



RAGNAR

METALS LTD.

ABN 12 108 560 069

**ANNUAL REPORT
30 JUNE 2023**

RAGNAR METALS LIMITED

AND CONTROLLED ENTITIES

ABN 12 108 560 069

ANNUAL REPORT 30 JUNE 2023

Corporate Directory

Current Directors

Steven Formica

Ariel (Eddie) King

David Wheeler

Non-executive Chairman

Executive Director

Non-executive Director

Company Secretary

Jessamyn Lyons

Registered Office

Street: Level 3
88 William Street
Perth WA 6000

Postal: GPO Box 2570
Perth WA 6001

Telephone: +61 (08) 9463 2463

Facsimile: +61 (08) 9463 2499

Email: info@ragnarmetals.com.au

Website: www.ragnarmetals.com.au

Securities Exchange

Australian Securities Exchange
Level 40, Central Park, 152-158 St Georges Terrace
Perth WA 6000

Telephone: 131 ASX (131 279) (within Australia)

Telephone: +61 (02) 9338 0000

Facsimile: +61 (02) 9227 0885

Website: www.asx.com.au

ASX Code RAG

Share Registry

Automic Pty Limited
Level 5, 191 St Georges Terrace
Perth WA 6000

Telephone: 1300 288 644 (investors within Australia)

Telephone: +61 (02) 9698 5414

Email: hello@automicgroup.com.au

Website: www.automicgroup.com.au

Auditors

Hall Chadwick WA Audit Pty Ltd
283 Rokeby Road
Subiaco
WA 6008

Telephone: +61 (08) 9426 0666

Website: www.hallchadwick.com.au

Contents

● Chairman's Letter	1
● Activities Report	2
● Directors' Report	13
● Remuneration report.....	17
● Auditor's independence declaration	20
● Consolidated statement of profit or loss and other comprehensive income	21
● Consolidated statement of financial position.....	22
● Consolidated statement of changes in equity	23
● Consolidated statement of cash flows	24
● Notes to the consolidated financial statements.....	25
● Directors' declaration	48
● Independent auditor's report.....	49
● Additional Information for Listed Public Companies	54

Chairman's Letter

Dear Shareholders,

I would like to extend my heartfelt gratitude to both our new and existing shareholders for your unwavering support throughout the year.

The year encapsulated in this Annual Report stands as a milestone for Ragnar, characterised by the announcement of a pivotal sale and purchase agreement. We are in the process of disposing of our Swedish nickel interests to a wholly-owned subsidiary of global mining giant BHP in a transaction that involves substantial cash consideration of \$9.8 million. This transaction is set to conclude imminently and includes deferred consideration of a 1% net smelter royalty, which the purchaser has the option to buy for A\$10,000,000.

This transaction is a testament to the tireless exploration efforts of our team at Tullsta and is a highly positive development for all our shareholders. In particular, I would like to extend our appreciation to our local consultants, GeoVista, whose expertise has greatly supported our endeavours.

While we diligently navigate the final stages of this transaction, we have remained proactive in our pursuit of new projects, capitalising on the significant opportunities that Sweden presents. Situated at the heart of the rapidly expanding battery market and characterised by its mining-friendly regulatory environment and robust infrastructure, Sweden has emerged as a strategic focus for us.

In June 2023, we announced the acquisition of the Hälleberget & Bergom Lithium projects. These projects are rich in lithium-tantalum-tin-bearing pegmatites, and we have also secured two highly promising Rare Earth projects in the southwestern Fennoscandian Province. This region is renowned for Rare Earth Element (REE) deposits, with the distinction of housing Sweden's largest REE deposit, Norma Karr.

While it is still early days for these projects, we are immensely excited by the preliminary results. We are committed to expanding our exploration portfolio, targeting critical metals in Sweden, and effectively deploying the significant capital that is expected to shortly arrive.

I am honoured to be a part of Ragnar Metals and eagerly anticipate the next phase of our journey, one that promises to unlock the immense potential of our critical metal portfolio, and in doing so, create lasting value for our shareholders.

Sincerely,
Steve Formica
Non-Executive Chairman
Ragnar Metals Limited

Activities Report

MINING INTERESTS

SWEDISH TENEMENTS

- Rare Earth Element Projects
- Lithium Projects
- Tullsta Nickel Project
- Gaddebo Nickel Project

Rare Earth Element Projects

During the year, the Company identified and secured two new rare earth element licenses comprising 37.3km of tenure, highly prospective for heavy rare earth element (HREE) mineralisation and NdPr metals, the Olserum North HREE Project and the Gruvhagen NdPr Project.

Both projects are considered highly prospective for discovering rare earth mineralisation in the southwestern Fennoscandian Province, renowned for rare earth element (REE) deposits, including Sweden's largest REE deposit, Norma Karr.

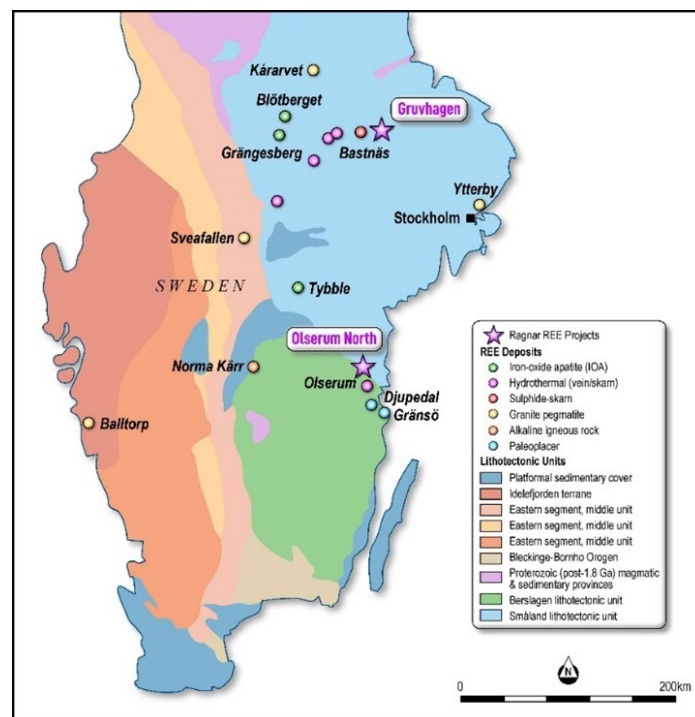


Figure 1: Simplified geological map of Southwest Fennoscandian Shield showing the location of Ragnar's new REE Projects in relation to the Olserum and Norma Karr REE deposits.

The Olserum North HREE Project tenure comprises 20.8km² and is strategically located 8.5km north of the Olserum HREE deposit, which is in an identical geological setting characterised by the same host Palaeoproterozoic Svekokarelian metasedimentary rocks (1.9Ga) and Palaeoproterozoic alkalic granite and syenite rocks (1.8Ga), which has been mapped by the Geological Survey of Sweden (Figure 2).

Previous exploration in the area has identified outcropping HREE mineralisation that returned historical exploration results of 4,044 ppm TREE with 63% HREE.

RAGNAR METALS LIMITED

AND CONTROLLED ENTITIES

ABN 12 108 560 069

ANNUAL REPORT 30 JUNE 2023

The prospectivity of this area is strongly supported by rock assays from the Hylleled's Prospect, where rocks up to 4,044 ppm REE have previously been reported, which include 63% HREE metals, including 365 ppm Dy and 54 ppm Tb.

Subsequent to the end of the period on 13 July 2023, the Company announced it had received assay results from rock chip samples from two prospects at the Olserum North HREE Project.

The Flaken Prospect produced assays up to 11,991 ppm (1.2%) TREO and 4,967 ppm (0.5%) TREO with abnormally high HREO of up to 93%. This is a new REE discovery from old workings.

The Hylleled Prospect produced assays up to 9,012 ppm (0.9%) TREO and 8,286 ppm (0.8%) TREO with abnormally high HREO of up to 86%.

These results are highly significant as the Hylleled and Flaken prospects are located 1.1 km apart, with the airborne magnetic data suggesting that the magnetite-HREO mineralisation is connected (Figure 3).

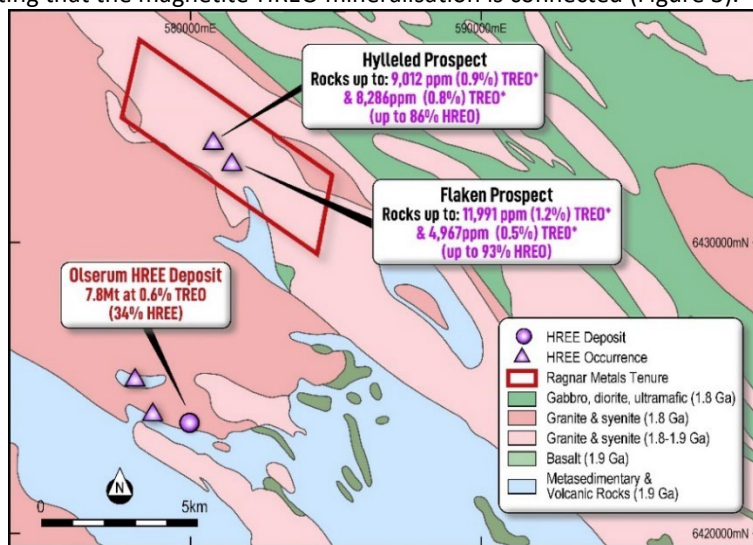


Figure 2: Interpreted bedrock geology map showing Ragnar's Olserum North project in relation to the Olserum HREE deposit.

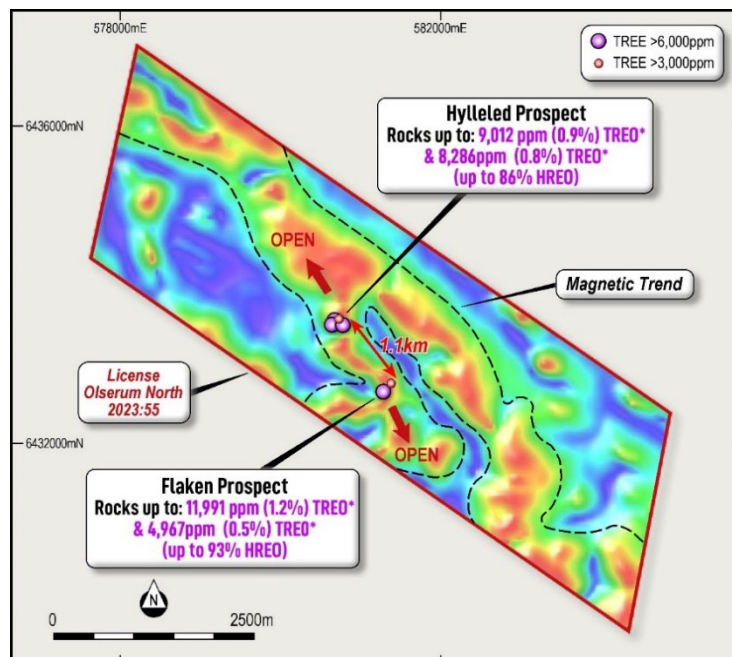


Figure 3: Airborne Magnetic Map (tilt derivative) showing the location of recent rock sample results (*TREO includes all rare earth elements plus Y and Sc).

The Gruvhagen NdPr Project tenure comprising 16.5km², is located within the 'REE-Line', where previous exploration in the area has identified outcropping REE mineralisation that returned historical exploration results of 36,921 ppm (3.7%) TREO with relatively high Nd/Pr (30%). Subsequent to the end of the period on 16 August 2023, the Company announced assay results of the first field reconnaissance program at the Project.

The company contracted an experienced geologist from Bergskraft Bergslagen in June 2023 to conduct an initial field visit to the project to relocate the historic REE occurrences and conduct full-suite multi-element assays. This work aimed to identify the metal assemblage and mineralisation style and establish the potential scale and strike to focus on future exploration efforts.

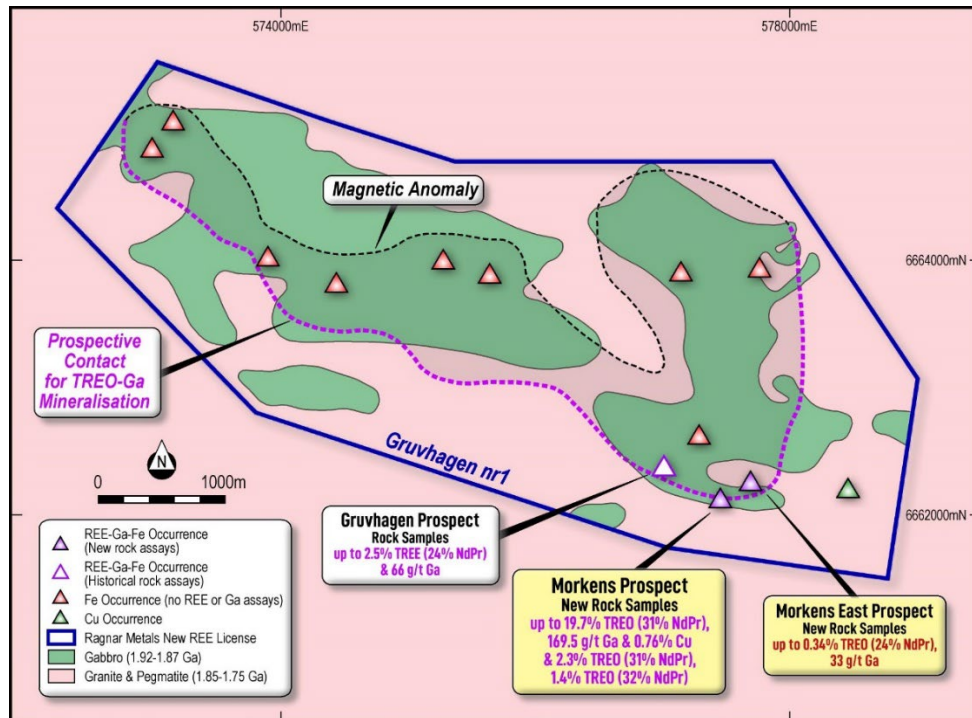


Figure 4: Interpreted bedrock geology of the Gruvhagen prospect highlighting the airborne magnetic anomaly.

A small digging was identified at the Morkens prospect, where highly altered rocks with visible pyrite-chalcopyrite mineralisation were observed in the waste pile. The rocks were so altered that the original rock type is as-yet unidentified. A suite of 5 rock samples were taken for assays with highly encouraging results including **19.7% TREO (31% NdPr)**, **169 g/t gallium**, **0.8% copper**, and 490 ppm cobalt in sample 23GRUGS013; **2.3% TREO (31% NdPr)**, **0.4% copper** and 515 ppm cobalt in sample 23GRUGS016; and **1.3% TREO (32% NdPr)**, **0.3% copper** and 394 ppm cobalt in sample 23GRUGS017.

Sampling 270m to the east of Morkens revealed a new area of highly elevated REO-gallium assays up to **0.34% TREE (24% NdPr)** and **33 g/t gallium** which is now called Morkens East (Figure 4).

This work by Ragnar is extremely encouraging and indicates that NdPr-rich REE mineralisation with significant gallium and copper potentially occurs over at least a 700m strike in the area where rare metals have been assayed. Also, interpretation of the low-resolution magnetic data indicates that the NdPr-gallium mineralisation potentially occurs for a 7km strike along the southern edge of the magnetic anomaly, which is mapping the iron mineralisation

RAGNAR METALS LIMITED

AND CONTROLLED ENTITIES

ABN 12 108 560 069

ANNUAL REPORT 30 JUNE 2023

Lithium Projects

During the year, Ragnar applied for and was granted tenure over two new lithium projects in Sweden, the Hälleberget and Bergom Lithium Projects.



Figure 5: Simplified geological map of Scandinavia showing the location of Ragnar's Lithium Projects.

The Hälleberget Lithium Project is strategically located 10km north of the Järkvissle lithium pegmatite deposit. Previous exploration at Hälleberget has identified outcropping lithium-bearing pegmatites over 500m strike with historical exploration results up to 0.473% Li_2O , 196 ppm Ta, and 4.48% Sn.

The area is considered highly prospective for discovering lithium pegmatite deposits since the district represents the western extent of the same belt that contains the largest lithium deposits in Scandinavia, the Kaustinen Lithium province in Finland.

The area explored by LKAB Prospektering ("LKAB") in 1984 revealed promising historical results from the Hälleberget prospect area, where multiple outcropping LCT pegmatites were identified. The pegmatites were observed to strike north-northwest, and outcropping widths up to 3m were exposed, where at least two stacked dykes were observed over a 500m strike (Figure 6). LKAB was focused on the search for tin-bearing minerals, so it only assayed two samples where cassiterite was observed in the southern area. High-grade tin mineralisation was observed up to 4.48%, however, more importantly, both samples returned 0.47% Li_2O as well as other essential metals common in LCT-pegmatite including up to 196 ppm Ta, 0.68% Rb, 169 ppm Rb, and 24 ppm Ge.

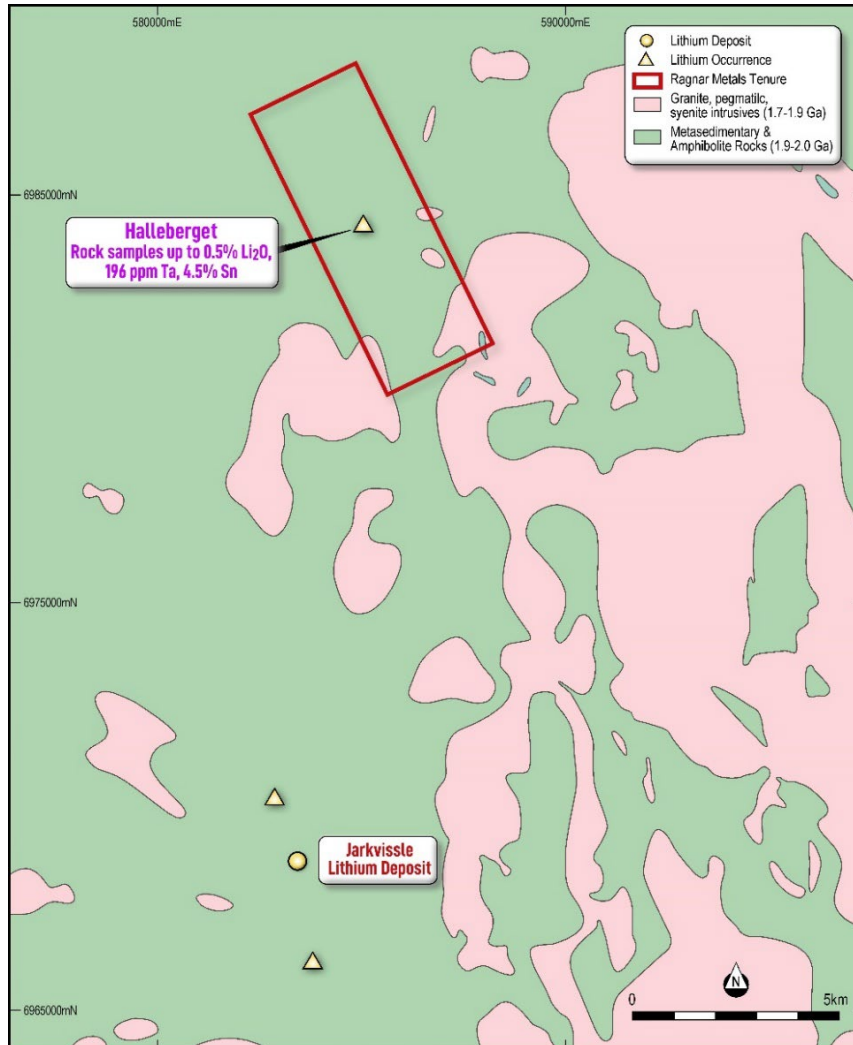


Figure 6: Interpreted bedrock geology map of the Hälleberget project area in relation to the Järkvissle lithium deposit.

After the end of the reporting period, the company provided an exploration update on the lithium program.

An initial field visit was undertaken in July 2023 and confirmed the presence of muscovite-rich pegmatites that are variably tourmaline-bearing and detected trace beryl in places. Prominent outcrops extend for at least 400m and up to 30m in thickness in areas of good outcrop exposure. Portable XRF readings on muscovite confirmed highly fractionated and fertile LCT-pegmatites with encouraging K/Rb fertility ratios. A portable handheld Bruker XRF machine was used in the field for spot readings, displaying elevated LCT-pegmatite pathfinder metals tin, niobium and tantalum. Mineralogical identification of widespread tourmaline, beryl, and muscovite is a characteristic trace mineral assemblage typical of LCT pegmatite zonation systems (Bradley & McCauley USGS, 2010).

The visit was encouraging, and subsequent compilation work by Ragnar has identified at least 20 other mapped pegmatites, primarily to the south and east, that the Geological Survey of Sweden had mapped but was yet to sample or assay (Figure 7). A further 27 unsampled pegmatites were identified to the south. The company lodged an application to secure an additional 31km² of project tenure, which if granted, will expand the Hälleberget project's total area to 52km². The new license is strategically located 4km from the Järkvissle lithium deposit (Figure 7).

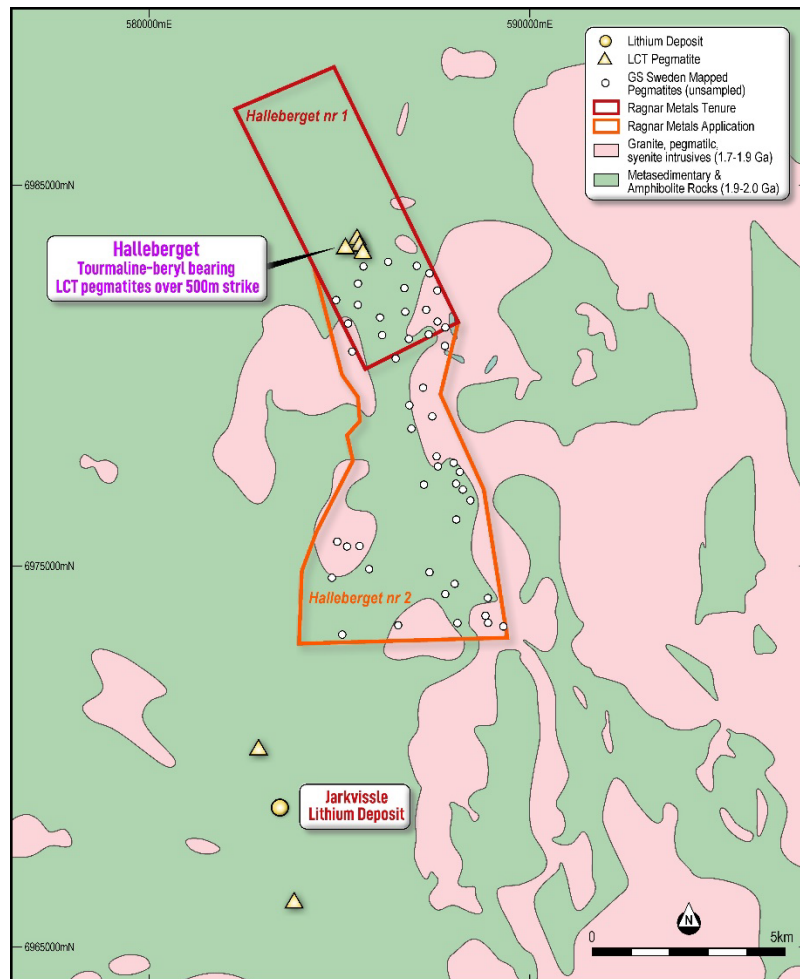


Figure 7: Interpreted bedrock geology map of the Hälleberget project area in relation to the Järkvissle lithium deposit.

The Bergom Project is located 100km east-northeast of Hälleberget and is in an area of known LCT pegmatites. Previous discoveries have been made at the Orrvik lithium occurrence, where assays of up to **2.8% Li_2O** and **7,820 ppm Ta** have been reported on pegmatites mapped for over 400m of strike (Figure 8). The Bergom area was explored by LKAB Prospektering in 1984, revealing very promising results from the Bergom prospect area, and outcropping cassiterite-bearing pegmatites were encountered in the area. Only one assay was conducted and returned **0.17% Li_2O** and other important LCT-pegmatite metals **0.38% Sn, 95 ppm Ta, and 0.50% Rb**. LKAB reported extensive pegmatites throughout the area that have never been mapped or sampled. LKAB conducted no further work at that time.

Subsequent to the end of the period, a field visit was undertaken and confirmed the presence of muscovite-rich pegmatites up to 2m thick. Interestingly, further pegmatites were observed 3 km to the southeast of the tenure toward the Orrvik lithium pegmatites, which are also muscovite-rich and tourmaline-bearing and contain trace beryl in places. Portable XRF readings on muscovite confirmed highly fractionated and fertile LCT-pegmatites with encouraging K/Rb fertility ratios and elevated tin, niobium and tantalum. Mineralogical identification of tourmaline, beryl and muscovite is a characteristic trace mineral assemblage typical of LCT pegmatite zonation systems (Bradley & McCauley USGS, 2010).

The initial field visit was encouraging, particularly in the area of open ground where Ragnar identified 14 additional unsampled pegmatites, including the Anundsböle tin-niobium-lithium pegmatite occurrence (Figure 8). As a result, Ragnar lodged an application to add an additional 47km² of tenure, which was subsequently granted, expanding the Bergom project's total area to 75km² (Figure 8).

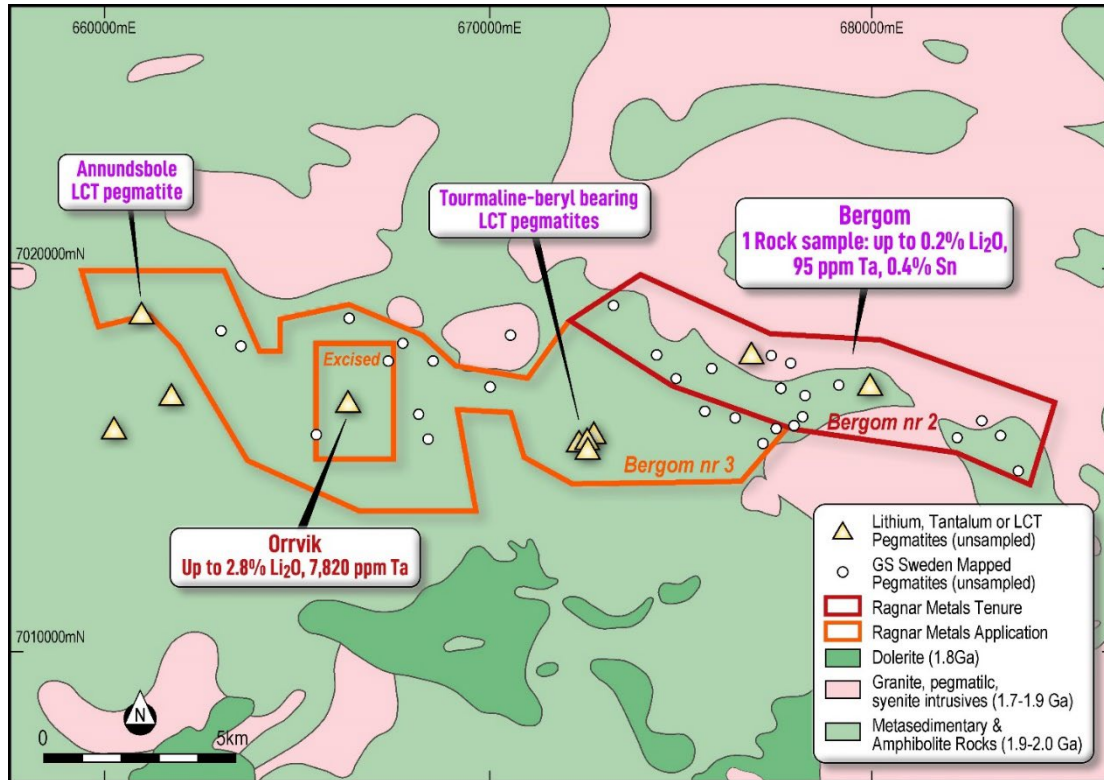


Figure 8: Interpreted bedrock geology map of the Bergom project area in relation to the Orrvik lithium prospect.

Table 1: Ragnar Metals Sweden HREE and Lithium Project Tenement Details

Name	License ID	RAG Ownership	Area Ha	Expiry Date
Gruvhagen Nr 1	2023 38	100%	1,612.54	23/03/2026
Olserum North	2023 55	100%	2,082.61	25/04/2026
Olserum North Nr 2	2023 118	100%	3,014.02	17/08/2026
Bergom Nr 2	2023 35	100%	2,767.31	20/03/2026
Bergom Nr 3	2023 116	100%	4,773.73	17/08/2026
Hälleberget nr 1	2023 36	100%	2,110.45	20/03/2026
Total Area			16,360.66	

Tullsta Nickel Project

On 26 June 2023, the Company announced that it had entered into a conditional sale and purchase agreement (SPA) to dispose of its wholly owned subsidiary Ragnar Metals Sweden AB to BHP Metals Exploration Pty Ltd, a subsidiary of BHP Group Limited (ASX: BHP). Please refer to the Corporate Activities section for further information.

The transaction is subject to the satisfaction of conditions, including Ragnar Metals completing an internal restructure to transfer specific Swedish licenses from Ragnar Metals Limited to Ragnar Metals Sweden AB. The licenses to be transferred are listed in Table 2.

The Tullsta and Gaddebo projects are located near Sala within the Bergslagen District of Sweden, 110km NW of the capital Stockholm. The Bergslagen district has a long, significant mining history with excellent infrastructure of rail, road and power nearby. Scandinavia and the adjoining Karelia Province in northwest Russia is one of the major

RAGNAR METALS LIMITED

AND CONTROLLED ENTITIES

ABN 12 108 560 069

ANNUAL REPORT 30 JUNE 2023

nickel-copper provinces of the world. The Tullsta Nickel Project comprises 5 contiguous granted permits covering an area of 109.6km² and covers the extent of the gabbroic mafic intrusion which hosts the Granmuren nickel mineralisation.

During the year, Swedish drilling contractor Allroc AB mobilised to Tullsta and commenced drilling activities to test the potential of the Granmuren nickel-copper discovery.

Stage 1 comprised three holes for ~1,600m to test the Keel Zone and the controls on mineralisation below hole 21DDTS007. The four Stage 2 holes for ~1,400m tested the up-plunge zone between hole 21DDTS007 and the historical shallower mineralisation, including the shallower portion of the Upper Keel to the east. Drilling also tested the Northern and Southern Lobes, providing new shallow target zones away from the main intrusive chamber.

During the latter half of 2022, the Company confirmed Stages 1 and 2 of the diamond drill program had been completed with 2,562.75m drilled during the campaign. The Company reported intersections of broad widths of magmatic nickel-copper sulphide mineralisation in holes 22DDTS009, 22DDTS010, and 22DDTS012.

In February 2023, the Company announced that the Downhole Induced Polarisation and Resistivity (DHIP-R) survey was completed by Swedish geophysical consultants GeoVista and merged with data collected during previous surveys. DHTM surveys conducted in January 2023 by GeoVista within recently completed drill holes were combined with the last survey data collected in late 2021. GeoVista undertook digital modelling of the geophysical data presenting Ragnar with 3D model files combined with the geological and assay data collected from the diamond core drilling program. The 3D geophysical model highlighted three new target areas and provides evidence the Granmuren nickel-copper-cobalt system continues to expand in several directions at depth.

Gaddebo Nickel Project

Gaddebo is a small tenure measuring 1km x 1km located 15km SE of the town of Sala. The Gaddebo project is a historical nickel mine that contains two small shafts and an open pit located ~20km ESE of Granmuren and produced grades up to 4.9% Ni historically.

This project forms part of the conditional sale and purchase agreement (SPA) entered into with BHP Metals Exploration Pty Ltd, a subsidiary of BHP Group Limited (ASX: BHP) as announced on 26 June 2023. Please refer to the Corporate Activities section for further information.

Table 2: Swedish licenses subject to transfer

Name	License ID	RAG Ownership	Area Ha	Valid From	Valid To
Berga nr 1	2018 48	100%	2181.525	28/03/2018	28/03/2026
Tullsta nr 6	2017 158	100%	2695.025	06/11/2017	06/11/2025
Tullsta nr 7	2019 5	100%	4452.737	25/01/2019	25/01/2024
Tullsta nr 8	2020 45	100%	31.415	07/05/2020	07/05/2025
Tullsta nr 9	2021 75	100%	1598.830	27/10/2021	27/10/2024
Gaddebo Nr 3	2014 91	100%	99.815	30/10/2014	30/10/2026
Total Area			11,059.347		

WESTERN AUSTRALIA TENEMENTS

- **Leeds Project**
- **Kenya Gold Project**

Table 3: Ragnar Metals Western Australian Tenement Details

Tenement ID	RAG Ownership	Area Ha	Valid To
Leeds Project			
P15/6017	Loki Exploration Pty Ltd (80%)	198	02/04/2025
P15/6018	Loki Exploration Pty Ltd (80%)	199	02/04/2025
Kenya Project			
E39/1998	Loki Exploration Pty Ltd	2BL	03/05/2027
E39/2005	Loki Exploration Pty Ltd	1 BL	02/07/2027

Ragnar has interests in two highly prospective West Australian gold projects strategically located in the prolific gold mining district of the Norseman-Wiluna Greenstone Belt of Western Australia.

The Company has an 80% interest in the Leeds Gold Project and a 100% interest in the Kenya Gold Project.

The Leeds Project is located on the Norseman-Wiluna greenstone belt approximately 20km south of the Goldfields St Ives Gold Mining Camp at Kambalda. The Leeds Project comprises two granted prospecting licenses collectively covering a total area of 3.94km². The project occurs in the area hosted by the Black Flag volcano-sedimentary package of rocks that host the Junction, Argo, and Invincible gold deposits at the St Ives Gold Camp. More importantly, the Leeds Project is located very close to the regional Speedway Fault and the associated subsidiary structures that are widely known to be critical for the formation of various deposits at St Ives including invincible and Argo.

The Kenya Project is located 50 km along strike to the south of the AngloGold Ashanti's Sunrise Dam gold mining camp in the Laverton mining district. The project comprises two granted exploration licences covering approximately 7.7km².

Locally the project occurs 4-5 km north, along a strike from Saracen's Deep South and Safari Bore deposits. The Project also occurs 1-5 km south along a strike from Legacy Iron's Kangaroo Bore and Blue Peter gold deposits which occur on a mining lease application. The Kenya Project is well located between known gold deposits within a highly fertile greenstone belt.

The Company's technical team is considering satellite imagery options to define alterations and potential new targets on both the Kenya Gold Project and the Leeds Gold Project. This work is currently in progress and ongoing to incorporate all existing exploration work completed by the Company.

RAGNAR METALS LIMITED

AND CONTROLLED ENTITIES

ABN 12 108 560 069

ANNUAL REPORT 30 JUNE 2023

Listing Rule 5.23.2 statement

This report contains information extracted from reports available to view on the Company's website www.ragnarmetals.com.au. In relying on the below ASX announcements and pursuant to ASX Listing Rule 5.23.2, the Company confirms it is not aware of any new information or data that materially affects the information included in the abovementioned announcements or this Annual Report.

In preparing the Annual Report for the period ended 30 June 2023, the Company has relied on the following ASX announcements:

- *'High Grade REE and Gallium at Gruvhagen'* 16 August 2023
- *'Exploration Program to Commence on Lithium Portfolio'* 9 August 2023
- *'Potential 1.1km of Strike of HREE Mineralisation Identified'* 13 July 2023
- *'Entitlement Issue to Raise \$1.89m'* 26 June 2023
- *'Sale of Ragnar Metals Sweden AB to BHP for A\$9,800,00'* 26 June 2023
- *'Acquisition of Two Rare Earth Projects in Sweden'* 26 June 2023
- *'Acquisition of Two Lithium Projects in Sweden'* 26 June 2023
- *'Three New High Priority Targets Identified at Granmuren'* 15 February 2023
- *'Assays Reveal Upper Higher Grade Zone at Tullsta'* 22 December 2022
- *'Assays Confirm Ni-Cu-Co Mineralisation'* 21 November 2022
- *'137m of Nickel Sulphides at Tullsta'* 31 October 2022
- *'Magmatic Sulphides Intersected at Granmuren'* 30 September 2022
- *'Drilling Underway at Granmuren'* 18 July 2022

Each of the announcements referred to above included a Competent Person's Statement as required by Listing Rule 5.22. The Company was not, as of 26 September 2023 when the Annual Report was released, aware of any new information or data that materially affects this information regarding the exploration results.

CORPORATE

The corporate activities during the financial year are outlined as follows:

- **Sale of Ragnar Metals Sweden AB**

On 26 June 2023, the Company announced that it had entered into a conditional sale and purchase agreement (SPA) to dispose of its wholly owned subsidiary Ragnar Metals Sweden AB to BHP Metals Exploration Pty Ltd, a subsidiary of BHP Group Limited (ASX: BHP). The sale of subsidiary is being treated as a discontinued operation.

The sale includes tenements and exploration licenses over the Tullsta nickel project in Sweden, which are considered non-current assets held for sale as at 30 June 2023. The deal is expected to be complete by October 2023, with A\$9,800,000 to be paid by BHP Metals Exploration Pty Ltd on completion. Deferred consideration, in the form of a 1% Net Smelter Return Royalty (Royalty), will be payable to Ragnar upon commencement of commercial production. The Purchaser may buy out the Royalty for a further A\$10,000,000.

The transaction is subject to the satisfaction of conditions, including Ragnar Metals completing an internal restructure to transfer specific Swedish licenses from Ragnar Metals Limited to Ragnar Metals Sweden AB.

- **Successful Completion of Capital Raise**

On 26 June 2023, the Company announced a non-renounceable entitlement issue of 1 fully paid ordinary share for every 4 shares held by shareholders of the Company at an issue price of \$0.02 to raise up to \$1,890,000, together with one option to acquire a Share (Option), each with an exercise price of \$0.03 and an expiry date of 30 September 2024. Subsequent to the end of the June 2023 financial year the entitlement issue results released on 25 July 2023 resulted in valid acceptances from eligible shareholders for 51,149,660 shares and 51,149,660 options, representing gross proceeds of \$1,022,993.20. The remaining 43,646,417 shares and 43,646,417 options, representing gross proceeds of \$872,928.34 were issued pursuant to the terms of the Underwriting Agreement.

RAGNAR METALS LIMITED

AND CONTROLLED ENTITIES

ABN 12 108 560 069

ANNUAL REPORT 30 JUNE 2023

Directors' report

Your directors present their report on Ragnar Metals together with the financial statements of the Group, consisting of Ragnar Metals Limited ("Ragnar Metals", "Ragnar" or the "Company" or the "parent entity") and its controlled entities (collectively the "Group"), for the financial year ended 30 June 2023.

1. Directors

The names of Directors in office at any time during the reporting year and up to the date of this report are:

- Mr Steven Formica Non-Executive Chairman
- Mr Ariel (Eddie) King Executive Director
- Mr David Wheeler Non-Executive Director

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

2. Company Secretary

Ms Jessamyn Lyons was appointed Company Secretary on 9 November 2020.

Qualifications

- Ms Lyons is a Chartered Secretary, a Fellow of the Governance Institute of Australia, and holds a Bachelor of Commerce from the University of Western Australia with majors in Investment Finance, Corporate Finance and Marketing

Experience

- Ms Lyons is also a director at Nexia Perth, Company Secretary of Dreadnought Resources Limited, and Joint Company Secretary of Echo IQ Limited, Jindalee Resources Limited and Torque Metals Limited. Ms Lyons also has 15 years of experience working in the stockbroking and banking industries and has held various positions with Macquarie Bank, UBS Investment Bank (London) and more recently Patersons Securities.

3. Principal Activities

The principal activities of the Group during the financial year were the exploration and evaluation of its projects in Scandinavia and the exploration and evaluation of its Australian projects.

4. Dividends Paid or Recommended

There were no dividends paid or recommended during the financial year ended 30 June 2023 (2022: Nil).

5. Operating and financial review

5.1. Nature of Operations Principal Activities

The company is a mineral resources exploration and development company.

5.2. Operations Review

A detailed review of the Group's exploration activities is set out in the section titled "Activities Report" in this annual report.

5.3. Financial Review

a. Operating results

For the 2023 financial year, the Group delivered a loss after tax of \$647,279 (2022: 1,198,113).

The financial statements have 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.

b. Financial position

The net assets of the Group have decreased to \$4,895,461 on 30 June 2023 (2022: \$5,420,110).

As of 30 June 2023, the Group's cash and cash equivalents were \$196,050 (2022: \$2,082,661) and the group had net working capital of \$118,236 (2022: \$2,012,878). See Note 13.

Directors' report

6. Significant Changes in State of Affairs

These are outlined in detail in the Mining Interest and Corporate and Administrative Sections of the group's Activities Reports and include:

Corporate

On 26 June 2023, the Group announced that it has entered into a conditional sale and purchase agreement (SPA) to dispose of its wholly owned subsidiary Ragnar Metals Sweden AB to BHP Metals Exploration Pty Ltd, a subsidiary of BHP Group Limited (ASX: BHP) for \$9,800,000.

Mining

As disclosed in the Mining Interests section of the Activities Report.

7. Events Subsequent to the Reporting Date

Subsequent to 30 June 2023, the following significant events were undertaken by the Group:

- On 25 July 2023, the Company confirmed it had received valid acceptances from eligible shareholders for 51,149,660 shares and 51,149,660 options, representing gross proceeds of \$1,022,993.20. The remaining 43,646,417 shares and 43,646,417 options, representing gross proceeds of \$872,928.34 were issued pursuant to the terms of the Underwriting Agreement.
- On 11 September 2023, the company issued 16,500,000 unlisted options to its consultants and company secretary. The unlisted options have an exercise price of \$0.03 and expire on 30 June 2025. Two 1,000,000 parcels of the unlisted options have conditions of continuous employment which vest on 1 May 2024, the remaining options have no vesting conditions.

8. Future Developments, Prospects and Business Strategies

Likely developments, future prospects, and business strategies of the operations of the Group 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 Group.

9. Information relating to the directors

- | | |
|---|--|
| <ul style="list-style-type: none"> • Mr Steve Formica | <ul style="list-style-type: none"> ○ Non-executive Chairman (<i>Appointed 2 September 2019</i>) |
| <ul style="list-style-type: none"> Experience | <ul style="list-style-type: none"> ○ Mr Formica has been a successful businessman and operations manager for over 35 years in several privately held business ventures across multiple industry sectors. |
| <ul style="list-style-type: none"> Interest in Shares and Options | <ul style="list-style-type: none"> ○ 13,690,484 ordinary shares, 4,000,000 performance rights and options to acquire a further 4,000,000 ordinary shares in Ragnar Metals Limited. |
| <ul style="list-style-type: none"> Directorships held in other listed entities in the past three years | <ul style="list-style-type: none"> ○ Mr Formica is currently the Non-Executive Chairman of Albion Resources Limited (ASX:ALB) and Non-Executive Director of EchoIQ (ASX: EIQ). He was a former director of Jade Gas Holdings Limited (ASX:JGH), Bowen Coking Coal Ltd (ASX: BCB), Orminex Ltd (ASX: ONX) and Lindian Resources Limited (ASX: LIN). |
| <ul style="list-style-type: none"> • Mr Ariel Eddie King | <ul style="list-style-type: none"> ○ Executive Director (<i>Appointed 1 March 2021</i>) previously Non-executive Director (<i>Appointed 10 February 2017</i>) |
| <ul style="list-style-type: none"> Qualifications | <ul style="list-style-type: none"> ○ Bachelor of Commerce and Bachelor of Engineering |
| <ul style="list-style-type: none"> Experience | <ul style="list-style-type: none"> ○ Mr King is a qualified Mining Engineer. Mr King holds a Bachelor of Commerce and Bachelor of Engineering from the University of Western Australia. Mr King's experience includes being a Manager for an investment banking firm, where he specialised in the technical and financial analysis of bulk commodity and other resource projects for investment and acquisition. Mr King is also a director of CPS Capital Group, one of Australia's most active stockbroking and corporate advisory firms specialising in small to medium high-growth companies. |
| <ul style="list-style-type: none"> Interest in Shares and Options | <ul style="list-style-type: none"> ○ 3,800,000 ordinary shares, 4,000,000 performance rights and options to acquire a further 4,000,000 ordinary shares in Ragnar Metals Limited. |

RAGNAR METALS LIMITED

AND CONTROLLED ENTITIES

ABN 12 108 560 069

ANNUAL REPORT 30 JUNE 2023

Directors' report

Directorships held in other listed entities in the past three years

Mr King is currently on the board of Bindi Metals Limited (ASX:BIM), Great Northern Minerals Limited (ASX:GNM), M3 Mining Limited (ASX:M3M), Noble Helium Limited (ASX:NHE), Eastern Resources Ltd (ASX:EFE), Queensland Pacific Metals Ltd (ASX:QPM), and Rubix Resources Limited (ASX: RB6). He was a former director of Lindian Resources Ltd (ASX:LIN), Bowen Coking Coal Ltd (ASX:BCB), Axxis Technology Group Ltd (ASX:AYG) (renamed to ECS Botanics Ltd (ASX:ECS), European Cobalt Ltd (ASX:EUC) (renamed to Aston Minerals Ltd (ASX:ASO), Six Sigma Metals (ASX:SI6), and Sultan Resources Ltd (ASX:SLZ).

Mr David Wheeler

Qualifications

Experience

Non-executive Director (Appointed 4 December 2017)

Fellow of the Australian Institute of Company Directors

Mr Wheeler has more than 30 years of Executive Management Directorship and Corporate Advisory experience. He is a foundation Director and Partner of Pathways Corporate, a boutique corporate advisory firm that undertakes assignments on behalf of family offices, private clients and ASX listed companies. Mr Wheeler has successfully engaged in business projects in the USA, UK, Europe, NZ, China, Malaysia, Singapore and the Middle East. Mr Wheeler is a Fellow of the Australian Institute of Company Directors and serves on public and private company boards, currently holding a number of Directorships and Advisory positions in Australian ASX listed companies.

Interest in Shares and Options

1,000,000 ordinary shares, 1,500,000 performance rights and options to acquire a further 1,500,000 ordinary shares in Ragnar Metals Limited.

Directorships held in other listed entities in the past three years

Mr Wheeler also acts as a director of, Avira Resources Limited (ASX: AVW), Cradle Resources Ltd (ASX:CXX), Cycliq Group Ltd (ASX:CYQ), MOAB Minerals Limited (ASX: MOM) (formally Delecta Limited (ASX:DLC)), OZZ Resources Ltd (ASX:OZZ), Protean Energy Ltd (ASX: POW), PVW Resources Limited (ASX: PVW) and Tyranna Res Ltd (ASX: TYX). He was a former director of Athena Resources Limited (ASX:AHN), Blaze Minerals Limited (ASX: BLZ), Eneabba Gas Ltd (ASX: ENB), Health House International (ASX: HHI), Ultracharge Ltd (ASX: UTR), and Syntonic Limited (ASX: SYT) and Wellfully Ltd (ASX:WFL).

10. Meetings of directors and committees

During the financial year, three meetings of Directors were held. Attendances by each Director during the year are stated in the following table.

	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
Steve Formica	3	3	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 Company is not currently of a size nor are its affairs of such complexity as to warrant the establishment of these separate committees. Accordingly, all matters capable of delegation to such committees are considered by the full Board of Directors.							
Eddie King	3	3								
David Wheeler	3	3								

11. Indemnifying Officers or Auditor

During or since the end of the financial year, the Company has given an indemnity or entered into an agreement to indemnify, or has paid or agreed to pay insurance premiums as follows:

- The Company has entered into agreements to indemnify all Directors against any liability arising from a claim brought by a third party against the Company and to provide a right of access to company records. The agreement provides for the company to pay all damages and costs which may be awarded against the Directors.
- The Company has paid premiums to insure each of the directors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director of the company, other

Directors' report

than conduct involving a wilful breach of duty in relation to the Company. The amount of the premium in 2023 was \$35,000 (2022: \$31,170).

- No indemnity has been paid in respect of auditors.

12. Options

12.1. Unissued shares under option

At the date of this report, the un-issued ordinary shares of Ragnar Metals Limited under option (listed and unlisted) are as follows:

Grant Date	Date of Expiry	Exercise Price	Number under Option
5 Nov 2021	4 Nov 2024	\$0.0564	10,000,000
15 Feb 2022	15 Feb 2024	\$0.06	2,000,000
27 July 2023 ¹	30 Sep 2024	\$0.03	94,796,077
			<u>106,796,077</u>

No person entitled to exercise the option has or has any right by virtue of the option, to participate in any share issue of any other body corporate.

⁽¹⁾ Listed Options – all other options are unlisted

12.2. Shares issued on exercise of options

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

13. Environmental Regulations

The Group's operations are subject to environmental regulations in the jurisdictions it operates in. In respect of the current year under review, the Directors are not aware of any particular or significant environmental issues which have been raised in relation to the Group's operations.

14. Non-audit services

During the year, Hall Chadwick, the Company's auditor, performed tax consulting services to the company. These services amounted to \$10,680 (2022: \$1,650). Details of remuneration paid to the auditor can be found within the financial statements at Note 5, Auditor's Remuneration.

In the event that non-audit services are provided by Hall Chadwick, the Board has established certain procedures to ensure 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:

- non-audit services will be subject to the corporate governance procedures adopted by the Company and will be reviewed by the Board to ensure they do not impact the integrity and objectivity of the auditor; and
- ensuring non-audit services do not involve 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 risks and rewards.

15. 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.

16. Auditor's independence declaration

The lead auditor's independence declaration under section 307C of the *Corporations Act 2001* (Cth) for the year ended 30 June 2023 has been received and can be found on page 20 of the annual report.

Directors' report

17. Remuneration report (audited)

The information in this remuneration report has been audited as required by s308(3C) of the *Corporations Act 2001*.

17.1. Key management personnel (KMP)

KMP have authority and responsibility for planning, directing and controlling the activities of the Group. KMP comprise the directors of the Company and key executive personnel:

- Mr Steve Formica: Non-executive Chairman
- Mr Ariel (Eddie) King: Executive Director
- Mr David Wheeler: Non-executive Director

17.2. Remuneration Policy

The remuneration policy of Ragnar Metals Limited has been designed to align director and management objectives with shareholder and business objectives by providing a fixed remuneration component, and offering specific long-term incentives based on key performance areas affecting the Group's financial results. The Board of Ragnar Metals Limited believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best management and directors to run and manage the Group, as well as create goal congruence between directors, executives and shareholders.

The Board's policy for determining the nature and amount of remuneration for Board members and senior executives of the Group is as follows:

- The remuneration policy, setting the terms and conditions for the executive directors and other senior executives, was developed by the Remuneration Committee and approved by the Board. All executives receive a base salary (which is based on factors such as length of service and experience), superannuation, options and performance incentives. The Remuneration Committee reviews executive packages annually by reference to the Group's performance, executive performance, and comparable information from industry sectors and other listed companies in similar industries.
- Executives are also entitled to participate in the employee share and option arrangements.
- All remuneration paid to Directors and executives is valued at the cost to the Company and expensed. Options given to Directors and employees are valued using the Black-Scholes and Parisian Barrier1 Model methodology.
- The Board's policy is to remunerate Non-Executive Directors at the lower end of market rates for comparable companies for time, commitment, and responsibilities. The Non-Executive Directors have been provided with options that are meant to incentivise the Non-Executive Directors. The Remuneration Committee determines payments to the Non-Executive Directors and reviews their remuneration annually based on market practice, duties, and accountability. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to Non-Executive Directors is subject to approval by shareholders at the Annual General Meeting. Fees for Non-Executive Directors are not linked to the performance of the Group. However, to align Directors' interests with shareholder interests, the Directors are encouraged to hold shares in the Company.

The remuneration policy has been tailored to increase the direct positive relationship between shareholders' investment objectives and directors' and executives' performance. Currently, this is facilitated through the issue of options to the directors and executives to encourage the alignment of personal and shareholder interests. The Company believes this policy will be effective in increasing shareholder wealth.

17.3. Remuneration Details for the Year Ended 30 June 2023

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

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.

A Consultancy agreement was signed with Ariel King to manage the business of the company in 2021.

At the AGM held on 26 October 2022, the shareholders of the company approved the adoption of the remuneration report for the year ended 30 June 2022. The Company did not receive any specific feedback at the AGM or throughout the year regarding its remuneration practices.

Directors' report

17.4. Directors' and KMP Remuneration

The following table details the components of remuneration for each member of the KMP of the Group:

	Short-term benefits			Post-employment benefits	Long-term benefits	Termination benefits	Equity-settled share-based payments	Total	% Share based payments
	Salary, fees and leave	Profit share and bonuses	Other	Super	Other		Options		
	\$	\$	\$	\$	\$	\$	\$	\$	%
Steve Formica	96,000	-	-	10,080	-	-	14,354	120,434	11.92%
Eddie King	120,000	-	-	-	-	-	14,354	134,354	10.68%
David Wheeler	36,000	-	-	-	-	-	5,383	41,383	13.01%
	252,000	-	-	10,080	-	-	34,091	296,171	-

	Short-term benefits			Post-employment benefits	Long-term benefits	Termination benefits	Equity-settled share-based payments	Total	% Share based payments
	Salary, fees and leave	Profit share and bonuses	Other	Super	Other		Options		
	\$	\$	\$	\$	\$	\$	\$	\$	%
Steve Formica	96,000	-	-	9,600	-	-	144,718	250,318	57.81%
Eddie King	120,000	-	-	-	-	-	144,718	264,718	54.67%
David Wheeler	36,000	-	-	-	-	-	54,269	90,269	60.12%
	252,000	-	-	9,600	-	-	343,705	605,305	-

17.5. Share-based compensation

a. Director share options

There were no options granted as remuneration to Directors during the year.

b. Director ordinary shares

There were no shares granted as remuneration to Directors during the year.

c. Director performance rights

4,750,000 Class A performance rights and 4,750,000 Class B performance rights with an expiry date of 21 November 2025 were issued to Directors as remuneration during the year. 2,000,000 Class A and Class B performance rights to each Steve Formica and Eddie King and 750,000 Class A and Class B performance rights to David Wheeler.

d. Performance Rights on issue as Remuneration

Details of the unexpired rights on issue granted as remuneration to directors are detailed in table below.

2023	Performance Rights Issued	Grant Date	Fair Value per right	Fair Value	Expiry Date
	No.		\$	\$	
Steve Formica	2,000,000	26/10/2022	0.01269	25,380	21/11/2025
Steve Formica	2,000,000	26/10/2022	0.01383	27,660	21/11/2025
Eddie King	2,000,000	26/10/2022	0.01269	25,380	21/11/2025
Eddie King	2,000,000	26/10/2022	0.01383	27,660	21/11/2025
David Wheeler	750,000	26/10/2022	0.01269	9,518	21/11/2025
David Wheeler	750,000	26/10/2022	0.01383	10,373	21/11/2025

All options have been issued to nominees of the directors.

RAGNAR METALS LIMITED

AND CONTROLLED ENTITIES

ABN 12 108 560 069

ANNUAL REPORT 30 JUNE 2023

17.6. KMP equity holdings

a. Movement in shareholdings of each KMP by number of shares

2023	Balance at start of year	Consolidation of shares	Received as compensation	Other changes during the year	Balance at end of year
Steve Formica	13,690,484	-	-	-	13,690,484
Eddie King	3,800,000	-	-	-	3,800,000
David Wheeler	1,000,000	-	-	-	1,000,000
	18,490,484	-	-	-	18,490,484

b. Movement in option holdings of each KMP by number of options.

2023	Balance at Start of year	Granted as Remuneration During the year	Other changes during the year	Lapsed During year	Balance at end of year	Vested and Exercisable	Not Vested
Steve Formica	12,266,666	-	-	(8,266,666)	4,000,000	-	4,000,000
Eddie King	10,833,333	-	-	(6,833,333)	4,000,000	-	4,000,000
David Wheeler	4,833,333	-	-	(3,333,333)	1,500,000	-	1,500,000
	27,933,332	-	-	(18,433,332)	9,500,000	-	9,500,000

c. Movement in performance rights holdings of each KMP by number of performance rights

2023	Balance at Start of year	Granted as Remuneration During the year	Lapsed During year	Balance at end of year	Vested and Exercisable	Not Vested
Steve Formica	-	4,000,000	-	4,000,000	-	4,000,000
Eddie King	-	4,000,000	-	4,000,000	-	4,000,000
David Wheeler	-	1,500,000	-	1,500,000	-	1,500,000
	-	9,500,000	-	9,500,000	-	9,500,000

17.7. Other transactions with KMP and their related parties

No other transactions occurred during the year between KMP and their related parties.

END OF REMUNERATION REPORT

This Report of the Directors, incorporating the Remuneration Report, is signed in accordance with a resolution of the Board of Directors made pursuant to s.298(2) of the Corporation Act 2001.


STEVE FORMICA

Chairman

Dated 26 September 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 Ragnar Metals Limited for the financial year ended 30 June 2023, 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 WA AUDIT PTY LTD



D M BELL CA
Director

Dated this 26th day of September 2023
Perth, Western Australia

RAGNAR METALS LIMITED

AND CONTROLLED ENTITIES

ABN 12 108 560 069

ANNUAL REPORT 30 JUNE 2023**Consolidated statement of profit or loss and other comprehensive income**

For the year ended 30 June 2023

	Note	2023 \$	2022 Restated \$
<i>Continuing operations</i>			
Income	3	5,654	25,425
		5,654	25,425
Contractors and consultants		(88,181)	(157,035)
Share-based payments	18	(83,165)	(457,026)
Public relations and advertising		(66,173)	(82,297)
Registry and ASX fees		(60,299)	(71,002)
Directors Fees	4	(58,376)	(81,318)
Accounting and audit fees		(42,490)	(40,428)
Legal fees		(36,515)	(110,069)
Insurance		(24,001)	(38,872)
Foreign exchange gain/(loss)		(273)	850
Finance Costs		(120)	(136)
Other expenses		(1,757)	(74,688)
Loss before tax		(455,696)	(1,086,596)
Income tax benefit / (expense)	6	-	-
Loss for the period from continuing operations after tax		(455,696)	(1,086,596)
Loss after income tax expense from discontinued operations		(191,583)	(111,517)
Net (loss) / profit for the year		(647,279)	(1,198,113)
<i>Other comprehensive income, net of income tax</i>			
● Items that may be reclassified subsequently to profit or loss			
○ Exchange differences on translation of foreign operations		44,146	(4,008)
○ Exchange differences on translation of discontinued operations		(4,681)	(9,326)
Other comprehensive income for the year, net of income tax		(39,465)	(13,334)
Total comprehensive income attributable to members of the parent entity		(607,814)	(1,211,447)
<i>Earnings per share:</i>			
● Basic and diluted loss per share (cents per share) – continuing operations	7	¢ (0.12)	¢ (0.30)
● Basic and diluted loss per share (cents per share) – continuing and discontinued operations	7	(0.17)	(0.33)

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

Consolidated statement of financial position

as at 30 June 2023

	Note	2023 \$	2022 \$
<i>Current assets</i>			
Cash and cash equivalents	8	196,050	2,082,661
Trade and other receivables	9	38,262	84,838
Non-current assets classified as held for sale	25	1,075,088	-
Total current assets		1,309,400	2,167,499
<i>Non-current assets</i>			
Exploration and evaluation assets	10	3,702,137	3,407,232
Total non-current assets		3,702,137	3,407,232
Total assets		5,011,537	5,574,731
<i>Current liabilities</i>			
Trade and other payables	11	116,076	154,621
Total current liabilities		116,076	154,621
Total liabilities		116,076	154,621
Net assets		4,895,461	5,420,110
<i>Equity</i>			
Issued capital	12a	33,850,015	33,850,015
Reserves	14	437,451	2,745,685
Accumulated losses		(29,392,005)	(31,175,590)
Total equity		4,895,461	5,420,110

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

RAGNAR METALS LIMITED

AND CONTROLLED ENTITIES

ABN 12 108 560 069

ANNUAL REPORT 30 JUNE 2023**Consolidated statement of changes in equity**

for the year ended 30 June 2023

	Note	Issued Capital \$	Accumulated Losses \$	Options Reserve \$	Share-based Payments Reserve \$	Foreign Exchange Translation Reserve \$	Total \$
<i>Balance at 1 July 2022</i>		33,850,015	(31,175,590)	2,266,083	525,944	(46,342)	5,420,110
Loss for the year		-	(647,279)	-	-	-	(647,279)
Other comprehensive income for the year		-	-	-	-	39,465	39,465
Total comprehensive income		-	(647,279)	-	-	39,465	(607,814)
<i>Transaction with owners, directly in equity</i>							
Transfer of expired options to accumulated losses		-	2,430,864	(1,904,920)	(525,944)	-	-
Share-based payments expense	12b	-	-	83,165	-	-	83,165
Balance at 30 June 2023		33,850,015	(29,392,005)	444,328	-	(6,877)	4,895,461

<i>Balance at 1 July 2021</i>	32,704,462	(29,977,477)	1,808,957	525,944	(33,008)	5,028,878
Loss for the year	-	(1,198,113)	-	-	-	(1,198,113)
Other comprehensive income for the year	-	-	-	-	(13,334)	(13,334)
Total comprehensive income	-	(1,198,113)	-	-	(13,334)	(1,211,447)
<i>Transaction with owners, directly in equity</i>						
Shares issued during the year	1,225,000	-	-	-	-	1,225,000
Transaction costs	(79,347)	-	-	-	-	(79,347)
Transfer to listed options reserve	(100)	-	100	-	-	-
Share-based payments expense	-	-	457,026	-	-	457,026
Balance at 30 June 2022	33,850,015	(31,175,590)	2,266,083	525,944	(46,342)	5,420,110

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

Consolidated statement of cash flows

for the year ended 30 June 2023

Note	2023 \$	2022 Restated \$
<i>Cash flows from operating activities</i>		
Payments to suppliers and employees	(447,664)	(734,907)
Finance cost	(120)	-
Interest received	5,265	496
GST Received	91,295	214,885
VAT Received – discontinued operations	282,095	186,578
Payments to suppliers and employees - discontinued operations	(13,811)	(6,493)
Net cash used in operating activities	(82,940)	(339,441)
<i>Cash flows from investing activities</i>		
Payments for exploration expenditure	(501,260)	(1,117,073)
Payments for exploration expenditure – discontinued operations	(1,290,732)	(998,835)
Payments for investments	(7,924)	-
Net cash used in investing activities	(1,799,916)	(2,115,908)
<i>Cash flows from financing activities</i>		
Proceeds from issue of equity securities	-	1,225,100
Transaction costs related to issue of shares and convertible notes	-	(79,346)
Net cash (used)/provided by financing activities	-	1,145,754
Net (decrease)/increase in cash held	(1,882,856)	(1,309,595)
Cash and cash equivalents at the beginning of the year	2,082,661	3,394,825
Effect of exchange rates on cash holdings in foreign currencies	(3,756)	(2,569)
Cash and cash equivalents at the end of the year	196,050	2,082,661

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

Notes to the consolidated financial statements

for the year ended 30 June 2023

Note 1 Statement of significant accounting policies

These are the consolidated financial statements and notes of Ragnar Metals Limited (**Ragnar Metals** or **the Company**) and controlled entities (collectively **the Group**). Ragnar Metals is a company limited by shares, domiciled and incorporated in Australia.

The separate financial statements of Ragnar Metals, as the parent entity, have not been presented with this financial report as permitted by the *Corporations Act 2001* (Cth).

The financial statements were authorised for issue on 26 September 2023 by the directors of the Company.

a. Basis of preparation

The financial statements comprise the consolidated financial statements of the Group. For the purposes of preparing the consolidated financial statements, the Company is a for-profit entity. Material accounting policies adopted in the preparation of these financial statements are presented below. They have been consistently applied unless otherwise stated.

The financial reports have been prepared on an accruals basis and is based on historic costs modified by the revaluation of financial assets, financial liabilities and selected non-current assets for which the fair value basis of accounting has been applied.

The presentation currency of the company is Australian Dollars (AUD).

i. Statement of compliance

These financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board (**AAS Board**) and International Financial Reporting Standards (**IFRS**) as issued by the International Accounting Standards Board (**IASB**), and the *Corporations Act 2001* (Cth).

Australian Accounting Standards (**AASBs**) set out accounting policies that the AAS Board has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with AASBs ensures that the financial statements and notes also comply with IFRS as issued by the IASB.

ii. Going Concern

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

As disclosed in the financial statements, the consolidated entity incurred a loss of \$647,279 (2022: \$1,198,113) and had net cash outflows from operating and investing activities of \$82,940 (2022: \$339,441) and \$1,799,916 (2022: \$2,115,908) respectively for the year ended 30 June 2023. As at that date, the consolidated entity had net current assets of \$1,193,324 (2022: \$2,012,878).

On 26 June 2023 the group announced it had entered into a conditional sale and purchase agreement (SPA) to dispose of its wholly owned subsidiary Ragnar Metals Sweden AB to BHP Metals Exploration Pty Ltd, a subsidiary of BHP Group Limited (ASX: BHP). The sale includes tenements and exploration licences over the Tullsta nickel project in Sweden. The sale is expected to be complete by 30 September 2023, with A\$9,800,000 to be paid by BHP Metals Exploration Pty Ltd on completion.

Deferred consideration, in the form of a 1% Net Smelter Return Royalty (Royalty), will be payable to Ragnar upon commencement of commercial production. The Purchaser may buy out the Royalty for a further A\$10,000,000.

The Directors note that on 25 July 2023, the Company confirmed it had received valid acceptances from eligible shareholders for 51,149,660 shares and 51,149,660 options, representing gross proceeds of \$1,022,993.20. The remaining 43,646,417 shares and 43,646,417 options, representing gross proceeds of \$872,928.34 were issued pursuant to the terms of the Underwriting Agreement.

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.

Accordingly, the Directors believe that the consolidated entity 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.

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

Notes to the consolidated financial statements

for the year ended 30 June 2023

Note 1 Statement of significant accounting policies

iii. Use of estimates and judgments

The preparation of consolidated 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 period in which the estimate is revised and in any future periods affected.

Judgements made by management in the application of AASBs that have significant effect on the consolidated financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 1e.

iv. Comparative figures

Where required by AASBs comparative figures have been adjusted to conform with changes in presentation for the current financial year.

Where the Group retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, an additional (third) statement of financial position as at the beginning of the preceding period in addition to the minimum comparative financial statements is presented.

b. Accounting Policies

The Group has consistently applied the following accounting policies to all periods presented in the financial statements. The Group has considered the implications of new and amended Accounting Standards applicable for annual reporting periods but determined that their application to the financial statements is either not relevant or not material.

c. Basis of consolidation

As at reporting date, the assets and liabilities of all controlled entities have been incorporated into the consolidated financial statements as well as their results for the year then ended. Where controlled entities have entered (left) the Consolidated Group during the year, their operating results have been included (excluded) from the date control was obtained (ceased).

d. Foreign currency transactions and balances

i. Functional and presentation currency

The functional currency of each of the Group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

ii. Transaction and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the profit or loss except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognised directly in other comprehensive income to the extent that the gain or loss is directly recognised in other comprehensive income, otherwise the exchange difference is recognised in the profit or loss.

iii. Group companies and foreign operations

The financial results and position of foreign operations whose functional currency is different from the Group's presentation currency are translated as follows:

- assets and liabilities are translated at year-end exchange rates prevailing at that reporting date;
- income and expenses are translated at average exchange rates for the period; and
- retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Notes to the consolidated financial statements

for the year ended 30 June 2023

Note 1 Statement of significant accounting policies

Exchange differences arising on translation of foreign operations are transferred directly to the Group's foreign currency translation reserve in the statement of financial position. These differences are recognised in the profit or loss in the period in which the operation is disposed.

e. Revenue recognition

The Group recognises revenue as follows:

i. Interest

Interest revenue is recognised 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.

ii. Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established. Revenue in relation to joint venture agreements is recognised over the period the services are rendered.

f. Critical Accounting Estimates and Judgments

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

i. Key Judgments – Exploration and evaluation expenditure

Exploration and evaluation costs are carried forward where right of tenure of the area of interest is current. These costs are carried forward in respect of an area that has not at reporting date reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. Exploration and evaluation assets are initially measured at cost and include acquisition of rights to explore, studies, exploratory drilling, trenching and sampling and associated activities and an allocation of depreciation and amortised assets used in exploration and evaluation activities. General and administrative costs are only included in the measurement of exploration and evaluation costs where they are related directly to operational activities in a particular area of interest. The carrying value of capitalised expenditure at reporting date is \$3,702,137 (2022: \$3,407,232).

ii. Key Judgments – Environmental Issues

Balances disclosed in the financial statements and notes thereto are not adjusted for any pending or enacted environmental legislation, and the directors understanding thereof. At the current stage of the Group's development and its current environmental impact, the directors believe such treatment is reasonable and appropriate.

iii. Key Estimate – Taxation

Balances disclosed in the financial statements and the notes thereto, related to taxation, are based on the best estimates of directors. These estimates take into account both the financial performance and position of the company as they pertain to current income taxation legislation, and the directors understanding thereof. No adjustment has been made for pending or future taxation legislation. The current income tax position represents that directors' best estimate, pending an assessment by tax authorities in relevant jurisdictions. Refer Note 6 Income Tax.

iv. Key judgements and estimates – Share-based payments

The Group measures the cost of equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. The fair value is determined by an internal valuation using a Black-Scholes option pricing model, using the assumptions detailed in note 18 Share-based payments.

Notes to the consolidated financial statements

for the year ended 30 June 2023

Note 1 Statement of significant accounting policies

v. Key judgements and estimates – Impairment

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 at the reporting date. The recoverable amount of the exploration and evaluation asset is estimated to determine the extent of the impairment loss (if any). Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

g. New, revised or amending Accounting Standards and Interpretations

In the year ended 30 June 2023, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Company and effective for the current annual reporting period. As a result of this review, the Directors have determined that there is no material impact of the new and revised Standards and Interpretations on the Company and, therefore, no material change is necessary to the Company's accounting policies.

h. 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 consolidated entity for the annual reporting period ended 30 June 2023. The group is currently assessing the impact of these new or amended Accounting Standards and Interpretations, the impact of which is not yet known.

i. Other standards not yet applicable

The Directors have also reviewed all of the new and revised Standards and Interpretations in issue not yet adopted for the year ended 30 June 2023. As a result of this review the Directors have determined that there is no material impact of the Standards and Interpretations in issue not yet adopted on the Group and, therefore, no change is necessary to Group accounting policies.

RAGNAR METALS LIMITED

AND CONTROLLED ENTITIES

ABN 12 108 560 069

ANNUAL REPORT 30 JUNE 2023**Notes to the consolidated financial statements**

for the year ended 30 June 2023

Note 2 Company details

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

Address: Level 3
88 William Street
PERTH WA 6000

Postal: GPO Box 2570
PERTH WA 6001

Telephone: +61 (08) 9463 2463

Facsimile: +61 (08) 9463 2499

Note 3 Income**a. Income**

Interest income

2023
\$2022
\$

5,265

496

5,265

496

b. Other Income

Recoveries from deregistered company

Other income

-

24,929

389

-

389

24,929

Total Income

5,654

25,425

Note 4 Profit / (loss) before income tax

The following significant revenue and expense items are relevant in explaining the financial performance:

Employment costs:

- Directors' fees

2023
\$2022
\$

58,376

81,318

58,376

81,318

Note 5 Auditor's remuneration

Remuneration of the auditor of the Ragnar Metals, Hall Chadwick WA Audit Pty Ltd:

- Auditing or reviewing the financial reports:
- Taxation services provided by a related practice of the Auditor

2023
\$2022
\$

54,845

37,635

-

1,650

54,845

39,285

Notes to the consolidated financial statements

for the year ended 30 June 2023

Note 6 Income tax

Note	6	Income tax	Note	2023 \$	2022 \$
a.		Income tax expense / (benefit)			
		Current tax		-	-
		Deferred tax		-	-
				-	-
		Deferred income tax expense included in income tax expense comprises:			
		• Increase / (decrease) in deferred tax assets	6c	-	-
		• (Increase) / decrease in deferred tax liabilities	6d	-	-
				-	-
b.		Reconciliation of income tax expense to prima facie tax payable			
		The prima facie tax payable on loss from ordinary activities before income tax is reconciled to the income tax expense as follows:		(647,279)	(1,198,113)
		Australian Tax Rate		25%	25%
		Prima facie tax payable / (refundable) on operating loss at 25% (25%)		(161,820)	(299,528)
		Add / (Less)			
		Tax effect of:			
		• Adjustments recognised in the current year in relation to the current tax of previous years		(34,641)	-
		• Effect of tax rates in foreign jurisdictions		12,941	-
		• Other non-allowable items		20,791	114,256
		• Capital raising & Borrowing costs deductible		-	(3,961)
		• Deferred tax asset not brought to account		162,728	189,233
		Income tax expense / (benefit) attributable to operating loss		-	-
c.		Deferred tax assets			
		Tax losses		2,922,691	2,806,644
		Tax Losses - Capital		304,156	304,156
		Tax Losses - Foreign		67,591	7,002
		Other		12,933	13,949
		Total deferred tax assets		3,307,371	3,131,750
		Set-off deferred tax liabilities pursuant to set-off provisions		(12,893)	-
		Net deferred tax assets		3,294,478	3,131,750
		Less deferred tax assets not recognised		(3,294,478)	(3,131,750)
		Net tax assets		-	-
d.		Deferred tax liabilities			
		Other		(12,893)	-
		Total Deferred Tax Liabilities		(12,893)	-
		Set-off deferred tax assets pursuant to set-off provisions		12,893	-
		Net deferred tax liabilities		-	-

Notes to the consolidated financial statements

for the year ended 30 June 2023

Note 6 Income tax (cont.)

Note	2023	2022
	\$	\$
Unused tax losses for which no deferred tax asset has been recognised	11,690,764	11,260,565
Unused capital losses for which no deferred tax asset has been recognised	1,216,623	1,216,623
Potential tax benefit at 25.0% (25.0%)	12,907,387	3,117,801

The benefit for tax losses will only be obtained if:

- The company and consolidated entity derive future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the losses to be utilised;
- The company and the consolidated entity continue to comply with the conditions for deductibility imposed by law; and
- No changes in tax legislation adversely affect the ability of the company and consolidated entity to realise these benefits.

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.

Other taxes

Revenues, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

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

Notes to the consolidated financial statements

for the year ended 30 June 2023

Note 7 Earnings per share (EPS)

	Note	2023 \$	2022 \$
a. Reconciliation of earnings to profit or loss			
(Loss) / profit for the year – continuing operations		(455,696)	(1,086,596)
(Loss) / profit for the year – continuing and discontinued operations		(647,279)	(1,198,113)
		2023 \$	2022 \$
b. Weighted average number of ordinary shares outstanding during the year used in calculation of basic EPS	7d	379,184,889	365,856,122
		2023 ¢	2022 ¢
c. Earnings per share			
From continuing operations	7d	(0.12)	(0.30)
From continuing and discontinued operations	7d	(0.17)	(0.33)
d. At the end of the 2023 financial year, the Group has 38,500,000 unissued shares under options (2022: 176,266,497). The Group does not report diluted earnings per share on annual losses generated by the Group.			

Note 8 Cash and cash equivalents

	2023 \$	2022 \$
a. Current		
Cash at bank	196,050	2,082,661
	196,050	2,082,661

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 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.

- b. The Group's exposure to interest rate risk and a sensitivity analysis for financial assets and liabilities are disclosed in note 23 Financial risk management.

RAGNAR METALS LIMITED

AND CONTROLLED ENTITIES

ABN 12 108 560 069

ANNUAL REPORT 30 JUNE 2023**Notes to the consolidated financial statements**

for the year ended 30 June 2023

	Note	2023 \$	2022 \$
c. Cash Flow Information			
i. Reconciliation of cash flow from operations to (loss)/profit after income tax			
Loss after income tax		(647,279)	(1,198,113)
<i>Non-cash flows in (loss)/profit from ordinary activities:</i>			
● Share-based payments	18	83,165	457,025
● Foreign exchange loss		178,523	104,174
<i>Changes in assets and liabilities:</i>			
● (Increase)/decrease in receivables		302,832	251,658
● Increase/(decrease) in trade and other payables		181	45,815
Cash flow from operations		(82,940)	(339,441)
d. Credit standby facilities			
The Group has no credit standby facilities.			

Note 9 Trade and other receivables**a. Current**

GST and VAT receivable

Other receivables

2023 \$	2022 \$
29,440	74,610
8,822	10,228
38,262	84,838

Trade receivables are measured on initial recognition at fair value, which ordinarily equates to cost and are subsequently measured at cost less provision for impairment due to their short term nature. Trade receivables are generally due for settlement within periods ranging from 15 days to 30 days.

Impairment of trade receivables is continually reviewed and those that are considered to be uncollectible are written off by reducing the carrying amount directly. An allowance account is used when there is objective evidence that the Group will not be able to collect all amounts due according to the original contractual terms. Factors considered by the Group in making this determination include known significant financial difficulties of the debtor, review of financial information and significant delinquency in making contractual payments to the Group. The impairment allowance is set equal to the difference between the carrying amount of the receivable and the present value of estimated future cash flows, discounted at the original effective interest rate. Where receivables are short-term, discounting is not applied in determining the allowance.

The amount of the impairment loss is recognised in the statement of comprehensive income within other expenses. When a trade receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in the statement of profit or loss and other comprehensive income.

Notes to the consolidated financial statements

for the year ended 30 June 2023

Note 9 Trade and other receivables (Continued)

Expected credit losses

The Group applies the AASB 9 simplified model of recognising lifetime expected credit losses for all trade receivables as these items do not have a significant financing component.

Where applicable, in measuring the expected credit losses, the trade receivables are assessed on a collective basis as they possess shared credit risk characteristics. They are grouped based on the days past due and also according to the geographical location of customers.

The expected loss rates are based on the payment profile for sales over the past 48 months before 30 June 2023 and 30 June 2022 respectively as well as the corresponding historical credit losses during that period. The historical rates are adjusted to reflect current and forwarding looking macroeconomic factors affecting the customer's ability to settle the amount outstanding.

Trade receivables are written off when there is no reasonable expectation of recovery. Failure to make payments within 180 days from the invoice date and failure to engage with the Group on alternative payment arrangement amongst other is considered indicators of no reasonable expectation of recovery.

- b. The Group's exposure to interest rate risk and a sensitivity analysis for financial assets and liabilities are disclosed in note 23 Financial risk management.

Note 10 Exploration and evaluation assets

a. Non-current

Carrying amount at beginning of period

Exploration expenditure capitalised

Disclosed as non-current asset held for sale

Carrying amount at the end of the year

Note	2023	2022
	\$	\$
	3,407,232	1,731,631
	1,369,993	1,675,601
25	(1,075,088)	-
	3,702,137	3,407,232

- b. Recoverability of the carrying amount of exploration assets is dependent on the successful exploration of the areas of interest.

The recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation phases are dependent on the successful development and commercial exploitation or sale of the respective areas.

Exploration and evaluation expenditures in relation to each separate area of interest are recognised as an exploration and evaluation asset in the year in which they are incurred where the following conditions are satisfied:

- the rights to tenure of the area of interest are current; and
- at least one of the following conditions is also met:
 - i) the exploration and evaluation expenditures are expected to be recouped through successful development and exploitation of the area of interest, or alternatively, by its sale; or
 - ii) exploration and evaluation activities in the area of interest have not at the balance date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are initially measured at cost and include acquisition of rights to explore, studies, exploratory drilling, trenching and sampling and associated activities and an allocation of depreciation and amortised of assets used in exploration and evaluation activities. General and administrative costs are only included in the measurement of exploration and evaluation costs where they are related directly to operational activities in a particular area of interest.

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. The recoverable amount of the exploration and evaluation asset (for the cash generating unit(s.) to which it has been allocated being no larger than the relevant area of interest)

RAGNAR METALS LIMITED

AND CONTROLLED ENTITIES

ABN 12 108 560 069

ANNUAL REPORT 30 JUNE 2023**Notes to the consolidated financial statements**

for the year ended 30 June 2023

Note 10 Exploration and evaluation assets (continued)

is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

Where a decision has been made to proceed with development in respect of a particular area of interest, the relevant exploration and evaluation asset is tested for impairment and the balance is then reclassified to development.

Note 11 Trade and other payables

Note	2023 \$	2022 \$
a. Current		
<i>Unsecured</i>		
Trade payables	79,971	116,471
Accruals	36,105	38,150
	116,076	154,621

b. Trade payables are non-interest bearing and usually settled within the lower of terms of trade or 30 days.

c. The Group's exposure to interest rate risk and a sensitivity analysis for financial assets and liabilities are disclosed in note 23 Financial risk management.

Trade payables and other payables are carried at amortised cost and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. Trade and other payables are presented as current liabilities unless payment is not due within 12 months.

Note 12 Issued capital

Note

		2023 No.	2022 No.	2023 \$	2022 \$
Fully paid ordinary shares at no par value	12a	379,184,889	379,184,889	33,850,015	33,850,115
a. Ordinary shares					
At the beginning of the period		379,184,889	344,184,889	33,850,015	32,704,462
Shares issued during the year		-	-	-	-
Placement ⁽¹⁾		-	35,000,000	-	1,225,000
Transaction costs – share issue		-	-	-	(79,347)
Transfer to listed options reserve		-	-	-	(100)
At reporting date		379,184,889	379,184,889	33,850,015	33,850,015

⁽¹⁾ On 16 November 2021, the Company completed a Placement of 35,000,000 ordinary fully paid shares at \$0.035 per share to sophisticated investors raising capital of \$1,225,000.

Notes to the consolidated financial statements

for the year ended 30 June 2023

Note 12 Issued capital (continued)

	Note	Exercise Price	Expiry Date	2023 No.	2022 No.	2023 \$	2022 \$
b. Options Unlisted							
Opening Balance				84,600,000	72,600,000	1,349,418	892,293
Options Expired	(1)			(72,600,000)	-	(988,255)	-
Employee Options 1	(2)	\$0.04	19/05/2023	-	-	4,096	32,704
Employee Options 2	(2)	\$0.06	17/06/2023	-	-	-	33,210
Employee Options 3	(2)	\$0.08	17/06/2023	-	-	9,676	20,776
Director Options	(3)	\$0.0564	4/11/2024	-	9,500,000	-	343,805
Vendor Options	(4)	\$0.0564	4/11/2024	-	500,000	-	18,090
Vendor Options	(5)	\$0.06	15/02/2024	-	2,000,000	23,089	8,540
				12,000,000	84,600,000	398,024	1,349,418
c. Options Listed							
Opening Balance				91,666,497	91,666,497	916,665	916,665
Options Expired	(1)			(91,666,497)	-	(915,665)	-
				-	91,666,497	-	916,665
Total Options				12,000,000	176,266,497	457,125	2,266,083

⁽¹⁾ Total options expired

- Expiry of 600,000 unlisted options without conversion on 2/09/2022 (Price \$0.075)
- Expiry of 68,000,000 unlisted options without conversion on 19/05/2023 (Price \$0.04)
- Expiry of 91,666,497 listed options without conversion on 19/05/2023 (Price \$0.04)
- Expiry of 2,000,000 options without conversion on 17/06/2023 (Price \$0.06)
- Expiry of 2,000,000 options without conversion on 17/06/2023 (Price \$0.08)

⁽²⁾ The Employee options are issued under the company's incentive option plan and subject to the vesting condition 50% upon completing 12 months continuous employment and 50% upon 18 months continuous engagement with the company.

- 4 million employee options exercisable on or before 19/05/23 at an exercise price of \$0.04 per option.
- 2 million employee options exercisable on or before 17/06/23 at an exercise price of \$0.06 per option.
- 2 million employee options exercisable on or before 17/06/2023 at an exercise price of \$0.08 per option.

The fair value of option is ascertained by internal valuation using a Black-Scholes pricing model which incorporates all market vesting conditions.

⁽³⁾ 9,500,000 director options with an expiry date of 4 November 2024 and exercise price \$0.0564 restricted for two years from date of issue were granted to the directors as remuneration in the prior year.

⁽⁴⁾ 500,000 vendor options with an expiry date of 4 November 2024 and exercise price \$0.0564 restricted for two years from date of issue were granted to the vendor in lieu of services rendered in the prior year.

⁽⁵⁾ 2,000,000 vendor options with an expiry date of 15 February 2024 and exercise price \$0.06 was granted to the vendor in lieu of services rendered in the prior year.

RAGNAR METALS LIMITED

AND CONTROLLED ENTITIES

ABN 12 108 560 069

ANNUAL REPORT 30 JUNE 2023**Notes to the consolidated financial statements**

for the year ended 30 June 2023

Note 12 Issued capital (continued)**Terms of Ordinary Shares****Voting rights**

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

At shareholders meetings, each ordinary share is entitled to one vote in proportion to the paid-up amount of the share when a poll is called, otherwise each shareholder has one vote on a show of hands.

	<u>Note</u>	<u>Expiry Date</u>	2023	2022	2023	2022
			No.	No.	\$	\$
d. Performance rights						
Opening Balance			-	-	-	-
Director Performance Rights – Class A	(6)	21/11/2024	4,750,000	-	19,642	-
Director Performance Rights – Class B	(6)	21/11/2025	4,750,000	-	14,449	-
Consultant Performance Rights – Class A	(7)	21/11/2024	2,000,000	-	6,992	-
Consultant Performance Rights – Class B	(7)	21/11/2025	2,000,000	-	5,221	-
			13,500,000	-	46,304	-
Total Options and Performance rights			25,500,000	176,266,497	444,328	2,266,083

(6) On 26 October 2022, shareholders approved the issue of 9,500,000 Director Performance Rights (4,000,000 Performance Rights to Eddie King, 4,000,000 Performance Rights to Steve Formica, 1,500,000 Performance Rights to David Wheeler). The Director Performance Rights are divided equally into two classes with different vesting conditions and expiry dates. Class A - The 20 day VWAP being at least \$0.07 on or before the date that is 2 years from the date of issue of the Performance Rights. Class B - The 20 day VWAP being at least \$0.10 on or before the date that is 3 years from the date of issue of the Performance Rights.

(7) On 11 November 2022, 4,000,000 Performance Rights were issued to a consultant. The Consultant Performance Rights are divided equally into two classes with different vesting conditions and expiry dates. Class A - The 20 day VWAP being at least \$0.07 on or before the date that is 2 years from the date of issue of the Performance Rights. Class B - The 20 day VWAP being at least \$0.10 on or before the date that is 3 years from the date of issue of the Performance Rights.

Refer to Note 18 for further details on the valuation of the performance rights.

Note 13 Capital Management

The Directors' objectives when managing capital are to ensure that the Group can fund its operations and continue as a going concern, so that they may continue to provide returns for shareholders and benefits for other stakeholders. Due to the nature of the Group's activities, being mineral exploration, the Group does not have ready access to credit facilities, with the primary source of funding being equity raisings. Therefore, the focus of the Group's capital risk management is the current working capital position against the requirements of the Group to meet exploration programmes and corporate overheads.

The Group's strategy is to ensure appropriate liquidity is maintained to meet anticipated operating requirements, with a view to initiating appropriate capital raisings as required.

The working capital position of the Group were as follows:

	Note	2023	2022
		\$	\$
Cash and cash equivalents	8	196,050	2,082,661
Trade and other receivables	9	38,262	84,838
Trade and other payables	11	(116,076)	(154,621)
Working capital position		118,236	2,012, 878

Notes to the consolidated financial statements

for the year ended 30 June 2023

Note 14 Reserves

Note	2023 \$	2022 \$
Option reserve	444,328	2,266,083
Foreign exchange reserve	(6,877)	(46,342)
Share-based payment reserve	-	525,944
	437,451	2,745,685

a. Option reserve

The option reserve records items recognised as expenses on the value of directors, employee and other options. Please refer Note 12 and Note 18 for further information.

b. Foreign exchange translation reserve

The foreign exchange reserve records exchange differences arising on translation of foreign controlled subsidiaries.

c. Share-based payments reserve

The share-based payments reserve records the expense of performance rights. During the year all expired performance rights were transferred to retained earnings.

Note 15 Controlled entities

Ragnar Metals Limited is the ultimate parent of the Group.

a. Subsidiaries

	Country of Incorporation	Class of Shares	Percentage Owned	
			2023	2022
• Drake (Euro) Pty Ltd	Australia	Ordinary	100	100
• Loki Exploration Pty Ltd	Australia	Ordinary	100	100
• Ragnar Sweden AB	Sweden	Ordinary	100	100
• Ragnar Exploration AB	Sweden	Ordinary	100	100

b. Investments in subsidiaries are accounted for at cost.

Note 16 Key Management Personnel compensation (KMP)

The names and positions of KMP are as follows:

- Mr Steve Formica Non-Executive Chairman
- Mr Ariel (Eddie) King Executive Director
- Mr David Wheeler Non-Executive Director

Information regarding individual directors and executives' compensation and some equity instruments disclosures as required by the Corporations Regulations 2M.3.03 is provided in the Remuneration report. \$203,704 (2022: \$ 180,282) was capitalised as exploration expenditure.

	2023 \$	2022 \$
Short-term employee benefits	262,080	261,600
Share-based payments – Note 18	34,091	343,705
Total	296,171	605,305

RAGNAR METALS LIMITED

AND CONTROLLED ENTITIES

ABN 12 108 560 069

ANNUAL REPORT 30 JUNE 2023**Notes to the consolidated financial statements**

for the year ended 30 June 2023

Note 17 Related party transactions

Transactions between related parties are on normal commercial terms and conditions are no more favourable than those available to other parties unless otherwise stated.

- a. Balances and transactions between Ragnar Metals Limited and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not discussed in this note.
- b. Details of KMP remuneration are disclosed in Note 16.

Note 18 Share-based payments

	Note	2023 \$	2022 \$
Share-based payment expense	18a	83,165	457,025
Gross share-based payments		83,165	457,025

a. The following share-based payment arrangements existed at 30 June 2023

- On 5 November 2021 the company issued 9,500,000 Director options at an exercise price of \$0.0564, exercisable on or before 4 November 2023.
- On 5 November 2021 the company issued 500,000 Vendor options at an exercise price of \$0.0564, exercisable on or before 4 November 2023.
- On 15 February 2022 the company issued 2,000,000 unlisted options at an exercise price of \$0.06, exercisable on or before 15 February 2024.
- On 21 November 2022 9,500,000 Director Performance Rights were issued and are divided equally into two classes with different vesting conditions and expiry dates. Class A - a 20 day VWAP being at least \$0.07 on or before the date that is 2 years from the date of issue of the Performance Rights. Class B - a 20 day VWAP being at least \$0.10 on or before the date that is 3 years from the date of issue of the Performance Rights. The valuation of these performance rights was reported in the 31 December 2022 Half Year Report.
- On 11 November 2022, 4,000,000 Consultant Performance Rights were issued and are divided equally into two classes with different vesting conditions and expiry dates. Class A - The 20 day VWAP being at least \$0.07 on or before the date that is 2 years from the date of issue of the Performance Rights. Class B - The 20 day VWAP being at least \$0.10 on or before the date that is 3 years from the date of issue of the Performance Rights. The valuation of these performance rights was reported in the 31 December 2022 Half Year Report.

b. Movement in share-based payment arrangements during the period

A summary of the movements of all company options and performance rights issued as share-based payments is as follows:

	2023		2022	
	Number of Options and performance rights	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Outstanding at the beginning of the year	84,600,000	\$0.05	72,600,000	\$0.041
Lapsed	(72,600,000)	(\$0.041)	-	-
Granted	13,500,000	\$0.00	12,000,000	\$0.01
Outstanding at year-end	25,500,000	\$0.01	84,600,000	\$0.05
Exercisable at year-end	-	-	600,000	\$0.075

- i. The company's share options hold no voting or dividend rights and are not transferable. At balance date, no options had been exercised or expired.

Notes to the consolidated financial statements

for the year ended 30 June 2023

- ii. All options granted are for ordinary shares in Ragnar Metals Limited, which confer a right to one ordinary share for every option held. No options have vested as at 30 June 2023.
- iii. The weighted average remaining contractual life of unlisted options outstanding at year end was 1.84 years (2022: 1.07 years). The weighted average exercise price of outstanding options at the end of the reporting period was \$0.01 (2022: \$0.05).

Note 19 Commitments

The company's minimum expenditure commitments for their Australian tenements is \$60,880 for 2023/2024.

The company had no capital or other expenditure commitments at 30 June 2023 (2022: \$Nil).

Note 20 Contingent asset/liabilities

There were no contingent assets or liabilities as at the reporting date.

Note 21 Operating segments

a. Identification of reportable segments

The Group operates in the exploration and evaluation of nickel, gold, silver and base metals projects in Western Australia and in Sweden. Inter-segment transactions are priced at cost to the Consolidated Group.

The Group has identified its operating segments based on the internal reports that are provided to the Board of Directors on a monthly basis. Activities of the Group are managed on a Group structure basis and operating segments are therefore determined on the same basis. In this regard the following list of reportable segments has been identified.

- Ragnar Metals Limited – Mineral Exploration in Western Australia
- Ragnar Sweden AB - Mineral Exploration in Sweden

b. Basis of accounting for purposes of reporting by operating segments

i. Accounting policies adopted

Unless stated otherwise, all amounts reported to the Board, being the chief decision maker with respect to operating segments, are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Group.

ii. Inter-segment transactions

An internally determined transfer price is set for all inter-segment sales. This price is reset quarterly and is based on what would be realised in the event the sale was made to an external party at arm's length. All such transactions are eliminated on consolidation of the Group's financial statements.

Corporate charges are allocated to reporting segments based on the segments' overall proportion of revenue generation within the Group. The Board of Directors believes this is representative of likely consumption of head office expenditure that should be used in assessing segment performance and cost recoveries.

Inter-segment loans payable and receivable are initially recognised at the consideration received/to be received net of transaction costs. If inter-segment loans receivable and payable are not on commercial terms, these are not adjusted to fair value based on market interest rates. This policy represents a departure from that applied to the statutory financial statements.

iii. Segment assets

Where an asset is used across multiple segments, the asset is allocated to that segment that receives majority economic value from that asset. In the majority of instances, segment assets are clearly identifiable on the basis of their nature and physical location.

iv. Segment liabilities

Liabilities are allocated to segments where there is a direct nexus between the incurrence of the liability and the operations of the segment. Borrowings and tax liabilities are generally considered to relate to the Group as a whole and are not allocated. Segment liabilities include trade and other payables and certain direct borrowings.

RAGNAR METALS LIMITED

AND CONTROLLED ENTITIES

ABN 12 108 560 069

ANNUAL REPORT 30 JUNE 2023**Notes to the consolidated financial statements**

for the year ended 30 June 2023

v. Unallocated items

The following items of revenue, expenses, assets and liabilities are not allocated to geographic segments as they are not considered part of the core operations of any segment:

- *Income tax expense*
- *Deferred tax assets and liabilities*
- *Current tax liabilities*
- *Other financial liabilities*

For year ended 30 June 2023	Ragnar Metals Limited	Ragnar Sweden AB (discontinued operation)	Elimination	Total
	\$	\$		\$
Segment Revenue	5,654	-	-	5,654
Segment Expenses	(460,601)	(191,583)	(752)	(652,936)
Segment Results	(454,947)	(191,583)	(752)	(647,282)
As at 30 June 2023				
Segment Assets				
Cash	79,172	116,878	-	196,050
Trade and other receivables	25,078	13,184	-	38,262
Non-current assets held for sale	1,075,088	-	-	1,075,088
Non-current Assets	2,824,406	(2,822,525)	(1,881)	-
Exploration and evaluation assets	1,509,431	2,380,507	(187,801)	3,702,137
Total Segment Assets	5,513,175	(311,956)	(189,682)	5,011,537
Segment Liabilities				
Current Liabilities	(116,076)	(7,351)	7,351	(116,076)
Total Segment Liabilities	(116,076)	(7,351)	7,351	(116,076)
Segment Net Assets	5,397,099	(319,307)	(182,331)	4,895,461

Note 22 Events subsequent to reporting date

Subsequent to 30 June 2023, the following significant events were undertaken by the Group:

- On 25 July 2023, the Company confirmed it had received valid acceptances from eligible shareholders for 51,149,660 shares and 51,149,660 options, representing gross proceeds of \$1,022,993.20. The remaining 43,646,417 shares and 43,646,417 options, representing gross proceeds of \$872,928.34 were issued pursuant to the terms of the Underwriting Agreement.
- On 11 September 2023, the company issued 16,500,000 unlisted options to its consultants and company secretary. The unlisted options have an exercise price of \$0.03 and expire on 30 June 2025. Two 1,000,000 parcels of the unlisted options have conditions of continuous employment which vest on 1 May 2024, the remaining options have no vesting conditions.

Notes to the consolidated financial statements

for the year ended 30 June 2023

Note 23 Financial risk management

a. Financial Risk Management Policies

This note presents information about the Group's exposure to each of the above risks, its objectives, policies and procedures for measuring and managing risk, and 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 shown below:

	Floating Interest Rate \$	Fixed Interest Rate \$	Non- interest Bearing \$	2023 Total \$	Floating Interest Rate \$	Fixed Interest Rate \$	Non- interest Bearing \$
Financial Assets							
Cash and cash equivalents	196,050	-	-	196,050	2,082,661	-	-
Trade and other receivables	-	-	38,262	38,262	-	-	84,838
Total Financial Assets	196,050	-	38,262	234,312	2,082,661	-	84,838
Financial Liabilities							
Trade and other payables	-	-	116,076	116,076	-	-	154,621
Total Financial Liabilities	-	-	116,076	116,076	-	-	154,621
Net Financial Assets/(Liabilities)	196,050	-	154,338	350,388	2,082,661	-	239,459

Notes to the consolidated financial statements

for the year ended 30 June 2023

b. Specific Financial Risk Exposures and Management

The main risk the Group is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate, foreign currency risk and equity 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 objective of the group is to minimise the risk of loss from credit risk.

Although revenue from operations is minimal, the Group trades only with creditworthy third parties

In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is insignificant. The Group's maximum credit risk exposure is limited to the carrying value of its financial assets as indicated on the statement of financial position.

The Group establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables.

Credit risk exposures

The maximum exposure to credit risk is that to its alliance partners and that is limited to the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements.

Credit risk related to balances with banks and other financial institutions is managed by the Group in accordance with approved Board policy. Such policy requires that surplus funds are only invested with counterparties with a Standard and Poor's rating of at least AA-.

Notes to the consolidated financial statements

for the year ended 30 June 2023

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.

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.

The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and ensuring sufficient cash and marketable securities are available to meet the current and future commitments of the Group. Due to the nature of the Group's activities, being mineral exploration, the Group does not have ready access to credit facilities, with the primary source of funding being equity raisings. The Board of Directors constantly monitors the state of equity markets in conjunction with the Group's current and future funding requirements, with a view to initiating appropriate capital raisings as required. Any surplus funds are invested with major financial institutions.

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

Contractual Maturities

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

	Within 1 Year		Greater Than 1 Year		Total	
	2023	2022	2023	2022	2023	2022
	\$	\$	\$	\$	\$	\$
Financial liabilities due for payment						
Trade and other payables	116,076	154,621	-	-	116,076	154,621
Total contractual outflows	116,076	154,621	-	-	116,076	154,621
Financial assets						
Cash and cash equivalents	196,050	2,082,661	-	-	196,050	2,082,661
Trade and other receivables	38,262	84,838	-	-	38,262	84,838
Total anticipated inflows	234,312	2,167,499	-	-	234,312	2,167,499
Net (outflow)/inflow on financial instruments	118,236	2,012,878	-	-	118,236	2,012,878

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 foreign exchange rates, 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. The Board meets on a regular basis and considers the Group's interest rate risk.

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.

Due to the low amount of debt exposed to floating interest rates, interest rate risk is not considered a high risk to the Group. Movement in interest rates on the Group's financial liabilities and assets is not material.

Notes to the consolidated financial statements

for the year ended 30 June 2023

Foreign Exchange Risk

Exposure to foreign exchange risk may result in the fair value or future cash flows of a financial instrument fluctuating due to movement in foreign exchange rates of currencies in which the Group holds financial instruments which are other than the AUD functional currency of the Group.

With instruments being held by overseas operations, fluctuations in foreign currencies may impact on the Group's financial results. The Group's exposure to foreign exchange risk is minimal; however, the Board continues to review this exposure regularly.

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.

i. Sensitivity Analysis

The following table illustrates sensitivities to the Group's exposures to changes in interest rates. The table indicates the impact on how profit and equity values reported at balance sheet date would have been affected by changes in the relevant risk variable that management considers to be reasonably possible. These sensitivities assume that the movement in a particular variable is independent of other variables.

(1) Interest rates

	Profit \$	Equity \$
Year ended 30 June 2023		
±100 basis points change in interest rates	±7,667	±7,667
Year ended 30 June 2022		
±100 basis points change in interest rates	±25,916	±25,916

ii. Net Fair Values**(1) Fair value estimation**

The fair values of financial assets and financial liabilities are presented in the table in note 23a 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.

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

- Cash and cash equivalents;
- Trade and other receivables; 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

Notes to the consolidated financial statements

for the year ended 30 June 2023

Note 24 Parent Entity Disclosures

a. Financial Position of Ragnar Metals Limited

	2023 \$	2022 \$
Current assets	104,250	2,098,534
Non-current assets held for sale	1,075,088	-
Non-current assets	4,332,985	3,824,965
Total assets	5,512,323	5,923,499
Current liabilities	116,076	154,621
Total liabilities	116,076	154,621
Net assets	5,396,247	5,768,878
<i>Equity</i>		
Issued capital	33,850,115	33,850,115
Reserves	444,328	2,792,027
Accumulated losses	(28,898,096)	(30,873,264)
Total equity	5,396,247	5,768,878

b. Financial performance of Ragnar Metals Limited

Profit / (loss) for the year	(454,947)	(1,086,597)
Other comprehensive income	-	-
Total comprehensive income	(454,947)	(1,086,597)

c. Guarantees entered into by Ragnar Metals Limited for the debts of its subsidiaries

There are no guarantees entered into by Ragnar Metals for the debts of its subsidiaries as at 30 June 2023 (2022: none).

d. Commitments of Ragnar Metals Limited

The amounts applicable for both Ragnar Metals Limited (the parent) and the Consolidated Group can be found in Note 19.

Note 25 Discontinued Operations and non-current asset held for sale

On 26 June 2023 the group announced it had entered into a conditional sale and purchase agreement (SPA) to dispose of its wholly owned subsidiary Ragnar Metals Sweden AB to BHP Metals Exploration Pty Ltd, a subsidiary of BHP Group Limited (ASX: BHP). The sale includes tenements and exploration licences over the Tullsta nickel project in Sweden. The sale is expected to be complete by 30 September 2023, with A\$9,800,000 to be paid by BHP Metals Exploration Pty Ltd on completion.

Deferred consideration, in the form of a 1% Net Smelter Return Royalty (Royalty), will be payable to Ragnar upon commencement of commercial production. The Purchaser may buy out the Royalty for a further A\$10,000,000.

The subsidiary is reported in the current period as a discontinued operation. As at 30 June 2023, the assets are carried at the lower of their carrying amount and fair value less costs to sell, based on consideration receivable by RAG. Financial information relating to the discontinued operation for the period to the date of disposal is set out below.

RAGNAR METALS LIMITED

AND CONTROLLED ENTITIES

ABN 12 108 560 069

ANNUAL REPORT 30 JUNE 2023**Notes to the consolidated financial statements**

for the year ended 30 June 2023

Discontinued operation

	2023 \$	2022 \$
Financial Performance and Cash flow information		
Foreign exchange gain/loss	(177,772)	(105,024)
Company secretarial	(11,532)	(5,629)
Contractors and consultants	-	(677)
Other expenses	(2,279)	(187)
Profit before income tax	191,583	(111,517)
Income tax benefit/expense	-	-
Profit after income tax of discontinued operation	191,583	(111,517)
Exchange differences on translation of discontinued operations	(4,681)	(9,326)
Other comprehensive income from discontinued operations	(4,681)	(9,326)
Cash flows		
Net cash inflow from operating activities	(13,811)	(6,493)
Net cash (outflow) from investing activities	(1,290,732)	(998,835)
Net cash inflow from financing activities	-	-
Effect of exchange rates on cash holdings in foreign currencies - discontinued operations	(3,756)	(2,569)
Net (decrease)/increase in cash generated by the discontinued operation	(1,308,299)	1,007,897

The transaction is subject to the satisfaction of conditions, including RAG completing an internal restructure to transfer specific Swedish licences from RAG to Ragnar Metals Sweden AB. The following assets were classified as held for sale in relation to the discontinued operation as at 30 June 2023:

Assets classified as held for sale

	2023 \$	2022 \$
Exploration and evaluation assets (held by Ragnar Metals Ltd)	1,075,088	-
Total assets classified as held for sale	1,075,088	-

Directors' declaration

The Directors of the Company declare that:

1. The financial statements and notes, as set out on pages 25 to 47, are in accordance with the *Corporations Act 2001* (Cth) and:
 - (a) comply with Accounting Standards;
 - (b) are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board, as stated in note 1 to the financial statements; and
 - (c) give a true and fair view of the financial position as at 30 June 2023 and of the performance for the year ended on that date of the Group.
 - (d) the Directors have been given the declarations required by s.295A of the *Corporations Act 2001* (Cth);
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:



STEVE FORMICA

Chairman

Dated 26 September 2023

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RAGNAR METALS LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Ragnar Metals Limited ("the Company") and its subsidiaries ("the Consolidated Entity"), which comprises the consolidated statement of financial position as at 30 June 2023, 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, and the directors' declaration.

In our opinion:

- a. the accompanying financial report of the Consolidated Entity is in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2023 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(a)(i).

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Consolidated Entity 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(a)(ii) in the financial report, which indicates that the Consolidated Entity incurred a net loss of \$647,279 during the year ended 30 June 2023. As stated in Note 1(a)(ii), these events or conditions, along with other matters as set forth in Note 1(a)(ii), indicate that a material uncertainty exists that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern. 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.

Key Audit Matter	How our audit addressed the Key Audit Matter
<p>Exploration and Evaluation – \$3,702,137</p> <p>(Refer Note 10)</p> <p>Exploration and evaluation is a key audit matter due to:</p> <ul style="list-style-type: none"> • The significance of the balance to the Consolidated Entity's financial position. • The level of judgement required in evaluating management's application of the requirements of AASB 6 <i>Exploration for and Evaluation of Mineral Resources</i>. AASB 6 is an industry specific accounting standard requiring the application of significant judgements, estimates and industry knowledge. This includes specific requirements for expenditure to be capitalised as an asset and subsequent requirements which must be complied with for capitalised expenditure to continue to be carried as an asset. • The assessment of impairment of exploration and evaluation expenditure being inherently difficult. 	<p>Our procedures amongst others included:</p> <ul style="list-style-type: none"> • Assessing management's determination of its areas of interest for consistency with the definition in AASB 6. This involved analysing the tenements in which the consolidated entity holds an interest and the exploration programs planned for those tenements; • For each area of interest, we assessed the Consolidated Entity's rights to tenure by corroborating to government registries and evaluating agreements in place with other parties as applicable; • We tested the additions to capitalised expenditure for the year by evaluating a sample of recorded expenditure for consistency to underlying records, the capitalisation requirements of the Consolidated Entity's accounting policy and the requirements of AASB 6; • We considered the activities in each area of interest to date and assessed the planned future activities for each area of interest by evaluating budgets for each area of interest; • We assessed each area of interest for one or more of the following circumstances that may indicate impairment of the capitalised expenditure: <ul style="list-style-type: none"> ◦ the licenses for the right to explore expiring in the near future or are not expected to be renewed;

Key Audit Matter	How our audit addressed the Key Audit Matter
.	<ul style="list-style-type: none"> ○ substantive expenditure for further exploration in the specific area is neither budgeted or planned ○ decision or intent by the Consolidated Entity to discontinue activities in the specific area of interest due to lack of commercially viable quantities of resources; and ○ data indicating that, although a development in the specific area is likely to proceed, the carrying amount of the exploration asset is unlikely to be recovered in full from successful development or sale. <p>We assessed the appropriateness of the related disclosures in note 10 to the financial statements.</p>

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Consolidated Entity's annual report for the year ended 30 June 2023, 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(a)(i), 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 Consolidated Entity'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 Consolidated Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

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 Consolidated Entity'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 Consolidated Entity'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 Consolidated Entity 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 Consolidated Entity to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Consolidated Entity 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.

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 the directors' report for the year ended 30 June 2023. The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with s 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's Opinion

In our opinion, the Remuneration Report of Ragnar Metals Limited, for the year ended 30 June 2023, complies with section 300A of the Corporations Act 2001.



HALL CHADWICK WA AUDIT PTY LTD



D M BELL CA
Director

Dated this 26th day of September 2023
Perth, Western Australia

Additional Information for Listed Public Companies

The following additional information is required by the Australian Securities Exchange in respect of listed public companies.

1 Capital

a) Ordinary share capital as at 7 September 2023

473,980,966 ordinary fully paid shares held by 1,102 shareholders.

b) Listed Options over issued Shares

94,796,077 Listed Options with a \$0.03 exercise price per option expiring 30 September 2024, held by 224 option holders.

c) Unlisted Options over Unissued Shares

- 9,500,000 unlisted options (Director) with a \$0.0564 exercise price per Option expiring 4 November 2024 held by 3 option holders.
- 500,000 Unlisted Options (Employee) with a \$0.0564 exercise price per Option expiring 4 November 2024 held by 1 option holder.
- 2,000,000 Unlisted options with a \$0.06 exercise price per Option expiring 15 February 2024 held by 1 option holder.

d) Performance Rights

- 6,750,000 Class A Performance Rights expiring 21 November 2025 are held by 5 holders.
- 6,750,000 Class B Performance Rights expiring 21 November 2025 are held by 5 holders.

e) Voting Rights

The voting rights attached to each class of equity security are as follows:

- **Ordinary shares:** Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.
- **Listed and Unlisted Options:** Options do not entitle the holders to vote in respect of that equity instrument, nor participate in dividends, when declared, until such time as the options are exercised or performance shares convert and subsequently registered as ordinary shares.
- **Performance Rights:** Performance Rights do not entitle the holders to vote in respect of that equity instrument, nor participate in dividends, when declared, until such time as the performance shares convert and subsequently registered as ordinary shares.

f) Substantial Shareholders as at 7 September 2023 are Nil

g) Distribution of Shareholders as at 7 September 2023

Category (size of holding)	Total Holders	Number Ordinary	% Held of Issued Ordinary Capital
1 – 1,000	79	11,278	0.00
1,001 – 5,000	15	32,058	0.01
5,001 – 10,000	65	603,647	0.13
10,001 – 100,000	544	22,220,103	4.68
100,001 – and over	400	451,113,880	95.18
	1,103	473,980,966	100.00

h) Distribution of Listed Option holders (Options \$0.03 exercise price expiring 30 September 2024) as at 7 September 2023

Category (size of holding)	Total Holders	Number Units	% Held of Issued Ordinary Capital
1 – 1,000	9	1,029	0.00
1,001 – 5,000	38	131,116	0.14
5,001 – 10,000	21	158,591	0.17
10,001 – 100,000	65	2,830,881	2.99

RAGNAR METALS LIMITED

AND CONTROLLED ENTITIES

ABN 12 108 560 069

ANNUAL REPORT 30 JUNE 2023

100,001 – and over	91	91,674,460	96.71
	224	94,796,077	100.00

i) Unmarketable Parcels as at 7 September 2023

As at 7 September 2023 there were 326 fully paid ordinary shareholders holding less than a marketable parcel of shares.

j) On-Market Buy-Back

There is no current on-market buy-back.

k) Restricted Securities

There are no restricted securities on issue.

l) 20 Largest Shareholders — Ordinary Shares as at 7 September 2023

	Name	Number of Ordinary Fully Paid Shares Held	% Held of Issued Ordinary Capital
1	Mr Viktor Poznik & Mrs Vesna Anna Poznik <The Poznik Family A/C>	23,652,500	4.99%
2	Sisu International Pty Ltd	17,750,000	3.74%
3	Hunt Prosperity Pty Ltd <Investius Pb Micro Cap A/C>	15,000,000	3.16%
4	Futurity Private Pty Ltd	13,386,242	2.82%
5	Sunset Capital Management Pty Ltd <Sunset Superfund A/C>	12,491,581	2.64%
6	Ton-Cheng Pty Ltd <Ton-Cheng Unit A/C>	10,750,000	2.27%
7	Mr Benjamin Anton Mccombe	10,504,305	2.22%
8	First One Realty Pty Ltd	10,000,000	2.11%
9	Stevsand Investments Pty Ltd <Steven Formica Family A/C>	9,713,105	2.05%
10	Isla Zast Pty Ltd <Isla Zast Super Fund A/C>	9,125,000	1.93%
11	J & J Bandy Nominees Pty Ltd <J & J Bandy Super Fund A/C>	8,375,000	1.77%
12	Mr Brian Peter Byass	6,897,897	1.46%
13	Shah Nominees Pty Ltd <Louis Carsten S/F A/C>	6,875,000	1.45%
13	Cheng Wing Resources Limited	6,875,000	1.45%
14	Davco Group Pty Ltd <Falco Investment A/C>	6,250,000	1.32%
14	Formica Investments Pty Ltd <The Formica Family S/F A/C>	6,250,000	1.32%
14	A22 Pty Limited	6,250,000	1.32%
14	Mr Brian Joseph Glynn	6,250,000	1.32%
15	Kitara Investments Pty Ltd <Kumova #1 Family A/C>	6,062,210	1.28%
16	Cityside Investments Pty Ltd	6,000,000	1.27%
17	Celtic Capital Pty Ltd	5,000,000	1.05%
18	Mrs Aibao Gong	4,558,420	0.96%
19	Deric Holdings Proprietary Limited <Deric Super Fund A/C>	4,500,000	0.95%
20	Awaba Funds Management Pty Ltd <M Toniolo Super Fund A/C>	4,210,000	0.89%
		216,726,260	45.75%

m) 20 Largest Option holders — Listed Options \$0.03 exercise price expiring 30 September 2024 as at 7 September 2023

	Name	Holding	%
1	Hunt Prosperity Pty Ltd <Investius Pb Micro Cap A/C>	12,500,000	13.19%
2	Kitara Investments Pty Ltd <Kumova #1 Family A/C>	5,000,000	5.27%
2	First One Realty Pty Ltd	5,000,000	5.27%
2	Celtic Capital Pty Ltd	5,000,000	5.27%
3	Mr Viktor Poznik & Mrs Vesna Anna Poznik <The Poznik Family A/C>	4,730,500	4.99%
4	Haslingden Pty Ltd <Grids S/F A/C>	2,750,000	2.90%
5	Futurity Private Pty Ltd	2,591,405	2.73%
6	TJF Investments (WA) Pty Ltd <Tyler Formica Family A/C>	2,500,000	2.64%
6	Miss Fallon Lee Formica <Fallon Formica A/C>	2,500,000	2.64%
7	Sunset Capital Management Pty Ltd <Sunset Superfund A/C>	2,498,316	2.64%
8	Ton-Cheng Pty Ltd <Ton-Cheng Unit A/C>	2,150,000	2.27%
9	Mr Benjamin Anton Mccombe	2,100,861	2.22%
10	Stevsand Investments Pty Ltd <Steven Formica Family A/C>	1,942,621	2.05%
11	J & J Bandy Nominees Pty Ltd <J & J Bandy Super Fund A/C>	1,875,000	1.98%
12	Isla Zast Pty Ltd <Isla Zast Super Fund A/C>	1,825,000	1.93%
13	Shah Nominees Pty Ltd <Louis Carsten S/F A/C>	1,375,000	1.45%
13	Cheng Wing Resources Limited	1,375,000	1.45%
14	Mr Christopher James Martin Whitehead	1,250,000	1.32%
14	Davco Group Pty Ltd <Falco Investment A/C>	1,250,000	1.32%
14	A22 Pty Limited	1,250,000	1.32%
14	Formica Investments Pty Ltd <The Formica Family S/F A/C>	1,250,000	1.32%
14	Mr Brian Joseph Glynn	1,250,000	1.32%
15	Mr Alexander Lewit	1,125,000	1.19%
16	Deric Holdings Proprietary Limited <Deric Super Fund A/C>	1,085,000	1.14%
17	Ocean Light Asset Management Pty Ltd	1,021,417	1.08%
18	Ellingerrin Super Pty Ltd <Ellingerrin Super Fund A/C>	1,000,000	1.05%
18	Grazian Pty Ltd <The Ian Murie Superfund A/C>	1,000,000	1.05%
19	Cityside Investments Pty Ltd	875,000	0.92%
20	Hunt Prosperity Pty Ltd <Investius Pb Micro Cap A/C>	835,000	0.88%
		70,905,120	74.80%

n) Unquoted Equity Security Holders with Greater than 20% of an Individual Class as at 7 September 2023

Unlisted Options @ \$0.0564 ex price expiring 4 November 2024

	Name	Holding	%
1.	Formica Investments Pty Ltd <The Formica Family S/F A/C>	4,000,000	40.00
2.	King Corporate Pty Ltd	4,000,000	40.00

Unlisted Options \$0.06 ex price expiring 15 February 2024

	Name	Holding	%
1.	TYF Holdings Pty Ltd<TYF Investment A/c>	2,000,000	100.00

RAGNAR METALS LIMITED

AND CONTROLLED ENTITIES

ABN 12 108 560 069

ANNUAL REPORT 30 JUNE 2023

1 The Company Secretary is Jessamyn Lyons.

2 **Principal registered office**

As disclosed in the Corporate Directory on page i of this Annual Report.

3 **Registers of securities**

As disclosed in the Corporate Directory on page i of this Annual Report.

4 **Stock exchange listing**

Quotation has been granted for all the ordinary shares of the Company on all Member Exchanges of the Australian Securities Exchange Limited, as disclosed in the Corporate Directory on page i of this Annual Report.

5 **Use of funds**

The Company has used its funds in accordance with its initial business objectives.