



ANNUAL REPORT

For the year ended 30 June 2022

ABN 33 150 026 850

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CORPORATE DIRECTORY

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COMPANY SECRETARY

Bernard Crawford

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SECURITIES EXCHANGE LISTING

The Company is listed on the Australian Securities Exchange Ltd ("ASX") and the Frankfurt Stock Exchange ("FRA")

Home Exchange: Perth, Western Australia
ASX Code: KZR
FRA Code: KR1

CHAIRMAN'S LETTER

Dear Fellow Shareholders,

It is with great pleasure that I present to you Kalamazoo Resources Limited's ("Kalamazoo") 2022 Annual Report, which details the extensive exploration programs and major acquisitions we completed during the year, as we continue our journey to create shareholder value.

In the Pilbara, we have made excellent progress with our plans for the Ashburton Gold Project to increase the existing 1.65Moz gold resource and advance project development. This included the completion of a 14,722m Phase II RC and AC drill program, IP survey, field work and the commencement of an updated Resource Model and Project Developing Scoping Study.

After lengthy delays in government and related approvals, we completed our first 2,500m drilling program at Mallina West (previously named The Sisters), along strike from De Grey's world-class 9Moz Mallina Gold Project.

In Victoria, we have completed regional geochemical soil sampling programs across our Castlemaine, South Muckleford, and Myrtle Gold Projects, as an important step in the planning for upcoming drill programs.

Although, Kalamazoo did not secure exploration ground in the much-delayed North Central Victorian Goldfields land release, we did acquire the highly prospective Mt Piper Gold Project to the south of the world-class Fosterfield and Costerfield goldmines. This acquisition was made on excellent terms and has increased Kalamazoo's Victorian land holding to more than 2,000km², consolidating our position as a prominent explorer in this incredibly rich gold province.

In a very positive development, during the year we identified significant pegmatite-hosted lithium mineralisation potential at our DOM's Hill and Marble Bar gold projects in the Pilbara. In late 2021, Kalamazoo entered a Joint Venture arrangement with the leading Chilean lithium producer, SQM, to sole fund \$12m of exploration expenditure which we are managing across these projects. This exploration program commenced immediately on signing of the JV with geochemical soil sampling, field work and an initial 4,000m RC drill program. We also expanded our lithium exploration to the east coast of Australia with the grant of the 900km² Jingellic Lithium Project located in the Lachlan Fold Belt, southern NSW. The project geology is highly prospective for lithium and tin mineralisation and early exploration activities have commenced.

Your directors recognise that all stakeholders expect companies within the resources industry to take a stronger, more public commitment to Environmental, Social and Governance programs and "Licence-to-Operate" issues. As such, in an important initiative, Kalamazoo in 2022 became the first gold and lithium explorer operating in Australia to be certified carbon neutral for its business operations under the Federal Government's Climate Active Program.

Global political, economic and COVID issues have dominated everyone's attention over the last 12 months and like most junior explorers on the ASX, Kalamazoo's share price has also been impacted. We are, however, well-funded with fantastic projects and are confident this will soon be reflected positively in the share price. I encourage you to review our portfolio of projects in greater detail as described in this annual report and thank you for your continued support.

Yours sincerely,



Luke Reinehr
Executive Chairman and CEO

REVIEW OF ACTIVITIES

The 2021/2022 reporting period was a busy period for the Company’s exploration portfolio with project locations spanning Western Australia, Victoria, and New South Wales. The activities conducted included large geochemical soil sampling programs both in Victoria and Western Australia, the Phase II drilling program at Ashburton Gold Project, acquisition of multiple new projects as well as the formation of a new exploration joint venture with major Chilean lithium producer Sociedad Química y Minera de Chile S.A. (“SQM”).

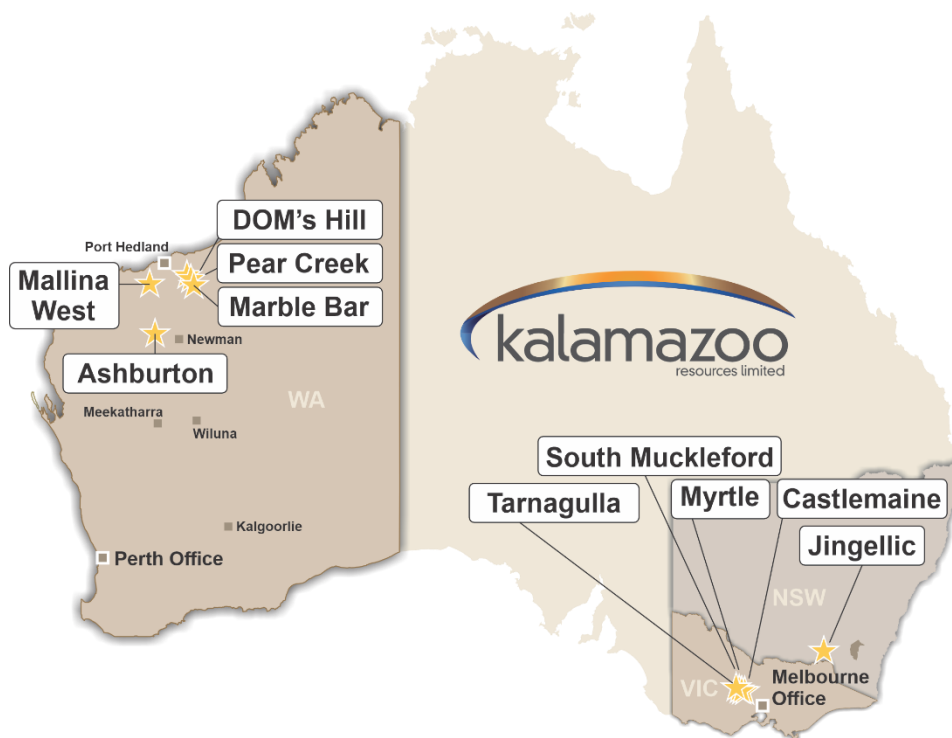


Figure 1: Kalamazoo Project Locations

WESTERN AUSTRALIA

ASHBURTON GOLD PROJECT

The Ashburton Gold Project is located 35km SE of Paraburdoo townsite and within the prospective Nanjilgardy Fault Zone following the southern margin of the Pilbara Craton (Figure 2). The project covers 217km² and consists of Mining Leases M52/639, M52/640, M52/734 and M52/735 that produced 350,000oz of gold between 1998-2004, and Exploration Licences 52/1941, 52/3024, 52/3025 and application E52/4052. The project has a current Mineral Resource Estimate (JORC Code (2012)) of 20.8Mt @ 2.5g/t Au for 1.65Moz¹ hosted largely in down plunge extensions of the historical mined open pits.

¹ ASX: KZR 23 June 2020

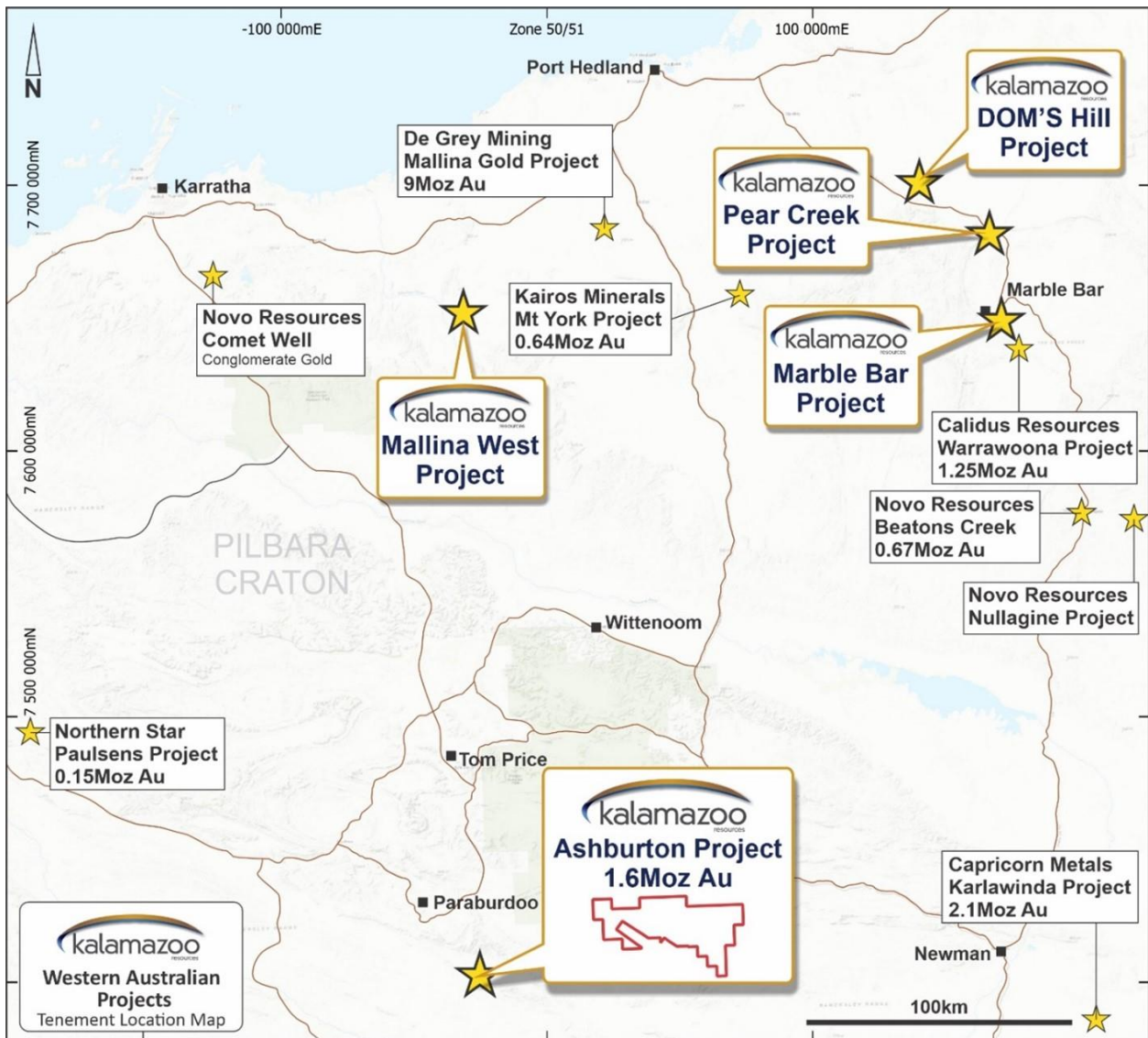


Figure 2: Pilbara Craton Location Map showing Kalamazoo’s Pilbara Gold Projects

During the year, Kalamazoo completed the Phase II drilling program (Figure 3) which was designed to test targets within a 5km radius of the 1.08Moz Au Mt Olympus resource that demonstrate the potential to host additional shallow, oxide, and non-refractory primary gold mineralisation, consistent with Kalamazoo’s focus on materially increasing the shallow oxide resource base.

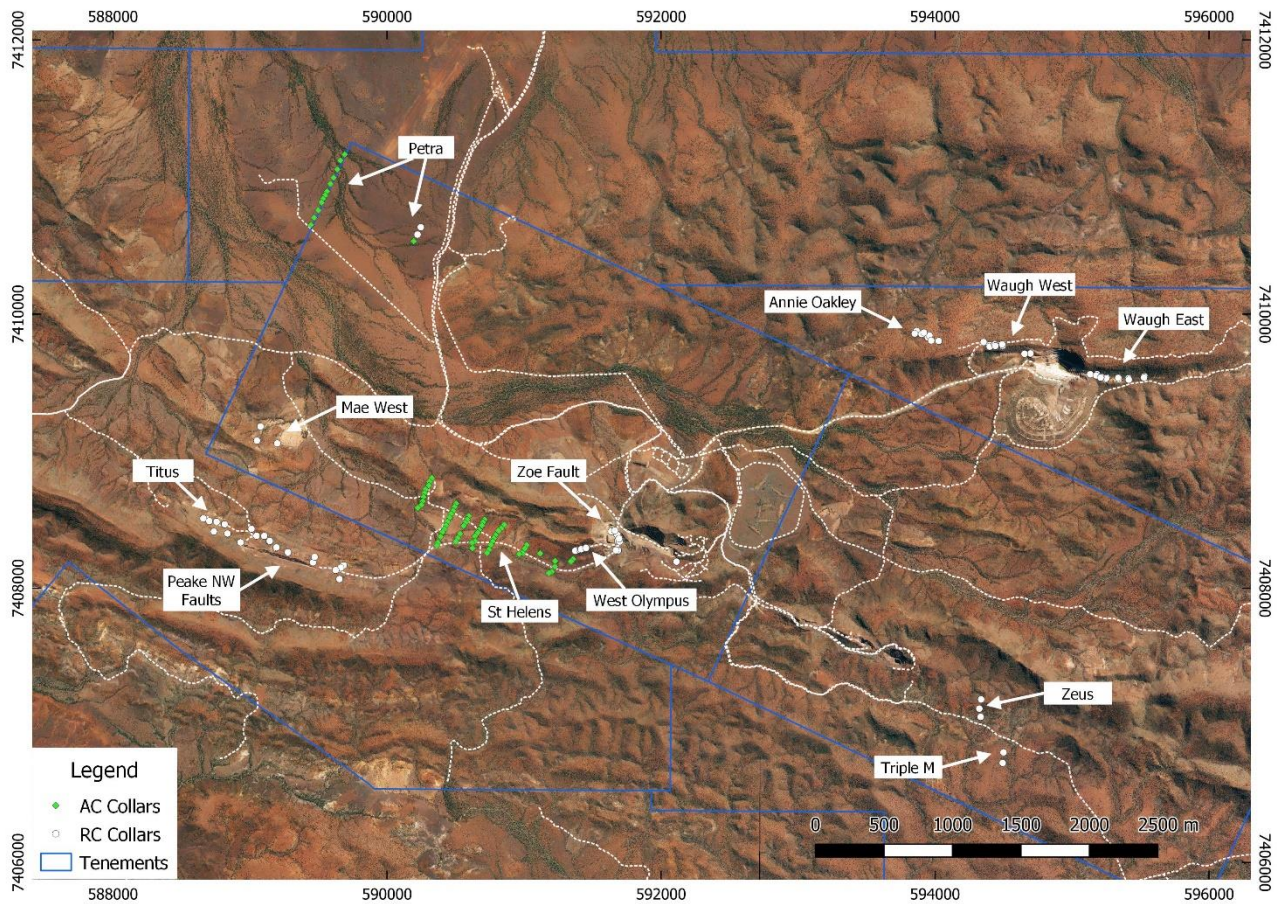


Figure 3: Locations of the Phase II drilling program at the Ashburton Gold Project

Both the Phase I and Phase II drilling programs were designed to target potential extensions and upgrades to the existing oxide and primary gold resources (i.e., resource or “brownfields” exploration) at the West Olympus, Peake, and Zeus Prospects as well as identifying and investigating the new greenfields prospects.

These results support Kalamazoo’s key objectives for the Ashburton Gold Project, which include defining new oxide gold resources such as that targeted at the West Olympus and Peake Deposits to support a stand-alone conventional gold processing facility. Kalamazoo is also focused on the addition of significant fresh (sulphide) resources, such as the newly identified plunging trend of gold mineralisation at West Olympus, which has the potential to contribute significant additional gold mineralisation to the existing Mt Olympus sulphide resource.

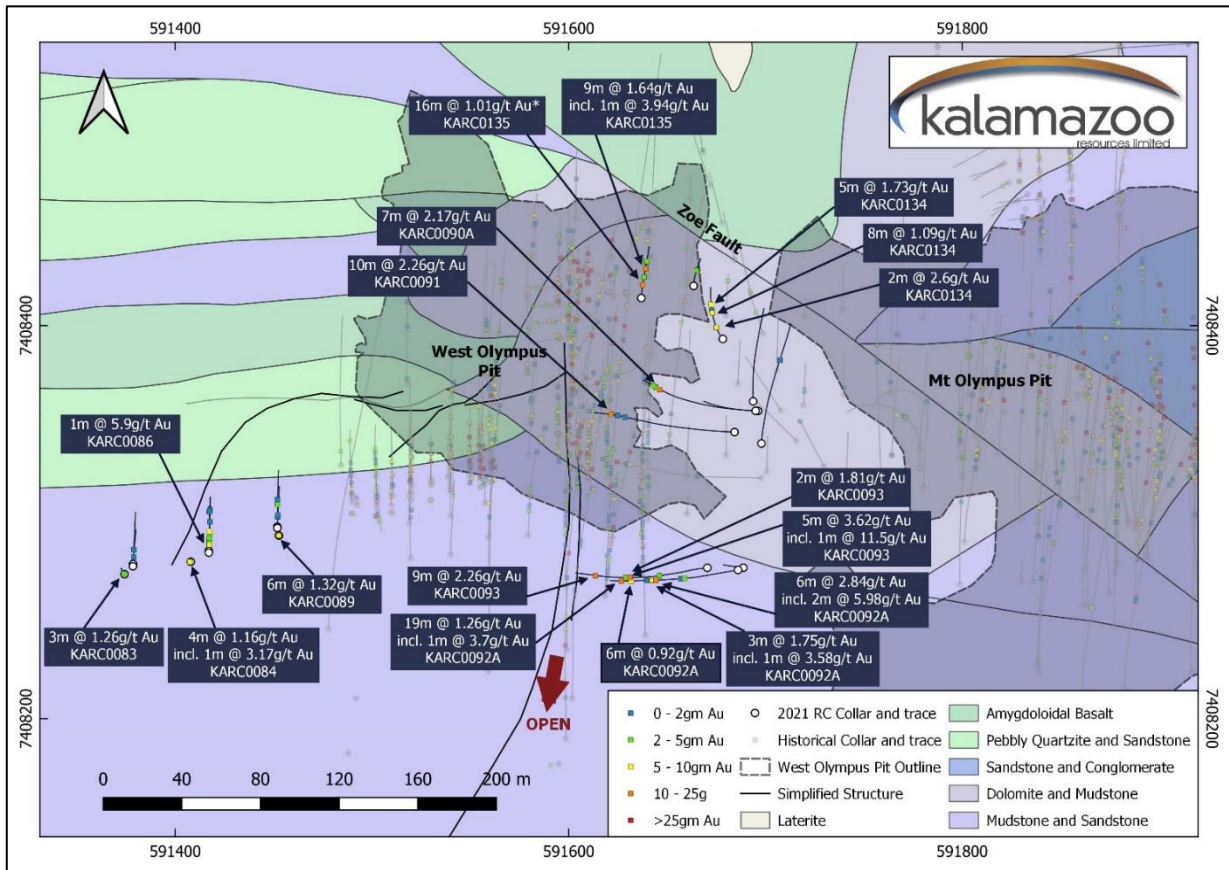


Figure 4: Solid Geology plan map showing 2021 Phase II RC holes targeting the West Olympus Fault, the Au-As anomalous pebbly quartzite and sandstone package and the Zoe Fault. Gram-metres Au intercepts (Au grade x intercept length) are shown as gm Au coloured squares

During the reporting period, Kalamazoo also undertook a detailed, project-wide structural geology interpretation and analysis led by Dr Brett Davis². Dr Davis is the Director of Olinda Gold Pty Ltd, a world-renowned consultancy that specialises in providing structural and economic geology expertise to the mining industry.

Kalamazoo engaged Dr Davis to identify the key controls on gold mineralisation within the project area and assist with additional exploration target generation. The outcome of this review delivered a new model of the controls on the gold mineralisation and identified 12 high priority brownfields and greenfields targets for follow-up investigation.

Kalamazoo also undertook a detailed Induced Polarisation (IP) geophysical survey that extends an historical IP survey west of the Mt Olympus resource and over the first of the new high priority targets. This survey targeted new lodes to the south and north of the prospective Zoe Fault and the inferred structural (fault) linkage or “stepover” between known gold mineralised faults at the end of the Mt Olympus Pit and the nearby West Olympus Pit (Figure 5).

² ASX: KZR 29 June 2022

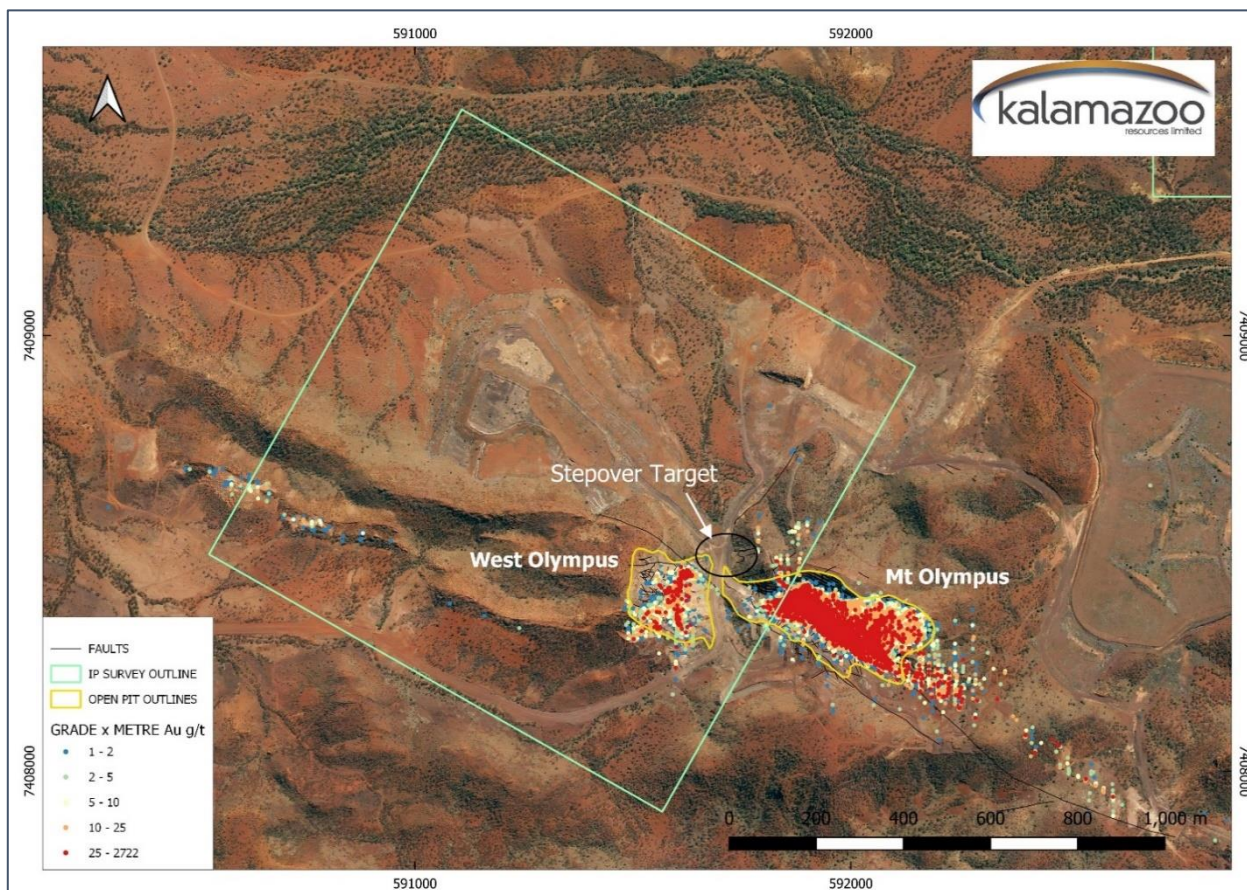


Figure 5: Satellite imagery of Mt Olympus Pit and West Olympus Pit, historical drill intercepts, the outline of the IP survey and location of the Stepover Target

The IP survey technique is particularly well suited to detecting structurally controlled sulphide mineralisation typical of the Ashburton Gold Project. Importantly, this IP survey is located adjacent to the existing Mt Olympus Resource of 15.2Mt @ 2.2 g/t (1.08Moz) that forms the bulk of the overall 1.65Moz Mineral Resource at the Ashburton Gold Project.

The five regional gold prospects targeted during the Phase II program were:

- Annie Oakley Prospect located approximately 800m NW of the 68koz @ 3.6g/t Au Waugh Resource
- Petra Prospect located approximately 3km NW of the 1.08Moz @ 2.2g/t Au Mt Olympus Resource
- St Helens Prospect located approximately 1km W of the Mt Olympus Resource
- Triple M Prospect located 1km SE of the 72koz @ 2.2g/t Au Zeus Resource
- Mae West Prospect located 750m north of the 399Koz @ 3.4g/t Au Peake Resource

The results of these exciting greenfields prospects are being fed into the design of the Phase III drilling program scheduled for the 2022 field season.

Metallurgical testwork was also carried out during the year on several zones within the Company's Mt Olympus gold deposit³. The aim of the test work was to determine whether the Mt Olympus resource would be amenable to the production of a high-grade gold sulphide concentrate via an industry standard crush-grind-float processing circuit, commonly used world-wide on many refractory style gold deposits. The test work was also used to confirm results from previous work completed by the previous owners, Northern Star Resources Ltd (ASX: NST) ("Northern Star") in 2011-12.

The initial results indicate, subject to completion of a robust financial business case, production of a high-grade gold concentrate is likely to represent the most straight forward, technically least challenging, and lowest capital-intensive method of extracting significant value from the Ashburton Gold Project.

Gold in concentrate grades of up to 45g/t were achieved as a result of this test work. These grades, which averaged 30g/t gold over the four composites tested, were significantly higher than that achieved by previous tests as a result of employing a cleaner circuit to the rougher float concentrate, thereby removing a significant amount of gangue from the final concentrate.

The company is very encouraged by these results and as at the end of June 2022 had embarked on a resource model rebuild for the Mt Olympus and Peake deposits, with a view to the completion of an initial Scoping Study by Q4 2022.

The material in this report that relates to the Mineral Resources for the Ashburton Gold Project is based on information announced to the ASX on 23 June 2020. The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements, and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply.

ASHBURTON GOLD PROJECT MINERAL RESOURCES										
	INDICATED			INFERRED			TOTAL			
	Tonnes (000's)	Grade (g/t)	Ounces (000's)	Tonnes (000's)	Grade (g/t)	Ounces (000's)	Tonnes (000's)	Grade (g/t)	Ounces (000's)	Cut off Grade
Mt Olympus	6,038	2.3	448	9,138	2.2	632	15,176	2.2	1,080	0.7 g/t Au
Peake	113	5.2	19	3,544	3.3	380	3,657	3.4	399	0.9 g/t Au
Waugh	347	3.6	40	240	3.6	28	587	3.6	68	0.9 g/t Au
Zeus	508	2.1	34	532	2.2	38	1,040	2.2	72	0.9 g/t Au
Romulus	-	-	-	329	2.6	27	329	2.6	27	0.9 g/t Au
TOTAL RESOURCES	7,006	2.4	541	13,783	2.5	1,105	20,789	2.5	1,646	

Table 1: Ashburton Gold Project (JORC Code 2012) Mineral Resources

³ ASX: KZR 11 March 2022

MALLINA WEST GOLD PROJECT

The Mallina West Gold Project (E47/2983, E47/4489, E47/4490, E47/4491 and E47/4342) covers 240km² in the Pilbara region of WA. The Mallina West Gold Project area is considered prospective for “Hemi-style” high magnesium intrusion related gold mineralisation as well as additional styles of mineralisation associated with the Wohler Shear Zone, a prospective splay of the Tabba, Mallina, Withnell and Berghaus Shear Zone complex (Figure 6).

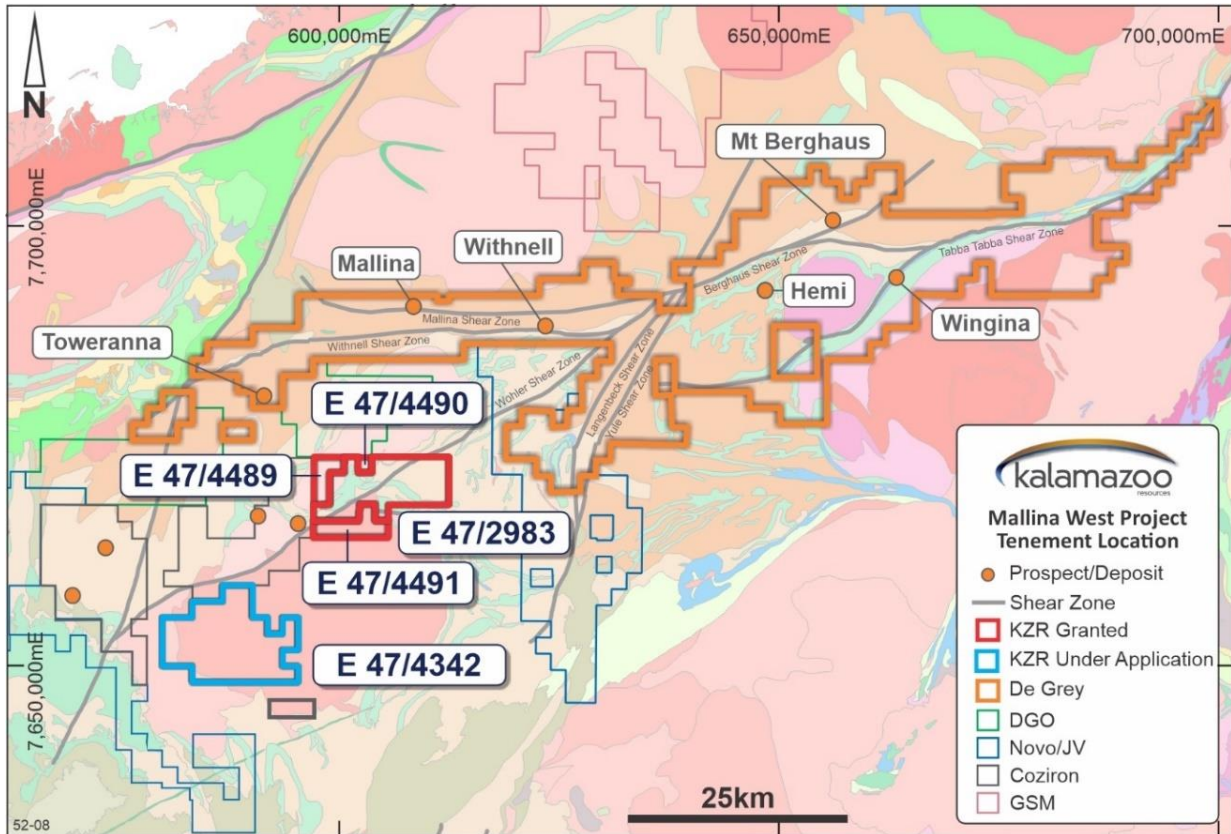


Figure 6: Mallina West Gold Project tenement location

Kalamazoo conducted a ~2,500 maiden RC drilling program⁴ during the year which focussed on six high priority drill targets⁵.

⁴ ASX: KZR 9 May 2022

⁵ ASX: KZR 5 November 2020



Figure 7: Drilling at Mallina West Gold Project, May 2022

WESTERN AUSTRALIA LITHIUM PROJECTS

Kalamazoo entered into an exploration/development option and earn-in agreement with the leading Chilean lithium producer Sociedad Química y Minera de Chile S.A. ("SQM") in respect of Kalamazoo's 100% owned DOM's Hill and Marble Bar Lithium Projects in the East Pilbara, WA (Figure 8), during the reporting period. SQM has been granted the right to earn an initial 30% interest (to a maximum of 70%) in all mineral rights at Kalamazoo's DOM's Hill and Marble Bar Lithium Projects, by sole funding a minimum of A\$12 million of exploration and development activities over the next four years.

SQM is one of the world's largest producers of lithium carbonate and lithium hydroxide accounting for approximately 19% of global lithium chemicals sales volumes in 2020⁶. SQM's main asset in Australia is its 50% joint venture interest in the Mt Holland Lithium Project in Western Australia.

The Pear Creek Lithium Project was acquired during the year and covers ~147km² of highly prospective lithium and gold geology located between Kalamazoo's Marble Bar and DOM's Hill Lithium Projects (Figure 8). The Pear Creek Lithium Project area is 100% owned by Kalamazoo and is not currently included within the SQM Joint Venture. All three projects are considered highly prospective for both pegmatite-hosted lithium-caesium-tantalum ("LCT") mineralisation as well as gold.

⁶ SQM 2020 Annual Report, Form 20-F <https://ir.sqm.com/English/financials/annual-reports/default.aspx>

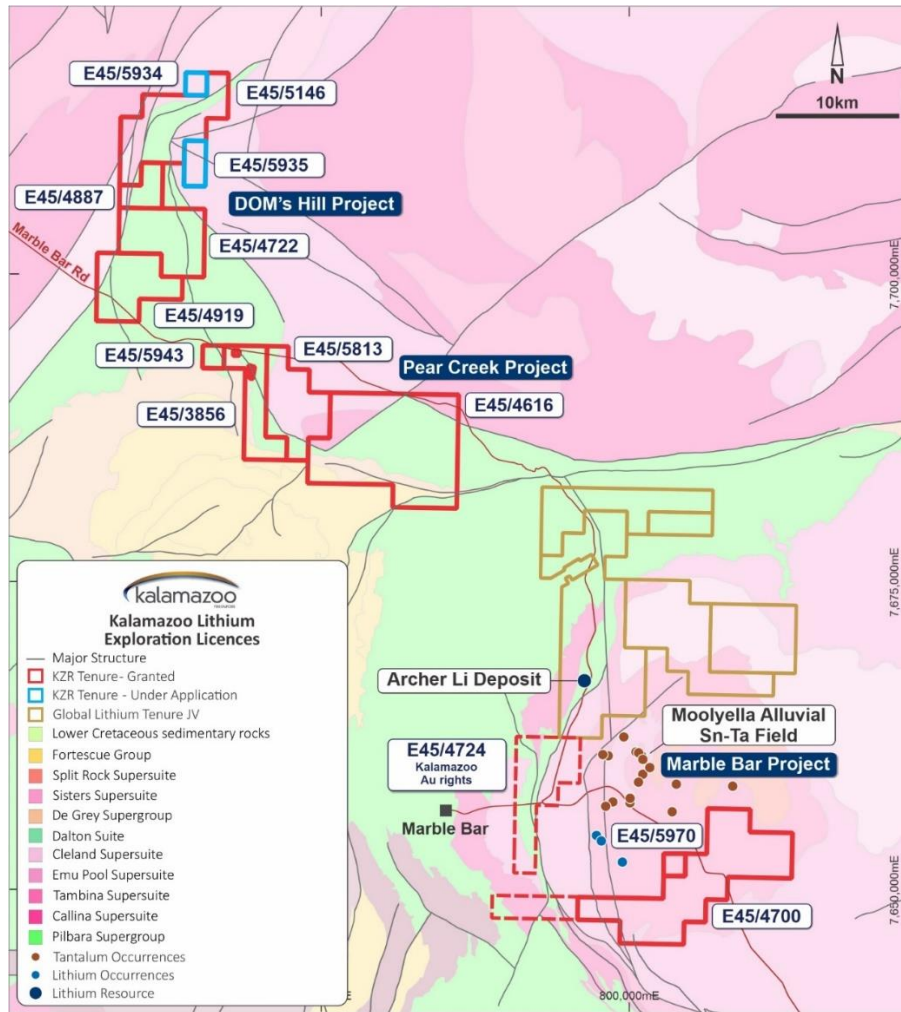


Figure 8: Location of Kalamazoo’s lithium exploration projects at DOM’s Hill, Marble Bar and Pear Creek Projects, East Pilbara Region WA. Note that Kalamazoo has gold rights only in respect of E45/4724.

During the reporting period, Kalamazoo completed three soil sampling programs across several tenements within the Marble Bar, DOM’s Hill, and Pear Creek Lithium Projects.⁷ At the DOM’s Hill and Marble Bar projects project-wide soil sampling was conducted using detailed 200m x 100m grids across E45/4722, E45/4887, E45/4919, E45/5146, E45/4700, E45/5970 and E45/5970.

Following the completion of the above-mentioned programs, the soil sampling crew mobilised to Kalamazoo’s nearby 100%-owned Pear Creek Lithium Project and completed an initial ~2,300 soil sampling program undertaken on a detailed 200m x 200m grid in late June 2022. This soil sampling program focused on the “Goldilocks Zone”, being approximately 4km wide zone from the Granite-Greenstone contact.

⁷ ASX: KZR 11 May 2022

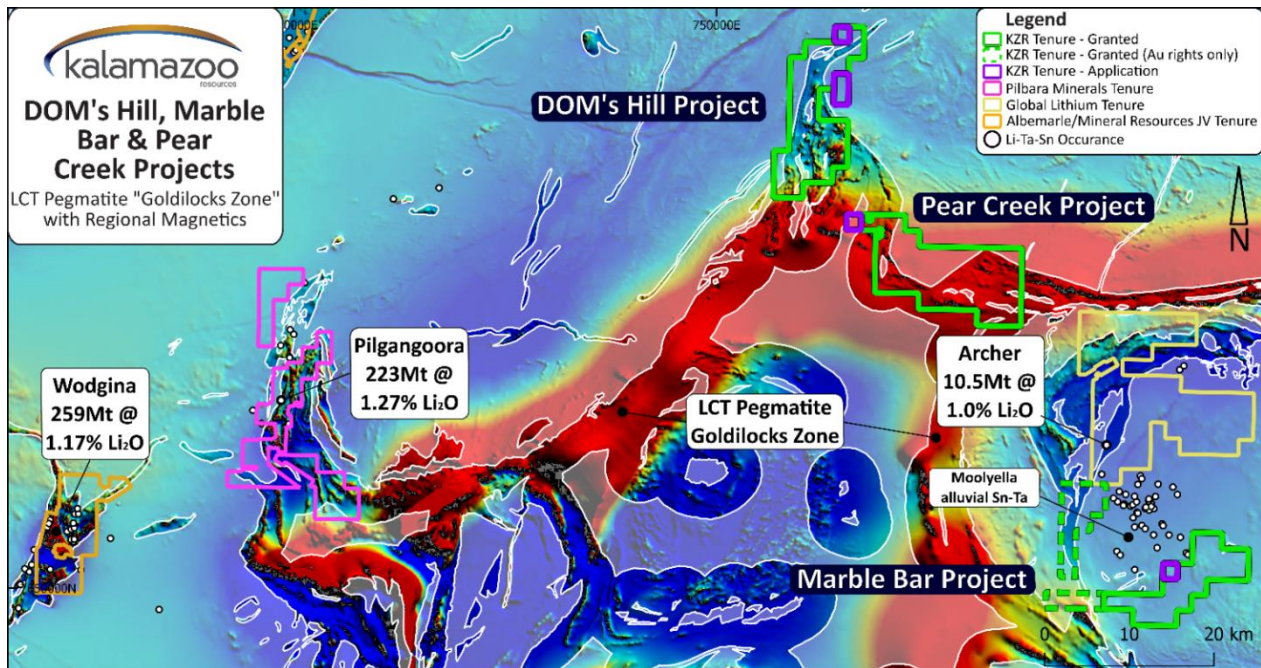


Figure 9: Location of Kalamazoo's Lithium Projects with respect to the Pilgangoora and Wodgina lithium mines and the Archer lithium deposit on a background WA regional-scale aeromagnetic image⁸. The interpreted "Goldilocks Zone" is defined as a 4km wide zone located along the Archean granite-greenstone contact area.

DOM'S HILL PROJECT

The DOM's Hill Project in the East Pilbara WA comprises exploration licences E45/4722, E45/4887, E45/4919, E45/5146, E45/5943 as well as two licence applications E45/5934 and E45/5935 covering 125km². Both E45/5934 and E45/5935 were granted post reporting period.

Prior to the above-mentioned soil sampling program Kalamazoo completed pXRF analyses of 732 soil sample pulps, previously collected within E45/5146 for gold exploration purposes for indications of potential LCT pegmatite mineralisation. The results of the pXRF Lithium Index analyses identified highly prospective areas-of-interest, possibly related to potential LCT pegmatite mineralisation, three of which are considered high priority. These results provided encouragement for Kalamazoo to engage surface sampling contractors for further investigation. Significantly, the project contains a similar geological setting and target host rocks strongly analogous to that of the nearby world class Pilgangoora and Wodgina pegmatite-hosted lithium deposits (Figure 9).

The results of these programs were used for target identification and an approximately 1,600m drill program at the DOM's Hill Lithium project completed post reporting period.

⁸ Western Australian Department of Mines, Industry Regulation and Safety website: Lithium in Western Australia, June 2021

MARBLE BAR PROJECT

The Marble Bar Project is located just 10km from the Marble Bar township in the Pilbara and consists of exploration licences E45/4724, E45/4700 and E45/5970 for a total landholding of 125km². Kalamazoo has the gold rights only in respect of E45/4724 and is not considered part of the Lithium project portfolio.

Kalamazoo considers this area to be highly prospective for lithium mineralisation due to its favourable proximity along the margin of the Moolyella tin and tantalum alluvial field, which includes known cassiterite-bearing pegmatites. In addition, within these tenements, there are historical reports of mapped pegmatites and lithium occurrences. Whilst the known lithium occurrences are largely comprised of lithium micas (i.e., lepidolite) this area demonstrates the positive characteristics and empirical evidence favourable for the presence of spodumene-bearing pegmatites.

Parallel with the soil sampling program Kalamazoo undertook field mapping and rock chip sampling activities, aimed at verifying previously reported, highly encouraging pXRF soil geochemistry anomalies (Figure 10). These programs were designed to identify prospective pegmatite dykes for reconnaissance exploration drill testing. To date, numerous outcrops of pegmatite dykes have been found coincident with the soil geochemistry anomalies, some of which contain visible amounts of lepidolite (lithium mica) (Figure 11a, 11b and 11c). Lepidolite is a common accessory mineral found associated with many lithium deposits and its presence demonstrates that favourable lithium enrichment processes have occurred in the area.

Of note is a significant ~1.6km x 1.2 km pXRF soil geochemistry anomaly in E45/4700 that is open to the west and north (Figure 10). Field reconnaissance of this area has found this soil geochemistry anomaly closely associated with numerous outcropping pegmatite dykes, some of which contain visible lepidolite mineralisation. Additional outcropping lepidolite-mineralised pegmatite dykes in E45/4700 have been observed trending into the adjacent, newly granted tenement E45/5970 significantly extending the area of known mineralised pegmatite dykes closely associated with the largest pXRF Li Index soil geochemistry anomaly to >2km² (Figure 10). This also supports historical exploration reports of several occurrences of lithium mineralised (lepidolite) pegmatite dykes known to occur within E45/5970 (Lithium Australia NL E45/4766 2019 Annual Report).

The results of these programs were used for target identification and an approximately 2,500m maiden drill program was completed at the Marble Bar Lithium Project post reporting period.

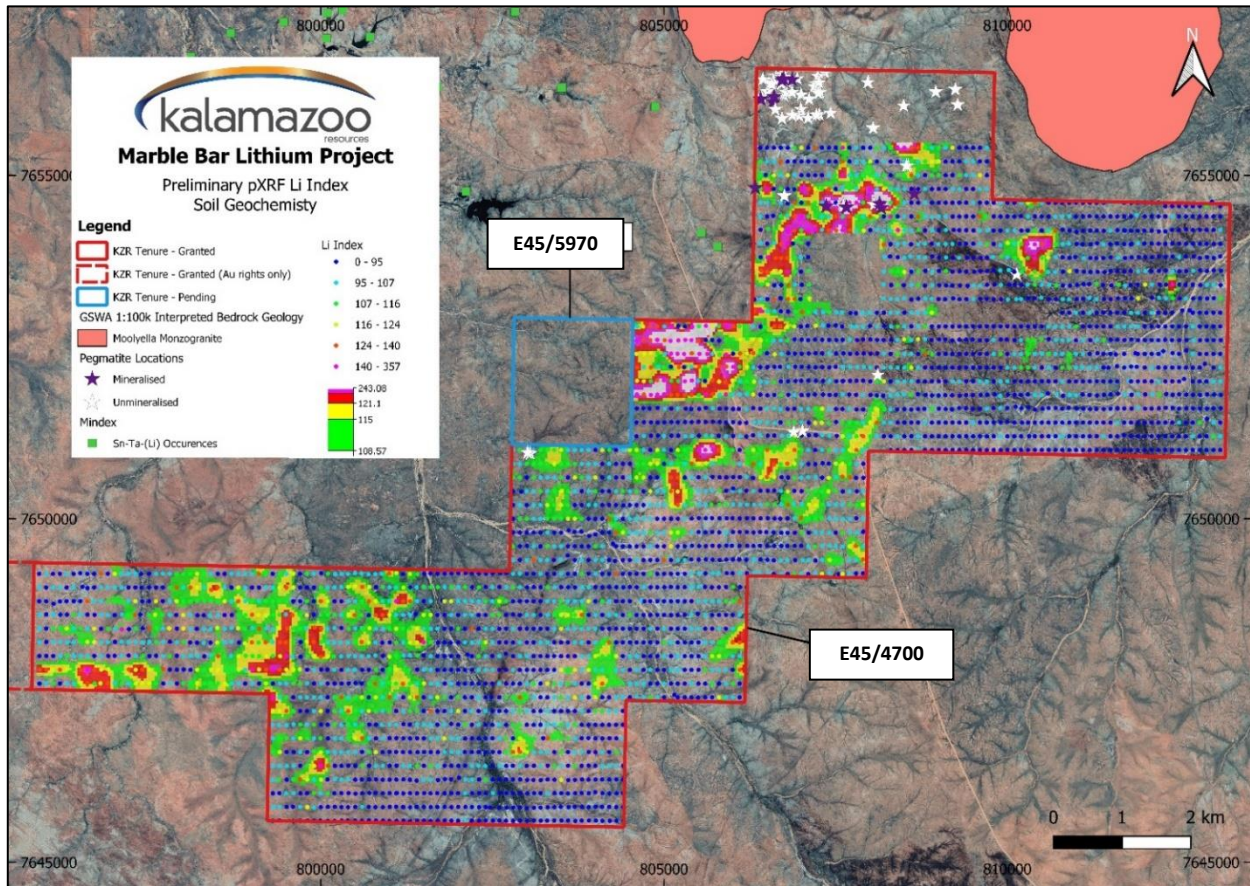


Figure 10: Project-wide 200m x 100m soil sampling grid with pXRF Li Index analysis results on background Google Earth Image. Note that the pegmatite locations marked are from mapping completed mainly by previous explorers as well as Kalamazoo and is largely limited to the northern section of the project.



Figure 11a: Photo of lepidolite-mineralised pegmatite dyke outcrop in E45/4700 near the eastern boundary of E45/5970. Note Geologist at far end of outcrop for scale.



Figure 11b and 11c: Photographs of purple coloured lepidolite (lithium mica) contained within same pegmatite outcrop

PEAR CREEK LITHIUM PROJECT

The Pear Creek Lithium Project consists of three exploration licences (E45/3856, E45/4616 and E45/5813) and is located in the East Pilbara region, WA, covering ~147km² of highly prospective lithium and gold geology located between Kalamazoo's existing DOM's Hill and Marble Bar Lithium Projects⁹ (Figure 8). The project includes ~25km strike of Archaean granite-greenstone contact which is highly prospective for LCT mineralisation. On acquiring the project in December 2021, Kalamazoo increased its lithium and gold exploration tenure in the Marble Bar region to 348km².

The Pear Creek Lithium Project is, and has historically been, considered prospective for a range of gold, nickel, cobalt and base metal deposits. Despite its close proximity to two of the world's largest hard-rock lithium mines (Pilgangoora and Wodgina), there has been no known previous exploration for lithium undertaken at Pear Creek. Furthermore, like the nearby DOM's Hill Lithium Project, the Pear Creek Lithium Project area contains a geological setting with target host rocks strongly analogous to that of the nearby world class Pilgangoora and Wodgina pegmatite-hosted lithium deposits.

A ~2,300m soil sampling program on a detailed 200m x 200m grid was completed in late June 2022. This soil sampling program initially focused on the "Goldilocks Zone", being approximately a 4km wide zone from the Granite-Greenstone contact across all three tenements. Initial analysis of these soil samples utilising the pXRF Lithium Index has been completed post reporting period and will be the focus of follow-up field reconnaissance mapping and surface sampling.

NEW SOUTH WALES

JINGELIC LITHIUM PROJECT

During the year, Kalamazoo acquired the Jingellic Lithium Project which is located in the Lachlan Fold Belt of southern NSW, consisting of one granted exploration licence EL9403 covering 990km² (granted 10 May 2022). The project lies in a mix of state forest, timber plantation, cleared and uncleared farmland and increased Kalamazoo's total lithium holding country wide to ~1,328km².

The project is a "first mover" play covering an area that hosts highly fractionated S-type granites associated with numerous alluvial and hard rock tin-tungsten occurrences, including outcropping tin-tungsten bearing pegmatite dykes and historical mine workings (Figures 12 and 13). These are critically favourable features of Kalamazoo's LCT-pegmatite exploration model.

⁹ ASX: KZR 14 December 2021

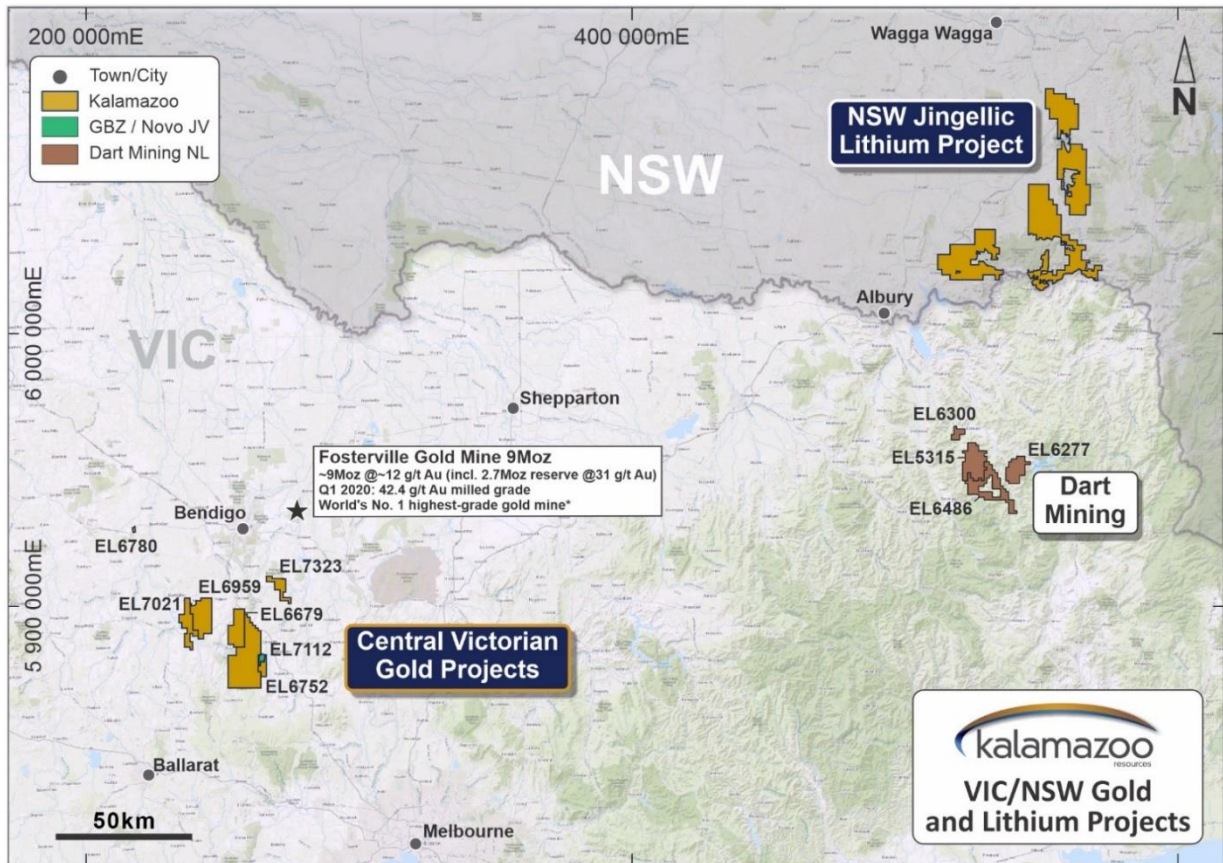


Figure 12: Location of Kalamazoo’s NSW Jingellic Lithium Project with respect to Dart Mining’s Dorchap LCT Pegmatite Project and Kalamazoo’s Central Victorian Goldfields tenements

Following the acquisition of this Project, Kalamazoo immediately undertook an initial field reconnaissance exercise which confirmed the presence of several historical tin-tungsten mine workings and numerous outcropping pegmatite dykes located within the project area. Following an initial community engagement process, a “low impact” exploration program will commence consisting of soil sampling, geological mapping and rock chip sampling during the 2022/2023 reporting year.

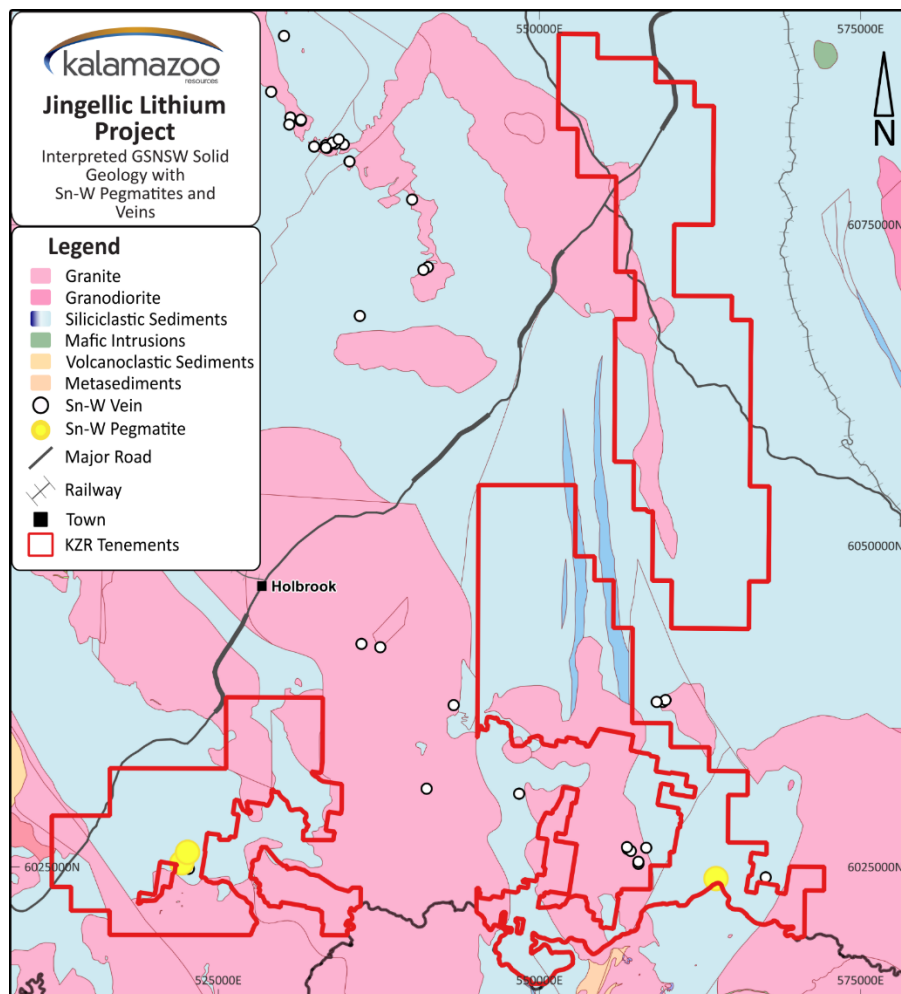


Figure 13: Jingellic Lithium Project (EL9403) on NSW Geological Survey solid basement geology map plus tin-tungsten (Sn-W) mineral occurrences and pegmatite dykes

VICTORIA

CASTLEMAINE GOLD PROJECT

The Castlemaine Gold Project consists of three exploration licences, EL006679 (“Wattle Gully”, 70km²), EL006752 (“Wattle Gully South”, 218km²) and EL007112 (“Queens”, 22km²) for a total of 310km². EL006679 lies immediately east and south of the town of Castlemaine and covers almost the entire historic Castlemaine Goldfield whilst EL006752 lies to the east and south of EL006679 and covers regional geological structures known to be associated with gold potential. EL007112 lies adjacent and to the east of EL006752 (Figure 14).

It was a relatively quiet year for field activity at Castlemaine due to a focus on the company’s Western Australia’s gold and lithium projects. A regional scale soil sampling program was completed over the entire project whilst Novo Resources continues to operate the Queens Project JV.

As part of its regional-scale soil sampling program, Kalamazoo identified an encouraging significant ~800m long Au and As in soil anomaly within the hanging-wall of the regional-scale Taradale Fault in EL6752. This significant linear Au (peak assay 68ppb) and As (peak assay 560ppm) in soil anomaly is along strike of historical mine workings located nearby in the adjacent “Queens” Kalamazoo Resources/Novo Resources Joint Venture Project (EL7112). Note that the Queens Project JV encircles the Malmsbury goldfield and covers multiple structural extensions of the primary lode Au gold deposits of this important high-grade gold camp (Figure 15). The Malmsbury goldfield is currently being drilled as part of the GBM Resources Limited’s (ASX: GBZ) and Novo Resources Joint Venture (ASX: GBZ 17 December 2021). This significant soil geochemistry anomaly will be the focus of further field investigations.

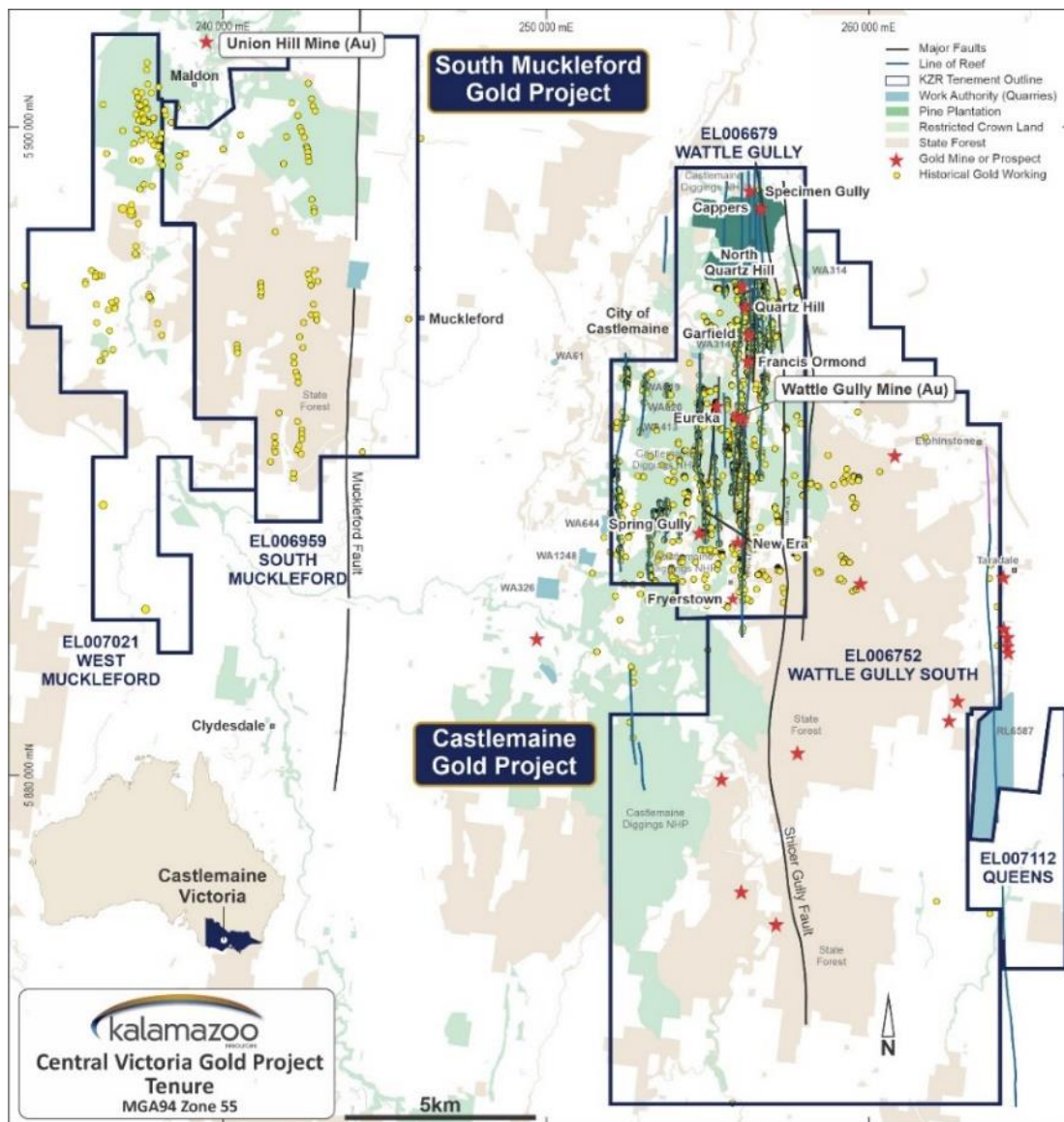


Figure 14: Castlemaine and South Muckleford Gold Project locations

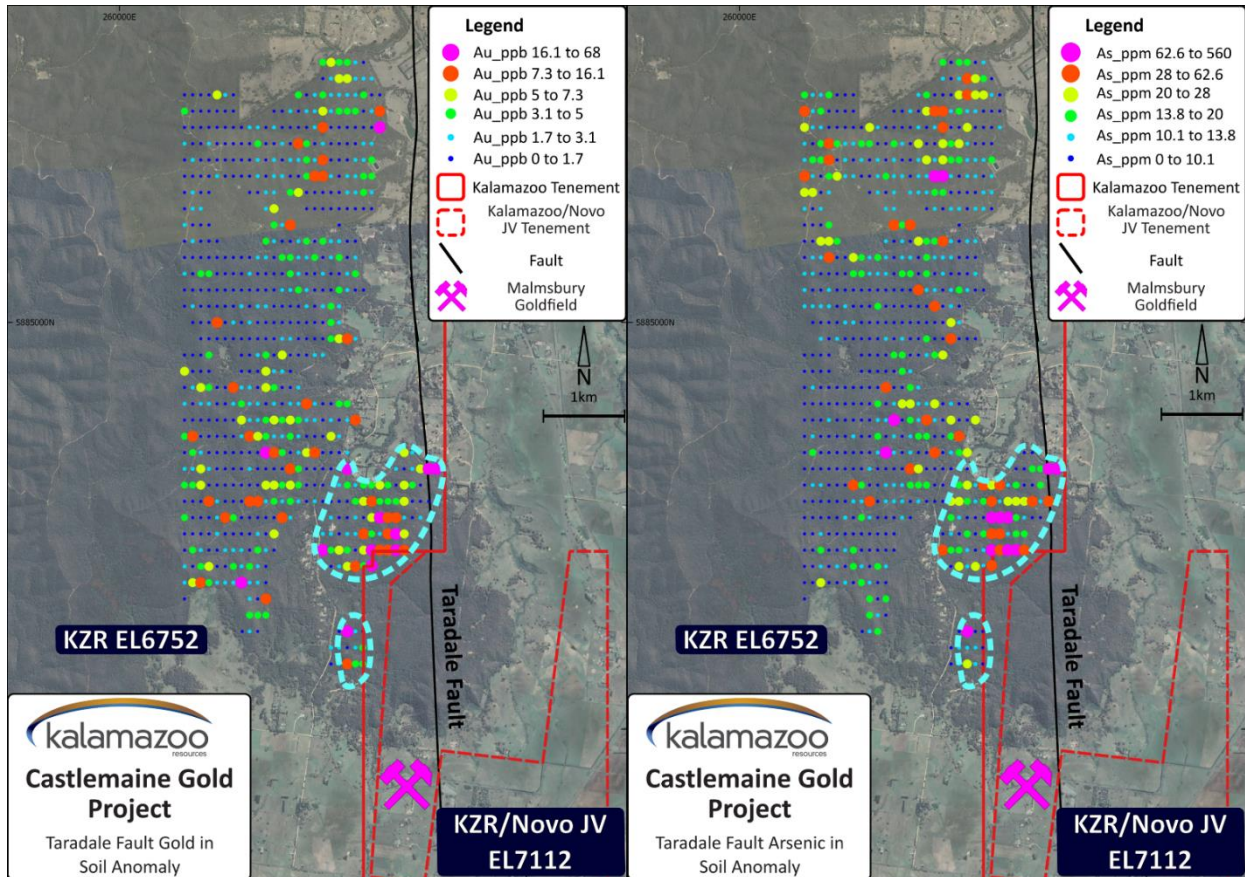


Figure 15: Castlemaine Gold Project EL006752 – Ultrafine+ Au and As in soil assay results. Note the significant coincident Au and As in soil anomaly (dashed blue polygon) directly to the north of the Malmsbury goldfield.

SOUTH MUCKLEFORD GOLD PROJECT

The South Muckleford Gold Project (161km²) is located 10km west of Kalamazoo’s Castlemaine Gold Project and contains a highly prospective goldfield with proven endowment and historical high-grade gold production. In particular, it covers the regional Muckleford Fault and adjacent historical workings to the west (i.e. hanging-wall position), numerous historical alluvial and hard rock gold mines and the southern strike extent of the Union Hill Gold Mine, at Maldon.

Following a concerted program of historical research, field mapping and rock chip and soil sampling conducted throughout the reporting period, three prospects were identified and confirmed the existence of a broad epizonal, high grade gold. Following this, Kalamazoo completed its maiden RC drilling program at the Fentiman’s Reef, Smith’s Reef and Charcoal Gully prospects within EL006959 with the results confirming the existence of several shallow epizonal gold-antimony-arsenic reef structures at the three tested prospects (Figure 16).



Figure 16: RC drilling at Fentiman's Reef prospect, South Muckleford Gold Project

Assay results from this program confirmed the existence of several shallow epizonal gold-antimony-arsenic reef structures in the eastern section of the South Muckleford Project (EL6959). Assays and visual inspections from these reef intersections have shown rock textures and widespread gold-antimony-arsenic mineralisation typical of a shallow epizonal style of mineralisation with peak 1m RC composite samples assays up to 1.4g/t gold, 0.25% antimony (including visible stibnite) and 0.5% arsenic¹⁰.

As a follow-up to the 29 x RC drill hole program completed in Q1 2021, an additional small diamond drilling program at the South Muckleford Project was completed during August/September 2021. This program involved one surface diamond hole and one diamond tail hole at the Fentiman's Reef prospect, plus two surface diamond holes at the Smith's Reef North prospect for a total of 652.1m. All four drill holes were designed to test interpreted structural targets within their respective reef structures. All four drill holes reached their target zones and intersected significant quartz vein and fault structures which were subsequently sampled and sent for laboratory assay analysis. Whilst geochemically anomalous the samples returned only low levels of gold in assays (Table 2). Kalamazoo remains encouraged by the drilling results to date with the current focus on further 3D structural geology modelling, geochemical vectoring investigations and targeting exercises, with the aim of identifying extensional and/or deeper targets along these defined reef structures.

¹⁰ ASX: KZR 22 July 2021

Hole ID	Prospect	Easting (m)	Northing (m)	Dip	Azimuth (magnetic)	Depth (m)	Au (ppm)
SM21DD001	Smith's Reef Nth	242464	5900109	-50	098	101.5	NSA
SM21DD002	Smith's Reef Nth	242469	5900098	-50	140	200.5	NSA
SM21DD003	Fentiman's Reef	242586	5901321	-85	130	297.1	NSA
SM21RC003DT	Fentiman's Reef	242594	5901381	-84	031	239.6	NSA

Table 2: Summary of South Muckleford Diamond Drill Holes (minimum assay cut off 0.5ppm Au)

MYRTLE GOLD PROJECT

The Myrtle Gold Project is located within the prospective hanging-wall of the Axe Creek Fault, a major northwest trending structure which strikes sub-parallel to the Fosterville fault, located approximately 25km to the north (Figure 17). The Myrtle Gold Project is considered prospective for both Fosterville-style epizonal orogenic Au as well as intrusion related Au ± Mo deposits.

Kalamazoo conducted an Ultrafine+™ multi-element soil geochemistry program (~780 samples) across key parts of the project during the year along with desktop studies. The soil assay results were received post reporting period.

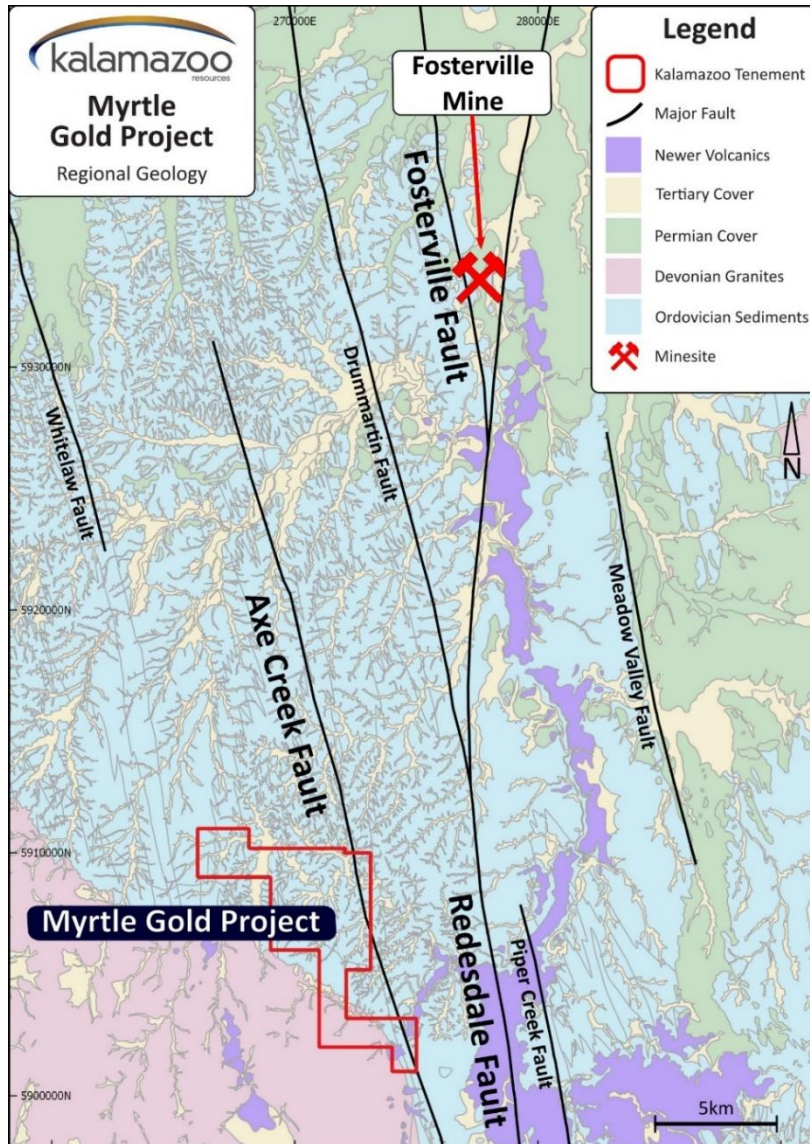


Figure 17: Location of the Myrtle Gold Project (EL7323) with respect to the major, regional-scale Axe Creek and Redesdale Faults and Fosterville Gold Mine

TARNAGULLA GOLD PROJECT

The Tarnagulla Gold Project (EL6780) is located ~180km NE of Melbourne.

The previously completed regional scale soil sampling program, conducted in conjunction with the CSIRO using their Ultrafine+™ multi-element analyses, has revealed a significant 1.4km long linear gold in soil anomaly (>100 ppb Au) that is coincident with a trend of historical high-grade hard rock mine workings. This includes the historic “Poverty Reef” Mine, located approximately 1km along strike to the south which had reported production of 360,000oz @ 92 g/t Au¹¹.

¹¹ Ebsworth, G.B. & Krokowski De Vickerod, J., 2002. Central Maldon Goldfield 1:5000 map area geological report, Victorian Initiative for Minerals and Petroleum Report 75, Department of Natural Resources and Environment

Kalamazoo also completed the planning for an ~900m RC/diamond drilling program at Tarnagulla to test highly prospective, coincident structural and soil geochemistry targets during the year. This drilling program is now fully permitted and is scheduled to be completed in the coming reporting period.

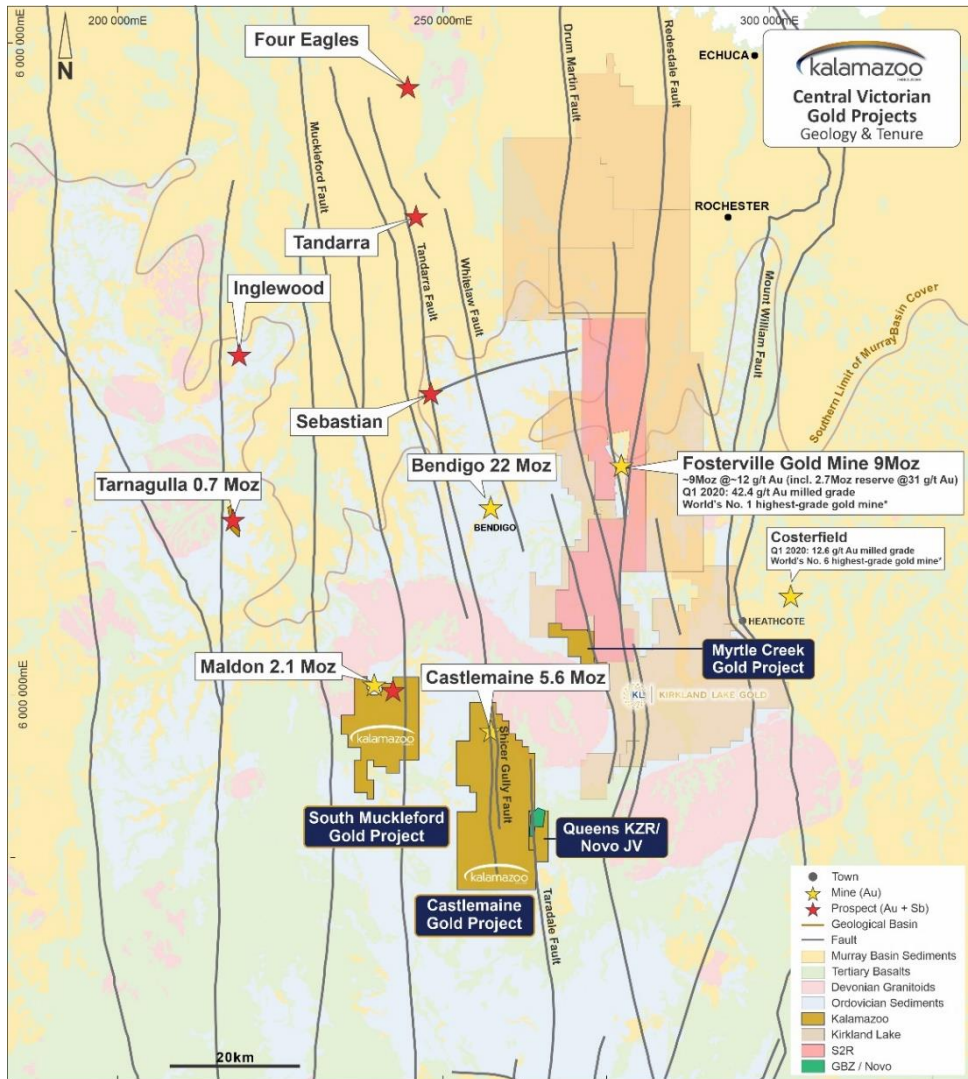


Figure 18: Map of the Kalamazoo’s gold exploration projects in the Bendigo Zone, Central Victoria

Response to COVID-19

Kalamazoo has been proactively managing the potential impact of COVID-19 and has developed systems and policies to ensure the health and safety of its employees and contractors, and of limiting risk to its operations. These systems and policies have been developed in line with the formal guidance of State and Federal health authorities and with the assistance of its contractors and will be updated should the formal guidance change. Kalamazoo's first and foremost priority is the health and wellbeing of its employees and contractors.

To ensure the health and wellbeing of its employees and contractors, Kalamazoo has implemented a range of measures to minimise the risk of infection and rate of transmission to COVID-19 whilst continuing to operate. All operations and activities have been minimised only to what is deemed essential. Implemented measures include employees and contractors completing COVID-19 risk monitoring, increased hygiene practices, the banning of non-essential travel for the foreseeable future, establishing strong infection control systems and protocols across the business and facilitating remote working arrangements, where practicable and requested. Kalamazoo will continue to monitor the formal requirements and guidance of State and Federal health authorities and act accordingly.

Competent Persons Statement

The information for the Victorian Projects, Mallina West Gold Project as well as the Lithium Projects in both New South Wales and Western Australia is based on information compiled by Dr Luke Mortimer, a competent person who is a Member of The Australian Institute of Geoscientists. Dr Mortimer is an employee engaged as the Exploration Manager for the Company and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration results, Mineral Resources and Ore Reserves'. Dr Mortimer consents to the inclusion in this document of the matters based on his information in the form and context in which it appears.

The information in this release relating to the exploration data for the Ashburton Gold Project is based on information compiled by Mr Matthew Rolfe, a competent person who is a Member of The Australasian Institute of Geoscientists. Mr Rolfe is an employee of Kalamazoo Resources Ltd and is engaged as Exploration Manager Ashburton Gold Project for the Company. Mr Rolfe has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Rolfe consents to the inclusion in this document of the matters based on his information in the form and context in which it appears.

The information in this announcement that relates to the estimation and reporting of mineral resources at the Ashburton Project is based on information compiled by Dr Damien Keys, a competent person who is a Member of Australian Institute of Geoscientists. Dr Keys is an employee of Complete Target Pty Ltd who is engaged as a consultant to Kalamazoo Resources Limited. Dr Keys has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Dr Keys consents to the inclusion in this document of the matters based on his information in the form and context in which it appears.

The information in this report that relates to the Mineral Resources for the Ashburton Project is based on information announced to the ASX on 23 June 2020. The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements, and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply.

Mineral Resource and Ore Reserve Governance Controls

Kalamazoo ensures that the Mineral Resources quoted are subject to governance arrangements and internal controls. Internal and external reviews of Mineral Resource estimation procedures and results are carried out by a team of experience technical personnel that is comprised of highly competent and qualified professionals. These reviews have not identified any material issues.

Kalamazoo reports its Mineral Resources on at least an annual basis in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code), 2021 or 2004 Edition as stated. Competent Persons named in this report are Members or Fellows of the Australasian Institute of Mining and Metallurgy and/or the Australian Institute of Geoscientists and qualify as Competent Persons as defined in the JORC Code.

Kalamazoo's procedures for drilling, sampling techniques and analysis are regularly review and audited by independent experts. Assays are undertaken by independent, internationally accredited laboratories with a QA/QC program delivering acceptable levels of accuracy and precision.

Forward Looking Statements

Statements regarding Kalamazoo's plans with respect to its mineral properties and programmes are forward-looking statements. There can be no assurance that Kalamazoo's plans for development of its mineral properties will proceed as currently expected. There can also be no assurance that Kalamazoo will be able to confirm the presence of additional mineral resources/reserves, that any mineralisation will prove to be economic or that a mine will successfully be developed on any of Kalamazoo's mineral properties. The performance of Kalamazoo may be influenced by a number of factors which are outside the control of the Company and its Directors, staff and contractors.

DIRECTORS' REPORT

Your Directors present their report on Kalamazoo Resources Limited ("the Company") at the end of the year ended 30 June 2022.

DIRECTORS

The following persons were Directors of the Company during the whole of the financial year and up to the date of this report unless noted otherwise:

- Luke Reinehr, Executive Chairman / Chief Executive Officer
- Angus Middleton, Non-Executive Director
- Paul Adams, Executive Director

PRINCIPAL ACTIVITIES

The principal activities of the Company during the year were:

- to carry out exploration on its mineral tenements;
- to seek extensions of areas held and to seek out new areas with mineral potential; and
- to evaluate new opportunities for joint venture or acquisition.

FINANCIAL RESULTS

The loss of the Company after providing for income tax for the year ended 30 June 2022 was \$1,385,254 (2021: loss of \$445,828).

DIVIDENDS

No dividends have been paid or declared since the start of the financial year. No recommendation for the payment of a dividend has been made by the Directors.

OPERATIONS AND FINANCIAL REVIEW

Information on the operations of the Company and its prospects is set out in the "Review of Activities" section of this Annual Report.

FINANCIAL

As at 30 June 2022 the Company had net assets of \$19,118,002 (2021: \$17,959,128) including cash and cash equivalents of \$2,817,825 (2021: \$5,850,997) and capitalised exploration and evaluation assets of \$16,361,189 (2021: \$11,636,910). Exploration and evaluation costs totalling \$28,493 (2021: \$90,754) were expensed during the year in accordance with the Company's accounting policy.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Significant changes in the state of affairs of the Company during the financial year were as follows:

In December 2021 the Company completed the acquisition of three exploration licences (E45/3856, E45/4616 and E45/5813) in the East Pilbara region of Western Australia ("Pear Creek Lithium Project"). This Project covers approximately 47km² of highly prospective lithium and gold geology and is located between the Company's DOM's Hill and Marble Bar Lithium Projects.

In December 2021 the Company entered into an exploration/development option and earn-in with the leading Chilean lithium producer Sociedad Química y Minera de Chile S.A. ("SQM") in respect of Kalamazoo's 100% owned DOM's Hill and Marble Bar Lithium Projects in the East Pilbara WA. SQM was granted the right to earn an initial 30% interest (to a maximum of 70%) in all mineral rights at the Company's DOM's Hill and Marble Bar Lithium Projects, by sole funding a minimum of A\$12 million of exploration and development activities over four years

During the financial year 2,000,000 Options with an exercise price of \$0.30 and expiring on 10 July 2021 and 8,900,000 Options with an exercise price of \$0.25 and expiring on 30 November 2021 were exercised raising a total of \$2.825 million (before costs).

There were no other significant changes in the state of affairs of the Company during the financial year.

EVENTS SINCE THE END OF THE FINANCIAL YEAR

In August 2022, the Company entered into an Agreement with New York based Lind Global Fund II, LP, ("Lind") whereby Lind invested \$3.0 Million (before costs) via a placement of Kalamazoo ordinary fully paid shares ("Placement Shares") and 6 million unlisted options. The Placement Shares will be issued to Lind during the term of the Agreement (expiring 31 July 2024) with the price being not less than \$0.50 until 31 January 2023 and then at a calculated VWAP subscription price.

On 19 September 2022, the Company announced that it had completed the acquisition of the 1,609km² Mt Piper Gold Project in Victoria from Coda Minerals Limited ("Coda") (ASX:COD). The Project consists of exploration licences EL6775, EL7331, EL7337, EL7366, EL7380 and application ELA7481. Kalamazoo will pay Coda \$300,000 and 1,525,000 fully paid ordinary shares in Kalamazoo, escrowed for 12 months from issue. Coda retains a 1% Net Smelter Royalty on any minerals extracted from the tenements.

There has not arisen in the interval between the end of the financial year and the date of this report any other item, transaction or event of a material and unusual nature likely, in the opinion of the Directors, to affect significantly the operations, the results of those operations, or the state of affairs of the Company in future financial years.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

The Directors are not aware of any developments that might have a significant effect on the operations of the Company in subsequent financial years not already disclosed in this report.

ENVIRONMENTAL REGULATION

The Company is subject to significant environmental regulation in respect of its exploration activities. Tenements in Victoria, Western Australia and New South Wales are granted subject to adherence to environmental conditions with strict controls on clearing, including a prohibition on the use of mechanised equipment or development without the approval of the relevant Government agencies, and with rehabilitation required on completion of exploration activities. These regulations are controlled by the Department of Jobs, Precincts and Regions (*Victoria*), the Department of Mines, Industry Regulation and Safety (*Western Australia*) and the NSW Department of Industry.

The Company conducts its exploration activities in an environmentally sensitive manner and is not aware of any breach of statutory conditions or obligations.

Greenhouse Gas and Energy Data Reporting Requirements

The Directors have considered compliance with the *National Greenhouse and Energy Reporting Act 2007* which requires entities to report annual greenhouse gas emissions and energy use. The Directors have assessed that there are no current reporting requirements for the year ended 30 June 2022, however reporting requirements may change in the future.

INFORMATION ON DIRECTORS

Luke Reinehr LL.B, B.A. (Executive Chairman / Chief Executive Officer), Director since 23 March 2011

Experience and expertise	A co-founder of Kalamazoo, Luke was the Company's managing director from January 2013 until 31 July 2016 and was primarily responsible for driving Kalamazoo's early growth and path towards an initial public offer. Luke has been the Executive Chairman of Kalamazoo since 1 August 2016 and was appointed as Chief Executive Officer in July 2019. Luke's core legal experience complements mining and resources, project development and information technology skills. Working across all levels of management, Luke has extensive partnership, director, CEO and chairman experience with companies in Australia and internationally. Luke holds a Bachelor of Law and a Bachelor of Arts degree from the University of Melbourne and Monash University respectively.	
Other current directorships	None.	
Former directorships in last three years	None.	
Special responsibilities	Chair of the Board	
Interests in shares and options	Ordinary shares – Kalamazoo Resources Limited	4,931,246
	Unlisted options – Kalamazoo Resources Limited	3,000,000
	Performance Rights – Kalamazoo Resources Limited	2,000,000

Angus Middleton SA Fin, MSA (Non-Executive Director), Director since 5 February 2014

Experience and expertise	<p>Angus is a fund manager and former stockbroker who has extensive experience in the capital markets sector in Australia. He is currently a Director of SA Capital Pty Ltd, a corporate advisory firm specialising in equity raisings and underwriting, and the Managing Director of SA Capital Funds Management Limited, an Adelaide based investment fund that has been involved in advising and raising equity for corporations in the form of venture capital, seed capital, private equity, pre-initial public offerings and initial public offerings.</p> <p>The Board considers Angus Middleton to be an independent Director as he is not a member of management and is free of any interest, position, association or relationship that might influence, or reasonably be perceived to influence, in a material respect his capacity to bring an independent judgement to bear on issues before the Board.</p>	
Other current directorships	None.	
Former directorships in last three years	Torian Resources Limited (19 September 2019 to 21 April 2020)	
Special responsibilities	None.	
Interests in shares and options	Ordinary shares – Kalamazoo Resources Limited Unlisted options – Kalamazoo Resources Limited Performance Rights – Kalamazoo Resources Limited	2,371,905 1,500,000 750,000

Paul Adams B.SC., GradDipAppFin (Executive Director), Director since 2 July 2018

Experience and expertise	<p>Paul has an Honours degree in Geology and has 20 years' experience in the mining industry in exploration, open pit, underground and operational roles, both in Australia and overseas. He was Chief Mine Geologist and Evaluations Manager at Placer Dome's Granny Smith Mine in Western Australia, 2IC and production coordinator at the giant Porgera Gold Mine in Papua New Guinea and has held senior geology roles at Australian Gold Fields Ltd and Dominion Mining. He has an additional 12 years' experience as Director – Head of Research and Natural Resources at DJ Carmichael Pty Ltd, a Perth-based stockbroking and wealth management company, specialising in small to mid-cap resource companies. Paul has experience in evaluating and valuing a range of projects and companies across a range of commodities. Paul holds a Graduate Diploma in Applied Finance and Investment from the Financial Services Institute of Australia.</p>	
Other current directorships	Meeka Metals Limited (appointed 15 February 2021) formerly Latitude Consolidated Limited	
Former directorships in last three years	Spectrum Metals Limited (25 May 2018 to 6 May 2020)	
Special responsibilities	Heading the exploration team for the Ashburton Gold Project.	
Interests in shares and options	Ordinary shares – Kalamazoo Resources Limited Unlisted options – Kalamazoo Resources Limited Performance Rights – Kalamazoo Resources Limited	1,000,000 1,500,000 1,000,000

COMPANY SECRETARY

Bernard Crawford B.Com, CA, MBA, AGIA ACG (appointed 12 August 2016)

Mr Crawford is a Chartered Accountant with over 30 years' experience in the resources industry in Australia and overseas. He has held various positions in finance and management with NYSE, TSX and ASX listed companies. Mr Crawford is the CFO and/or Company Secretary of a number of public companies. He holds a Bachelor of Commerce degree from the University of Western Australia, a Master of Business Administration from London Business School and is a Member of the Institute of Chartered Accountants in Australia and the Governance Institute of Australia.

MEETINGS OF DIRECTORS

The number of meetings of the Company's Board of Directors held during the year ended 30 June 2022, and the numbers of meetings attended by each Director were:

	Board of Directors	
	A	B
Luke Reinehr	6	6
Angus Middleton	6	6
Paul Adams	6	6

A = Number of meetings attended.

B = Number of meetings held during the time the Director held office.

RETIREMENT, ELECTION AND CONTINUATION IN OFFICE OF DIRECTORS

Mr Luke Reinehr, being the Director retiring by rotation who, being eligible, will offer himself for re-election at the 2022 Annual General Meeting.

REMUNERATION REPORT (AUDITED)

The Directors present the Kalamazoo Resources Limited 2022 Remuneration Report, outlining key aspects of the Company's remuneration policy and framework, and remuneration awarded this year.

The report contains the following sections:

- a) Key management personnel covered in this report
- b) Remuneration governance and the use of remuneration consultants
- c) Executive remuneration policy and framework
- d) Relationship between remuneration and the Company's performance
- e) Non-executive director remuneration policy
- f) Voting and comments made at the Company's last Annual General Meeting
- g) Details of remuneration
- h) Service agreements
- i) Details of share-based compensation and bonuses
- j) Equity instruments held by key management personnel
- k) Loans to key management personnel
- l) Other transactions with key management personnel.

a) Key management personnel covered in this report

Non-Executive and Executive Directors (see pages 31 to 32 for details about each director)

Name	Position
Luke Reinehr	Executive Chairman / Chief Executive Officer
Angus Middleton	Non-Executive Director
Paul Adams	Executive Director

Other key management personnel

Name	Position
Bernard Crawford	Chief Financial Officer and Company Secretary

b) Remuneration governance and the use of remuneration consultants

The Company does not have a Remuneration Committee. Remuneration matters are handled by the full Board of the Company. In this respect the Board is responsible for:

- the over-arching executive remuneration framework;
- the operation of the incentive plans which apply to executive directors and senior executives (the executive team), including key performance indicators and performance hurdles;
- remuneration levels of executives; and
- non-executive director fees.

The objective of the Board is to ensure that remuneration policies and structures are fair and competitive and aligned with the long-term interests of the Company.

In addition, all matters of remuneration are handled in accordance with the *Corporations Act 2001* requirements, especially with regard to related party transactions. That is, none of the Directors participate in any deliberations regarding their own remuneration or related issues.

Independent external advice is sought from remuneration consultants when required, however no advice was sought during the period ended 30 June 2022.

c) Executive remuneration policy and framework

In determining executive remuneration, the Board aims to ensure that remuneration practices are:

- competitive and reasonable, enabling the Company to attract and retain key talent;
- aligned to the Company's strategic and business objectives and the creation of shareholder value;
- transparent and easily understood; and
- acceptable to shareholders.

All executives receive consulting fees or a salary, part of which may be taken as superannuation, and from time to time, options. The Board reviews executive packages annually by reference to the executive's performance and comparable information from industry sectors and other listed companies in similar industries.

All remuneration paid to specified executives is valued at the cost to the Company and expensed. Options are valued using the Black Scholes option pricing model.

d) Relationship between remuneration and the Company's performance

Emoluments of Directors are set by reference to payments made by other companies of similar size and industry, and by reference to the skills and experience of Directors. Fees paid to Non-Executive Directors are not linked to the performance of the Company. This policy may change once the exploration phase is complete and the Company is generating revenue. At present the existing remuneration policy is not impacted by the Company's performance including earnings and changes in shareholder wealth (e.g. changes in share price).

The Board has not set short term performance indicators, such as movements in the Company's share price, for the determination of Non-Executive Director emoluments as the Board believes this may encourage performance which is not in the long-term interests of the Company and its shareholders. The Board has structured its remuneration arrangements in such a way it believes is in the best interests of building shareholder wealth. The Board believes participation in the Company's Incentive Option Plan motivates key management and executives with the long-term interests of shareholders.

	30 June 2022 (\$'000)	30 June 2021 (\$'000)	30 June 2020 (\$'000)	30 June 2019 (\$'000)	30 June 2018 (\$'000)
Income	167	2,184	473	2,369	745
Net profit / (loss) before tax	(2,445)	(1,112)	(3,313)	1,158	(234)
Net profit / (loss) after tax	(2,445)	(1,112)	(3,313)	1,158	(234)

	30 June 2022	30 June 2021	30 June 2020	30 June 2019	30 June 2018
Share price at start of year	\$0.365	\$0.82	\$0.12	\$0.09	\$0.105
Share price at end of year	\$0.16	\$0.365	\$0.82	\$0.12	\$0.09
Basic earnings / (loss) per share	(0.99) cps	(0.34) cps	(3.00) cps	1.29 cps	(0.27) cps
Diluted earnings / (loss) per share	(0.99) cps	(0.34) cps	(3.00) cps	0.97 cps	(0.27) cps

e) Non-executive director remuneration policy

On appointment to the Board, all Non-Executive Directors enter into a service agreement with the Company in the form of a letter of appointment. The letter summarises the Board policies and terms, including remuneration relevant to the office of Director.

The Board policy is to remunerate Non-Executive Directors at commercial market rates for comparable companies for their time, commitment and responsibilities. Non-Executive Directors receive a Board fee but do not receive fees for chairing or participating on Board committees. Board members are allocated superannuation guarantee contributions as required by law, and do not receive any other retirement benefits. From time to time, some individuals may choose to sacrifice their salary or consulting fees to increase payments towards superannuation.

The maximum annual aggregate Non-Executive Directors' fee pool limit is \$250,000 as disclosed in the Company's Prospectus dated 3 October 2016.

Fees for Non-Executive Directors are not linked to the performance of the Company. Non-Executive Directors' remuneration may also include an incentive portion consisting of options, subject to approval by shareholders.

f) Voting and comments made at the Company's last Annual General Meeting

Kalamazoo Resources Limited received more than 99% of "yes" votes on its remuneration report for the 2021 financial year. The Company did not receive any specific feedback at the Annual General Meeting or throughout the year on its remuneration practices.

g) Details of remuneration

The following table shows details of the remuneration received by the Company's key management personnel for the current and previous financial year.

	Short-term benefits			Post-employment benefits	Share-based payments	Total \$	Options %
	Salary & fees \$	Bonus \$	Non-monetary benefit \$	Superannuation \$	Options \$		
2022							
<i>Directors</i>							
L Reinehr	306,305	-	-	-	-	306,305	-
A Middleton	39,000	-	-	3,900	-	42,900	-
P Adams	132,750	-	-	600	-	133,350	-
<i>Executives</i>							
B Crawford	173,176	-	-	-	-	173,176	-
TOTALS	651,231	-	-	4,500	-	655,731	
2021							
<i>Directors</i>							
L Reinehr	297,855	-	-	-	-	297,855	-
A Middleton	36,000	-	-	3,420	-	39,420	-
P Adams	174,938	-	-	3,420	-	178,358	-
<i>Executives</i>							
B Crawford	147,695	-	-	-	-	147,695	-
TOTALS	656,488	-	-	6,840	-	663,328	

h) Service agreements

On appointment to the Board, all Non-Executive Directors enter into a service agreement with the Company in the form of a letter of appointment. The letter summarises the Board policies and terms of appointment, including compensation relevant to the office of Director. Remuneration and other terms of employment for other members of key management personnel are formalised in service agreements as summarised below.

L Reinehr, Chief Executive Officer / Executive Chairman

Mr Reinehr is remunerated pursuant to a formalised Executive Services Agreement ("Agreement"). Under the Agreement, the Company has agreed to employ Mr Reinehr as Chief Executive Officer of the Company. The Company may terminate the Agreement without cause by providing twelve months' written notice. Mr Reinehr may terminate the Agreement without cause by providing three months' written notice. Should the Company terminate the Agreement, it may pay Mr Reinehr in lieu of notice or may require him to serve out up to three months' notice or part thereof. Termination payments are generally not payable on resignation or dismissal for serious misconduct. In the instance of serious misconduct, the Company can terminate employment at any time.

P Adams, Executive Director

Mr Adams is remunerated pursuant to a formalised Consultancy Agreement ("Agreement"). Under the Agreement, the Company has agreed to engage Mr Adams as a Consultant Geologist to the Company. The Company may terminate the Agreement without cause by providing twelve months' written notice. Mr Adams may terminate the Agreement without cause by providing three months' written notice. Should the Company terminate the Agreement, it may pay Mr Adams in lieu of notice or may require him to serve out up to three months' notice or part thereof. Termination payments are generally not payable on resignation or dismissal for serious misconduct. In the instance of serious misconduct, the Company can terminate employment at any time.

B Crawford, Chief Financial Officer

Mr Crawford is remunerated pursuant to an Executive Services Agreement ("Agreement"). Under the Agreement, the Company agrees to employ Mr Crawford as Chief Financial Officer and Company Secretary. The Company may terminate the Agreement without cause by providing twelve months' written notice. Mr Crawford may terminate the Agreement without cause by providing three months' written notice. Should the Company terminate the Agreement, it may pay Mr Crawford in lieu of notice or may require him to serve out up to three months' notice or part thereof. Termination payments are generally not payable on resignation or dismissal for serious misconduct. In the instance of serious misconduct, the Company can terminate employment at any time.

i) Details of share-based compensation**Options**

Options over ordinary shares in Kalamazoo Resources Limited are granted under the Incentive Option Plan ("IOP"). Participation in the IOP and any vesting criteria are at the Board's discretion and no individual has a contractual right to participate in the IOP or to receive any guaranteed benefits. During the financial year no Options were issued to employees. All Options vested immediately and were not subject to performance conditions as the grant of Options is considered as a cost effective and efficient reward and incentive as opposed to other alternative forms of incentive.

The fair value of options at grant date are independently determined using an option pricing model that takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

The terms and conditions of each grant of options affecting remuneration in the current or future reporting periods are set out below:

	Option series	Number granted	Grant date	Vesting date	Expiry date	Exercise price	Value of options at grant date
Directors							
L Reinehr	H ⁽ⁱ⁾	4,000,000	14 Nov 2018	14 Nov 2018	30 Nov 2021	\$0.25	\$218,280
L Reinehr	M	3,000,000	13 Nov 2019	13 Nov 2019	30 Nov 2022	\$0.42	\$496,800
A Middleton	H ⁽ⁱ⁾	2,000,000	14 Nov 2018	14 Nov 2018	30 Nov 2021	\$0.25	\$109,140
A Middleton	M	1,500,000	13 Nov 2019	13 Nov 2019	30 Nov 2022	\$0.42	\$248,400
P Adams	H ⁽ⁱ⁾	1,000,000	14 Nov 2018	14 Nov 2018	30 Nov 2021	\$0.25	\$54,570
P Adams	M	1,500,000	13 Nov 2019	13 Nov 2019	30 Nov 2022	\$0.42	\$248,400
Executives							
B Crawford	G ⁽ⁱ⁾	1,000,000	17 Jul 2018	17 Jul 2018	30 Nov 2021	\$0.25	\$57,320
B Crawford	L	750,000	15 Oct 2019	15 Oct 2019	30 Nov 2022	\$0.42	\$101,100

i) Exercised during the period

Further information on the fair value of share options and assumptions is set out in Note 24 to the financial statements.

Performance rights

Performance Rights over ordinary shares in Kalamazoo Resources Limited are granted under the Incentive Option Plan ("IOP"). Participation in the IOP and any vesting criteria are at the Board's discretion and no individual has a contractual right to participate in the IOP or to receive any guaranteed benefits. The Performance Rights vest once the specific milestones (outlined below) have been met.

The Company believes that the issue of Performance Rights aligns the efforts of Directors and employees in seeking to achieve growth in the Company's share price and in the creation of Shareholder value. The Board also believes that incentivising with Performance Rights is a prudent means of conserving the Company's available cash reserves. During the financial year no Performance Rights were issued.

Performance Rights with non-market based milestones can only be exercised following the satisfaction of those milestones, a change of control or winding up occurring, or a takeover bid becoming unconditional. Assuming that the milestones are met, the value of a Performance Right is the value of an ordinary share as at the grant date. However, the milestones for the Performance Rights were intentionally set as stretch targets and accordingly the Directors have determined that it is more likely than not that the milestones will not be achieved. Therefore, in accordance with AASB 2: *Share-based Payment* no expense has been recognised for the Performance Rights.

The details of the outstanding Performance Rights are set out below:

	Class	Number granted	Grant date	Expiry date	Share price at grant date	Exercise price	Value of rights at grant date ⁽³⁾
Directors							
L Reinehr	A ⁽¹⁾	1,000,000	18 Nov 2020	22 Nov 2023	\$0.62	\$Nil	\$Nil
L Reinehr	B ⁽²⁾	1,000,000	18 Nov 2020	22 Nov 2025	\$0.62	\$Nil	\$Nil
A Middleton	A	375,000	18 Nov 2020	22 Nov 2023	\$0.62	\$Nil	\$Nil
A Middleton	B	375,000	18 Nov 2020	22 Nov 2025	\$0.62	\$Nil	\$Nil
P Adams	A	500,000	18 Nov 2020	22 Nov 2023	\$0.62	\$Nil	\$Nil
P Adams	B	500,000	18 Nov 2020	22 Nov 2025	\$0.62	\$Nil	\$Nil
Executives							
B Crawford	A	250,000	18 Nov 2020	22 Nov 2023	\$0.62	\$Nil	\$Nil
B Crawford	B	250,000	18 Nov 2020	22 Nov 2025	\$0.62	\$Nil	\$Nil

The following milestones (vesting conditions) apply to the Performance Rights issued during the year:

- (1) Class A Performance Rights: on announcing an increased Mineral Resource estimate of at least Inferred category on any of the Company's Projects of at least 500,000 ounces of gold or more, with a minimum cut-off grade of 1g/t Au within 3 years.
- (2) Class B Performance Rights: on announcing an increased Mineral Resource estimate of at least Inferred category on any of the Company's Projects of at least a further 500,000 ounces of gold or more (above Class A), with a minimum cut-off grade of 1g/t Au within 5 years.
- (3) Management have assessed the probability of the Performance Rights vesting conditions being achieved as less than probable at this time and as such these have been accounted for at nil value.

j) Equity instruments held by key management personnel

The following tables detail the number of fully paid ordinary shares and options over ordinary shares in the Company that were held during the financial year by key management personnel of the Company, including their close family members and entities related to them.

Options

	Opening balance at 1 July	Granted as remuneration	Options exercised	Net change (other)	Balance at 30 June	Vested but not exercisable	Vested and exercisable	Vested during the year
2022								
Directors								
L Reinehr	7,000,000	-	(4,000,000)	-	3,000,000	-	3,000,000	-
A Middleton	3,500,000	-	(2,000,000)	-	1,500,000	-	1,500,000	-
P Adams	2,500,000	-	(1,000,000)	-	1,500,000	-	1,500,000	-
Executives								
B Crawford	1,750,000	-	(1,000,000)	-	750,000	-	750,000	-
TOTAL	14,750,000	-	(8,000,000)	-	6,750,000	-	6,750,000	-

Shareholdings

	Opening balance at 1 July	Granted as remuneration	Options exercised	Net change (other)	Balance at 30 June
2022					
Directors					
L Reinehr	931,246	-	4,000,000	-	4,931,246
A Middleton	371,905	-	2,000,000	-	2,371,905
P Adams	-	-	1,000,000	-	1,000,000
Executives					
B Crawford	602,000	-	1,000,000	-	1,602,000
TOTAL	1,905,151	-	8,000,000	-	9,905,151

k) Loans to key management personnel

There were no loans to individuals or any key management personnel during the financial year or the previous financial year.

l) Other transactions with key management personnel

There were no other transactions with key management personnel during the financial year or the previous financial year.

END OF REMUNERATION REPORT (AUDITED)

SHARES UNDER OPTION

Unissued ordinary shares of the Company under option at the date of this report are as follows:

Date options granted	Expiry date	Issue price of shares	Number under option
23 September 2019	30 November 2022	\$0.42	2,000,000
15 October 2019	30 November 2022	\$0.42	1,500,000
13 November 2019	30 November 2022	\$0.42	6,000,000
25 September 2020	30 November 2023	\$1.04	1,400,000
9 March 2021	15 March 2024	\$0.69	1,500,000
2 September 2022	1 September 2025	\$0.375	6,000,000
TOTAL			18,400,000

No option holder has any right under the options to participate in any other share issue of the Company or any other entity.

SHARES ISSUED ON THE EXERCISE OF OPTIONS

During the year the Company issued a total of 10,900,000 ordinary shares upon the exercise of options having an exercise price of \$0.25 and expiring on 30 November 2021.

CORPORATE GOVERNANCE STATEMENT

The Company's 2022 Corporate Governance Statement has been released as a separate document and is located on the Company's website at <http://www.kzr.com.au/corporate-governance/>.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to 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 part of those proceedings.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

During the financial year, the Company paid a premium to insure the Directors and Officers of the entity against any liability incurred as a Director or Officer to the extent permitted by the *Corporations Act 2001*. The contract of insurance prohibits the disclosure of the nature of the liabilities covered or the amount of the premium paid.

The Company has not entered into any agreement with its current auditors indemnifying them against claims by a third party arising from their position as auditor.

NON-AUDIT SERVICES

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company are important.

Details of the amounts paid or payable to the auditor (Grant Thornton Audit Pty Ltd) for audit and non-audit services provided during the year are set out in Note 19. During the year ended 30 June 2022 no amounts were paid or were payable for non-audit services provided by the auditor of the Company (2021: \$Nil).

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001* is set out on the following page.

Signed in accordance with a resolution of the Directors.

A handwritten signature in blue ink, appearing to read "Luke Reinehr".

Luke Reinehr
Chairman

Perth, 21 September 2022

Grant Thornton Audit Pty Ltd

Level 22 Tower 5
Collins Square
727 Collins Street
Melbourne VIC 3008
GPO Box 4736
Melbourne VIC 3001
T +61 3 8320 2222

Auditor's Independence Declaration

To the Directors of Kalamazoo Resources Limited

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the audit of Kalamazoo Resources Limited for the year ended 30 June 2022, I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- b no contraventions of any applicable code of professional conduct in relation to the audit.



Grant Thornton Audit Pty Ltd
Chartered Accountants



T S Jackman
Partner – Audit & Assurance
Melbourne, 21 September 2022

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2022

	Notes	2022 \$	2021 \$
Other income	3(a)	166,935	2,184,394
Employee benefits expense	3(b)	(405,086)	(1,388,657)
Depreciation expense		(223,063)	(206,264)
Exploration expenditure write-off	9	(28,493)	(90,754)
Finance costs		(25,065)	(32,219)
Other expenses	3(c)	(870,482)	(912,328)
Loss from continuing operations before income tax		(1,385,254)	(445,828)
Income tax benefit	5	-	-
Loss after income tax for the period attributable to the owners of Kalamazoo Resources Limited		(1,385,254)	(445,828)
Other comprehensive loss			
<i>Items that will not be reclassified to profit or loss</i>			
Financial assets at fair value through other comprehensive income – fair value changes	10	(1,059,831)	(665,788)
Other comprehensive loss for the year (net of tax)		(1,059,831)	(665,788)
Total comprehensive loss for the year attributable to the owners of Kalamazoo Resources Limited		(2,445,085)	(1,111,616)
		Cents per share	Cents per share
Loss per share attributable to the owners of Kalamazoo Resources Limited			
Basic profit/(loss) per share	18	(0.99)	(0.34)
Diluted profit/(loss) per share	18	(0.99)	(0.34)

The Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

CONSOLOIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2022

	Notes	2022 \$	2021 \$
ASSETS			
Current Assets			
Cash and cash equivalents	6	2,817,825	5,850,997
Trade and other receivables	7	463,412	353,802
Other current assets	8	84,566	72,356
Total Current Assets		3,365,803	6,277,155
Non-Current Assets			
Property, plant and equipment		254,895	351,007
Right of use assets		253,414	290,440
Exploration and evaluation assets	9	16,361,189	11,636,910
Financial assets at fair value through OCI	10	304,549	1,364,380
Other non-current assets	11	30,124	30,124
Total Non-Current Assets		17,204,171	13,672,861
TOTAL ASSETS		20,569,974	19,950,016
LIABILITIES			
Current Liabilities			
Trade and other payables	12	1,061,302	1,624,958
Short-term provisions	13	114,344	70,037
Lease liabilities	14	121,481	108,299
Total Current Liabilities		1,297,127	1,803,294
Non-Current Liabilities			
Long-term provisions	13	13,990	-
Lease liabilities	14	140,855	187,594
Total Non-Current Liabilities		154,845	187,594
TOTAL LIABILITIES		1,451,972	1,990,888
NET ASSETS		19,118,002	17,959,128
EQUITY			
Contributed equity	15(b)	28,219,212	24,016,755
Option reserve	16(a)	2,409,770	3,141,373
Financial asset reserve	16(b)	(1,725,619)	(665,788)
Accumulated losses	17	(9,785,361)	(8,533,212)
TOTAL EQUITY		19,118,002	17,959,128

The Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2022

	Issued Capital \$	Option Reserve \$	Financial Asset Reserve \$	Accumulated Losses \$	Total Equity \$
At 1 July 2020	22,859,847	2,274,886	-	(8,087,384)	17,047,349
Total comprehensive loss for the period	-	-	-	(445,828)	(445,828)
Other comprehensive loss	-	-	(665,788)	-	(665,788)
Total comprehensive loss for the period (net of tax)	-	-	(665,788)	(445,828)	(1,111,616)
Transactions with owners in their capacity as owners					
Issue of shares	1,021,875	-	-	-	1,021,875
– Transaction costs of issuing shares	(10,955)	-	-	-	(10,955)
– Issue of options to employees	-	1,012,475	-	-	1,012,475
– Transfer from share option reserve:					
– Due to exercise of options	145,988	(145,988)	-	-	-
At 30 June 2021	24,016,755	3,141,373	(665,788)	(8,533,212)	17,959,128
At 1 July 2021	24,016,755	3,141,373	(665,788)	(8,533,212)	17,959,128
Total comprehensive loss for the period	-	-	-	(1,385,254)	(1,385,254)
Other comprehensive loss	-	-	(1,059,831)	-	(1,059,831)
Total comprehensive loss for the period (net of tax)	-	-	(1,059,831)	(1,385,254)	(2,445,085)
Transactions with owners in their capacity as owners					
Issue of shares	3,625,000	-	-	-	3,625,000
Transaction costs of issuing shares	(21,041)	-	-	-	(21,041)
Transfer from share option reserve:					
– Due to exercise of options	598,498	(598,498)	-	-	-
– Due to expiry of options	-	(133,105)	-	133,105	-
At 30 June 2022	28,219,212	2,409,770	(1,725,619)	(9,785,361)	19,118,002

The Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2022

	Notes	2022 \$	2021 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Other income received		60,829	-
Payments to suppliers and employees		(1,225,733)	(1,110,245)
Interest received		11,201	48,837
Interest paid		(25,065)	(32,219)
Research and development tax rebate		72,682	-
Government grant received		-	57,710
NET CASH FLOWS USED IN OPERATING ACTIVITIES	25	(1,106,086)	(1,035,917)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment		(8,001)	(280,024)
Payments for exploration activities		(4,757,563)	(5,737,072)
Proceeds from sale of Snake Well Gold Project	7	150,000	3,100,000
NET CASH FLOWS USED IN INVESTING ACTIVITIES		(4,615,564)	(2,917,096)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from conversion of options		2,825,000	1,021,875
Share issue costs		(21,041)	(10,955)
Lease principal payments		(115,481)	(109,032)
NET CASH FLOWS FROM FINANCING ACTIVITIES		2,688,478	901,888
Net increase / (decrease) in cash and cash equivalents		(3,033,172)	(3,051,125)
Cash and cash equivalents at beginning of period		5,850,997	8,902,122
CASH AND CASH EQUIVALENTS AT END OF PERIOD	6	2,817,825	5,850,997

This Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

NOTE 1: CORPORATE INFORMATION

The financial report of Kalamazoo Resources Limited for the year ended 30 June 2022 was authorised for issue in accordance with a resolution of the Directors on 21 September 2022.

Kalamazoo Resources Limited is a for-profit company incorporated in Australia and limited by shares which are publicly traded on the Australian Securities Exchange and the Frankfurt Stock Exchange. The nature of the operation and principal activities of the entity are described in the attached Directors' Report.

The principal accounting policies adopted in the preparation of these financial statements are set out below and have been applied consistently to all periods presented in the financial statements.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Australian Accounting Interpretations and the *Corporations Act 2001*.

Compliance with IFRS

The financial statements of Kalamazoo Resources Limited also comply with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

New and amended accounting standards and interpretations adopted by the Company

No new standards or interpretations relevant to the operations of the Company have come into effect for the reporting period.

New accounting standards and interpretations

There are no new or amended accounting standards and interpretations relevant to the operations of the Group that come into effect in subsequent reporting periods at this time.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

a) Basis of measurement

Historical cost convention

These financial statements have been prepared under the historical cost convention, except where stated.

Critical accounting estimates

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed where appropriate.

b) Going concern

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

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 this report. The cash flow forecast includes the placement with Lind Global Fund II, LP, ("Lind") whereby Lind invested \$3.0 Million (before costs) via a placement of Kalamazoo ordinary fully paid shares in August 2022.

Based on the cash flow forecast the directors are satisfied that the going concern basis of preparation is appropriate. Given the Company's history of raising capital to date, the Directors are confident of the Company's ability to raise additional funds as and when they are required.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c) Principles of Consolidation

These financial statements incorporate the assets and liabilities of the Company's subsidiary at 30 June 2022 and the results of its subsidiary for the year then ended. The Company and its subsidiary together are referred to in this financial report as the Group or the Consolidated Entity.

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its investment with the entity and has the ability to affect those returns through its power to direct the activities of the entity.

The acquisition method of accounting is used to account for business combinations by the Group. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de consolidated from the date that control ceases.

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

Non-controlling interests in the results and equity of subsidiaries are shown separately in the Statement of Profit or Loss and Other Comprehensive Income, Statement of Financial Position and the Statement of Changes in Equity respectively.

d) Significant accounting judgements, estimates and assumptions

The application of accounting policies requires the use of judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions are recognised in the period in which the estimate is revised if it affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Exploration and evaluation expenditure carried forward

The recoverability of the carrying amount of exploration and evaluation expenditure carried forward has been reviewed by the Directors. The recoverability of the carrying amount of the exploration and evaluation assets is dependent on the successful development and commercial exploitation, or alternatively, sale of the respective area of interest.

The Company reviews the carrying value of exploration and evaluation expenditure on a regular basis to determine whether economic quantities of reserves have been found or whether further exploration and evaluation work is underway or planned to support continued carry forward of capitalised costs. This assessment requires judgement as to the status of the individual projects and their estimated recoverable amount (Refer to Note 9).

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Share-based payment transactions

The Company measures the cost of equity-settled transactions with employees and Directors by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by utilising a Black Scholes model, using the assumptions detailed in Note 24.

The Company values Performance Rights by reference to its best available estimate of the number of Performance Rights it expects to vest and revises that estimate, if necessary, if subsequent information indicates that the number of Performance Rights expected to vest differs from previous estimates. The vesting conditions for the Class A and Class B Performance Rights were intentionally set as stretch targets and accordingly the Directors have determined that it is more likely than not that the milestones will not be achieved. Therefore, in accordance with AASB 2: *Share-based Payment* no value has been recognised for the Performance Rights.

Income tax

Deferred tax assets are recognised for unused tax losses and deductible temporary differences only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. No deferred tax asset has been recognised in the Consolidated Statement of Financial Position in respect of the amount of either these losses or other deferred tax expenses.

e) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of Kalamazoo Resources Limited.

f) Functional and presentation currency

The financial statements are presented in Australian dollars, which is the Company's functional and presentation currency.

g) Leases

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss as incurred over the period of the lease.

Leases in which a significant portion of the risks and rewards of ownership are transferred to the Company as lessee are classified as finance leases. At the commencement date of a lease, the Company recognises a liability to make lease payments (i.e. the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e. the right-of-use asset). The Company separately recognises the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h) Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

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

Depreciation is calculated using the straight line method to allocate their cost, net of their residual values, over their estimated useful lives. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included in profit or loss.

i) Employee benefits

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months after the end of the period in which the employees render the related service, are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave and accumulating sick leave is recognised in the provision for employee benefits. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable. All other short-term employee benefit obligations are presented as payables.

The obligations are presented as current liabilities in the Statement of Financial Position if the entity does not have an unconditional right to defer settlement for at least 12 months after the reporting date, regardless of when the actual settlement is expected to occur.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Other long-term obligations

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

Share-based payments

The Company provides benefits to employees of the Company in the form of share options. The fair value of options granted is recognised as an employee benefits expense with a corresponding increase in equity. The fair value is measured at grant date and spread over the period during which the employees become unconditionally entitled to the options. The fair value of the options granted is measured using a Black Scholes option pricing model, taking into account the terms and conditions upon which the options were granted.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, on a straight-line basis over the vesting period. The amount recognised as an expense is adjusted to reflect the actual number that vest.

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of earnings per share.

Performance rights

The Company provides benefits to Directors and employees of the Company in the form of Performance Rights. The Company values Performance Rights by reference to its best available estimate of the number of Performance Rights it expects to vest and revises that estimate, if necessary, if subsequent information indicates that the number of Performance Rights expected to vest differs from previous estimates. The vesting conditions for the Class A and Class B Performance Rights were intentionally set as stretch targets and accordingly the Directors have determined that it is more likely than not that the milestones will not be achieved. Therefore, in accordance with AASB 2: *Share-based Payment* no value has been recognised for the Performance Rights.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value. No termination benefits, other than accrued benefits and entitlements, were paid during the period.

j) Goods and Services Tax (GST)

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

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the Statement of Financial Position.

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

NOTE 3: REVENUE AND EXPENSES

a) Other income

	2022 \$	2021 \$
Interest revenue	10,634	41,435
Finance income	-	114,793
Gain on disposal of 50% interest in EL007112 (Note 10)	-	1,921,192
R&D tax rebate	72,682	-
Other income	83,619	106,974
Total other income	166,935	2,184,394

Revenue is recognised at an amount that reflects the consideration to which the Company expects to be entitled in exchange for transferring services to a customer. Revenue and expenses are recognised on an accrual's basis. Interest income is recognised on a time proportion basis.

b) Employee benefits expense

	2022 \$	2021 \$
Wages, salaries, directors' fees and other remuneration expenses	1,367,576	1,374,507
Superannuation contributions	101,163	101,578
Share-based payments expense (Note 24)	-	1,012,475
Transfer to capitalised exploration expenditure	(1,063,653)	(1,099,903)
Total employee benefits expense	405,086	1,388,657

c) Other expenses

	2022 \$	2021 \$
ASX	53,523	60,399
Conferences and investor relations	78,057	88,293
Corporate consultants	238,359	341,035
Legal	3,406	18,377
Occupancy costs	26,857	10,011
Secretarial, professional and audit costs	255,793	230,457
Travel and promotion	95,624	31,548
Other expenses	118,863	132,208
Total other expenses	870,482	912,328

NOTE 4: SEGMENT INFORMATION

The Company operates in one geographical segment, being Australia and in one operating category, being mineral exploration. Therefore, information reported to the chief operating decision maker (the Board of Kalamazoo Resources Limited) for the purposes of resource allocation and performance assessment is focused on mineral exploration within Australia. The Board has considered the requirements of AASB 8: *Operating Segments* and the internal reports that are reviewed by the chief operating decision maker in allocating resources and have concluded at this time that there are no separately identifiable segments.

NOTE 5: INCOME TAX

	2022 \$	2021 \$
Statement of Profit or Loss and Other Comprehensive Income		
<i>Current income tax:</i>		
- Income tax expense	-	-
Income tax expense/(benefit) reported in the Statement of Profit or Loss and Other Comprehensive Income	-	-
A reconciliation of income tax expense/(benefit) applicable to accounting profit/(loss) before income tax at the statutory income tax rate to income tax expense/(benefit) at the Company's effective income tax is as follows:		
Accounting profit/(loss) from continuing operations before income tax	(1,385,254)	(445,828)
At the statutory income tax rate of 25% (2021: 30%)	(346,313)	(133,748)
<i>Add:</i>		
- Share-based payments	-	303,743
- Expenditure not allowable for income tax purposes	1,571	641
- Other deductible items	(8,990)	(40,791)
- Non-assessable items	(18,170)	-
- Net deferred tax asset not recognised due to not meeting recognition criteria	371,902	(129,845)
Income tax expense	-	-
Deferred income tax		
Recognised on the Statement of Financial Position, deferred income tax at the end of the reporting period relates to the following: (2022: 25%, 2021: 30%)		
<i>Deferred income tax liabilities:</i>		
- Accrued income	417	671
- Capitalised expenditure deductible for tax purposes	3,728,322	3,291,203
- Net book value for depreciable assets	63,724	105,302
- Prepayments	7,759	8,477
- Right of use assets	(2,231)	(1,636)
	3,797,991	3,404,017
<i>Deferred income tax assets:</i>		
- Accruals	(7,875)	(6,002)
- FBT payable	(30)	(126)
- Employee benefits	(32,084)	(21,011)
- Available for sale financial assets	(431,405)	(199,736)
- Legal costs	(168)	(2,223)
- Capital raising costs	(9,792)	(14,403)
- Tax losses available to offset DTL	(3,316,637)	(3,160,516)
Net deferred tax asset/(liability)	-	-

NOTE 5: INCOME TAX (Continued)

Kalamazoo Resources Ltd is considered a base rate entity for income tax purposes for the 2022 financial year and is therefore subject to income tax at a rate of 25% (2021: 30%). At 30 June 2022, Kalamazoo Resources Limited had \$17,066,332 (2021: \$11,802,307) of tax losses that are available indefinitely for offset against future taxable profits subject to the satisfaction of the loss tests. No deferred tax asset has been recognised in respect of either these tax losses or other deferred tax expenses because it is not probable, at this time, that future taxable profits will be available which the Company can utilise. The utilisation of tax losses is dependent on the Company satisfying the continuity of ownership test or the same business test at the time the tax losses are applied against taxable income.

Tax Consolidation

During the year Kalamazoo Resources Limited incorporated a new wholly owned subsidiary being, Kali Metals Pty Ltd and intends to form a tax consolidated group. The Australian Taxation Office will be notified of this decision on lodgement of the 2022 tax consolidated income tax return effective from the date of incorporation 31 August 2021. The head entity of the tax consolidated group is Kalamazoo Resources Limited. The tax note has been prepared on the basis that Kalamazoo Resources Limited will proceed with the election to form a tax consolidated group.

NOTE 6: CASH AND CASH EQUIVALENTS

	2022 \$	2021 \$
Cash at bank and on hand	1,267,825	800,997
Short-term deposits	1,550,000	5,050,000
	2,817,825	5,850,997

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, and other short-term, highly liquid investments with maturities of three months or less.

The weighted average interest rate for the year was 0.24% (2021: 0.50%).

The Company's exposure to interest rate risk is set out in Note 23.

NOTE 7: TRADE AND OTHER RECEIVABLES

	2022 \$	2021 \$
Current Debtors	309,202	-
GST receivable	154,210	203,802
Snake Well Gold Project sale proceeds receivable	-	150,000
	463,412	353,802

Debtors at 30 June 2022 primarily relate to amounts due from Sociedad Química y Minera de Chile S.A. ("SQM") in respect of earn-in expenditure at Kalamazoo's 100% owned DOM's Hill and Marble Bar Lithium Projects (\$295,831).

In February 2019, the Company completed the sale of its Snake Well Gold Project ("Project") to Adaman Resources Pty Ltd ("Adaman") for \$7 million in cash to be paid in instalments. The final instalment of \$150,000 was paid during the period.

Trade and other receivables are normally due for settlement within 30 days. They are presented as current assets unless collection is not expected for more than 12 months after the reporting date.

The Company's financial risk management objectives and policies are set out in Note 23.

Due to the short-term nature of these receivables their carrying value is assumed to approximate their fair value.

NOTE 8: OTHER CURRENT ASSETS

	2022 \$	2021 \$
Prepayments	31,034	28,257
Deposits	51,863	41,863
Accrued interest	1,669	2,236
	84,566	72,356

NOTE 9: EXPLORATION AND EVALUATION

	2022 \$	2021 \$
Capitalised cost at the beginning of the year	11,636,910	5,446,083
Exploration and expenditure incurred during the year	4,752,772	6,281,581
Impairment of exploration and evaluation assets	(28,493)	(90,754)
Closing balance	16,361,189	11,636,910

Exploration and evaluation expenditure, including the costs of acquiring licences and permits, are capitalised as exploration and evaluation assets on an area of interest basis. Costs incurred before the Company has obtained the legal rights to explore an area are recognised in the Statement of Profit or Loss and Other Comprehensive Income.

Exploration and evaluation assets are only recognised if the rights to the area of interest are current and either:

- a) the expenditures are expected to be recouped through successful development and exploitation or from sale of the area of interest; or
- b) activities in the area of interest have not at the reporting date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are assessed for impairment if sufficient data exists to determine technical feasibility and commercial viability, and facts and circumstances suggest that the carrying amount exceeds the recoverable amount. These assessments include (a) substantive exploration expenditure on further exploration for, and evaluation of, mineral resources in the specific area is neither budgeted nor planned; (b) exploration for and evaluation of mineral resources in the specific area has not led to the discovery of commercially viable quantities of mineral resources and the Company has decided to discontinue such activities in the specific area; and (c) sufficient data exists to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

Management have undertaken a review of impairment indicators on each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. Management undertake impairment testing when impairment indicators are present. For the purposes of impairment testing, exploration and evaluation assets are allocated to cash-generating units to which the exploration activity relates. The cash generating unit shall not be larger than the area of interest.

Once the technical feasibility and commercial viability of the extraction of minerals in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mineral property and development assets within property, plant and equipment.

When an area of interest is abandoned or the Directors decide that it is not commercial, any accumulated costs in respect of that area are written off in the financial period the decision is made.

NOTE 9: EXPLORATION AND EVALUATION (Continued)

Significant estimates and judgement

There is some subjectivity involved in the carry forward of capitalised exploration and evaluation expenditure or, where appropriate, the write off to the Statement of Profit or Loss and Other Comprehensive Income, however management give due consideration to areas of interest on a regular basis and are confident that decisions to either write off or carry forward such expenditure fairly reflect the prevailing situation.

NOTE 10: FINANCIAL ASSETS

Financial assets at fair value through other comprehensive income

	2022 \$	2021 \$
Opening balance	1,364,380	-
Acquisition	-	2,030,168
Change in fair value	(1,059,831)	(665,788)
Closing balance	304,549	1,364,380

In September 2020 the Company granted Canadian listed gold explorer and developer Novo Resources Corp ("Novo") (TSX-V: NVO, OTCQX: NSRPF) an Option to earn an initial 50% interest, then earn a further 20% interest, in the Company's Queens Project (EL007112) in Victoria. The consideration for the six-month Option was 24,883 Novo common shares. In March 2021 Novo exercised their Option to earn their 50% interest and issued the Company with a further 584,215 Novo common shares. The Company still holds the 609,098 Novo common shares.

Financial assets are recognised and derecognised on settlement date where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned. They are initially measured at fair value, net of transaction costs, except for those financial assets classified as fair value through profit or loss, which are initially measured at fair value. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

The Company classifies its financial assets at fair value through other comprehensive income ("FVOCI"). The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For investments in equity instruments, the classification depends on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI.

Financial assets at OCI

For assets measured at FVOCI, gains and losses will be recorded in other comprehensive income. There is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Company's right to receive payments is established. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value. The Company has elected to measure its listed equities at FVOCI.

Assets in this category are subsequently measured at fair value. The fair values of quoted investments are based on current bid prices in an active market.

NOTE 11: OTHER NON-CURRENT ASSETS

	2022 \$	2021 \$
Deposits paid	30,124	30,124
	30,124	30,124

NOTE 12: TRADE AND OTHER PAYABLES

	2022 \$	2021 \$
Trade creditors	834,798	1,194,564
Other payables and accruals	226,504	430,394
	1,061,302	1,624,958

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year and which are unpaid. Trade creditors are unsecured, non-interest bearing and are normally settled on 30-day terms. The Company's financial risk management objectives and policies are set out in Note 23. Due to the short-term nature of these payables, their carrying value is assumed to approximate their fair value.

NOTE 13: PROVISIONS

	2022 \$	2021 \$
Short-term		
Annual leave	114,344	70,037
	114,344	70,037
Long-term		
Long service leave	13,990	-
	13,990	-
Total provisions	128,334	-

NOTE 14: LEASE LIABILITIES

	2022 \$	2021 \$
Current		
Lease liabilities	121,481	108,299
	121,481	108,299
Non-current		
Lease liabilities	140,855	187,594
	140,855	187,594
Total lease liabilities	262,336	295,893

The Company has leases for its corporate offices and its core yard. The Company has elected not to recognize a lease liability for 'low-value' and short-term leases.

Future minimum lease payments as at 30 June 2022 were as follows:

	Within one year \$	One to two years \$	Two to five years \$	Total \$
30 June 2022				
Lease payments	142,270	118,252	32,066	292,588
Finance charges	(20,789)	(8,416)	(1,047)	(30,252)
Net present values	121,481	109,836	31,019	262,336
30 June 2021				
Lease payments	132,746	111,070	95,718	339,534
Finance charges	(24,447)	(14,432)	(4,762)	(43,641)
Net present values	108,299	96,638	90,956	295,893

NOTE 15: CONTRIBUTED EQUITY

a) Share capital

	2022 Number	2021 Number
Ordinary shares fully paid	145,194,374	131,941,434

b) Movements in ordinary shares on issue

	Number	\$
Balance at 30 June 2020	127,853,934	22,859,847
Exercise of options – various dates ⁽¹⁾	4,087,500	1,167,863
Transaction costs	-	(10,955)
Balance at 30 June 2021	131,941,434	24,016,755
Exercise of options – various dates ⁽²⁾	10,900,000	3,423,498
Pear Creek Lithium Project acquisition ⁽³⁾	2,352,940	800,000
Transaction costs	-	(21,041)
Balance at 30 June 2022	145,194,374	28,219,212

(1) During the prior financial year a total of 4,087,500 Options with an exercise price of \$0.25 and expiring on various dates were exercised.

(2) During the financial year 2,000,000 Options with an exercise price of \$0.30 and expiring on 10 July 2021 and 8,900,000 Options with an exercise price of \$0.25 and expiring on 30 November 2021 were exercised.

(3) In December 2021, the Company, via its wholly owned subsidiary Kali Metals Pty Ltd, acquired the Pear Creek Lithium Project for the issue of 2,352,940 Kalamazoo shares.

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Ordinary shares have the right to receive dividends as declared, and in the event of winding up the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held. Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

NOTE 15: CONTRIBUTED EQUITY (Continued)

c) Movements in options on issue

	2022 Number	2021 Number
Balance at the beginning of the financial year	43,650,000	44,487,500
Options granted	-	3,250,000
Options exercised	(10,900,000)	(4,087,500)
Options expired	(20,350,000)	-
Balance at the end of the financial year	12,400,000	43,650,000

- (1) No options were issued during the financial year.
- (2) During the financial year 2,000,000 Options with an exercise price of \$0.30 and expiring on 10 July 2021 and 8,900,000 Options with an exercise price of \$0.25 and expiring on 30 November 2021 were exercised.

NOTE 16: RESERVES

a) Share option reserve

	2022 \$	2021 \$
Opening balance	3,141,373	2,274,886
Options granted	-	1,012,475
Options exercised	(598,498)	(145,988)
Options expired	(133,105)	-
Balance at the end of the financial year	2,409,770	3,141,373

b) Financial asset reserve

	2022 \$	2021 \$
Opening balance	(665,788)	-
Financial assets at fair value through other comprehensive income (Note 10)	(1,059,831)	(665,788)
Balance at the end of the financial year	(1,725,619)	(665,788)

NOTE 17: ACCUMULATED LOSSES

	2022 \$	2021 \$
Balance at the beginning of the financial year	(8,533,212)	(8,087,384)
Net profit/(loss) attributable to members	(1,385,254)	(445,828)
Transfer from share option reserve	133,105	-
Balance at the end of the financial year	(9,785,361)	(8,533,212)

NOTE 18: EARNINGS PER SHARE

	2022 Cents	2021 Cents
Basic profit/(loss) per share	(0.99)	(0.34)
Diluted profit/(loss) per share	(0.99)	(0.34)

The following reflects the income and share data used in the calculations of basic and diluted loss per share:

	2022 \$	2021 \$
Profit/(loss) used in calculating basic and diluted earnings per share	(1,385,254)	(445,828)

	2022 Number	2021 Number
Weighted average number of ordinary shares used in calculating basic profit/(loss) per share	140,445,035	131,045,578
Weighted average number of ordinary shares used in calculating diluted profit/(loss) per share	140,445,035	131,045,578

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company, excluding any costs of servicing equity other than ordinary shares by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

The issue of potential ordinary shares is antidilutive when their conversion to ordinary shares would increase earnings per share or decrease loss per share from continuing operations. The calculation of diluted earnings per share has therefore not assumed the conversion, exercise, or other issue of potential ordinary shares that would have an antidilutive effect on earnings per share.

NOTE 19: AUDITOR'S REMUNERATION

Audit services

Grant Thornton Audit Pty Ltd

- Audit and review of the financial reports

Total remuneration

	2022 \$	2021 \$
	52,000	49,000
	52,000	49,000

NOTE 20: CONTINGENT ASSETS AND LIABILITIES

The Company had contingent liabilities in respect of:

Future payments

In April 2018, the Company entered into a Tenement Sale Agreement whereby it acquired between 80% and 100% in three gold projects in WA's Pilbara region. Should the Company achieve a 50,000oz Au JORC Resource within five years on any of the tenements the subject of the Tenement Sale Agreement, then the Company must pay \$1,000,000 to the vendors. The Company may elect to issue its ordinary shares to the value of \$1,000,000 (at the then current 5-day VWAP less 20%) or cash or a combination of both.

In August 2020, the Company completed the acquisition of the Ashburton Gold Project from Northern Star Resources Limited (ASX: NST) ("Northern Star") consisting of Mining Leases M52/639, M52/640, M52/734 and M52/735 and Exploration Licences E52/1941, E52/3024 and E52/3025.

Under the terms of acquisition, Kalamazoo will pay Northern Star \$5.0M on mining of the first 250,000 tonnes of Ore, a 2% Net Smelter Royalty ("NSR") on the first 250,000oz of gold produced, with a 0.75% NSR on any subsequent gold produced from the tenements. The same NSR's will also apply on any other metals produced from the tenements. A pre-existing 1.75% royalty on gold production (excluding the first 250,000oz) is also applicable across M52/639, M52/640, M52/734 and M52/735 and E52/1941.

In December 2021 the Company acquired tenement E45/4616 as part of the acquisition of the Pear Creek Lithium Project. As part of the acquisition the Company assumed an obligation to pay a 2% net smelter royalty on all commodities produced from the tenement, capped at \$250,000, to Mithril Resources Limited.

None of these amounts have been recognised in the 30 June 2022 financial statements due to the high level of uncertainty around future events in order to trigger these payments.

There are no other material contingent assets or liabilities as at 30 June 2022.

NOTE 21: EVENTS OCCURRING AFTER THE REPORTING PERIOD

In August 2022, the Company entered into an Agreement with New York based Lind Global Fund II, LP, ("Lind") whereby Lind invested \$3.0 Million (before costs) via a placement of Kalamazoo ordinary fully paid shares ("Placement Shares") and 6 million unlisted options. The Placement Shares will be issued to Lind during the term of the Agreement (expiring 31 July 2024) with the price being not less than \$0.50 until 31 January 2023 and then at a calculated VWAP subscription price.

On 19 September 2022, the Company announced that it had completed the acquisition of the 1,609km² Mt Piper Gold Project in Victoria from Coda Minerals Limited ("Coda") (ASX:COD). The Project consists of exploration licences EL6775, EL7331, EL7337, EL7366, EL7380 and application ELA7481. Kalamazoo will pay Coda \$300,000 and 1,525,000 fully paid ordinary shares in Kalamazoo, escrowed for 12 months from issue. Coda retains a 1% Net Smelter Royalty on any minerals extracted from the tenements.

There have been no other events subsequent to the reporting date which are sufficiently material to warrant disclosure.

NOTE 22: COMMITMENTS

In order to maintain an interest in the exploration tenements in which the Company is involved, the Company is committed to meet the conditions under which the tenements were granted. The timing and amount of exploration expenditure commitments and obligations of the Company are subject to the minimum expenditure commitments required as per the *Mineral Resources (Sustainable Development) Act 1990* (Victoria), the *Mining Act 1978* (Western Australia) and the *Mining Act 1992* (NSW), and the and may vary significantly from the forecast based upon the results of the work performed which will determine the prospectivity of the relevant area of interest.

These obligations are not provided for in the financial report and are payable as follows:

	2022 \$	2021 \$
Exploration expenditure		
Within one year	1,803,820	848,145
After one year but not more than five years	4,572,292	2,072,814
Greater than five years	6,955,827	3,164,070
	13,331,939	6,085,029

If the Company decides to relinquish certain exploration tenements and/or does not meet these obligations, assets recognised in the statement of financial position may require review to determine the appropriateness of carrying values. The sale, transfer or farm-out of exploration rights to third parties will reduce or extinguish these obligations.

NOTE 23: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial Risk Management

Overview

The Company has exposure to the following risks from their use of financial instruments:

- Interest rate risk
- Credit risk
- Foreign currency risk
- Commodity risk
- Liquidity risk
- Market risk

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

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework.

Risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Board oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

NOTE 23: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

The Company's principal financial instruments are tabled below:

	2022 \$	2021 \$
Financial assets		
<i>Current</i>		
Cash and cash equivalents	2,817,825	5,850,997
Trade and other receivables	463,412	353,802
	3,281,237	6,204,799
<i>Non-current</i>		
Financial assets at fair value through OCI	304,549	1,364,380
	304,549	1,364,380
Financial liabilities		
<i>Current</i>		
Trade and other payables	1,061,302	1,624,958
Lease liabilities	121,481	108,299
	1,182,783	1,733,257
<i>Non-current</i>		
Lease liabilities	140,855	187,594
	140,855	187,594

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Interest rate risk arises from fluctuations in interest bearing financial assets and liabilities that the Company uses.

Interest bearing assets comprise cash and cash equivalents which are considered to be short-term liquid assets. It is the Company's policy to settle trade payables within the credit terms allowed and therefore not incur interest on overdue balances.

NOTE 23: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

The following table sets out the carrying amount, by maturity, of the financial instruments that are exposed to interest rate risk:

	Floating interest rate \$	Fixed interest rate maturing in			Non-interest bearing \$	Total \$
		1 year or less \$	Over 1 to 5 years \$	More than 5 years \$		
2022						
Financial assets						
Cash and cash equivalents	-	1,550,000	-	-	1,267,825	2,817,825
Trade and other receivables	-	-	-	-	463,412	463,412
	-	1,550,000	-	-	1,731,237	3,281,237
Weighted average interest rate	-	0.36%	-	-	-	-
Financial liabilities						
Trade and other payables	-	-	-	-	1,061,302	1,061,302
Lease liabilities	-	-	-	-	262,336	262,336
	-	-	-	-	1,323,638	1,323,638
Weighted average interest rate	-	-	-	-	-	-
2021						
Financial assets						
Cash and cash equivalents	-	5,050,000	-	-	800,897	5,850,997
Trade and other receivables	-	-	-	-	353,802	353,802
	-	5,050,000	-	-	1,154,699	6,204,799
Weighted average interest rate	-	0.56%	-	-	-	-
Financial liabilities						
Trade and other payables	-	-	-	-	1,624,958	1,624,958
Lease liabilities	-	-	-	-	295,893	295,893
	-	-	-	-	1,920,851	1,920,851
Weighted average interest rate	-	-	-	-	-	-

NOTE 23: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Sensitivity analysis for interest rate exposure

A change of 100 basis points in interest rates at the reporting date would have increased/(decreased) equity and profit or loss by the amounts shown below:

	2022 \$	2021 \$
Impact on profit/(loss) and equity		
Increase of 100 basis points	43,482	48,092
Decrease of 100 basis points	(43,482)	(48,092)

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from customers and investment securities. The Company trades only with recognised, creditworthy third parties. It is the Company policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Company's exposure to bad debts is not significant. The maximum exposure to credit risk is the carrying value of the receivable, net of any provision for doubtful debts.

With respect to credit risk arising from the other financial assets of the Company, which comprise cash and cash equivalents, the Company's exposure to credit risk arises from default of the counter party, with a maximum exposure equal to the carrying amount of these instruments. This risk is minimised by reviewing term deposit accounts from time to time with approved banks of a sufficient credit rating which is -AA and above.

Exposure to credit risk

The carrying amount of the Company's financial assets represents the maximum credit exposure. The Company's maximum exposure to credit risk at the reporting date is tabled below.

	2022 \$	2021 \$
Trade and other receivables	463,412	353,802
	463,412	353,802

Foreign currency risk

The Company's exposure to foreign currency risk is minimal at this stage of its operations.

Commodity price risk

The Company's exposure to commodity price risk is minimal at this stage of its operations.

NOTE 23: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Liquidity risk

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

The Company's objective is to maintain a balance between continuity of funding and flexibility. The following are the contractual maturities of financial liabilities:

	Less than 6 months \$	Total contractual cash flows \$	Carrying amount \$
2022			
Trade and other payables	1,061,302	1,061,302	1,061,302
Lease liabilities	58,866	262,336	262,336
	1,120,168	1,323,638	1,323,638
2021			
Trade and other payables	1,624,958	1,624,958	1,624,958
Lease liabilities	56,284	295,893	295,893
	1,681,242	1,920,851	1,920,851

Fair value of financial assets and liabilities

The fair value of cash and cash equivalents and non-interest bearing financial assets and financial liabilities of the Company is equal to their carrying value.

Market risk

Price risk

The Company's exposure to equity securities price risk arises from investments held by the Company and classified in the Statement of Financial Position as either derivative financial instruments, or financial assets at FVOCI.

Sensitivity analysis for price risk

A change of 10% in the price of securities held at reporting date on the Company's equity and/or profit or loss by is shown below:

	2022 \$	2021 \$
Impact on profit/(loss) and equity		
Increase of 10%	30,454	136,438
Decrease of 10%	(30,454)	(136,438)

NOTE 23: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Fair value of financial assets and liabilities

The fair value of cash and cash equivalents and non-interest bearing financial assets and financial liabilities of the Company is equal to their carrying value.

Fair value measurement of financial instruments

Financial assets and financial liabilities measured at fair value in the Consolidated Statement of Financial Position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3: unobservable inputs for the asset or liability.

The following table shows the levels within the hierarchy of financial assets and liabilities measured at fair value on a recurring basis at 30 June 2022 and 30 June 2021:

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
30 June 2022				
Financial assets at FVOCI	304,549	-	-	304,549
	304,549	-	-	304,549
30 June 2021				
Financial assets at FVOCI	1,364,380	-	-	1,364,380
	1,364,380	-	-	1,364,380

Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The management of the Company's capital is performed by the Board.

The capital structure of the Company consists of net debt (trade and other payables and provisions detailed in Notes 12 and 13 (offset by cash and bank balances) and equity of the Company (comprising contributed equity and reserves, offset by accumulated losses detailed in Notes 15, 16 and 17).

The Company is not subject to any externally imposed capital requirements.

NOTE 24: SHARE-BASED PAYMENTS

Incentive Option Plan

The Company has an Incentive Option Plan ("IOP") for executives and employees of the Company. In accordance with the provisions of the IOP, executives and employees may be granted options at the discretion of the Directors.

Each share option converts into one ordinary share of Kalamazoo Resources Limited on exercise. No amounts are paid or are payable by the recipient on receipt of the option. The options carry neither rights of dividends nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry.

Options issued to Directors are subject to approval by shareholders.

The following share-based payment arrangements were in existence during the reporting period:

Option series	Number	Grant date	Expiry date	Vesting date	Exercise price	Fair value at grant date
G ⁽¹⁾	1,900,000	17 Jul 2018	30 Nov 2021	Immediate	\$0.25	\$0.057320
H ⁽¹⁾	7,000,000	14 Nov 2018	30 Nov 2021	Immediate	\$0.25	\$0.054570
K	2,000,000	23 Sep 2019	30 Nov 2022	Immediate	\$0.42	\$0.1673
L	1,500,000	15 Oct 2019	30 Nov 2022	Immediate	\$0.42	\$0.1348
M	6,000,000	13 Nov 2019	30 Nov 2022	Immediate	\$0.42	\$0.1656
O ⁽²⁾	1,750,000	25 Sep 2020	30 Nov 2023	Immediate	\$0.69	\$0.3803
P	1,500,000	9 Mar 2021	15 Mar 2024	Immediate	\$0.455	\$0.2313

(1) These options were exercised during the year.

(2) 350,000 of these options lapsed during the year.

Fair value of share options granted during the year

No options were issued to executives or employees during the year.

NOTE 24: SHARE-BASED PAYMENTS (Continued)

Movements in share options during the year

Movement in the number of share options held by Directors and employees:

	2022		2021	
	Number of options	Weighted average exercise price \$	Number of options	Weighted average exercise price \$
Outstanding at the beginning of the year	21,650,000	0.419	20,200,000	0.330
Granted and vested during the year	-	-	3,250,000	0.878
Exercised during the year	(8,900,000)	0.250	(1,800,000)	0.250
Expired during the year	(350,000)	1.040	-	-
Outstanding at the end of the year	12,400,000	0.523	21,650,000	0.419
Exercisable at the end of the year	12,400,000	0.523	21,650,000	0.419

The weighted average remaining contractual life of share options outstanding at the end of the year was 2.69 years (2021: 2.18 years).

Share options outstanding at the end of the year

Share options issued and outstanding at the end of the year have the following exercise prices:

Expiry date	Exercise price \$	2022 Number	2021 Number
30 November 2021	0.25	-	8,900,000
10 July 2021	0.30	-	2,000,000
24 August 2021	0.80	-	20,000,000
30 November 2022	0.42	9,500,000	9,500,000
30 November 2023	1.04	1,400,000	1,750,000
15 March 2024	0.69	1,500,000	1,500,000
Totals		12,400,000	43,650,000

NOTE 25: RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES

	2022 \$	2021 \$
Loss for the period	(1,385,254)	(445,828)
Non-cash flows in profit/(loss):		
- Depreciation	223,063	206,264
- Exploration expenditure written off	28,493	90,754
- Share-based remuneration	-	1,012,475
- Government grants	-	(49,264)
- Gain on disposal of 50% interest in EL007112	-	(1,921,192)
- Finance income	-	(114,793)
Changes in assets and liabilities:		
- Decrease/(Increase) in trade receivables	(22,790)	-
- Decrease/(Increase) in other current assets	(2,210)	20,778
- Increase/(Decrease) in trade and other payables	(5,685)	144,032
- Increase/(Decrease) in provisions	58,297	35,857
- Increase/(Decrease) in other non-current assets	-	(15,000)
Net cash used in operating activities	(1,106,086)	(1,035,917)

Non-cash investing and financing activities

There were no non-cash investing and financing activities during the year.

NOTE 26: RELATED PARTY DISCLOSURE

a) Parent entity

Kalamazoo Resources Limited

Class	Country of incorporation
Ordinary	Australia

b) Key management personnel compensation

Short-term employee benefits
Post-employment benefits

	2022 \$	2021 \$
Short-term employee benefits	651,231	656,488
Post-employment benefits	4,500	6,840
	655,731	663,328

Detailed remuneration disclosures are provided in the Remuneration Report on pages 33 to 40.

NOTE 27: SUBSIDIARIES

Details of the Company's subsidiary are as follows:

Entity	Country of Incorporation	Equity Interest		Principal Activities
		2022	2021	
Kali Metals Pty Ltd	Australia	100%	-	Mineral exploration

Kali Metals Pty Ltd was incorporated on 31 August 2021 and has share capital consisting solely of ordinary shares that are held directly by Kalamazoo.

NOTE 28: PARENT ENTITY DISCLOSURE

	2022 \$	2021 \$
FINANCIAL PERFORMANCE		
Loss for the year	(1,385,254)	(445,828)
Other comprehensive loss for the year	(1,059,831)	(665,788)
Total comprehensive loss for the year	(2,445,085)	(1,111,616)
ASSETS		
Current assets	3,365,803	6,277,155
Other current assets	17,204,171	13,672,861
TOTAL ASSETS	20,569,974	19,950,016
LIABILITIES		
Current liabilities	1,297,127	1,803,294
Non-current liabilities	154,845	187,594
TOTAL LIABILITIES	1,451,972	1,990,888
NET ASSETS	19,118,002	17,959,128
EQUITY		
Contributed equity	28,219,212	24,016,755
Option reserve	2,409,770	3,141,373
Financial asset reserve	(1,725,619)	(665,788)
Accumulated losses	(9,785,361)	(8,533,212)
TOTAL EQUITY	19,118,002	17,959,128

DIRECTORS' DECLARATION

The Directors of Kalamazoo Resources Limited declare that:

- 1) in the Directors' opinion, the financial statements and notes set out on pages 43 to 77 and the Remuneration Report in the Director's Report are in accordance with the *Corporations Act 2001*, including:
 - a) giving a true and fair view of the Company's financial position as at 30 June 2022 and of its performance, for the financial year ended on that date; and
 - b) complying with Australian Accounting Standards (including the Australian Accounting Interpretations), *Corporations Regulations 2001* and mandatory professional reporting requirements.
- 2) the financial statements also comply with International Financial Reporting Standards as disclosed in Note 2; and
- 3) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

The Directors have been given the declarations required by Section 295A of the *Corporations Act 2001* by the Chief Executive Officer and Chief Financial Officer for the financial year ended 30 June 2022.

Signed in accordance with a resolution of the Directors.



Luke Reinehr
Chairman

Perth, Western Australia

21 September 2022

Independent Auditor's Report

To the Members of Kalamazoo Resources Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of Kalamazoo Resources Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2022, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and the Directors' declaration.

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

- a giving a true and fair view of the Group's financial position as at 30 June 2022 and of its performance for the year ended on that date; and
- b complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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
Exploration and evaluation assets – Note 9	
<p>At 30 June 2022, the carrying value of exploration and evaluation assets was \$ 16.361 million.</p> <p>In accordance with AASB 6 Exploration for and Evaluation of Mineral Resources, the Group is required to assess at each reporting date if there are any triggers for impairment which may suggest the carrying value is in excess of the recoverable value.</p> <p>The process undertaken by management to assess whether there are any impairment triggers in each area of interest involves an element of management judgement.</p> <p>This area is a key audit matter due to the significant judgement involved in determining the existence of impairment triggers.</p>	<p>Our procedures included, amongst others:</p> <ul style="list-style-type: none">• obtaining the management reconciliation of capitalised exploration and evaluation expenditure and agreeing to the general ledger;• reviewing management's area of interest considerations against AASB 6;• conducting a detailed review of management's assessment of trigger events prepared in accordance with AASB 6 including:<ul style="list-style-type: none">– tracing projects to statutory registers, exploration licenses and the Department of Mines website to determine whether a right of tenure existed;– enquiry of management regarding their intentions to carry out exploration and evaluation activity in the relevant exploration area, including review of management's budgeted expenditure;– understanding whether any data exists to suggest that the carrying value of these exploration and evaluation assets are unlikely to be recovered through development or sale;• assessing the accuracy of impairment recorded for the year as it pertained to exploration interests;• evaluating the competence and capabilities of management in the evaluation of potential impairment triggers; and• assessing the appropriateness of the related financial statement disclosures.

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

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

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

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

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

Responsibilities of the Directors' for the financial report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar1_2020.pdf. This description forms part of our auditor's report.

Report on the remuneration report

Opinion on the remuneration report

We have audited the Remuneration Report included in pages 33 to 40 of the Directors' report for the year ended 30 June 2022.

In our opinion, the Remuneration Report of Kalamazoo Resources Limited, for the year ended 30 June 2022 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Grant Thornton Audit Pty Ltd
Chartered Accountants

T S Jackman
Partner – Audit & Assurance

Melbourne, 21 September 2022

ADDITIONAL SHAREHOLDER INFORMATION AS AT 16 SEPTEMBER 2022

Additional information required by the Australian Securities Exchange Limited and not shown elsewhere in this report is as follows.

1. DISTRIBUTION OF HOLDERS OF EQUITY SECURITIES

Analysis of number of equity security holders by size of holding:

Shares held	Shareholders
1 to 1,000	184
1,001 to 5,000	905
5,001 to 10,000	445
10,001 to 100,000	811
100,001 and over	118
Total	2,463

The number of holders of less than a marketable parcel of ordinary fully paid shares is 545.

2. SUBSTANTIAL SHAREHOLDERS

Substantial shareholders (i.e. shareholders who hold 5% or more of the issued capital):

Shareholder	Number of shares	Percentage held
Doux Argent Pty Ltd	39,044,234	26.51
Beatons Creek Pty Ltd	10,000,000	6.79
2176423 Ontario Ltd	10,000,000	6.79

3. VOTING RIGHTS

a) Ordinary Shares

Each shareholder is entitled to receive notice of and attend and vote at general meetings of the Company. At a general meeting, every shareholder present in person or by proxy, representative of attorney will have one vote on a show of hands and on a poll, one vote for each share held.

b) Options

No voting rights.

4. QUOTED SECURITIES ON ISSUE

The Company has 147,294,374 quoted shares on issue. No options on issue by the Company are quoted.

5. ON-MARKET BUY BACK

There is no current on-market buy back.

6. UNQUOTED EQUITY SECURITIES

Unlisted options (exercisable at)	Number on issue	Number of holders
\$0.42 on or before 30 Nov 2022	9,500,000	8
\$1.04 on or before 30 Nov 2023	1,400,000	6
\$0.69 on or before 15 Mar 2024	1,500,000	1
\$0.375 on or before 1 Sep 2025	6,000,000	1

7. TWENTY LARGEST HOLDERS OF QUOTED ORDINARY SHARES

Shareholder	Number of shares	Percentage held
Mutual Trust Pty Ltd	40,521,721	27.51
Citicorp Nominees Pty Ltd	14,782,554	10.04
Beatons Creek Gold Pty Ltd	10,000,000	6.79
BNP Paribas Nominees Pty Ltd	7,503,613	5.09
Mr Luke Reinehr	3,409,837	2.30
HSBC Custody Nominees (Australia) Ltd	3,260,065	2.21
Tornado Nominees Pty Ltd	2,261,905	1.54
Wandle River Pty Ltd	1,602,000	1.09
Mr Luke Reinehr (Reinehr Super Fund)	1,521,409	1.03
Mrs Terina Adams	1,000,000	0.68
Whale Watch Holdings Ltd	957,884	0.65
Calama Holdings Pty Ltd	898,399	0.61
Merrill Lynch (Australia) Nominees Pty Ltd	890,802	0.60
Mr Rupert James Graham Lowe	850,862	0.58
Mr Alan Conigrave	700,000	0.48
Mr Jonathan Ian Langton & Mrs Kerry Anne Langton	700,000	0.48
Mr Terence McMahon & Mrs Beverly Ann Mc Mahon	700,000	0.48
Elpacha Pty Ltd	633,840	0.43
Cleancare Nominees Pty Ltd	600,000	0.41
Mr Langtree Eric Christopher Coppin	588,235	0.40
Total	93,383,126	63.40

TENEMENT SCHEDULE

Project/Tenement	Location	Status	Interest	Notes
Mallina Project	Western Australia			1
E47/2983		Granted	80%	
E47/4342		Granted	100%	
E47/4489		Granted	100%	
E47/4490		Granted	100%	
E47/4491		Granted	100%	
Pear Creek Project	Western Australia			
E45/3856-I		Granted	100%	
E45/4616-I		Granted	100%	
E45/5813		Granted	100%	
DOM's Hill Project	Western Australia			
E45/4722		Granted	100%	
E45/4887		Granted	100%	
E45/4919		Granted	100%	
E45/5146		Granted	100%	
E45/5934		Granted	100%	
E45/5935		Granted	100%	
E45/5943		Granted	100%	
Marble Bar Project	Western Australia			2
E45/4700		Granted	100%	
E45/4724		Granted	100%	
E45/5970		Granted	100%	
Snake Well North Project	Western Australia			
E59/2580		Granted	100%	
Ashburton Project	Western Australia			
E52/1941		Granted	100%	
E52/3024		Granted	100%	
E52/3025		Granted	100%	
M52/639		Granted	100%	
M52/640		Granted	100%	
M52/734		Granted	100%	
M52/735		Granted	100%	
ELA52/4052		Application	-	
Castlemaine Project	Victoria			3
EL006679		Granted	100%	
EL006752		Granted	100%	
EL007112		Granted	50%	
Tarnagulla Project	Victoria			
EL006780		Granted	100%	
South Muckleford Project	Victoria			
EL006959		Granted	100%	
EL007021		Granted	100%	

Project/Tenement	Location	Status	Interest	Notes
Myrtle Project EL007323	Victoria	Granted	100%	
Tallangatta Project EL007784 EL007786 EL007787	Victoria	Application Application Application	- - -	
Queens Birthday Project EL007938	Victoria	Application	-	
Mount Piper Project EL006775 EL007331 EL007337 EL007366 EL007380 ELA007481 EL007787	Victoria	Granted Granted Granted Granted Granted Granted Application	100% 100% 100% 100% 100% 100% -	
Jingellic Project EL9403	New South Wales	Granted	100%	

Notes:

1. 80% interest minerals other than lithium.
2. 100% interest minerals other than lithium.
3. 50% interest held by Rocklea Gold Pty Ltd (a subsidiary of Novo Resources Corp.)