Focus Minerals Limited

ABN 56 005 470 799

Annual Report

For the year ended 31 December 2022

Corporate Directory

ABN 56 005 470 799

Directors

Wanghong Yang	Chairman – Executive
Zhaoya Wang	Director – Executive (resigned 30th April 2022)
Lingquan Kong	Director – Executive
Gerry Fahey	Director – Independent
Richard O'Shannassy	Director – Independent

Company Secretary
Nicholas Ong

Registered and Head Office
Level 2
159 Adelaide Terrace
East Perth WA 6004

PO Box 3233
East Perth WA 6892

Tel: +61 (0) 8 9215 7888
Fax: +61 (0) 8 9215 7889

Share Registry
Computershare Investor Services Pty Ltd
Level 11, 172 St Georges Terrace
Perth WA 6000

Bankers
National Australia Bank
100 St Georges Terrace
Perth WA 6000

Bank of China Perth Branch
Ground Floor, 179 St Georges Terrace
Perth WA 6000

Industrial and Commercial Bank of China
Level 28, 44 St Georges Terrace
Perth WA 6000

Auditor
RSM Australia Partners
Level 32 – Exchange Tower
2 The Esplanade
Perth WA 6000

Solicitors
MinterEllison
Level 4, Allendale Square
77 St Georges Terrace, Perth, WA 6000

Stock Exchange Listing
Australian Securities Exchange (ASX)
ASX Symbol: FML

Contents

Chairman's Report

Dear Shareholders,

I am pleased to present the 2022 Annual Report for Focus Minerals Limited (ASX:FML), summarising the achievements made over the past year as we continue to bring Coolgardie Gold Project (**Coolgardie**) back into production. I am satisfied with the refurbishment progress of the Three Mile Hill processing plant to date, which is supported by an initial 7-year Life of Mine (**LOM**) plan. All of this hard work and achievement will ensure that we deliver a robust project and returns to shareholders.

In carrying out the Resumption Plan announced in December 2021 to pursue mining and processing operations at Coolgardie, the Focus team have refined the Mineral Resources and Ore Reserves at Coolgardie, resulting the delivery of an Ore Reserve Estimate of 7.48Mt at 1.81 g/t for 436,532 oz of gold (refer to ASX announcement dated 12 October 2022) from Greenfields, CNX and Brilliant South open pits and the Bonnie Vale underground. A new high-confidence LOM plan was designed based on the latest cost estimates and updated mine schedules, mapping out our pathway to produce 402,000oz of gold over a 7-year mine life.

Focus began toll processing of historically stockpiled low-grade material from the Dreadnought and Empress Open pits at a nearby processing plant over a 3-month campaign period. A total of 129kt of stockpiled material and 41kt of ore from Big Blow were processed yielding approximately 6,223oz of gold (refer to ASX announcement dated 31 January 2023). The toll treatment exercise not only provided Focus' mining team an excellent opportunity to transition into mining operations by mid-2023, it has also confirmed our confidence in delivering a viable gold production business at Coolgardie.

In December 2021, Focus has successfully raised $25.5 million by way of an entitlements offer of new Focus shares. The proceeds of the Entitlement Offer were used to help fund the implementation of the Company's plans to resume gold mining operations at Coolgardie. Focus continues to receive support from its major shareholder, Shandong Gold, by securing a further US$35 million unsecured loan facility.

We have also been actively exploring at the Laverton Gold Project. Resource and exploration drilling during the year comprised 70 RC holes for 9,184m and 2 DD holes for 319m. Total Mineral Resource at Laverton is now at 64.4Mt @ 1.8g/t for 3.74Moz of gold. The additional drilling data will contribute to Mineral Resource updates at several deposits within Laverton during the first half of 2023. The Focus team will continue to convert more of the Mineral Resources into a JORC 2012-reporting standard to significantly enhance the scale, economics, and value of Laverton.

On behalf of the Board of Directors of Focus Minerals, I would like to extend my gratitude to all Focus employees and our contracting partners, for their part in making sure the momentum remains strong, whilst the progress towards plant commissioning and ultimate production is carried out in a safe and professional manner. I would also like to thank all shareholders for your continued support and confidence. Your patience has allowed us to systematically and diligently advance the Coolgardie operations.

I am confident that the strategies we put in place and the dedication of Focus team will continue to create shareholder value in the years to come.

Yours faithfully,

Wanghong Yang
Chairman of the Board

Operations Review

Overview

During the year in review, the Company has prioritised the delivery of key milestones leading to the return of mining and gold production at the Coolgardie Gold Project (**Coolgardie**). Key deliverables included:

- Mineral Resource updates for Brilliant South, CNX and Greenfields deposits.
- Updated economic assessments for: Brilliant South, CNX, Greenfields and Bonnie Vale leading to updated Ore Reserves and a new Life of Mine (**LOM**) Plan.
- Mining tender scope of works finalised and tender process advanced for start of open pit mining Q2 2023.
- Finalisation of Three Mile Hill plant refurbishments scope, EPC tender and contract with Maca-Interquip. The Contractor mobilised to site in October for commencement of refurbishment works.
- Long lead time items were ordered to facilitate refurbishment completion targeting mid-2023.
- Supply of all buildings was secured for construction of a 100-room workforce accommodation village. The Company has entered into long term land lease of village site with the Shire of Coolgardie in the Coolgardie township.
- The Mining Proposal for the Greenfields Open Pit was approved by DMIRS in June 2022.
- Funding for the resumption of mining at Coolgardie has been secured with:
    - A$25.95M raise from entitlement offer on 30 December 2021; and
    - US$35M loan facility announced on 19 January 2023.

Meanwhile at the Laverton Gold Project (**Laverton**), the focus remained on advancing technical work on the Company's significant tenement position with the aim of delivering sufficient open pit resources to underpin a mining operation.

During the year, the Company invested $9.1M (2021: $12.5M) in exploration at Coolgardie and Laverton, including $3.6M that was invested in grade control and advanced mine studies for the return to mining at Coolgardie.

As at 31 December 2022, the global Mineral Resource total across the Coolgardie and Laverton projects comprised:

Classification	Tonnage (Mt)	Au Grade (g/t)	Au Moz
Laverton and Coolgardie Total Measured	5.28	1.56	0.26
Laverton and Coolgardie Total Indicated	67.61	1.67	3.63
Laverton and Coolgardie Total Inferred	33.62	2.26	2.45
Laverton and Coolgardie Total Mineral Resource	**106.51**	**1.85**	**6.34**

COOLGARDIE in detail

The Company has expedited delivery of the Board approved plan for resumption of mining at Coolgardie during 2022. The following Mineral Resources have been updated during the year :

- Brilliant South -Mineral Resource grew 29% since 2020 PFS (refer ASX announcement dated 23 Feb 2022);
- Greenfield – Mineral Resource updated (refer ASX announcement dated 5 Aug 2022);
- Joly Britton - Maiden Mineral Resource (refer ASX announcement dated 24 May 2022); and
- Patricia Jean (refer ASX announcement dated 24 May 2022).

As at 31 December 2022, Coolgardie's Total Mineral Resources base comprised:

Classification	Tonnage (Mt)	Au Grade (g/t)	Au Moz
Total Coolgardie Measured Mineral Resource	4.36	1.5	0.206
Total Coolgardie Indicated Mineral Resource	22.79	1.9	1.404
Total Coolgardie Inferred Mineral Resource	14.92	2.1	986
Total Coolgardie 2022 Mineral Resource	**42.07**	**1.9**	**2.596**

In addition, drilling has been completed at the following deposits:

- Greenfields - open pit grade control for mining in 2023,
- Big Blow - grade control – drilling confirmed the Big Blow Mineral Resource estimate to enable a small mine project design to support successful toll milling during the second half of 2022.
- CNX - Phase 1 grade control – to improve economic assessment and advanced mine design. Phase 2 is planned for 2023 on approval of mining proposal.
- Bonnie Vale - Phase 1 infill – RC and DD drilling targeted the central part of the quarry lode and provided a general network of geotechnical and structural data for more advanced mine design and economic assessment. Phase 2 is currently underway for completion in the first half 2023.

Coolgardie Ore Reserves were updated (refer to ASX announcement dated 12 October 2022) to 7.48Mt @ 1.81 g/t for 436,532 oz using a gold price of A$2,200 per ounce. The updated Ore Reserves now include for the first time the CNX deposit with an Ore Reserve of 48,500 oz. The updated Ore Reserve Estimates use the higher confidence Mineral Resources that were updated since the 2020 Coolgardie PFS.

		2021			2022			Changes		
		Tonnes MT	Grade g/t	Ounces	Tonnes MT	Grade g/t	Ounces	Tonnes MT	Grade g/t	Ounces
Brilliant Open Pit Reserve	Proved									
	Probable	3.72	1.57	188,000	3.46	1.48	164,000	-0.26	2.87	-24,000
	Total	**3.72**	**1.57**	**188,000**	**3.46**	**1.48**	**164,000**	**-0.26**	**2.87**	**-24,000**
CNX Open Pit Reserve	Proved				1.21	1.17	45,550	1.21	1.17	45,550
	Probable				0.06	1.58	3,000	0.06	1.56	3,000
	Total				**1.27**	**1.19**	**48,500**	**1.27**	**1.19**	**48,500**
Green Fields Open Pit Reserve	Proved	1.48	1.38	65,500	1.83	1.22	71,750	0.35	0.56	6,250
	Probable	0.58	1.23	23,000				-0.58	1.23	-23,000
	Total	**2.06**	**1.34**	**88,500**	**1.83**	**1.22**	**71,750**	**-0.23**	**2.27**	**-16,750**
Bonnie Vale Underground Reserve	Proved									
	Probable	0.86	5.26	145,500	0.93	5.11	152,200	0.07	2.98	6,700
	Total	**0.86**	**5.26**	**145,500**	**0.93**	**5.11**	**152,200**	**0.07**	**2.98**	**6,700**
Coolgardie Total Reserves	Total Proven	1.48	1.38	65,500	3.04	1.20	117,300	1.56	1.03	51,800
	Total Probable	5.16	2.15	356,500	4.45	2.23	319,200	-0.71	1.63	-37,300
	Total	**6.64**	**1.98**	**422,000**	**7.49**	**1.81**	**436,450**	**0.85**	**0.53**	**14,450**

Focus Minerals announced its updated mine plan for resumption of mining at Coolgardie. The refined economic assessment utilises significantly updated mine designs and cost parameters.

The LOM plan delivers the following key outputs (refer to ASX announcement dated 24 October 2022):

- 402K oz produced over a 7 year mine life
- Pre commencement CAPEX of A$51.8M
- C2 Cash costs (including royalty) of A$1,482 per ounce, AISC A$1,618 per ounce
- At gold price of A $ 2,200 per ounce pre-tax cash flow of A $234M and NPV of A $152M (7.5% discount rate)
- At gold price of A $ 2,500 per ounce pre-tax cash flow of A $354M and NPV of A $242M (7.5% discount rate)

The Company awarded the $39.7M Three Mile Hill EPC contract for plant refurbishment to Maca-Interquip. Long lead time items and the required utilities have been confirmed with the refurbishment on track for completion at end of June 2023.

During the second half of 2022 key management personnel for Mine, Mill and Commercial roles were recruited. These key people are essential for developing and implementing the Coolgardie operational readiness plan.

Toll processing campaigns were implemented in the second half of 2022. Processing of low-grade stockpiles and completion of the Big Blow Small Mining Project successfully delivered:

- 129,389t @ 0.87 g/t from the Empress-Dreadnought low grade stockpile with production of 3,460 oz at a cash cost of A$2,157 per ounce
- 40,982t @ 2.21 g/t mined and processed from Big Blow open pit for production of 2,762 oz at a cash cost of A$1,588 per ounce
- Net cash generated A$4,579,557

At the time of reporting mine planning, infrastructure design/refurbishment and permitting is well advanced to support the operational re-start. Key project components have been advanced including:

- Mining tender and contractor selection in preparation for resumption of mining in Q2/2023.
- The Three Mile Hill plant Western Power grid power re-connection
- Engineering completed for permitting of tailings dam third lift and commencement of works to recommission the existing TMH tailings storage facility.
- Engineering advanced for future mine haul roads.
- Refurbishment of borefield and pipelines.
- Completed refurbishment of site infrastructure, including administration offices, process water dams and ablution facilities.
- The accommodation village is now in construction targeting commissioning by end of April 2023.
- EPC contract works are now at 41% of completion.

At Coolgardie, Focus completed campaigns of exploration, geotechnical, resource, grade control and waterbore drilling that comprised 274 reverse circulation (RC), RC/diamond (DD) and DD holes for 16,142.9m RC and 2,089.1m of diamond.

Type	RC or DD Holes	RC or DD Metres	RC/DD	RC/DD Meters	Total Holes	Total Meters
DD	3	456.7	11	1,716.3	14	2,173
RC	257	15,196	11	863	257	16,059
Waterbore (RC)	3	600			3	600
Total RC and DD	**263**	**16,252.7**	**11**	**2,579.3**	**274**	**18,832**

LAVERTON in detail

The Company has continued to improve the Laverton Mineral Resource inventory. During 2022 the following Mineral Resources were released:

- Lancefield Far North Maiden Mineral Resource - (refer to ASX announcement dated 23 February 2022),
- Beasley Creek South Mineral Resource update – (refer to ASX announcement dated 3 June 2022)
- Euro North Maiden Mineral Resource - (refer to ASX announcement dated 5 May 2022),
- Euro South Mineral Resource update- (refer to ASX announcement dated 5 May 2022),

As at 31 December 2022, Laverton's Total Mineral Resources comprised:

Classification	Tonnage (Mt)	Au Grade (g/t)	Au Moz
Total Laverton Measured Mineral Resource	0.91	2.0	0.06
Total Laverton Indicated Mineral Resource	44.81	1.5	2.22
Total Laverton Inferred Mineral Resource	18.7	2.4	1.46
Total Laverton 2021 Mineral Resource	**64.43**	**1.8**	**3.74**

Resource and exploration drilling during the year comprised 70 RC holes for 9,184m and 2 DD holes for 319m. Total drilling in Laverton comprised 9,503m.

Type	Holes	Metres	RC/DD	RC/DD Metres	Total Holes	Total Metres
DD	2	319	-	-	2	319
RC	70	9,184	-	-	70	9,184
Total RC and DD	**72**	**9,503**	**-**	**-**	**72**	**9,503**

Updated Mineral Resources Estimates were advanced for the following deposits and are expected to be completed in the first half of 2023:

- Craigiemore trend comprising:
    - Golden Pinnacles,
    - Mary Mac North,
    - Mary Mac,
    - Mary Mac Hill and,
    - Craigiemore
- West Laverton Trend comprising:
    - Rega,
    - West Laverton and,
    - Bulldog
- Chatterbox Trend comprising:
    - Innuendo,
    - Whisper,
    - Rumor and,
    - Garden Well
- Gladiator West

Funding

Focus secured an additional USD10 million unsecured loan facility with Shandong Gold Financial Holdings Group (Hongkong) Co Limited. The loan is at an interest rate of 3% p.a. above 3-month (the "Interest Period") Term SOFR. This loan was fully drawn down in July 2022.

After balance date, the Company has entered into an additional loan facility agreement with its major shareholder, Shandong Gold International Mining Co., Limited, for a US$35 million unsecured loan to fully fund the Coolgardie Gold Project operations (**Loan Facility**).

The key terms of the Loan Facility are:

- Term: 3 years from draw down, principal payable at the end of the term
- Interest: 3% per annum over 3-month forward-looking term rate based on the Secured Overnight Financing Rate, payable quarterly in arrears
- Representations, warranties, undertakings and events of review / default: generally on common terms for unsecured loan agreements.

Operating Result

The full-year loss after income tax for 2022 was $4.1 million (2021: loss of $6.7 million). The decrease in loss is largely due to small mining works and stockpiles being treated in the final quarter of the year.

As at 31 December 2022, the Company has a cash balance (consisting of cash and cash equivalent and short-term deposits) of $18.9 million (2021: $27.2 million).

Dividends

No dividends have been paid or provided during the year ended 31st December 2022 (2021: nil).

Significant Changes in the State of Affairs

Other than explained in the Review of Operations section above, there have been no significant changes in the state of affairs of the Group to balance date.

Significant Events after Balance Date

The Company has entered into a loan facility agreement with its major shareholder, Shandong Gold International Mining Co., Limited, for a US$35 million unsecured loan to fully fund the Coolgardie Gold Project operations (**Loan Facility**).

The key terms of the Loan Facility are:

- Term: 3 years from draw down, principal payable at the end of the term
- Interest: 3% per annum over 3-month forward-looking term rate based on the Secured Overnight Financing Rate, payable quarterly in arrears
- Representations, warranties, undertakings and events of review / default: generally on common terms for unsecured loan agreements.

In addition, Shandong Gold Group Co. Ltd has provided a letter of comfort to indicate its intention to extend the repayment date of its existing AUD 20 million, due for repayment in October 2023 until October 2024.

Other than the above, there has not been any other matter or circumstance that has arisen after balance date that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future periods.

Likely Developments and Expected Results

The Group has now entered a construction and development phase and it is not possible to predict likely developments and expected results as these will be dependent upon successful mill refurbishment as well as the conversion of existing resources. Focus Board has announced a new Life of Mine plan for production at the Coolgardie Gold Project, commencing in 2023. This is subject to obtaining the requisite government approvals and permits.

Environmental Regulations

The Group's operations hold licences issued by the relevant regulatory authorities. These licences specify the limits and regulate the management associated with the operations of the Group. At the date of this report the Group is not aware of any breach of those environmental regulations which apply to the Group's operations. The Group continues to comply with its specified regulations.

The Directors have considered the impact of climate change on the Company's operations and concluded that it does not presently have a significant impact on the financial position of the Company.

Indemnification and Insurance of Directors and Officers

The Company has indemnified the directors and executives of the company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the Company paid a premium in respect of a contract to insure the directors and executives of the company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Indemnity and insurance of auditor

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

During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

Ore Reserves and Mineral Resources Tables

2021 / 2022 JORC 2012 Ore Reserves Comparison Table

COOLGARDIE GOLD PROJECT		2021 Reserves Tonnes Mt	2021 Reserves Grade Au g/t	2021 Reserves Ounces	2022 Reserves Tonnes Mt	2022 Reserves Grade Au g/t	2022 Reserves Ounces	Change Tonnes Mt	Change Grade Au g/t	Change Ounces
Brilliant Project – Open Pit Reserve	Proven	-	-	-	-	-	-	-	-	-
	Probable	3.72	1.58	188,000	3.46	1.48	164,000	-0.26	2.87	-24,000
	Total	***3.72***	***1.58***	***188,000***	***3.46***	***1.48***	***164,000***	***-0.26***	***2.87***	***-24,000***
CNX Project – Open Pit Reserve	Proven				1.21	1.17	45,550	1.21	1.17	45,550
	Probable				0.06	1.58	3,000	0.06	1.56	3,000
	Total				***1.27***	***1.19***	***48,500***	***1.27***	***1.19***	***48,500***
Greenfields Open Pit Reserve	Proven	1.48	1.37	65,500	1.83	1.22	71,750	0.35	0.56	6,250
	Probable	0.58	1.23	23,000				-0.58	1.23	-23,000
	Total	***2.06***	***1.34***	***88,500***	***1.83***	***1.22***	***71,750***	***-0.23***	***2.27***	***-16,750***
Bonnie Vale Project – Underground	Proven									
	Probable	0.86	5.26	145,500	0.93	5.11	152,200	0.07	2.98	6,700
	Total	***0.86***	***5.26***	***145,500***	***0.93***	***5.11***	***152,200***	***0.07***	***2.98***	***6,700***
Total Coolgardie	**Total Proven**	**1.48**	**1.38**	**65,500**	**3.04**	**1.20**	**117,300**	**1.56**	**1.03**	**51,800**
	Total Probable	**5.16**	**2.15**	**356,500**	**4.45**	**2.23**	**319,200**	**-0.71**	**1.62**	**-37,300**
	Total Ore Reserves	**6.64**	**1.98**	**422,000**	**7.49**	**1.81**	**436,450**	**0.85**	**0.53**	**14,450**

2021 / 2022 JORC 2012 Ore Reserves Comparison Table

		2021 Reserves			2022 Reserves			Change		
LAVERTON GOLD PROJECT		**Tonnes Mt**	**Grade Au g/t**	**Ounces**	**Tonnes Mt**	**Grade Au g/t**	**Ounces**	**Tonnes Mt**	**Grade Au g/t**	**Ounces**
Karridale – Open Pit Reserve	Proven	-	-	-	-	-	-	-	-	-
	Probable	5.8	1.1	205,000	5.8	1.1	205,000	-	-	-
	Total	***5.8***	***1.1***	***205,000***	***5.8***	***1.1***	***205,000***	-	-	-
Burtville – Open Pit Reserve	Proven	-	-	-	-	-	-	-	-	-
	Probable	3.5	0.9	103,000	3.5	0.9	103,000	-	-	-
	Total	***3.5***	***0.9***	***103,000***	***3.5***	***0.9***	***103,000***	-	-	-
Beasley Creek – Open Pit Reserve	Proven	-	-	-	-	-	-	-	-	-
	Probable	1.8	2.3	133,000	1.8	2.3	133,000	-	-	-
	Total	***1.8***	***2.3***	***133,000***	***1.8***	***2.3***	***133,000***	-	-	-
Beasley Creek South – Open Pit Reserve	Proven							-	-	-
	Probable	0.7	2.7	64,000	0.7	2.7	64,000	-	-	-
	Total	***0.7***	***2.7***	***64,000***	***0.7***	***2.7***	***64,000***	-	-	-
Wedge – Open Pit Reserve	Proven	-	-	-	-	-	-	-	-	-
	Probable	0.8	1.6	41,000	0.8	1.6	41,000	-	-	-
	Total	***0.8***	***1.6***	***41,000***	***0.8***	***1.6***	***41,000***	-	-	-
Total Laverton	**Total Proven**	-	-	-	-	-	-	-	-	-
	Total Probable	**12.6**	**1.34**	**546,000**	**12.6**	**1.34**	**546,000**	-	-	-
	Total Ore Reserves	**12.6**	**1.34**	**546,000**	**12.6**	**1.34**	**546,000**	-	-	-

Mineral Resources Table

Coolgardie Gold Project

Coolgardie Surface Mineral Resources						
Prospect	**JORC**	**Classification**	**Tonnes**	**Grade (g/t)**	**Ounces**	**Reporting Cut-Off Grade (g/t)**
Alicia	**JORC 2004**	Indicated	505,000	1.56	25,500	0.8
	JORC 2004	Inferred	0	0.00	0	
	JORC 2004	Total	505,000	1.56	25,500	
Big Blow	**JORC 2004**	Indicated	321,000	2.57	26,500	0.7
	JORC 2004	Inferred	178,000	0.96	5,500	
	JORC 2004	Total	499,000	2.00	32,000	
Bird in Hand	**JORC 2004**	Indicated	210,000	1.96	13,500	1.0
	JORC 2004	Inferred	107,000	2.00	6,500	
	JORC 2004	Total	317,000	1.97	20,000	
Cookes	**JORC 2004**	Indicated	120,000	2.38	9,000	1.0
	JORC 2004	Inferred	47,000	3.25	5,000	
	JORC 2004	Total	167,000	2.62	14,000	
Cyanide	**JORC 2004**	Indicated	34,000	2.17	2,500	1.0
	JORC 2004	Inferred	84,000	1.80	5,000	
	JORC 2004	Total	118,000	1.91	7,500	
Dreadnought	**JORC 2004**	Indicated	1,900,000	2.00	122,000	1.0
	JORC 2004	Inferred	145,000	1.70	8,000	
	JORC 2004	Total	2,045,000	1.98	130,000	
Empress	**JORC 2004**	Indicated	128,000	1.97	8,000	1.0
	JORC 2004	Inferred	12,000	2.32	1,000	
	JORC 2004	Total	140,000	2.00	9,000	
Friendship	**JORC 2004**	Inferred	100,000	1.43	4,500	1.0
Griffiths	**JORC 2004**	Inferred	104,000	2.74	9,000	1.0
Happy Jack	**JORC 2004**	Indicated	322,000	1.32	13,500	0.7
	JORC 2004	Inferred	203,000	1.37	9,000	
	JORC 2004	Total	525,000	1.34	22,500	
Patricia Jean	**JORC 2012**	Inferred	390,000	2.2	27,000	0.5
Jolly Briton	**JORC 2012**	Inferred	900,000	1.3	38,500	0.5
Lady Charlotte	**JORC 2004**	Indicated	137,000	1.64	7,000	1.0
	JORC 2004	Inferred	346,000	1.51	17,000	
	JORC 2004	Total	483,000	1.55	24,000	
Perseverance	**JORC 2004**	Inferred	53,000	2.43	4,000	1.0
Tindals Pit	**JORC 2004**	Indicated	257,000	2.71	22,500	1.0
	JORC 2004	Inferred	288,000	2.36	22,000	
	JORC 2004	Total	545,000	2.53	44,500	
Undaunted	**JORC 2004**	Indicated	187,000	1.97	12,000	1.0
	JORC 2004	Inferred	126,000	1.93	8,000	
	JORC 2004	Total	313,000	1.95	20,000	

Prospect	JORC	Classification	Tonnes	Grade (g/t)	Ounces	Reporting Cut-Off Grade (g/t)
Brilliant	**JORC 2012**	Indicated	8,990,000	1.4	400,000	0.5
	JORC 2012	Inferred	1,550,000	1.2	61,000	
	JORC 2012	Total	10,540,000	1.4	462,000	
Green Light	**JORC 2012**	Indicated	445,000	1.14	16,500	0.5
	JORC 2012	Inferred	773,000	1.18	29,	
	JORC 2012	Total	1,218,000	1.17	45,500	
CNX	**JORC 2012**	Measured	2,699,000	1.08	94,000	0.5
	JORC 2012	Indicated	1,094,000	1.08	38,000	
	JORC 2012	Inferred	817,000	1.00	26,000	
	JORC 2012	Total	4,610,000	1.06	158,000	
Greenfields	**JORC 2012**	Measured	1,392,000	1.6	72,500	0.6
	JORC 2012	Indicated	1,147,000	1.4	50,500	
	JORC 2012	Total	2,539,000	1.5	123,000	
Hillside	**JORC 2004**	Inferred	437,000	4.42	62,000	1.0
Lindsays	**JORC 2004**	Indicated	4,350,000	1.70	238,000	1.0
	JORC 2004	Inferred	1,490,000	1.60	77,000	
	JORC 2004	Total	5,840,000	1.67	315,000	
King Solomon/ Queen Sheba	**JORC 2004**	Inferred	1,400,000	2.00	90,000	1.0
Lord Bob	**JORC 2004**	Inferred	820,000	1.60	42,000	0.8
Norris - Grosmont	**JORC 2004**	Inferred	1,620,000	2.44	127,000	1.0
Total		Measured	**4,091,000**	**1.27**	**166,500**	
Total		Indicated	**20,147,000**	**1.55**	**1,005,000**	
Total		Inferred	**11,990,000**	**1.77**	**684,000**	
Total Coolgardie Surface			**36,228,000**	**1.59**	**1,855,500**	

Coolgardie Underground Mineral Resources						
Prospect	**JORC**	**Classification**	**Tonnes**	**Grade (g/t)**	**Ounces**	**Reporting Cut-Off Grade (g/t)**
Bird in Hand	**JORC 2004**	Indicated	282,000	3.07	28,000	
	JORC 2004	Inferred	90,000	2.76	8,000	2.0
	JORC 2004	Total	372,000	3.00	36,000	
Countess	**JORC 2004**	Measured	50,000	3.46	5,500	
	JORC 2004	Indicated	127,000	2.88	12,000	2.0
	JORC 2004	Inferred	0	0.00	0	
	JORC 2004	Total	177,000	3.04	17,500	
Cyanide	**JORC 2004**	Indicated	516,000	4.65	77,000	
	JORC 2004	Inferred	77,000	5.53	13,500	2.0
	JORC 2004	Total	593,000	4.76	90,500	
Empress	**JORC 2004**	Measured	13,000	4.10	2,000	
	JORC 2004	Indicated	175,000	3.40	19,000	
	JORC 2004	Inferred	13,000	7.50	3,000	2.0
	JORC 2004	Total	201,000	3.71	24,000	
Griffiths	**JORC 2004**	Inferred	39,000	2.90	4,000	2.0
Perseverance	**JORC 2004**	Measured	154,000	5.30	26,000	
	JORC 2004	Indicated	438,000	4.50	64,000	
	JORC 2004	Inferred	18,000	4.30	2,000	2.0
	JORC 2004	Total	610,000	4.70	92,000	
Tindals	**JORC 2004**	Measured	51,000	3.40	5,500	
	JORC 2004	Indicated	179,000	2.83	16,000	
	JORC 2004	Inferred	72,000	3.10	7,000	2.0
	JORC 2004	Total	302,000	2.99	28,500	
Brilliant	**JORC 2012**	Indicated	270,000	2.4	21,000	
	JORC 2012	Inferred	2,120,000	3.1	209,000	1.5
	JORC 2012	Total	2,390,000	3.0	230,000	
Quarry Reef (Bonnie Vale)	**JORC 2012**	Indicated	658,000	7.70	162,000	
	JORC 2012	Inferred	503,000	3.50	56,000	1.5
	JORC 2012	Total	1,161,000	5.88	218,000	
		Measured	**268,000**	**4.5**	**39,000**	
		Indicated	**2,645,000**	**4.7**	**399,000**	
		Inferred	**2,932,000**	**3.2**	**302,500**	
Total Coolgardie Underground			**5,845,000**	**3.9**	**740,500**	

Coolgardie Total Surface and Underground Mineral Resources			
Classification	**Tonnes**	**Grade (g/t)**	**Ounces**
Total Measured Resource	4,359,000	1.5	205,500
Total Indicated Resource	22,792,000	1.9	1,404,000
Total Inferred Resource	14,922,000	2.1	986,500
TOTAL COOLGARDIE	**42,073,000**	**1.9**	**2,596,000**

Mineral Resources Table

Laverton Gold Project

Laverton Surface Mineral Resources						
Prospect	**JORC**	**Classification**	**Tonnes**	**Grade (g/t)**	**Contained Ounces**	**Reporting Cut-Off Grade (g/t)**
Admiral Hill	**JORC 2004**	Indicated	660,000	1.40	30,000	0.8
	JORC 2004	Inferred	1,310,000	1.10	46,000	
	JORC 2004	Total	1,970,000	1.20	76,000	
Barnicoat	**JORC 2004**	Indicated	340,000	1.30	14,000	0.5
	JORC 2004	Inferred	250,000	1.00	8,000	
	JORC 2004	Total	590,000	1.17	22,000	
Bells	**JORC 2004**	Indicated	594,000	1.99	38,000	0.5
	JORC 2004	Inferred	36,000	1.44	2,000	
	JORC 2004	Total	630,000	1.96	40,000	
Castaway	**JORC 2004**	Indicated	247,000	1.55	13,000	1.0
	JORC 2004	Inferred	28,000	1.80	2,000	
	JORC 2004	Total	275,000	1.58	15,000	
Grouse	**JORC 2004**	Indicated	447,000	1.69	24,000	1.0
	JORC 2004	Inferred	27,000	1.33	1,000	
	JORC 2004	Total	474,000	1.67	25,000	
Sickle	**JORC 2004**	Measured	390,000	1.65	21,000	1.0
	JORC 2004	Indicated	198,000	2.56	16,000	
	JORC 2004	Inferred	152,000	3.11	15,000	
	JORC 2004	Total	740,000	2.19	52,000	
Burtville	**JORC 2012**	Indicated	5,095,000	1.00	159,000	0.6
	JORC 2012	Inferred	1,554,000	0.90	47,000	
	JORC 2012	Total	6,649,000	0.96	206,000	
Karridale	**JORC 2012**	Indicated	22,149,000	1.36	968,500	0.6
	JORC 2012	Inferred	5,584,000	1.22	219,000	
	JORC 2012	Total	27,733,000	1.33	1,187,500	
Craggiemore	**JORC 2004**	Indicated	575,000	2.16	40,000	1.0
	JORC 2004	Inferred	113,000	2.74	10,000	
	JORC 2004	Total	688,000	2.26	50,000	
Euro South	**JORC 2012**	Indicated	520,000	1.4	24,000	0.6
	JORC 2012	Inferred	50,000	1.2	2,000	
	JORC 2012	Total	570,000	1.4	26,000	
Euro North	**JORC 2012**	Indicated	560,000	2.1	37,500	0.6
	JORC 2012	Inferred	270,000	2.1	18,000	
	JORC 2012	Total	830,000	2.1	55,500	
Mary Mac	**JORC 2004**	Indicated	232,000	2.20	16,000	1.0
	JORC 2004	Inferred	9,000	1.60	1,000	
	JORC 2004	Total	241,000	2.18	17,000	
Mary Mac South	**JORC 2004**	Indicated	435,000	1.59	22,000	1.0
	JORC 2004	Inferred	90,000	1.81	5,000	
	JORC 2004	Total	525,000	1.63	27,000	

Laverton Surface Mineral Resources						
Prospect	**JORC**	**Classification**	**Tonnes**	**Grade (g/t)**	**Contained Ounces**	**Reporting Cut-Off Grade (g/t)**
West Laverton	**JORC 2004**	Indicated	1,252,000	2.10	84,500	1.0
	JORC 2004	Inferred	116,000	1.80	6,500	
	JORC 2004	Total	1,368,000	2.07	91,000	
Apollo	**JORC 2004**	Measured	512,000	2.20	36,000	
	JORC 2004	Indicated	910,000	2.00	59,000	
	JORC 2004	Inferred	560,000	3.03	54,000	0.8
	JORC 2004	Total	1,982,000	2.34	149,000	
Inuendo	**JORC 2004**	Indicated	180,000	2.90	17,000	
	JORC 2004	Inferred	380,000	2.30	28,000	1.0
	JORC 2004	Total	560,000	2.49	45,000	
Eclipse (Garden Well)	**JORC 2004**	Measured	19,000	2.68	2,000	
	JORC 2004	Indicated	63,000	1.77	4,000	0.8
	JORC 2004	Inferred	152,000	1.70	8,000	
	JORC 2004	Total	234,000	1.80	14,000	
Gladiator North	**JORC 2004**	Indicated	48,000	1.70	3,000	
	JORC 2004	Inferred	123,000	1.60	6,000	1.0
	JORC 2004	Total	171,000	1.63	9,000	
Rumor	**JORC 2004**	Indicated	1,590,000	2.10	107,000	
	JORC 2004	Inferred	1,060,000	2.10	72,000	1.0
	JORC 2004	Total	2,650,000	2.10	179,000	
Beasley Creek	**JORC 2012**	Indicated	3,727,000	2.04	244,000	
	JORC 2012	Inferred	386,000	1.64	20,500	0.5
	JORC 2012	Total	4,114,000	2.00	264,500	
Beasley Creek South	**JORC 2012**	Indicated	1,620,000	2.1	109,000	
	JORC 2012	Inferred	430,000	0.8	11,000	0.5
	JORC 2012	Total	2,050,000	1.8	120,000	
Telegraph	**JORC 2012**	Indicated	638,000	2.13	43,500	
	JORC 2012	Inferred	534,000	1.43	24,500	0.8
	JORC 2012	Total	1,172,000	1.81	68,000	
Wedge - Lancefield North	**JORC 2012**	Indicated	2,660,000	1.70	141,000	
	JORC 2012	Inferred	750,000	1.10	27,000	0.8
	JORC 2012	Total	3,410,000	1.50	168,000	
Lancefield Far North	**JORC 2012**	Inferred	790,000	1.3	34,000	0.5
South Lancefield	**JORC 2004**	Indicated	72,000	4.00	9,000	
	JORC 2004	Inferred	3,000	5.00	1,000	1.0
	JORC 2004	Total	75,000	4.04	10,000	
		Measured	**921,000**	**1.99**	**59,000**	
		Indicated	**44,812,000**	**1.5**	**2,223,000**	
		Inferred	**14,758,000**	**1.4**	**668,500**	
Total Laverton Surface			**60,491,000**	**1.5**	**2,950,500**	

Laverton Underground						
Prospect	**JORC**	**Classification**	**Tonnes**	**Grade (g/t)**	**Contained Ounces**	**Reporting Cut-Off Grade (g/t)**
Lancefield	**JORC 2012**	Indicated	0	0.0	0	4.0
	JORC 2012	Inferred	3,944,000	6.3	793,000	
	JORC 2012	Total	3,944,000	6.3	793,000	
Subtotal		Measured	0	0.0	0	
Subtotal		Indicated	0	0.0	0	
Subtotal		Inferred	3,944,000	6.3	793,000	
Total Laverton Underground			**3,944,000**	**6.3**	**793,000**	

TOTAL Laverton			
Classification	**Tonnes**	**Grade (g/t)**	**Ounces**
Total Measured Resource	921,000	2.0	59,000
Total Indicated Resource	44,812,000	1.5	2,223,000
Total Inferred Resource	18,702,000	2.4	1,461,500
TOTAL LAVERTON	**64,435,000**	**1.8**	**3,743,500**

Mineral Resources Table – Comparison to Previous Year

Coolgardie Gold Project Resource Updates

		2021					2022					Difference			
		Category	**Tonnes MT**	**Grade g/t**	**Ounces**	**Cut Off**	**Category**	**Tonnes MT**	**Grade g/t**	**Ounces**	**Cut Off**	**Tonnes MT**	**Grade g/t**	**Ounces**	**Cut Off**
Patricia Jean	Measured		-	-	-			-	-	-		-	-	-	
	Indicated		-	-	-		JORC 2012	-	-	-	0.5 g/t	-	-	-	0.5 g/t
	Inferred		-	-	-			390,000	2.15	27,000		390,000	2.15	27,000	
Total Patricia Jean			**-**	**-**	**-**		**JORC 2012**	**390,000**	**2.15**	**27,000**	**0.5 g/t**	**390,000**	**2.15**	**27,000**	**0.5 g/t**
Jolly Briton	Measured		-	-	-			-	-	-		-	-	-	
	Indicated		-	-	-		JORC 2012	-	-	-	0.5 g/t	-	-	-	0.5 g/t
	Inferred		-	-	-			900,000	1.33	38,500		900,000	1.33	38,500	
Total Jolly Briton			**-**	**-**	**-**		**JORC 2012**	**900,000**	**1.33**	**38,500**	**0.5 g/t**	**900,000**	**1.33**	**38,500**	**0.5 g/t**
Brilliant Open Pit	Measured							-	-	-					
	Indicated	JORC 2012	5,706,000	2.14	392,500	0.5 g/t	JORC 2012	8,990,000	1.39	400,000	0.5 g/t	3,284,000	0.07	7,500	
	Inferred		771,000	2.00	50,000			1,550,000	1.23	61,000		779,000	0.44	11,000	
Total Brilliant Open Pit		**JORC 2012**	**6,477,000**	**2.12**	**442,500**	**0.5 g/t**	**JORC 2012**	**10,540,000**	**1.36**	**462,000**	**0.5 g/t**	**4,063,000**	**0.15**	**19,500**	
Brilliant Underground	Measured														
	Indicated	JORC 2012				1.5 g/t	JORC 2012	270,000	2.38	21,000	1.5 g/t	270,000	2.42	21,000	
	Inferred		3,730,000	2.30	248,500			2,120,000	3.07	209,000		- 1,610,000	0.76	-39,500	
Total Brilliant Underground		**JORC 2012**	**3,730,000**	**2.30**	**248,500**	**1.5 g/t**	**JORC 2012**	**2,390,000**	**2.99**	**230,000**	**1.5 g/t**	**- 1,340,000**	**0.43**	**-18,500**	
Greenfields	Measured		1,148,000	1.75	64,500			1,392,000	1.6	72,500		244,000	1.02	8,000	
	Indicated	JORC 2012	1,515,000	1.53	74,500	0.8 g/t	JORC 2012	1,147,000	1.4	50,500	0.6 g/t	-368000	2.03	-24000	-0.2 g/t
	Inferred		-	-	-			-	-	-					
Total Greenfields		**JORC 2012**	**2,663,000**	**1.62**	**139,000**	**0.8 g/t**	**JORC 2012**	**2,539,000**	**1.51**	**123,000**	**0.6 g/t**	**-124,000**	**4.01**	**-16,000**	**-0.2 g/t**
Total Coolgardie Resources Updated			**12,870,000**	**2.01**	**830,000**			**16,759,000**	**1.63**	**880,500**		**3,889,000**	**0.40**	**50,500**	

Laverton Gold Project Resource Updates

		2021					2022					Difference			
		Category	Tonnes MT	Grade g/t	Ounces	Cut Off	Category	Tonnes MT	Grade g/t	Ounces	Cut Off	Tonnes MT	Grade g/t	Ounces	Cut Off
Euro South	Measured	JORC 2004	-	-	-	1.0 g/t	JORC 2012	-	-	-	0.6 g/t	-	-	-	-0.5 g/t
	Indicated		255,000	1.69	14,000			520,000	1.44	24,000		265,000	1.17	10,000	
	Inferred		314,000	1.70	17,000			50,000	1.24	2,000		-264,000	1.77	-15,000	
Total Euro South		**JORC 2004**	**569,000**	**1.69**	**31,000**	**1.0 g/t**	**JORC 2012**	**570,000**	**1.42**	**26,000**	**0.6 g/t**	**1,000**	**-155.52**	**-5,000**	**-0.5 g/t**
Euro North	Measured		-	-	-		JORC 2012	-	-	-	0.5 g/t	-	-	-	0.5 g/t
	Indicated		-	-	-			560,000	2.08	37,500		560,000	2.08	37,500	
	Inferred		-	-	-			270,000	2.07	18,000		270,000	2.07	18,000	
Total Euro North			**-**	**-**	**-**		**JORC 2012**	**830,000**	**2.08**	**55,500**	**0.5 g/t**	**830,000**	**2.08**	**55,500**	**0.5 g/t**
Beasley Creek South	Measured	JORC 2012	-	-	-	0.8 g/t	JORC 2012	-	-	-	0.5 g/t	-	-	-	-0.3 g/t
	Indicated		751,000	3.56	86,000			1,620,000	2.1	109,000		869,000	0.82	23,000	
	Inferred		263,000	3.49	29,500			430,000	0.8	11,000		167,000	-3.45	-18,500	
Total Beasley Creek South		**JORC 2012**	**1,014,000**	**3.54**	**115,500**	**0.8 g/t**	**JORC 2012**	**2,050,000**	**1.82**	**120,000**	**0.5 g/t**	**1,036,000**	**0.14**	**4,500**	**-0.3 g/t**
Lancefield Far North	Measured		-	-	-		JORC 2012	-	-	-	0.5 g/t	-	-	-	0.5 g/t
	Indicated		-	-	-			-	-	-		-	-	-	
	Inferred		-	-	-			790,000	1.3	34,000		790,000	1.3	34,000	
Total Lancefield Far North			**-**	**-**	**-**		**JORC 2012**	**790,000**	**1.3**	**34,000**	**0.5 g/t**	**790,000**	**1.3**	**34,000**	**0.5 g/t**
Total Laverton Resources Updated			**1,583,000**	**2.88**	**146,500**			**4,240,000**	**1.73**	**235,500**		**2,657,000**	**1.04**	**89,000**	

Total Laverton and Coolgardie Resources Updated	**14,453,000**	**2.10**	**976,500**		**20,999,000**	**1.65**	**1,116,000**		**6,546,000**	**0.66**	**139,500**	

Competent Persons' Statement

Resources

The information in this announcement that relates to previously announced Mineral Resource estimates was compiled by Mr Alex Aaltonen, who is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Aaltonen is an employee of Focus Minerals Limited. Mr Aaltonen has sufficient experience that 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.*

The Mineral Resource estimates for Greenfields, Jolly Briton, Patricia Jean, Euro South, Euro North, Beasley Creek South and Lancefield Far North Deposits were undertaken by Ms Hannah Kosovich, an employee of Focus Minerals. Ms Hannah Kosovich is a member of Australian Institute of Geoscientists and has sufficient experience 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.*

The Mineral Resource estimates for Brilliant South were undertaken by Mr Michael Job, who is a Fellow of the Australasian Institute of Mining and Metallurgy (FAusIMM). Mr Job is an independent consultant employed by Cube Consulting. Mr Job has sufficient experience that is relevant to the style of mineralization 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 Aaltonen, Mr Job and Ms Hannah Kosovich consent to the inclusion in the report of the matters based on the information in the form and context in which it appears.

Reserves

The information in this announcement that relates to open pit Ore Reserves estimates is based on an assessment completed by Gary McCrae , a Competent Person who is a member of the Australasian Institute of Mining and Metallurgy (AusIMM) with a chartered professional status in mining. Mr McCrae is employed by Minecomp Pty Ltd who were engaged by FML to complete the open pit Mine Designs and compile open pit Ore Reserve estimates for the Greenfields, CNX and Brilliant South Deposits. Mr McCrae has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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 McCrae consents to the inclusion in any report or public announcement 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 Bonnie Vale underground Ore Reserves estimate is based on an assessment completed by Dr. Fusheng Li, a Competent Person who is a member of the Australasian Institute of Mining and Metallurgy (AusIMM). Dr Fusheng Li is a mining consultant employed by Focus Minerals Pty Ltd to complete Bonnie Vale underground Mine Design and compile the underground Ore Reserve estimate for the Bonnie Vale Deposit. Dr Fusheng Li has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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 Fusheng Li consents to the inclusion in any report or public announcement of the matters based on his information in the form and context in which it appears.

The information in this announcement that relates to Laverton Gold Project Ore Reserves is based on an assessment completed by Mr Igor Bojanic who is a Fellow of the Australasian Institute of Mining and Metallurgy and is a full-time employee of RPM Advisory Services Pty Ltd (RPMGlobal).

RPMGlobal and Mr Bojanic were engaged by FML to complete the Preliminary Feasibility Study investigating the technical and financial viability of mining the Karridale, Burtville, Beasley Creek, Beasley Creek South and Wedge Mineral Resources. Mt Bojanic has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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 Bojanic consents to the inclusion in any report or public announcement of the matters based on his information in the form and context in which it appears

Focus Minerals confirms that to the best of its knowledge, Focus is not aware of any new information or data that materially affects the information included in the relevant market announcements and, in the case of estimates of mineral resources or ore reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed.

Summary of Governance Arrangements and Internal Controls

Focus Minerals ensures that the Mineral Resources and Ore Reserve estimates are subject to governance arrangements and internal controls up to a corporate level within the company. Internal and external reviews of the Mineral Resource estimation procedures and results are carried out. An external consultancy firms have been used to generate the ore reserves that were subject to internal reviews by the consultants.

The General Manager – Exploration, is responsible for monitoring the planning, prioritisation and progress of exploratory and resource definition drilling programs across the company and the estimation and reporting of resources. These definition activities are conducted within a framework of quality assurance and quality control protocols covering aspects including drill hole location, sample collection, sample preparation and analysis as well as sample and data security.

Focus Minerals reports its Mineral Resources and Ore Reserves on an annual basis, in accordance with the Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves (the JORC code) 2004 and 2012 Edition. Mineral Resources are quoted inclusive of Ore Reserves. Competent Persons named by Focus Minerals are members 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.

Directors' Report

The Directors present their report on the Group comprising of Focus Minerals Limited – the parent company (referred to as "the Company") – and its subsidiaries (together referred to as "the Group" or "Focus" or "consolidated entity") at the end of, or during the year ended 31 December 2022.

Directors

The directors of the Company at any time during or since the end of the year and up to the date of this report, unless otherwise indicated, are:

Name	**Designation & Independence Status**
Wanghong Yang	Chairman – Executive
Zhaoya Wang*	Director – Executive
Lingquan Kong	Director – Executive
Gerry Fahey	Director – Independent
Richard O'Shannassy	Director - Independent

*Mr Wang resigned as Director on 30th April 2022

Details of the Directors' qualifications, experience, special responsibilities, and details of directorships of other listed companies can be found on pages 23 to 25 and in the remuneration report on pages 27 to 33.

Information on Directors, Officers and Senior Management

Directors	Designation & Independence Status	Experience, Expertise & Qualifications
Wanghong Yang *Appointed Executive Chairman on 14th October 2021*	Chairman *Executive*	*Qualifications:* B.Acc. MAppFin Mr Yang was an Executive Director and Interim CEO of Focus between 2013 and 2017. He was then appointed Vice President of the Business Development Unit of Shandong Gold Co., Ltd. Prior to his role at Focus he worked at Shandong Gold International Mining Corporation as Financial Controller. He joined Shandong Gold Group in 2008 as the Group's Senior Manager of Capital Management before becoming the Deputy General Manager of Shandong Gold International Mining Corporation Limited. Mr Yang has a Bachelor's degree in Accounting from Renmin University of China and a Master's degree in Applied Finance from Macquarie University. Directorships of other ASX listed companies: None
Zhaoya Wang *Appointed as Director on 17 November 2017* *Resigned 30th April 2022*	**Director** *Non-Executive Non-Independent* *Executive since 19 July 2018*	*Qualifications:* M.P.M, BME Mr Wang is a mining engineer who began his career at Shandong Gold in 1994. He has served various management positions in three of Shandong Gold's mine sites. He has a Master's degree in Project Management at Science and Technology University of Shandong and a bachelor degree in Mining at Inner Mongolia University of Science and Technology in China. Directorships of other ASX listed companies: None
Gerry Fahey *Appointed on 18 April 2011*	**Director** *Independent*	*Qualifications:* BSc (Hons) Geology, FAusIMM, MAIG, MAICD Mr Fahey is a geologist with over 40 years' experience in both the international and local minerals industry. He is a specialist in mining geology, mine development and training and worked for 10 years as Chief Geologist Mining for Delta Gold where he was actively involved with the development of Australian gold projects, Kanowna Belle, Sunrise and Wallaby. He formed FinOre Mining Consultants which merged with CSA Global Pty Ltd. Mr Fahey is a former a member of the Joint Ore Reserve Committee (JORC) and a former Board Member (Federal Councillor) of the Australian Institute of Geoscientists (AIG). Directorships of other ASX listed companies: • Prospect Resources Ltd (Non-Executive Director: appointed July 2013, ongoing) • Battery Age Minerals Ltd (Non-Executive Director: appointed Dec 2022, ongoing)

Directors	Designation & Independence Status	Experience, Expertise & Qualifications
Lingquan Kong *Appointed on 14th January 2021*	**Director** Executive	*Qualifications: Meng (Mining Engineering)* Mr Kong joined Focus in September 2019 as the company's Principal Mining Engineer. Prior to joining Focus, Mr Kong spent five years as a Director and General Manager at Vatukoula Gold Mines in Fiji, focusing on long term mine planning, production management, cost assessment and stakeholder relations. During his time at Focus Minerals, he has been pivotal in managing the pre-feasibility studies for Coolgardie and Laverton, including mine planning and engineering. Directorships of other ASX listed companies: • Cardinal Resources Limited (appointed 1st February 2021). Cardinal Resources Limited was delisted from ASX on 8th February 2021
Richard O'Shannassy *Appointed on 19th November 2021*	**Director** *Independent*	*Qualifications: B. Juris, LLB (Hons), Law* Mr O'Shannassy has more than 35 years of experience as a commercial lawyer. He served on mining industry committees over several years and is a member of Energy & Resources Law Association and the Law Society of Western Australia. Mr O'Shannassy was general counsel and company secretary at Hardman Resources, a non-executive director of Avenira (formerly Minemakers) and Key Petroleum Limited.

Note: For director's special responsibilities during the year ended 31 December 2021, please refer to the Remuneration Report

Senior Management

Wanghong Yang – Executive Chairman
Please refer to the directors' section for information about Mr Yang.

Zhaoya Wang - Chief Executive Officer
Please refer to the directors' section for information about Mr Wang.

Lingquan Kong – Principal Engineer/ Director
Please refer to the directors' section for information about Mr Kong.

Nicholas Ong – Company Secretary (contract)
Qualifications: *B. Comm, MBA*
Appointed: 19th October 2020
Mr Nicholas Ong has more than 16 years of experience in corporate governance and listing compliance, including 7 years working as a Principal Advisor at the ASX. He is the Managing Director of Minerva Corporate and provides non-executive director and Company Secretary services to several ASX listed companies. He is a fellow of the Governance Institute of Australia.

Alex Aaltonen – General Manager Exploration
Qualifications: *B.Sc Geology (Hons), MAUSIMM*
Appointed: 19 February 2018

Mr Alex Aaltonen has more than 20 years of mining, resource development and exploration experience. He has worked in geology management and leadership roles in Australia, Eastern Europe, Middle East, Asia and South America.

Mr Aaltonen has developed in depth experience in a broad range of deposit styles including gold, gold-copper-polymetallic, IOCGU, uranium, vanadium-polymetallic, tin-tungsten and graphite. Mr Aaltonen has extensive experience in managing and rejuvenating existing projects and or building teams and facilities for new projects.

Fengfan Sun – Chief Financial Officer
Qualifications: *M.Bus (Financial Accounting) , CPA*
Appointed: 1st December 2020

Mr Fengfan Sun has many years of invaluable experience in leading and developing successful finance teams in listed and unlisted gold companies. He was employed by Focus as a senior accountant from June 2013 to February 2018 and was appointed as Focus Limited's Chief Financial Officer in December 2020. Fengfan is responsible for managing the financial aspects of Focus' strategy which includes financial planning and reporting, capital management, tax, treasury and investor relations.

Rodney Johns – Chief Operating Officer
Qualifications: BappSc (Extractive Metallurgy)
Appointed: 9th November 2021 (former Independent Director)

Mr Johns has extensive experience in the WA gold sector, having held senior positions at Delta Gold, Placer Dome, La Mancha Resources and Echo Resources that included oversight and delivery of growth strategies, new processing plants and mine optimisations. In addition to his current role as a consultant to the WA mining sector, Mr Johns was previously a Non-Executive Director of Beacon Minerals Limited (ASX: BCN).

Interests in the Shares and Options of the Company and Related Bodies Corporate

At the date of this report, the direct and indirect interests of directors in the shares and options of the Company were:

	Ordinary Shares	Options (Unlisted)
Wanghong Yang	-	-
Gerry Fahey	25,640	-
Zhaoya Wang	-	-
Rodney Johns	-	-
Lingquan Kong	-	-
Richard O'Shannassy	-	-

Directors' Meetings

The number of meetings of directors (including meetings of committees of directors) held during the year and the number of meetings attended by each director was as follows:

	Board		Audit and Risk Committee		Remuneration and Nominations Committee		Technical Committee	
	A	B	A	B	A	B	A	B
Directors								
Lingquan Kong	4	4	-	-	-	-	-	-
Wanghong Yang	4	4	-	-	-	-	-	-
Gerry Fahey	4	4	2	2	-	-	-	-
Zhaoya Wang	3	3	-	-	-	-	-	-
Richard O'Shannassy	4	4	2	2	-	-	-	-

A – Number of meetings attended.
B – Number of meetings held during the time the director held office or was a member of the relevant committee during the year.

Capital Structure

Ordinary shares
As at the date of this report, the Company had on issue 286,558,645 fully paid ordinary shares.

Share Options

Options Issued
There were no options issued during the year ended 31 December 2022.

Options Exercised
There were no options exercised during the year ended 31 December 2022.

As at the date of this report, there are no unissued ordinary shares under options.

Principal Activities

The principal activity of the Company during the year was gold exploration and in Western Australia.

Remuneration Report (Audited)

This report, prepared in accordance with the *Corporations Act 2001*, contains detailed information regarding the remuneration arrangements for the Directors and Senior Executives who are the ‘key management personnel’ (KMP) of the Company and the Group. The Board formed the view that the three most senior people in the organisation, being the Chief Executive Officer (CEO), Chief Financial Officer, Chief Operating Officer and General Manager – Exploration are, in addition to the directors, the only executives who satisfy the “key management personnel” criteria during the period. The tables disclosing remuneration for this period and comparatives only include these KMPs.

The KMP for the year ended 31 December 2022 are listed in the table below:

Director	**Capacity**	**Change during the Year**
Wanghong Yang	Executive Chairman	Appointed as Executive Chairman on 14th October 2021,
Gerry Fahey	Independent	None
Zhaoya Wang	Director, Executive	Resigned 30th April 2022
Richard O’Shannassy	Independent	None
Lingquan Kong	Director, Executive	None

Current Executive	**Capacity**	**Change during the Year**
Alex Aaltonen	General Manager – Exploration	None
Fengfan Sun	Chief Financial Officer	None
Rodney Johns	Chief Operating Officer	None

Remuneration Objectives

It is the Company’s objective to provide maximum stakeholder benefit from the retention of a high-quality Board and executive team by remunerating directors and key executives fairly and appropriately with reference to relevant employment market conditions.

The expected outcomes of the remuneration structure are:

- Retaining and motivating key executives; and
- Attracting high quality management to the Company.

Remuneration and Nominations Committee Established

The Board is responsible for determining and reviewing compensation arrangements for the directors themselves and the executive team. The Board has established a Remuneration and Nominations Committee, comprising all the non-executive directors.

Members of the Remuneration and Nominations Committee during the year were:

- Gerry Fahey - Committee Chairman; and,
- Richard O’Shannassy

The Remuneration and Nominations Committee did not meet during the year.

Compensation of Key Management Personnel

Remuneration Structure

In accordance with best practice of *the Corporate Governance Principles and Recommendations 3rd Edition*, the remuneration structures for non-executive directors and executive directors are separate and distinct.

Remuneration and Nominations Committee

The Remuneration and Nominations Committee assesses the appropriateness of the nature and amount of remuneration of directors and senior executives on a periodic basis by reference to relevant employment market conditions with an overall objective of ensuring maximum stakeholder benefit from the retention of a high-quality Board and executive team, subject to the following section relating to non-executive directors. The committee did not meet this year.

Non-Executive Director Remuneration

The Board seeks to set aggregate remuneration at a level that provides the Company with the ability to attract and retain directors of the highest calibre, whilst incurring a cost that is acceptable to shareholders.

The amount of aggregate remuneration sought to be approved by shareholders and the manner in which it is apportioned amongst directors is reviewed annually. The Board considers advice from external shareholders as well as the fees paid to non-executive directors of comparable companies when undertaking the annual review process.

Each non-executive director receives a fee for being a director of the Company.

No retirement fees were paid to Directors during 2022 (2021: $40,000)

The committees of the Board, as of the date of this report, their Chair and members are presently as follows:

Board Member	Position	Audit & Risk	Technical	Remuneration and Nominations
Wanghong Yang	Chair *Executive*	-	-	-
Gerry Fahey	Director *Independent*	C	C	C
Richard O'Shannassy	*Director* *Independent*	M	-	M
Lingquan Kong	Director *Executive*	-	M	-

C=Chairman, M=Member

The following fees have applied:

- Non-executive directors $50,000 per annum

The compensation provided to the Directors in these circumstances is fixed, which reflects the time commitment and responsibilities of their roles.

At present, the maximum aggregate remuneration of directors' fees is $230,000 per annum of which $100,000 (2021: $201,279) has been paid to the directors as fees during the year.

Voting and comments made at the company's 2021 Annual General Meeting ('AGM')
At the 2021 AGM, 91.42% of the votes received supported the adoption of the remuneration report for the year ended 31 December 2021. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

Use of remuneration consultants
There is no use of any remuneration consultant for the year ended 31 December 2022.

Senior Executive and Executive Director Remuneration

Remuneration primarily consists of fixed and performance-based remuneration where determined by the Remuneration and Nominations Committee. The Company had established an equity-based scheme that will allow the executive team to share in the success of Focus. Any issue of an equity component to executive directors is subject to the approval of shareholders in general meeting and it is a policy of the current Board that Directors do not participate in equity-based proposals.

Fixed Remuneration

Fixed remuneration is reviewed by the Remuneration and Nominations Committee. The process consists of a review of relevant comparative remuneration in the market and internally and, where appropriate, external advice on policies and practices. The Committee has access to external, independent advice where necessary.

Senior managers are given the opportunity to receive their fixed (primary) remuneration in a variety of forms including cash and fringe benefits such as motor vehicles and expense payment plans. It is intended that the manner of payment chosen will be optimal for the recipient without creating additional cost for the Group.

Performance Based Remuneration

For the year ended 31 December 2022, the Company did not set any KPIs.

During the year ended 31 December 2022, discretionary bonuses were awarded to Directors and Key Management Personnel totalling $309,389.

No options were issued during the year (2021: None). At this stage, no LTI programmes are in place.

Key Management Personnel Contracts

The key terms of the employment contracts for the key management personnel are summarised as follows:

Alex Aaltonen – General Manager – Exploration

Base Salary:	$290,000 per annum plus superannuation guarantee
Term:	Permanent starting from 19 February 2018
Termination:	Four weeks' notice

Fengfan Sun – Chief Financial Officer

Base Salary:	$270,000 per annum plus superannuation guarantee
Term:	Permanent starting from 1 December 2020
Termination:	Four weeks' notice

Rodney Johns – Chief Operating Officer

Base Salary:	$400,000 per annum plus superannuation guarantee
Term:	Permanent starting from 9 November 2021
Termination:	1 month notice

Wanghong Yang – Executive Chairman

Base Salary:	$400,000 per annum plus superannuation guarantee
Other benefits	Apartment rent is covered by the company.
Term:	Permanent fixed term starting from 1 April 2022. Maximum period of 48 months
Termination:	Four weeks notice

Lingquan Kong – Principal Mining Engineer/ Director

Base Salary:	$230,000 per annum plus superannuation guarantee
Term:	Permanent fixed term from 4th September 2019. Maximum period of 48 months
Termination:	Four weeks' notice

Remuneration Tables

Directors' remuneration for the year ended 31 December 2022

	Short-Term Benefits				Post-Employment Benefits			%
	Cash Salary	Fees	Bonus	Non Monetary benefits	Super-annuation $	Other	Total	Perfor mance Related
	$	$	$	$		$	$	$
Directors								
Gerry Fahey	-	50,000	8,000	-	5,925	-	63,925	-
Zhaoya Wang*	248,234	-	2,000	16,313	14,200	-	280,747	-
Richard O'Shannassy	-	50,000	8,000	-	5,925	-	63,925	-
Lingquan Kong	220,708	-	37,409	-	26,481	-	284,598	-
Wanghong Yang	300,000	-	30,000	43,788	31,000	-	404,788	-
Total	**768,942**	**100,000**	**85,409**	**60,101**	**83,531**	**-**	**1,097,983**	**-**

*Zhaoya Wang resigned during the year. Total remuneration includes termination payments.

Directors' remuneration for the year ended 31 December 2021

	Short-Term Benefits				Post-Employment Benefits			%
	Salary $	Fees $	Other $	Non Monetary benefits $	Super-annuation $	Other $	Total $	Performance Related $
Directors								
Gerry Fahey	-	50,000	-	-	4,875	-	54,875	-
Zhaoya Wang	424,939	-		55,221	41,444	-	521,604	-
Richard O'Shannassy	-	5,705	-	-	571	-	6,276	-
Lingquan Kong	233,772	-	-	-	22,752	-	256,524	-
Wanghong Yang	-	-	-	-	-	-	-	-
Former Directors								
Dianfei Pei*	-	62,796	40,000	-	-	-	102,796	-
Rodney Johns**	-	42,778	-	-	4,153	-	46,931	-
Total	**658,711**	**161,279**	**40,000**	**55,221**	**73,795**	**-**	**989,006**	**-**

*Dianfei Pei resigned on 13th October 2021. Other Short -term benefits include retirement allowance.

** Rodney Johns resigned as a director and was appointed Chief Operating Officer.

Remuneration of the key management personnel for the year ended 31 December 2022

	Short-Term Benefits				Post-Employment Benefits			%
	Salary $	Fees $	Bonus $*	Non Monetary benefits $	Super-annuation $	Other $	Total $	Performance Related $
Current Executive								
Alex Aaltonen	283,750	-	45,679	-	33,796	-	363,225	-
Fengfan Sun	261,667	-	43,462	-	31,305	-	336,434	-
Rodney Johns**	400,000	-	164,840	-	41,484	-	606,324	-
Total	**945,417**	**-**	**253,981**	**-**	**106,585**	**-**	**1,305,983**	**-**

* * Bonuses include amounts paid in relation to both the 2021 and the 2022 financial year

** Rod Johns' bonus includes a 40% performance based bonus which was approved by Focus' Board.

Remuneration of the key management personnel for the year ended 31 December 2021

	Short-Term Benefits				Post-Employment Benefits			%
	Salary $	Fees $	Other $	Non Monetary benefits $	Super-annuation $	Other $	Total $	Performance Related $
Current Executive								
Alex Aaltonen	299,939	-	-	-	29,206	-	329,145	-
Fengfan Sun	254,490	-	-	-	24,824	-	279,314	-
Rodney Johns*	57,949	-	-	-	5,795	-	63,744	-
Total	**612,378**	**-**	**-**	**-**	**59,825**	**-**	**672,203**	**-**

***** Rodney Johns commenced as Chief Operating Officer from 9th November 2021

Relationship between Remuneration and Focus Minerals' Performance

The majority of salary is fixed while small portions of remuneration, such as bonus and share option, are linked to the Company's performance. Although there is some linkage to the Company's performance, it is not closely aligned.

The following table shows key performance indicators for the Company over the last five reporting periods.

		2022	2021	2020	2019	2018
Revenue ($'000)		16,905	78	199	745	1,250
EBITDA ($'000)		(1,216)	(4,969)	(6,735)	(796)	(3,357)
EBIT ($'000)		(2,099)	(5,232)	(7,106)	(1,319)	(3,658)
(Loss) attributable to the owners of Focus Minerals Ltd ('$000's)		(4,138)	(6,708)	(7,858)	(2,063)	(4,207)
Basic loss per share (Cents per share)		(1.44)	(3.66)	(4.3)	(1.13)	(2.30)
Dividend declared	$	n/a	n/a	n/a	n/a	n/a
Share Price as at the end of the year	$	0.255	0.39	0.34	0.215	0.175

Transactions and Balances with Related Parties

Summary of related party loans

Below is a summary of the related party loans

Related Party	Shandong Gold Group Co. Ltd	Shandong Gold Financial Holdings Group (Hong Kong) Co., Limited
Loan Principal	AUD20,000,000	USD10,000,000
Term	3 years	3 years
Interest	3.5%	3% per annum over 3-month (the "Interest Period") Term SOFR
Date drawn down	28th October 2020*	6th July 2022
Balance Payable as at 31st December 2022	AUD20,000,000	USD10,000,000 converted to AUD 14,760,147 using exchange rate of USD 1: AUD0.6775
Interest accrued during the year	AUD709,722	AUD450,277

*Note that the AUD 20,000,000 is due and payable on 28th October 2023.

As at 31 December 2022, there is an accounts payable balance, representing Directors fees for the previous Chairman, Mr Pei totalling $42,388.

As at 31 December 2022, there is a bonus payable balance to Directors and key management personnel totalling $259,049.

All transactions were made on normal commercial terms and conditions and at market rates.

Additional disclosures relating to key management personnel

Shareholding
The number of shares in the company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/other	Balance at the end of the year
	No.	No.	No.	No.	No.
Ordinary shares					
Gerry Fahey*	25,640	-	-	-	25,640
Zhaoya Wang	-	-	-	-	-
Richard O'Shannassy	-	-	-	-	-
Lingquan Kong	-	-	-	-	-
Wanghong Yang	-	-	-	-	-
Alex Aaltonen	-	-	-	-	-
Fengfan Sun	-	-	-	-	-
Rodney Johns	-	-	-	-	-
	25,640	-	-	-	25,640

This is the end of remuneration report.

Proceedings on Behalf of the Company

Other than as disclosed in this report no person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under Section 237 of the *Corporations Act 2001*.

Non-Audit Services

Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 21 to the financial statements.

The directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The directors are of the opinion that the services as disclosed in note 21 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:
- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the company, acting as advocate for the company or jointly sharing economic risks and rewards.

Officers of the Company Who are Former Partners of RSM Australia Partners

There are no officers of the company who are former partners of RSM Australia Partners.

Auditor's Independence Declaration

The auditor's independence declaration for the year ended 31 December 2022 has been received and can be found on page 36 of the Financial Report.

Rounding of Amounts

The Company is of a kind referred to in *Instrument 2016/191*, issued by the Australian Securities and Investments Commission, relating to the 'rounding off' of amounts in the Directors' Report. Amounts in the Directors' Report have been rounded off in accordance with that Instrument to the nearest thousand dollars, or in certain cases, to the nearest dollar.

Auditor

RSM Australia Partners continues in office in accordance with section 327 of the Corporations Act 2001.

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

On behalf of the directors

Wanghong Yang
Chairman of the Board
30 March 2023

RSM Australia Partners

Level 32, Exchange Tower
2 The Esplanade Perth WA 6000
GPO Box R1253 Perth WA 6844

T +61 (0) 8 9261 9100
F +61 (0) 8 9261 9111

www.rsm.com.au

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Focus Minerals Limited for the year ended 31 December 2022, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

RSM

RSM AUSTRALIA PARTNERS

Perth, WA
Dated: 30 March 2023

AIK KONG TING
Partner

Consolidated Financial Statements

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	Consolidated 2022 $'000	2021 $'000
Revenue from Continuing Operations	2(a)	**16,905**	**78**
Cost of Sales		**(11,876)**	**-**
Gross Profit		**5,029**	**78**
Other Income	2(b)	**365**	**44**
Employee Expenses	2(c)	**(3,368)**	**(1,578)**
Depreciation Expenses	2(c)	**(883)**	**(263)**
Finance Costs	2(c)	**(2,039)**	**(1,476)**
Loss on Disposal of Tenements	2(c)	**-**	**(618)**
Loss on Impairment of Inventory	2(c)	**-**	**(197)**
Care and Maintenance Costs		**(1,342)**	**(831)**
Corporate and Other Expenses	2(c)	**(1,900)**	**(1,867)**
Loss Before Income Tax For the Year		**(4,138)**	**(6,708)**
Income Tax Expense	4	**-**	**-**
Loss After Income Tax For the Year		**(4,138)**	**(6,708)**
Other Comprehensive Income for the year, Net of Tax		**-**	**-**
Total Comprehensive Loss For the Year		**(4,138)**	**(6,708)**
Loss per Share			
Basic Loss per Share (Cents Per Share)	5	**(1.44)**	**(3.66)**
Diluted Loss per Share (Cents Per Share)	5	**(1.44)**	**(3.66)**

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2022

	Notes	Consolidated 31 December 2022 $'000	31 December 2021 $'000
Assets			
Current Assets			
Cash and Cash Equivalents	6	**18,898**	27,251
Trade and Other Receivables	7	**4,987**	835
Inventories	23	**1,114**	5
Total Current Assets		**24,999**	28,091
Non-Current Assets			
Cash and Cash Equivalents -Restricted Cash	6	**13,746**	13,741
Inventories	23	**-**	1,089
Plant and Equipment	8	**18,266**	978
Right-of-use Assets	9	**794**	202
Exploration and Evaluation Assets	10	**116,625**	106,961
Total Non-Current Assets		**149,431**	122,971
Total Assets		**174,430**	151,062
Liabilities			
Current Liabilities			
Trade and Other Payables	11	**11,086**	621
Provisions	12	**379**	278
Borrowings	14	**20,000**	-
Lease Liabilities	13	**231**	92
Total Current Liabilities		**31,696**	991
Non-Current Liabilities			
Provisions	12	**31,977**	30,397
Borrowings	14	**14,760**	20,000
Lease Liabilities	13	**580**	119
Total Non-Current Liabilities		**47,317**	50,516
Total Liabilities		**79,013**	51,507
Net Assets		**95,417**	99,555
Equity			
Issued Capital	15(a)	**453,119**	453,119
Reserves	15(c)	**(7,178)**	(7,178)
Accumulated Losses	15(d)	**(350,524)**	(346,386)
Total Equity		**95,417**	99,555

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2022

	Issued Capital $'000	Accumulated Losses $'000	Reserves $'000	Total $'000
Balance as at 1 January 2021	**427,167**	**(339,678)**	**(7,178)**	**80,311**
Loss after income tax for the year	-	(6,708)	-	(6,708)
Transactions with owners in their capacity as owners:				
Contributions of equity (see note 15)	25,952	-	-	25,952
Balance as at 31 December 2021	**453,119**	**(346,386)**	**(7,178)**	**99,555**
Loss after income tax for the year	-	(4,138)	-	(4,138)
Transactions with owners in their capacity as owners:	-	-	-	-
Balance as at 31 December 2022	**453,119**	**(350,524)**	**(7,178)**	**95,417**

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	Consolidated 2022 $'000	2021 $'000
Cash Flows from Operating Activities			
Receipts from Customers (Including GST)		**13,487**	-
Payments to Suppliers and Employees (Including GST)		**(16,962)**	(4,225)
Other Income		**49**	21
Interest Received		**361**	98
Finance Costs		**(1,066)**	(720)
Net Cash Used In Operating Activities	6(ii)	**(4,131)**	(4,826)
Cash Flows from Investing Activities			
Proceeds from Sale of Non-Current Assets		**26**	25
Acquisition of Plant and Equipment		**(10,029)**	(428)
Payment to Leases		**(130)**	(96)
(Increase)/Decrease in Short-term Deposits		**(4)**	12,158
Payments for Exploration Expenditure		**(9,374)**	(12,779)
Net Cash Used In Investing Activities		**(19,512)**	(1,120)
Cash Flows from Financing Activities			
Proceeds from Rights Issue		**234**	25,503
Proceeds from Borrowings		**14,741**	-
Repayment of Borrowings		**-**	(101)
Net Cash From Financing Activities		**14,974**	25,402
Net (decrease)/increase in Cash and Cash Equivalents		**(8,668)**	19,456
Cash and Cash Equivalents at the Beginning of the Year		**27,251**	7,795
Effects of Exchange Rate Changes on Cash and Cash Equivalents		**315**	
Cash and Cash Equivalents at the End of the Year	6(i)	**18,898**	27,251

The accompanying notes form part of these financial statements.

Notes to Consolidated Financial Statements

Note 1: Summary of Significant Accounting Policies

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the Group consisting of Focus Minerals Ltd ('the parent entity' or "Focus") and its subsidiaries (the 'Group' or "consolidated Entity").

(a) New or amended Accounting Standards and Interpretations adopted

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

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

(b) Basis of Preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

The consolidated financial statements are presented in Australian dollars (AUD), which is also the functional currency of the parent company. The financial report covers the consolidated financial statements of Focus Minerals Ltd and controlled entities. Focus Minerals Ltd is a for-profit, listed public company, incorporated and domiciled in Australia.

Historical cost convention
The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

(c) Parent entity information
In accordance with the Corporations Act 2001, these financial statements present the results of the Group only. Supplementary information about the parent entity is disclosed in note 19.

The financial information for the parent entity, Focus Minerals Ltd, disclosed in Note 19 has been prepared on the same basis as the consolidated financial statements other than investments in subsidiaries, which are held at cost.

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

As disclosed in the financial statements, the Group incurred a net loss of $4,138,000 and net cash outflows from operating and investing activities of $4,131,000 and $19,512,000 respectively for the year ended 31 December 2022. As at that date, the Group had net current liabilities of $6,697,000, which include borrowings of $20,000,000 classified as current. The Group had a cash balance of $18,898,000 at reporting date.

These factors indicate a material uncertainty which may cast significant doubt as to whether the Group will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

The Directors believe that there are reasonable grounds to believe that the Group will be able to continue as a going concern after consideration of the following factors:

- The Group has borrowing of $20,000,000 due to Shandong Gold Group Co., Ltd (lender) and has received a letter of comfort from the lender to indicate its intention to negotiate with the Group to extend the repayment due date from October 2023 to October 2024;

- As disclosed in Note 22, the Group had secured US$35 million loan facility from its parent entity, Shandong Gold international Mining Co., Ltd of which the Group expects to draw down the facility in due course to fund its operations; and
- The Group has the ability to scale down its operations and capital expenditure in order to curtail expenditure, in the event insufficient cash is available to meet projected expenditure.

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

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

(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 Chief Executive Officer.

(f) Principles of Consolidation

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by Focus Minerals Ltd at the end of the reporting period and from time to time during the year. A controlled entity is any entity over which Focus Minerals Limited has control of the entity, demonstrated by the Group's exposure to, or rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. In assessing the ability to control, the existence and effect of holdings of actual and potential voting rights are also considered.

Where controlled entities have entered or left the Group during the year, the financial performance of those entities are included only for the period of the year that they were controlled. A list of controlled entities is contained in Note 18 to the financial statements.

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

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Non-controlling interest 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 statement of changes in equity of the Group. Losses incurred by the Group are attributed to the non-controlling interest in full, even if that results in a deficit balance.

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

(g) Foreign currency transactions

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

(h) Revenue Recognition

Revenue is recognised for the major business activities as follows:

Sale of gold and other metals
Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods. Control is generally considered to have passed when:

- Physical possession and risk of goods are transferred.
- Determination of accuracy of the metal content of the goods delivered; and
- The refiner has no practical ability to reject the goods where it is within contractually specified terms.

Revenue from contracts with customers: Revenue is recognised at an amount that reflects the consideration to which the consolidated entity is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the consolidated entity: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Interest Income: Interest revenue is recognised on a time proportionate basis that takes into account the effective yield on the financial asset.

Dividends: Revenue is recognised when the Group’s right to receive the payment is established.

Rental Income: Rental income from mining leases is accounted for on a straight-line basis over the lease term. Contingent rental income is recognised as income in the periods in which it is earned.

(i) Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification for the current reporting period.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Group’s normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Group’s normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

(j) Cash and Cash Equivalents

Cash and cash equivalents in the statement of financial position comprise cash at bank and in hand and short-term, highly liquid deposits with an original maturity of three months or less. For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

(k) Trade and Other Receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for expected for credit losses. Trade receivables are generally due for settlement within 30 days.

The Group has applied the simplified approach to measuring expected credit loses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

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

(l) Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and investment property that are carried at fair value and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset is recognised at the date of derecognition.

Non-current assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale are presented separately from the other assets in the statement of financial position. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the statement of financial.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit or loss and other comprehensive income.

(m) Inventories

Raw materials and stores, ore stockpiles and work in progress and finished gold stocks are physically measured or estimated and valued at the lower of cost and net realisable value. Net realisable value less costs to sell is assessed annually based on the amount estimated to be obtained from sale of the item of inventory in the normal course of business, less any anticipated costs to be incurred prior to its sale.

Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure and depreciation and amortisation relating to mining activities, the latter being allocated on the basis of normal operating capacity. Costs are assigned to individual items of inventory on the basis of weighted average costs. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

Inventories of consumable supplies and spare parts expected to be used in production are valued at the lower of weighted average cost, which includes the cost of purchase as well as transportation and statutory charges, or net realisable value. Any provision for obsolescence is determined by reference to specific stock items identified.

During the exploration and development phase, where the cost of extracting the ore exceeds the likely recoverable amount, work in progress inventory is written down to net realisable value.

(n) Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The consolidated entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

(o) Impairment of Financial Assets

The accounting policy for impairment of financial assets is explained in note 1(q).

(p) Income Tax

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

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

Deferred income tax liabilities are recognised for all taxable temporary differences except:

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

- When the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

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

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

Determination of future taxable profits requires estimates and assumptions as to future events and outcomes, in particular, whether successful development and commercial exploitation, or alternatively sale, of the respective areas of interest will be achieved. This includes estimates and judgements about commodity prices, ore resources, exchange rates, future capital requirements, future operational performance and the timing of estimated cash flows. Changes in these estimates and assumptions could impact on the amount and probability of estimated taxable profits and accordingly the recoverability of deferred tax assets.

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

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

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

Focus Minerals Ltd and its wholly-owned Australian controlled entities have implemented the tax consolidation legislation. As a consequence, these entities are taxed as a single entity and the deferred tax assets and liabilities of these entities are set off in the consolidated financial statements.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(q) Financial Instruments

Financial assets

Classification:
The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value, and
- those to be measured at amortised cost.

The classification depends on whether the financial asset is an equity instrument or a debt instrument, the Group's business model for managing the financial assets and the contractual terms of the cash flows.

Measurement:
At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments which are not held for trading, in OCI, 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 Group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses), together with foreign exchange gains and losses. Impairment losses are presented as separate line item in profit or loss.

- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in profit or loss.

Impairment:
The Group assesses, on a forward-looking basis, the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by AASB 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

<u>Financial liabilities</u>
Financial liabilities held for trading are measured at FVPL, and all other financial liabilities are measured at amortised cost.

(r) *Goods and Services Tax ("GST")*

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

- When the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

- Receivables and payables, which are stated with the amount of GST included.

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

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

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

(s) Plant and Equipment

Plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses. Such cost includes the cost of replacing parts that are eligible for capitalisation when the cost of replacing the parts is incurred. Similarly, when each major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement only if it is eligible for capitalisation.

<u>Depreciation</u>

Depreciation on mobile plant is calculated on a straight-line basis over the estimated useful life of the assets being 2 – 25 years.

Depreciation of underground assets is calculated on a unit of production basis over the period of the life of mine plan.

Depreciation of the mill treatment assets is calculated on a straight-line basis over the estimated useful life of the assets, being 10 years.

The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at the end of each reporting period.

Impairment

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may be impaired. Where this is the case then the recoverable amount of this plant and equipment is estimated.

The recoverable amount of plant and equipment is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For an asset that does not generate largely independent cash inflows, recoverable amount is determined for the cash-generating unit to which the asset belongs, unless the asset's value in use can be estimated to be close to its fair value.

Impairment exists when the carrying value of an asset or cash-generating units exceeds its estimated recoverable amount. The asset or cash-generating unit is then written down to its recoverable amount.

For plant and equipment, impairment losses are recognised in profit or loss.

De-Recognition and Disposal

An item of plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

(t) Right-of-Use asset

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The consolidated entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

(u) Exploration and Evaluation Assets

Exploration and evaluation assets incurred by or on behalf of the Group is accumulated separately for each area of interest. Such expenditure comprises direct costs and does not include general overheads or administrative expenditure not having a specific nexus with a particular area of interest.

Exploration expenditure for each area of interest is carried forward as an asset provided the rights to tenure of the area of interest are current and one of the following conditions is met:

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

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

Exploration expenditure is written off when it fails to meet at least one of the conditions outlined above or an area of interest is abandoned.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount, or when the cash generating unit that exploration expenditure assets are a part of are tested for impairment. When facts and circumstances suggest that the carrying amount exceeds the recoverable amount the impairment loss will be measured and disclosed in accordance with AASB 136 Impairment of Assets.

When a decision is made to develop an area of interest, all carried forward exploration expenditure in relation to the area of interest is transferred to Mine Properties and Development.

(v) Trade and Other Payables

Trade and other payables are recognised originally at fair value and subsequently measured at amortised cost using the effective interest rate method. Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of each reporting period that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of goods and services. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date.

(w) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a borrowing cost.

(x) Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

(y) Employee Benefits

Wages, Salaries and Annual Leave

Liabilities for wages and salaries, including non-monetary benefits, leave-in-lieu ("Toil") and annual leave expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

Defined Contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Long Service Leave

The liability for long service leave 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 reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures, and period of service.

Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

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 Group 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 to 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.

(z) Borrowings

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

Finance Cost:
Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

(aa) Share-Based Payment Transactions

Equity Settled Transactions
The Group provides benefits to certain third parties and employees (including senior executives) in the form of share-based payments. Third parties and employees render services to the Group in exchange for shares or rights over shares ("equity-settled transaction").

The cost of these equity-settled transactions with third parties and employees is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using an appropriate model.

In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of Focus Minerals Ltd (market conditions) if applicable.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant beneficiary becomes fully entitled to the award ("vesting date").

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the Group's best estimate of the number of equity instruments that will ultimately vest. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. The profit or loss charge or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is only conditional upon a market condition.

If an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award.

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of earnings per share (see Note 5).

(bb) Issued Capital

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

(cc) Provision for Rehabilitation

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. The mining, extraction and processing activities of the Group give rise to obligations for site restoration and rehabilitation. Restoration and rehabilitation obligations can include facility decommissioning and dismantling, removal or treatment of waste materials, land rehabilitation and site restoration. Provisions for the cost of each rehabilitation program are recognised at the time that environmental disturbance occurs.

Provision for rehabilitation is initially measured at the expected value of future cash flows required to rehabilitate the relevant site, discounted to their present value. The judgements and estimates applied for the estimation of the rehabilitation provisions are discussed in Note 1(gg).

When provisions for rehabilitation are initially recognised, the corresponding cost is capitalised into the cost of the related assets and is amortised using the units of production method over the life of the mine. The value of the provision is progressively increased over time as the effect of discounting unwinds, creating an expense recognised in finance costs.

At each reporting date, provision for rehabilitation is re-measured to account for any new disturbance, updated cost estimates, inflation, changes to the estimated reserves and lives of operations, new regulatory requirements, environmental policies and revised discount rates. Changes to the provision for Rehabilitation liability are added to or deducted from the related rehabilitation asset and amortised accordingly.

(dd) Government Grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions. Government grants relating to costs are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate. If the assets related to government grants have been fully impaired, amortised or depreciated, the grant received is recorded in the statement of profit or loss as other income.

(ee) Loss per Share

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

Diluted loss per share is calculated as net result attributable to members of the parent, adjusted for:

- Costs of servicing equity (other than dividends) and preference share dividends.
- The after-tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- Other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares; divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

(ff) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(gg) Critical Accounting Estimates and Judgements

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity'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 below.

- Exploration and Evaluation Expenditure
  The Group's accounting policy for exploration and evaluation expenditure results in expenditure being capitalised for an area of interest where it is considered likely to be recoverable by future exploitation or sale or where the activities have not reached a stage which permits a reasonable assessment of the existence of reserves. This policy requires management to make certain estimates as to future events and circumstances, in particular whether an economically viable extraction operation can be established. Any such estimates and assumptions may change as new information becomes available. If, after having capitalised the expenditure under the policy, a judgement is made that recovery of the expenditure is unlikely, the relevant capitalised amount will be written off to profit and loss.
- Restoration and Rehabilitation Provision
  The Group's accounting policy for the recognition of restoration and rehabilitation provision requires significant estimates including the magnitude of possible works required for the removal of infrastructure and of rehabilitation works, future cost of performing the work, the inflation and discount rates and the timing of cash flows. These uncertainties may result in future actual expenditure differing from the amounts currently provided. When these factors change or become known in the future, such differences will impact the mine rehabilitation provision in the period in which they change or become known.

(hh) Rounding

The company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

(ii) New or amended Accounting Standards and Interpretations adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 31 December 2022. The consolidated entity has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Note 2: Revenues and Expenses

	Consolidated 31 December 2022 $'000	31 December 2021 $'000
(a) Revenue from continuing operations		
Gold sales ***	**16,545**	-
Interest income	**360**	78
Total revenue from continuing operations	**16,905**	78

*** All revenue is sold in Australia, with goods transferred at a point in time.

	Consolidated 31 December 2022 $'000	31 December 2021 $'000
(b) Other income		
Sundry income	**44**	19
Gain on disposal of assets	**26**	25
Net foreign exchange gains	**295**	-
Total other income	**365**	44
(c) Expenses		
Depreciation and Amortisation Expenses		
Depreciation – Plant and equipment	**749**	162
Depreciation – Right-of-use assets	**134**	101
Total depreciation expenses	**883**	263
Finance Expenses		
Interest provision – Asset Retirement Obligation	**714**	612
Interest expense paid/payable on lease liabilities	**20**	8
Interest expense paid/payable on long term borrowings	**1,160**	710
Other Finance Costs	**145**	146
Total finance expenses	**2,039**	1,476
Corporate and other expenses		
Professional services and consulting fees	**900**	1,083
Corporate expense	**1,000**	784
Total corporate and other expenses	**1,900**	1,867
Employee Expenses		
Total Employee Expenses	**3,368**	1,578
Loss on disposal of tenements		
Total loss on disposal of tenements	**-**	618
Loss on impairment of inventory		
Total Loss on impairment of inventory	**-**	197
Leases		
Short-term lease payments	**31**	-
Total Leases	**31**	-

Note 3: Segment Reporting

All Focus Minerals Limited's subsidiaries are wholly owned. The Group has three reportable segments, as described below, which are the Group's strategic business units. The business units are managed separately as they require differing processes and skills. The Executive Chairman reviews internal management reports on each of these business units on a monthly basis.

Types of products and services
The principal products and services of this operating segment are the mining and exploration operations predominantly in Australia.

Major customers
During the year ended 31 December 2022, $16,545,000 (2021: nil) of the Group's external revenue was derived from sales to the Perth mint in Australia.

Segment Financial Information for the year ended 31 December 2022 is presented below:

	2022 Coolgardie $'000	**2022 Laverton $'000**	**2022 Corporate $'000**	**2022 Consolidated $'000**
Revenue from continuing operations	16,576	43	286	16,905
Other income	15	15	335	365
Cost of Sales	(11,876)	-	-	(11,876)
Employee expenses	(220)	-	(3,148)	(3,368)
Depreciation	(762)	-	(121)	(883)
Finance cost	(291)	(580)	(1,168)	(2,039)
Care and Maintenance Costs	(822)	(520)	-	(1,342)
Corporate and Other expenses	(242)	-	(1,658)	(1,900)
SEGMENTED LOSS BEFORE TAX	2,378	(1,042)	(5,474)	(4,138)
Income taxes	-	-	-	-
SEGMENTED LOSS	**2,378**	**(1,042)**	**(5,474)**	**(4,138)**
Current Assets	9,444	238	14,228	23,910
Non-Current Assets				
- Restricted Cash	3,116	10,340	290	13,746
- Inventories	1,089	-	-	1,089
- Property, Plant & Equipment	17,871	278	117	18,266
- Right-of-Use Assets	685	-	109	794
- Exploration and Evaluation	61,755	54,870	-	116,625
TOTAL ASSETS	***93,960***	***65,726***	***14,744***	**174,430**
Current Liabilities	10,184	86	21,426	31,696
Other Non-Current Liabilities	15,045	17,326	14,946	47,317
TOTAL LIABILITIES	**25,229**	**17,412**	**36,372**	**79,013**
NET ASSETS	**68,731**	**48,314**	**(21,628)**	**95,417**

Segment reporting for the year ended 31st December 2021 is shown below.

	2021 Coolgardie $'000	2021 Laverton $'000	2021 Corporate $'000	2021 Consolidated $'000
Revenue from continuing operations	11	37	30	78
Other income	44	-	-	44
Employee expenses	-	-	(1,578)	(1,578)
Depreciation	(157)	-	(106)	(263)
Finance cost	59	(815)	(720)	(1,476)
Loss on impairment of inventory	(197)	-	-	(197)
Loss on disposal of tenements	(75)	(543)	-	(618)
Care and Maintenance Costs	(341)	(490)	-	(831)
Corporate and Other expenses	(412)	(7)	(1,448)	(1,867)
SEGMENTED LOSS BEFORE TAX	(1,068)	(1,818)	(3,822)	(6,708)
Income taxes	-	-	-	-
SEGMENTED LOSS	**(1,068)**	**(1,818)**	**(3,822)**	**(6,708)**
Current Assets	500	99	27,492	28,091
Non-Current Assets				
- Restricted Cash	3,111	10,340	290	13,741
- Inventories	1,089	-	-	1,089
- Property, Plant & Equipment	581	388	9	978
- Right-of-Use Assets	-	-	202	202
- Exploration and Evaluation	55,263	51,698	-	106,961
TOTAL ASSETS	**60,544**	**62,525**	**27,993**	**151,062**
Current Liabilities	147	21	823	991
Other Non-Current Liabilities	13,326	16,852	20,338	50,516
TOTAL LIABILITIES	**13,473**	**16,873**	**21,161**	**51,507**
NET ASSETS	**47,071**	**45,652**	**6,832**	**99,555**

.

Note 4: Income Tax

	Consolidated	
	31 December 2022 $'000	**31 December 2021 $'000**
The prima facie income tax expense on pre-tax accounting loss from operations reconciles to the income tax expense in the financial statements as follows:		
Accounting loss before tax	(4,138)	(6,708)
Tax at the statutory income tax rate of 30% (2021: 30%)	(1,242)	(2,012)
Tax effect of amount which we are not deductible/(taxable) in calculating taxable income:		
Other deductible expense	108	45
Fixed assets	(33)	(282)
Rehabilitation provision	489	186
Immediate deduction for exploration costs	(2,805)	(3,557)
Unrecognised tax losses	3,483	5,620
Income tax expense/(benefit) recognised in profit or loss	**-**	**-**

The tax rate used in the above reconciliation is the corporate tax rate of 30% payable by Australian corporate entities on taxable profits under Australian tax law. The Company has tax losses arising in Australia. The tax benefit of these losses is available indefinitely for offset against future taxable profits of the companies in which the losses arose, subject to ongoing conditions for deductibility being met.

Tax Consolidation

The Company and its 100% owned controlled entities have formed a tax consolidated group. Members of the Group have entered into a tax sharing arrangement with effect from 30 June 2013 in order to allocate income tax expense to the wholly owned controlled entities on pro-rata basis. The agreement provides for the allocation of income tax liabilities between the entities should the head entity default on its tax payment obligations. At balance date, the possibility of default is remote. The head entity of the tax consolidated group is Focus Minerals Ltd.

Tax Effect Accounting by Members of the Tax Consolidated Group

Members of the tax consolidated group have entered into a tax funding agreement with effect from 30 June 2013. The tax funding agreement provides for the allocation of current taxes to members of the tax consolidated group. Deferred taxes are allocated to members of the tax consolidated group in accordance with a group allocation approach which is consistent with the principles of *AASB 112 Income Taxes*. The allocation of taxes under the tax funding agreement is recognised as an increase/decrease in the controlled entities intercompany accounts with the tax consolidated group head company, Focus Minerals Ltd.

Unrecognised deferred tax balances

A net deferred tax balance has not been recognised in respect to the following items.

	Consolidated	
	31 December 2022 $'000	31 December 2021 $'000
Deferred tax assets unrecognised:		
Other deductible expenses	**469**	253
Plant & equipment	**-**	(27)
Rehabilitation provision	**9,543**	9,053
Inventory	**445**	445
Tax losses (revenue in nature)	**158,220**	154,738
Capital losses	**4,338**	4,338
Exploration & evaluation expenditure	**(34,988)**	(32,088)
Total	**138,027**	136,712

The deductible temporary differences and tax losses do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Company can utilise the benefits thereof.

Note 5: Loss per Share

	Consolidated	
	31 December 2022 Cents per Share	31 December 2021 Cents per Share
Basic Loss per share:		
Total Basic Loss per Share	**(1.44)**	(3.66)
Diluted Loss per share		
Total Diluted Loss per Share	**(1.44)**	(3.66)

Basic Loss per share	**$000**	$000
Net loss used in the calculation of basic loss per share	**(4,138)**	(6,708)
Weighted average number of ordinary shares for the purposes of basic loss per share	**286,558,645**	183,032,976
Adjustments for calculation of diluted loss per share:	**-**	-
Weighted average number of ordinary shares for the purposes of diluted loss per share	**286,558,645**	183,032,976

Note 6: Cash, Cash Equivalents, Restricted Cash and Short-Term Deposits

	Consolidated	
	31 December 2022 $'000	31 December 2021 $'000
Current Assets		
Cash and cash equivalents	**18,898**	27,251
Non-Current Assets		
Non- current – Restricted cash	**13,746**	13,741

Cash and cash equivalents

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

Cash deposits are made for varying periods up to three months, depending on the immediate cash requirements of the Group, and earn interest at the respective commercial short-term deposit rates which is recognised as cash and cash equivalents.

Short-term deposits
Short-term deposits have original maturity longer than three months and shorter than one year.

Restricted cash
Restricted cash includes performance bonds totalling $13.5 million have been issued by a bank on behalf of the Group in respect of Western Australian mining tenements. The Group has indemnified the bank against any loss arising from the performance bonds and the indemnity is secured against cash deposits. Those are recognised as restricted cash.

In addition, security deposits totalling $210,000 are held on Focus' behalf. These are also classified as restricted cash.

(i) Reconciliation to Statement of Cashflows

For the purposes of the Statement of Cash Flows, cash and cash equivalents comprise cash on hand and at bank and short-term deposits, net of secured short-term deposits. Cash and cash equivalents as shown in the Statement of Cash Flows is:

	Consolidated	
	31 December 2022 $'000	**31 December 2021 $'000**
Cash, cash equivalents, restricted cash and short-term deposits	**32,644**	**40,992**
Less: Short-term Deposit	**-**	**-**
Less: Restricted cash not available for use	**(13,746)**	**(13,741)**
Cash and cash equivalents as per statement of cash flows	**18,898**	**27,251**

(ii) **Reconciliation of Loss for the Year to Net Cash Flows from Operating Activities**

	Consolidated	
	31 December 2022 $'000	31 December 2021 $'000
Net loss for the year	**(4,138)**	(6,708)
Adjustments for:		
Depreciation expense	**883**	263
Gain from disposal of non-current assets	**(26)**	(25)
Loss on disposal of tenements	**-**	618
Loss on impairment of inventory	**-**	197
Finance costs	**734**	613
Foreign exchange movement	**(295)**	-
Exploration costs	**40**	-
(Increase)/decrease in assets:		
Current receivables	**(3,235)**	1
inventory	**(20)**	-
Increase/(decrease) in liabilities		
Current payables	**1,876**	147
Provisions	**50**	68
Net cash used in operating activities	**(4,131)**	(4,826)

(iii) **Non-cash investing and financing activities**

	Consolidated	
	31 December 2022 $'000	**31 December 2021 $'000**
Additions to the right-of-use assets	**726**	35
Additions to Exploration	**893**	733
Total	**1,618**	768

(iv) **Changes in liabilities arising from financing activities**

Consolidated	**Borrowings $'000**	**Lease liability $'000**
Balance as at 1 January 2021	**20,000**	25
Net cash used in financing activities	**-**	(96)
Non-cash movements	**-**	282
Balance as at 31 December 2021	**20,000**	211
Additions	**-**	726
Net cash from/(used in) financing activities	**14,741**	(130)
Non-cash movements	**(19)**	4
Balance as at 31 December 2022	**34,760**	811

Note 7: Trade and Other Receivables

	Consolidated 31 December 2022 $'000	31 December 2021 $'000
Gold Sales Receivable	**3,057**	-
Proceeds receivable from Rights Issue	**216**	450
Goods and Services Tax Receivable	**1,032**	-
Other receivables	**682**	385
	4,987	835

There is no expected credit loss provision for the year ended 31 December 2022 (31 December 2021: Nil)

Note 8: Plant and Equipment

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below.

Non-current	Furniture & fittings $'000	Plant & Equipment $'000	Mill assets $'000	Motor Vehicles $'000	Assets in progress $'000	Total $'000
At 31 December 2021						
Cost	1,345	7,066	31,809	684	284	41,188
Accumulated depreciation	(1,274)	(6,665)	(18,613)	(416)	-	(26,968)
Impairment loss	(2)	(25)	(13,165)	(50)	-	(13,242)
Net carrying amount	69	376	31	218	284	978
Year ended 31 December 2022						
Opening net book amount	69	376	31	218	284	978
Additions	77	75	608	59	17,328	18,147
Depreciation expense	(24)	(82)	(639)	(4)	-	(749)
Depreciation expense capitalised to Exploration	(29)	(37)	-	(45)	-	(111)
Assets disposed	(328)	(665)	(410)	(87)	-	(1,490)
Accumulated depreciation on disposals	328	665	410	38	-	1,441
Accumulated impairment on disposals	-	-	-	50	-	50
Closing carrying amount	**93**	**332**	**-**	**229**	**17,612**	**18,266**
At 31 December 2022						
Cost	1,094	6,476	31,399	656	17,612	57,237
Accumulated depreciation	(999)	(6,119)	(18,234)	(427)	0	(25,779)
Impairment loss	(2)	(25)	(13,165)	0	0	(13,192)
Net carrying amount	**93**	**332**	**0**	**229**	**17,612**	**18,266**

Non-current	Furniture & fittings $'000	Plant & Equipment $'000	Mill assets $'000	Motor Vehicles $'000	Assets in progress $'000	Total $'000
At 31 December 2020						
Cost	1,288	6,988	31,864	532	211	40,883
Accumulated depreciation	(1,246)	(6,527)	(18,612)	(452)	-	(26,837)
Impairment loss	(2)	(25)	(13,165)	(50)	-	(13,242)
Net carrying amount	40	436	87	30	211	804
Year ended 31 December 2021						
Opening net book amount	40	436	87	30	211	804
Additions	57	78	-	221	73	429
Depreciation expense	(5)	(101)	(56)	-	-	(162)
Depreciation expense capitalised to Exploration	(23)	(37)	-	(33)	-	(93)
Assets disposed	-	-	(55)	(69)	-	(124)
Accumulated depreciation on disposals	-	-	55	69	-	124
Closing carrying amount	69	376	31	218	284	978
At 31 December 2021						
Cost	1,345	7,066	31,809	684	284	41,188
Accumulated depreciation	(1,274)	(6,665)	(18,613)	(416)	-	(26,968)
Impairment loss	(2)	(25)	(13,165)	(50)	-	(13,242)
Net carrying amount	69	376	31	218	284	978

Note 9: Right-of-use Assets

The Group leases land and buildings for its offices. In some cases, the agreements have options to extend. The leases have various escalation clauses. On renewal, the terms of the leases are renegotiated.

The Group also leases land and buildings for staff accommodation under agreements of less than two years. These leases are either short-term or low-value, so have been expensed as incurred and not capitalised as right-of-use assets.

The group also lease motor vehicles. The agreements are for 48 months with no option to extend.

	Consolidated	
	31 December 2022 $'000	31 December 2021 $'000
Right-of-use Assets:		
Land and Buildings*	**280**	280
Less: Accumulated Depreciation	**(171)**	(78)
Net Carrying Value	**109**	202
Motor Vehicles*	**726**	-
Less: Accumulated Depreciation	**(41)**	-
Net Carrying Value	**685**	-
Total	**794**	**202**

*During the year, Focus signed an operating lease agreement for nine Motor Vehicles, of which seven were delivered by 31st December 2022.

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Land and buildings - Right of Use	Motor Vehicles – Right of Use	Total
	31 December	**31 December**	**31 December**
Consolidated	**$'000**	**$'000**	**$'000**
Balance at 31 December 2020	**30**	**-**	**30**
Additions	**280**	**-**	**280**
Depreciation expense	**(108)**	**-**	**(108)**
Balance at 31 December 2021	**202**	**-**	**202**
Additions	**-**	**726**	**726**
Depreciation Expense	**(93)**	**(41)**	**(134)**
Balance at 31 December 2022	**109**	**685**	**794**

Note 10: Exploration and Evaluation Assets

	Consolidated	
	31 December 2022 $'000	31 December 2021 $'000
Exploration and evaluation assets – at cost	**116,625**	106,961

Movement Summary:

Carrying amount at beginning of the year	**106,961**	94,377
Add – exploration expenditure capitalised	**9,355**	12,468
Add – rehabilitation liability adjustment classified as Exploration	**893**	734
Less – Exploration asset transferred to Statement of Profit or Loss	**(584)**	-
Less – write-off of tenements allowed to lapse, dropped or sold	**-**	(618)
Carrying amount at end of the year	**116,625**	106,961

The value of the Group's interest in exploration and evaluation assets is dependent upon:

- the continuance of the Group's rights to tenure of the areas of interest;
- the results of future exploration;
- the recoupment of costs through successful development and exploitation of the areas of interest, or alternatively, by their sale; and
- no significant changes in laws and regulations that greatly impact the Group's ability to maintain tenure.

Note 11: Trade and Other Payables

	Consolidated	
	31 December 2022 $'000	31 December 2021 $'000
Trade payables	**10,996**	632
Payroll tax and other statutory liabilities	**90**	(11)
	11,086	621

Note 12: Provisions

Employee Benefits – Amounts not expected to be settled within the next 12 months
The current provision for employee benefits includes all unconditional entitlements where employees have completed the required period of service and also those where employees are entitled to pro-rata payments in certain circumstances. The entire amount is presented as current, since the Group does not have an unconditional right to defer settlement. However, based on past experience, the Group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

Rehabilitation
The provision represents the present value of estimated costs for future rehabilitation of land explored or mined by the Group at the end of the exploration or mining activity.

Movements in provisions
Movements in each class of provision during the current financial year, are set out below:

	Consolidated	
	31 December 2022 $'000	**31 December 2021 $'000**
Current		
Employee benefits		
Balance at the beginning of the year	**278**	**250**
(Utilised) / Increase in provision during the year	**101**	**28**
Balance at the year end	**379**	**278**
Non-current		
Employee benefits		
Balance at the beginning of the year	**219**	**179**
(Utilised)/ Increase in provision during the year	**(51)**	**40**
Balance at the year end	**168**	**219**
Provision for Rehabilitation		
Balance at the beginning of the year	**30,178**	**28,833**
Additional provisions recognised	**917**	**734**
Unwinding discount	**714**	**611**
Balance at the year end	**31,809**	**30,178**
Total	**31,977**	**30,397**

Note 13: Lease Liabilities

	Consolidated	
	31 December 2022 $'000	31 December 2021 $'000
Current		
Lease Liabilities	**231**	**92**
Non-current		
Lease Liabilities	**580**	119

Note 14: Borrowings

	Consolidated	
	31 December 2022 $'000	31 December 2021 $'000
Current Liabilities		
Related Party Loan	**20,000**	

Note the above loan has been classified as Current loan as it is due for repayment in October 2023. However, Shandong Gold Group has provided a letter of comfort to advise of its intention to extend the due date from October 2023 to October 2024.

Non Current Liabilities		
Related Party Loan	**14,760**	20,000

On 8th December 2021, the Group secured an additional US10 million in funding with Shandong Gold Financial Holdings Group (HongKong) Co., Limited. The unsecured loan is payable, 3 years after drawdown. Interest is payable quarterly in arrears at 3% per annum over the USD London Inter Lender Offered Rate. This loan was drawn down on 6th July 2022. The loan amount owing has been revalued to a USD amount using the year end exchange rate of USD: AUD0.6775

Note 15: Issued Capital and Reserves

Authorised Capital

The Company does not have an Authorised Capital and there is no par value for ordinary shares.

(a) Ordinary shares

	As at 31 December 2022		As at 31 December 2021	
	No. of shares	**$'000**	No. of shares	$'000
Issued capital	**286,558,645**	**453,119**	286,558,645	453,119

Movements in Ordinary Capital

Details	**Date**	**Shares**	**Issue price**	**$'000**
Balance	1 January 2021	182,748,565		427,167
Issue of shares	31 December 2021	103,810,080	$0.25	25,952
Balance	31 December 2021	286,558,645		453,119
Balance	31 December 2022	286,558,645		453,119

Share Issue Details
During there year, there were no new shares issued new shares issued (2021: 103,810,080).

Voting Entitlements
At each shareholder's meeting each ordinary share is entitled to one vote on the calling of a poll, otherwise each shareholder is entitled to one vote on a show of hands.

(b) Capital Management

Management controls the capital of the Group in order to ensure the Group can fund its operations; continue as a going concern and ensure compliance with banking covenants. The Group's debt and capital includes ordinary share capital and financial liabilities supported by financial assets and cash and cash equivalents. There are no externally imposed capital requirements. Management effectively manages the Group's capital by assessing the Group's financial risks, adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of debt levels, distributions to shareholders and share issues.

(c) Reserves

	Consolidated	
	31 December 2022 $'000	31 December 2021 $'000
Acquisition reserve	**(7,178)**	(7,178)
	(7,178)	(7,178)

The acquisition reserve resulted from acquisition of Focus Minerals (Laverton) Pty Ltd.

(d) Accumulated Losses

	Consolidated	
	31 December 2022 $'000	31 December 2021 $'000
Accumulated losses at beginning of the year	**(346,386)**	**(339,678)**
Net loss for the year	**(4,138)**	**(6,708)**
Accumulated losses at end of the year	**(350,524)**	**(346,386)**

(e) Dividends

No dividends have been paid or provided for during the year ended 31 December 2022 (2021: Nil).

(f) Options

Options Issued
No options were issued in the year ended 31 December 2022 (2021: Nil).

Options Exercised
There were no options exercised during the year ended 31 December 2022 (2021: Nil).

Options Lapsed
During the year ended 31 December 2022, there were no options expired (2021: Nil).

Options Outstanding
There were no options outstanding as at 31 December 2022. (2021: Nil).

Note 16: Financial Instruments

The Group's financial instruments consist mainly of deposits with banks, local money market instruments, and short-term investments, accounts receivable and payable, convertible notes and derivatives.

The main purpose of non-derivative financial instruments is to raise finance for group operations.

Derivatives are used by the Group from time to time for hedging purposes such as forward gold sales agreements. The Group does not speculate in the trading of derivative instruments.

Treasury Risk Management
Risks are reviewed by the Audit and Risk Committee which consists of non-executive directors and senior staff by invitation. This includes the analysis of financial risk exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

The committee's overall risk management strategy seeks to assist the Group in meeting its financial targets, whilst minimising potential adverse effects on financial performance.

The Audit and Risk Committee operates under policies approved by the board of directors. Risk management policies are reviewed and approved by the Board on a regular basis. These include the use of hedging derivative instruments, credit policies and future cash flow requirements.

Financial Risk Exposures and Management
The main risks the Group is exposed to through its financial instruments are market risk (including interest rate risk and price risk), credit risk and liquidity risk.

Price risk
The Group is currently exposed to the risk of fluctuations in prevailing market commodity prices on the gold that would be produced from its gold mines. However, as the Group is not in production, there is no available gold for sale. Therefore, the Group is not exposed to any significant price risk.

Interest Rate Risk
The Group's exposure to risks of changes in market interest rates relates primarily to the Group's cash balances. The Group's long-term borrowing is maintained at fixed rate.

Credit Risk
The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements.

Credit risk is managed on a group basis and reviewed regularly by the finance department. It arises from exposures to approved customers as well as deposits with financial institutions.

The Audit and Risk Committee monitors credit risk by actively assessing the rating quality and liquidity of counter parties:

- only approved banks and financial are utilised;
- all potential customers are rated for credit worthiness taking into account their size, market position and financial standing.

The Group currently holds its cash and cash equivalents with various financial institutions, all of which hold a credit rating of AA. The Group believes the credit risk exposure to these counterparties is manageable.
Credit risk for derivative financial instruments arises from the potential failure by counter-parties to the contract to meet their obligations.

Liquidity Risk
The Group manages liquidity risk by monitoring forecast project and operating cash flows and ensuring that a minimum level of uncommitted cash is available for immediate use and consists of cash on deposit and/or utilised borrowing facilities. At the end of the year the Group held deposits at call of $13.5 million (December 2021: $13.5 million) that are expected to readily generate cash inflows for managing liquidity risk.

Sensitivity Analysis

Interest Rate Analysis

At 31 December 2022, the Group had $13.746 million invested in security deposits and performance bonds and $18.898 million in cash and cash equivalents and short-term deposits. A 1% increase in the interest rate would impact the interest earned by $326,000. A 1% decrease in the rate would reduce interest earned by $326,000.

Maturities of Financial Liabilities
The table below analyses the Group's financial liabilities into relevant maturity groupings based on their contractual maturities for non-derivative financial liabilities.

Contractual maturities of financial liabilities	Weighted average interest rate	Less than 6 months	6-12 months	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
		$'000	$'000	$'000	$'000	$'000	$'000
At 31 December 2022							
Non-derivatives							
Trade payables	-	11,086	-	-	-	-	11,086
Related Party Loan (AUD 20 million)	3.50%	-	20,000	-	-	-	20,000
Related Party Loan (USD 10 million)	6.17%	-	-	-	14,760	-	14,760
At 31 December 2021							
Non-derivatives							
Trade payables	-	621	-	-	-	-	621
Related Party Loan	3.50%	-	-	20,000	-	-	20,000

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Fair value of financial instruments
Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

Note 17: Commitments and Contingencies

Operating Mining tenement expenditure commitments
As at 31 December 2022, the Group has committed, under tenement landholding conditions, to spend a minimum of $3.3 million per annum (2021: $3.1 million).

For the Laverton tenements, the commitment for 2022 is $2.0 million (2021: $1.9 million).
For the Coolgardie tenements, the commitment for 2022 is $1.3 million (2021: $1.2 million).

Contingent Asset
On 18th September 2020, Focus Minerals Limited entered an agreement to terminate the Coolgardie Rare Metals Venture with Lithium Australia NL. Under the terms of the agreement, Focus Minerals Limited agreed to transfer 3 prospecting licenses in exchange for a conditional grant of royalty equal to 20% of the statutory royalty paid to the State of Western Australia. The licenses were transferred on 24th September 2021. Focus has lodged consent caveats to protect Focus interest in the royalties. As at balance date, the related mining lease application (as conversion of the prospecting licenses) is still pending, therefore the likelihood, amount, and timing of receiving future royalties under the agreement is unknown. Because the royalty income is not virtually certain, no asset has been recognised within these financial statements.

Contingent Liability

The Group has given security deposits as at 31 December 2022 of $167,519 (2021: $163,119) to various landlords. In addition, the Group also has bank guarantees of $13,390,300 (2021: $13,390,000) to the department of mines for mining tenements.

Capital Commitments
The Group has the following capital commitments in relation to capital projects

	Consolidated 2022 $'000	2021 $'000
Capital commitments		
Within one year	33,337	-

Note 18: Controlled Entities

The consolidated financial statements include the financial statements of Focus Minerals Ltd and the subsidiaries listed below:

Name	*Country of Incorporation*	*% Equity Interest* 31 December 2022	31 December 2021
Focus Operation Pty Ltd	Australia	100%	100%
Focus Minerals (Laverton) Pty Ltd	Australia	100%	100%

Note 19: Parent Entity

Set out below is the supplementary information about the parent entity.

	Parent Entity **2022**	2021
Results of the parent entity	**$'000**	$'000
Loss for the year	**(4,138)**	(6,708)
Other comprehensive income	**-**	-
Total comprehensive loss for the year	**(4,138)**	(6,708)
Financial position of parent entity at year end		
Current assets	**14,228**	27,492
Total assets	**131,789**	120,716
Current Liabilities	**21,426**	823
Total liabilities	**36,372**	21,161
Total net asset	**95,417**	99,555
Total equity of parent entity comprising of:		
Share capital	**453,119**	453,119
Accumulative losses	**(357,702)**	(353,564)
Total equity	**95,417**	99,555

Contingent Liability
There are no contingent liabilities as at 31 December 2022 (31 December 2021: Nil).

Ultimate Controlling Entity
The ultimate parent at 31 December 2022 and 2021 was Shandong Gold International Mining Co., Limited which owned 62.84% (31 December 2021: 62,84%) of the company's shares.

Financial Support for controlled entities.
The parent entity, Focus Minerals Ltd is providing and will continue to provide financial support to all its controlled entities.

Mining tenement expenditure commitment
As at 31 December 2022, the parent company has committed, under tenement landholding conditions, to spend a minimum of $1.1 million per annum (2021: $1.1 million).

Significant accounting policies
The accounting policies of the parent entity are consistent with those of the Group, as disclosed in note 1, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Investments in joint ventures are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

Note 20: Related Party Disclosure

Parent Entity

Focus Minerals Limited is the parent entity.

Subsidiaries

Interests in subsidiaries are set out in Note 18.

Compensation
The aggregate compensation made to directors and other members of key management personnel of the Group is set out below:

	31 December 2022	31 December 2021
	$	$
Short-term employee benefits	**2,213,850**	1,527,589
Post-employment benefits	**190,116**	133,620
	2,403,966	1,661,209

Terms and Conditions of Transactions with Related Parties

Sales to and purchases from related parties are made in arm's length transactions both at normal market prices and on normal commercial terms.

Transactions and Balances with Related Parties

During 2022, Shandong Gold Financial Holdings Group (Hong Kong) Co., Limited provided an unsecured loan facility to Focus Minerals Limited, totalling US10 million. Key terms of the facility agreement are as follows:

- Term: 3 years, principal payable at the end of the term.
- Interest: 3% per annum over 3-month USD London Inter Lender Offered Rate (."LIBOR")

This loan is in addition to the existing 20 million facility with Shandong Gold International Mining Corporation Limited, was was drawn down in 2022.

As at 31st December 2022, the balance of the loan payable to related parties was as follows:

Related Party	2022	2021
	$'000	**$'000**
Shandong Gold Group Co. Ltd	20,000	20,000
Shandong Gold Financial Holdings Group (Hong Kong) Co., Limited	14,760*	-

*USD10 million converted to AUD using an exchange rate of USD:AUD 0.6775

Total interest expense for the related party loans for the year ended 31 December 2022 was $1,159,999 (2021: $709,722). Amount of interest payable at reporting date is Nil (2021: nil).

In addition, there was a payment of director fees and retirement allowance to Mr Pei, Focus' former Chairman. As at 31 December 2022, the accounts payable balance for his director fees was $42,388 (2021:$42,388).

As at 31 December 2022, there is a bonus payable balance to Directors totalling $259,049 (2021: Nil).

Note 21: Auditors' Remuneration

During the financial year the following fees were paid or payable for services provided by Accounting Firm RSM Australia, the auditor of the company, its network firms and unrelated firms.

	31 December 2022 $000	31 December 2021 $000
RSM Australia Partners - *Audit and review of the financial statements*	**65**	60
Other services		
RSM Australia Pty Ltd - Tax Services	**-**	18
RSM Australia Pty Ltd - Tax Consulting	**-**	10
Total	**65**	88

Note 22: Significant Events after Balance Date

In January 2023, it was announced that Focus had secured an additional US35 million loan facility from its parent entity, Shandong Gold International Mining Co., Ltd. The key terms of the loan are as follows:

- Term: 3 years from draw down, principal payable at the end of the term
- Interest: 3% per annum over 3-month forward-looking term rate, based on the Secured Overnight financing rate, payable quarterly in arrears.
- Representations, warranties, undertakings and events of review / default: generally on common terms for unsecured loan agreements.

In addition, Shandong Gold Group Co. Ltd has provided a letter of comfort to indicate its intention to extend the repayment date of its existing AUD 20 million, due for repayment in October 2023 until October 2024.

Other than the above, there has not been any other matter or circumstance that has arisen after balance date that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future periods.

Note 23: Inventories

	Consolidated	
	31 December 2022 $'000	31 December 2021 $'000
Current		
Consumables	**1,114**	**5**
Non-current		
Consumables	**-**	1,089

Directors' Declaration

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;

- the attached financial statements and notes give a true and fair view of the Group's financial position as at 31 December 2022 and of its performance for the financial year ended on that date; and

- 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.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

Wanghong Yang
Chairman of the Board
30 March 2023

RSM Australia Partners

Level 32, Exchange Tower 2 The Esplanade Perth WA 6000
GPO Box R1253 Perth WA 6844

T +61 (0) 8 9261 9100
F +61 (0) 8 9261 9111

www.rsm.com.au

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF FOCUS MINERALS LIMITED

Opinion

We have audited the financial report of Focus Minerals Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2022, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

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

(i) Giving a true and fair view of the Group's financial position as at 31 December 2022 and of its financial performance for the year then ended; and

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

Basis for Opinion

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

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Material Uncertainty Related to Going Concern

We draw attention to Note 1, which indicates that the Group incurred a net loss of $4,138,000 and had net cash outflows from operating and investing activities of $4,131,000 and $19,512,000 respectively for the year ended 31 December 2022. As at that date, the Group had net current liabilities of $6,697,000. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

RSM

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. In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How our audit addressed this matter
Exploration and Evaluation Assets -Refer to Note 10 in the financial statements	
The Group has capitalised exploration and evaluation assets with a carrying value of $116,625,000 as at 31 December 2022. We considered this to be a key audit matter due to the significant management judgments involved in assessing the carrying value of the asset including: • Determination of whether the exploration and evaluation assets can be associated with finding specific mineral resources and the basis on which that expenditure is allocated to an area of interest; • Assessing whether exploration activities have reached a stage at which the existence of economically recoverable reserves may be determined; and • Assessing whether any indicators of impairment are present and if so, judgement applied to determine and quantify any impairment loss.	Our audit procedures included: • Assessing the Group's accounting policy for compliance with Australian Accounting Standards; • Obtaining a schedule of the areas of interest held by the Group and testing on a sample basis that the right to tenure of each relevant area of interest remained current at reporting date; • Testing a sample of additions to supporting documentation and ensuring the amounts the amounts capitalised during the year are in compliance with the Group's accounting policy and relate to the area of interest; • Assessing management's determination that exploration activities have not yet progressed to the stage where the existence or otherwise of economically recoverable reserves may be determined; • Enquiring with management and reading budgets and other documentation as evidence that active and significant operations in, or relation to, the area of interest will be continued in the future; • Assessing and evaluating management's assessment of whether indicators of impairment existed at the reporting date; and • Assessing the appropriateness of the disclosures in the financial statements.

Key Audit Matter	How our audit addressed this matter
Provision for Rehabilitation - Refer to Note 12 in the financial statements	
As a result of the Group's operations in the past, it has an obligation to rehabilitate and restore mine sites. As at 31 December 2022, the Group has brought to account a provision for rehabilitation of $31,809,000. We considered this to be a key audit matter due to the significant management judgments and estimates involved in assessing the provision for rehabilitation including: • Determination of costs to be incurred in future years and its timing; • Complexity involved in the quantification of the provision based on areas disturbed; and • The methodology used to calculate the provision amount to ensure compliance with Australian Accounting Standards.	Our audit procedures included: • Assessing the Group's accounting policy for compliance with Australian Accounting Standards; • Obtaining an understanding of the process involved in the determination of this provision; • Assessing the mathematical accuracy of the model used to calculate the provision; • Assessing the reasonableness of the inflation rate, discount rate and timing of the rehabilitation cashflows assumptions used in the model; • Testing areas of disturbances on a sample basis and management assessment of estimated costs to supporting documentation; • Assessing the work performed by management's expert, including the competency and objectivity of the expert; • Assessing the movement in the provision has been accounted for in accordance with Australian Accounting Standards; and • Assessing the appropriateness of the disclosures in the financial statements.

Other Information

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 31 December 2022 but does not include the financial report and the auditor's report thereon.

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

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

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

Responsibilities of the Directors for the Financial Report

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

In preparing the financial report, the directors are responsible for assessing the ability of the Group 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: https://www.auasb.gov.au/auditors_responsibilities/ar2.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 the directors' report for the year ended 31 December 2022.

In our opinion, the Remuneration Report of Focus Minerals Limited for the year ended 31 December 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.

RSM

RSM AUSTRALIA PARTNERS

AIK KONG TING
Partner

Perth, WA
Dated: 30 March 2023

Shareholder Information

Additional information required by the Australian Securities Exchange Listing Rules and not disclosed elsewhere in this report. The information was prepared based on share registry information processed up to 15 March 2023.

Range of Units

Range	Total holders	Units	% Units
1 - 1,000	1,060	474,031	0.17
1,001 - 5,000	1,575	3,842,373	1.34
5,001 - 10,000	419	3,120,528	1.09
10,001 - 100,000	537	16,683,083	5.82
100,001 Over	106	262,438,630	91.58
Rounding			**0.00**
Total	**3,697**	**286,558,645**	**100.00**

Unmarketable Parcels

	Minimum Parcel Size	Holders	Units
Minimum $ 500.00 parcel at $ 0.175 per unit	2,858	2,150	2,445,379

Substantial Shareholders
As at 15 March 2023, the following had notified the Company as being substantial shareholders:

Shandong Gold International Mining Corporation Limited	181,039,908 ordinary shares
Theta Gold Mines Limited	6,343,699 ordinary shares

Voting Rights
All ordinary shares carry one vote per share without restriction. Options for ordinary shares do not carry any voting rights.

Statement of Quoted Securities
Quoted on the Australian Securities Exchange are 286,558,645 ordinary shares.

Twenty Largest Shareholders of Each Class of Quoted Securities
Ordinary Fully Paid Shares (ungrouped) as at 2 March 2023

Rank	Name	Units	% Units
1	SHANDONG GOLD INTERNATIONAL MINING CORPORATION LIMITED	180,079,908	62.84
2	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	14,351,859	5.01
3	BNP PARIBAS NOMINEES PTY LTD ACF CLEARSTREAM	11,051,226	3.86
4	CITICORP NOMINEES PTY LIMITED	7,877,858	2.75
5	STONE MINING LIMITED	4,920,958	1.72
6	THETA GOLD MINES LIMITED	4,872,293	1.70
7	BNP PARIBAS NOMS PTY LTD <DRP>	3,607,166	1.26
8	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	3,164,527	1.10
9	KAHUNA CLOTHING AND TRADING CO PTY LTD <UTTLEYMOORE S/F A/C>	2,000,493	0.70
10	MRS ETERNALINA ELLIS	1,600,000	0.56
11	MR GARY JOHN ROBERTSON	1,180,000	0.41
12	ERIC'S PTY LIMITED <EMPLOYEES PROVIDENT FUND A/C>	989,140	0.35
13	MR ZHAOYA WANG	900,000	0.31
14	SWISS TRADING OVERSEAS CORP	883,740	0.31
15	FOCUS MINERALS LIMITED <INELIGIBLE 2021 NRRI A/C>	863,483	0.30
16	MR GEORGE SCOTT MILLING + MRS STEPHANIE MAY MILLING <MILLING SUPER FUND A/C>	829,299	0.29
17	LONERGAN FOUNDATION PTY LTD <LONERGAN FOUNDATION A/C>	771,198	0.27
18	MR YIFEI WANG	747,452	0.26
19	SWISS TRADING OVERSEAS CORP	700,000	0.24
20	CENTURY THREE X SEVEN RESOURCE FUND INC	669,565	0.23
Totals: Top 20 holders of ORDINARY SHARES (Total)		**242,060,165**	**84.47**
Total Remaining Holders Balance		**44,498,480**	**15.53**

Interest in Mining Tenements

Coolgardie Gold Project - Focus Minerals Ltd and its 100% subsidiaries

State	Project	Tenement	Status	Interest
WA	Bayleys	M15/0150	Live	100%
WA	Bayleys	M15/0630	Live	100%
WA	Bayleys	M15/1434	Live	100%
WA	Bayleys	M15/1788	Live	100%
WA	Bayleys	P15/5717	Live	100%
WA	Bayleys	P15/5995	Live	100%
WA	Bayleys	P15/6254	Live	100%
WA	Bayleys	P15/6256	Live	100%
WA	Bonnie Vale	M15/0277	Live	100%
WA	Bonnie Vale	M15/0365	Live	100%
WA	Bonnie Vale	M15/0595	Live	100%
WA	Bonnie Vale	M15/0662	Live	100%
WA	Bonnie Vale	M15/0711	Live	100%
WA	Bonnie Vale	M15/0770	Live	100%
WA	Bonnie Vale	M15/0852	Live	100%
WA	Bonnie Vale	M15/0857	Live	100%
WA	Bonnie Vale	M15/0877	Live	100%
WA	Bonnie Vale	M15/0981	Live	100%
WA	Bonnie Vale	M15/1384	Live	100%
WA	Bonnie Vale	M15/1444	Live	100%
WA	Bonnie Vale	M15/1760	Live	100%
WA	Bonnie Vale	M15/1853	Pending	0%
WA	Bonnie Vale	P15/5159	Live	100%
WA	Bonnie Vale	P15/5702	Live	100%
WA	Bonnie Vale	P15/5703	Live	100%
WA	Bonnie Vale	P15/5704	Live	100%
WA	Bonnie Vale	P15/6598	Live	100%
WA	Bonnie Vale	P15/6670	Live	100%
WA	Infrastructure	G15/0007	Live	100%
WA	Infrastructure	G15/0046	Pending	0%
WA	Infrastructure	L15/0027	Live	100%
WA	Infrastructure	L15/0028	Live	100%
WA	Infrastructure	L15/0034	Live	100%
WA	Infrastructure	L15/0042	Live	100%
WA	Infrastructure	L15/0051	Live	100%
WA	Infrastructure	L15/0059	Live	100%
WA	Infrastructure	L15/0063	Live	100%
WA	Infrastructure	L15/0077	Live	100%
WA	Infrastructure	L15/0078	Live	100%
WA	Infrastructure	L15/0088	Live	100%
WA	Infrastructure	L15/0090	Live	100%
WA	Infrastructure	L15/0095	Live	100%

State	Project	Tenement	Status	Interest
WA	Lake Cowan	G15/0043	Pending	0%
WA	Lake Cowan	L15/0408	Pending	0%
WA	Lake Cowan	M15/1882	Pending	0%
WA	Londonderry	P15/5964	Live	100%
WA	Londonderry	P15/5966	Live	100%
WA	Londonderry	P15/5967	Live	100%
WA	Londonderry	P15/5968	Live	100%
WA	Londonderry	P15/5969	Live	100%
WA	Londonderry	P15/5970	Live	100%
WA	Londonderry	P15/5971	Live	100%
WA	Londonderry	P15/5972	Live	100%
WA	Londonderry	P15/6118	Live	100%
WA	Londonderry	P15/6119	Live	100%
WA	Londonderry	P15/6120	Live	100%
WA	Londonderry	P15/6121	Live	100%
WA	Londonderry	P15/6122	Live	100%
WA	Londonderry	P15/6123	Live	100%
WA	Londonderry	P15/6176	Live	100%
WA	Londonderry	P15/6177	Live	100%
WA	Londonderry	P15/6178	Live	100%
WA	Lord Bob	M15/0385	Live	100%
WA	Lord Bob	M15/1789	Live	100%
WA	Lord Bob	P15/5712	Live	100%
WA	Lord Bob	P15/5939	Live	100%
WA	Lord Bob	P15/6102	Live	100%
WA	Norris	M15/0384	Live	100%
WA	Norris	M15/0515	Live	100%
WA	Norris	M15/0761	Live	100%
WA	Norris	M15/0791	Live	100%
WA	Norris	M15/0871	Live	100%
WA	Norris	M15/1153	Live	100%
WA	Norris	M15/1422	Live	100%
WA	Norris	M15/1793	Live	100%
WA	Norris	P15/6002	Live	100%
WA	Norris	P15/6033	Live	100%
WA	Norris	P15/6605	Live	100%
WA	Three Mile Hill	M15/0154	Live	100%
WA	Three Mile Hill	M15/0636	Live	100%
WA	Three Mile Hill	M15/0645	Live	100%
WA	Three Mile Hill	M15/0781	Live	100%
WA	Three Mile Hill	M15/0827	Live	100%
WA	Three Mile Hill	M15/1341	Live	100%

State	Project	Tenement	Status	Interest
WA	Infrastructure	L15/0096	Live	100%
WA	Infrastructure	L15/0114	Live	100%
WA	Infrastructure	L15/0116	Live	100%
WA	Infrastructure	L15/0119	Live	100%
WA	Infrastructure	L15/0122	Live	100%
WA	Infrastructure	L15/0123	Live	100%
WA	Infrastructure	L15/0126	Live	100%
WA	Infrastructure	L15/0127	Live	100%
WA	Infrastructure	L15/0130	Live	100%
WA	Infrastructure	L15/0161	Live	100%
WA	Infrastructure	L15/0164	Live	100%
WA	Infrastructure	L15/0168	Live	100%
WA	Infrastructure	L15/0169	Live	100%
WA	Infrastructure	L15/0171	Live	100%
WA	Infrastructure	L15/0172	Live	100%
WA	Infrastructure	L15/0173	Live	100%
WA	Infrastructure	L15/0174	Live	100%
WA	Infrastructure	L15/0175	Live	100%
WA	Infrastructure	L15/0177	Live	100%
WA	Infrastructure	L15/0179	Live	100%
WA	Infrastructure	L15/0186	Live	100%
WA	Infrastructure	L15/0193	Live	100%
WA	Infrastructure	L15/0194	Live	100%
WA	Infrastructure	L15/0200	Live	100%
WA	Infrastructure	L15/0211	Live	100%
WA	Infrastructure	L15/0283	Live	100%
WA	Infrastructure	L15/0294	Live	100%
WA	Infrastructure	L15/0371	Live	100%
WA	Infrastructure	L15/0403	Pending	0%
WA	Infrastructure	L15/0405	Pending	0%
WA	Infrastructure	L15/0421	Pending	0%
WA	Lake Cowan	E15/0986	Live	100%
WA	Three Mile Hill	M15/1357	Live	100%
WA	Three Mile Hill	M15/1358	Live	100%
WA	Three Mile Hill	M15/1359	Live	100%
WA	Three Mile Hill	M15/1432	Live	100%
WA	Tindals	M15/0023	Live	100%
WA	Tindals	M15/0237	Live	100%
WA	Tindals	M15/0410	Live	100%
WA	Tindals	M15/0411	Live	100%
WA	Tindals	M15/0412	Live	100%
WA	Tindals	M15/0646	Live	100%
WA	Tindals	M15/0660	Live	100%
WA	Tindals	M15/0675	Live	100%
WA	Tindals	M15/0958	Live	100%
WA	Tindals	M15/0966	Live	100%
WA	Tindals	M15/1114	Live	100%
WA	Tindals	M15/1262	Live	100%
WA	Tindals	M15/1293	Live	100%
WA	Tindals	M15/1294	Live	100%
WA	Tindals	M15/1433	Live	100%
WA	Tindals	M15/1461	Live	100%
WA	Tindals	P15/5949	Live	100%
WA	Tindals	P15/5987	Live	100%
WA	Tindals	P15/6251	Live	100%
WA	Tindals	P15/6252	Live	100%
WA	Tindals	P15/6253	Live	100%
WA	Tindals	P15/6257	Live	100%
WA	Tindals	P15/6333	Pending	0%
WA	Lepidolite Hill	M15/1874	Pending	Royalty Interest
WA	Lepidolite Hill	P15/5574	Live	Royalty Interest
WA	Lepidolite Hill	P15/5575	Live	Royalty Interest
WA	Lepidolite Hill	P15/5739	Live	Royalty Interest

Laverton Gold Project - Focus Minerals Ltd and its 100% subsidiaries

State	Project	Tenement	Status	Interest
WA	Admiral Hill-Barnicoat	E38/1864	Live	100%
WA	Admiral Hill-Barnicoat	E38/3232*	Live	100%
WA	Admiral Hill-Barnicoat	E38/3238*	Live	100%
WA	Admiral Hill-Barnicoat	E38/3565*	Live	100%
WA	Admiral Hill-Barnicoat	E38/3661*	Live	100%
WA	Admiral Hill-Barnicoat	E38/3691*	Pending	0%
WA	Admiral Hill-Barnicoat	M38/0264	Live	100%
WA	Admiral Hill-Barnicoat	M38/0318	Live	100%
WA	Admiral Hill-Barnicoat	M38/0376	Live	100%
WA	Admiral Hill-Barnicoat	M38/0377	Live	100%
WA	Admiral Hill-Barnicoat	M38/0387	Live	100%
WA	Admiral Hill-Barnicoat	M38/0401	Live	100%
WA	Admiral Hill-Barnicoat	M38/0507	Live	100%
WA	Admiral Hill-Barnicoat	M38/1032	Live	100%
WA	Admiral Hill-Barnicoat	M38/1042	Live	100%
WA	Admiral Hill-Barnicoat	P38/4519*	Live	100%
WA	Burtville	E38/1642	Live	100%
WA	Burtville	E38/2032	Live	100%
WA	Burtville	E38/3050**	Live	100%
WA	Burtville	E38/3051**	Live	100%
WA	Burtville	E38/3088*	Live	100%
WA	Burtville	E38/3217*	Live	100%
WA	Burtville	E38/3659*	Pending	0%
WA	Burtville	E38/3739*	Pending	0%
WA	Burtville	M38/0008	Live	100%
WA	Burtville	M38/0073	Live	91%
WA	Burtville	M38/0089	Live	91%
WA	Burtville	M38/0261	Live	100%
WA	Burtville	M38/1281	Live	100%
WA	Burtville	P38/4547*	Live	100%
WA	Central Laverton	E38/3424*	Live	100%
WA	Central Laverton	M38/0143	Live	100%
WA	Central Laverton	M38/0236	Live	100%
WA	Central Laverton	M38/0270	Live	100%
WA	Central Laverton	M38/0342	Live	100%
WA	Central Laverton	M38/0345	Live	100%
WA	Central Laverton	M38/0363	Live	100%
WA	Central Laverton	M38/0364	Live	100%
WA	Central Laverton	M38/1187	Live	100%
WA	Chatterbox	E38/3639*	Live	100%
WA	Chatterbox	M38/0049	Live	100%
WA	Chatterbox	M38/0101	Live	100%
WA	Chatterbox	M38/0535	Live	100%

State	Project	Tenement	Status	Interest
WA	Infrastructure	G38/0033*	Live	100%
WA	Infrastructure	L38/0034*	Live	100%
WA	Infrastructure	L38/0052*	Live	100%
WA	Infrastructure	L38/0053*	Live	100%
WA	Infrastructure	L38/0054*	Live	100%
WA	Infrastructure	L38/0055*	Live	100%
WA	Infrastructure	L38/0056*	Live	100%
WA	Infrastructure	L38/0057*	Live	100%
WA	Infrastructure	L38/0063*	Live	100%
WA	Infrastructure	L38/0075*	Live	100%
WA	Infrastructure	L38/0076*	Live	100%
WA	Infrastructure	L38/0078*	Live	100%
WA	Infrastructure	L38/0092*	Live	100%
WA	Infrastructure	L38/0101*	Live	100%
WA	Infrastructure	L38/0108*	Live	100%
WA	Infrastructure	L38/0152*	Live	100%
WA	Infrastructure	L38/0153*	Live	100%
WA	Infrastructure	L38/0160*	Live	100%
WA	Infrastructure	L38/0165*	Live	100%
WA	Infrastructure	L38/0166*	Live	100%
WA	Infrastructure	L38/0173*	Live	100%
WA	Infrastructure	L38/0177*	Live	100%
WA	Infrastructure	L38/0179*	Live	100%
WA	Infrastructure	L38/0183*	Live	100%
WA	Infrastructure	L38/0231*	Live	100%
WA	Infrastructure	L38/0335*	Live	100%
WA	Infrastructure	L38/0336*	Live	100%
WA	Infrastructure	L38/0337*	Live	100%
WA	Infrastructure	L38/0338*	Live	100%
WA	Infrastructure	L38/0339*	Pending	0%
WA	Lake Carey	E38/2873*	Live	100%
WA	Lake Carey	E38/3604*	Pending	0%
WA	Lancefield	E38/3186*	Live	100%
WA	Lancefield	M38/0037	Live	100%
WA	Lancefield	M38/0038	Live	100%
WA	Lancefield	M38/0159	Live	100%
WA	Lancefield	M38/0547*	Live	100%
WA	Lancefield	M38/1272	Live	100%
WA	Lancefield	P38/4347*	Live	100%
WA	Lancefield	P38/4348*	Live	100%
WA	Lancefield	P38/4349*	Live	100%
WA	Prendergast	E38/1725	Live	100%
WA	Prendergast	E38/1869	Live	100%

State	Project	Tenement	Status	Interest
WA	Chatterbox	M38/0693	Live	100%
WA	Infrastructure	G38/0020*	Live	100%
WA	Infrastructure	G38/0024*	Live	100%
WA	Infrastructure	G38/0025*	Live	100%

State	Project	Tenement	Status	Interest
WA	Prendergast	E38/2862**	Live	100%
WA	Prendergast	P38/4551*	Live	100%
WA	Murrin Murrin	M38/0425*	Live	Gold Rights
WA	Murrin Murrin	M38/0505*	Live	Gold Rights

** and ** see note within Royalty Agreements section for the Laverton Gold Project.*

Tenement Abbreviations:

E = Exploration Licence
P = Prospecting Licence
M = Mining Lease
L = Miscellaneous Licence
G = General Purpose Licence

ROYALTY AGREEMENTS

Coolgardie Gold Project
The Parent Entity has entered into the following deeds of assignment for royalty agreements relating to the Coolgardie Gold Project. The material terms of these royalty agreements are set out in the table below:

Tenements	Royalty
M15/645 (portion of)	$1.00/tonne crushed and treated
M15/660, M15/646, M15/1114, M15/1262, *P15/6251, P15/6252 & P15/6257*	$0.25/tonne mined and treated (after 2,500,000 tonnes or ore have been mined and treated)
M15/646 (portion of)	2% of all future gold production
M15/781 & M15/827	0.5% NSR
M15/365, M15/662, M15/711, M15/770, M15/852, M15/857, M15/981, M15/1384 & M15/1760	2.5% NSR
M15/660 (portion of), M15/646 (portion of), M15/958 & M15/1114	$10/ounce gold produced (after first 100,000 ounces produced) & 3% NSR on all other metals
M15/958 (portion of)	$0.75/dry tonne mined and treated
M15/958 (portion of)	$1.50/tonne mined and treated
M15/1357 & M15/1358	1.5% NSR on gold & 1% NSR on all other metals
M15/1341 & M15/1359	2.5% NSR on gold & 1% NSR on all other metals
M15/675	$1/tonne mined and treated
M15/237	1.5% NSR
M15/1461	$1.00/tonne mined and treated
E15/986	2.5% NSR
P15/6254 (portion of)	*$1.00/tonne mined and treated.*

ROYALTY AGREEMENTS Continued

Laverton Gold Project
The Parent Entity has entered into the following deeds of assignment for royalty agreements relating to the Laverton Gold Project. The material terms of these royalty agreements are set out in the table below:

Tenements	Royalty
M38/376 & M38/377	$1.50/BCM of ore mined between 100,000BCM and 850,000BCM
M38/143	$10/ounce gold produced (after the first 50,000 ounces)
All tenements at Laverton owned by Focus Minerals (Laverton) Ltd (*all tenements listed in the "Interest in Mining Tenements - Laverton Gold Project" section above except those with an *. Those marked with an ** only portion of)*	2% of Deemed Sale Proceeds for each Mineral Product
M38/37, M38/38, M38/49, M38/101, M38/159, M38/342, M38/363, M38/364, M38/535, M38/693, M38/1272, E38/1642 & E38/1725	3% of the Gross Revenue for the relevant quarter, if Focus has incurred, after the date of agreement and prior to the first production date, at least $2,000,000 but not more than $4,000,000 in Exploration Expenditure; 2.5% of the Gross Revenue for the relevant quarter, if Focus has incurred, after the date of agreement and prior to the first production date, at least $4,000,000 but not more than $6,000,000 in Exploration Expenditure; or 2% of the Gross Revenue for the relevant quarter, if Focus has incurred, after the date of agreement and prior to the first production date, $6,000,000 or more in Exploration Expenditure.
M38/1042	$1.50/tonne of ore mined and treated after 100,000 tonnes & $0.58/tonne ore mined and milled for first 500,000 tonnes, $0.05/tonne of ore mined and milled thereafter
M38/73	3% of the gross value of gold recovered
M38/1272	1.5% NSR
M38/693	$0.75/tonne ore mined
E38/1642 (portion of), E38/2032 (portion of) & E38/3051 (portion of)	1% gross value of gold produced
All tenements within a 50km radius of Laverton Gold Plant Feed Bin.	A quarterly fee equal to the greater of 1.25% of annual tenement fees or $2,500. A quarterly mining fee relating to gold production from the tenements in a calendar year, of: • 0 – 50,000oz Au: 0.20% of total gross proceeds of the relevant quarter; • 50,001 – 100,000oz Au: 0.24% of the total gross proceeds of the relevant quarter; • 100,001 – 150,000oz Au: 0.28% of total gross proceeds of the relevant quarter; • 150,001 – 200,000oz Au: 0.33% of total gross proceeds of the relevant quarter; • >200,000oz Au: 0.40% of total gross proceeds of the relevant quarter. Scholarship funds payable each calendar year in the amount of $10,000 where the total annual gold production is less than 100,000oz, and $20,000 if the total annual gold production is greater than 100,000oz.