.69)

Basic loss per share is calculated as the net loss attributable to owners of the Company, adjusted to exclude any costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of fully paid ordinary shares, adjusted for any bonus element.

Diluted loss per share is the same as the basic loss per share as these are not dilutive transactions when the Company had a loss.

## 8. Cash and cash equivalents

	2024 \$	2023 \$
<b>Reconciliation of cash</b>		
Cash at the end of the financial year as shown in the consolidated statement of cash flows is reconciled to items in the consolidated statement of financial position as follows:		
Cash and bank balances	39,314	393,378

Cash comprises cash at bank and in hand. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the consolidated statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

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

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

The Group's exposure to interest rate risk and a sensitivity analysis for financial assets and liabilities is discussed in note 21.

**8. Cash and cash equivalents (continued)**

	2024 \$	2023 \$
<b>Cash flow information</b>		
Reconciliation of cash flows from operating activities to the loss after income tax:		
Loss after income tax	(2,406,947)	(2,594,866)
Increase in receivables and other assets	33,899	2,115
Decrease/(Increase) in trade and other payables	90,664	(96,111)
Share-based payments	36,987	56,129
Depreciation	30,898	22,269
Finance costs	11,523	1,563
Interest income	(179)	(1,119)
Research and development grant	(187,628)	(548,879)
Refund on stamp duties payable on acquisition of Kirup	(104,069)	-
Exploration expenditure – classified within investing activities	1,775,725	2,191,033
<b>Net cash used in operating activities</b>	<b>(719,127)</b>	<b>(967,866)</b>

**Non-cash investing and financing activities**

On 10 July 2024, the Company issued 25,000,000 fully paid ordinary shares to Aurumin Limited for the acquisition of 51% of the Mt Palmer Project.

Also on 10 July 2024, the Company issued 10,000,000 unlisted options exercisable at \$0.015 expiring 31 May 2027 to Euroz Hartleys Limited (or nominee) for lead manager and equity market services.

On 22 March 2024, the Company issued 24,000,000 fully paid ordinary shares to Acuity Capital Investment Management Pty Ltd for the At-the-Market Subscription Agreement.

During the previous financial year, the Company issued 12,000,000 fully paid ordinary shares to Sentinel Exploration Limited to acquire a 70% interest in the Kirup Project.

**9. Receivables and other assets**

	2024 \$	2023 \$
GST receivable	1,014	18,882
Prepayments and other receivables	102,070	103,623
Security bond	2,000	-
	<b>105,084</b>	<b>122,505</b>

**10. Property, plant and equipment**

	2024 \$	2023 \$
<b>Cost</b>		
At 1 January	155,667	153,667
Additions	2,467	2,000
At 31 December	158,134	155,667
	2024 \$	2023 \$
<b>Accumulated depreciation</b>		
At 1 January	(112,989)	(101,142)
Charge for the year	(10,053)	(11,847)
At 31 December	(123,042)	(112,989)
<b>Carrying amount</b>		
At 31 December 2024	35,092	
At 31 December 2023	42,678	
At 1 January 2023	52,525	

**11. Right-of-use-assets and lease liabilities**

The Company leases office facilities in Perth, Western Australia. The lease runs for a period of three years with an option to renew at the end of the lease period. Lease payment amounts are set based on fixed annual increases.

Right-of-use assets	Right-of-use assets		Depreciation charge	
	2024 \$	2023 \$	2024 \$	2023 \$
Buildings	31,267	52,112	20,845	10,422
Lease liabilities	Lease liabilities		Interest charge	
	2024 \$	2023 \$	2024 \$	2023 \$
Current	11,522	19,668	2,663	1,563
Non-current	22,069	33,591	-	-

**12. Exploration tenement**

	2024 \$	2023 \$
At 1 January	1,460,337	1,379,019
Capitalised exploration & evaluation expenditure	204,202	81,318
At 31 December	1,664,539	1,460,337

The Company is of the view that the only tenement that meets the criteria of Aus 7.2 of AASB 6 is the Boomerang Kaolin Deposit on tenement E77/2621 where the Company has a 93.3mt resource (15.2mt indicated and 78.1mt inferred). The Company has lodged applications for mining licence M77/1302 and a miscellaneous licence L77/359.

**13. Trade and other payables**

	2024	2023
	\$	\$
Trade creditors and other payables	293,639	351,638
Accruals	39,080	11,770
Superannuation payable	173	32,652
	<b>332,892</b>	<b>396,060</b>

Trade and other payable are non-interest bearing and are usually settled within the lower of terms of trade or 30 days. The Group's exposure to interest rate risk and a sensitivity analysis for financial assets and liabilities are disclosed in note 21.

**14. Borrowings**

	2024	2023
	\$	\$
<b>Current</b>		
Loans from related parties (refer note 19)	467,477	-
	<b>467,477</b>	<b>-</b>

**15. Provisions**

	2024	2023
	\$	\$
<b>Current</b>		
Provision for annual leave	10,761	10,761
	<b>10,761</b>	<b>10,761</b>

**16. Share capital**

	2024	2023	2024	2023
	No.	No.	\$	\$
Fully paid ordinary shares	<b>643,211,921</b>	<b>419,365,768</b>	<b>157,942,785</b>	<b>156,243,065</b>
<b>Fully paid ordinary shares</b>				
At the beginning of the year	419,365,768	361,211,921	156,243,065	155,506,534
Share issue <sup>1</sup>	25,000,000	-	250,000	-
Share placement <sup>2</sup>	121,000,000	-	1,210,000	-
Share issue <sup>3</sup>	24,000,000	-	-	-
Share placement <sup>4</sup>	50,000,000	-	400,000	-
Share placement <sup>5</sup>	3,846,153	-	50,000	-
Share placement <sup>6</sup>	-	46,153,847	-	600,000
Share issue <sup>7</sup>	-	12,000,000	-	192,000
Share issue costs <sup>2, 3, 6</sup>	-	-	(210,280)	(55,469)
	<b>643,211,921</b>	<b>419,365,768</b>	<b>157,942,785</b>	<b>156,243,065</b>

<sup>1</sup> On 10 July 2024, the Company issued 25,000,000 fully paid ordinary shares at a deemed issue price of \$0.01 per share to Aurumin Limited for the acquisition of 51% of the Mt Palmer Gold Mine Tenements and Mining Information.

<sup>2</sup> On 6 June 2024, the Company completed a share placement to sophisticated and professional investors issuing a total of 121,000,000 fully paid ordinary shares at an issue price of \$0.01 per share to raise \$1,210,000 before costs of \$185,280, which includes the value of 10,000,000 unlisted options exercisable at \$0.015 expiring 31 May 2027 issued to Euroz Hartleys Limited (or nominee).

## 16. Share capital (continued)

<sup>3</sup> On 22 March 2024, the Company announced that it had entered into an At-the-Market Subscription Agreement (“ATM”) with Acuity Capital. The ATM provides the Company with up to \$1,000,000 of standby equity capital over the period to 31 January 2029. As security for the ATM, the Company issued 24,000,000 fully paid ordinary shares to Acuity Capital at nil consideration. The Company paid a facility fee of \$25,000 to Acuity Capital for the ATM.

<sup>4</sup> On 29 February 2024, the Company completed the first tranche of a share placement to sophisticated and professional investors issuing a total of 39,250,000 fully paid ordinary shares at an issue price of \$0.008 per share to raise \$314,000. Following shareholder approval at the Annual General Meeting held on 17 May 2024, the Company completed the share placement and issued a total of 10,750,000 fully paid ordinary shares to directors at an issue price of \$0.008 per share to raise a further \$86,000.

<sup>5</sup> Following shareholder approval at a General Meeting held on 19 January 2024, the Company completed the share placement and issued at total of 3,846,153 fully paid ordinary shares to directors at an issue price of \$0.013 per share to raise a further \$50,000.

<sup>6</sup> On 21 November 2023, the Company completed the first tranche of a share placement to sophisticated and professional investors issuing a total of 46,153,847 fully paid ordinary shares at an issue price of \$0.013 per share to raise \$600,000 before costs of \$55,469.

<sup>7</sup> On 4 April 2023, following shareholder approval at a General Meeting held on 18 May 2023, the Company issued 12,000,000 fully paid ordinary shares to Sentinel Exploration Limited at a deemed value of \$0.016 per share as part consideration for a 70% interest in the lithium and related minerals in the Kirup Project, tenement E70/5452 (refer note 19).

### Terms of fully paid ordinary shares

#### Voting rights

The Company has one class of fully paid ordinary shares which participates in dividends and any proceeds on the winding up of the Company in proportion to the number of shares held.

At shareholder meetings, each fully paid ordinary share is entitled to one vote.

## 17. Reserves

	2024 \$	2023 \$
Share-based payment reserve	530,211	403,339
Consolidation reserve	404,366	404,366
	<b>934,577</b>	<b>807,705</b>

### Movement in reserves

#### Share-based payment reserve

	2024 No.	2023 No.	2024 \$	2023 \$
Unlisted options	<b>42,425,000</b>	<b>14,925,000</b>	<b>455,151</b>	<b>403,339</b>
<b>Unlisted options</b>				
At the beginning of the year	14,925,000	14,625,000	403,339	362,490
ESIP allotment <sup>1</sup>	7,500,000	-	9,958	-
Option allotment <sup>2</sup>	10,000,000	-	89,885	-
Option allotment <sup>3</sup>	5,000,000	-	15,607	-
Option allotment <sup>3</sup>	5,000,000	-	10,539	-
ESIP option allotment <sup>4</sup>	-	1,300,000	883	19,281
ESIP option allotment <sup>5</sup>	-	-	-	24,391
ESIP option allotment <sup>6</sup>	-	-	-	12,456
Lapsed ESIP options <sup>6</sup>	-	(1,000,000)	-	(15,279)
	<b>42,425,000</b>	<b>14,925,000</b>	<b>530,211</b>	<b>403,339</b>

## 17. Reserves (continued)

<sup>1</sup> On 12 July 2024, the Company issued 7,500,000 unlisted options to employee under the Employee Incentive Option Plan (“EIOP”). The unlisted options have an exercise price of \$0.025 and an expiry date of 30 June 2027. 50% vested on grant of the options and the remaining 50% will vest on 12 July 2025.

<sup>2</sup> On 10 July 2024, the Company issued 10,000,000 unlisted options exercisable at \$0.015 expiring 31 May 2027 to Euroz Hartleys Limited (or nominee) for Lead Manager of the share placement completed on 6 June 2024.

<sup>3</sup> At the General Meeting held on 19 January 2024, shareholder approval was obtained to issue 10,000,000 unlisted options to Mr Ric Dawson following his appointment as Managing Director on 18 October 2023.

5,000,000 unlisted options have an exercise price of \$0.02 and an expiry date of 1 July 2026 and 5,000,000 unlisted options have an exercise price of \$0.05 and an expiry date of 1 July 2027. The unlisted options will vest once the Company’s market capitalisation reaches \$12,000,000.

<sup>4</sup> On 2 February 2023, the Company issued 1,300,000 unlisted options to employees under the EIOP. The unlisted options have an exercise price of \$0.06 and an expiry date of 1 July 2026. The unlisted options have fully vested.

<sup>5</sup> On 8 November 2022, the Company issued 2,300,000 unlisted options to employees under the EIOP. The unlisted options have an exercise price of \$0.06 and an expiry date of 1 July 2026. The unlisted options have fully vested.

<sup>6</sup> On 18 July 2022, the Company issued 2,800,000 unlisted options to employees under the EIOP. The unlisted options have an exercise price of \$0.06 and an expiry date of 1 July 2026. The unlisted options have fully vested. On 2 February 2023, 1,000,000 unlisted options lapsed as a result of the continued employment conditions.

The share-based payment reserve is used to recognise the grant date fair value of unlisted options issued to directors, employees, contractors and stockbrokers.

The fair value of the unlisted options are valued using the Black-Scholes option valuation methodology. For further information regarding the inputs and key variables for the valuation and the terms and conditions of the EIOP refer to note 20.

### Performance Rights

On 4 April 2023, following shareholder approval at a General Meeting held on 18 May 2023, the Company issued 2,000,000 performance rights to Sentinel Exploration Limited as deferred consideration for a 70% interest in the lithium and related minerals in the Kirup Project, tenement E70/5452.

On 28 June 2024, a variation agreement was executed to:

- Include 70% of all gold, base metals and non-LCT mineral rights acquired for the reimbursement of costs of \$10,000 as a result of the new epithermal potential.
- The 2,000,000 performance rights that convert to fully paid ordinary shares in the capital of the Company to be cancelled as a result of the current market and economic conditions of lithium and replaced with a 1% net smelter royalty.

As a result of the above variation made to the contingent consideration, being the 2,000,000 performance rights, the duty paid was reassessed and resulted in a refund of \$104,069 received in the current financial year.

### Consolidation reserve

There was no movement in the consolidation reserve in the current or previous financial year. The balanced therefore remained at \$404,366.

## 18. Key management personnel compensation

The names and positions of key management personnel are as follows:

- Mr Mark Stowell                      Chairman
- Mr Ric Dawson                      Managing Director – Appointed 18 October 2023.
- Mr Mark Bojanjac                      Director
- Mr John Hannaford                      Director – Resigned 18 October 2023.

Information regarding individual directors and executives' compensation and equity instrument disclosures as required by the Corporations Regulations 2M.3.03 is provided in the remuneration report in the directors' report.

	2024	2023
	\$	\$
Short-term employee benefits	235,938	255,450
Post-employment benefits	18,432	17,500
	<b>254,370</b>	<b>272,950</b>

## 19. Related party transactions

### Key management personnel

Disclosures relating to Key Management Personnel are set out in note 18 and detailed remuneration disclosures are provided in the remuneration report in the directors' report.

### Loans with key management personnel of the Group

On 27 September 2024, the Company entered a new loan facility agreement with Merchant Holdings Pty Ltd, a company controlled by Mr Mark Stowell. This agreement provided a loan facility for \$500,000 available for draw down for 3 months from the date of the agreement. In terms of the agreement interest accrued at the rate of 7.65% per annum on the outstanding principal with a default interest rate of 20% should the loan facility not be repaid within 3 months. During the financial year, the loan was drawn down to \$460,000 and subsequent to year-end drawn down to \$607,218.45 and interest of \$14,996.15 has been accrued to the date of this report. On 31 January 2025, the Company issued 21,176,966 fully paid ordinary shares at an issue price of \$0.005 to entities related to Mr Mark Stowell via the non-renounceable pro rata entitlement offer prospectus lodged with ASIC and ASX on 6 January 2025. On 28 February 2025, a cash payment of \$164,105.82 was paid and on 6 March 2025, a cash payment of \$10,000 was paid. As at 31 December 2024, the loan balance was \$467,476.82 and at the date of this report the loan balance was \$342,223.95.

On 23 April 2024, the Company entered a loan facility agreement with Merchant Holdings Pty Ltd, a company controlled by Mr Mark Stowell. This agreement provided a loan facility for \$100,000 available for draw down for 3 months from the date of the agreement. In terms of the agreement interest accrued at the rate of 7.65% per annum on the outstanding principal with a default interest rate of 20% should the loan facility not be repaid within 3 months. The loan was drawn down to \$108,000 during the period and interest of \$493 was accrued. Repayment of the loan in full occurred on 7 June 2024 via a cash payment of \$36,493 and the issue of 9,000,000 fully paid ordinary shares at an issue price of \$0.008 per share, shareholder approval was obtained at the Company's Annual General Meeting held on 17 May 2024.

### Other transactions with key management personnel of the Group

During the financial year, the Company leases premises at Suite 2, 20 Howard Street, Perth from an entity that is controlled by Mr Mark Stowell. The terms of this lease are set at a rate that is considered to be arms-length for comparable premises. The rent and outgoings paid for this premises during the financial year ended 31 December 2024 was \$37,348 (2023: \$41,714).

## 19. Related party transactions (continued)

### Other transactions with key management personnel of the Group (continued)

On 28 November 2022, the Company entered into a binding term sheet ('Agreement') with Sentinel Exploration Ltd ('Sentinel') to acquire a 70% interest in the lithium and related minerals in tenement E70/5452 ('Kirup Project').

Mr Mark Stowell is a current director of both Sentinel and the Company and Mr Simon Adams is a current director of Sentinel and a previous director of the Company, resigning on 2 November 2022. As a result, this transaction was considered a related party transaction and was approved by shareholders at a General Meeting held on 31 March 2023.

The consideration was as follows:

- \$200,000 for the reimbursement of exploration expenditure costs;
- Issued 12,000,000 fully paid ordinary shares at a deemed value of \$0.016 per share, subject to a 12-month escrow period from 4 April 2023; and

A deferred consideration amount of \$2,000,000 payable in fully paid ordinary shares issued at the 10-day VWAP (commencing upon announcing the resource), with a minimum issue price of \$0.04 on completion of a JORC maiden inferred resource on the Kirup Project of a minimum of 10mt of ore at a grade of 1% lithium (or metal equivalent) or greater within 5 years of the lithium rights being acquired.

On 28 June 2024, a variation agreement was executed to:

- include 70% of all gold, base metal and non-LCT mineral rights acquired for the reimbursement of costs of \$10,000 as a result of the new epithermal potential.
- The 2,000,000 performance rights that convert to fully paid ordinary shares in the capital of the Company to be cancelled as a result of the current market and economic conditions of lithium and replaced with a 1% net smelter royalty.

As a result of the above variation made to the contingent consideration, being the 2,000,000 performance rights, the duty paid was reassessed and resulted in a refund of \$104,069 received in the current financial year.

## 20. Share-based payments

The Company operates an ownership-based Employee Incentive Option Plan ('EIOP') for executives and senior employees of the Group.

In accordance with the terms and conditions of the EIOP, as approved by shareholders at the 2024 Annual General Meeting, each unlisted option converts to fully paid ordinary shares on a one-for-one basis.

No amounts are paid or payable by the recipient on receipt of the unlisted option. The holders of these unlisted options do not have the right, by virtue of the unlisted option, to participate in any share issue or interest issue of the Company or of any other body corporate or registered scheme.

The options carry neither rights to dividends nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry. There is no performance based formula to calculate the number of options each executive or senior employee receives. Options expire on the expiry date and any unvested options expire on the resignation of the executive or senior employee.

No fully paid ordinary share were issued by the Company as a result of the exercise of unlisted options during or since the end of the financial year.

## 20. Share-based payments (continued)

On 12 July 2024, the Company issued 7,500,000 unlisted options to employee under the Employee Incentive Option Plan ("EIOP"). The unlisted options have an exercise price of \$0.025 and an expiry date of 30 June 2027. 50% vested on grant of the options and the remaining 50% will vest on 12 July 2025.

On 10 July 2024, the Company issued 10,000,000 unlisted options exercisable at \$0.015 expiring 31 May 2027 to Euroz Hartleys Limited (or nominee) for Lead Manager of the share placement completed on 6 June 2024.

On 25 January 2024, the Company issued 5,000,000 unlisted options exercisable at \$0.02 on or before 1 July 2026 and 5,000,000 unlisted options exercisable at \$0.05 on or before 1 July 2027, following shareholder approval obtained at the General Meeting held on 19 January 2024. The unlisted options were granted to remunerate and incentivise Mr Dawson and preserve cash resources of the Company. The options will vest when the Company's market capitalisation reaches \$12,000,000.

On 2 February 2023, the Company issued 1,300,000 unlisted options to employees under the EIOP. The unlisted options have an exercise price of \$0.06 and an expiry date of 1 July 2026. The options have fully vested.

Set out below are summaries of the unlisted options granted.

### 2024

EIOP Options series	Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/forfeited/lapsed	Balance at the end of the year
6	12 Jul 24	30 Jun 27	\$0.025	-	7,500,000	-	-	7,500,000
N/A	10 Jul 24	31 May 27	\$0.015	-	10,000,000	-	-	10,000,000
N/A	19 Jan 24	1 Jul 27	\$0.05	-	5,000,000	-	-	5,000,000
N/A	19 Jan 24	1 Jul 26	\$0.02	-	5,000,000	-	-	5,000,000
5	2 Feb 23	1 Jul 26	\$0.06	1,300,000	-	-	-	1,300,000
4	8 Nov 22	1 Jul 26	\$0.06	2,300,000	-	-	-	2,300,000
N/A	7 Nov 22	7 Nov 25	\$0.08	6,000,000	-	-	-	6,000,000
3	18 Jul 22	1 Jul 26	\$0.06	1,800,000	-	-	-	1,800,000
2	16 Aug 21	1 Aug 25	\$0.085	575,000	-	-	-	575,000
1	28 Jun 21	1 Jul 26	\$0.06	2,950,000	-	-	-	2,950,000
				<b>14,925,000</b>	<b>27,500,000</b>	-	-	<b>42,425,000</b>
Weighted average exercise price				<b>\$0.069</b>	<b>\$0.025</b>	-	-	<b>\$0.04</b>

### 2023

EIOP Options series	Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/forfeited/lapsed	Balance at the end of the year
5	2 Feb 23	1 Jul 26	\$0.06	-	1,300,000	-	-	1,300,000
4	8 Nov 22	1 Jul 26	\$0.06	2,300,000	-	-	-	2,300,000
N/A	7 Nov 22	7 Nov 25	\$0.08	6,000,000	-	-	-	6,000,000
3	18 Jul 22	1 Jul 26	\$0.06	2,800,000	-	-	(1,000,000)	1,800,000
2	16 Aug 21	1 Aug 25	\$0.085	575,000	-	-	-	575,000
1	28 Jun 21	1 Jul 26	\$0.06	2,950,000	-	-	-	2,950,000
				<b>14,625,000</b>	<b>1,300,000</b>	-	<b>(175,000)</b>	<b>14,925,000</b>
Weighted average exercise price				<b>\$0.069</b>	<b>\$0.06</b>	-	<b>\$0.064</b>	<b>\$0.069</b>

28,675,000 unlisted options exercisable at the end of the financial year (2023: 14,275,000).

The weighted average share price during the financial year was \$0.008 (2023: \$0.017).

The weighted average remaining contractual life of the unlisted options at the end of the financial year was 1.90 years (2023: 2.21 years).

## 20. Share-based payments (continued)

For the unlisted options granted, the valuation model inputs used to determine the total fair value of \$231,031 (2023: \$20,165) at the various grant dates using the Black-Scholes Option Model are as follows:

EIOP Options series	Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Risk-free interest rate	Fair value at grant date	Total fair value
6	12 Jul 24	30 Jun 27	\$0.012	\$0.025	140.14%	4.05%	\$0.008	\$62,700
N/A	10 Jul 24	31 May 27	\$0.012	\$0.015	138.75%	4.07%	\$0.009	\$89,885
N/A	19 Jan 24	1 Jul 27	\$0.013	\$0.05	125.83%	3.93%	\$0.008	\$38,237
N/A	19 Jan 24	1 Jul 26	\$0.013	\$0.02	125.83%	3.86%	\$0.008	\$40,209
5	2 Feb 23	1 Jul 26	\$0.027	\$0.06	109.67%	3.24%	\$0.016	\$20,165
4	8 Nov 22	1 Jul 26	\$0.0385	\$0.06	107.10%	3.70%	\$0.025	\$57,068
N/A	7 Nov 22	7 Nov 25	\$0.038	\$0.08	107.09%	3.37%	\$0.02	\$120,109
3	18 Jul 22	1 Jul 26	\$0.03	\$0.06	93.65%	3.21%	\$0.016	\$45,692
2	16 Aug 21	1 Aug 25	\$0.066	\$0.085	106.00%	0.57%	\$0.044	\$26,683
1	28 Jun 21	1 Jul 26	\$0.04	\$0.06	107.71%	0.79%	\$0.029	\$90,263

For further details in relation to the EIOP terms and conditions refer to page 12 of the remuneration report.

The total fair value of the unlisted options is expensed over the estimated vesting period. The share-based expense of \$36,987 (2023: \$56,128) was recognised in the consolidated statement of profit and loss and other comprehensive income for the year.

The share-based expense of \$89,885 for the unlisted options granted to Euroz Hartleys Limited (or nominee) for Lead Manager for the share placement completed on 6 June 2024 was recognised as share issue costs within equity.

## 21. Financial risk management

### Financial risk management policies

This note presents information about the Group's exposure to each of the risks below, its objectives, policies and procedures for measuring and managing risk including the management of capital.

The Group's financial instruments consist mainly of deposits with banks, short-term investments and accounts payable and receivable. The Group does not speculate in the trading of derivative instruments.

A summary of the Group's financial assets and liabilities is set out below:

	Floating Interest Rate	Fixed Interest Rate	Non-interest bearing	2024 Total	Floating Interest Rate	Fixed Interest Rate	Non-interest bearing	2023 Total
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Financial Assets</b>								
Cash and cash equivalents	39,314	-	-	39,314	393,378	-	-	393,378
<b>Total Financial Assets</b>	<b>39,314</b>	<b>-</b>	<b>-</b>	<b>39,314</b>	<b>393,378</b>	<b>-</b>	<b>-</b>	<b>393,378</b>
<b>Financial Liabilities</b>								
Trade and other payables	-	-	(332,892)	(332,892)	-	-	(396,060)	(396,060)
<b>Total Financial Liabilities</b>	<b>-</b>	<b>-</b>	<b>(332,892)</b>	<b>(332,892)</b>	<b>-</b>	<b>-</b>	<b>(396,060)</b>	<b>(396,060)</b>
<b>Net Financial Liabilities</b>	<b>39,314</b>	<b>-</b>	<b>(332,892)</b>	<b>(293,578)</b>	<b>393,378</b>	<b>-</b>	<b>(396,060)</b>	<b>(2,682)</b>

## 21. Financial risk management (continued)

### Specific financial risk exposures and management

The main risks the Group are exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate, equity and commodity price risk.

The Board of directors has overall responsibility for the establishment and oversight of the risk management framework. The Board adopts practices designed to identify significant areas of business risk and to effectively manage those risks in accordance with the Group's risk profile. This includes assessing, monitoring and managing risks for the Group and setting appropriate risk limits and controls. The Group is not of a size nor is its affairs of such complexity to justify the establishment of a formal system for risk management and associated controls. Instead, the Board approves all expenditure, is intimately acquainted with all operations and discuss all relevant issues at the Board meetings. The operational and other compliance risk management have also been assessed and found to be operating efficiently and effectively.

#### Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the Group.

The Group does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the Group.

The Group's cash is held in an Australian financial institution which is considered to have high creditability. The Group believes that it has no major credit risk.

#### Liquidity risk

Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities.

The Group has no income from operations and relies on equity fund raising to support its exploration programs. The Group manages liquidity risk by continuously monitoring forecasts and actual cash flows and ensuring sufficient cash and marketable securities are available to meet the current and future commitments of the Group.

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Typically, the Group ensures that it has sufficient cash to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

The financial liabilities of the Group are confined to trade and other payables as disclosed in the consolidated statement of financial position. All trade and other payables are non-interest bearing and due within 30 days of the reporting date.

## 21. Financial risk management (continued)

The following are the contractual maturities of the financial liabilities of the Group:

	Within 1 Year		Greater Than 1 Year		Total	
	2024	2023	2024	2023	2024	2023
	\$	\$	\$	\$	\$	\$
<b>Financial liabilities due for payment</b>						
Trade and other payables	(332,892)	(396,060)	-	-	(332,892)	(396,060)
<b>Total contractual outflows</b>	<b>(332,892)</b>	<b>(396,060)</b>	<b>-</b>	<b>-</b>	<b>(332,892)</b>	<b>(396,060)</b>
<b>Financial assets</b>						
Cash and cash equivalents	39,314	393,378	-	-	39,314	393,378
<b>Total anticipated inflows</b>	<b>39,314</b>	<b>393,378</b>	<b>-</b>	<b>-</b>	<b>39,314</b>	<b>393,378</b>
<b>Net outflows on financial instruments</b>	<b>(293,578)</b>	<b>(2,682)</b>	<b>-</b>	<b>-</b>	<b>(293,578)</b>	<b>(2,682)</b>

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier or at significantly different amounts.

### Market risk

Market risk is the risk that changes in market prices, such as interest rates and equity prices will affect the Group'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.

#### *Interest rate risk*

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The Group is also exposed to earnings volatility on floating rate instruments.

Cash and cash equivalents bear interest at floating rates based on the bank prime rate, and as such, are subject to interest rate cash flow risk resulting from market fluctuations in interest rates. The Group has cash balances in bank accounts and short-term deposits. Due to the short-term nature of these financial instruments, the Group believes that risks related to interest rates are not significant to the Group at this time.

#### *Price risk*

Price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Group does not presently hold material amounts subject to price risk. As such the Board considers price risk as a low risk to the Group.

#### *Commodity Price risk*

The ability of the Group to develop its properties and the future profitability of the Group is directly related to the market price of certain minerals. A sustained, significant decline in either the prices of the minerals, the Group's issued equities or investor sentiment can have a negative impact on the Group's ability to raise additional capital.

Once in production the Group initially expects to have an exposure to commodity price risk associated with the production and sale of gold, kaolin and lithium. However, the Group is still in the exploration stage.

## 21. Financial risk management (continued)

### Net fair values

#### Fair value estimation

The fair values of financial assets and financial liabilities are presented in the table in note 21 and can be compared to their carried values as presented in the consolidated statement of financial position. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Financial instruments whose carrying value is equivalent to fair value due to their nature include:

- Cash and cash equivalents;
- Receivables and other assets; and
- Trade and other payables.

The methods and assumptions used in determining the fair values of financial instruments are disclosed in the accounting policy notes specific to the asset or liability.

## 22. Capital management

The directors' objectives when managing capital is to raise sufficient funds in order to maintain and execute the objectives identified in each mineral property project in the Group's exploration plan. There is no quantitative return of capital criteria set out for management, but instead the Group relies on the expertise of management to further develop and maintain its activities. The Group monitors its capital through monthly Board reporting including management accounts and forecasts combined with appropriate external financial, corporate and legal advice when required. The Group is not subject to any externally imposed capital requirements.

The Group considers its capital to be equity which comprises fully paid ordinary shares, share-based payment reserve, consolidation reserve and accumulated losses, which at 31 December 2024 amounted to \$1,030,575 (2023: \$1,610,930).

The mineral properties in which the Group currently has an interest are in the exploration stage, as such the Group is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Group will spend its existing working capital and raise additional amounts as required.

There were no changes in the Group's approach to capital management during the current or previous financial years.

The working capital position of the Group were as follows:

	Note	2024 \$	2023 \$
Cash and cash equivalents	8	39,314	393,378
Trade and other payables	13	(332,892)	(396,060)
		<b>(293,578)</b>	<b>(2,682)</b>

## 23. Auditor's remuneration

	2024 \$	2023 \$
Remuneration of the auditor of Kula Gold Limited for: Auditing or reviewing the financial reports Elderton Audit Pty Ltd	21,462	26,775
	<b>21,462</b>	<b>22,775</b>

## 24. Contingent assets/liabilities

There were no contingent assets or liabilities as at 31 December 2024 or 31 December 2023.

## 25. Commitments

### Exploration expenditure

The minimum annual exploration and evaluation expenditure to keep the Group's tenements in good standing is \$584,340 (2023: \$581,500).

## 26. Controlled entities

	Country of Incorporation	Equity Holding	
		2024	2023
Boomerang Kaolin Pty Ltd <sup>1</sup>	Australia	100%	100%
Kula Resources Limited <sup>2</sup>	Malawi	100%	-

<sup>1</sup> Incorporated on 16 May 2022 to identify costs associated with the Boomerang Kaolin Project on tenement E77/2621.

<sup>2</sup> Incorporated on 1 July 2024 to hold exploration licences in Malawi.

Both entities are wholly owned subsidiaries of Kula Gold Limited and the investment is held by that entity.

## 27. Joint ventures

### *Mt Palmer Gold Mine – 51% (earning to 80%)*

During the financial year, the Company acquired 51% and earning to 80% of the historical Mt Palmer Gold Mine (tenements M77/0406, E77/2210, E77/2423 & E77/2668) from Aurumin Limited ('Aurumin') (ASX: AUN) via the issue of 25,000,000 fully paid ordinary shares at the deemed issue price of \$0.01, following shareholder approval.

The Company can earn-in a further 29% by incurring exploration expenditure of \$1,000,000 for a period of up to 3 years. Aurumin has, in the event the Company does not earn the additional 29% interest, the right to purchase back 2% interest for \$1. Thereafter the Company and Aurumin contribute on a pro-rated basis or Aurumin dilutes. Aurumin's equity position converts to a 1% net smelter royalty if diluted to less than 10%.

As at 31 December 2024, the Company has spent \$778,605 on the Mt Palmer Gold Mine tenements.

### *Kirup Project*

The Company has a Joint Venture with Sentinel Exploration Limited holding a 70% interest in E70/5452. (Refer note 19).

### *Rankin Dome Project*

The Company had a Joint Venture with Australian Critical Minerals Limited ('ACM') (ASX: ACM) in respect of the Company's non-core Rankin Dome Project comprising of three tenements being E77/2709, E77/2753 and E77/2768 ('Rankin Dome Project').

ACM has formally withdrawn its interest in exploration licence E77/2768.

The Company has relinquished the Rankin Dome Project.

## 28. Subsequent events

- On 6 January 2025, the Company announced a non-renounceable pro-rata entitlement offer to eligible shareholders on the basis on one fully paid ordinary share for every two fully paid ordinary shares held at an issue price of \$0.005 to raise approximately \$1,600,000 before costs.
- On 22 January 2025, the Company announced that it has formed a joint venture that has applied for an exploration licence in Malawi, known as the Wozi Niobium Project, and that the Malawi Government's Mining and Minerals Regulatory Authority has recommended the grant, subject to completion of an environmental study.

Kula 75% and Manager, African Rare Metals Pty Ltd holds a 25% free carried interest for US\$100,000 then may contribute or dilute to a 10% free carried interest until a decision to mine. The JV agreement includes a 2% Net Smelter Royalty, which the Company can acquire for A\$10,000,000 at anytime and such right is transferrable.

- On 31 January 2025, the Company issued 66,441,764 fully paid ordinary shares at an issue price of \$0.005, raising \$332,209 pursuant to the non-renounceable pro-rata entitlement offer announced on 6 January 2025. The Company has 3 months from the closing date to place any shortfall from the offer.
- On 27 February 2025, the Company issued 211,600,000 fully paid ordinary shares at an issue price of \$0.005, raising an additional \$1,058,000 before costs under the shortfall of the non-renounceable pro-rata entitlement offer on 6 January 2025. The Company will pay a capital raising fee of 6% plus GST together with 20,000,000 unlisted options exercisable at \$0.015 on or before 31 May 2027 to the Lead Manager of the shortfall offer.
- On 27 February 2025, the Company issued 27,500,000 unlisted options exercisable at \$0.015 on or before 31 May 2027. 20,000,000 options were issued to the lead manager of the shortfall offer and 7,500,000 were issued under the Employee Incentive Option Plan.

Other than the above, there has not been any matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

## Consolidated entity disclosure statement

### Basis of preparation

The consolidated entity disclosure statement has been prepared in accordance with subsection 295(3A)(a) of the *Corporations Act 2001 (Cth)*. The entities listed in the statement are Kula Gold Limited and all the entities it controls in accordance with AASB 10 *Consolidated Financial Statements*.

The percentage of share capital disclosed for body corporates included in the statement represents the economic interest consolidated in the consolidated financial statements. In developing the disclosures in the statement, the directors have relied on the advice provided by management and the Company's taxation adviser.

The Group's consolidated entity disclosure statement as at 31 December 2024 is set out below.

As at 31 December 2024			Body Corporates	
Entity name	Entity type	Place incorporated	% of share capital	Tax residency
Kula Gold Limited	Body Corporate	Australia	N/A	Australia
Boomerang Kaolin Pty Ltd	Body Corporate	Australia	100%	Australia
Kula Resources Limited	Body Corporate	Malawi	100%	Malawi

## Additional Information for Listed Public Companies

The following additional information as at 25 March 2025 is required by the Australian Securities Exchange in respect of listed public companies.

### 1 Capital

- a. Fully paid ordinary shares  
921,253,685 fully paid ordinary shares held by 1,178 shareholders.
- b. Listed options  
The Company has no listed options on issue.
- c. Unlisted options  
8,350,000 unlisted options exercisable at \$0.06 expiring 1 July 2026 held by 9 optionholders.  
575,000 unlisted options exercisable at \$0.085 expiring 1 August 2025 held by 3 optionholders.  
6,000,000 unlisted options exercisable at \$0.08 expiring 7 November 2025 held by 2 optionholders.  
5,000,000 unlisted options exercisable at \$0.02 expiring 1 July 2026 held by 1 optionholder.  
5,000,000 unlisted options exercisable at \$0.05 expiring 1 July 2027 held by 1 optionholder.  
37,500,000 unlisted options exercisable at \$0.015 expiring 31 May 2027 held by 2 optionholders.  
7,500,000 unlisted options exercisable at \$0.025 expiring 30 June 2027 held by 11 optionholders.
- d. Performance Shares  
The Company has no performance shares on issue.
- e. Voting Rights  
The voting rights attached to each class of equity security are as follows:
- Fully paid ordinary shares: Each fully paid ordinary share is entitled to one vote.
  - Listed, unlisted options and performance shares: Optionholders of listed or unlisted options and holders of performance shares are not entitled to vote by virtue of holding an option or performance share.
- f. Substantial Shareholders as at 25 March 2025

Name	Number of Fully Paid Ordinary Shares Held	% Held of Issued Ordinary Capital
Ice Cold Investments Pty Ltd	68,000,000	7.38%
Merchant Holdings Pty Ltd	54,087,160	5.87%

### g. Distribution of Shareholders as at 25 March 2025

Category (size of holding)	Total Holders	Number Ordinary	% Held of Issued Ordinary Capital
1 – 1,000	55	12,187	0.00
1,001 – 5,000	36	104,558	0.01
5,001 – 10,000	42	345,819	0.04
10,001 – 100,000	530	25,647,367	2.78
100,001 – and over	515	895,143,754	97.17
	1,178	921,253,685	100.00

- h. Unmarketable Parcels as at 25 March 2025  
562 fully paid ordinary shareholders holding less than a marketable parcel of shares.

- i. On-Market Buy-Back  
There is no current on-market buy-back.

- j. **Restricted Securities**  
 5,000,000 unlisted options exercisable at \$0.02 expiring 1 July 2026.  
 5,000,000 unlisted options exercisable at \$0.05 expiring 1 July 2027.  
 3,750,000 unlisted options exercisable at \$0.015 expiring 31 May 2027.  
 3,750,000 unlisted options exercisable at \$0.025 expiring 30 June 2027.
- k. **20 Largest Shareholders — Ordinary Shares as at as at 25 March 2025**

Rank	Name	Number of Ordinary Fully Paid Shares Held	% Held of Issued Ordinary Capital
1.	MERCHANT HOLDINGS PTY LTD	49,537,321	5.38%
2.	SB & ET HOLDINGS PTY LTD	45,000,000	4.88%
3.	CURIOUS COMMODITIES PTY LTD	40,000,000	4.34%
4.	ICE COLD INVESTMENTS PTY LTD <BROWNS CHELTENHAM RD SF A/C>	38,000,000	4.12%
5.	ICE COLD INVESTMENTS PTY LTD <G & J BROWN SUPER FUND A/C>	30,000,000	3.26%
6.	HENGGELER SUPER PTY LTD <TOP BANANAS SUPER FUND A/C>	28,408,500	3.08%
7.	AURUMIN LIMITED	25,000,000	2.71%
8.	ACUITY CAPITAL INVESTMENT MANAGEMENT PTY LTD <ACUITY CAPITAL HOLDINGS A/C>	24,000,000	2.61%
9.	GREATSIDE HOLDINGS PTY LTD <ADL A/C>	22,750,000	2.47%
10.	MR JAY HUGHES & MRS LINDA HUGHES <INKESE SUPER A/C>	21,500,000	2.33%
11.	BNP PARIBAS NOMINEES PTY LTD <HUB24 CUSTODIAL SERV LTD>	21,300,000	2.31%
12.	HONGKONG NOBLEFULL LIMITED	21,000,000	2.28%
13.	PINDAN INVESTMENTS PTY LTD <PINDAN INVESTMENT A/C>	20,000,000	2.17%
	G & S MART PTY LTD <RAVIOLA SUPERANNUATION A/C>	20,000,000	2.17%
14.	MR NICHOLAS MCDONALD	15,000,000	1.63%
15.	SENTINEL EXPLORATION LTD	12,000,000	1.30%
16.	CITICORP NOMINEES PTY LIMITED	10,210,798	1.11%
17.	AURALANDIA PTY LTD	10,000,000	1.09%
	G & S MART PTY LTD <RAVIOLA FAMILY A/C>	10,000,000	1.09%
	MR KIM ALEXANDER STEPHEN & MRS CAROLYN MAY STEPHEN	10,000,000	1.09%
	MR LUKE ANTHONY MARSHALL	10,000,000	1.09%
18.	KALARRA HOLDINGS PTY LTD	7,875,000	0.85%
19.	SOUTHERN MOTORS PTY LTD	7,000,000	0.76%
	RUNNING WATER LIMITED	7,000,000	0.76%
20.	MRS TERESA DI PASQUALE	6,100,000	0.66%
<b>TOTAL</b>		<b>511,681,619</b>	<b>55.54%</b>

**2 Principal registered office**

As disclosed in the corporate information of this Annual Report.

**3 Registers of securities**

As disclosed in the corporate information of this Annual Report.

**4 Stock exchange listing**

Quotation has been granted for the fully paid ordinary shares of the Company on all Member Exchanges of the Australian Securities Exchange Limited, as disclosed in the corporate information of this Annual Report.

**5 Use of funds**

The Group has used its funds in accordance with its business objectives.

## Mineral Resources and Ore Reserves Statement

The information in this Annual Report relating to estimates of Mineral Resources and Ore Reserves has been extracted from the following news release technical reports:

News release date	News release title	Description
20 July 2022	Boomerang Kaolin Project – Maiden JORC Resource 93.3Mt	Resource estimate for Boomerang Kaolin Deposit with relevant JORC Code (2012) Table 1.

The news release referenced in the table above is available on the Company's website. The Company confirms that it is not aware of any new information or data that materially affects the information included in the most recent market announcement for the Boomerang Kaolin Deposit and, in the case of Mineral Resources and Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continues to apply and has not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented has not materially modified from the original news release.

### Boomerang Kaolinized Granite Mineral Resource – July 2022 – (JORC Code 2012)

#### Classified Kaolinized Granite Mineral Resource Material – Resource Summary

Class	Zone	Volume (Mm <sup>3</sup> )	Tonnes (Mt)	Material
Indicated	1	8.0	15.2	Kaolinized Granite
Inferred	2	41.1	78.1	Kaolinized Granite
<b>Total</b>	<b>1+2</b>	<b>49.1</b>	<b>93.3</b>	Kaolinized Granite

\* Regression analysis of available brightness and Al<sub>2</sub>O<sub>3</sub> analysis data shows material with a brightness of 81.1 has a -45 µm Al<sub>2</sub>O<sub>3</sub> grade of 36.7% Al<sub>2</sub>O<sub>3</sub>.

The mineral resource table above following mineral processing test work derives a Kaolin Product of minus 45µm component and using a 30% Al<sub>2</sub>O<sub>3</sub> lower cut-off to yield 7.2Mt of Kaolin Product in the Indicated Category and 36.4Mt of Kaolin Product in the Inferred Category. A summary of the minus 45µm material with associated selected element concentrations is shown in the table below.

### Boomerang Mineral Resource Within -45µm Material – July 2022 – (JORC Code 2012)

#### Resource Summary - Classified -45µm Material Reporting Above 30% Al<sub>2</sub>O<sub>3</sub> Lower Cut-Off.

Class	Zone	Volume (Mm <sup>3</sup> )	Tonnes (Mt)	PSD (%) -45µm	Al <sub>2</sub> O <sub>3</sub> (%)	Fe <sub>2</sub> O <sub>3</sub> (%)	TiO <sub>2</sub> (%)
Indicated	1	3.8	7.2	49.39	35.09	0.87	0.56
Inferred	2	19.1	36.4	48.52	35.56	0.86	0.41
<b>Total</b>	<b>1+2</b>	<b>22.9</b>	<b>43.6</b>	<b>48.67</b>	<b>35.48</b>	<b>0.86</b>	<b>0.43</b>

#### Competent Person Statement

The information in this annual report that relates to geology, exploration and/or visual estimates is based on, and fairly represents, information and supporting documentation compiled by Mr. Ric Dawson, a Competent Person who is a member of the Australian Institute of Mining and Metallurgy. Mr. Dawson is a Geology and Exploration Consultant who has been engaged by Kula Gold Limited and is a related party of the Company. Mr. Dawson has sufficient experience, which is relevant to the style of mineralisation, geology and type of deposit under consideration and to the activity being undertaken to qualify as a competent person under the 2012 edition of the Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves (the 2012 JORC Code). This report is issued with the prior written consent of Mr. Dawson as to the form and context in which any exploration results, visual estimates or supporting documentation is presented in the annual report.

## Interest in mining tenements (as at date of this report)

Tenement No.	Project	Interest	Grant Date
E77/2756	Westonia	100%	8/10/2021
E77/2766	Westonia	100%	8/10/2021
E77/3234	Westonia	100%	1/10/2024
E77/3237	Westonia	100%	2/10/2024
E77/2621	Marvel Loch	100%	3/09/2020
E77/2210 <sup>1</sup>	Marvel Loch	51%	17/11/2014
E77/2423 <sup>1</sup>	Marvel Loch	51%	26/07/2017
E77/2668 <sup>1</sup>	Marvel Loch	51%	7/09/2023
M77/0406 <sup>1</sup>	Marvel Loch	51%	30/03/1990
P77/4527	Marvel Loch	100%	25/03/2020
E77/2806	Southern Cross	100%	19/07/2022
E70/5599	Brunswick	100%	26/07/2021
E70/5645	Brunswick	100%	6/05/2021
E70/5660	Brunswick	100%	28/04/2021
E70/5452 <sup>2</sup>	Kirup	70%	4/01/2021
E70/6603	Kirup	100%	21/03/2024
E70/6626	Kirup	100%	24/05/2024
E28/3029	Lake Rebecca	100%	10/03/2021

<sup>1</sup> The Company has a JV Agreement with Aurumin Limited (ASX:AUN), earning to 80%. (Refer [ASX Announcement, Mt Palmer Gold Mine Acquisition & Placement, dated 31 May 2024](#)).

<sup>2</sup> The Company has a JV Agreement with Sentinel Exploration Limited in respect of tenement E70/5452. (Refer [ASX Announcement Kula To Acquire 70% In Key Lithium Tenement – Kirup Project, dated 28 November 2024](#)).