



**AUGUSTUS
COPPER**

LIMITED

A.C.N. 651 349 638

ANNUAL REPORT

30 June 2022

Contents

Directors' Report	3
Auditor's Independence Declaration	10
Statement of Profit or Loss and Other Comprehensive Income.....	11
Statement of Financial Position	12
Statement of Changes in Equity.....	13
Statement of Cash Flows	14
Notes to the Financial Statements	15
Directors' Declaration.....	34
Independent Auditor's Report.....	35

Directors' Report

Your directors present their report on Augustus Copper Limited (**Augustus Copper or the Company**) for the financial year ended 30 June 2022.

Augustus Copper was incorporated on 24 June 2021 with the purpose of acquiring 100% of the Issued Capital in Capricorn Orogen Pty Ltd and with the intention to subsequently list on the Australian Securities Exchange (**ASX**).

Directors

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

- Brian Bernard Rodan Executive Director
- Darren John Holden Non-Executive Director (*appointed 16.12.2021*)
- Graeme Ian Smith Non-Executive Director (*appointed 02.03.2022*)
- Johnathon Busing Non-Executive Director (*appointed 25.08.2021, resigned 18.01.2022*)
- Amanda Jane Buckingham Non-Executive Director (*appointed 21.09.2021, resigned 10.02.2022*)
- Paul Anthony Heatley Non-Executive Director (*resigned 25.08.2021*)
- Philip Michael Greaney Non-Executive Director (*resigned 21.09.2021*)

Directors have been in office from the start of the financial year to the date of this report unless otherwise stated. For additional information on Directors, including details of the qualifications of Directors, please refer to the paragraph 'Information relating to the directors' of this Directors' Report.

Company Secretary

- Sebastian Andre (*Appointed 10 February 2022*)
Qualifications
Experience
 - BAcc/BA, GradDip Fin, FGIA
 - Mr Andre is a Chartered Secretary with over 10 years' experience in corporate advisory, governance and risk services. He has previously acted as an adviser at the ASX and has a thorough understanding of the ASX Listing Rules, specialising in providing advice to companies and their boards in respect to capital raisings, IPOs, backdoor listings, corporate compliance and governance matters. Mr Andre holds qualifications in accounting, finance and corporate governance and is a member of the Governance Institute of Australia.
- Johnathon Busing (*Resigned 18 January 2022*)
Qualifications
Experience
 - BBus, CA
 - Mr Busing is the managing director and owner of Everest Accounting. He specialises in advising ASX listed companies on compliance, mergers and acquisitions and statutory accounting requirements.

Mr Busing was a forensic accountant at RSM before joining Mining Corporate in 2011 and was responsible for the compliance and requirements of ASX listed and unlisted entities. Mr Busing is the current Company secretary for multiple ASX listed entities and Director of Caeneus Minerals Limited (ASX: CAD).

Directors' Report

Dividend paid or recommended

There were no dividends paid or recommended during the year ended 30 June 2022.

Significant changes in the state of affairs

There have been no significant changes in the state of affairs of the Company during the year ended 30 June 2022 other than disclosed elsewhere in this Annual Report.

Operating and Financial Review

Nature of Operations and Principal Activities

The Company was incorporated as an unlisted public company limited by shares on 24 June 2021, for the purpose of acquiring, exploring, and developing copper, nickel, PGE's, gold and rare earths projects in Western Australia.

Operations Review

The Company's main business undertaking is the exploration for and development of mineral resources.

Augustus Copper acquired 100% interest in a large and contiguous 3,905km² tenement package in the Gascoyne province of Western Australia.

The project, known as the Ti Tree Shear Project ("Project"), is located 250km east-northeast of Carnarvon in the shires of Upper Gascoyne and Carnarvon. The Project straddles the Ti Tree Shear Zone, which runs west to east across the tenement package.

Within the tenement package there are two advanced exploration prospects with known mineralisation and referred to as Crawford Bore (copper, nickel and gold) and Mining Springs (copper, gold, rare earths and molybdenum).

Geologically the Project is situated within the deformed and high-grade metamorphic core of the Capricorn Orogen with past exploration revealing numerous anomalous surface geochemical samples with sub-economic to economic grades of Au, Cu, Pb, Mo and W, many of which have never been drill tested.

Over the last 3 years the vendor has compiled and interrogated an extensive data set of past exploration records. Subsequent groundwork undertaken by the vendor along with a number of highly regarded geological consultants and contractors, has identified north west trending structural lineaments and their intersections with the Ti Tree Shear, Minga Bar Fault and granite intrusions.

A targeting study has defined >50 drill targets, including 11 areas as priority 1 drill targets with little or no tertiary coverage.

The Company has advanced the geological understanding and prospectivity of the key target areas using airborne and non-ground disturbing methods, prior to advancing to an initial public offering (IPO) and quotation on the Australian Securities Exchange (ASX).

Once the IPO is completed, the Company will immediately commence an intensive and comprehensive drilling campaign over all the key target areas, where it will systematically test the 50 drill targets already identified by geochemical, structural and geophysical work previously completed by the Company.

Directors' Report

Financial Review

Operating Results

For the year ended 30 June 2022 the Company reported a loss before tax of \$407,653.

Financial Position

The net assets of the Company as at 30 June 2022 were \$1,566,511. As at 30 June 2022, the Company's cash and cash equivalents were \$35,595 and it had a working capital deficit of \$42,948.

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

The Company incurred a loss for the year of \$407,653.

The directors are satisfied that the going concern basis of preparation is appropriate as the directors are confident of the Company's ability to raise additional funds as and when they are required.

The ability of the Company to continue as a going concern is principally dependent upon the ability of the Company to secure funds by raising capital and managing cash flow in line with available funds. These conditions indicate a material uncertainty that may cast significant doubt about the ability of the Company to continue as a going concern and realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

Should the Company be unable to continue as a going concern it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different to those stated in the financial statements. The financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or to the amount and classification of liabilities that might result should the Company be unable to continue as a going concern and meet its debts as and when they fall due.

Events Subsequent to Reporting Date

The following significant events have arisen since the end of the year:

a. **Share Issues**

The Company completed the acquisition of 100% of the Issued Capital in Capricorn Orogen Pty Ltd in September 2022 via the issue of 25,000,000 shares to Mining Investments Australia Pty Ltd. As part of the Company's seed capital raising, the Company successfully raised \$2,200,000 and issued 22,000,000 shares at an issue price of \$0.10 per share.

The Company settled loans totalling \$850,000 received from Redland Plains Pty Ltd via the issue of 8,500,000 shares at an issue price of \$0.10 per share.

b. **Application for Quotation on the Australian Securities Exchange**

The Company is currently in the early stages of applying for quotation on the Australian Securities Exchange (ASX). The Company will soon lodge its suitability application ahead of a proposed listing on the ASX. The proposed capital raising is for 50,000,000 shares issued at \$0.20 each to raise a total of \$10,000,000.

c. **Acquisition of Capricorn Orogen Pty Ltd**

On 14 September 2021, the Company entered into a Share Sale Agreement with Mining Investments Australia Pty Ltd, pursuant to which the Company acquiring 100% of the issued capital in Capricorn Orogen Pty Ltd which holds, and is entitled to explore and mine, certain tenements in the Gascoyne region of Western Australia. Settlement occurred in September 2022 via the issue of 25,000,000 shares in the Company to Mining Investments Australia Pty Ltd.

d. **Borrowing from related parties**

The Company received a further \$50,000 in borrowings from related parties on 31 August 2022.

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

Directors' Report

Future Developments, Prospects and Business Strategies

Likely developments, future prospects and business strategies of the operations of the Company and the expected results of those operations have not been included in this report as the Directors believe that the inclusion of such information would be likely to result in unreasonable prejudice to the Company.

Environmental Regulations

The Company's operations are not currently subject to any significant environmental regulations in the jurisdiction it operates in, namely Australia.

Information relating to the directors:

- | | |
|--|---|
| <ul style="list-style-type: none"> ■ Brian Bernard Rodan Qualifications Experience | <ul style="list-style-type: none"> □ Executive Chairman □ Fellow of the Australian Institute of Mining and Metallurgy (FAusIMM) □ Managing Director and owner of Australian Contract Mining Pty Ltd (ACM), a mid-tier contracting company that successfully completed \$1.5B worth of work over a 20-year period. ACM was sold to an ASX listed gold mining company in 2017. Founding Director of Dacian Gold Limited, which purchased the Mt Morgans Gold Mine from the Administrator of Range River Gold Ltd. After it listed on the ASX in 2012 Mr Rodan was Dacian's largest shareholder. Executive Director of Eltin Limited. 15-year tenure with Australia's largest full service ASX listed contract mining company with annual turnover of \$850M (+). Mr Rodan is currently Managing Director and Acting Executive Chairman of Siren Gold Limited (ASX: SNG) and Icen Gold Limited (ASX: ICL). |
| <ul style="list-style-type: none"> ■ Darren John Holden Qualifications Experience | <ul style="list-style-type: none"> □ Non-Executive Director (<i>appointed 16 December 2021</i>) □ BSc (Hons) First Class (Geology), PhD (History) □ Dr Darren Holden is a geologist with 27 years industry experience in mineral exploration and exploration technologies. He has worked in North America and Australia, where he has been involved in discovery stage copper, gold, silver, molybdenum and platinum group elements deposits. He specialises in regional to local scale targeting using integration of geology, geophysics and geochemistry. He is a past Vice President of Geoinformatics/Fractal Geoscience and a former CEO of ABM Resource NL. Darren runs exploration advisory business GeoSpy, and co-founded successful private project generation businesses Marlee Minerals and Odette Geoscience. He is currently a director of Aurumin Ltd (ASX:AUN) as well as several private companies. Darren holds a BSc (Hons) First Class (Geology) from the University of Western Australia and a PhD (History) from the University of Notre Dame Australia. Darren is a Member of the Australasian Institute of Mining and Metallurgy (MAusIMM) and the Geological Society of Australia. |

Directors' Report

■ **Graeme Ian Smith**

Qualifications

Experience

- Non-Executive Director (*appointed 2 March 2022*)
- BEc, MBA, MComLaw, FCPA, FCIS, FGIA
- Graeme Smith is an experienced resources sector chief financial officer, company secretary and corporate executive who has worked with mining and exploration companies with operations in Australia (Croesus Mining NL, Genesis Minerals Limited, Jabiru Metals Limited, Breaker Resources NL, Pluton Resources Limited) and overseas (Tanga Resources Limited, Ikwezi Mining Limited) for the past 30 years. He is the principal of Wembley Corporate Services, which provides Company Secretarial, CFO and Corporate Governance services to public companies. He is a Fellow of the Australian Society of Certified Practising Accountants, the Institute of Chartered Secretaries and Administrators and the Governance Institute of Australia. Graeme is currently the Company Secretary for several ASX listed companies and was a director of ASX listed Anglo Australia Resources NL in the past 3 years.

■ **Johnathon Busing**

Qualifications

Experience

- Non-Executive Director (*appointed 25 August 2021, resigned 18 January 2022*)
- BBus, CA.
- Mr Busing is the managing director and owner of Everest Accounting. He specialises in advising ASX listed companies on compliance, mergers and acquisitions and statutory accounting requirements.

Mr Busing was a forensic accountant at RSM before joining Mining Corporate in 2011 and was responsible for the compliance and requirements of ASX listed and unlisted entities. Mr Busing is the current Company secretary for multiple ASX listed entities and Director of Caeneus Minerals Limited (ASX: CAD).

■ **Amanda Jane Buckingham**

Qualifications

Experience

- Non-Executive Director (*appointed 21 September 2021, resigned 10 February 2022*)
- BSc (Hons), PhD.
- Amanda is a geophysicist with 25 years' experience in mineral and petroleum exploration. She has worked in industry, consulting and academia, on all continents; across a broad range of commodities and deposit styles. Amanda has worked for majors such as Rio Tinto, as well as listed and start-up junior explorers. She began consulting with SRK in Perth; and developed her expertise in airborne geophysical data from several years managing acquisition projects with High Sense Geophysics in Toronto, and Fugro Airborne Surveys in Southern Africa. Amanda is currently a director and owner of Fathom Geophysics, an industry leading geophysical consultancy that has aided discoveries and exploration programs across the globe; specializing in structure detection and targeting under cover. Amanda is currently a director of Plutonic Limited (an unlisted public company) and was formerly a director of Cygnus Gold Limited (ASX:CY5).

■ **Paul Anthony Heatley**

Qualifications

Experience

- Non-Executive Director (*Resigned 25 August 2021*)
- BBus, CPA.
- Mr Heatley is an accountant and member of CPA Australia with 20 years' experience in providing business advisory, taxation, and company secretarial services to a range of large private and public unlisted companies. He is currently a Company Secretary of Desert Metals Limited (ASX: DM1).

Directors' Report

- Philip Michael Greaney**
 - Qualifications
 - Experience
 - Non-Executive Director (*Resigned 21 September 2021*)
 - B. Law, GradDip App. Fin.
 - Philip is a partner at Steinepreis Paganin, a mid-tier corporate and commercial law firm with offices in Perth and Melbourne.
- Philip has a wide range of experience in corporate governance compliance and management, general corporate and commercial legal advice and services, public and private mergers and acquisitions, negotiation and drafting of mining and resources agreements, capital raisings (including IPOs and backdoor listings), Takeovers Panel matters, due diligence investigations and compliance issues.

Meetings of directors

During the year one meeting of Directors was held. Attendances by each Director during the year are stated in the following table:

	Directors Meetings	
	Number eligible to attend	Number attended
Brian Bernard Rodan	3	3
Darren John Holden	1	0
Graeme Ian Smith	0	0
Johnathon Busing	1	1
Amanda Jane Buckingham	2	0
Paul Anthony Heatley	1	1
Philip Michael Greaney	1	1

Indemnifying officers or auditors

Indemnification

The Company has agreed to indemnify all the directors of the Company for any liabilities to another person (other than the Company or related body corporate) that may arise from their position as directors of the Company and its controlled entities, except where the liability arises out of conduct involving a lack of good faith.

Insurance premiums

During the financial year the Company has paid a premium of \$Nil in respect of a contract to insure the directors and officers of the Company and its controlled entities against any liability incurred in the course of their duties to the extent permitted by the Corporations Act 2001.

Proceedings on behalf of the company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

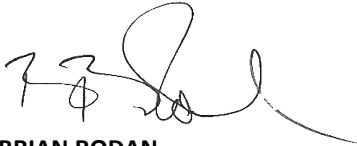
The Company was not a party to any such proceedings during the year.

Directors' Report

Auditor's independence declaration

The auditor's independence declaration under section 307C of the *Corporations Act 2001* (Cth) for the year ended 30 June 2022 has been received and can be found on page 10.

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

A handwritten signature in black ink, appearing to read 'B. Rodan', with a long horizontal flourish extending to the right.

BRIAN RODAN

Managing Director

Dated this 13th day of February 2023

To the Board of Directors,

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

As lead audit Director for the audit of the financial statements of Augustus Copper Limited for the financial year ended 30 June 2022, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

Yours Faithfully

Hall Chadwick

HALL CHADWICK WA AUDIT PTY LTD

Mark Delaurentis

MARK DELAURENTIS CA
Director

Dated Perth, Western Australia this 13th day of February 2023

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2022

	Note	2022 \$	2021 \$
<i>Continuing operations</i>			
Revenue		-	-
Administration Fees		67,200	-
Compliance Costs		886	-
Depreciation		6,620	-
Financing Costs		1,207	-
Information Technology Costs		6,786	-
Insurance		807	-
Legal fees		103,278	4,734
Professional fees		146,281	39,544
Public relations, marketing, and advertising		5,470	1,558
Rental costs		54,000	-
Other Expenses		15,118	-
		<hr/>	<hr/>
Loss before tax		(407,653)	(45,836)
Income tax benefit	2	-	-
		<hr/>	<hr/>
Net loss for the year		(407,653)	(45,836)
<i>Other comprehensive income, net of income tax</i>			
Items that will not be reclassified subsequently to profit or loss		-	-
Items that may be reclassified subsequently to profit or loss		-	-
		<hr/>	<hr/>
Other comprehensive income for the year, net of tax		-	-
		<hr/>	<hr/>
Total comprehensive loss for the year		(407,653)	(45,836)

The statement of profit or loss and other comprehensive income is to be read in conjunction with the accompanying notes.

Statement of Financial Position

As at 30 June 2022

	Note	30 Jun 2022 \$	30 Jun 2021 \$
Current Assets			
Cash and cash equivalents	3a	35,595	500,000
Trade and other receivables	4	11,829	204,726
Other current assets	6	24,642	-
Total Current Assets		72,066	704,726
Non-Current Assets			
Property, Plant & Equipment	5	28,526	-
Trade and other receivables	4	2,396,307	-
Total Non-Current Assets		2,424,833	-
Total Assets		2,496,899	704,726
Current Liabilities			
Trade and other payables	7	103,374	30,562
Borrowings	8	11,640	-
Total Current Liabilities		115,014	30,562
Non-Current Liabilities			
Borrowings	8	815,374	-
Total Non-Current Liabilities		815,374	-
Total Liabilities		930,388	30,562
Net Assets		1,566,511	674,164
Equity			
Share capital	9	2,020,000	720,000
Accumulated losses		(453,489)	(45,836)
Total Equity		1,566,511	674,164

The statement of financial position is to be read in conjunction with the accompanying notes.

Statement of Changes in Equity

For the year ended 30 June 2022

	Note	Issued Capital \$	Accumulated Losses \$	Total \$
Balance at 24 June 2021		-	-	-
Loss for the year		-	(45,836)	(45,836)
Other comprehensive income for the year		-	-	-
Total comprehensive income for the year		-	(45,836)	(45,836)
<i>Transactions with owners, directly in equity</i>				
Shares issued	9	20,000	-	20,000
Share application funds received	9	700,000	-	700,000
Balance at 30 June 2021		720,000	(45,836)	674,164
Balance at 1 July 2021		720,000	(45,836)	674,164
Loss for the year		-	(407,653)	(407,653)
Other comprehensive income for the year		-	-	-
Total comprehensive income for the year		-	(407,653)	(407,653)
<i>Transactions with owners, directly in equity</i>				
Shares issued	9	-	-	-
Share application funds received	9	1,300,000	-	1,300,000
Balance at 30 June 2022		2,020,000	(453,489)	1,566,511

The statement of changes in equity is to be read in conjunction with the accompanying notes.

Statement of Cash Flows

For the year ended 30 June 2022

	30 Jun 2022	30 Jun 2021
Note	\$	\$
<i>Cash flows from Operating activities</i>		
Payments to suppliers	(294,678)	-
Interest paid	(1,207)	-
Net cash used in operating activities	(295,885)	-
<i>Cash flows from Investing activities</i>		
Loan to related party	(2,529,674)	(100,000)
Repayments from related party	249,285	-
Payments for fixed assets	(35,145)	-
Net cash provided from investing activities	(2,315,534)	(100,000)
<i>Cash flows from Financing activities</i>		
Proceeds from receipt of seed capital	1,320,000	600,000
Proceeds from Borrowings	838,851	-
Repayment of Borrowings	(11,837)	-
Net cash provided from financing activities	2,147,014	600,000
Net decrease in cash held	(464,405)	500,000
Cash and cash equivalents at the beginning of the year	500,000	-
Cash and cash equivalents at the end of the year	35,595	500,000

The statement of cash flows is to be read in conjunction with the accompanying notes.

Notes to the Financial Statements

For the year ended 30 June 2022

Note 1 Statement of Significant Accounting Policies

Augustus Copper Limited is a Company limited by shares, incorporated on 24 June 2021 and domiciled in Australia.

The financial report was authorised for issue on the 13 February 2023 by the Directors of the Company.

1.1 Basis of preparation

a. Statement of compliance

This financial report is a general-purpose financial report prepared in accordance with Australian Accounting Standards of the Australian Accounting Standards Board (AASB) and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), and the Corporations Act 2001 (Cth).

Augustus Copper Limited is a for-profit entity for the purpose of preparing general purpose financial statements under Australian Accounting Standards. Except for cash flow information, the financial statements have been prepared on an accrual basis and are 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 the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

b. Going concern

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

The Company incurred a loss for the year of \$407,653. As at 30 June 2022, the Company's cash and cash equivalents balance was \$35,595 and it had a working capital deficit of \$42,948.

The ability of the Company to continue to pay its debts as and when they fall due is dependent upon the Company successfully raising additional share capital. These conditions indicate a material uncertainty that may cast significant doubt about the ability of the Company to continue as a going concern.

The Directors have prepared a cash flow forecast which indicates that the Company will have sufficient cash flows to meet all commitments and working capital requirements for the 12-month period from the date of signing this financial report. The Directors believe it is appropriate to prepare these accounts on a going concern basis because of the following factors:

- The Company has undertaken an initial pre-IPO Capital Raise of \$2,700,000 and it is the intention of the Company to raise a minimum of \$10,000,000 (before costs) of new capital under its IPO. Of the initial \$2,700,000 raise \$2,200,000 has been received prior to the date of this report;
- The Directors are confident that following completion of the proposed capital raisings the Company will have sufficient cash flows to meet all commitments and working capital for the next 12-months from the date of signing this financial report; and
- Subsequent to year end, loans from related parties of \$850,000 were settled via the issue of shares. Refer to note 12 for details.

Should the Consolidated Entity not achieve the matters set out above, there is uncertainty whether it would continue as a going concern and therefore whether it would realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial statements. The financial statements do not include any adjustment relating to the recoverability or classification of recorded asset amounts or to the amounts or classifications of liabilities that might be necessary should the Entity not be able to continue as a going concern.

Notes to the Financial Statements

For the year ended 30 June 2022

Note 1 Statement of Significant Accounting Policies (continued)

1.1 Basis of preparation (continued)

c. Use of estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. These estimates and associated assumptions are based on historical experience and various factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. 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 year in which the estimate is revised and in any future years affected.

There are presently no estimates and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

1.2 Significant accounting policies

a. Income tax

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

Current tax

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities or assets are therefore measured at the amounts expected to be paid to or recovered from the relevant taxation authority.

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

Deferred tax

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

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

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

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Notes to the Financial Statements

For the year ended 30 June 2022

Note 1 Statement of Significant Accounting Policies (continued)

1.2 Significant accounting policies (continued)

a. Income tax (continued)

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

b. Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

The net amount of GST recoverable from, or payable to, the Australian Taxation Office is included as a current asset or liability in the statement of financial position.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

c. Fair value

Fair value of Assets and Liabilities

The Company measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable AASB.

Fair value is the price the Company would receive to sell an asset or would have to pay to transfer a liability in an orderly unforced transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting year (i.e. the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

Notes to the Financial Statements

For the year ended 30 June 2022

Note 1 Statement of Significant Accounting Policies (continued)

1.2 Significant accounting policies (continued)

c. Fair value (continued)

Fair value hierarchy

AASB 13 *Fair Value Measurement* requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1	Level 2	Level 3
Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.	Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.	Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

Valuation techniques

The Company selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Company are consistent with one or more of the following valuation approaches:

- *Market approach*: valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.
- *Income approach*: valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.
- *Cost approach*: valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Company gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

d. Cash and cash equivalents

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

e. Loans

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

Loans are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting year.

Notes to the Financial Statements

For the year ended 30 June 2022

Note 1 Statement of Significant Accounting Policies (continued)

1.2 Significant accounting policies (continued)

f. Property, plant and equipment

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

Plant and equipment

Plant and equipment is measured on the cost basis less accumulated depreciation and impairment losses.

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

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

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

Depreciation

The depreciable amount of all fixed assets is depreciated using the method noted below over their useful lives to the economic entity commencing from the time the asset is held ready for use.

The depreciation rates and method used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation Method	Depreciation rate
Motor Vehicles	Diminishing Value	25%

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

g. Trade and other receivables

Receivables expected to be collected within 12 months of the end of the reporting year are classified as current assets. All other receivables are classified as non-current assets.

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Collectability of trade and other receivables are reviewed on an ongoing basis. An impairment loss is recognised for debts which are known to be uncollectible. An impairment provision is raised for any doubtful amounts.

h. Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid and stated at their amortised cost. The amounts are unsecured and are generally settled on 30 day terms.

Notes to the Financial Statements

For the year ended 30 June 2022

Note 1 Statement of Significant Accounting Policies (continued)

1.2 Significant accounting policies (continued)

i. Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid and stated at their amortised cost. The amounts are unsecured and are generally settled on 30 day terms.

j. Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any related income tax benefit. Ordinary issued capital bears no special terms or conditions affecting income or capital entitlements of the shareholders.

k. Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instruments. For Financial assets, this is equivalent to the date that the Company commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

Classification and subsequent measurement

Financial instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method or cost. Fair value represents the price that would be received to sell an asset or paid to transfer a liability in orderly transaction between market participants at the measurement date. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as (i) the amount at which the financial asset or financial liability is measure at initial recognition; (ii) less principal repayments; (iii) plus or minus the cumulative amortization of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method; and (iv) less any reduction for impairment.

The effective interest method is used to allocate interest income or interest expense over the relevant year and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliability predicted, the contractual term) of the financial instrument to the net carry amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss. The Company does not designate any interest in subsidiaries, associates or joint venture entities as being subject to the requirements of accounting standards specifically applicable to financial statements.

Notes to the Financial Statements

For the year ended 30 June 2022

Note 1 Statement of Significant Accounting Policies (continued)

1.2 Significant accounting policies (continued)

k. Financial instruments (continued)

Financial assets at fair value through profit and loss or through other comprehensive Income

Financial assets are classified at 'fair value through profit or loss' or Fair value through 'Other comprehensive Income' when they are either held for trading for purposes of short term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss if electing to choose 'fair value through profit or loss' or other comprehensive income if electing 'Fair Value through other comprehensive income'.

Financial Liabilities

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

All financial liabilities are recognised initially at fair value and, in the case of loans, borrowings, and payables, net of directly attributable transaction costs.

Derecognition

Financial assets are derecognised where the contractual rights to receipts of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risk and benefits associated with the asset. Financial Liabilities are recognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

Impairment of financial assets

At each reporting date, the Company assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a significant or prolonged decline in the value of the instrument is considered to determine whether impairment has arisen. Impairment losses are recognised in the statement of profit or loss and other comprehensive income.

The carrying amount of financial assets including uncollectible trade receivables is reduced by the impairment loss through the use of an allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

With the exception of available-for-sale equity instruments, if, in a subsequent year, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of available-for-sale equity instruments, any subsequent increase in fair value after an impairment loss is recognised directly in the financial assets reserve in other comprehensive income.

Notes to the Financial Statements

For the year ended 30 June 2022

Note 1 Statement of significant accounting policies (continued)

1.2 Significant accounting policies (continued)

k. Financial instruments (continued)

Impairment of non-financial assets

At each reporting date, the Company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of profit or loss and other comprehensive income.

Impairment testing is performed annually for intangible assets with indefinite lives and intangible assets not yet available for use. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

l. Revenue and other income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Interest income is recognised as it accrues in the profit and loss using the effective interest method.

All revenue is stated net of the amount of Goods and Services Tax (GST).

m. Operating segments

AASB 8 – Operating Segments requires operating segments to be identified on the basis of internal reports about components of the Company that are regularly reviewed by the Board in order to allocate resources to the segments and to assess their performance. Augustus Copper Limited has only one operation, being the exploration for minerals. Consequently, the Company does not report segmented operations.

n. New and amended standards adopted by the Company

The Company has considered the implications of new or amended Accounting Standards which have become applicable for the current financial reporting year. The Company has not had to change its accounting policies.

Notes to the Financial Statements

For the year ended 30 June 2022

Note 2 Income Tax

	2022	2021
	\$	\$
a. Income tax benefit		
Current tax	-	-
Deferred tax	-	-
Income tax expense/(benefit)	-	-
b. Reconciliation of income tax expense to prima facie tax payable		
The prima facie tax benefit on loss from ordinary activities before income tax is reconciled to the income tax expense as follows:		
Prima facie tax on operating loss at 25% (2021: 26%)	(101,913)	(11,917)
Add / (less) tax effect of:		
• Temporary differences	23,939	11,438
• Permanent Differences	1,699	-
• Deferred tax asset not brought to account	76,275	479
	-	-
c. The applicable weighted average effective tax rates attributable to the operating result are as follows:		
The tax rate used in the above reconciliations is the corporate tax rate of 25% (2021: 26%) payable by the Australian corporate entity on taxable profits under Australian tax law.		
d. Tax losses carried forward		
Opening losses carried forward	11,234	-
Tax loss for year	305,104	11,234
Total tax losses carried forward	316,338	11,234

Potential deferred tax assets attributable to tax losses have not been brought to account at 30 June 2022 because the Directors do not believe it is appropriate to regard realisation of the deferred tax assets as probable at this point in time. These benefits will only be obtained if:

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

Total deferred tax assets not brought to account at 30 June 2022 totalled \$79,084.

Notes to the Financial Statements

For the year ended 30 June 2022

Note 3 Cash and cash equivalents

	30 Jun 2022	30 Jun 2021
	\$	\$
a. Reconciliation of cash		
Cash held in trust on behalf of the company	35,595	500,000
	35,595	500,000
b. Cash Flow information		
	2022	2021
	\$	\$
Reconciliation of cash flow from operations to loss after income tax		
Loss after income tax	(407,653)	(45,836)
<i>Adjustments for amounts in equity:</i>		
• Seed capital receipts outstanding	-	120,000
• Depreciation	6,620	-
<i>Changes in assets and liabilities</i>		
• Increase in GST receivable	(7,808)	(4,021)
• (Increase)/decrease in other receivables	-	(20,000)
• (Increase)/decrease in loans to related parties	64,787	(80,705)
• (Increase) in prepayments	(24,642)	-
• Increase in trade payables	72,811	30,562
Cash flow utilised in operations	(295,885)	-

Note 4 Trade and other receivables

	30 Jun 2022	30 Jun 2021
	\$	\$
Current		
<i>Unsecured</i>		
GST receivable	11,829	4,021
Loans to related parties	-	180,705
Share capital receivable	-	20,000
	11,829	204,726
Non-Current		
Loans to related parties	2,396,307	-
	2,396,307	-

Loans to related parties have been provided on an initial interest free basis. Further information regarding these loans can be found at Note 14.

Note 5 Property, plant & equipment

	30 Jun 2022	30 Jun 2021
	\$	\$
Non-Current		
Motor vehicles at cost	35,145	-
Accumulated depreciation	(6,619)	-
	28,526	-

Notes to the Financial Statements

For the year ended 30 June 2022

Note 5 Property, plant & equipment (continued)

Movements in carrying amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Motor Vehicles	Total
Balance at beginning of year	-	-
Additions	35,145	35,145
Disposals	-	-
Depreciation	(6,619)	(6,619)
Closing Balance 30 June 2022	28,526	28,526

Note 6 Other current assets

	30 Jun 2022	30 Jun 2021
	\$	\$
Current		
Prepayments	24,642	-
	26,642	-

Note 7 Trade and other payables

Current		
<i>Unsecured</i>		
Trade payables	103,374	30,562
	103,374	30,562

Note 8 Borrowings

Current		
<i>Secured</i>		
Hire purchase liability	12,704	-
Less: Unexpired interest	(1,064)	-
	11,640	-
Non-Current		
<i>Secured</i>		
Loans from related parties	800,000	-
Hire purchase liability	15,880	-
Less: Unexpired interest	(506)	-
	815,374	-

Loans from related parties have been provided on an initial interest free basis. Further information regarding these loans can be found at Note 14.

Notes to the Financial Statements

For the year ended 30 June 2022

Note 9 Share capital

	30 Jun 2022 No.	30 Jun 2022 \$	30 Jun 2021 No.	30 Jun 2021 \$
Ordinary Shares	20,000,000	20,000	20,000,000	20,000
Share capital received for shares to be issued post reporting date	-	2,000,000	-	700,000
Total Share Capital	20,000,000	2,020,000	20,000,000	720,000
a. Ordinary Shares	30 Jun 2022 No.	30 Jun 2022 \$	30 Jun 2021 No.	30 Jun 2021 \$
Opening Balance	20,000,000	720,000	-	-
Shares issued during the year				
Initial share issue ⁱ	-	-	20,000,000	20,000
Share capital received for shares to be issued post reporting date ⁱⁱ	-	1,300,000	-	700,000
Total Share Capital	20,000,000	2,020,000	20,000,000	720,000

i. Shares of the company were issued during the prior year on the following basis:

a. 20,000 shares issued on incorporation.

ii. Shares of the company were issued post reporting date on the following basis:

a. 25,000,000 shares issued on completion of the acquisition of Capricorn Orogen Pty Ltd,

b. 22,000,000 shares issued on completion of seed capital raising,

c. 8,500,000 shares issued as per loan conversion Deed.

The Company does not have a limited amount of authorised capital and issued shares do not have a par value.

Ordinary shares participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held.

At the shareholders' meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

Capital Management

Management manages the Company's capital by assessing the Company's cash flow and capital requirements and responding to those needs. These responses include management of capital projects, future acquisition of mineral licences and reduction of expenditure.

Notes to the Financial Statements

For the year ended 30 June 2022

Note 10 Financial Risk Management

a. Financial Risk Management Policies

The Board's objective when managing capital is to maintain a strong capital base so as to safeguard the Company's ability to continue as a going concern. This note presents information about the Company's exposure to each of the below risks, its objectives, policies, and procedures for measuring and managing risk, and the management of capital.

The Company's financial instruments include cash, short term deposits, accounts payable and other receivables.

The Company does not speculate in the trading of derivative instruments.

A summary of the Company's Financial Assets and Liabilities is shown below:

	Floating Interest Rate \$	Fixed Interest Rate \$	Non-interest Bearing \$	Total \$
Financial Assets at amortised cost:				
Cash and cash equivalents	35,595	-	-	35,595
Trade and other receivables	-	-	11,829	11,829
Loan to related parties	-	-	2,396,307	2,396,307
Other current assets	-	-	24,642	24,642
Total Financial Assets	35,595	-	2,432,778	2,468,373
Financial Liabilities at amortised cost:				
Trade and other payables	-	-	103,374	103,374
Borrowings	-	27,014	800,000	827,014
Total Financial Liabilities	-	27,014	903,374	930,388
Net Financial Assets/(Liabilities)	35,595	(27,014)	1,529,404	1,537,985

b. Specific Financial Risk Exposures and Management

The main risks the Company is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate and equity price risk. However, the sole material risk at the present stage of the Company is liquidity risk.

The Board of Director's 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 Company's risk profile. This includes assessing, monitoring and managing risks for the Company and setting appropriate risk limits and controls. The Company 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.

i. 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 Company.

Due to the current nature of the Company, being a pre-IPO exploration entity, the Company is not exposed to material credit risk.

Notes to the Financial Statements

For the year ended 30 June 2022

Note 10 Financial Risk Management (continued)

b. Specific Financial Risk Exposures and Management (continued)

ii. Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company'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 Company's reputation.

Ultimate responsibility for liquidity risk management rests with the Board of Directors, who have built an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Typically, the Company ensures that it has sufficient cash to meet expected operational expenses for a year 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 Company include trade and other payables as disclosed in the statement of financial position. All trade and other payables are non-interest bearing and due within 30 days of the reporting date with the exception of the unsecured loan.

Contractual Maturities

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

	Within 1 year	Greater than 1 year	Total
	\$	\$	\$
Financial liabilities due for payment:			
Trade and other payables	103,374	-	103,374
Borrowings	11,641	815,373	827,014
Total Financial Liabilities	<u>115,015</u>	<u>815,373</u>	<u>930,388</u>
Financial Assets:			
Cash and cash equivalents	35,595	-	35,595
Trade and other receivables	11,829	2,396,307	2,408,136
	<u>47,424</u>	<u>2,396,307</u>	<u>2,443,731</u>
Net inflow/(outflow) on financial instruments	<u>(67,591)</u>	<u>1,580,934</u>	<u>1,513,343</u>

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

Notes to the Financial Statements

For the year ended 30 June 2022

Note 10 Financial Risk Management (continued)

iii. Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Due to the current nature of the Company, being a pre-IPO exploration entity, the Company is not exposed to material market risk.

iv. Sensitivity analysis

Due to the current nature of the Company, being a pre-IPO exploration entity, the Company is not exposed to material financial risk sensitivities.

v. Net Fair Values

The fair values of financial assets and financial liabilities are presented in the table below and can be compared to their carrying values as presented in the 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.

	Note	Carrying Amount \$	Fair Value \$
Financial Assets:			
Cash and cash equivalents	3a	35,595	35,595
Trade and other receivables	4	11,829	11,829
Loans to related parties	4	2,396,307	2,396,307
Total Financial Assets		2,443,731	2,443,731
Financial Liabilities:			
Trade and other payables	7	103,374	103,374
Borrowings	8	827,014	827,014
Total Financial Liabilities		930,388	930,388

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

- Cash and cash equivalents;
- Trade and other receivables;
- Trade and other payables; and
- Borrowings.

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.

Notes to the Financial Statements

For the year ended 30 June 2022

Note 11 Contingent Assets and Liabilities

The company has no contingent assets or liabilities as at 30 June 2022.

Note 12 Events Subsequent to Reporting Date

The financial report was authorised for issue on 13 February 2023 by the Directors. The following significant events have arisen since the end of the year.

a. Share Issues

The Company completed the acquisition of 100% of the Issued Capital in Capricorn Orogen Pty Ltd in September 2022 via the issue of 25,000,000 shares to Mining Investments Australia Pty Ltd. As part of the Company's seed capital raising, the Company successfully raised \$2,200,000 and issued 22,000,000 shares at an issue price of \$0.10 per share. The Company settled loans totalling \$850,000 received from Redland Plains Pty Ltd via the issue of 8,500,000 shares at an issue price of \$0.10 per share.

b. Application for Quotation on the Australian Securities Exchange

The Company is currently in the early stages of applying for quotation on the Australian Securities Exchange (ASX). The Company has lodged its suitability application ahead of a proposed listing on the ASX. The proposed capital raising is for 50,000,000 shares issued at \$0.20 each to raise a total of \$10,000,000.

c. Acquisition of Capricorn Orogen Pty Ltd

On 14 September 2021, the Company entered into a Share Sale Agreement with Mining Investments Australia Pty Ltd, pursuant to which the Company acquired 100% of the issued capital in Capricorn Orogen Pty Ltd which holds, and is entitled to explore and mine, certain tenements in the Gascoyne region of Western Australia. Settlement occurred in September 2022 via the issue of 25,000,000 shares in the Company to Mining Investments Australia Pty Ltd.

d. Borrowing from related parties

The Company received a further \$50,000 in borrowings from related parties on the 31 August 2022.

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

Notes to the Financial Statements

For the year ended 30 June 2022

Note 13 Key Management Personnel Compensation (KMP)

The names and positions of KMP in office at 30 June 2022 are as follows:

- Brian Bernard Rodan Managing Director
- Darren John Holden Non-Executive Director
- Graeme Ian Smith Non-Executive Director

	30 Jun 2022	30 Jun 2021
	\$	\$
Short-term employee benefits	-	-
Post-employment benefits	-	-
Other long-term benefits	-	-
Termination benefits	-	-
Share-based payments	-	-
Total	-	-

a) Shareholdings

The number of shares in the Company held during the financial year by the key management personnel of Augustus Copper Limited, including their related parties is set out below.

	Balance at 1 July 2021	Received as Compensation	Issued on incorporation	Other net change	Balance at 30 June 2022
Directors:					
Brian Bernard Rodan	20,000,000	-	-	-	20,000,000

Notes to the Financial Statements

For the year ended 30 June 2022

Note 14 Related Party Transactions

Transactions between parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. Related party transactions with Augustus Copper Ltd are listed below:

	2022 \$	Amounts outstanding at 30 Jun 2022 \$	2021 \$	Amounts outstanding at 30 Jun 2021 \$
a) Purchases of Goods and Services:				
MCA Nominees Pty Ltd				
MCA Nominees Pty Ltd, a business controlled by Mr Brian Rodan, provides mining administrative and consulting services to the Company as well as the head office premises.				
- Administration Fees incurred during the year	67,200	19,800	-	-
- Rent and Outgoings	54,000	16,500	-	-
Halifax Advisory Pty Ltd				
Halifax Advisory Pty Ltd, a business controlled by Mr Paul Heatley, provides business consulting and advisory services.				
- Consulting Fees incurred during the year	-	-	740	740
b) Loans to Related Parties:				
Capricorn Orogen Pty Ltd				
Capricorn Orogen Pty Ltd, controlled by Mr Brian Rodan, received an unsecured loan from the Company. The Company will have a conditional right to acquire 100% of the issued capital in Capricorn under a Share Sale agreement entered into on the 14 September 2021. The Company has continued to provide unsecured loans to Capricorn on an interest free basis.				
- Balance at the end of the year		2,396,307		180,705

Notes to the Financial Statements

For the year ended 30 June 2022

Note 14 Related Party Transactions (continued)

	2022 \$	Amounts outstanding at 30 Jun 2022 \$	2021 \$	Amounts outstanding at 30 Jun 2021 \$
c) Loans from Related Parties:				
Redland Plains Pty Ltd				
Redland Plains Pty Ltd, in its capacity as a Trustee, controlled by Mr Brian Rodan, provided unsecured loans to the Company. Loans have been provided on an initial interest free basis. As at the date of this report, Redland Plains Pty Ltd provided a total of \$850,000 to the Company. The Company entered into a Loan Conversion Deed with Redland Plains Pty Ltd and issued 8,500,000 shares at a deemed issue price of \$0.10 per share in full and final satisfaction of the Company's obligation in respect of the Related Party Loans.				
- Balance at the end of the year		800,000		-

Note 15 Company Details

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

Address: Level 2 41-43 Ord Street
West Perth WA 6005

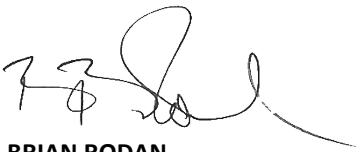
Directors' Declaration

The Directors have determined that the Company is a reporting entity and that this general-purpose financial report should be prepared in accordance with the accounting policies described in Note 1 to the financial statements.

The Directors of the Company declare that:

1. The financial statements and notes, as set out on pages 11 to 33, are in accordance with the *Corporations Act 2001* and:
 - a. comply with Accounting Standards as described in Note 1 to the financial statements, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
 - b. give a true and fair view of the Company's financial position as at 30 June 2022 and of its performance for the financial year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements; and
2. In the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:



BRIAN RODAN

Managing Director

Dated this 13th day of February 2023

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AUGUSTUS COPPER LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Augustus Copper Limited (“the Company”), which comprises the statement of financial position as at 30 June 2022, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors’ declaration.

In our opinion:

- a. the accompanying financial report of the Company is in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the Company’s financial position as at 30 June 2022 and of its financial performance for the year then ended; and
 - (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.
- b. the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.1a.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement. Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1.1(b) in the financial report which indicates that the Company incurred a net loss of \$407,653 during the year ended 30 June 2022. As stated in Note 1.1(b), these events or conditions, along with other matters as set forth in Note 1.1(b), indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in this respect of this matter.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2022, but does not include the financial report and our auditor's report thereon.

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

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

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

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 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 Note 1, the directors also state in accordance with Australian Accounting Standard *AASB 101 Presentation of Financial Statements*, that the financial report complies with International Financial Reporting Standards.

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

Auditor's Responsibilities for the Audit of the Financial Report

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

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 Company'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 Company'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 Company 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

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.

Hall Chadwick

HALL CHADWICK WA AUDIT PTY LTD

Mark DeLaurentis

MARK DELAURENTIS CA
Director

Dated Perth, Western Australia this 13th day of February 2023