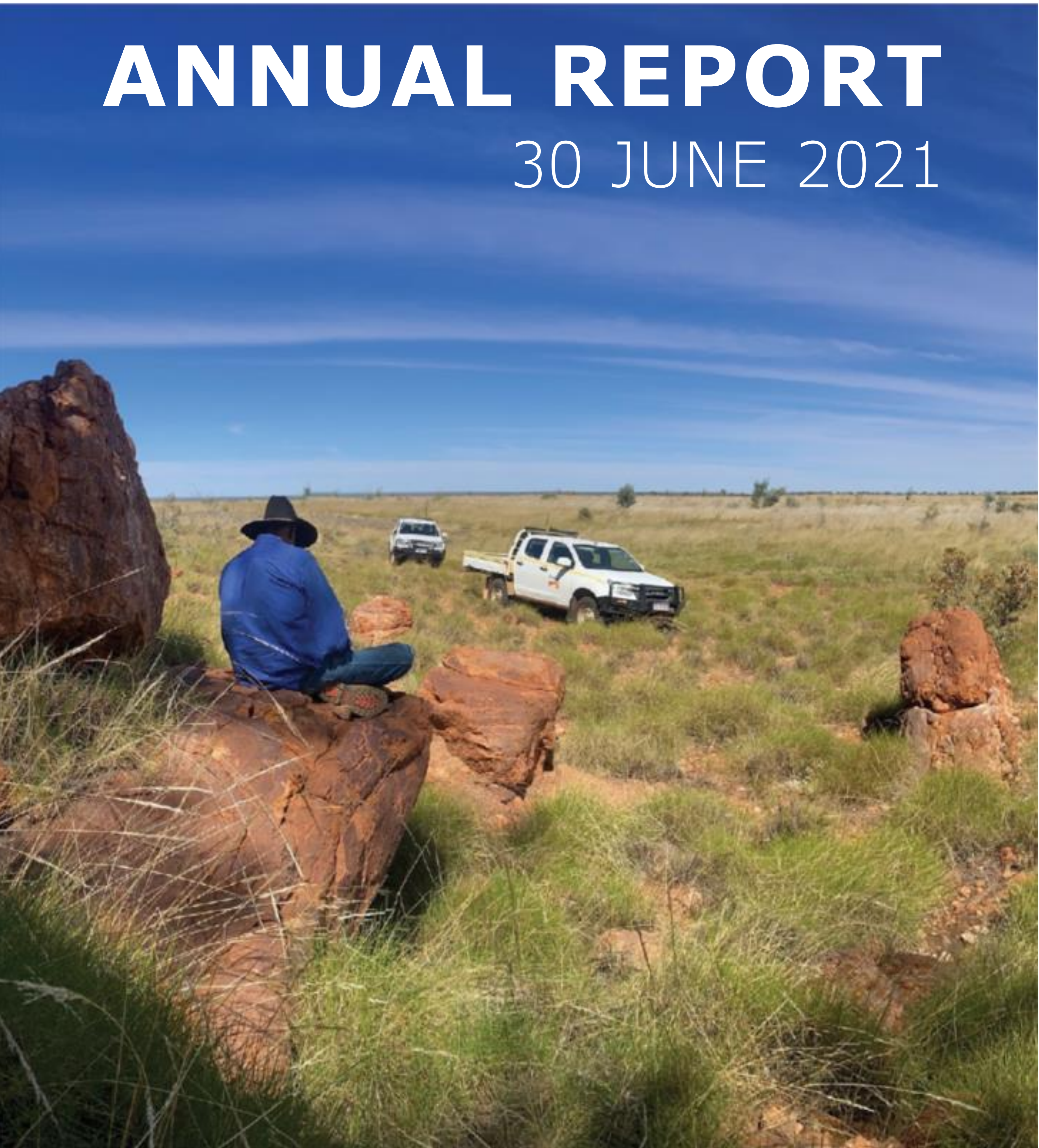
PVW Resources
(Formerly Thred Limited)

# ANNUAL REPORT
30 JUNE 2021



| | |
|---|---|
| Directors | David Wheeler – Non-Executive Chairman<br>George Bauk – Executive Director<br>Colin McCavana – Non-Executive Director |
| Exploration Manager | Karl Weber |
| Company Secretary | Joe Graziano |
| Registered office | Level 3, 101 St Georges Tce, Perth, Western Australia, 6000 |
| Share register | Advance Share<br>110 Stirling Highway, Nedlands, WA 6009<br>Postal address: PO Box 1156, Nedlands, WA 6909<br>Ph: +61 (0)8 9389 8033<br>Fax: +61 (0)8 9262 3723<br>Web: www.advancedshare.com.au |
| Auditor | Hall Chadwick WA Audit Pty Ltd.<br>283 Rokeby Road, Subiaco WA 6008<br>Phone: +61 8 9426 0666<br>Fax: +61 8 9481 1947<br>Web: www.hallchadwickwa.com.au |
| Solicitors | Blackwall Legal<br>Level 26, 140 St Georges Terrace, Perth WA 6000 |
| Securities Exchange | Australian Securities Exchange<br>Level 40, Central Park, 152-158 St Georges Terrace, Perth WA 6000<br>Ph within Australia: 131 ASX (131 279) or +61 (0)2 9338 0000<br>Fax: +61 (0)2 9227 0885<br>Web: www.asx.com.au |
| Stock exchange listing | PVW Resources Limited shares are listed on the Australian Securities Exchange (ASX code: PVW) |
| Website | www.pvwresources.com.au |

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of PVW Resources Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2021.

## Directors

The following persons were Directors of PVW Resources Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

David Wheeler (Non-Executive Director - appointed 29 August 2017, Non-executive Chairman - appointed 11 September 2017)
George Bauk (Executive Director - appointed 1 February 2021)
Colin McCavana (Non-Executive Director - appointed 1 February 2021)
Hersh Solomon Majteles (Non-Executive Director - resigned 1 February 2021)
Joe Graziano (Non-Executive Director - resigned 1 February 2021)

## Information on Directors

| | |
|---|---|
| Name: | ***David Wheeler*** |
| Title: | Non-executive Director (appointed 29 August 2017), Non-executive Chairman (appointed 11 September 2017) |
| Experience and expertise: | Mr. Wheeler has more than 30 years of Senior Executive Management, Directorships, and Corporate Advisory experience.<br><br>Mr. Wheeler is a foundation Director and Partner of Pathways Corporate a boutique Corporate Advisory firm that undertakes assignments on behalf of family offices, private clients, and ASX listed companies.<br><br>Mr. Wheeler has engaged in business projects in the USA, UK, Europe, NZ, China, Malaysia, Singapore and the Middle East.<br><br>Mr. Wheeler is a Fellow of the Australian Institute of Company Directors and has experience on public and private company boards, currently holding a number of Directorships and Advisory positions in Australian companies. |
| Other current directorships: | Ragnar Metals Limited, Protean Wave Energy Limited, Avira Resources Limited, Tyranna Resources Limited, Athena Resources Limited, Blaze International Limited, Health House International Ltd, Cycliq Group Limited, Delecta Limited, Eneabba Gas Limited, Antilles Oil and Gas NL and Syntonic Limited |
| Former directorships (last 3 years): | Ultracharge Ltd |
| Interests in shares: | 583,333 |
| Interests in options: | 1,600,000 |
| Interests in rights: | 800,000 |

| | |
|---|---|
| Name: | ***George Bauk*** |
| Title: | Executive Director (appointed 1 February 2021) |
| Experience and expertise: | Mr. Bauk is an experienced executive/director with 30 years in the resources industry.<br><br>Mr. Bauk has worked in global operational and corporate roles with Northern Minerals, WMC Resources and Western Metals.<br><br>Mr. Bauk has a strong background in strategic management, business planning, building teams, finance and capital/debt raising with a variety of commodities – in particular rare earths, gold, nickel and uranium.<br><br>Mr. Bauk was Managing Director of Northern Minerals from 2010 to 2020. Mr. Bauk is a Fellow of the CPA and is currently Chairman of: Gascoyne Resources, Lithium Australia, BlackEarth Minerals and Valor Resources. |
| Other current directorships: | BlackEarth Minerals NL, Gascoyne Resources Limited, Lithium Australia NL and Valor Resources Limited. |
| Former directorships (last 3 years): | Northern Minerals Limited |
| Interests in shares: | 2,625,120 |
| Interests in options: | - |
| Interests in rights: | 1,600,000 |

| | |
|---|---|
| Name: | ***Colin McCavana*** |
| Title: | Non-Executive Director (appointed 1 February 2021) |
| Experience and expertise: | Mr. McCavana has over 40 years' experience in the mining and resources sector and has extensive experience in exploration, project development, construction, corporate management, capital raising, financing, and operations.<br><br>Mr. McCavana has had extensive involvement in gold exploration and gold project development including the successful development and operation of several carbon in pulp and heap leach gold projects in Western Australia.<br><br>Mr. McCavana is a founding Director of Northern Minerals Limited and currently sits as Chairman. Mr. McCavana is also Chairman of Reward Minerals Limited. |
| Other current directorships: | Northern Minerals Limited, Reward Minerals Limited |
| Former directorships (last 3 years): | None |
| Interests in shares: | 2,314,003 |
| Interests in options: | - |
| Interests in rights: | 800,000 |

| | |
|---|---|
| Name: | ***Hersh Solomon Majteles*** |
| Title: | Former non-executive Director (resigned 1 February 2021) |
| Experience and expertise: | Mr Majteles has over 35 years' experience in business, corporate, property and commercial law and practice. Since 1983 he has been a Director of a number of publicly listed companies involved in the mining and exploration for gold, base metals, coal, uranium, oil and gas and in the bio tech sector. |
| Other current directorships: | Scout Security Limited |
| Former directorships (last 3 years): | Metals Australia Limited |
| Special responsibilities: | Member and served for a period as Chair of the Remuneration & Nomination Committee |
| Interests in shares: | 303,197 |
| Interests in options: | 800,000 |

| | |
|---|---|
| Name: | ***Joe Graziano*** |
| Title: | Former non-executive Director (resigned 1 February 2021) |
| Experience and expertise: | Up to 2014 Mr Graziano worked as a Chartered Accountant with corporate and company secretarial experience. Mr Graziano has over 29 years' experience providing a wide range of business, financial and strategic advice to small cap unlisted and listed public companies and privately owned businesses in Western Australia's resource-driven industries. Since 2014 he has been focused on corporate advisory, company secretarial and strategic planning with listed corporations including Mergers & Acquisitions, Capital Raisings, Corporate Governance, ASX compliance and structuring.<br><br>Mr Graziano is currently a director of Pathways Corporate Pty Ltd a specialised Corporate Advisory business and holds Directorships in other Australian listed Companies. |
| Other current directorships: | Tyranna Resources Limited, Protean Energy Ltd, Syntonic Ltd |
| Former directorships (last 3 years): | Thred Ltd, Migme Ltd |
| Interests in shares: | 383,333 |
| Interests in options: | 800,000 |

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

## Company secretary

### *Joe Graziano*

Up to 2014 Mr Graziano worked as a Chartered Accountant with corporate and company secretarial experience. Mr Graziano has over 29 years' experience providing a wide range of business, financial and strategic advice to small cap unlisted and listed public companies and privately owned businesses in Western Australia's resource-driven industries. Since 2014 he has been focused on corporate advisory, company secretarial and strategic planning with listed corporations including Mergers & Acquisitions, Capital Raisings, Corporate Governance, ASX compliance and structuring.

Mr Graziano is currently a director of Pathways Corporate Pty Ltd a specialised Corporate Advisory business and holds the following Directorships in other Australian listed Companies: - Tyranna Resources Limited – Non-Executive Director (ASX: TYX) - Protean Energy Ltd – Non-Executive Director (ASX: POW) Appointed 14 October 2020 - Syntonic Ltd – Non-Executive Director (ASX: SYT) Appointed 1 November 2020.

Directorships held in other Australian listed companies in the past 3 years: - Thred Ltd – Non-Executive Director Ceased 1 February 2021 - Migme Ltd – Non-Executive Director Ceased and now delisted

## Meetings of Directors

The number of meetings of the Company's Board of Directors ('the Board') held during the year ended 30 June 2021, and the number of meetings attended by each Director were:

| | Full Board | |
|---|---|---|
| | Attended | Held |
| David Wheeler | 2 | 2 |
| George Bauk | 2 | 2 |
| Colin McCavana | 2 | 2 |

Held: represents the number of meetings held during the time the Director held office.

The meetings of the Directors was for the period between the reverse acquisition occurred on 3 February 2021 and 30 June 2021.

## Principal activities

During the financial year, the Directors assessed other potential asset development or acquisition opportunities and have completed the acquisition of PVW Resources NL and its controlled entities resulting in a changed of its principal activities to mining exploration.

## Review of operations

### *Acquisition of PVW Resources NL*

On 3 February 2021, PVW Resources Limited (formerly Thred Limited), the legal parent and legal acquirer, completed the acquisition of PVW Resources NL and its controlled entities ("PVW NL Group"). Prior to this acquisition, PVW Resources Limited has sought Shareholder Approval at its 2020 AGM for a number of transactions including the consolidation of its share capital on a 75:1 basis, the issue of 2,400,000 options and 3,200,000 performance rights to key management personnel, to change the sale and nature of the business and to change the Company name. As part of the acquisition process, the Company made a public offer of $4.5m (22,500,000 shares at $0.20 each) which was fully subscribed and closed on 15 January 2021.

As the acquisition was successful, effective from 9 February 2021, the Company name and ASX code has been changed from Thred Limited (THD) to PVW Resources Limited (PVW). The nature of the business has also changed to a mineral exploration entity. The acquisition is deemed to be completed with the reinstatement to official quotation.

## *Operations Review*

Operationally throughout the last 12 months the Company has continued to explore the three key Project regions of Kalgoorlie, Leonora and the Tanami for Gold. Exploration was also initiated in the Tanami for Rare Earth Elements (REE), an exciting opportunity for multi commodity growth. An exploration and administration team were consolidated to ensure projects and the exploration process are efficient and the right experts are accessible within the group.

PVW Resource's exploration strategy is to identify and develop concepts into targets that can be tested and validated. As positive results are received from quality, culturally and environmentally responsible exploration programs the projects progress to assessment for economic mineral resources.

The main goal is to identify a significant mineralised system or large deposit. Smaller discoveries will be commercialised where possible, opportunities for divestment, acquisition and organic growth are prioritised as required.

*Figure 1: PVW Resources Ltd are operating in four areas, please note the Balinue Project was applied for subsequent to the reporting period and is under application.*

## *TANAMI*

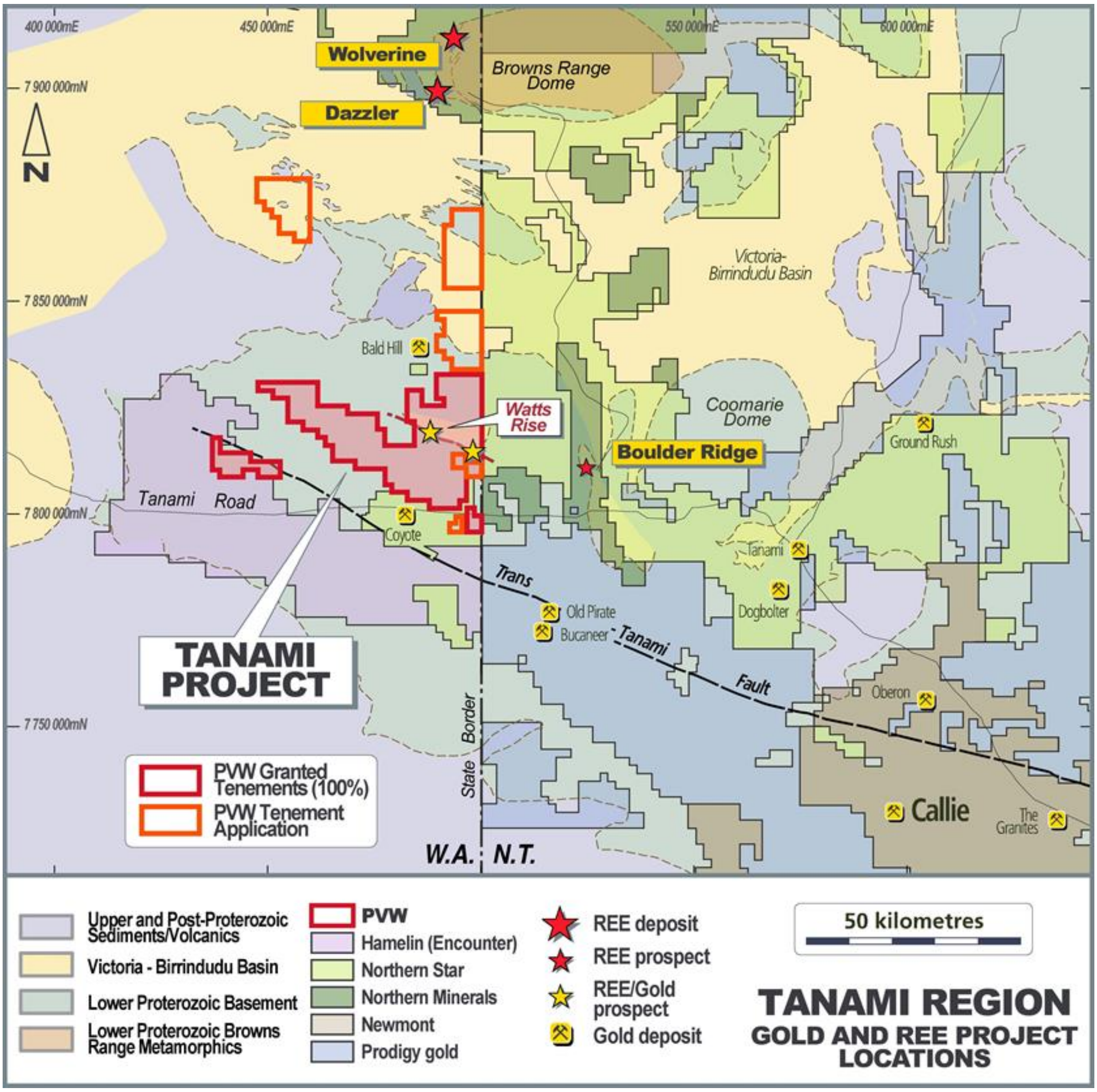
During the period the Company has continued the efforts on the Tanami Project where the potential for a Tier 1 multi-million ounce gold discovery is recognised and the REE potential is being realised with positive REE exploration.

A Heritage agreement is in place with the traditional owners and has allowed work to commence in the field. Heritage surveys and cultural monitoring programs are ongoing, field trips to date have been completed for all work programs. Heritage surveys and surface sampling at Watts Rise and Killi Killi East are complete or in progress, with results pending for both gold and REE analysis.

Subsequent to the reporting period a detailed airborne survey has been completed with approximately 16,000km flown over key areas to allow detailed interpretation of the entire project area.

Traditional gold and REE targets occur in Upper Tanami Group rocks intersected by major structures resulting in complexly deformed zones. As well as traditional targets historic exploration has revealed new target along the Watts Trends. Field work to date has improved the geological understanding of targets along Watts Trend such as Watts Rise and Killi Killi East. When field observations are combined with very significant historical drill results and new geological model these are exciting targets.

*Figure 2: Tanami Regional project locations and other companies operating in the region.*



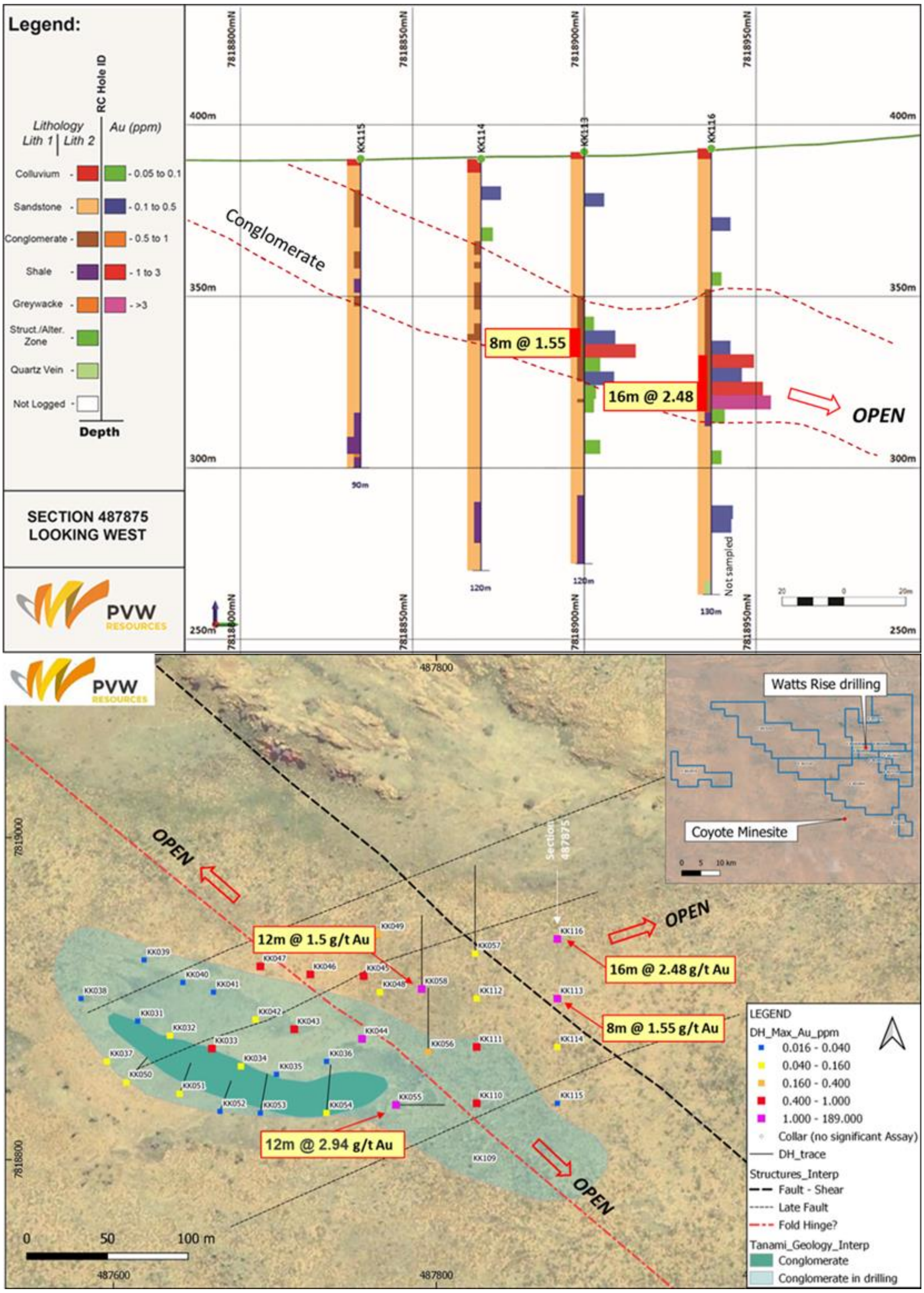
## Exploration

### Watts Rise

The gold mineralisation discovered in the last decade provides a drill ready target at Watts Rise. Along the Watts Trend the possibility of gold mineralisation from the prospect extending along strike is clear and the exploration work programs aim to extend the target. Results previously reported that underpin the Watts Rise prospect drill target include:

- **16m @ 2.48 g/t Au** from 60m
- 16m @ 0.88 g/t Au from 52m
  including **8m @ 1.55** from 52m
- **12m @ 2.94 g/t Au** from surface
- **12m @ 1.5 g/t A**u from 44m

Figure 3: Drill section and plan showing open mineralisation on the eastern most line at the Watts Rise prospect.



Structurally controlled gold mineralisation in the Tanami is well known, with examples such as the Coyote Gold Deposit in close proximity, this style of mineralisation will be a focus for geophysical interpretation and on-ground field campaigns. Regionally the project is less well understood, however there is potential for structurally controlled mineralisation and other styles of mineralisation. Exploration while initially for gold and REE, will consider evaluation for other commodities during geophysical interpretation, targeting and on ground activities.

The Watts Rise mineralisation demonstrates structural controls with increased foliation in mineralised drill intersections and is overall sub-parallel to regional shear zones. It also demonstrates geochemistry associated with typical hydrothermal gold mineralisation, including alteration minerals of sericite, silica, fuchsite and pyrite. The recent field trip to Watts Rise has confirmed the host to mineralisation is a coarse-grained sedimentary unit, logged previously as a conglomerate or a coarse sandstone expected to be immediately below the regional unconformity between Gardiner Sandstone and Killi Killi Formation sedimentary units. The gold mineralisation at Watts Rise is also adjacent to low-grade uranium and REE mineralisation, which are useful geological characteristics as potential vectors to possible gold mineralisation.

Understanding the structural and lithological controls on gold mineralisation at the Watts Rise prospect will be key to unlocking the potential along strike. Previous regional exploration for gold has focused to the North where cover is significantly thicker than is demonstrated along strike from Watts Rise.

Field programs completed subsequent to the reporting period were focused on visiting the historical drill areas, conducting a ground-based review of outcrops, testing samples on the ground with a portable X-ray fluorescence unit (XRF), systematically soil sampling suitable areas along strike and assessing other areas with orientation soil sampling to validate the ultrafine technique over covered areas.

The Airborne geophysical survey was completed in September 2021. The survey of approximately 16,000 line kms, with a 50m line spacing and 30m flying height provides the detailed geophysical data (magnetics and radiometrics) required to complete high resolution coverage of PVW's Tanami tenure. Southern Geoscience Consultants (SGC) will interpret the geophysical data (predominantly magnetics) at 1:50,000 scale across the entire project area, integrating all available relevant geoscientific information, allowing for the mapping of lithologies and structure. The detailed radiometric data will be particularly useful in identifying further REE targets across the entire Tanami project area. Additional detail at 1:10,000 scale will be carried out over focus areas. Detailed interpretation is proposed to allow planning of drilling and detailed field activities, including ground geophysics and geochemical surveys over gold and REE prospects. The work will comprise the compilation of all available project and regional scale geoscientific data, including the processed aeromagnetic, radiometric, DEM, airborne gravity, satellite, government geology datasets and any company held data.

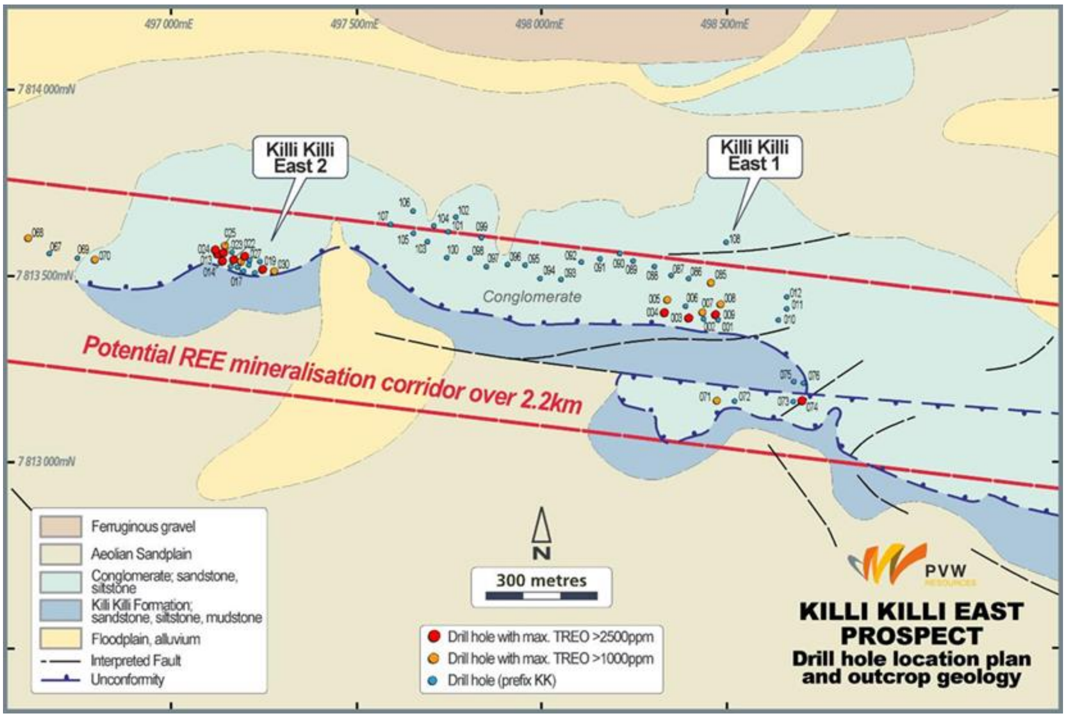
**Killi Killi East**
An on-ground review of surface geology and mineralisation has been completed at the Killi Killi East prospect.

The previous holder of the tenement (E80/4029), Orion Metals Limited ('Orion'), conducted gold and REE exploration at the Killi Killi East prospect between 2010 and 2012. A detailed review and compilation of the drilling data from this program has been completed by PVW, details of which were reported in announcements ASX:PVW 23 Aug 2021, Tanami – Rare Earths results drive exploration program; 6 Sep 2021, Rare Earth Potential Identified at Kill Killi.

*Figure 4: View of Pargee Sandstone outcrops at Kill Killi East 1*

Rare earth mineralisation has been recorded by PVW geologists at Killi Killi East as occurrences over a strike length of approximately 2.2km with elevated portable XRF measurements of yttrium. Yttrium is a REE that is reliably detected by portable XRF methods and a good indicator of rare earth minerals such as xenotime. The rare earth mineralisation has mostly been observed within a basal conglomerate unit of the Pargee Sandstone which unconformably overlies the older Killi Killi Formation. Where mineralised the conglomerate unit is often strongly hematitic but also displays silicification and brecciation. Field evidence suggests the mineralisation is both structurally and lithologically controlled. The REE mineralised “corridor” at Killi Killi East strikes approximately west-northwest, with cross-cutting structures possibly acting as structural traps for mineralisation along this trend, and the basal conglomerate unit providing a suitable lithochemical host.

Figure 5: Drill section showing open mineralisation




The contact between the Pargee Sandstone and the Killi Killi Formation is a regional-scale unconformity of over 18km strike length and is considered prospective for hydrothermal unconformity-related REE mineralisation, examples of which occur across a large part of the Birrindudu Basin (eg. Browns Range, Boulder Ridge). The two main prospect areas, Killi Killi East and Watts Rise occur 12km apart and are both located close to the contact between the Pargee Sandstone and the Killi Killi Formation.

Mineralogical studies previously conducted by Orion identified two main rare earth minerals at Killi Killi, the heavy rare earth mineral xenotime and the light rare earth mineral florencite. This combination of minerals provides a favourable mix of rare earth elements in terms of the in-demand elements used in the manufacture of magnets. PVW is planning to carry out mineralogical studies of samples collected during the recent field program in order to verify this.

PVW’s exploration program is on-going at Killi Killi with soil sampling and ground radiometrics occuring at the time of reporting. PVW Resources exploration program will target faults and structures that transect the regional unconformity and potentially act as conduits for mineralising fluids. Deposits of the hydrothermal unconformity-related style can have a small areal footprint (<200m) which may require detailed geological mapping and close spaced drilling.

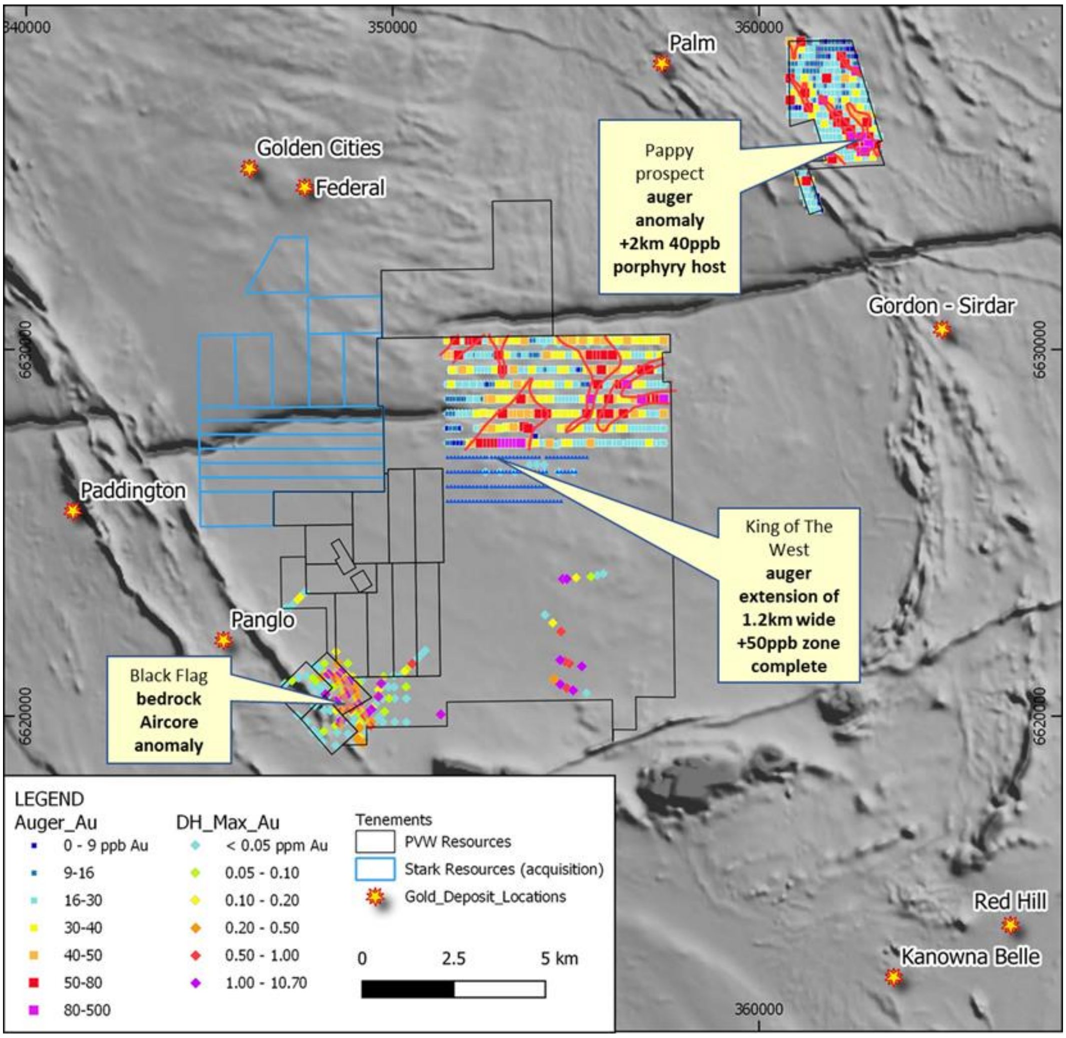
## *KALGOORLIE*

The Kalgoorlie Project is situated 30km north of Kalgoorlie near the Broad Arrow Townsite and the Norton Gold Paddington operations. The tenements are located between major operating (or recommencing) gold mines including Golden Cities, Palm, Gordon Sirdar and Kanowna Bell.

Three project areas, Black Flag, King of The West, and Gordon Sirdar (including the Pappy Prospect) comprise the Kalgoorlie Project a total area of approximately 100km$^2$. Subsequent to the reporting period the total area was increased to 150km$^2$ through a tenement swap agreement with Yandal Resources Ltd (E27/570 for 7 Yandal tenements) and acquisition of Stark Resources NL. Together they are a very prospective exploration project across a varied greenstone and granite package. Mineralisation occurring close to the areas is varied and demonstrates the importance of understanding local geological controls.

Gold exploration drilling within the Project is surprisingly sparse and superficial given proximity to infrastructure and operating gold mines. Often overlooked due to the granite dominated tenure, the large holding is a significant opportunity for PVW Resources.

Figure 6: Kalgoorlie region summary showing three project areas and results to date (please note Black Flag Aircore and some of the Pappy Prospect auger was completed after the reporting period).




## *Exploration*

**King of The West Prospect**

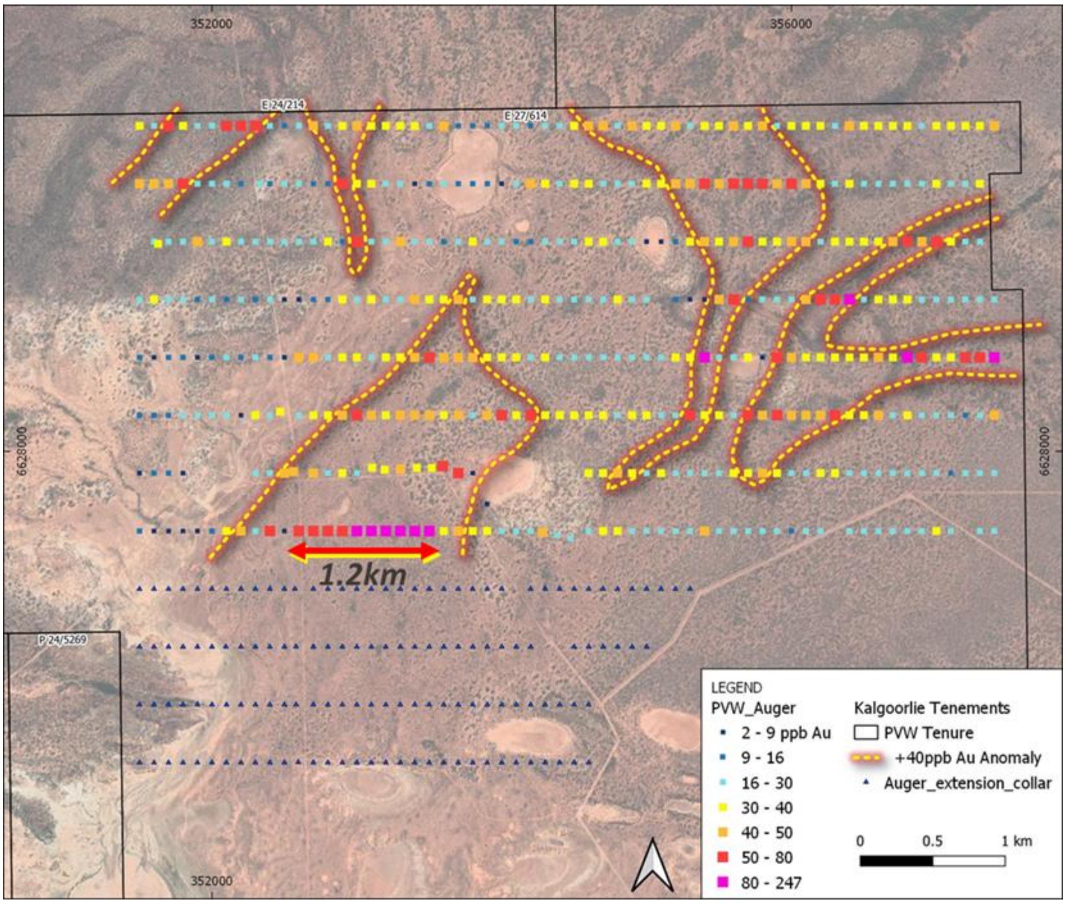
Exploration on the King of The West prospect was initiated in 2021 with auger drilling of the northern third of the tenement. The cover is not consistently suitable to surface sampling, however auger drilling (1.2-2.5m deep) has proven very effective with a large contourable gold anomaly identified with the shallow drilling. For a full list of auger results and hole details refer to company announcements ASX:PVW 17 Jun 2021, Kalgoorlie West – Positive Auger Results Outline Targets.

These anomalies are a similar size and tenor to the anomalous gold levels found above other gold mines in the vicinity. Golden Cities with over a million ounces of gold, combining mined and in resource, is a productive mine camp, and was discovered using a similar technique with similar outcomes.

The size of the King of The West anomalies is impressive and the best line of results is on the southern end of the grid, leaving the main anomaly open to the south with a 1.2km section of line returning +50ppb results. Subsequent to the reporting period the grid (400m x 100m spaced samples) has been extended and results are awaited, the grid now covers an area of 6km x 4.4km.

Aircore drilling of the anomalies will be prioritised following the return and interpretation of gold and multielement assay results. Other targets (2-5km south of the auger grid) include Aircore drilling results returned by previous explorers including +1g/t gold from saprolite clays and paleochannel clays. This historical drilling was targeting paleochannel gold mineralisation (gold hosted in transported material) and while effective for the designed purpose has tested a very small area of the tenement and the positive results have not been followed up.

Figure 7: King of The West auger drilling anomalous result highlighting the contourable +40ppb gold anomalies and the open anomalies with extension drilling complete to the south of 1.2km section of +50ppb Au results.



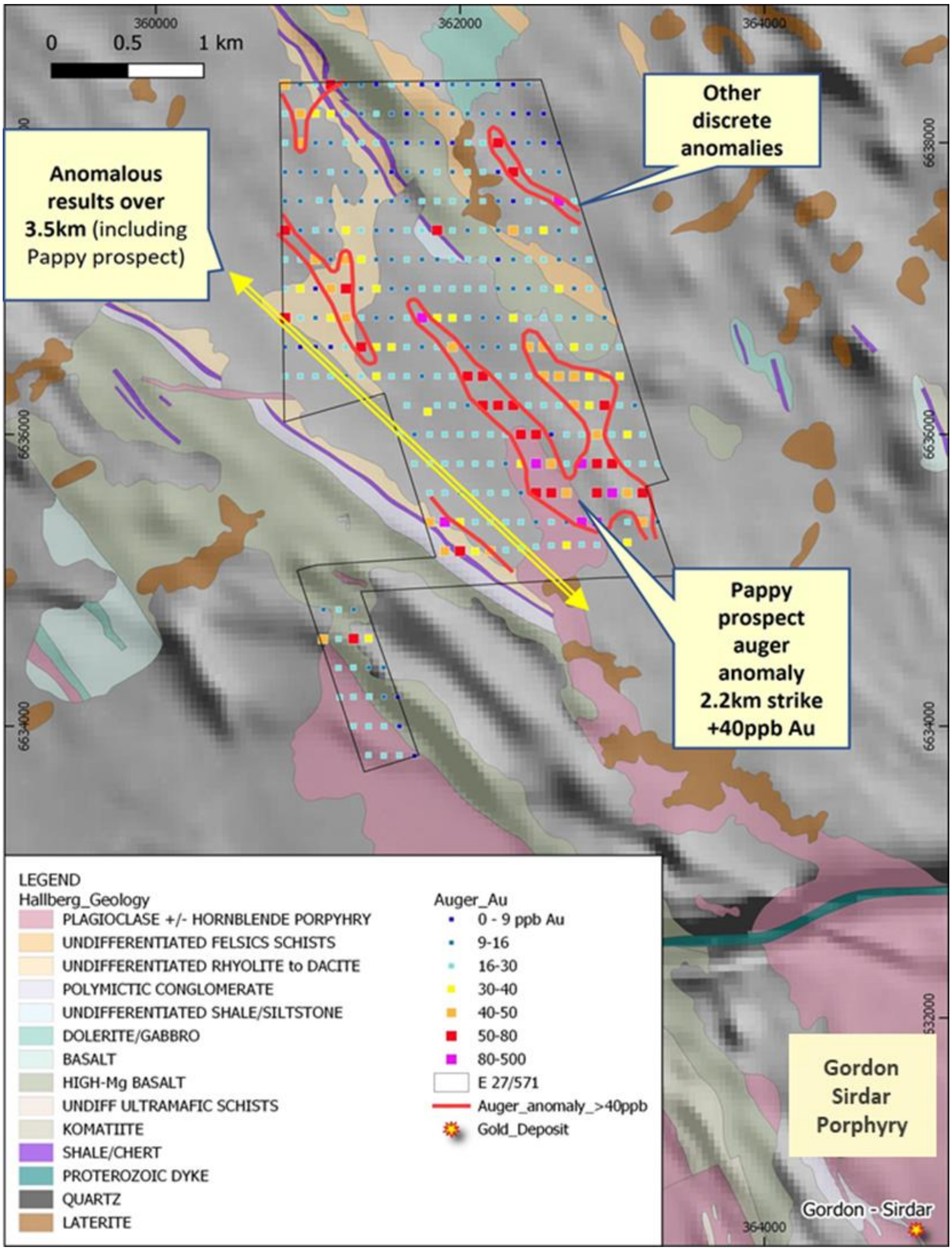

**Pappy Prospect (Gordon Sirdar Project)**

Initial exploration on E27/571 has focussed on auger drilling of the tenement. The technique has returned anomalous assays from 200m x 100m spaced samples over a strike length of 3.5kms. Centred on positive results traversing E27/571, the Pappy Prospect is a coherent +50ppb Au anomaly of 2.2kms of strike. Complete Pappy Prospect results and hole details can be found in company announcements ASX:PVW 19th April 2021, Kalgoorlie Project – Auger Results Confirm Gold Target and 6th Sept 2021, Kalgoorlie Exploration - Positive Aircore and Auger Results.

The tenement straddles the same stratigraphy that hosts the Gordon Sirdar Deposit to the southeast, is less than 5kms from Palm Gold Deposit (Mulgarrie Mining Centre) to the northwest and adjacent to Yandal Resources Gordons Gold Project (ASX:YRL). The gold anomaly is coincident with a magnetic low marking a significant disconformity between magnetic units. A magnetic low with associated gold anomalism is at the interpreted boundary between intrusive Plagioclase / Hornblende Porphyry and Felsic volcanic lithologies. This is an important control on mineralisation regionally and is likely to be a control at the Pappy Prospect. Polymictic conglomerate / agglomerates are another important lithology at Gordon Sirdar, are also a feature of the prospect.

Mapping confirms the continuation of a Plagioclase / Hornblende Porphyry from Gordon Sirdar into E27/571. This and other anomalies along strike, and on adjacent trends, provide multiple exploration drill targets that will be tested in upcoming drilling programs.

Figure 8: Gordon Sirdar tenement with the Pappy Prospect and other +40ppb anomalies highlighted.



**Black Flag Prospect**
PVW has received positive assay results from the recently completed Black Flag Aircore drilling program, confirming mineralised structures within the felsic intrusive.

Significant intercepts are from shallow depths below transported cover, which ranges from 16m – 40m. Importantly, the first phase of drilling at Black Flag has shown there is significant gold anomalism in the bedrock, below transported cover. 2021 Results include:

- 3m @ 1.84g/t Au, from 45m
- 4m @ 1.04g/t Au, from 40m
- 4m @ 1.20g/t Au, from 60m
- 7m @ 0.88g/t Au, from 43m
  including 2m @ 1.78g/t Au, from 43m

Black Flag results were returned subsequent to the reporting period, for a full list of significant intercepts and hole details refer to company announcements ASX:PVW 6th Sept 2021, Kalgoorlie Exploration - Positive Aircore and Auger Results.

The +1g/t intercepts are associated with quartz veining and disseminated sulphides or iron-oxide after sulphides within bedrock. Elevated gold values are also associated with increased shearing and micaceous alteration. There is a strong correlation of historical results and new results with a north-south structure observed in the magnetics. This structure also corresponds with a significant embayment in the magnetic response of greenstone to the west.

Bottom of hole samples have been submitted for multi-element analysis and these will be interpreted once all bottom of hole assays have been returned.

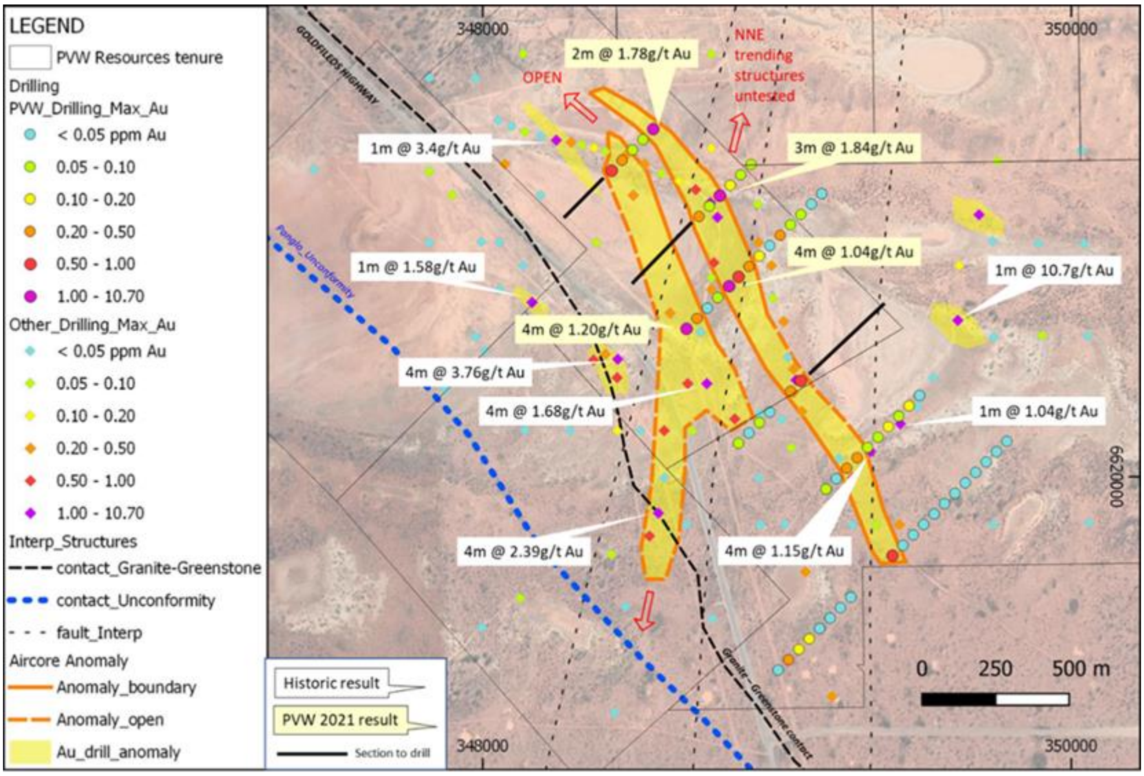
While some historic results have now been followed up with systematic Aircore, there are still numerous point anomalies (for example 1m @ 10.7g/t Au, 1m @ 3.4g/t Au, 4m @ 3.76g/t Au), that also require follow up.

To date drilling has focused on historical gold results, located mostly on the eastern side of the Goldfields Highway. Future campaigns will include exploration on the western side of the highway where greenstones are strongly deformed, along strike from the Panglo Gold deposit (2.5km to the northwest).

The Panglo Unconformity shown on Figure 9, marks an unconformable contact between upper mafic volcanics and a lower sedimentary sequence which includes conglomerates that can be traced north to the east of the Panglo Gold deposit and south to the Kanowna Gold deposits.

Evaluation of the main anomalous trend with systematic Aircore drilling confirms the bedrock anomaly and confirms more detailed drilling, deeper drilling and interpretation is needed to understand the full potential of the Black Flag prospect.

Figure 9: Black Flag Prospect Aircore results.



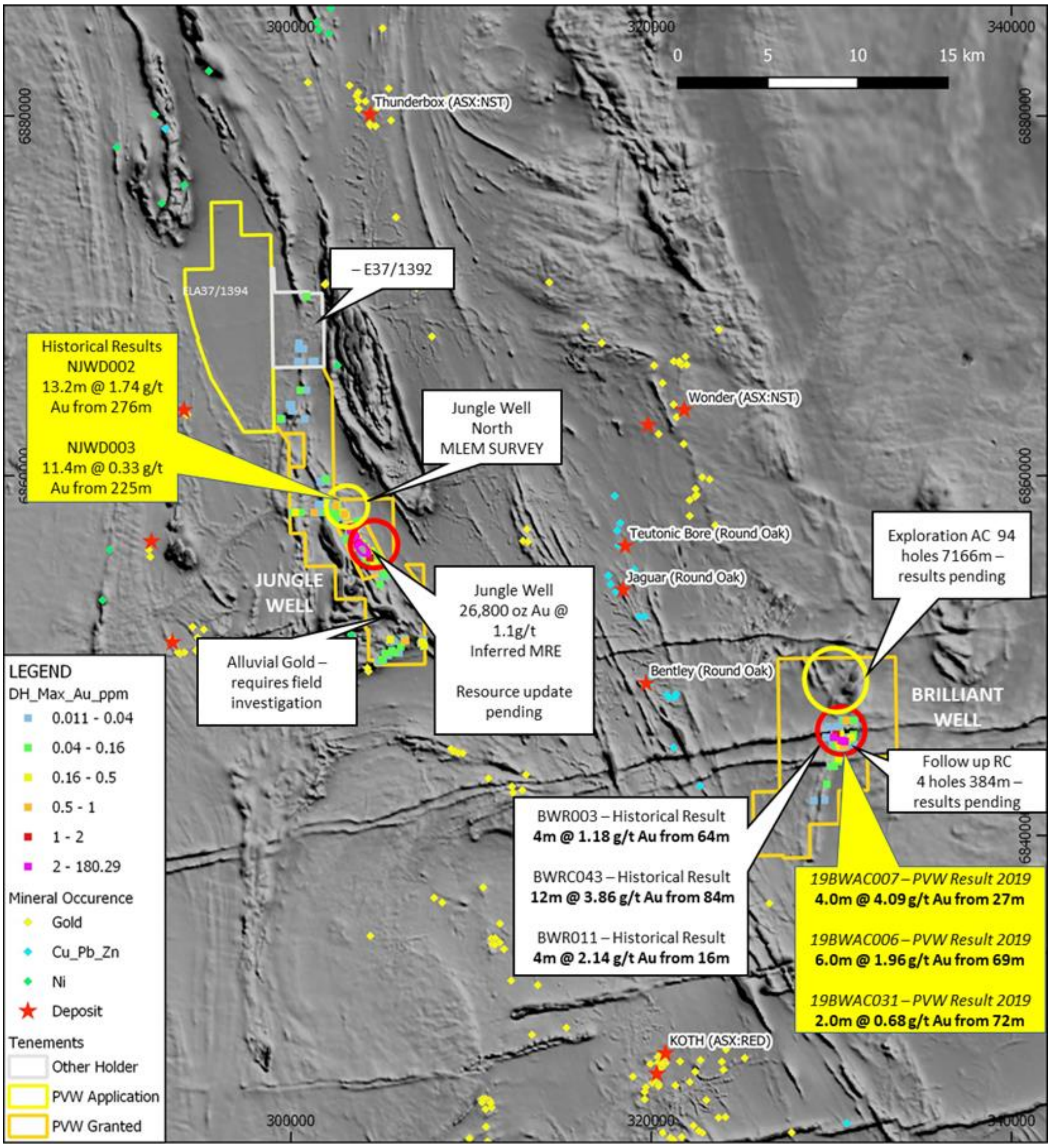
### *LEONORA*

The Leonora Project is located approximately 55km northwest of Leonora in Western Australia. Access to tenements is from the Goldfields Highway or from the Leonora – Agnew Rd at the Bannockburn Mine site. Being close to existing infrastructure and well serviced towns ensures support for field activities. The Jungle Well and Jungle Well North (previously Minotaur) project areas are contiguous along the Mt Clifford Shear Zone. Brilliant Well is east of the Goldfields Highway and covers a complicated greenstone / granite gneiss contact.

Numerous operating gold mines in the region include Thunderbox, and Darlot, with King of the Hills (Red 5) advancing towards production.

Gold has been mined at Jungle Well, with mining of the shallow oxide Jungle Well pit in 1996. Explorers have targeted Nickel at Jungle Well and base metals at Brilliant Well. Limited gold exploration has been completed and PVW believe there is significant potential within all the projects.

Figure 10: Leonora exploration summary. Note E37/1392 has been granted and is excised from ELA37/1394.



## *Exploration*

### Brilliant Well Prospect

Exploration commenced at Brilliant Well in the reporting period with both Reverse Circulation (RC) and Aircore drilling progressing during the year. Drilling completed in July 2021 totalled 4 RC holes for 384m and 94 AC holes for 7,166m. Geology intersected in the RC drilling is consistent with the style of deformation, sulphides and veining observed in mineralised intervals from historical Aircore holes. Aircore drilling intersected a variety of lithologies under transported cover, results of the drilling were pending at the time of report compilation.

Some 4km of strike over magnetic anomalies and large interpreted structures will be tested by the completed Aircore drilling as first pass regional exploration with the majority of this 4km having never been drilled.

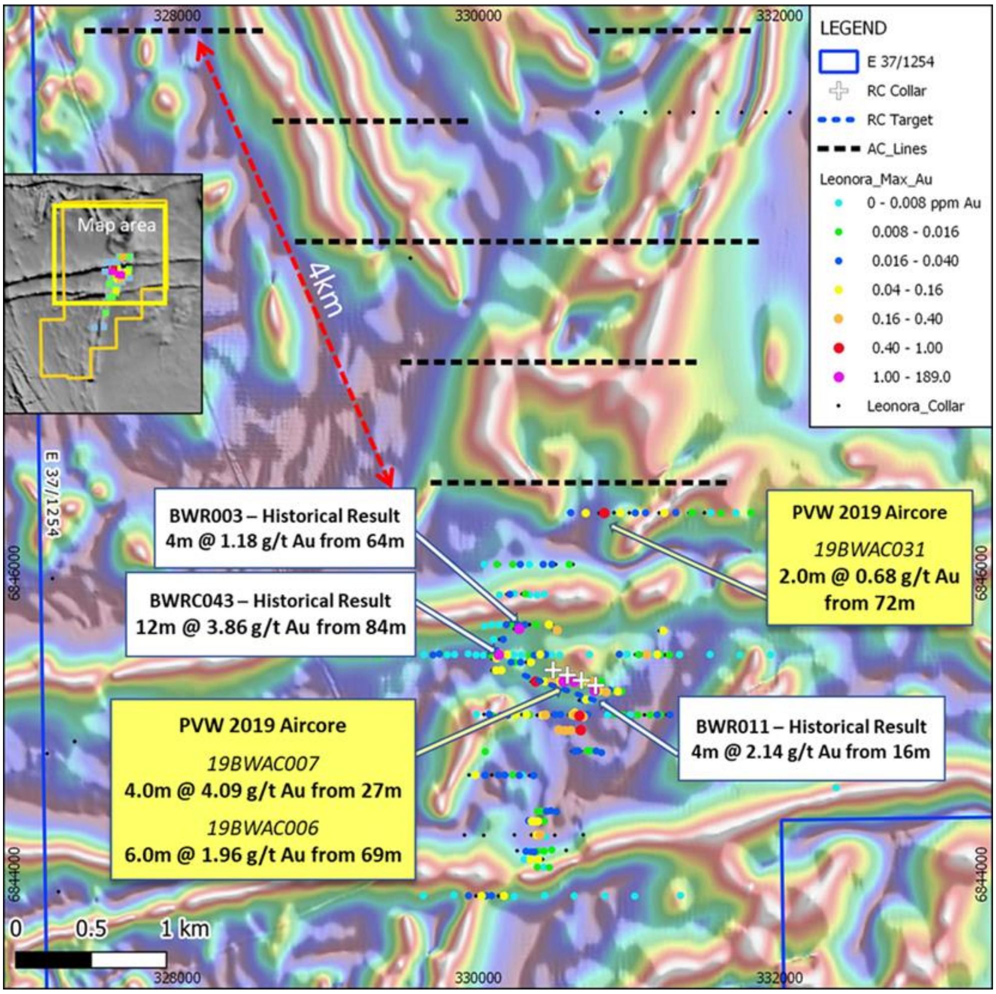
The presence of transported cover of unknown thickness required the use of Aircore drilling to test these regional targets. Completed drilling activities aim to follow up recent mineralisation intersected by a small Aircore program completed by PVW Resources NL in 2019. The 2019 drilling was designed to test the possible northwest trend of sporadic near surface mineralisation. Previous exploration had tested the regional north-northeast orientation while a northwest strike was inferred at the prospect scale. The north-northeast trend is considered regionally significant and is appropriate for regional exploration targeting. However, significant mineralisation was intersected on the interpreted northwest structure and this has been further investigated with RC drilling to confirm the orientation and the dip of what appears to be mineralisation traversing the regional structural trend.

Results from the other explorers historical drilling and PVW 2019 program as shown on the following figure, include:

| Historical drill results: | PVW 2019 Aircore results: |
|---|---|
| 12m @ 3.86g/t Au from 84m | 4m @ 4.09g/t Au from 27m |
| 4m @ 1.18g/t Au from 64m | 6m @ 1.96g/t Au from 69m |
| 4m @ 2.14g/t Au from 16m | 2m @ 0.68g/t Au from 72m |

For a complete list of results and historic holes locations please refer to ASX:PVW, Thred Prospectus Appendix A - Independent Geologists Report, Appendix 1.

Figure 11: Brilliant Well Exploration Summary.

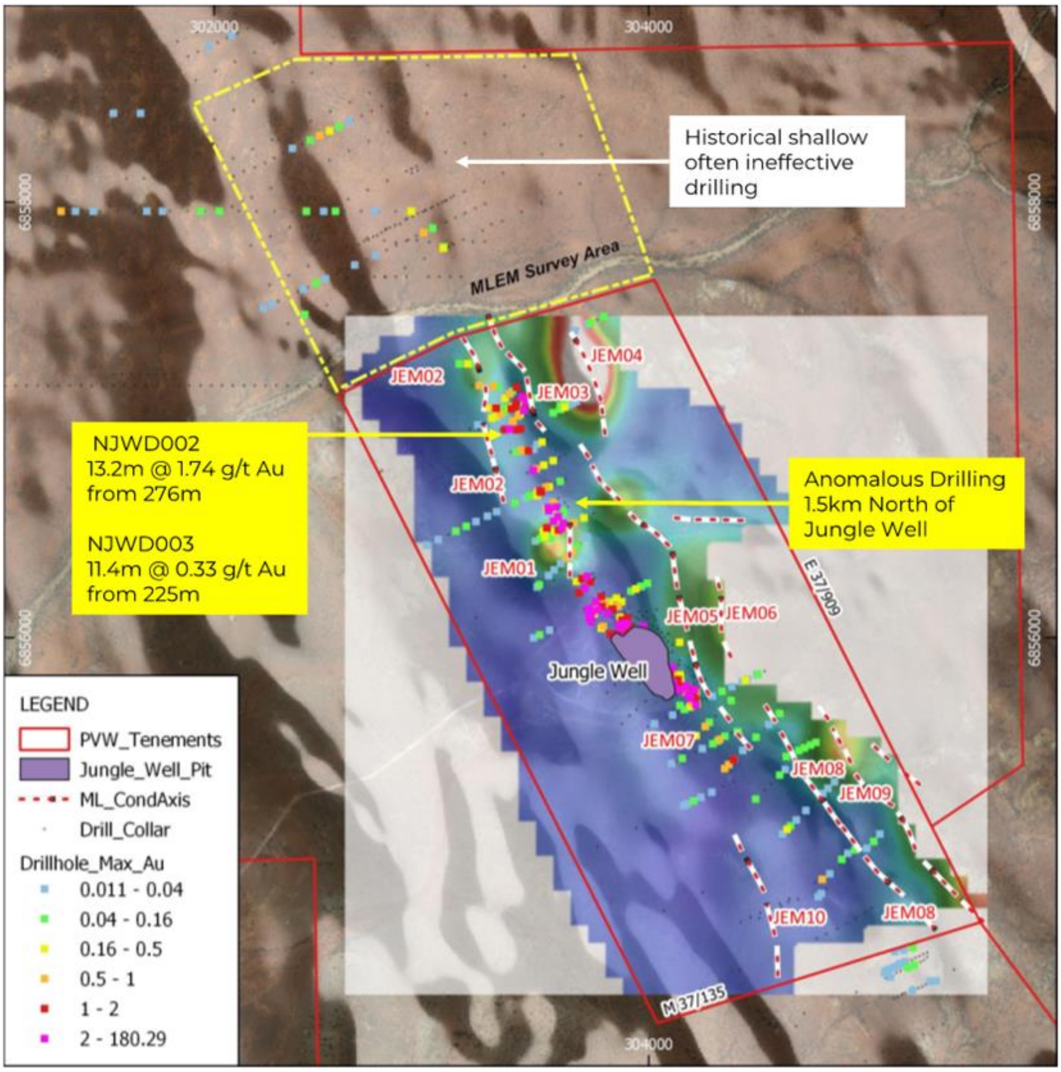


**Jungle Well Project (M37/135 and E37/909)**

PVW has contracted Southern Geoscience Consultants (SGC) to complete a Moving Loop Electromagnetic Survey (MLEM) over the northern extension of historical EM conductors encountered in M37/135. The ground geophysics survey was postponed during the reporting period due to wet ground conditions causing delays on other contracts. The survey was successfully completed subsequent to the reporting period however results and interpretation are pending at the time of compilation.

Historical conductors lie along the Jungle Well mineralised trend, and along parallel trends to the east where the magnetic data maps a complex series of folded and faulted bedrock units. Exploration activities will include further assessment of untested or poorly tested conductors JEM3-10, and JEM2 (north). Follow up activities may include FLEM and / or drilling to test for sulphide-related mineralisation.

Figure 12: Jungle Well North exploration and EM summary.



## Resource Drilling

An infill and extensional RC drilling program was completed at Jungle Well in April 2021 resulting in 33 holes for 2,872m of RC drilling. The program was planned to infill and extend the Jungle Well Inferred Mineral Resource Estimate currently at 26,800oz @ 1.1g/t Au. The drilling has provided adequate new drill data to update the Jungle Well Mineral Resource Estimate which was in progress at the time of report compilation. Results returned subsequent to the end of the reporting year were very positive and include:

- **9m @ 3.87g/t Au from 46m,**
  including **2m @ 16.12g/t Au** from 46m
- **7m @ 1.85g/t Au from 99m**
- **11m @ 1.89 g/t Au from 86m**
  including **2m @ 7.73 g/t A**u from 87m
- **2m @ 5.44 g/t Au from 74m**
  including 1m @ 10.1g/t Au from 75m
- **6m @ 1.69 g/t Au from 86m,**
  including **2m @ 4.75 g/t Au** from 90m
- **2m @ 3.58 g/t Au from 106m**
- **11m @ 0.67 g/t Au from 78m**

In particular results from hole 21JWRC033 and surrounding holes indicate shallow oxide mineralisation intersected in infill drilling north of the previously mined open pit. Positive results in fresh rock were returned from below the open pit. Significant results are shown in the figure below, for a full list of significant intercepts and hole details refer to company announcements ASX:PVW 24th June 2021, High Grade Gold in RC drilling at Jungle Well; 3 Aug 2021, Leonora – Continued Positive Drilling Results at Jungle Well.

Figure 13: Jungle Well open pit showing latest drilling and significant results (Yellow labels – this report 4/3.99 – equals 4m @ 3.99g/t Au).

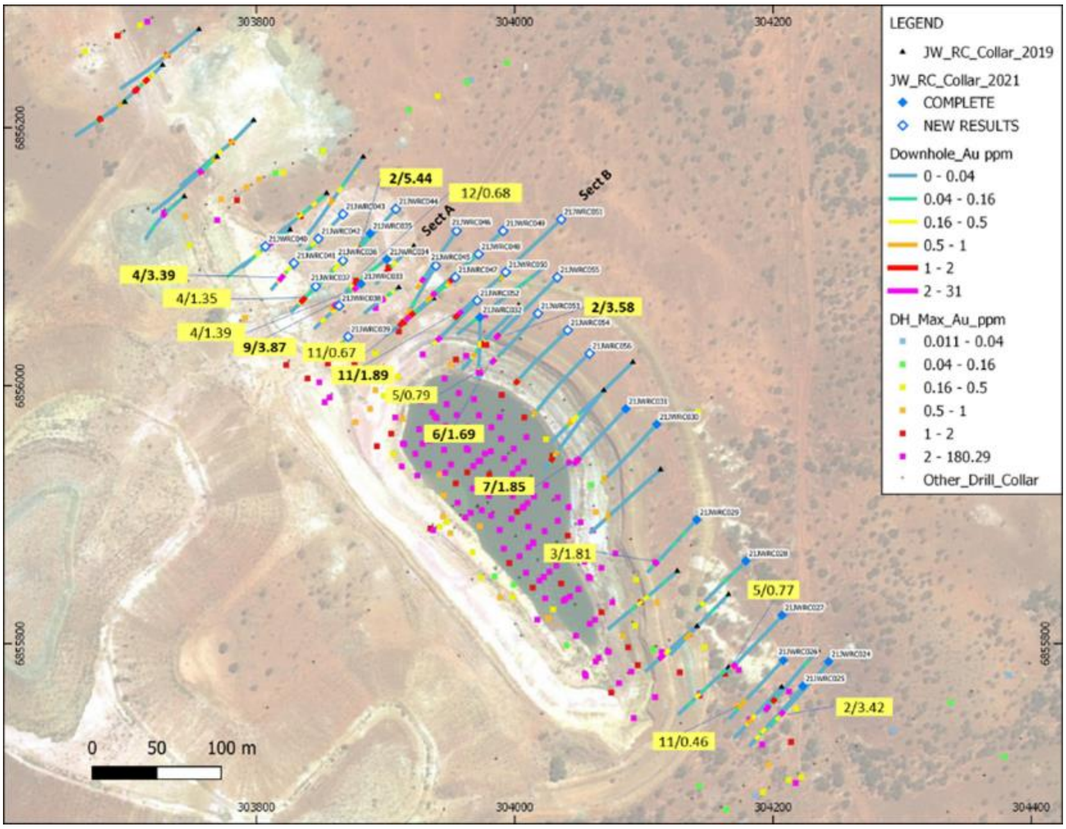


Figure 14: Cross Section "A" showing shallow results north of the Jungle Well open pit.

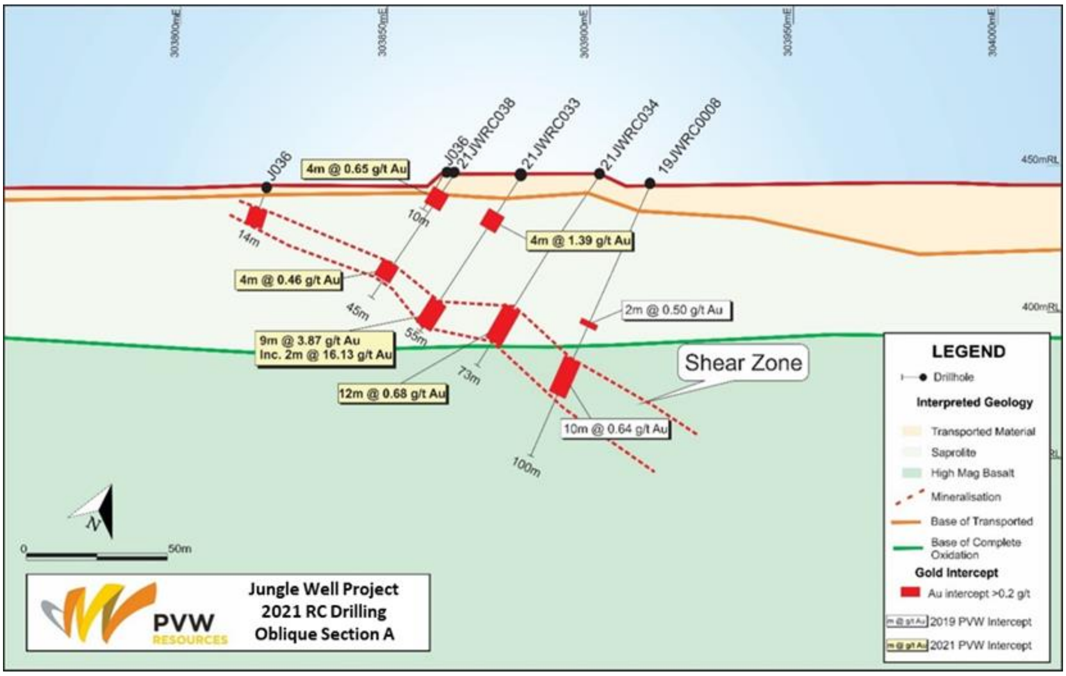
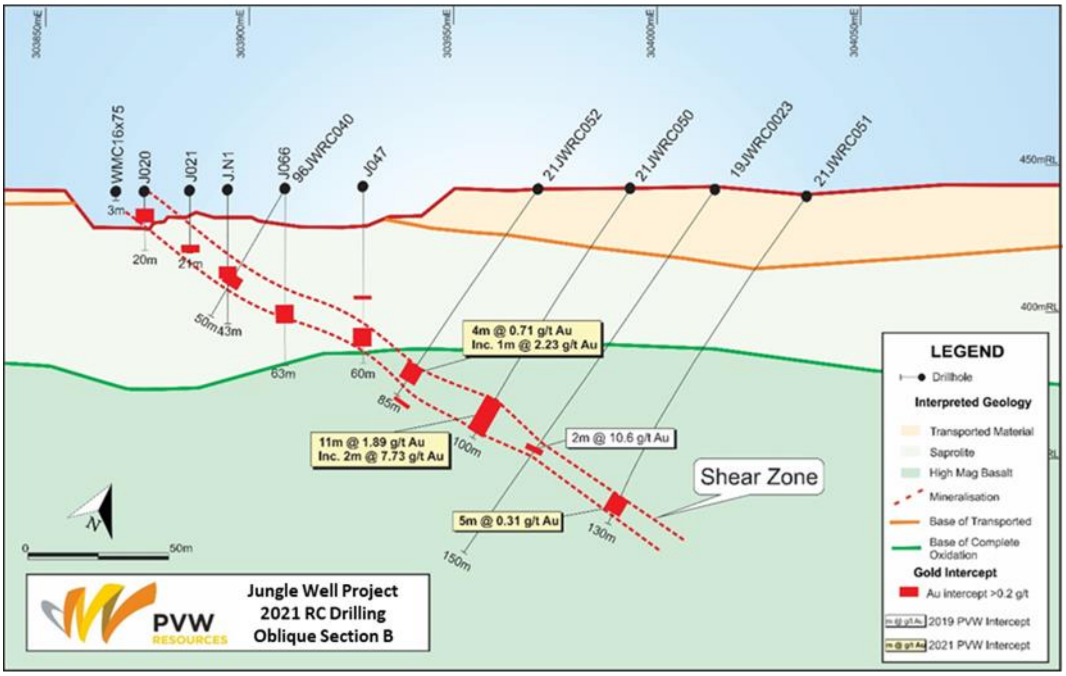



Figure 15: Cross Section "B" showing mineralisation at depth in Fresh rock.




## Heap Leach Investigation

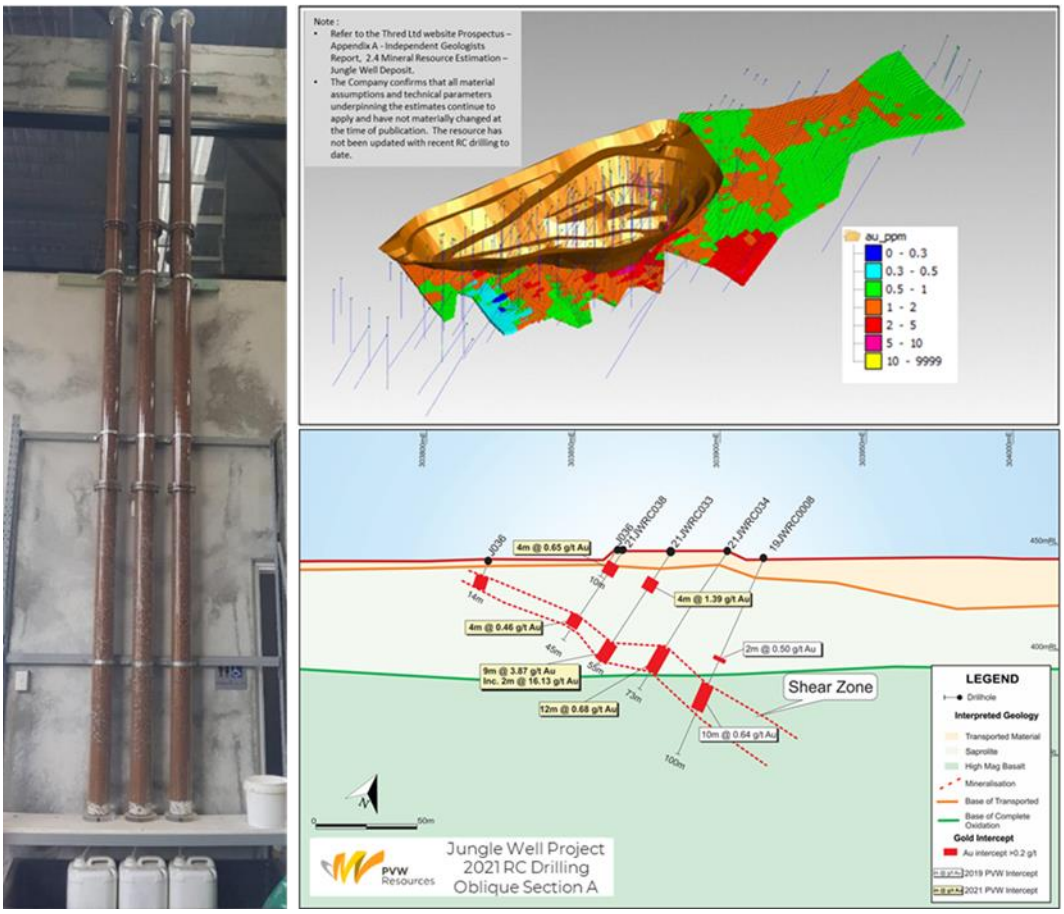
The Company is reviewing heap leach testwork which was undertaken by Fremantle Metallurgy in 2019 and 2020 and looking at further test work to investigate the possibility of the benefits of this method of operation at Jungle Well.

Heap Leach investigation outcomes to date include:

- Agglomeration required, cement 8kg/t provides good stability, no loss of percolation
- 6m column tests show a 60 day leach period, and 66% - 71% gold recoveries

Low grade Stockpile of approximately 7,000t sampled and quantified with 300oz @ 1.3 g/t included in the November 2019 Mineral Resource Estimate. The stockpile provides a bulk sample for test work and in pit water provide site water for test work (Please refer to ASX:PVW, Thred Prospectus – Appendix A - Independent Geologists Report, 2.4 Mineral Resource Estimation – Jungle Well Deposit). The Company confirms that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed at the time of publication

Figure 16: Column testwork undertaken on Jungle Well mineralised material for Heap Leach assessment.




## COVID-19

On 30 January 2020, the World Health Organisation declared the coronavirus outbreak ('COVID-19') a "Public Health Emergency of International Concern" and on March 10, 2020, declared COVID-19 a pandemic. The operations of the Company could be negatively impacted by the regional and global outbreak of COVID-19 and may impact the Company's results and its ability to source funding for the next reporting year.

As at the date of this report, the full effect of the outbreak remains uncertain. The effects are likely to be significant but cannot be reliably estimated or quantified. The Company will monitor the ongoing developments and be proactive in mitigating the impact on its operations.

## Corporate

*Financial results and condition*

The loss for the Group after providing for income tax amounted to $5,378,155 (2020: $1,716,121).

The Group has a working capital surplus of $4,356,722 (2020: $88,651) and net cash inflows of $4,728,918 (2020: outflow of $2,791).

*Board and Executive Changes*

Subsequent to the completion of the acquisition of PVW Resources NL, Joe Graziano and Sol Majteles resigned as directors and Colin McCavana and George Bauk have been appointed as directors on 1 February 2021.

## *Summary of results*

| | 2021 $ | 2020 $ |
|---|---|---|
| Other income | 66,939 | 102,596 |
| | | |
| Loss before income tax | (5,378,155) | (1,716,121) |
| Income tax expense | - | - |
| Loss attributable to owners | (5,378,155) | (1,716,121) |
| | | |
| Other comprehensive loss | (5,378,155) | (1,716,121) |

## Significant changes in the state of affairs
As noted above, subsequent to the completion of the acquisition of PVW NL Group, the Company name and ASX code has been changed from Thred Limited (THD) to PVW Resources Limited (PVW). The nature of the business has also changed to a mineral exploration entity.

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

## Dividends
There were no dividends paid, recommended or declared during the current or previous financial year.

## Employees
The Group had three employees at 30 June 2021 (2020: one).

## Likely developments and expected results of operations
Likely developments in the operations of the Group are set out in the above review of operations in this annual report. Any future prospects are dependent upon the results of future exploration and evaluation.

## Matters subsequent to the end of the financial year
The Group has entered into an agreement with Yandal Resources ("Yandal") to swap interest in respective tenements. The Group has swapped a 100% interest in Exploration License E27/570 for a 100% interest in Exploration E24/214 and Prospecting Licenses P24/5266 - 5271 with Yandal. The tenements swap includes a 2% NSR Royalty on each other's properties.

The Group has executed a binding terms sheet to acquire 100% of the issued capital of Stark Resources Pty Ltd ("Stark"), pursuant to which PVW will pay the following consideration to the Stark vendors:
- cash payment of $15,000;
- 1,500,001 fully paid ordinary shares in the capital of PVW Resources Ltd; and
- 1,700,000 performance rights comprised of 850,000 tranche A performance rights and 850,000 tranche B performance rights, on terms to be agreed and subject to ASX approval.

The Group completed the asset swap transaction and acquisition of Stark on 7 September 2021.

No other matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

## Environmental regulation
The Group is subject to environmental regulation in relation to its exploration activities. It aims to ensure that the highest standard of environmental care is achieved, and that it complies with all relevant environmental legislation. The Directors are not aware of any breaches during the period covered by this report.

## Indemnity and insurance of officers
The Company has entered an Indemnity, Insurance and Access Deed with each Director. Pursuant to the Deed:

"*The Director is indemnified by the Company against any liability incurred in that capacity as an officer of the Company to the maximum extent permitted by law subject to certain exclusions.*"

The Company must keep a complete set of Company documents until the later of:
- The date which is seven years after the Director ceases to be an officer of the Company; and
- The date after a final judgment or order has been made in relation to any hearing, conference, dispute, enquiry or investigation in which the Director is involved as a party, witness or otherwise because the Director is or was an officer of the Company (Relevant Proceedings).

The Director has the right to inspect and copy a Company document in connection with any relevant proceedings during the period referred to above.

Subject to the next sentence, the Company must maintain an insurance policy insuring the Director against liability as a director and officer of the Company while the Director is an officer of the Company and until the later of:
- The date which is seven years after the Director ceases to be an officer of the Company; and
- The date any Relevant Proceedings commenced before the date referred to above have been finally resolved.

The Company may cease to maintain the insurance policy if the Company reasonably determines that the type of coverage is no longer available.

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.

## Shares under option
Unissued ordinary shares of PVW Resources Limited under option at the date of this report are as follows:

| Grant date | Expiry date | Exercise price | Number under option |
|---|---|---|---|
| 30 January 2021 | 29 January 2024 | $0.3000 | 2,400,000 |

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

## Shares issued on the exercise of options
There were no ordinary shares of PVW Resources Limited issued on the exercise of options during the year ended 30 June 2021 and up to the date of this report.

## Shares under performance rights
Unissued ordinary shares of PVW Resources Limited under performance rights at the date of this report are as follows:

| Grant date | Expiry date | Number under rights |
|---|---|---|
| 29 December 2020 | 28 December 2025 | 3,200,000 |

No person entitled to exercise the performance rights had or has any right by virtue of the performance right to participate in any share issue of the Company or of any other body corporate.

## Shares issued on the exercise of performance rights
There were no ordinary shares of PVW Resources Limited issued on the exercise of performance rights during the year ended 30 June 2021 and up to the date of this report.

## Non-audit services
There were no non-audit services provided during the financial year by the auditor.

## Proceedings on behalf of the Company
No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

## Remuneration report (audited)
The remuneration report details the key management personnel remuneration arrangements for the Group, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all Directors.

The remuneration report is set out under the following main headings:
- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Additional disclosures relating to key management personnel

### *Principles used to determine the nature and amount of remuneration*
The objective of the Group's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and it is considered to conform to the market best practice for the delivery of reward. The Board of Directors ('the Board') ensures that executive reward satisfies the following key criteria for good reward governance practices:
- competitiveness and reasonableness
- acceptability to shareholders
- performance linkage / alignment of executive compensation
- transparency
- capital management

The remuneration policy has been tailored to increase the direct positive relationship between shareholders' investment objectives and Directors' and Executives' performance. Currently, this may be facilitated through the issue of options to Directors and Executives to encourage the alignment of personal and shareholder interests. The Company believes this policy will be effective in increasing shareholder wealth. The Board's policy for determining the nature and amount of remuneration for Board members and Senior Executive of the Company is as follows:

*Non-executive Directors remuneration*
The Company's Constitution provides that Directors are entitled to be remunerated for their services as follows:
- The total aggregate fixed sum per annum to be paid to the Directors (excluding salaries of executive Directors) from time to time will not exceed the sum determined by the Shareholders in general meeting and the total aggregate fixed sum will be divided between the Directors as the Directors shall determine and, in default of agreement between them, then in equal shares.
- The Directors' remuneration accrues from day to day.
- The total aggregate fixed sum per annum which may be paid to non-executive Directors is $300,000. This amount cannot be increased without the approval of the Company's Shareholders.

The Directors are entitled to be paid reasonable travelling, accommodation and other expenses incurred by them respectively in or about the performance of their duties as Directors.

*Executive remuneration*

The Company's remuneration policy for executive directors and senior management is designed to promote superior performance and long-term commitment to the Company. Executives receive a base remuneration which is market related and may receive performance-based remuneration. The Board reviews Executive packages annually by reference to the Company's performance, executive performance, and comparable information from industry sectors and other listed companies in similar industries. Executives are also entitled to participate in employee share and option schemes. An Incentive Option Plan was approved by shareholders on 10 April 2017.

*Fixed Remuneration*

Other than statutory superannuation contribution, no retirement benefits are provided for Executive and Non-Executive Directors of the Company. To align Directors' interests with shareholder interests, the Directors are encouraged to hold shares in the company.

*Performance Based Remuneration – Short-term and long-term incentive structure*

The Board will review short-term and long-term incentive structures from time to time. Any incentive structure will be aligned with shareholders' interests.

- Short-term incentives - No short-term incentives in the form of cash bonuses were granted to Directors during the year.
- Long-term incentives - The Board has a policy of granting incentive options to executives with exercise prices above market share price. As such, incentive options granted to executives will generally only be of benefit if the executives perform to the level whereby the value of the Group increases sufficiently to warrant exercising the incentive options granted.

The executive Directors will be eligible to participate in any short term and long-term incentive arrangements operated or introduced by the Company (or any subsidiary) from time to time

*Consolidated entity performance and link to remuneration*

As the Group is in the early stages of development and commercialisation, the Board did not consider earnings during the current and previous financial years when determining the nature and amount of remuneration of KMP.

*Use of remuneration consultants*

During the financial year, the Company did not engage any remuneration consultants.

## *Details of remuneration*

*Amounts of remuneration*

Details of the remuneration of key management personnel of the Group are set out in the following tables.

| | Short-term benefits | | | Post-employment benefits | Long-term benefits | Share-based payments | |
|---|---|---|---|---|---|---|---|
| **2021** | Cash salary and fees $ | Cash bonus $ | Non-monetary $ | Super-annuation $ | Long service leave $ | Equity-settled $ | Total $ |
| David Wheeler | 25,000 | - | - | - | - | 127,369 | 152,369 |
| George Bauk[1] | 85,000 | - | - | - | - | 84,011 | 169,011 |
| Colin McCavana[1] | 37,500 | - | - | - | - | 42,005 | 79,505 |
| Aaron Maurer[2] | 14,000 | - | - | - | - | - | 14,000 |
| Hersh Solomon Majteles[3] | - | - | - | - | - | 85,364 | 85,364 |
| Joe Graziano[3] | - | - | - | - | - | 85,364 | 85,364 |
| | 161,500 | - | - | - | - | 424,113 | 585,613 |

Comparative information for 30 June 2020 is not included as the accounting acquirer (PVW Resources NL) was not subject to the provisions of section 300A of the Corporations Act 2021 (Cth) during this period.

[1] Directors of PVW Resources NL appointed 1 February 2021
[2] Former director of PVW Resources NL resigned 1 February 2021.
[3] Hersh Solomon Majletes and Joe Graziano (former directors of Thred Limited) were issued with options as part of the acquisition of PVW Group NL prior to their resignation.

## Service agreements
Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

| | |
|---|---|
| Name: | David Wheeler |
| Title: | Non-executive Director and Non-executive Chairman |
| Agreement commenced: | 29 August 2017 |
| Term of agreement: | Mr Wheeler's appointment as a Non-executive Chairman will terminate on the date he retires by rotation under the Company's Constitution but will continue for further terms if he is re-elected at future annual general meetings. |
| Details: | Mr Wheeler was elected Chair by the Board of Directors on 11 September 2017. In consideration for his services as a Chair and member of any Board committee, Mr Wheeler is paid a set a monthly fee inclusive of superannuation if applicable. |

| | |
|---|---|
| Name: | George Bauk |
| Title: | Executive Director |
| Agreement commenced: | 1 February 2021 |
| Term of agreement: | Mr Bauk's appointment as a Executive Director will terminate on the date he retires by rotation under the Company's Constitution but will continue for further terms if he is re-elected at future annual general meetings. |
| Details: | In consideration for his services as a Non-executive Director and member of any Board committee, Mr Bauk is paid a set a monthly fee inclusive of superannuation if applicable |

| | |
|---|---|
| Name: | Colin McCavana |
| Title: | Non-executive Director |
| Agreement commenced: | 1 February 2021 |
| Term of agreement: | Mr McCavana's appointment as a Non-executive Director will terminate on the date he retires by rotation under the Company's Constitution but will continue for further terms if he is re-elected at future annual general meetings. |
| Details: | In consideration for his services as a Non-executive Director and member of any Board committee, Mr McCavana is paid a set a monthly fee inclusive of superannuation if applicable |

## Share-based compensation

### Issue of shares
There were no shares issued to Directors and other key management personnel as part of compensation during the year ended 30 June 2021.

### Options
The terms and conditions of each grant of options over ordinary shares affecting remuneration of Directors and other key management personnel in this financial year or future reporting years are as follows:

| Grant date | Expiry date | Number of options issued | Exercise price | Fair value per option at grant date |
|---|---|---|---|---|
| 30 January 2021 | 29 January 2024 | 2,400,000 | $0.3000 | $0.1067 |

As part of the reverse acquisition (note 4), 2,400,000 options has been issued to the Directors with an exercise price of A$0.30 per option and an expiry date of 3 years after the issue date. These options have been valued using the Black Scholes method at A$0.1067 per option to give a total value of A$256,092.

Options granted carry no dividend or voting rights.

The number of options over ordinary shares granted to and vested by Directors and other key management personnel as part of compensation during the year ended 30 June 2021 are set out below:

| Name | Number of options granted during the year 2021 | Number of options granted during the year 2020 | Number of options vested during the year 2021 | Number of options vested during the year 2020 |
|---|---|---|---|---|
| David Wheeler | 800,000 | - | 800,000 | - |
| Joe Graziano[1] | 800,000 | - | 800,000 | - |
| Sol Majteles[1] | 800,000 | - | 800,000 | - |

[1] Former directors of Thred Limited. Resigned 1 February 2021

*Performance rights*

The terms and conditions of each grant of performance rights over ordinary shares affecting remuneration of Directors and other key management personnel in this financial year or future reporting years are as follows:

| Grant date | Expiry date | Number of rights granted |
|---|---|---|
| 29 December 2020 | 28 December 2025 | 3,200,000 |

As part of the reverse acquisition,3,200,000 performance rights have been issued to the Directors. The performance rights will vest and convertible into shares on the achievement of the following vesting conditions:

- 800,000 performance rights vesting on completion of a minimum of 3,000m of drilling
- 800,000 performance rights vesting on a project having a minimum of 3 significant drilling intersections of at least 5m at 5g/t Au or up to 25m @ 1g/t Au in 3 holes at a minimum step out of 50m x 50m, which exploration results to reported in accordance with the JORC Code (2012);
- 800,000 performance rights vesting on the company achieving a JORC-compliant resource of at least 500,000 ounces with a minimum grade of 1 g/t Au; and
- 800,000 performance rights vesting on the completion of a scoping study on a project.

Performance rights granted carry no dividend or voting rights.

The number of performance rights over ordinary shares granted to and vested by Directors and other key management personnel as part of compensation during the year ended 30 June 2021 are set out below:

| Name | Number of rights granted during the year 2021 | Number of rights granted during the year 2020 | Number of rights vested during the year 2021 | Number of rights vested during the year 2020 |
|---|---|---|---|---|
| Colin McCavana | 800,000 | - | 200,000 | - |
| David Wheeler | 800,000 | - | 200,000 | - |
| George Bauk | 1,600,000 | - | 400,000 | - |

## *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 Group, including their personally related parties, is set out below:

| | Balance at the start of the year | Movements due to reverse acquisition | Additions | At appointment/ resignation | Balance at the end of the year |
|---|---|---|---|---|---|
| *Ordinary shares* | | | | | |
| David Wheeler | - | 333,333 | 250,000 | - | 583,333 |
| Colin McCavana[1] | 6,250,000 | (4,010,997) | 75,000 | - | 2,314,003 |
| George Bauk[1] | 5,852,000 | (3,564,910) | 338,030 | - | 2,625,120 |
| Aaron Maurer[2] | 2,713,333 | - | - | (2,713,333) | - |
| Hersh Solomon Majteles[3] | - | 303,197 | 12,000 | (315,197) | - |
| Joe Graziano[3] | - | 133,333 | 250,000 | (383,333) | - |
| | 14,815,333 | (6,806,044) | 925,030 | (3,411,863) | 5,522,456 |

[1] Directors of PVW Resources NL appointed 1 February 2021
[2] Former director of PVW Resources NL resigned1 February 2021
[3] Former directors of PVW Resources Limited (prior to reverse acquisition) resigned1 February 2021

Adjustments to shareholdings

*Loans from/ to key management personnel and their related parties*
The Group had no loans with key management personnel as at year end.

*Other transactions with key management personnel and their related parties*
During the year, payments were made to key management personnel and their related parties for director fees and rent. Refer to note 25 for details on related party transactions.

***This concludes the remuneration report, which has been audited.***

## Auditor's independence declaration
A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this Directors' report.

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

David Wheeler
Non-executive Chairman

24 September 2021
Perth

To the Board of Directors

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

As lead audit Partner for the audit of the financial statements of PVW Resources Limited for the financial year ended 30 June 2021, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Yours Faithfully,

Hall Chadwick
**HALL CHADWICK WA AUDIT PTY LTD**

Mark Delaurentis
**MARK DELAURENTIS** CA
**Partner**

Dated this 24th day of September 2021

| | Note | 2021 $ | 2020 $ |
|---|---|---|---|
| **Revenue** | | | |
| Other income | | 65,845 | - |
| Interest income | | 1,094 | 2,596 |
| Australian government assistance | | - | 100,000 |
| **Expenses** | | | |
| Exploration expense | 6 | (1,161,291) | (1,256,905) |
| Other expenses | 7 | (562,742) | (152,798) |
| Employee benefits expense | | (260,187) | (351,743) |
| Depreciation and amortisation expense | | (17,895) | (1,762) |
| Share based payments | 22 | (3,440,286) | (55,351) |
| Interest expense | | (2,693) | (158) |
| **Loss before income tax expense** | | (5,378,155) | (1,716,121) |
| Income tax expense | 8 | - | - |
| **Loss after income tax expense for the year attributable to the owners of PVW Resources Limited** | | (5,378,155) | (1,716,121) |
| Other comprehensive income for the year, net of tax | | - | - |
| **Total comprehensive income for the year attributable to the owners of PVW Resources Limited** | | (5,378,155) | (1,716,121) |
| | | **Cents** | **Cents** |
| Basic earnings per share | 9 | (7.57) | (2.23) |
| Diluted earnings per share | 9 | (7.57) | (2.23) |

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

# PVW Resources Limited
## Statement of financial position
## As at 30 June 2021

| | Note | 2021 $ | 2020 $ |
|---|---|---|---|
| **Assets** | | | |
| **Current assets** | | | |
| Cash and cash equivalents | 10 | 5,014,715 | 285,797 |
| Trade and other receivables | 12 | 103,661 | 64,263 |
| Other current assets | 13 | 59,281 | - |
| Total current assets | | 5,177,657 | 350,060 |
| **Non-current assets** | | | |
| Plant and equipment | 14 | 69,864 | 7,714 |
| Right-of-use assets | 15 | 189,444 | - |
| Total non-current assets | | 259,308 | 7,714 |
| **Total assets** | | 5,436,965 | 357,774 |
| **Liabilities** | | | |
| **Current liabilities** | | | |
| Trade and other payables | 16 | 741,285 | 253,399 |
| Lease liabilities | 17 | 59,201 | - |
| Provisions | 18 | 20,449 | 8,010 |
| Total current liabilities | | 820,935 | 261,409 |
| **Non-current liabilities** | | | |
| Lease liabilities | 17 | 131,348 | - |
| Provisions | 18 | 300,000 | 300,000 |
| Total non-current liabilities | | 431,348 | 300,000 |
| **Total liabilities** | | 1,252,283 | 561,409 |
| **Net assets/(liabilities)** | | 4,184,682 | (203,635) |
| **Equity** | | | |
| Issued capital | 19 | 13,119,269 | 3,776,911 |
| Reserves | 21 | 587,122 | 163,008 |
| Accumulated losses | | (9,521,709) | (4,143,554) |
| **Total equity/(deficiency)** | | 4,184,682 | (203,635) |

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

| | Issued capital $ | Accumulated losses $ | Share-based payment reserve $ | Total deficiency in equity $ |
|---|---|---|---|---|
| Balance at 1 July 2019 | 2,191,100 | (2,427,433) | 107,657 | (128,676) |
| Loss after income tax expense for the year | - | (1,716,121) | - | (1,716,121) |
| Other comprehensive income for the year, net of tax | - | - | - | - |
| Total comprehensive income for the year | - | (1,716,121) | - | (1,716,121) |
| *Transactions with owners in their capacity as owners:* | | | | |
| Share-based payments (note 22) | - | - | 55,351 | 55,351 |
| Share issued during the year | 1,585,811 | - | - | 1,585,811 |
| Balance at 30 June 2020 | 3,776,911 | (4,143,554) | 163,008 | (203,635) |

| | Issued capital $ | Accumulated losses $ | Share-based payment reserve $ | Total equity $ |
|---|---|---|---|---|
| Balance at 1 July 2020 | 3,776,911 | (4,143,554) | 163,008 | (203,635) |
| Loss after income tax expense for the year | - | (5,378,155) | - | (5,378,155) |
| Other comprehensive income for the year, net of tax | - | - | - | - |
| Total comprehensive income for the year | - | (5,378,155) | - | (5,378,155) |
| *Transactions with owners in their capacity as owners:* | | | | |
| Contributions of equity, net of transaction costs (note 19) | 8,948,372 | - | - | 8,948,372 |
| Share-based payments (note 22) | 393,986 | - | - | 393,986 |
| Options issued due to acquisition | - | - | 256,092 | 256,092 |
| Performance rights issued | - | - | 168,022 | 168,022 |
| Balance at 30 June 2021 | 13,119,269 | (9,521,709) | 587,122 | 4,184,682 |

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

| | Note | 2021 $ | 2020 $ |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Australian Government Assistance | | 52,752 | 47,248 |
| Payments to suppliers and employees | | (582,453) | (315,922) |
| Exploration and evaluation expenditure | | (601,386) | (872,679) |
| Purchase of tenements | | (122,848) | (332,000) |
| Interest received | | 1,094 | 2,596 |
| Finance costs | | - | (287) |
| Refund for ATO | | 46,020 | - |
| Net cash used in operating activities | 11 | (1,206,821) | (1,471,044) |
| **Cash flows from investing activities** | | | |
| Payments for property, plant and equipment | 14 | (69,091) | (1,108) |
| Cash acquired from reverse acquisition | 4 | 1,808,701 | - |
| Net cash from/(used in) investing activities | | 1,739,610 | (1,108) |
| **Cash flows from financing activities** | | | |
| Proceeds from issue of shares | 19 | 4,500,000 | 1,469,361 |
| Share issue transaction costs | | (297,000) | - |
| Repayment of borrowings | | (6,871) | - |
| Net cash from financing activities | | 4,196,129 | 1,469,361 |
| Net increase/(decrease) in cash and cash equivalents | | 4,728,918 | (2,791) |
| Cash and cash equivalents at the beginning of the financial year | | 285,797 | 288,588 |
| Cash and cash equivalents at the end of the financial year | 10 | 5,014,715 | 285,797 |

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

## Note 1. General information

The financial statements cover PVW Resources Limited as a Group consisting of PVW Resources Limited and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is PVW Resources Limited's functional and presentation currency.

PVW Resources Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 3, 1138 Hay Street, West Perth, Western Australia,
6005

The Group is a mining and exploration company.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 24 September 2021.

## Note 2. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out either in the respective notes or below. These policies have been consistently applied to all the years presented, unless otherwise stated.

### 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.

### Going concern

The Group has a history of incurring trading losses and net cash outflows from operating activities. For the year ended 30 June 2021, the Group incurred a loss of $5,378,155 (2020: $1,716,121) and cash outflows from operating activities of $1,206,821 (2020: $1,471,044). The business has been funded as required via capital raising activities. During the period, the entity completed a share placement and raised $4.2 million (net of capital raising costs) as part of the acquisition.

The Directors have assessed the Group’s ability to continue as a going concern and have not identified any significant risks.

### 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').

*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, share based payments and derivative financial instruments.

*Critical accounting estimates*

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 Group'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 in note 3.

### Reverse Acquisition

On 3 February 2021, PVW Resources Limited (formerly Thred Limited), the legal parent and legal acquirer, completed the acquisition of PVW Resources NL and its controlled entities ("PVW NL Group"). Under the Australian Accounting Standards, PVW NL Group was deemed to be the accounting acquirer in this transaction. This acquisition did not meet the definition of a business combination under AASB 3 Business Combinations and instead, has been accounted for as a share-based payment under the principles of AASB 2 Share-Based Payments by which PVW NL Group acquires the net assets and listing status of PVW Resources Limited.

## Note 2. Significant accounting policies (continued)

Accordingly, the financial statements have been prepared as a continuation of the business and operations of PVW NL Group. As the deemed acquirer, PVW NL Group has accounted for the acquisition of PVW Resources Ltd from 15 February 2021. The comparative information for the period ended 30 June 2020 is that of PVW NL Group. Refer to note 4 for further details of the transaction.

The implications of the acquisition by PVW NL Group on the financial statements are as follows:

| Financial Statements / Reporting section | Current period ended or as at 30 June 2021 | Comparative statement |
|---|---|---|
| Statement of Profit on Loss and Other Comprehensive Income | Comprises of transactions for the12 months of PVW NL Group and transactions from 3 February 2021 for PVW Resources Limited. | Comprises of 12 months of PVW NL Group ending 30 June 2020. |
| Statement of Financial Position | Represents the combination of PVW NL Group and PVW Resources Limited. | Represent the position of PVW NL Group as at 30 June 2020. |
| Statement of Changes in Equity | Comprises PVW NL Group's equity balance at 1 July 2020, PVW NL Group's total comprehensive income for the financial year and transactions with equity holders for the 12 months, PVW Resources Limited's transactions with equity holders from the acquisition date until financial year end, and the equity balance of the combined PVW NL Group and PVW Resources Limited as at 30 June 2021. | Comprises of 12 months of PVW Group NL ending 30 June 2020. |
| Statement of Cash Flows | Comprises PVW NL Group's balance at 1 July 2020, transactions for the12 months of PVW NL Group and transactions from 3 February 2021 for PVW Resources Limited. The cash balance at 30 June 2021 is the combined PVW NL Group and PVW Resources Limited. | Comprises of 12 months of PVW NL Group ending 30 June 2020. |
| Equity structure | Represents the combination of PVW NL Group and PVW Resources Limited. | Represent the position of PVW NL Group as at 30 June 2020. |
| Earnings per share | The weighted average number of shares outstanding for the year ended 30 June 2021 is based on the weighted average number of shares PVW Resources Limited outstanding in the period following the acquisition. | The weighted average number of shares outstanding for the year ended 30 June 2020 is based on the weighted average number of shares of PVW NL Group for the year. |

### 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 27.

### Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of PVW Resources Limited ('Company' or 'parent entity') as at 30 June 2021 and the results of all subsidiaries for the year then ended. PVW Resources Limited and its subsidiaries together are referred to in these financial statements as the 'Group'.

Subsidiaries are all those entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

## Note 2. Significant accounting policies (continued)

### Revenue recognition
The Group recognises revenue as follows:

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

*Other revenue*
Other revenue is recognised when it is received or when the right to receive payment is established.

### Impairment of non-financial assets
Non-financial assets, other than deferred tax assets ("DTAs") are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

An impairment loss is recognised if the carrying amount of an asset exceeds it recoverable amount. Impairment losses are recognised in profit or loss.

### New Accounting Standards and Interpretations not yet mandatory or early adopted
Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 30 June 2021. The Group has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

## Note 3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

*Coronavirus (COVID-19) pandemic*
Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the Group based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the Group operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the Group unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

*Share-based payment transactions*
The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

The Group measures the cost of cash-settled share-based payments at fair value at the grant date using the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted.

## Note 3. Critical accounting judgements, estimates and assumptions (continued)

This fair value is expensed over the period until vesting with recognition of a corresponding liability. The liability is re-measured to fair value at each balance date up to and including the settlement date with changes in fair value recognised in profit or loss.

*Allowance for expected credit losses*
The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

*Income tax*
The Group is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Group recognises liabilities for anticipated tax audit issues based on the Group's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

*Recovery of deferred tax assets*
Deferred tax assets are recognised for deductible temporary differences only if the Group considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

*Provision for rehabilitation*
A provision for restoration and rehabilitation is recognised when there is a present obligation as a result of development activities undertaken, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount of the provision can be measured reliably. The estimated future obligations include the costs of abandoning sites, removing facilities and restoring the affected areas.

The provision for future restoration costs is the best estimate of the present value of the expenditure required to settle the restoration obligation at the balance date. Future restoration costs are reviewed annually and any changes in the estimate are reflected in the present value of the restoration provision at each balance date.

The initial estimate of the restoration and rehabilitation provision is capitalised into the cost of the related asset and amortised on the same basis as the related asset, unless the present obligation arises from the production of inventory in the period, in which case the amount is included in the cost of production for the period. Changes in the estimate of the provision for restoration and rehabilitation are treated in the same manner, except that the unwinding of the effect of discounting on the provision is recognised as a finance cost rather than being capitalised into the cost of the related asset.

## Note 4. Reverse Acquisition

*Acquisition of PVW Resources NL*
On 3 February 2021, PVW Resources Limited (formerly Thred Limited), the legal parent and legal acquirer, completed the acquisition of PVW NL Group. Under the Australian Accounting Standards, PVW NL Group was deemed to be the accounting acquirer in this transaction. This acquisition did not meet the definition of a business combination under AASB 3 Business Combinations and instead, has been accounted for as a share-based payment under the principles of AASB 2 Share-Based Payments by which PVW NL Group acquires the net assets and listing status of PVW Resources Limited.

Deemed consideration payable was the issue of 24,242,424 shares in PVW Resources Limited to the shareholders of PVW NL group deemed to have a value of $4,848,485.

## Note 4. Reverse Acquisition (continued)

### *Elimination of PVW Resources Limited equity*

| | $ |
|---|---|
| **Deemed PVW Resources Limited Share Capital** | |
| Historical issued capital balance at 3 February 2021 | 35,758,537 |
| Elimination of PVW Resources Limited issued capital | (35,758,537) |
| Deemed consideration on acquisition | 4,848,485 |
| Share placement as part of the acquisition agreement | 4,500,000 |
| Share issue costs | (297,000) |
| Share issued to advisors | 96,970 |
| Total PVW Resources Limited share capital on completion | 9,148,455 |
| | |
| **PVW Resources Limited Reserves** | |
| Historical reserves balance at 3 February 2021 | 760,578 |
| Elimination of PVW Resources Limited reserves | (760,578) |
| Total PVW Resources Limited reserves on completion | - |
| | |
| **PVW Resources Limited Accumulated Losses Pre-Completion** | |
| Historical accumulated losses at 3 February 2021 | (34,714,050) |
| Elimination of PVW Resources Limited accumulated losses | 34,714,050 |
| Total PVW Resources Limited accumulated losses on completion | - |

### *Assets and liabilities acquired*

| | $ |
|---|---|
| Cash and cash equivalents | 1,808,701 |
| Trade and other receivables | 68,703 |
| Other current assets | 57,840 |
| Total assets | 1,935,244 |
| | |
| Trade and other payables | (98,124) |
| Borrowings | (4,807) |
| Total liabilities | (102,931) |
| | |
| Net assets | 1,832,313 |

### *Listing Expense*

| | $ |
|---|---|
| Deemed consideration | 4,848,485 |
| Less: Net assets of PVW Resources Limited | (1,832,313) |
| | |
| Total PVW Resources Limited listing expense (recognised as share based payments (see note 22)) | 3,016,172 |

## Note 5. Operating segments

*Identification of reportable operating segments*
The Group operates only in one business and geographical segment being predominantly in the area of mineral exploration and exploitation in Western Australia. The Group considers its business operations in mineral exploration and exploitation to be its primary reporting function.

These operating segments are based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources. There is no aggregation of operating segments.

*Accounting policy for operating segments*
Unless otherwise stated, all amounts reported to the Board of Directors as the CODM with respect to operating segments, are determined in accordance with AASB 8 Operating Segments.

## Note 6. Exploration expense

| | 2021<br>$ | 2020<br>$ |
|---|---|---|
| Personnel | 190,776 | 198,536 |
| Drilling | 312,990 | 245,451 |
| Tenement rents, rates and others | 176,909 | 144,399 |
| Tenement purchase | 122,848 | 330,000 |
| Rehabilitation | 2,460 | 56,040 |
| General contractors | 186,879 | 94,142 |
| Other exploration expenses | 168,429 | 188,337 |
| | 1,161,291 | 1,256,905 |

*Accounting policy on exploration expenses*
Exploration, evaluation and acquisition costs are expensed in the year they are incurred. Development costs are capitalised. Development expenditure is recognised at cost less accumulated amortisation and any impairment losses. Exploration and evaluation expenditure is classified as development expenditure once the technical feasibility and commercial viability of extracting the related mineral resource is demonstrable. Where commercial production in an area of interest has commenced, the associated costs together with any forecast future capital expenditure necessary to develop proved and probable reserves are amortised over the estimated economic life of the mine on a units-of-production basis.

Changes in factors such as estimates of proved and probable reserves that affect unit-of-production calculations are dealt with on a prospective basis.

## Note 7. Other expenses

| | 2021<br>$ | 2020<br>$ |
|---|---|---|
| Accounting services | 78,973 | 72,660 |
| Marketing expense | 44,242 | 8,431 |
| Listing cost | 455 | 1,517 |
| Other expenses | 439,072 | 70,190 |
| | 562,742 | 152,798 |

## Note 8. Income tax

| | 2021<br>$ | 2020<br>$ |
|---|---|---|
| *Income tax expense* | | |
| Current tax | - | - |
| Deferred tax - origination and reversal of temporary differences | - | - |
| Adjustment recognised for prior periods | - | - |
| Aggregate income tax expense | - | - |
| *Numerical reconciliation of income tax expense and tax at the statutory rate* | | |
| Loss before income tax expense | (5,378,155) | (1,716,121) |
| Tax at the statutory tax rate of 30% | (1,613,447) | (514,836) |
| Tax effect amounts which are not deductible/(taxable) in calculating taxable income: | | |
| Share-based payments | 1,032,086 | 16,605 |
| Australian government assistance | - | (30,000) |
| | (581,361) | (528,231) |
| Current year tax losses not recognised | 501,070 | 581,154 |
| Current year temporary differences not recognised | 80,291 | (52,923) |
| Income tax expense | - | - |

| | 2021<br>$ | 2020<br>$ |
|---|---|---|
| *Tax losses not recognised* | | |
| Unused tax losses for which no deferred tax asset has been recognised | 5,820,914 | 4,150,680 |
| Potential tax benefit @ 30% | 1,746,274 | 1,245,204 |

The above potential tax benefit for tax losses has not been recognised in the statement of financial position. These tax losses can only be utilised in the future if the continuity of ownership test is passed, or failing that, the same business test is passed.

The losses have not been brought to account because the Directors do not believe it is appropriate to regard realisation of those deferred tax assets as being probable. The benefit of these deferred tax assets will only be obtained if:

- The Group derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the temporary differences to be realized
- The Group continues to comply with the conditions of deductibility imposed by tax legislation
- No change in tax legislation adversely affect the Group is realizing the benefit from the deductions for the temporary difference.

*Accounting policy for income tax*
The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

## Note 8. Income tax (continued)

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or 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 nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

## Note 9. Earnings per share

| | 2021<br>$ | 2020<br>$ |
|---|---|---|
| Loss after income tax attributable to the owners of PVW Resources Limited | (5,378,155) | (1,716,121) |
| | **Number** | **Number** |
| Weighted average number of ordinary shares used in calculating basic earnings per share | 71,085,412 | 76,842,777 |
| Weighted average number of ordinary shares used in calculating diluted earnings per share | 71,085,412 | 76,842,777 |
| | **Cents** | **Cents** |
| Basic earnings per share | (7.57) | (2.23) |
| Diluted earnings per share | (7.57) | (2.23) |

The weighted average number of shares outstanding for the year ended 30 June 2021 is based on the weighted average number of shares of PVW Resources Limited outstanding in the period following the acquisition.

*Accounting policy for earnings per share*

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

*Diluted earnings per share*
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the cost of serviceing equity (other than dividends) and preference share dividends, the after income tax effect of dividends, interest and other financing costs associated with dilutive potential ordinary shares that have been recognised as expenses, other discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares, and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares adjusted for any bonus element.

## Note 10. Cash and cash equivalents

| | 2021<br>$ | 2020<br>$ |
|---|---|---|
| *Current assets* | | |
| Cash at bank | 5,014,715 | 285,797 |

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

## Note 11. Cash flow information

*Reconciliation of loss after income tax to net cash used in operating activities*

| | 2021<br>$ | 2020<br>$ |
|---|---|---|
| Loss after income tax expense for the year | (5,378,155) | (1,716,121) |
| | | |
| Adjustments for: | | |
| Depreciation and amortisation | 17,895 | 1,762 |
| Share-based payments | 3,467,531 | 55,351 |
| Interest expense | 2,693 | - |
| Share issued in lieu of services | 297,017 | 116,450 |
| | | |
| Change in operating assets and liabilities: | | |
| Decrease/(increase) in trade and other receivables | 23,161 | (52,752) |
| Increase in other current assets | (31,391) | - |
| Increase in trade and other payables | 381,989 | 74,266 |
| Increase in provisions | 12,439 | 50,000 |
| | | |
| Net cash used in operating activities | (1,206,821) | (1,471,044) |

## Note 12. Trade and other receivables

| | 2021<br>$ | 2020<br>$ |
|---|---|---|
| *Current assets* | | |
| Trade receivables | 9,146 | - |
| Less: Allowance for expected credit losses | (5,998) | - |
| | 3,148 | - |
| | | |
| Other receivables | 6,863 | 52,752 |
| GST receivable | 93,650 | 11,511 |
| | | |
| | 103,661 | 64,263 |

Under the general approach to impairment, the Group has assessed there was no impairment to the working capital facility for the year.

## Note 12. Trade and other receivables (continued)

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

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

## Note 13. Other current assets

| | 2021<br>$ | 2020<br>$ |
|---|---|---|
| *Current assets* | | |
| Prepayments | 20,314 | - |
| Rental deposits | 38,967 | - |
| | 59,281 | - |

## Note 14. Plant and equipment

| | 2021<br>$ | 2020<br>$ |
|---|---|---|
| *Non-current assets* | | |
| Motor vehicles - at cost | 73,182 | 4,091 |
| Less: Accumulated depreciation | (4,927) | (409) |
| | 68,255 | 3,682 |
| Computer equipment - at cost | 5,140 | 5,140 |
| Less: Accumulated depreciation | (4,285) | (2,143) |
| | 855 | 2,997 |
| Office equipment - at cost | 1,108 | 1,108 |
| Less: Accumulated depreciation | (354) | (73) |
| | 754 | 1,035 |
| | 69,864 | 7,714 |

## Note 14. Plant and equipment (continued)

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

| | Computer equipment $ | Motor vehicles $ | Office equipment $ | Total $ |
|---|---|---|---|---|
| Balance at 1 July 2019 | 4,277 | 4,091 | - | 8,368 |
| Additions | - | - | 1,108 | 1,108 |
| Depreciation expense | (1,280) | (409) | (73) | (1,762) |
| Balance at 30 June 2020 | 2,997 | 3,682 | 1,035 | 7,714 |
| Additions | - | 69,091 | - | 69,091 |
| Depreciation expense | (2,142) | (4,518) | (281) | (6,941) |
| Balance at 30 June 2021 | 855 | 68,255 | 754 | 69,864 |

*Accounting policy for plant and equipment*
Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost includes expenditure that is directly attributable to the acquisition of the asset.

Depreciation is calculated on a diminishing value basis to write off the net cost of each item of plant and equipment over their expected useful lives as follows:

| | |
|---|---|
| Motor Vehicles | 10 years |
| Computer Equipment | 4 years |
| Office Equipment | 10 years |

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

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Group. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

## Note 15. Right-of-use assets

During the year, the Group has entered into two leases

| | 2021 $ | 2020 $ |
|---|---|---|
| *Non-current assets* | | |
| Land and buildings - right-of-use | 193,958 | - |
| Less: Accumulated depreciation | (10,775) | - |
| | 183,183 | - |
| Office equipment - right-of-use | 6,440 | - |
| Less: Accumulated depreciation | (179) | - |
| | 6,261 | - |
| | 189,444 | - |

During the year, the group relinquished the lease held by an office space.

## Note 15. Right-of-use assets (continued)

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

| | Building<br>$ | Office equipment<br>$ | Total<br>$ |
|---|---|---|---|
| Balance at 1 July 2020 | - | - | - |
| Additions | 193,958 | 6,440 | 200,398 |
| Amortisation expense | (10,775) | (179) | (10,954) |
| Balance at 30 June 2021 | 183,183 | 6,261 | 189,444 |

*Accounting policy for 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 amortised 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 Group expects to obtain ownership of the leased asset at the end of the lease term, the amortisation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities. The subsequent measurement of the right-of-use assets is at cost less accumulated amortisation and impairment losses.

The Group 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.

## Note 16. Trade and other payables

| | 2021<br>$ | 2020<br>$ |
|---|---|---|
| *Current liabilities* | | |
| Trade payables | 410,227 | 64,015 |
| Accruals | 310,303 | 178,617 |
| Other payables | 20,755 | 10,767 |
| | 741,285 | 253,399 |

Refer to note 23 for further information on financial risk management.

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

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

## Note 17. Lease liabilities

| | 2021<br>$ | 2020<br>$ |
|---|---|---|
| *Current liabilities* | | |
| Lease liability | 59,201 | - |
| *Non-current liabilities* | | |
| Lease liability | 131,348 | - |

| | 2021<br>$ | 2020<br>$ |
|---|---|---|
| **Amounts recognised in profit or loss** | | |
| Interest on lease liabilities | (629) | - |
| Amortisation | (10,954) | - |
| | (11,583) | - |

*Accounting policy for 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 Group'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.

## Note 18. Provisions

| | 2021<br>$ | 2020<br>$ |
|---|---|---|
| *Current liabilities* | | |
| Annual leave | 20,449 | 8,010 |
| *Non-current liabilities* | | |
| Environmental | 300,000 | 300,000 |

*Rehabilitation*
The provision for rehabilitation relates to the estimated cost of rehabilitation work to be carried out in relation to the Jungle Well tenement.

*Accounting policy for provisions*
Provisions are recognised when the Group has a present (legal or constructive) obligation as a result of a past event, it is probable the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

## Note 18. Provisions (continued)

*Accounting policy for employee benefits*

*Short-term employee benefits*
Liabilities for wages and salaries, including non-monetary benefits, annual leave, long service leave and accumulating sick leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled. Non-accumulating sick leave is expensed to profit or loss when incurred.

## Note 19. Issued capital

| | 2021 Shares | 2020 Shares | 2021 $ | 2020 $ |
|---|---|---|---|---|
| Ordinary shares - fully paid | 71,085,412 | 80,162,183 | 13,119,269 | 3,776,911 |

*Movements in ordinary share capital*

| Details | Date | Shares | Issue price | $ |
|---|---|---|---|---|
| Balance | 1 July 2019 | 60,260,000 | | 2,191,100 |
| Shares issued in lieu of fees | 30 July 2019 | 1,482,667 | $0.0750 | 111,200 |
| Share issued in settlement of payable | 30 July 2019 | 52,500 | $0.1000 | 5,250 |
| Share placement | 12 August 2019 | 9,375,000 | $0.0800 | 750,000 |
| Rights issue | 25 September 2019 | 2,774,666 | $0.0800 | 221,973 |
| Share placement | 25 September 2019 | 6,217,350 | $0.0800 | 497,388 |
| | | | | |
| Balance | 30 June 2020 | 80,162,183 | | 3,776,911 |
| Share issued in lieu of cash payment | 27 August 2020 | 3,630,278 | $0.0600 | 217,817 |
| Share issued in lieu of cash payment | 14 October 2020 | 1,320,000 | $0.0600 | 79,200 |
| Eliminate existing legal acquiree shares | 15 February 2021 | (85,112,461) | $0.0000 | - |
| Share of legal acquirer at acquisition date | 15 February 2021 | 23,858,140 | $0.0000 | - |
| Consideration shares - reverse acquisition | 15 February 2021 | 24,242,424 | $0.2000 | 4,848,485 |
| Share placement - reverse acquisition | 15 February 2021 | 22,500,000 | $0.2000 | 4,500,000 |
| Share issued to advisors | 15 February 2021 | 484,848 | $0.2000 | 96,970 |
| Share issue costs | 15 February 2021 | - | $0.0000 | (400,114) |
| | | | | |
| Balance | 30 June 2021 | 71,085,412 | | 13,119,269 |

*Ordinary shares*
Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

*Capital risk management*
The Group's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital. The capital structure of the Group consists of cash.

*Accounting policy for 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.

## Note 20. Options

As part of the reverse acquisition (note 4), 2,400,000 options has been issued to the Directors with an exercise price of A$0.30 per option and an expiry date of 3 years after the issue date. These options have been valued using the Black Scholes method at A$0.1067 per option to give a total value of A$256,092. This has been expensed as listing expense.

| | 2021 | 2020 |
|---|---|---|
| **Options on issue** | | |
| Option issued as part of the reverse acquisition | 2,400,000 | - |
| On issue at 30 June | 2,400,000 | - |

| | 2021 | 2020 |
|---|---|---|
| **Movements in options on issue** | | |
| Issue of new options | 2,400,000 | - |
| On issue at 30 June | 2,400,000 | - |

## Note 21. Reserves

| | 2021<br>$ | 2020<br>$ |
|---|---|---|
| Share-based payments reserve | 587,122 | 163,008 |

*Share-based payments reserve*
The reserve is used to recognise the value of equity benefits provided to employees and Directors as part of their remuneration, and other parties as part of their compensation for services.

*Movements in reserves*
Movements in each class of reserve during the current and previous financial year are set out below:

| | Share-based payment reserve<br>$ | Total<br>$ |
|---|---|---|
| Balance at 1 July 2019 | 107,657 | 107,657 |
| Issue of 500,000 performance rights on 24 October 2018 | 6,929 | 6,929 |
| Issue of 4,300,000 performance rights on 24 October 2018 | 48,422 | 48,422 |
| | | |
| Balance at 30 June 2020 | 163,008 | 163,008 |
| Issue of 3,200,000 performance rights on 29 December 2021 | 168,022 | 168,022 |
| Issue of 2,400,000 options on 30 January 2021 | 256,092 | 256,092 |
| | | |
| Balance at 30 June 2021 | 587,122 | 587,122 |

## Note 22. Share-based payments

Total expenses arising from share-based payment transactions recognised during the period were as follows:

| | 2021<br>$ | 2020<br>$ |
|---|---|---|
| Listing expenses (see note 4) | 3,016,172 | - |
| Options issued | 256,092 | - |
| Performance rights issued | 168,022 | 55,351 |
| | 3,440,286 | 55,351 |

*Options*

As part of the reverse acquisition (note 4), 2,400,000 options has been issued to the Directors with an exercise price of A$0.30 per option and an expiry date of 3 years after the issue date. These options have been valued using the Black Scholes method at A$0.1067 per option to give a total value of A$256,092.

Set out below are summaries of options granted:

| | Number of options 2021 | Weighted average exercise price 2021 | Number of options 2020 | Weighted average exercise price 2020 |
|---|---|---|---|---|
| Outstanding at the beginning of the financial year | - | $0.0000 | - | $0.0000 |
| Granted | 2,400,000 | $0.3000 | - | $0.0000 |
| Outstanding at the end of the financial year | 2,400,000 | $0.0000 | - | $0.0000 |

2021

| Grant date | Expiry date | Exercise price | Balance at the start of the year | Granted | Exercised | Expired/ forfeited/ other | Balance at the end of the year |
|---|---|---|---|---|---|---|---|
| 30/01/2021 | 29/01/2024 | $0.3000 | - | 2,400,000 | - | - | 2,400,000 |
| | | | - | 2,400,000 | - | - | 2,400,000 |
| Weighted average exercise price | | | $0.0000 | $0.3000 | $0.0000 | $0.0000 | $0.3000 |

The weighted average remaining contractual life of options outstanding at the end of the financial year was 2.58 years (2020: nil).

*Performance Rights*

As part of the reverse acquisition, 3,200,000 performance rights have been issued to the Directors. The performance rights will vest and convertible into shares on the achievement of the following vesting conditions:

- 800,000 performance rights vesting on completion of a minimum of 3,000m of drilling
- 800,000 performance rights vesting on a project having a minimum of 3 significant drilling intersections of at least 5m at 5g/t or equivalent up to 25m @ 1g/t in 3 holes at a minimum step out of 50m x 50m
- 800,000 performance rights vesting on the company achieving a JORC-compliant resource of at least 500,000 ounces with a minimum grade of 1g/t; and
- 800,000 performance rights vesting on the completion of a scoping study on a project.

The performance rights were granted on 29 December 2020 and has a period of 5 years from grant date. No payment is required to be made for conversion of a performance right to a share. To the extent that the performance rights have not converted into shares on or before the expiry date, all unconverted performance rights held will automatically lapse.

## Note 22. Share-based payments (continued)

Set out below are summaries of performance rights granted :

| | Number of rights 2021 | Weighted average exercise price 2021 | Number of rights 2020 | Weighted average exercise price 2020 |
|---|---|---|---|---|
| Outstanding at the beginning of the financial year | 4,800,000 | $0.2500 | 4,800,000 | $0.2500 |
| Granted | 3,200,000 | $0.0000 | - | $0.0000 |
| Forfeited | (4,800,000) | $0.2500 | - | $0.0000 |
| Outstanding at the end of the financial year | 3,200,000 | $0.0000 | 4,800,000 | $0.2500 |

2021

| Grant date | Expiry date | Exercise price | Balance at the start of the year | Granted | Exercised | Expired/ forfeited/ other | Balance at the end of the year |
|---|---|---|---|---|---|---|---|
| 24/10/2018 | 23/10/2021 | $0.2500 | 500,000 | - | - | (500,000) | - |
| 24/10/2018 | 23/10/2021 | $0.2500 | 4,300,000 | - | - | (4,300,000) | - |
| 29/12/2020 | 28/12/2025 | $0.0000 | - | 3,200,000 | - | - | 3,200,000 |
| | | | 4,800,000 | 3,200,000 | - | (4,800,000) | 3,200,000 |

2020

| Grant date | Expiry date | Exercise price | Balance at the start of the year | Granted | Exercised | Expired/ forfeited/ other | Balance at the end of the year |
|---|---|---|---|---|---|---|---|
| 24/10/2018 | 23/10/2021 | $0.2500 | 500,000 | - | - | - | 500,000 |
| 24/10/2018 | 23/10/2021 | $0.2500 | 4,300,000 | - | - | - | 4,300,000 |
| | | | 4,800,000 | - | - | - | 4,800,000 |

During the year, the Directors have assessed the likelihood for the milestones for the performance rights being met. Accordingly, $168,022 have been expensed during the year as share based payments.

The weighted average remaining contractual life of performance rights outstanding at the end of the financial year was 4.50 years (2020: 1.32 years).

*Valuation and input*

For the options granted during the current financial year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

| Grant date | Expiry date | Share price at grant date | Exercise price | Expected volatility | Dividend yield | Risk-free interest rate | Fair value at grant date |
|---|---|---|---|---|---|---|---|
| 30/01/2021 | 29/02/2024 | $0.0000 | $0.3000 | 97.00% | - | 0.08% | $0.1060 |

*Accounting policy for share-based payments*
Equity-settled and cash-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

## Note 22. Share-based payments (continued)

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the Group receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying either the Binomial or Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:

- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the Group or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Group or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

## Note 23. Financial risk management

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

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

### *Market risk*

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

## Note 23. Financial risk management (continued)

The Group has no material exposure to foreign exchange risk.

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

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

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

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

| | Basis points increase | | | Basis points decrease | | |
|---|---|---|---|---|---|---|
| **2021** | **Basis points change** | **Effect on profit before tax** | **Effect on equity** | **Basis points change** | **Effect on profit before tax** | **Effect on equity** |
| Cash and cash equivalents | 50 | 3,125 | 3,125 | (50) | (3,125) | (3,125) |

The sensitivity analysis above is based on the interest rates in the period following the acquisition. There were no interest rate exposure in the prior year.

### *Credit risk*
Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the Group. The objective of the Group is to minimise the risk of loss from credit risk. Although revenue from operations is minimal, the Group trades only with creditworthy third parties. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is insignificant. The Group's maximum credit risk exposure is limited to the carrying value of its financial assets as indicated on the statement of financial position.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year.

The Group has adopted a forward looking expected credit loss model. The Group uses the general approach to impairment, as applicable under AASB 9: Financial Instruments. Under the general approach, at each reporting period, the Group assesses whether the financial instruments are credit-impaired, and if:

- the credit risk of the financial instrument has increased significantly since initial recognition, the Group measures the loss allowance of the financial instruments at an amount equal to the lifetime expected credit losses; or
- there is no significant increase in credit risk since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

*Allowance for expected credit losses*
The Group has recognised a loss of $nil (2020: $nil) in profit or loss in respect of the expected credit losses for the year ended 30 June 2021.

### *Liquidity risk*
Vigilant liquidity risk management requires the Group to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

## Note 23. Financial risk management (continued)

The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and ensuring sufficient cash and marketable securities are available to meet the current and future commitments of the Group.

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

*Remaining contractual maturities*
The following tables detail the Group's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

| 2021 | Weighted average interest rate % | 1 year or less $ | Between 1 and 2 years $ | Between 2 and 5 years $ | Over 5 years $ | Remaining contractual maturities $ |
|---|---|---|---|---|---|---|
| **Non-derivatives** | | | | | | |
| *Non-interest bearing* | | | | | | |
| Trade payables | - | 430,981 | - | - | - | 430,981 |
| Total non-derivatives | | 430,981 | - | - | - | 430,981 |

| 2020 | Weighted average interest rate % | 1 year or less $ | Between 1 and 2 years $ | Between 2 and 5 years $ | Over 5 years $ | Remaining contractual maturities $ |
|---|---|---|---|---|---|---|
| **Non-derivatives** | | | | | | |
| *Non-interest bearing* | | | | | | |
| Trade payables | - | 74,782 | - | - | - | 74,782 |
| Total non-derivatives | | 74,782 | - | - | - | 74,782 |

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 24. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 2:

| Name | Principal place of business / Country of incorporation | Ownership interest 2021 % | Ownership interest 2020 % |
|---|---|---|---|
| PVW Tanami Pty Ltd | Australia | 100% | 100% |
| PVW Leonora Pty Ltd | Australia | 100% | 100% |
| PVW Kalgoorlie Pty Ltd | Australia | 100% | 100% |
| PVW Exploration NL | Australia | 100% | 100% |
| ThredIt Limited | Hong Kong | 100% | - |
| Thred Innovations Limited | Hong Kong | 80% | - |
| AR Technologies Pty Ltd | Australia | 100% | - |

## Note 25. Related party transactions

*Parent entity*
PVW Resources Limited is the parent entity.

*Subsidiaries*
Interests in subsidiaries are set out in note 24.

*Key management personnel*
Disclosures relating to key management personnel are set out in note 26 and the remuneration report included in the Directors' report.

*Transactions with related parties*
There were no other transactions with related parties during the current and previous financial year.

*Loans to/from related parties*
There were no loans to or from related parties at the current and previous reporting date.

## Note 26. Key management personnel disclosures

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

| | 2021<br>$ | 2020<br>$ |
|---|---|---|
| Short-term employee benefits | 161,500 | 362,639 |
| Post-employment benefits | - | 14,651 |
| Share-based payments | 424,113 | 55,351 |
| | 585,613 | 432,641 |

*Other key management personnel transactions*
A number of these companies transacted with the Group during the year. The terms and conditions of these transactions were no more favourable than those available, or which might reasonably be expected to be available, in similar transactions to non-key management personnel related companies on an arm's length basis.

The aggregate value of transactions and outstanding balances relating to key management personnel and entities over which they have control or significant influence were as follows:

| | 2021<br>$ | 2020<br>$ |
|---|---|---|
| **Other income:** | | |
| Rent income from BlackEarth Minerals NL[1] | 8,000 | - |
| Other income from BlackEarth Minerals NL[1] | 3,825 | - |
| Rent income from Valor Resources Limited[2] | 2,000 | - |
| Other income from Valor Resources Limited[2] | 3,600 | - |
| | 17,425 | - |

## Note 26. Key management personnel disclosures (continued)

| | 2021 | 2020 |
|---|---|---|
| **Expenses:** | | |
| Consulting fees paid to Pathway Corporate Pty Ltd[3] for Company Secretary and CFO role | 30,000 | - |
| Rent paid to Northern Minerals Limited[4] for office space | 2,400 | 2,400 |
| Rent and outgoings paid to Lithium Australia Limited[1] for office space | 2,400 | 8,426 |
| Exploration expenses paid to Lithium Australia Limited[1] for time spent and equipment hire | 12,527 | - |
| Rent paid to Pathway Corporate Pty Ltd[3] for office space | 5,000 | - |
| | 52,327 | 10,826 |

[1] The Director, Mr George Bauk is the Non-executive Chairman of Lithium Australia NL and BlackEarth Minerals NL
[2] The Director, Mr George Bauk is the Executive Chairman of Valor Resources Limited
[3] The Director, Mr David Wheeler is the director of Pathways Corporate Pty Ltd
[4] The Director, Mr Colin McCavana is the Chairman of Northern Minerals Limited

The total remuneration for the year ended 30 June 2021 disclosed above, relates to PVW NL Group (the accounting acquirer) and transactions from 3 February 2021 for PVW Resources Ltd as disclosed in note 2. The comparative total remuneration relates to PVW NL Group.

| | 2021<br>$ | 2020<br>$ |
|---|---|---|
| **Related party payables outstanding at year end** | | |
| George Bauk | 24,963 | - |
| Bell Bay Investments Pty Ltd | 4,400 | - |
| | 29,363 | - |

## Note 27. Parent entity information

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

*Statement of profit or loss and other comprehensive income*

| | Parent | |
|---|---|---|
| | 2021<br>$ | 2020<br>$ |
| Loss after income tax | (5,377,809) | (1,716,121) |
| Total comprehensive income | (5,377,809) | (1,716,121) |

## Note 27. Parent entity information (continued)

*Statement of financial position*

| | Parent | |
|---|---|---|
| | **2021** | **2020** |
| | **$** | **$** |
| Total current assets | 5,178,002 | 350,060 |
| Total non-current assets | 259,308 | 7,714 |
| Total assets | 5,437,310 | 357,774 |
| Total current liabilities | 820,934 | 261,409 |
| Total non-current liabilities | 431,348 | 300,000 |
| Total liabilities | 1,252,282 | 561,409 |
| Net assets/(liabilities) | 4,185,028 | (203,635) |
| Equity | | |
| Issued capital | 13,119,269 | 3,776,911 |
| Share-based payments reserve | 587,122 | 163,008 |
| Accumulated losses | (9,521,363) | (4,143,554) |
| Total equity/(deficiency) | 4,185,028 | (203,635) |

*Guarantees entered into by the parent entity in relation to the debts of its subsidiaries*
The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2021 and 30 June 2020.

*Contingent liabilities*
The parent entity had no contingent liabilities as at 30 June 2021 and 30 June 2020.

*Capital commitments - Property, plant and equipment*
The parent entity had no capital commitments for property, plant and equipment as at 30 June 2021 and 30 June 2020.

## Note 28. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Hall Chadwick WA Audit Pty Ltd., the auditor of the Company:

| | **2021** | **2020** |
|---|---|---|
| | **$** | **$** |
| *Audit services* | | |
| Audit or review of the financial statements | 20,000 | 5,200 |
| *Other services - Hall Chadwick WA Audit Pty Ltd. (2020: Nexia Perth Audit Services Pty Ltd)* | | |
| Preparation of the tax return | - | 2,500 |
| | 20,000 | 7,700 |

## Note 29. Commitments

In order to maintain current rights of tenure to exploration tenements, the Company is required to outlay rentals and to meet the minimum expenditure requirements. These obligations are not provided for in the financial statements and are payable:

| | 2021<br>$ | 2020<br>$ |
|---|---|---|
| *Exploration expenditure* | | |
| Committed at the reporting date but not recognised as liabilities, payable: | | |
| Within one year | 1,127,924 | 878,438 |
| One to five years | 2,186,654 | 1,200,704 |
| More than five years | 211,259 | 238,290 |
| | 3,525,837 | 2,317,432 |

## Note 30. Events after the reporting period

The Group has entered into an agreement with Yandal Resources ("Yandal") to swap interest in respective tenements. The Group has swapped a 100% interest in Exploration License E27/570 for a 100% interest in Exploration E24/214 and Prospecting Licenses P24/5266 - 5271 with Yandal. The tenements swap includes a 2% NSR Royalty on each other's properties.

The Group has executed a binding terms sheet to acquire 100% of the issued capital of Stark Resources Pty Ltd ("Stark"), pursuant to which PVW will pay the following consideration to the Stark vendors:

- cash payment of $15,000;
- 1,500,001 fully paid ordinary shares in the capital of PVW Resources Ltd; and
- 1,700,000 performance rights comprised of 850,000 tranche A performance rights and 850,000 tranche B performance rights, on terms to be agreed and subject to ASX approval.

The Group completed the asset swap transaction and acquisition of Stark on 7 September 2021.

No other matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

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 2 to the financial statements;

- the attached financial statements and notes give a true and fair view of the Group's financial position as at 30 June 2021 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

David Wheeler
Non-executive Chairman

24 September 2021
Perth

# INDEPENDENT AUDITOR'S REPORT
# TO THE MEMBERS OF PVW RESOURCES LIMITED

## Report on the Audit of the Financial Report

### Opinion

We have audited the financial report of PVW Resources Limited ("the Company") and its subsidiaries ("the Consolidated Entity"), which comprises the consolidated statement of financial position as at 30 June 2021, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion:

a. the accompanying financial report of the Consolidated Entity is in accordance with the Corporations Act 2001, including:

   (i) giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2021 and of its financial performance for the year then ended; and

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

b. the financial report also complies with International Financial Reporting Standards as disclosed in Note 2.

### Basis for Opinion

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

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

## Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

| Key Audit Matter | How our audit addressed the Key Audit Matter |
|---|---|
| **Accounting for Reverse Acquisition**<br><br>As disclosed in note 4 of the Consolidated Financial statements, on the 3rd February 2021, PVW Resources Limited (formerly Thred Limited) completed the reverse acquisition of PVW Resources NL via the issue of 24,242,424 shares in PVW Resources Limited to the shareholders of PVW NL group, with a deemed value of $4,848,485<br><br>This resulted in PVW NL Group becoming the accounting acquirer.<br><br>This is a key audit matter due to the size of the acquisition with a deemed purchase consideration of $4,848,485 and the complexities inherent in a reverse acquisition.<br><br>The acquisition did not meet the definition of a business combination under AASB 3 "Business Combinations" and instead has been accounted for as a share-based payment under the principles of AASB 2 "Share-Based Payments" by which PVW NL Group acquires the net assets and listing status of PVW Resources Limited. | Our procedures amongst others included:<br><br>• Evaluation of management's assessment of the combining entities to determine who obtained control as a result of the transaction.<br><br>• Review of signed contractual agreements relating to the acquisition and understanding the key terms and conditions of the transaction;<br><br>• Assessment of the calculation of the deemed consideration with underlying information inputs including share price with the terms of the acquisition agreement;<br><br>• Review of acquisition date balance sheet to acquisition agreement and underlying supporting documentation;<br><br>• Review of consolidation of the combining entities in line with reverse acquisition accounting requirements.<br><br>• We assessed the appropriateness of the disclosures included in Notes 2 and 4 to the financial report. |
| **Share Based Payments – $3,440,286**<br><br>(Refer to Note 22)<br><br>As disclosed in note 22 in the financial statements, during the year ended 30 June 2021, the Company incurred share-based payments totalling $3,440,286. ($3,016,172 relates to Reverse Acquisition listing expenses as detailed in Note 4).<br><br>Share based payments are considered to be a key audit matter due to | Our procedures included, amongst others:<br><br>• Analysing contractual agreements to identify the key terms and conditions of share based payments issued and relevant vesting conditions in accordance with AASB 2 Share Based Payments;<br><br>• Evaluating management's Black-Scholes Valuation Models and assessing the assumptions and inputs used; |

| Key Audit Matter | How our audit addressed the Key Audit Matter |
|---|---|
| • the value of the transactions;<br>• the complexities involved in recognition and measurement of these instruments; and<br>• the judgement involved in determining the inputs used in the valuation.<br><br>Management used the Black-Scholes option valuation model to determine the fair value of the options granted. This process involved significant estimation and judgement required to determine the fair value of the equity instruments granted. | • Assessing the amount recognised during the period against the vesting conditions of the options; and<br>• Assessing the adequacy of the disclosures included in the financial report. |

## Other Information

The directors are responsible for the other information. The other information comprises the information included in the Consolidated Entity's annual report for the year ended 30 June 2021, but does not include the financial report and our auditor's report thereon.

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

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

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

## Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 2, the directors also state in accordance with Australian Accounting Standard *AASB 101 Presentation of Financial Statements*, that the financial report complies with International Financial Reporting Standards.

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

## Auditor's Responsibilities for the Audit of the Financial Report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Consolidated Entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Consolidated Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

## Report on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2021. The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with s 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

## Auditor's Opinion

In our opinion, the Remuneration Report of the Company, for the year ended 30 June 2021, complies with section 300A of the *Corporations Act 2001*.

Hall Chadwick

**HALL CHADWICK WA AUDIT PTY LTD**

Mark Delaurentis

**MARK DELAURENTIS** CA
**Partner**

Date this 24th day of September 2021

The shareholder information set out below was applicable as at 21 September 2021.

## Distribution of equitable securities

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

| | Ordinary shares | | | |
|---|---|---|---|---|
| | Number of holders | % of total holders | Number of shares | % of total shares issued |
| 1 to 1,000 | 173 | 14.698 | 66,533 | 0.092 |
| 1,001 to 5,000 | 324 | 27.528 | 902,820 | 1.244 |
| 5,001 to 10,000 | 177 | 15.038 | 1,374,023 | 1.893 |
| 10,001 to 100,000 | 364 | 30.926 | 13,617,488 | 18.761 |
| 100,001 and over | 139 | 11.810 | 56,624,549 | 78.010 |
| | 1,177 | 100.000 | 72,585,413 | 100.000 |
| Holding less than a marketable parcel | - | - | - | - |

## Equity security holders

*Twenty largest quoted equity security holders*

The names of the twenty largest security holders of quoted equity securities are listed below:

| | Ordinary shares | |
|---|---|---|
| | Number held | % of total shares issued |
| JHY INVESTMENTS PTY LTD | 2,534,970 | 3.566 |
| CELTIC CAPITAL PTY LTD (THE CELTIC CAPITAL A/C) | 2,253,333 | 3.170 |
| HARDWOOD HOLDINGS PTY LTD | 2,200,000 | 3.095 |
| SUNSET CAPITAL MANAGEMENT PTY LTD (SUNSET SUPERFUND A/C) | 2,052,500 | 2.887 |
| MR GAVIN JEREMY DUNHILL | 1,900,000 | 2.673 |
| BELL BAY INVESTMENTS PTY LTD (CJ + DD MCCAVANA FAMILY A/C) | 1,751,692 | 2.464 |
| LIND GLOBAL MACRO FUND LP | 1,750,000 | 2.462 |
| TOTODE PTY LTD (HINDMARSH INVESTMENT A/C) | 1,390,285 | 1.956 |
| THE AUSTRALIAN SPECIAL OPPORTUNITY FUND LP | 1,367,175 | 1.923 |
| ONE MANAGED INVESTMENT FUNDS LIMITED (TI GROWTH A/C) | 1,133,333 | 1.594 |
| BNP PARIBAS NOMINEES PTY LTD SIX SIS LTD (DRP A/C) | 940,079 | 1.322 |
| MRS ANN MAREE JOHNSON + MR DEAN ROBERT JOHNSON (LOVANDEE SUPER FUND A/C) | 915,000 | 1.287 |
| MR NATHAN RYAN WAGNER | 864,173 | 1.216 |
| MR ANANDA KATHIRAVELU | 802,712 | 1.129 |
| TOTODE PTY LTD (HINDMARSH INVESTMENT A/C) | 705,725 | 0.993 |
| VINCENT CORP PTY LTD (THE V BARBAGALLO FAMILY A/C) | 700,000 | 0.985 |
| NEELESH BHASIN | 683,588 | 0.962 |
| ORIENTAL DARIUS CO LTD | 683,588 | 0.962 |
| JDK NOMINEES PTY LTD (KENNY CAPITAL A/C) | 673,333 | 0.947 |
| JAMBER INVESTMENTS PTY LTD (THE AMBER SCHWARZ FAM A/C) | 666,666 | 0.938 |
| | 25,968,152 | 36.531 |

*Unquoted equity securities*

| | Number on issue | Number of holders |
|---|---|---|
| Options issued to Directors | 2,400,000 | 3 |
| Performance rights issued to Directors | 3,200,000 | 3 |
| Performance rights issued to vendors | 1,700,000 | 7 |

## Substantial holders
There are no substantial holders in the Company.

## Voting rights
The voting rights attached to ordinary shares are set out below:

*Ordinary shares*
On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

There are no other classes of equity securities.

## Restricted securities

| Class | Expiry date | Number of shares |
|---|---|---|
| Ordinary shares | 16 February 2023 | 3,313,538 |
| Options | 16 February 2023 | 2,400,000 |
| Performance rights | 16 February 2023 | 3,200,000 |
| | | 8,913,538 |

## Other disclosures
In accordance with ASX Listing Rule 4.10.19, the Company confirms that for the time between reinstatement to the official list of the ASX and 30 June 2021, the entity has used its cash and assets in a form readily convertible to cash at the time of admission in a way consistent with its business objectives.

# CORPORATE GOVERNANCE STATEMENT

The Board is responsible for establishing the Company's corporate governance framework.

This Corporate Governance Statement is current as of 17 August 2021 and has been approved by the Board of the Company on that date.

In establishing its corporate governance framework, the Board has referred to the 4th edition of the ASX Corporate Governance Councils' Corporate Governance Principles and Recommendations ("Recommendations").

The Corporate Governance Statement discloses the extent to which the Company follows the Recommendations. The Company will follow each recommendation where the Board has considered the recommendation to be an appropriate benchmark for its corporate governance practices. Where the Company's corporate governance practices will follow a recommendation, the Board has made appropriate statements reporting on the adoption of the recommendation. In compliance with the "if not, why not" reporting regime, where, after due consideration, the Company's corporate governance practices will not follow a recommendation, the Board has explained its reasons for not following the recommendation and disclosed what, if any, alternative practices the Company will adopt instead of those in the recommendation.

The Company's governance-related documents can be found on its website at **pvwresources.com.au** under the section marked "*About Us*" under the heading "*Governance*".

| PRINCIPLES AND RECOMMENDATIONS | COMPLY (YES/NO) | EXPLANATION |
|---|---|---|
| **Principle 1: Lay solid foundations for management and oversight** | | |
| **Recommendation 1.1**<br>A listed entity should have and disclose a board charter setting out:<br>(a) the respective roles and responsibilities of its board and management; and<br>(b) those matters expressly reserved to the board and those delegated to management. | YES | The Company has established the respective roles and responsibilities of its Board and management, and those matters expressly reserved to the Board and those delegated to management, and has documented this in its Board Charter.<br>The responsibilities of the Board include but are not limited to:<br>(a) setting and reviewing strategic direction and planning;<br>(b) reviewing financial and operational performance;<br>(c) identifying principal risks and reviewing risk management strategies; and<br>(d) considering and reviewing significant capital investments and material transactions.<br>In exercising its responsibilities, the Board recognises that there are many stakeholders in the operations of the Company, including employees, shareholders, co-ventures, the government and the community. |
| **Recommendation 1.2**<br>A listed entity should:<br>(a) undertake appropriate checks before appointing a director or senior executive or putting someone forward for election as a director; and<br>(b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director. | YES | The Board carefully considers the character, experience, education and skillset, as well as interests and associations of potential candidates for appointment to the Board and conducts appropriate checks to verify the suitability of the candidate, prior to their election. The Company has appropriate procedures in place to ensure that material information relevant to a decision to elect or re-elect a director, is disclosed in the notice of meeting provided to shareholders. |
| **Recommendation 1.3**<br>A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment. | YES | The Company has a written agreement with each of the Directors. The material terms of any employment, service or consultancy agreement the Company, or any of its child entities, has entered into with its Chief Executive Officer, any of its directors, and any other person or entity who is a related party of the Chief Executive Officer or any of its directors will be disclosed in accordance with ASX Listing Rule 3.16.4 (taking into consideration the exclusions from disclosure outlined in that rule). |

| PRINCIPLES AND RECOMMENDATIONS | COMPLY (YES/NO) | EXPLANATION |
|---|---|---|
| **Recommendation 1.4**<br>The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board. | YES | The Company Secretary is accountable to the Board for facilitating the Company's corporate governance processes and the proper functioning of the Board. Each Director is entitled to access the advice and services of the Company Secretary.<br>In accordance with the Company's Constitution, the appointment or removal of the Company Secretary is a matter for the Board as a whole. Details of the Company Secretary's experience and qualifications are set out in the Annual Report. |
| **Recommendation 1.5**<br>A listed entity should:<br>(a) have and disclose a diversity policy;<br>(b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and<br>(c) disclose in relation to each reporting period:<br>(1) the measurable objectives set for that period to achieve gender diversity;<br>(2) the entity's progress towards achieving those objectives; and<br>(3) either:<br>(A) (the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or<br>(B) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.<br>If the entity was in the S&P / ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be to have not less than 30% of its directors of each gender within a specified period. | NO (not followed in full) | The Company is committed to creating a diverse working environment and promoting a culture which embraces diversity and has adopted a written policy. Given the size of the Company and scale of its operations, however, the Board is of the view that the setting of measurable objectives for achieving gender diversity is not required at this time. Further as the Company has not established measureable objectives for achieving gender diversity, the Company has not reported on progress towards achieving them. |
| **Recommendation 1.6**<br>A listed entity should:<br>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and<br>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period. | NO | Whilst the Company has a written policy, the Board recognises that as a result of the Company's size and the stage of the entity's life as a public listed technology company, the assessment of the directors' and executives' overall performance and its own succession plan is conducted on an informal basis. Whilst this is at variance with the ASX Recommendations, the Directors consider that at the date of this report an appropriate and adequate process for the evaluation of Directors is in place. |
| **Recommendation 1.7**<br>A listed entity should:<br>(a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and<br>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period. | NO | Refer above. |

## Principle 2: Structure the board to add value

| PRINCIPLES AND RECOMMENDATIONS | COMPLY (YES/NO) | EXPLANATION |
| --- | --- | --- |
| **Recommendation 2.1**<br>The board of a listed entity should:<br>(a) have a nomination committee which:<br>(1) has at least three members, a majority of whom are independent directors; and<br>(2) is chaired by an independent director,<br>and disclose:<br>(3) the charter of the committee;<br>(4) the members of the committee; and<br>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or<br>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, experience, independence and knowledge of the entity to enable it to discharge its duties and responsibilities effectively. | YES | A Nomination Committee operated during FY18. The Committee was comprised of 3 Independent Non-Executive Directors.<br>The charter of the Committee is disclosed in the Corporate Governance Policies on the Company's website.<br>The full board now perform the duties of the Committee.<br>Attendance is reported in the annual report. |
| **Recommendation 2.2**<br>A listed entity should have and disclose a board skill matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership. | NO (not followed in full) | The details of the skill set of the current Board members are set out in the description of each Director in the Annual Report. The Board believes that the current skill mix is appropriate given the Company's size and the stage of the entity's life as a publicly listed technology company. |
| **Recommendation 2.3**<br>A listed entity should disclose:<br>(a) the names of the directors considered by the board to be independent directors;<br>(b) if a director has an interest, position, association or relationship of the type described in Box 2.3 of the ASX Corporate Governance Principles and Recommendation (4th Edition), but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and<br>(c) the length of service of each director | YES | Mr David Wheeler has been an Independent Non-Executive Chairman of the Company since prior the reverse acquisition of PVW Resources NL.<br>Mr Colin McCavana has been appointed as an Independent Non-Executive Director of the Company since 1 February 2021. |
| **Recommendation 2.4**<br>A majority of the board of a listed entity should be independent directors. | YES | The Board comprises three Directors of whom two are considered to be an Independent Director. The Board considers that all Directors bring an independent judgement to bear on Board decisions and that the Board's expertise and experience adds considerable value to the Company. |
| **Recommendation 2.5**<br>The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity. | YES | Mr David Wheeler (Chair) was an Independent Non-Executive Director of the Company from his appointment on 30 August 2017. Mr Wheeler is considered to be the most appropriate person to Chair the Board because of his public company experience. |
| **Recommendation 2.6**<br>A listed entity should have a program for inducting new directors and providing appropriate professional development opportunities for continuing directors to develop and maintain the skills and knowledge needed to perform their role as a director effectively. | NO | The Board recognises that as a result of the Company's size and the stage of the entity's life as a publicly listed technology company and has changed direction to be an exploration company in the materials sector, the Board has not put in place a formal program for inducting new directors. However, it does provide a package of background information on commencement and provides ready interaction with the Company's personnel to gain a stronger understanding of the business. Similarly, the Company does not at this stage provide professional development opportunities for Directors. More formal processes for both of these areas will be considered in the future as the Company develops. |

| PRINCIPLES AND RECOMMENDATIONS | COMPLY (YES/NO) | EXPLANATION |
|---|---|---|
| **Principle 3: Act ethically and responsibly** | | |
| **Recommendation 3.1**<br>A listed entity should articulate and disclose its values. | YES | The Company has disclosed through its Code of Conduct that it is committed to promoting good corporate conduct and governance. Refer to the company website |
| **Recommendation 3.2**<br>A listed entity should:<br>(a) have and disclose a code of conduct for its directors, senior executives and employees; and<br>(b) ensure that the board or a committee of the board is informed of any material breaches of that code. | YES | The Company is committed to promoting good corporate conduct grounded by strong ethics and responsibility. The Company has established a Code of Conduct (Code), which addresses matters relevant to the Company's legal and ethical obligations to its stakeholders. It may be amended from time to time by the Board, and is disclosed on the Company's website. The Code applies to all Directors, employees, contractors and officers of the Company. |
| **Recommendation 3.3**<br>A listed entity should:<br>(a) have and disclose a whistleblower policy; and<br>(b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy. | YES | The Company has disclosed its whistleblower policy on its website. |
| **Recommendation 3.4**<br>A listed entity should:<br>(a) have and disclose an anti-bribery and corruption policy; and<br>(b) ensure that the board or committee of the board is informed of any material breaches of that policy. | YES | The Company has disclosed these under its Corporate Code of Conduct in its Corporate Governance Plan on its website . |
| **Principle 4: Safeguard integrity in financial reporting** | | |
| **Recommendation 4.1**<br>The board of a listed entity should:<br>(a) have an audit committee which:<br>(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and<br>(2) is chaired by an independent director, who is not the chair of the board,<br>and disclose:<br>(3) the charter of the committee;<br>(4) the relevant qualifications and experience of the members of the committee; and<br>(5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or<br>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its financial reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner. | YES | PVW Resources was not a Company required by ASX Listing Rule 12.7 to have an Audit Committee although it is included in the ASX Recommendations. The Board has not established an audit committee at this point in the Company's development. It is considered that the size of the Board along with the level of activity of the Company renders this impractical and the full Board considers in detail all of the matters for which the directors are responsible. The Board has adopted an Audit Committee Charter which describes the role, composition, functions and responsibilities of the Audit Committee and is disclosed on the Company's website. |
| **Recommendation 4.2**<br>The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively. | YES | In accordance with ASX Recommendation 4.2 the Chief Executive Officer (or their equivalent) and Chief Financial Officer (or their equivalent) are required to provide assurances that the written declarations under s295A of the Corporations Act (and for the purposes of ASX Recommendation 4.2) are founded on a sound framework of risk management and internal control and that the framework is operating effectively in all material respects in relation to financial reporting risks. Both the Chief Executive Officer and Chief Financial Officer provide such assurances at the time the s295A declarations are provided to the Board. |

| PRINCIPLES AND RECOMMENDATIONS | COMPLY (YES/NO) | EXPLANATION |
|---|---|---|
| **Recommendation 4.3**<br>A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor. | YES | The Company's external audit function is performed by Hall Chadwick WA Audit WA Pty Ltd ("Hall Chadwick"). Representatives of Hall Chadwick will attend the Annual General Meeting and be available to answer shareholder questions regarding the audit. |
| **Principle 5: Make timely and balanced disclosure** | | |
| **Recommendation 5.1**<br>A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.. | YES | The Company operates under the continuous disclosure requirements of the ASX Listing Rules and has adopted a policy, which is disclosed on the Company's website. The Continuous Disclosure Policy sets out policies and procedures for the Company's compliance with its continuous disclosure obligations under the ASX Listing Rules, and addresses financial markets communication, media contact and continuous disclosure issues. It forms part of the Company's corporate policies and procedures and is available to all staff.<br>The Company Secretary manages the policy. The policy will develop over time as best practice and regulations change and the Company Secretary will be responsible for communicating any amendments. |
| **Recommendation 5.2**<br>A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made. | YES | The Company Secretary provides confirmation to every director once an announcement has been lodged on the ASX Platform |
| **Recommendation 5.3**<br>A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation. | YES | Company presentation is released on ASX Market Announcements Platform and our website. |
| **Principle 6: Respect the rights of security holders** | | |
| **Recommendation 6.1**<br>A listed entity should provide information about itself and its governance to investors via its website. | YES | The Company keeps investors informed of its corporate governance, financial performance and prospects via its website – pvwresources.com.au. Investors can access copies of all announcements to the ASX, notices of meetings, annual reports and financial statement, and investor presentations via the 'Investors' section and can access general information regarding the Company on our website. |

| PRINCIPLES AND RECOMMENDATIONS | COMPLY (YES/NO) | EXPLANATION |
|---|---|---|
| **Recommendation 6.2**<br>A listed entity should have an investor relations program that facilitates effective two-way communication with investors. | YES | The Board aims to ensure that shareholders are informed of all major developments affecting the Company's state of affairs. In accordance with the ASX Recommendations, information is communicated to shareholders as follows:<br>• the annual financial report which includes relevant information about the operations of the Company during the year, changes in the state of affairs of the entity and details of future developments, in addition to the other disclosures required by the Corporations Act 2001;<br>• the half yearly financial report lodged with the ASX and ASIC and sent to all shareholders who request it;<br>• notifications relating to any proposed major changes in the Company which may impact on share ownership rights that are submitted to a vote of shareholders;<br>• notices of all meetings of shareholders;<br>• publicly released documents including full text of notices of meetings and explanatory material made available on the Company's website at pvwresouces.com.au; and<br>• disclosure of the Corporate Governance practices and communications strategy on the entity's website.<br>While the Company aims to provide sufficient information to Shareholders about the Company and its activities, it understands that Shareholders may have specific questions and require additional information. To ensure that Shareholders can obtain all relevant information to assist them in exercising their rights as Shareholders, the Company has made available a telephone number and relevant contact for Shareholders to make their enquiries. |
| **Recommendation 6.3**<br>A listed entity should disclose how it facilitates and encourages participation at meetings of security holders. | YES | The Board encourages full participation of shareholders at the Annual General Meeting to ensure a high level of accountability and identification with the Company's strategy and goals. Important issues are presented to the shareholders as single resolutions. The external auditor of the Company is also invited to the Annual General Meeting of shareholders and is available to answer any questions concerning the conduct, preparation and content of the auditor's report. Pursuant to section 249K of the Corporations Act 2001 the external auditor is provided with a copy of the notice of meeting and related communications received by shareholders. |
| **Recommendation 6.4**<br>A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands. | YES | The Company has adopted this recommendation prior to its re-admission to the ASX. |
| **Recommendation 6.5**<br>A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically. | YES | The Company provides its investors the option to receive communications from and send communications to, the Company and the share registry electronically. |

| PRINCIPLES AND RECOMMENDATIONS | COMPLY (YES/NO) | EXPLANATION |
|---|---|---|
| **Principle 7: Recognise and manage risk** | | |
| **Recommendation 7.1**<br>The board of a listed entity should:<br>(a) have a committee or committees to oversee risk, each of which:<br>(1) has at least three members, a majority of whom are independent directors; and<br>(2) is chaired by an independent director,<br>and disclose:<br>(3) the charter of the committee;<br>(4) the members of the committee; and<br>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or<br>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the process it employs for overseeing the entity's risk management framework. | YES | Due to the size of the Board, the Company does not have a separate Risk Committee. The Board is responsible for the oversight of the Company's risk management and control framework. The Board has adopted a Risk Management Policy, which is disclosed on the Company's website. |
| **Recommendation 7.2**<br>The board or a committee of the board should:<br>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and<br>(b) disclose, in relation to each reporting period, whether such a review has taken place | YES | The Board recognises that there are inherent risks associated with the Company's operations including commercial, technological legal and other operational risks. The Board endeavours to mitigate such risks by continually reviewing the activities of the Company in order to identify key business and operational risks and ensuring that they are appropriately assessed and managed. No formal report in relation to the Company's management of its material business risks is presented to the Board. The Board reviews the risk profile of the Company and monitors risk informally throughout the year. |
| **Recommendation 7.3**<br>A listed entity should disclose:<br>(a) if it has an internal audit function, how the function is structured and what role it performs; or<br>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its governance, risk management and internal control processes.. | YES | The Company does not have an internal audit function. This is the case due to the size of the Company and the stage of life of the entity. To evaluate and continually improve the effectiveness of the Company's risk management and internal control processes, the Board relies on ongoing reporting and discussion of the management of material business risks as outlined in the Company's Risk Management Policy. |
| **Recommendation 7.4**<br>A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks. | YES | As already outlined above in relation to various ASX Recommendations, the Company constantly monitors and reviews the key risks that affect the Company and the management of those risks. The risks which the Company has identified that it has a material exposure to are its ability to raise funds within an acceptable time frame and on terms acceptable to it ("Capital Risk"); and that its existing projects, or any other projects that it may acquire in the future, will be able to be economically exploited ("Economic Risk"). The manner in which the Company manages those risks, in the case of Capital Risk, to monitor the market and investment appetite and to raise further required capital in a timely manner such that the Company's operations are adequately funded; in the case of Economic Risk, to adopt a diversified portfolio approach and to also adopt a focused approach, seeking to lay off risk where possible. More information about the Company's management of risk can be found in the prospectus released 12 December 2016. |

| PRINCIPLES AND RECOMMENDATIONS | COMPLY (YES/NO) | EXPLANATION |
|---|---|---|
| **Principle 8: Remunerate fairly and responsibly** | | |
| **Recommendation 8.1**<br>The board of a listed entity should:<br>(a) have a remuneration committee which:<br>(1) has at least three members, a majority of whom are independent directors; and<br>(2) is chaired by an independent director,<br>and disclose:<br>(3) the charter of the committee;<br>(4) the members of the committee; and<br>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or<br>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive. | YES | A Nomination Committee operated during FY18. The Committee was comprised of 3 Independent Non-Executive Directors.<br>The charter of the Committee is disclosed in the Corporate Governance Policies on the Company's website.<br>Due to the size of the Board, the full board now perform the duties of the Committee.<br>Attendance is reported in the annual report. |
| **Recommendation 8.2**<br>A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives. | YES | Details of the Company's policies on remuneration are set out in the Company's "Remuneration Report" in each Annual Report published by the Company. This disclosure will include a summary of the Company's policies regarding the deferral of performance-based remuneration and the reduction, cancellation or clawback of the performance-based remuneration in the event of serious misconduct or a material misstatement in the Company's financial statements. |
| **Recommendation 8.3**<br>A listed entity which has an equity-based remuneration scheme should:<br>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and<br>(b) disclose that policy or a summary of it. | N/A | The Company's Security Trading Policy includes a statement prohibiting directors, officers and employees from dealing at any time in financial products such as warrants, futures or other financial products issued over THD markets, but does not specifically prohibit entering into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of their security holding in the Company or of participating in unvested entitlements under any equity based remuneration schemes.<br><br><ins>Security Trading Policy</ins><br><br>In accordance with ASX Listing Rule 12.9, the Company has adopted a trading policy which sets out the following information:<br>a) closed periods in which directors, employees and contractors of the Company must not deal in the Company's securities;<br>b) trading in the Company's securities which is not subject to the Company's trading policy; and<br>c) the procedures for obtaining written clearance for trading in exceptional circumstances.<br>The Company's Security Trading Policy is available on the Company's website. |

# INTERESTS IN MINING TENEMENTS HELD

| Project | Tenement | Location | Ownership at the beginning of the year* | Ownership at the end of the year | Acquired during the year | Disposed of during the year |
|---|---|---|---|---|---|---|
| Leonora | E37/909<br>E37/1254<br>M37/135<br>P37/9312 | Western Australia | 100% | 100% | - | - |
| Kalgoorlie | E27/570<br>E27/571<br>E27/614<br>P24/5290<br>P24/5291<br>P24/5292<br>P24/5293<br>P24/5294<br>P24/5397<br>P24/5398<br>P24/5399 | Western Australia | 100% | 100% | - | - |
| Tanami | E80/4029<br>E80/4197<br>E80/4558<br>E80/4869<br>E80/4919<br>E80/4920<br>E80/4921 | Western Australia | - | 100% | 100% | - |
| | E80/5187<br>E80/5188<br>E80/5189<br>E80/5249<br>E80/5250 | Western Australia | 100% | 100% | - | - |

* Represents PVW Resource NL's Ownership at the beginning of the year. PVW Resources NL were acquired by PVW Resources Limited during the year.

# ANNUAL MINERAL RESOURCE STATEMENT

In accordance with ASX Listing Rule 5.21, the Company reviews and reports its Mineral Resources at least annually. The date of reporting is 30 June each year, to coincide with the Company's end of financial year balance date. If there are any material changes to its Mineral Resources over the course of the year, the Company is required to promptly report these changes.

## LEONORA

Given the positive results and the compilation of PVW Resource NL's maiden JORC 2012 compliant Resource at the Jungle Well Project, the complete Mineral Resource Estimate summary, and supporting information, including the JORC Table 1, sections 1-3 are located on the PVW Resources Ltd website and are provided in the Company's ASX announcement dated 15 Feb 2021 titled "Prospectus" Appendix A - Independent Geologists Report, 2.4 Mineral Resource Estimation – Jungle Well Deposit.

**Jungle Well Deposit**
**November Inferred Mineral Resource Estimate (0.5g/t Au Cut-off)**

| Type | Tonnes (kt) | Au (g/t) | Au Ounces (oz) |
|---|---|---|---|
| LG Stockpile | 7 | 1.3 | 300 |
| Oxide | 210 | 1.0 | 6,800 |
| Transitional | 309 | 1.1 | 10,600 |
| Fresh | 208 | 1.4 | 9,200 |
| **Total** | **735** | **1.1** | **26,800** |

### MATERIAL CHANGES AND RESOURCE STATEMENT COMPARISON

The Company is not aware of any new information or data that materially affects the information as previously released and all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.

### COMPETENT PERSON'S STATEMENT

The Mineral Resource has been compiled under the supervision of Mr. Shaun Searle who is a director of Ashmore Advisory Pty Ltd and a Registered Member of the Australian Institute of Geoscientists. Mr. Searle has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he has undertaken to qualify as a Competent Person as defined in the JORC Code.

All Mineral Resources figures reported in the table above represent estimates at November 2019. Mineral Resource estimates are not precise calculations, being dependent on the interpretation of limited information on the location, shape and continuity of the occurrence and on the available sampling results. The totals contained in the above table have been rounded to reflect the relative uncertainty of the estimate. Rounding may cause some computational discrepancies.

Mineral Resources are reported in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The Joint Ore Reserves Committee Code – JORC 2012 Edition).

### Governance Arrangements and Internal Controls

PVW Resources Limited has ensured that the Mineral Resources quoted are subject to good governance arrangements and internal controls. The Mineral Resources reported have been generated by an independent external consultant who is experienced in best practices in modelling and estimation methods. The consultant has also undertaken reviews of the quality and suitability of the underlying information used to determine the resource estimate. In addition, PVW Resources Limited's management carry out regular reviews and audits of internal processes and external contractors that have been engaged by the Company or its joint venture partners.