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# ANNUAL REPORT 2023

## RESOURCE MINING CORPORATION LIMITED

**ABN 97 008 045 083**

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# CORPORATE DIRECTORY

| | |
|---|---|
| **ABN** | 97 008 045 083 |
| **Directors** | Asimwe Kabunga (Executive Chairman and Executive Director)<br>Trevor Matthews (Non-Executive Director)<br>David Round (Non-Executive Director)<br>Noel O'Brien (Non-Executive Director) |
| **Company Secretary** | Kellie Davis |
| **Registered Office** | Level 5<br>191 St. Georges Terrace<br>PERTH, WESTERN AUSTRALIA 6000 |
| **Principal Place of Business** | Level 5<br>191 St. Georges Terrace<br>PERTH, WESTERN AUSTRALIA 6000<br><br>Telephone: +61 2 8072 1400<br>Website: www.resmin.com.au |
| **Share Registry** | Computershare Investor Services Pty Ltd<br>Level 17, 221 St Georges Terrace<br>PERTH, WESTERN AUSTRALIA 6000<br><br>Telephone<br>Within Australia: 1300 850 505<br>Outside Australia: +61 3 9415 4000<br>www.investorcentre.com/contact |
| **Auditor** | BDO Audit (WA) Pty Ltd<br>Level 9<br>Mia Yellagonga Tower 2<br>5 Spring Street<br>PERTH, WESTERN AUSTRALIA 6000<br><br>Telephone: +61 8 6382 4600<br>Facsimile: +61 8 6382 4601 |
| **Bankers** | Westpac Bank<br>116 James Street<br>NORTHBRIDGE, WESTERN AUSTRALIA 6000 |
| **Securities Exchange Listing** | Resource Mining Corporation Limited shares<br>are listed on the Australian Securities Exchange<br>(Home Exchange – Perth)<br>ASX Code: Shares RMI |

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## CHAIRMAN'S LETTER

Dear Shareholders,

On behalf of the Board of Directors, it is a pleasure to present Resource Mining Corporation Limited's Annual Report for the year ended 30 June 2023.

This has been another transformative year for the company, with the acquisition of two large project portfolios. The first expanding our footprint in Tanzania, the second representing a ground-breaking move into Finland. Both portfolios contain numerous prospective tenements, each of which could become a company-maker in their own right.

The acquisition of Massive Nickel Pty Ltd (MNPL) brought a portfolio of five Nickel Projects, Kabanga North, Kapalagulu, Liparamba, Kitai, and Mbinga, encompassing a total of 1,415km2 within the Kabanga-Musongati-Kapalagulu trend. This strategic move opened doors to new prospects, facilitated by the Tanzanian Ministry of Minerals' Mining Commission awarding us four exploration permits.

The Liparamba Nickel Sulphide Project was the 'low hanging fruit' in the MNPL portfolio. Previous groundwork laid by Albidon and BHP revealed promising drill-ready targets overlying highly prospective geology. Audio-magnetotellurics (AMT) delivered data that was concurred with the BHP datasets, while identifying four new targets along Liparamba's Southern Corridor. Initial RC drilling proved exceptionally promising, and we upgraded the program to a twelve-hole diamond drill program which is currently underway.

Our second acquisition this year, brought us three projects in Finland: the Kola Lithium Project in Central Finland, the Hirvikallio Lithium Project in Southern Finland, and the Ruossakero Nickel Project in Northern Finland. While not well known to some Australian investors, Finland stands as the leading European nickel producer, prominent figure in the lithium sector, and ranks within the top 10 mining jurisdictions in the Fraser Institute's review.

The convergence of electric vehicle-driven lithium demand and the drive for eco-friendly supply chains underscores a golden opportunity for nations catering to the European LIB cell and car manufacturing sector. Our subsequent invitation into the European Raw Materials Alliance (ERMA) has only bolstered our position.

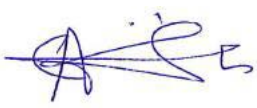
At Kola, Skapto Consulting unveiled nine high-priority lithium exploration targets. Mapping and sampling yielded numerous high-grade lithium samples. Notably, glacial transportation processes have moved boulders, and the Finnish Geological Service suggests the source of spodumene-containing boulders is in the northern expanse of our Kola Lithium project permit, which abuts the vast, high-grade Keliber lithium project.

We are also excited about the Hirvikallio project, which has a historical 15.5 m long hole of pegmatite that including 5m @ 2.31% Li2O and 3m @ 2.28% Li2O. Groundwork delivered high-grade samples, and we are planning further exploration here shortly.

As well as these two Finnish lithium projects, we have the Ruossakero nickel project. Soon after acquisition, we were able to announce a respectable JORC nickel resource of 42.1Mt @ 0.40%Ni from Ruossakero, laying the foundations for further exploration in the year to come.

We thank investors for their ongoing support, and look forward to progressing each of these exciting and prospective projects to create value for investors over the coming 12 months.

Yours sincerely



Asimwe Kabunga
Executive Chairman

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# DIRECTORS' REPORT

Your Directors present their report for the financial year ended 30 June 2023.

## DIRECTORS

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

| | |
|---|---|
| Asimwe Kabunga | Chairman and Director (Executive) |
| Trevor Matthews | Director (Non-Executive) |
| David Round | Director (Non-Executive) |
| Noel O'Brien | Technical Director (Non-Executive) |

## PRINCIPAL ACTIVITIES

The principal activity of the Group during the year was mineral exploration in Tanzania and Finland.

### Summary of Financial Position, Asset Transactions and Corporate Activities

A summary of key financial indicators for the Group, with prior period comparison, is set out in the following table:

| | Year 30 June 2023 $ | Year 30 June 2022 $ |
|---|---|---|
| Cash and cash equivalents held at year end | 857,694 | 1,728,598 |
| Net profit/(loss) for the year after tax | (11,341,342) | 2,913,126 |
| Included in profit/loss for the year: | | |
| Share-based payments | (2,225,242) | - |
| Finance costs – implicit interest on fair value adjustment of loans | - | (319,174) |
| Exploration expenditure and impairment | (6,695,352) | (574,324) |
| Basic earnings/(loss) per share (cents) from continuing operations | (2.26) | 0.82 |
| Net cash (used in) operating activities | (2,538,368) | (555,420) |
| Net cash (used in) investing activities | (523,019) | (34,321) |
| Net cash from financing activities | 2,271,476 | 2,282,659 |

During the year:

- On 29 September 2022, the Company obtained shareholder approval to acquire 100% of the issued capital of Massive Nickel Pty Ltd which indirectly holds a quality portfolio of Tanzanian nickel exploration assets. MNPL holds 99% of the issued capital of Massive Nickel Tanzania Limited (MNTL). MNTL holds a 100% interest in prospecting licences that are granted or in application, that complement the Company's existing Kabulanywele Nickel Project. Consideration for the acquisition will be the issue of 75 million RMI shares and the grant of a net smelter return royalty.

- On 5 October 2022, the Company issued 10,470,742 shares and 2,094,148 options to Kabunga Holdings Pty Ltd (KHPL) by way of repayment of an amount of $649,186 owing to KHPL, a company controlled by Executive Chairman, Asimwe Kabunga. This was approved by shareholders at the General Meeting held on 29 September 2022.

- On 6 October 2022, the Company issued 5,000,000 Performance Rights to each of the Non-Executive Directors, and 20,000,000 Performance Rights to the Executive Chairman, as approved by shareholders at the General Meeting held on 29 September 2022.

- On 26 October 2022, the Company completed a $2.427 million capital raising, before costs, to support exploration activities at the Company's Massive Nickel project portfolio in Tanzania, as well as for general working capital. The Company issued 22,063,633 fully paid ordinary shares at $0.11 per share, and 11,031,813 unlisted options expiring on 26 October 2025 with an exercise price of $0.15, to sophisticated investors.

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## REVIEW OF OPERATIONS

### *Kabulanywele Nickel Project*

The Company started the financial year focused on the Kabulwanyele Project, located in the Mpanda District of Tanzania, approximately 35km from the eastern shore of Lake Tanganyika, with the area forming part of the western limb of the East African Rift systems.

Following a sampling program that delivered highly encouraging nickel and cobalt results coincident with a historically mapped nickel laterite. A maiden RC drilling program comprised 19 holes for a total of 799m. A gravity survey was completed to determine the size and characteristics of the deeply buried mafic-ulframafic inlier that has been weathered to form the identified nickel laterite anomalies.

### *Tanzanian nickel portfolio strengthened through acquisition*

During the year, the Company significantly bolstered its Tanzanian nickel portfolio, adding to its existing holding of Kabulwanyele with of a portfolio of five Nickel Projects, Kabanga North, Kapalagulu, Liparamba, Kitai and Mbinga.

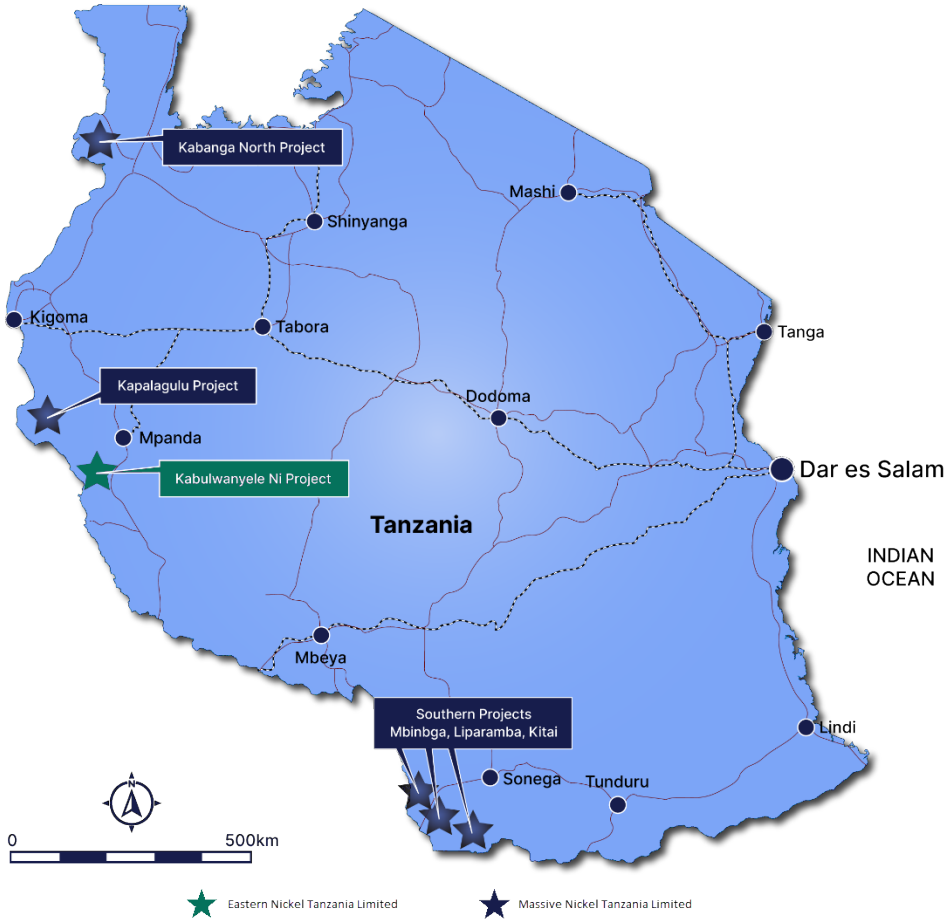



**Figure 1: Location of Liparamba Nickel Project and RMC's other Tanzanian projects**

These came via the acquisition of the Massive Nickel Pty Ltd (MNPL) totaling 1,415km2 within the prolific Kabanga-Musongati-Kapalagulu trend and presents a significant new opportunity for the Company. Tanzania's Ministry of Minerals' Mining Commission subsequently awarded four exploration permits to the Company covering key prospects.

### *Liparamba Nickel Sulphide Project*

Liparamba was prioritised as the most prospective of our Tanzanian projects, given previous work carried out by Albidon and BHP indicated significant, high quality, drill-ready targets over very prospective geology. The Company

used the geophysical tool of Audio-magnetotellurics (AMT), which has proven effective for nickel mineralisation. The results show a strong correlation with the BHP dataset, with the AMT data providing more granularity.

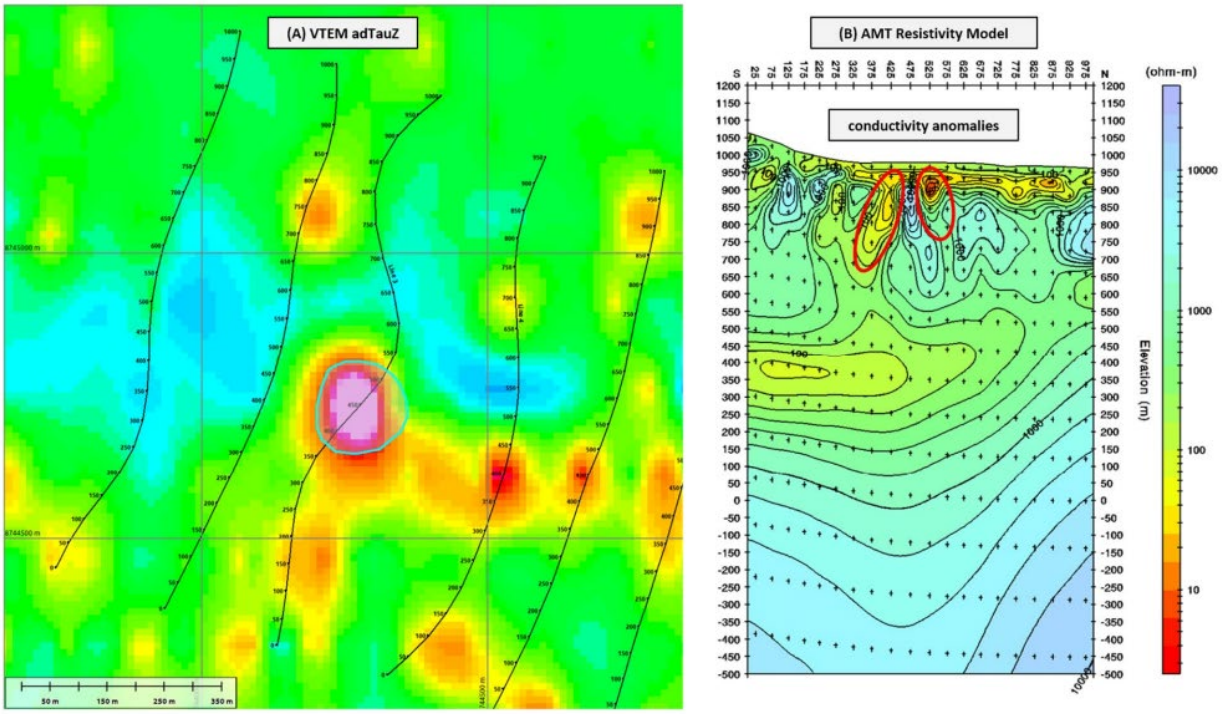



**Figure 2: A: VTEM data overlain by AMT profiles and stations; B: AMT resistivity data**

The AMT results at Liparamba Nickel Project have not only confirmed the nickel sulphide exploration targets previously identified by BHP/Albidon, but in addition have also identified 4 new targets along Liparamba's Southern Corridor.

These results, along with supporting data such as sulphides present in chip samples, and historic BHP/Albidon soil geochemistry survey results, were used to determine the initial location for a 12-hole Reverse Circulation (RC) program, with average depths of 150m.




**Figure 3: The Southern Corridor of the Liparamba Nickel Project**

The first RC hole intersected disseminated sulphides from 38m to 120m (end of hole). All fresh gabbro and a remnant boulder at 38m down hole contained disseminated sulphides as a trace occurrence (<1%) – the sulphides were noted to be magnetic in form.



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This highly encouraging initial finding has led the Company to upgrade the RC program to a twelve-hole diamond drill program along the southern corridor of the Liparamba Nickel Project.

The program is concentrating on the coincidental anomalies from the AMT and AEM data, as well as recent geological field surveys and older soil surveys. This program commenced post year-end and has already achieved its initial objective of identifying disseminated sulphides.



**Figure 4: Diamond drillhole core showing mafic rock at Liparamba**

***Acquisition of Lithium and Nickel Tenements in Finland***

The Company also announced a transformative deal with the acquisition of Element92 Pte Ltd, the ultimate owner of three Finnish projects: the Ruossakero Nickel Project in Northern Finland, the Kola Lithium Project in Central Finland, and the Hirvikallio Lithium Project in Southern Finland. These are notated in red on the map below, along with notations for other projects, active mines, refineries, and battery factories.

The consideration for the acquisition was 40 million fully paid RMC ordinary shares to be paid to the vendor in two tranches, being 30,000,000 RMI Shares on the conversion of the first Exploration Reservation to Exploration Licence, and 10,000,000 RMI Shares on the date that is three months after and subject to shareholder approval. The 40,000,000 shares remain in escrow after the reporting date until such a time a license is granted in the Finnish region.

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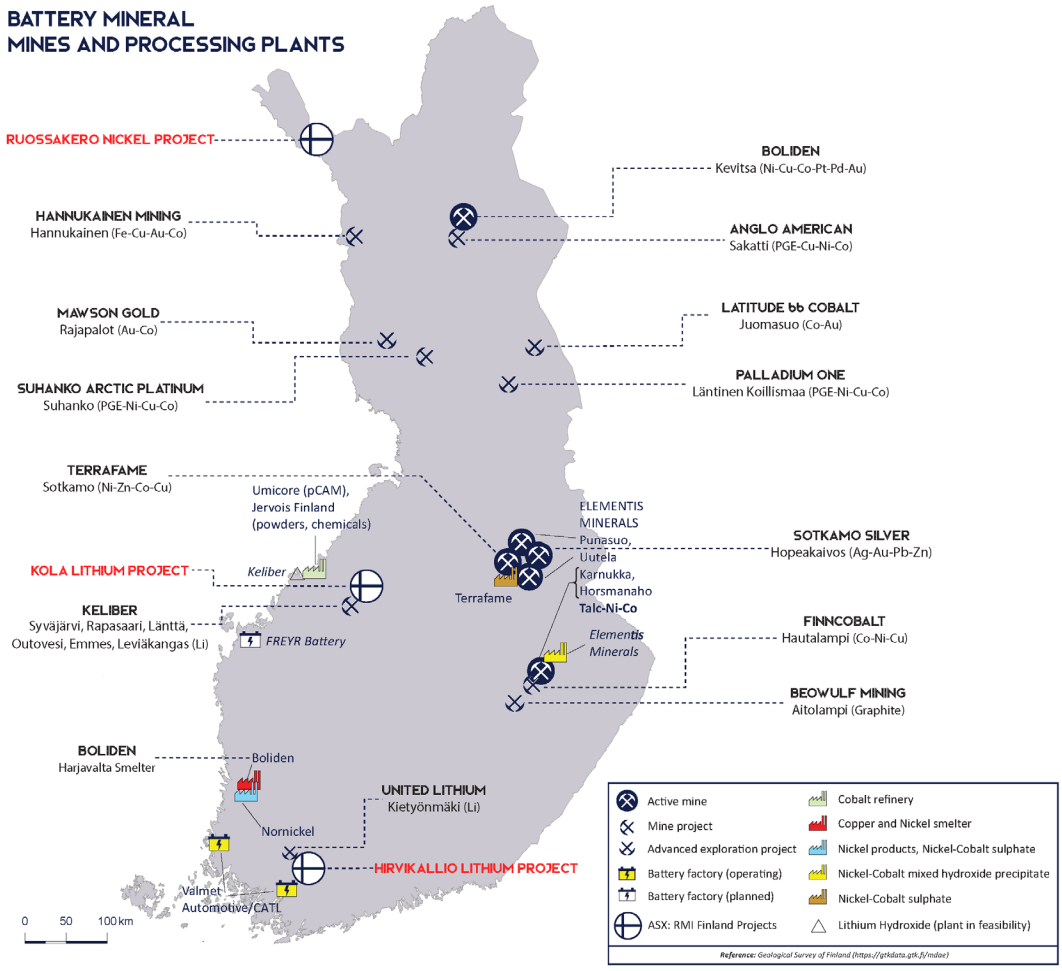



**Figure 5: Map of target projects**

Finland has a strong global reputation as a mining jurisdiction and ranks among the top 10 jurisdictions as rated per the globally regarded Fraser Institute's latest review. The country is already the largest European producer of nickel and is a major producer and developer in the lithium sector.

The confluence of EV-driven, fast-growing lithium demand, and the push for reliable supply chains with a low carbon footprint, has created a vast opportunity for nations that are able to supply the European LIB cell manufacturing and car manufacturing sector.

Resource Mining was admitted to the European Raw Materials Alliance (ERMA), which is focused on strengthening European regional supply chains for the ultimate production of batteries, fuel cells and rare earth magnets.

***Finland project 1: Kola***

The Kola project area lies 40km southeast of the major industrial centre of Kokkola. The prospective Kaustinen area is part of the Paleoproterozoic Pohjanmaa Schist belt, which is a large (350 x 70km) arc-shaped structure formed between the Central Finland granite and the Vaasa Migmatite complexes.

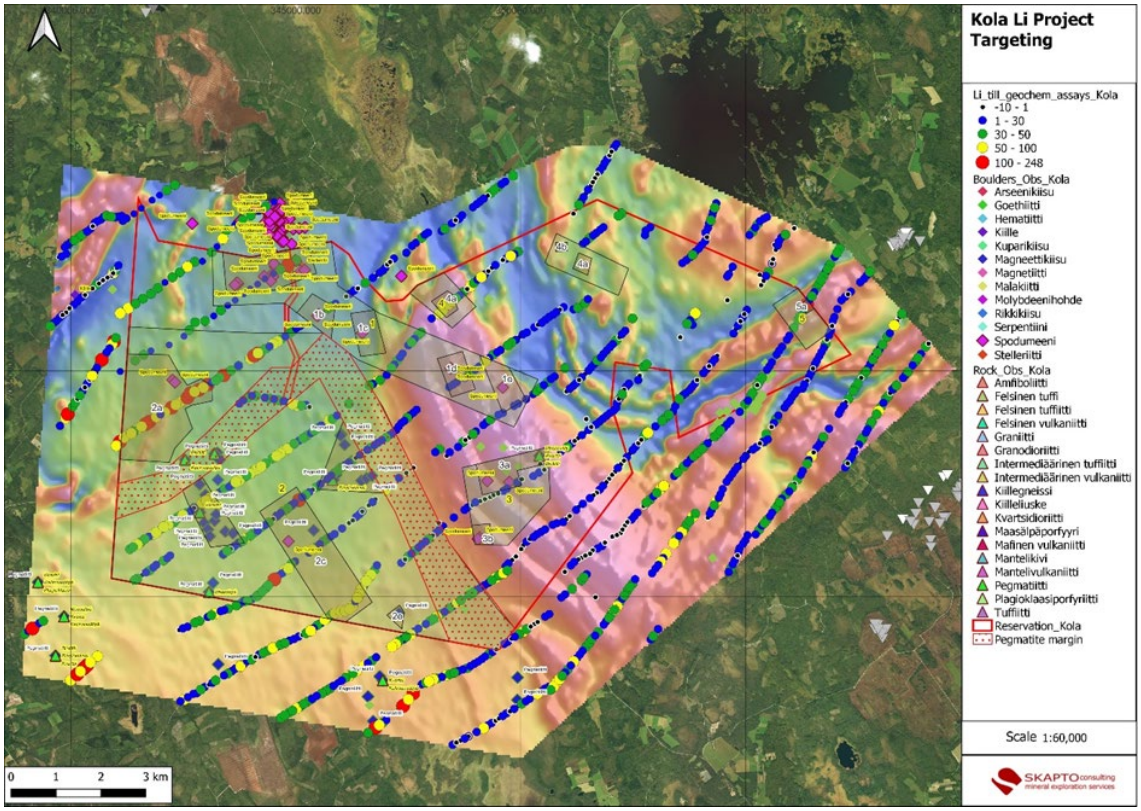



**Figure 2: Generated Targets and geological and geophysical data at Kola**

Desktop work by Skapto Consulting identified 9 high-priority lithium exploration target areas in the Kola Lithium project reservation area. Six of the target areas were mapped and sampled. High-grade lithium samples (up to 2.4% Li2O1) from pegmatite boulders were recovered from these target areas. Boulders in this region are generally moved by glacial transportation processes. Research by the Finnish Geological Service indicates that this movement has a maximum of 1.5km to 2km in an SSE direction from the pegmatitic source.

Field work started during toward the end of the financial year focused on systematic sampling of pegmatite boulders in the areas where Li-containing pegmatite boulders were previously identified and delivered very encouraging indications of the presence of Lithium-bearing pegmatites in the Kola Lithium project, including Lithium-bearing pegmatite boulders.



**Figure 5: Large pegmatite boulders identified during fieldwork at Kola**

[1] Refer to ASX announcement dated 22 May 2023



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The view that the boulders were moved a short distance by glacial processes means that the source(s) of the spodumene containing boulders is (are) likely located in the Northern part of RMC's Kola Lithium project permit. This opens up the potential for the presence of lithium-bearing pegmatites over a 6km corridor on trend with lithium resources declared by Sibanye-Stillwater's Keliber project.

GeoBlast OY of Finland has complete a Ground Penetrating Survey (GPR-survey) over the pegmatite boulder fields in the Kola Lithium Project tenement to test this theory further.

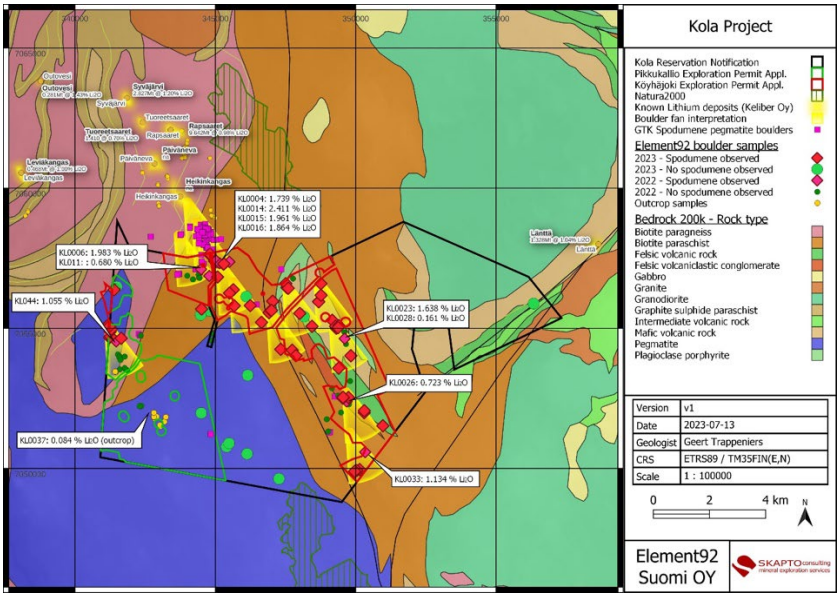



**Figure 6: New 2023 sampling location in the Kola Lithium Project area**

Following these encouraging results, two exploration permits have been applied for, with drilling planned to start as soon as the permits are granted.

***Finland project 2: Hirvikallio***

The Hirvikallio project is situated in the Somero-Tammela area, Southern Finland with the Finnish Geological Survey GTK considering it one of the most promising lithium pegmatite provinces in Finland. The Somero-Tammela area is in the Häme volcanic belt that comprises volcanic rocks intercalated with minor greywackes and metamorphosed clay-rich sediments units which have been intruded by plutonic rocks and late-tectonic K-granites with associated pegmatite dykes.

The acquired Hirvikallio data assisted the identification, during the site visit, of the location of historical drill hole M52-TAM-58-00, which cuts **15.5 m (apparent width) of pegmatite, including 5m @ 2.31% Li2O and 3m @ 2.28% Li2O.**

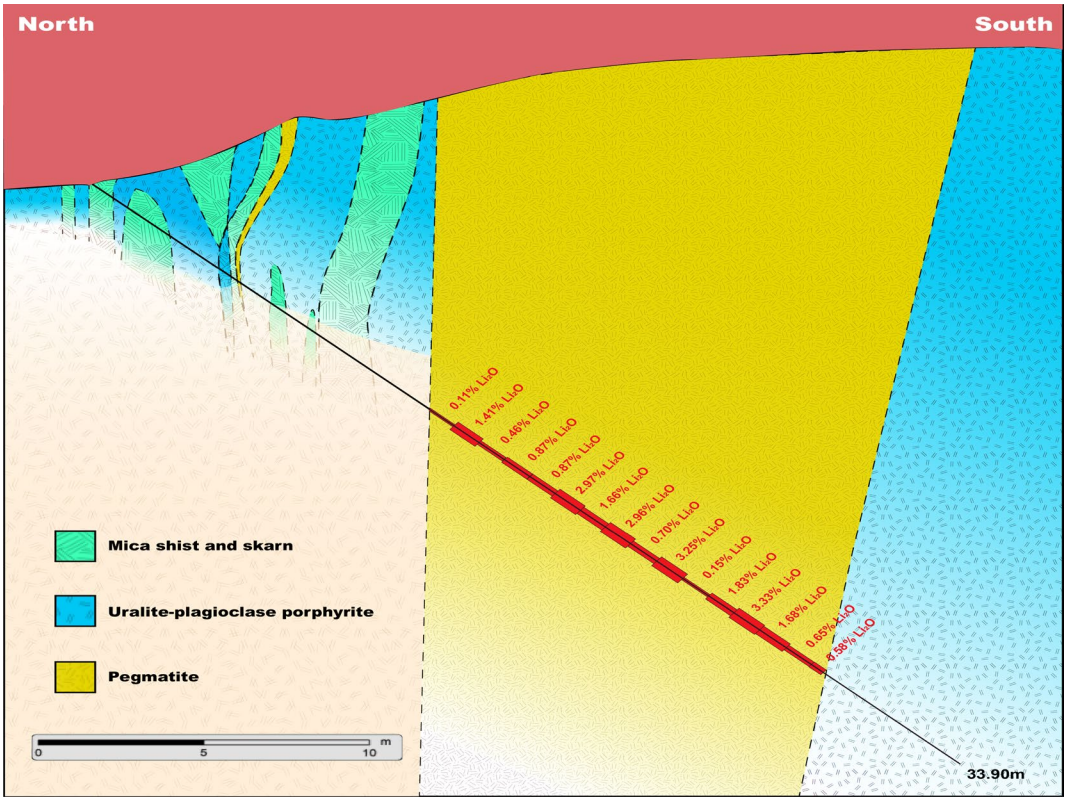



**Figure 7: Drill hole M202458R1 with Li2O grades of the intersected pegmatite**

Our field observations show that the non-zoned LCT-pegmatite vein at Hirvikallio contains spodumene and greyish petalite, is roughly 5 to 25m wide, and continues along strike for at least 120m. The depth extension is not known.

Geological review and field survey of the Hirvikallio reservation notification completed by Skapto Consulting during the financial year provided an insight into the areas of known Li mineralisation and areas of potential Li mineralisation, through the mapping and assaying of in situ and transported pegmatite samples which outcrop in the reservation.

In situ rock chip samples returned assays of 3.9% Li2O, replicating extraordinary Li grade noted within the historic drilling at Hirvikallio with numerous other pegmatites within the reservation containing anomalous Li values.

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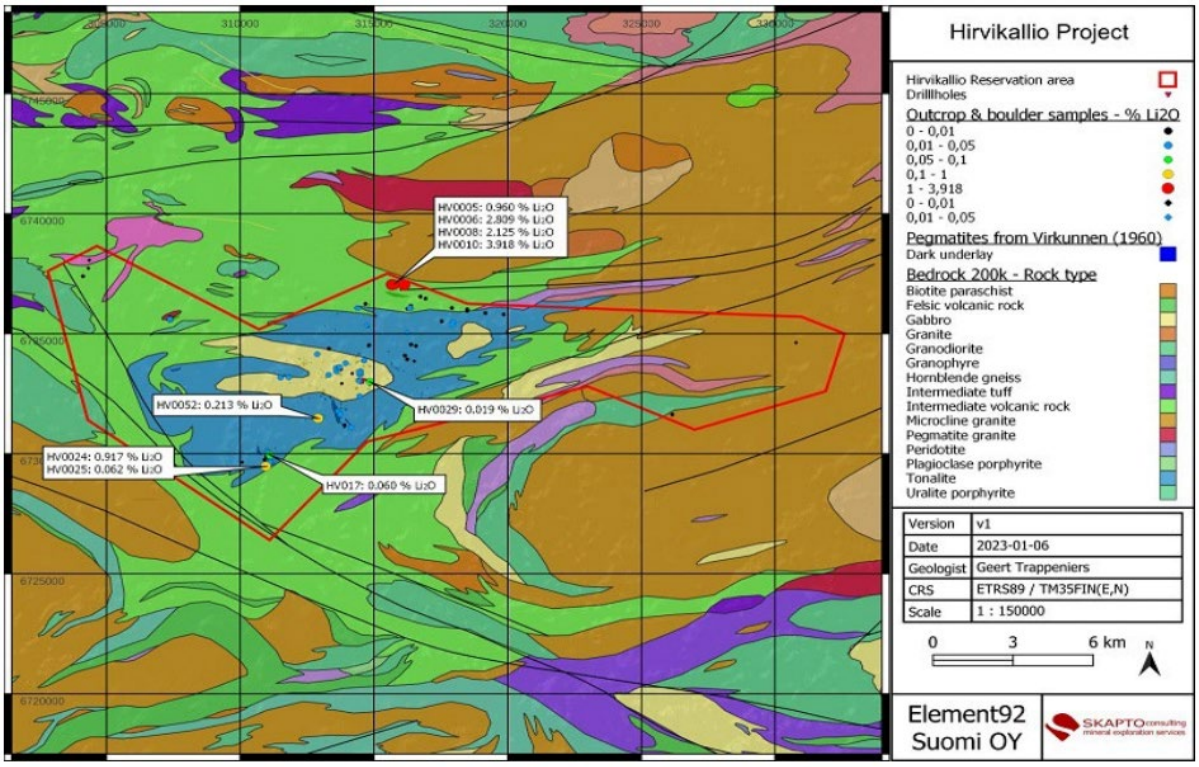



**Figure 8: Anomalous high-grade Li samples within the Hirvikallio project area**

***Finland project 3: Ruossakero Nickel project***

The most northern of the project areas, Ruossakero, is located 160km north of the resort town of Kittala and is situated in the northwestern edge of Finland, near the Swedish border.

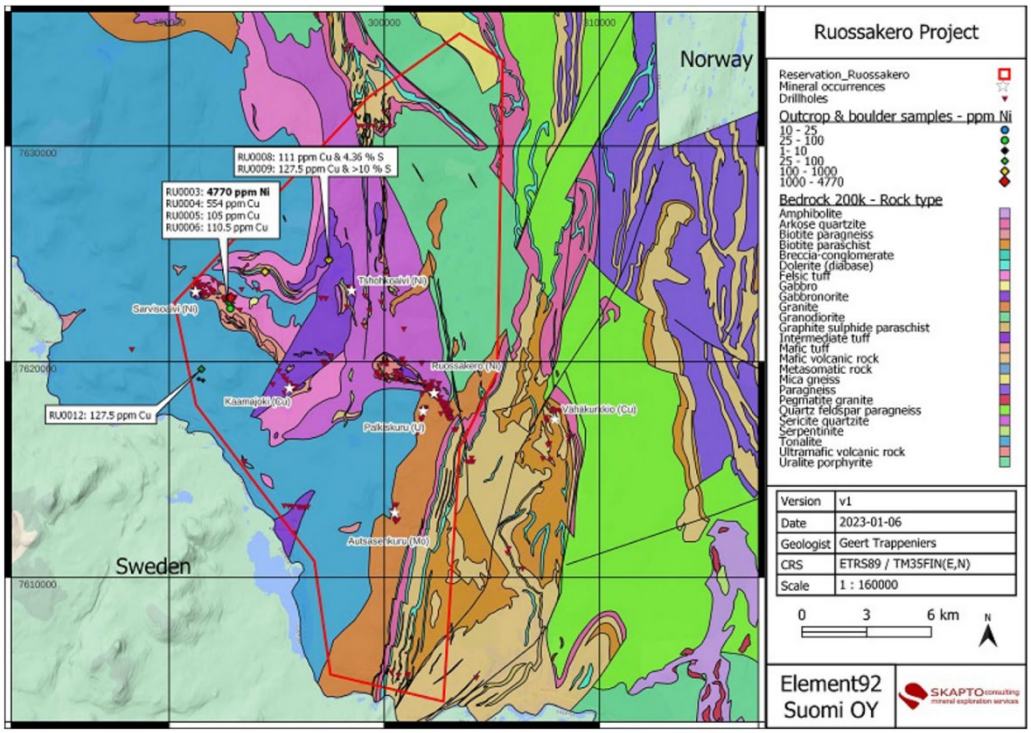



**Figure 9: Anomalous Ni-Cu samples within the Ruossakero project area.**

Following the acquisition of the asset, we were pleased to announce that a review and re-estimation of the Ruossakero deposit, completed by Snowden Optiro (SO), defined a MRE in accordance with the JORC Code (2012) reporting guidelines of **42.1Mt @ 0.40% Ni** (at Ni cut-off 0.30%Ni), and 0.005%Cu, 0.016%Co, 0.554%S. (Refer to ASX announcement dated 28 February 2023 for further information).

This resource represents a significant resource and provides a strong foundation on which to grow something larger. Its location with Finland is ideal, given the nation is Europe's largest producer of nickel and is positioning itself as a key provider to the European battery metals supply chain.

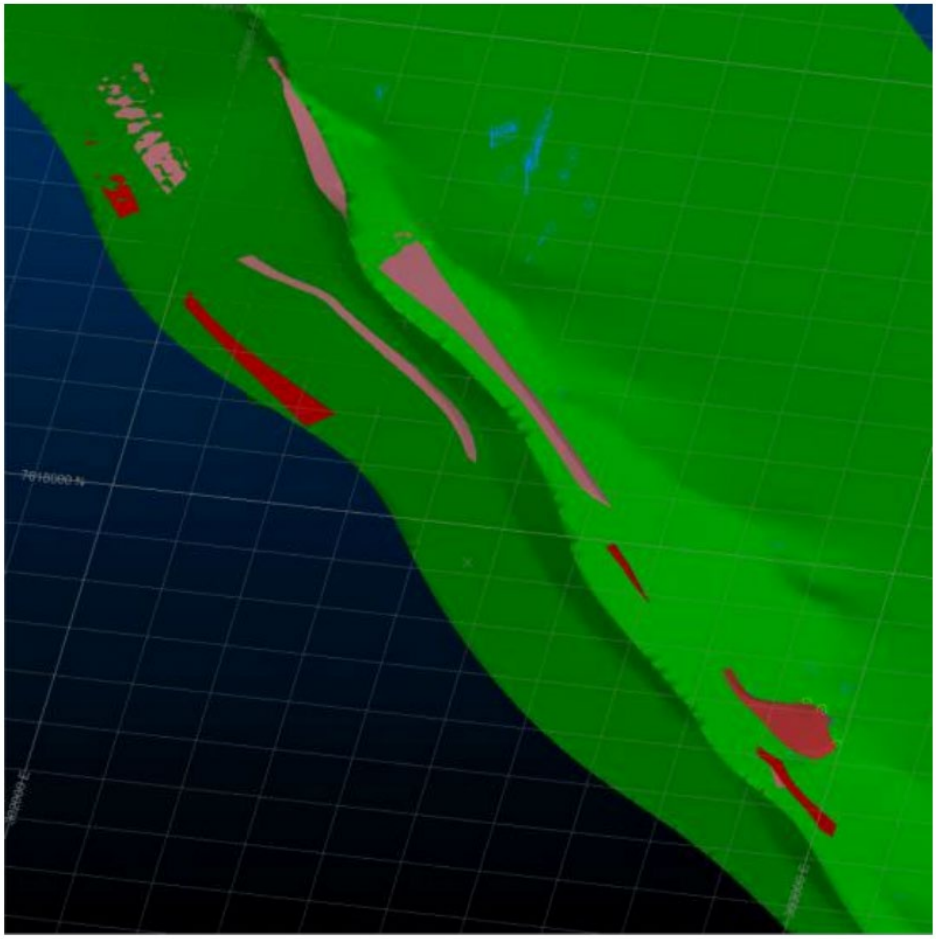


**Figure 10: Oblique view, looking NW of the two serpentinite bodies with the Ni mineralisation wireframes**

The MRE is within two distinct serpentinite bodies (see Figure 10 above), each hosting four separate nickel mineralised zones, with an average thickness of 10 m. There are additional zones of low-grade mineralisation up to 100 m in width. Mineralisation has been drilled to a depth of 300 m.

The Finnish acquisition provides the Company with certainty that it will acquire E92 Singapore, and by extension the Finnish Target Projects, on completion of the transaction, but will only issue the Consideration Shares to the Vendor upon the Exploration Reservations successfully being converted into Exploration Licences.

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## MATERIAL BUSINESS RISKS

The Board of Directors review the key risks associated with conducting exploration and evaluation activities in Tanzania and Finland and the steps to manage those risks. The following is a list of risks which the Directors believe are or potentially will be material to the consolidated entity's business, however, this is not a complete list of all risks that the consolidated entity is or may be subject to.

### Exploration

The mineral exploration licences comprising the Projects are at various stages of exploration, and potential investors should understand that mineral exploration and development are high-risk undertakings.

There can be no assurance that future exploration of these licences, or any other mineral licences that may be acquired in the future, will result in the discovery of an economic resource. Even if an apparently viable resource is identified, there is no guarantee that it can be economically exploited.

The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns or adverse weather conditions, unanticipated operational and technical difficulties, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, industrial and environmental accidents, industrial disputes, unexpected shortages and increases in the costs of consumables, spare parts, plant, equipment and staff, changing government regulations and many other factors beyond the control of the Company.
The success of the Company will also depend upon the Company being able to maintain title to the mineral exploration licences comprising the Projects and obtaining all required approvals for their contemplated activities. In the event that exploration programmes prove to be unsuccessful this could lead to a diminution in the value of the Projects, a reduction in the cash reserves of the Company and possible relinquishment of one or more of the mineral exploration licences comprising the Projects.

### Tenure, Access and Grant of Applications

Mining and exploration tenements are subject to periodic renewal. The renewal of the term of granted tenements is subject to compliance with the applicable mining legislation and regulations and the discretion of the relevant mining authority. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the tenements. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company.

The Company considers the likelihood of tenure forfeiture to be low given the laws and regulations governing exploration in Tanzania and Finland and the ongoing expenditure budgeted for by the Company. However, the consequence of forfeiture or involuntary surrender of a granted tenements for reasons beyond the control of the Company could be significant.

### Future Funding Risk

Continued exploration and evaluation is dependent on the Company being able to secure future funding from equity markets. The Company will need to undertake equity/debt raisings for continued exploration and evaluation. There can be no assurance that such funding will be available on satisfactory terms or at all at the relevant time. Any inability to obtain sufficient financing for the Group's activities and future projects may result in the delay or cancellation of certain activities or projects, which would likely adversely affect the potential growth of the Group.

### Unforeseen Expenditure Risks

Exploration and evaluation expenditures and development expenditures may increase significantly above existing projected costs. Although the Group is not currently aware of any such additional expenditure requirements, if such expenditure is subsequently incurred, this may adversely affect the expenditure proposals of the Group and its proposed business plans.

### Environmental, Weather & Climate Change

The highest priority climate related risks include reduced water availability, extreme weather events, changes to legislation and regulation, reputational risk, and technological and market changes. Mining and exploration activities have inherent risks and liabilities associated with safety and damage to the environment, including the disposal of waste products occurring as a result of mineral exploration and production, giving rise to potentially substantial costs for environmental rehabilitation, damage control and losses. Delays in obtaining approvals of additional remediation costs could affect profitable development of resources.

### Cyber Security and IT

The Group relies on IT infrastructure and systems and the efficient and uninterrupted operation of core technologies. Systems and operations could be exposed to damage or interruption from system failures, computer viruses, cyber-attacks, power or telecommunication provider's failure or human error.

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## PARTICULARS OF DIRECTORS AND COMPANY SECRETARY

**Asimwe Kabunga**
**Chairman and Director (Executive)**

*Qualifications:* Bachelor of Science, Mathematics and Physics

*Term:* Executive Director since 9 May 2022 and Executive Chairman since 16 June 2022

*Experience:* Mr Kabunga is a Tanzanian-born Australian entrepreneur with extensive technical and commercial experience in Tanzania, Australia, the United Kingdom and the United States. Mr Kabunga has extensive experience in the mining industry, logistics, land access, tenure negotiation and acquisition, as well as a developer of technology businesses. Mr Kabunga has been instrumental in establishing the Tanzanian Community of Western Australia Inc., and served as its first President. He was also a founding member of Rafiki Surgical Missions and Safina Foundation, both NGO's dedicated to helping children in Tanzania.

*Interest in Shares, Options and Performance Rights in Resource Mining Corporation Limited:* 123,932,678 ordinary shares held directly and 15,200,000 ordinary shares held by related parties. 2,094,148 unlisted options held directly, exercisable at $0.008 per share and expiring 20 May 2025. 20,000,000 Performance Rights held directly expiring 31 December 2024.

*Special Responsibilities:* Mr Kabunga is Executive Chairman and Director.

*Directorships held in other listed entities current or last 3 years:* Current Non-Executive Chairman of Volt Resources Limited, Executive Chairman of Lindian Resources Limited and Executive Chairman of Auking Mining Limited.

**Trevor Matthews**
**Director (Non-Executive)**

*Qualifications:* Bachelor of Commerce, Post-Graduate Diploma in Applied Finance and Investment

*Term:* Director since 22 November 2021

*Experience:* Mr Matthews has an accounting and finance background with 35 years' experience in the resources industry including roles with North and WMC Resources in executive-level positions and most recently he was Managing Director/CEO of ASX-listed Volt Resources Limited for a six-year term. Previously he held the role of Managing Director at MZI Resources (2012-16), advancing the $110 million Keysbrook mineral sands project from feasibility study stage through to production, and Murchison Metals (2005-12), developing an operating iron ore mine and associated logistics infrastructure in WA's Midwest as part of a larger JV with Mitsubishi Corporation to develop a large-scale iron ore mine and the multi-user Oakajee Port and Rail infrastructure project.

Consequently, he has extensive executive management experience of feasibility studies, project planning/development, coordination and leveraging capital markets effectively to secure the appropriate mix of debt/equity funding, to successfully complete a mining project.

*Interest in Shares, Options and Performance Rights in Resource Mining Corporation Limited:* 5,000,000 Performance Rights held directly expiring 31 December 2024.

*Special Responsibilities:* Mr Matthews is an Non-Executive Director.

*Directorships held in other listed entities current or last 3 years:* Former Managing Director for Volt Resources Limited, and current Executive Chairman of Victory Goldfields Limited.

**David Round**
**Director (Non-Executive)**

*Qualifications:* Chartered Accountant, MBA

*Term:* Director since 23 March 2022

*Experience:* Mr Round is an experienced finance professional with nickel and graphite operational experience within Africa and internationally. He is a qualified accountant and holder of an MBA and is currently an Executive Director of Evion Group (Formerly BlackEarth Minerals NL) and previously Head of Finance, Sales and Marketing at Australian graphite producer, Bass Metals Ltd where he led a large team in the development of a successful mine operation with supplies of critical minerals worldwide. Prior roles held by Mr. Round include CFO of Nickel producer, Albidon Ltd, and Ironbark Zinc Ltd and formerly a senior executive at Ernst & Young and KPMG (London)

*Interest in Shares, Options and Performance Rights in Resource Mining Corporation Limited:* 5,000,000 Performance Rights held directly expiring 31 December 2024.

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*Special Responsibilities:* Mr Round is a Non-Executive Director.

*Directorships held in other listed entities current or last 3 years:* Current Executive Director of Evion Group.

**Noel O'Brien**
**Technical Director (Non-Executive)**

*Qualifications:* Bachelor's degree in Metallurgical Engineering from the University of Melbourne, an MBA from the University of the Witwatersrand and is a Fellow of the AusIMM.

*Term:* Director since 20 June 2022

*Experience:* Mr O'Brien is a metallurgist with wide international and corporate experience. After a career spanning 40 years in Australia and Africa he established Trinol Pty Ltd, a Perth based consultancy, to provide process and project development services over a broad range of commodities. Mr O'Brien has been actively involved with projects containing manganese, iron ore, gold, base metals, and battery metals including lithium, graphite and cobalt. He has served on the board of a number of ASX listed companies over the past 9 years and is currently a technical advisor to several listed companies with early to advanced stage projects.

*Interest in Shares, Options and Performance Rights in Resource Mining Corporation Limited:* 700,000 ordinary shares held directly and 5,000,000 Performance Rights held directly expiring 31 December 2024.

*Special Responsibilities:* Mr O'Brien is a Non-Executive Director.

*Directorships held in other listed entities current or last 3 years:* Current Independent Non-Executive Director of Galileo Mining Limited. Previously Non-Executive Director of Mali Lithium from 1 December 2017 to 6 April 2020 and Metals Tech Limited from 17 June 2019 to 6 July 2020.

**Kellie Davis**
**Joint Company Secretary**

*Qualifications:* B.Comm, CA
*Term:* Appointed 26 January 2023

*Experience:* Mrs Davis has over 20 years' experience in accounting and ASX compliance, predominantly in the resource sector. Beginning her career in Audit with Ernst &Young, she worked for as a Financial Accountant and provided company secretarial services for a number of listed ASX companies in the exploration and resources sectors. Mrs Davis has a Bachelor of Commerce (Accounting and Finance) Degree and is a Chartered Accountants Australia & New Zealand member.

**Deborah Ho**
**Joint Company Secretary**

*Qualifications:* AGIA
*Term:* Appointed 21 March 2022 and resigned 31 August 2023

*Experience:* Ms Deborah Ho acts as Company Secretary to several other ASX listed and private companies. Ms Ho is an Associate Member of the Governance Institute of Australia and has over eight years of experience in company secretarial, corporate compliance and financial accounting matters.

## MEETINGS OF DIRECTORS

The following table sets out the number of meetings of the Company's Directors held during the year ended 30 June 2023, and the number of meetings attended by each Director.

| | Board Meetings | |
|---|---|---|
| | Number eligible to attend | Number attended |
| Asimwe Kabunga | 8 | 8 |
| Trevor Matthews | 8 | 8 |
| David Round | 8 | 6 |
| Noel O'Brien | 8 | 8 |

## LIKELY DEVELOPMENTS AND EXPECTED RESULTS

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The Group intends to continue its exploration activities with a view to the commencement of mining operations when practical. Refer to the Subsequent Events section in this Director's Report.

**SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS**

In the opinion of the Directors, there were no significant changes in the state of affairs of the Group that occurred during the financial year under review not otherwise disclosed in this report or in the consolidated accounts.

**DIVIDENDS**

No dividends were paid or declared during the year. The Directors do not recommend payment of a dividend.

**ENVIRONMENTAL REGULATIONS**

The Group has conducted exploration activities on its mineral tenement. The right to conduct these activities is granted subject to environmental conditions and requirements. The Group aims to ensure a high standard of environmental care is achieved and, as a minimum, to comply with relevant environmental regulations. There have been no known breaches of any of the environmental conditions.

**OPERATING AND FINANCIAL REVIEW**

**Review of Operations**

Refer to page 4 of the Directors' Report.

**SHARE OPTIONS**

As at the date of this report, the following unlisted options over unissued ordinary shares in Resource Mining Corporation Limited have been issued:

| Number of Options | Option Exercise Price A$ | Option Expiry |
|---|---|---|
| 2,000,000 | $0.08 | 20/05/2025 |
| 2,094,148 | $0.08 | 20/05/2025 |
| 8,000,000 | $0.10 | 25/05/2025 |
| 5,000,000 | $0.15 | 22/06/2025 |
| 11,031,813* | $0.15 | 26/10/2025 |

*11,031,813 unlisted options exercisable at $0.15 and expiring on 25 October 2025 were issued on 25 October 2022 as part of the placement completed in October 2022.

**PERFORMANCE RIGHTS**

As at the date of this report, the following unlisted performance rights in Resource Mining Corporation Limited have been issued:

| Number of Performance Rights | Performance Rights Expiry |
|---|---|
| Series 1 – 17,500,000 | 31/12/2024 |
| Series 2 – 17,500,000 | 31/12/2024 |

**REMUNERATION REPORT (Audited)**

The Directors present the 2023 Remuneration Report, outlining key aspects of Resource Mining Corporation's remuneration policy and framework, together with remuneration awarded this year.

The report is structured as follows:

A. Key management personnel (KMP) covered in this report
B. Remuneration policy, link to performance and elements of remuneration
C. Contractual arrangements of KMP remuneration
D. Remuneration of key management personnel
E. Equity holdings and movements during the year
F. Other transactions with key management personnel
G. Use of remuneration consultants
H. Voting of shareholders at last year's annual general meeting

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### *A. KEY MANAGEMENT PERSONNEL (KMP) COVERED IN THIS REPORT*

For the purposes of this report key management personnel of the Group are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Group, directly or indirectly, including any Director (whether Executive or otherwise).

**Key Management Personnel during the Year**

***Non-Executive Directors***

| | |
|---|---|
| Trevor Matthews | Non-Executive Director |
| David Round | Non-Executive Director |
| Noel O'Brien | Non-Executive Director |

***Executive Directors***

| | |
|---|---|
| Asimwe Kabunga | Executive Director and Chairman |

***Chief Executive Officer***

| | |
|---|---|
| Andrew Nesbitt | Appointed 16 January 2023 and resigned 28 July 2023 |

### *B. REMUNERATION POLICY, LINK TO PERFORMANCE AND ELEMENTS OF REMUNERATION*

The Board's policy is to remunerate Directors, officers and employees at market rates for companies of similar size and industry, for time, commitment and responsibilities. The Board determines payment to the Directors and reviews their remuneration as required, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of Directors' fees that can be paid is subject to approval by shareholders in general meeting, from time to time. Fees for Non-Executive Directors are not linked to the performance of the Group. However, to align Directors' interests with shareholders' interests, the Directors are encouraged to hold securities in the Company.

The remuneration of Non-Executive Directors is set by reference to payments made by other companies of similar size and industry, and by reference to the Director's skills and experience, and for the Reporting Period included a consideration of the financial restrictions in place on the Company.

**Remuneration policy and framework**

The Company's policy on remuneration clearly distinguishes the structure of Non-Executive Directors' remuneration from that of executive Directors and senior executives. The remuneration of Non-Executive Directors is set by reference to payments made by other companies of similar size and industry, and by reference to the Director's skills and experience, and for the Reporting Period included a consideration of the financial restrictions in place on the Company. Given the financial restrictions placed on it, the Company may consider it appropriate to issue unlisted options to Non-Executive Directors, subject to obtaining the relevant approvals. The Remuneration Policy is subject to annual review.

The maximum aggregate amount of fees (including superannuation payments) that can be paid to Non-Executive Directors is subject to approval by shareholders at general meeting. The maximum aggregate Directors' fees payable to non-executive Directors is $250,000 per annum as approved by the shareholders at the 2020 AGM on 11 December 2020 (stated in section 14.8 of the constitution adopted at that meeting).

Executive pay and rewards may consist of a base salary and performance incentives. Long term performance incentives may include options granted at the discretion of the Board and subject to obtaining the relevant approvals. The grant of options, when made, are designed to recognise and reward efforts as well as to provide additional incentive and may be subject to the successful completion of performance hurdles. Executives are offered a competitive level of base pay at market rates (for comparable companies) and are reviewed to ensure market competitiveness.

There are no termination or retirement benefits for Non-Executive Directors (other than superannuation).

**Relationship between remuneration and the Group's performance**

As per the Company's Remuneration Committee Charter, the non-executive Directors are not entitled to participate in equity-based remuneration schemes designed for executives without due consideration and appropriate disclosure to the Company's shareholders.

To the extent that the Company adopts a different remuneration structure for its non-executive Directors, the Board shall document its reasons for the purpose of disclosure to stakeholders.

### *C. CONTRACTUAL ARRANGEMENTS OF KMP REMUNERATION*

On appointment to the board, all non-executive directors enter into a service agreement with the Company in the form of a letter of appointment. The letter summarises the board policies and terms, including compensation, relevant to the

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office of director. Remuneration and other terms of employment for the executive directors and the other key management personnel are formalised in service agreements.

***Executive Directors***

Mr Asimwe Kabunga, Executive Chairman and Director, is responsible for the day-to-day operations of the Group. The Group has an agreement with Kabunga Holdings Pty Ltd* to provide the services of Mr Kabunga to the Company in relation to its activities on normal commercial terms and conditions, which are detailed as follows:

| Terms of Agreement | Remuneration excluding GST | Termination benefit |
|---|---|---|
| Agreement commenced 16 June 2022 | Fixed monthly fee of $20,833.33 per calendar month | 3 months' notice |

**Mr Kabunga is a Director and shareholder of Kabunga Holdings Pty Ltd.*

**Non-Executive Directors' Remuneration**

Non-Executive Directors' remuneration consists of base fees (inclusive of superannuation) and is currently set at $48,000 per annum. The Directors are entitled to reimbursement of out-of-pocket expenses incurred whilst on Company business. The Group has agreements with all Non-Executive Directors to provide services to the Company in relation to its activities on normal commercial terms and conditions which are detailed as follows:

| Non-Executive Director | Terms of Agreement | Remuneration excluding GST | Termination benefit |
|---|---|---|---|
| Trevor Matthews | Agreement commenced 22 November 2021 | Fixed monthly fee of $4,000 per calendar month and consultancy services as required at $200 per hour | 1 months' notice |
| David Round | Agreement commenced 22 March 2022 | Fixed monthly fee of $4,000 per calendar month | 1 months' notice |
| Noel O'Brien | Agreement commenced 20 June 2022 | Fixed monthly fee of $4,000 per calendar month | 1 months' notice |

**Chief Executive Officer Remuneration**

The Group had an agreement with the Chief Executive Officer to provide services to the Company in relation to its activities on normal commercial terms and conditions. This agreement commenced on 16 January 2023 and Chief Executive Officer remuneration consisted of a gross salary of $255,000 per year with 3 month's notice for termination benefits.

On 28 July 2023, the Company and Chief Executive Officer, Mr Andrew Nesbitt, mutually agreed to separate and Mr Nesbitt's engagement as Chief Executive Officer ceased. A separation deed was executed on this date in which Mr Nesbitt is paid his usual remuneration up to the Termination date of 28 October 2023.

***D. REMUNERATION OF KEY MANAGEMENT PERSONNEL***

The total remuneration paid to Key Management Personnel is summarised below:

| 2023 | Short-term benefit | | | | Post-employment Benefits | Share-based payments | |
|---|---|---|---|---|---|---|---|
| Name | Salary and Fees | Cash Bonus | Non-Monetary Benefit | Consulting/ Other | Super-annuation | Shares | Total |
| | $ | $ | $ | $ | $ | $ | $ |
| A Kabunga | 276,250 | - | - | 65,698 | - | 1,271,567 | 1,613,515 |
| T Matthews | 52,940 | - | - | - | - | 317,892 | 370,832 |
| D Round | 50,000 | - | - | 4,700 | - | 317,892 | 372,592 |
| N O'Brien | 44,400 | - | - | - | - | 317,892 | 362,292 |
| A Nesbitt[1] | 106,250 | - | - | - | 12,272 | - | 118,522 |
| **Totals** | **529,840** | **-** | **-** | **70,398** | **12,272** | **2,225,242** | **2,837,753** |

1. Mr Nesbitt and the Company mutually agreed to separate and Mr Nesbitt's engagement as Chief Executive Officer ceased on 28 July 2023.

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| 2022 | Short-term benefit | | | | Post-employment Benefits | Share-based payments | |
|---|---|---|---|---|---|---|---|
| Name | Salary and Fees | Cash Bonus | Non-Monetary Benefit | Consulting/ Other | Super-annuation | Shares | Total |
| | $ | $ | $ | $ | $ | $ | $ |
| A Kabunga[1] | 40,809 | - | - | 65,698 | - | - | 106,507 |
| T Matthews[2] | 24,644 | - | - | - | - | - | 24,644 |
| D Round[3] | 11,268 | - | - | 2,600 | - | - | 13,868 |
| N O'Brien | 1,636 | - | - | - | - | - | 1,636 |
| W Mackenzie[4] | 34,091 | - | - | - | 3,409 | - | 37,500 |
| W Davies | - | - | - | 65,420 | - | | 65,420 |
| Zhang C | - | - | - | - | - | - | - |
| J Livingstone | 8,444 | - | - | 13,313 | - | - | 21,757 |
| **Totals** | **120,894**[5] | **-** | **-** | **147,031** | **3,409** | **-** | **271,333**[5] |

1. Mr Kabunga's fees and consulting fees for 9 May 2022 to 30 June 2022 were unpaid as at 30 June 2022 (total $106,507)
2. Mr Matthews' fees from 22 November 2021 to 30 June 2022 were unpaid as at 30 June 2022 (total $24,444).
3. Mr Round's consulting fees for June 2022 were unpaid as at 30 June 2022 (total $2,600 excluding GST).
4. Mr Mackenzie'' fees for the period January 2022 to March 2022 were unpaid as at 30 June 2022 (total $12,500).
5. Rounding by $1

Long term benefits and termination benefits paid for the year were nil (2022: nil).

During the year, 35 million performance rights were issued to the Directors on 5 October 2022 (2022: none).

17,500,000 series 1 Performance Rights are subject to the vesting conditions including but not limited to
1. Remaining as a Director of the Company until 29 September 2023, and
2. At any time between 22 September 2022 and 22 September 2024, the VWAP of shares calculated over any 5 consecutive trading day period on which trades in shares were recorded is $0.15 or more.

17,500,000 series 2 Performance Rights are subject to the vesting conditions including but not limited to
1. Remaining as a Director of the Company until 22 September 2023, and
2. At any time between 22 September 2022 and 22 September 2024, the VWAP of shares calculated over any 5 consecutive trading day period on which trades in shares were recorded is $0.20 or more.

### *E. EQUITY HOLDINGS AND MOVEMENTS DURING THE YEAR*

**Share holdings of key management personnel** (*Includes shares held directly, indirectly and beneficially)*

| 2023 | Balance At the beginning of the Year | Granted as Remuneration | Other | On-market Purchase/(Sale) | Balance 30 June 2023 |
|---|---|---|---|---|---|
| ***Directors*** | | | | | |
| A Kabunga[1] | 56,965,053 | - | 66,967,625 | - | 123,932,678 |
| T Matthews | - | - | - | - | - |
| D Round | - | - | - | - | - |
| N O'Brien | - | - | - | 700,000 | 700,000 |
| **Totals** | **70,711,936** | **-** | **53,220,742** | **700,000** | **124,632,678** |

1. 13,746,883 shares were acquired by Kabunga Holdings Pty Ltd (KHPL) on 14 July 2022 through an off-market transfer with a deemed price of $0.10/share. 10,470,742 fully paid ordinary shares were issued on 5 October 2022 as part repayment for an outstanding loan to KHPL.On 6 October 2022 42,750,000 fully paid ordinary shares were issued to KHPL, as consideration for the Massive Nickel Transaction and were voluntarily escrowed for a period of 6 months from date of issue. This was approved by shareholders at the General Meeting held on 29 September 2022, and were released from escrow to Asimwe Kabunga on 5 April 2023.
   Kabunga Holdings Pty Ltd is owned and controlled by Executive Chairman Asimwe Kabunga. In addition, KHPL holds 25% of the issued capital in Resource Mining Corporation Limited's subsidiary, Eastern Nickel Pty Ltd, and Asimwe Kabunga is a director of that subsidiary.

| 2022 | Balance At 1 July 2021 | Granted as Remuneration | On-market Purchase/(Sale) | Balance 30 June 2022 |
|---|---|---|---|---|
| ***Directors*** | | | | |
| W Davies | 4,335,382 | - | - | 4,335,382 |
| W Mackenzie[1] | 2,092,847 | - | 1,907,153 | 4,000,000 |
| Zhang C | 136,793,768 | - | (136,793,768) | - |
| J Livingstone | - | - | - | - |
| T Matthews | - | - | - | - |
| D Round | - | - | - | - |
| A Kabunga[2] | - | - | 56,965,053 | 56,965,053 |
| N O'Brien | - | - | - | - |
| **Totals** | **143,221,997** | **-** | **(77,921,562)** | **65,300,435** |

1. For the period July 2015 to June 2021, $300,000 of Director fees accrued to Mr Mackenzie, and in lieu of this unpaid remuneration he agreed to receive $50,000 worth of RMI shares plus $5,000 of statutory superannuation. 2,153,995 shares were issued to Mr Mackenzie on 3 February 2022, and this number was determined by dividing $50,000 by the volume weighted average sale price of RMI shares sold on ASX during the 20 consecutive trading days prior to the date of the Annual General Meeting held on 21 January 2022.
2. On 3 February 2022 the Company issued 34.375 million fully paid ordinary shares to a related party of the Executive Chairman, Kabunga Holdings Pty Ltd, as consideration for the repayment of a $550,000 debt owing to Kabunga Holdings Pty Ltd.

**Option holdings of key management personnel** (*Includes options held directly, indirectly and beneficially)*

The option holdings of key management personnel as at year end were for Asimwe Kabunga who indirectly held 2,094,148 unlisted options, exercisable at A$0.08 and expiring on 20 May 2025. (2022: nil). These unlisted options were issued on 5 October 2022 as part repayment for an outstanding loan to KHPL.

***F. OTHER TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL***

***Other transactions***

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

***G. USE OF REMUNERATION CONSULTANTS***

No remuneration consultants were engaged by the Company during the year.

***H. VOTING OF SHAREHOLDERS AT LAST YEAR'S ANNUAL GENERAL MEETING***

The Company received 99.65% of 'yes' votes for its remuneration report for the 2022 financial year and did not receive any specific feedback at the AGM or throughout the year on its remuneration practices.

***This is the end of audited remuneration report.***

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## INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

The Company does not have insurance for Directors and Officers of the Company.

## CORPORATE GOVERNANCE

In recognising the need for the highest standards of corporate behaviour and accountability, the Directors of Resource Mining Corporation Limited support and adhere to the principles of corporate governance. Please refer to the Company's website for details of corporate governance policies: http://resmin.com.au/corporate/corporate-governance/.

## AUDITOR

BDO Audit (WA) Pty Ltd was appointed as auditor in November 2012 in accordance with section 327 of the *Corporations Act 2001*.

## NON-AUDIT SERVICES

The Board of Directors is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The Directors are satisfied that the services disclosed below did not compromise the external auditor's independence in accordance with APES 110: Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board.

BDO Corporate Finance (WA) Pty Ltd were paid fees for non-audit services totalling $19,654 during the year ended 30 June 2023 (2022: $41,550).

## AUDITOR'S INDEPENDENCE DECLARATION

The Auditor's Independence Declaration is included after the Auditor's Report in this annual report.

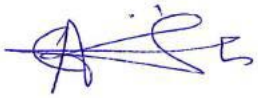
## MATTERS SUBSEQUENT TO THE END OF FINANCIAL YEAR

Subsequent to year end, the following occurred:

- On 28 July 2023, the Company and Chief Executive Officer (CEO) Mr Andrew Nesbitt mutually agreed to separate and Andrew's engagement as CEO ceased.
- On 16 August 2023, the Company announced a capital raising of up to approximately $2 million (before costs) through a placement to sophisticated and professional investors and a subsequent partially underwritten non-renounceable entitlement offer to eligible shareholders.
- On 21 August 2023, the Company completed a placement and issued 20 million new fully paid ordinary shares at $0.05 per share to raise $1 million (before costs).

There are no other matters or circumstances that have arisen since 30 June 2023 that have or may significantly affect the operations, results, or state of affairs of the Group in future financial years.

Signed in accordance with a resolution of the Directors



Asimwe Kabunga
Executive Chairman and Director
Dated at Perth 29th day of September 2023

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME for the year ended 30 June 2023

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| | Note | Consolidated 2023 $ | 2022 $ |
|---|---|---|---|
| **Other Income** | | | |
| Sale of subsidiary | | - | 4,856,783 |
| Director Fees Forgiven | | - | 245,000 |
| Interest income | | 7,001 | 40 |
| Total other income | | 7,001 | 5,101,823 |
| **Expenses** | | | |
| Administration and corporate expenses | 2(a) | (1,625,535) | (713,654) |
| Share based payment expense | 17 | (2,225,242) | (546,400) |
| Exploration expenditure | 2(b) | (6,695,352) | (574,324) |
| Borrowing costs | 2(c) | (802,214) | (354,320) |
| Total expenses | | (11,348,343) | (2,188,697) |
| **(LOSS)/PROFIT BEFORE INCOME TAX** | | **(11,341,342)** | **2,913,126** |
| **INCOME TAX BENEFIT / (EXPENSE)** | 4 | - | - |
| **(LOSS)/PROFIT AFTER INCOME TAX FOR THE YEAR** | | **(11,341,342)** | **2,913,126** |
| Total (loss)/profit is attributable to: | | | |
| Owners of Resource Mining Corporation Limited | | (11,217,831) | 2,960,669 |
| Non-Controlling Interests | 15 | (123,510) | (47,543) |
| | | **(11,341,342)** | **2,913,126** |
| **OTHER COMPREHENSIVE (LOSS)/INCOME** | | | |
| *Items that maybe reclassified subsequently to profit or loss* | | | |
| Exchange differences on translation of foreign operations | | 13,409 | (185,577) |
| **TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR** | | **(11,327,933)** | **2,775,092** |
| Total comprehensive (loss)/income is attributable to: | | | |
| Owners of Resource Mining Corporation Limited | | (11,204,421) | 2,822,635 |
| Non-Controlling Interests | | (123,510) | (47,543) |
| | | **(11,327,932)** | **2,775,092** |
| **(LOSS)/PROFIT PER SHARE FOR THE YEAR ATTRIBUTABLE TO THE MEMBERS OF RESOURCE MINING CORPORATION LIMITED** | | | |
| Basic and diluted earnings/(loss) per share (cents per share) | 3 | (2.26) | 0.82 |

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

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## CONSOLIDATED STATEMENT OF FINANCIAL POSITION
## as at 30 June 2023

| | Note | Consolidated | |
|---|---|---|---|
| | | 30 June 2023 $ | 30 June 2022 $ |
| **CURRENT ASSETS** | | | |
| Cash and cash equivalents | 5 | 857,694 | 1,728,598 |
| Receivables and other current assets | 7 | 74,135 | 42,589 |
| **Total Current Assets** | | **931,829** | **1,771,187** |
| **NON CURRENT ASSETS** | | | |
| Plant and equipment | | 369 | - |
| Exploration Expenditure | 9 | 7,161,854 | - |
| **Total Non-Current Assets** | | **7,162,223** | **-** |
| **TOTAL ASSETS** | | **8,094,052** | **1,771,187** |
| **CURRENT LIABILITIES** | | | |
| Trade and other payables | 10 | 334,653 | 559,935 |
| Interest bearing liabilities | 11 | - | 1,767 |
| Non-interest bearing liabilities | 12 | 117,185 | 649,186 |
| Deferred consideration | 19 | 3,080,000 | - |
| **Total Current Liabilities** | | **3,531,837** | **1,210,888** |
| **TOTAL LIABILITIES** | | **3,531,837** | **1,210,888** |
| **NET ASSETS** | | **4,562,214** | **560,298** |
| **EQUITY** | | | |
| Issued capital | 13 | 79,824,046 | 66,921,753 |
| Reserves | 14 | 3,092,381 | 651,415 |
| Accumulated losses | | (78,172,047) | (66,954,214) |
| Capital and reserves attributable to owners of Resource Mining Corporation Limited | | **4,744,380** | **618,954** |
| Non-controlling interests | 15 | **(182,166)** | **(58,656)** |
| **TOTAL EQUITY** | | **4,562,214** | **560,298** |

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

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
## for the year ended 30 June 2023

| Group | Issued Capital | Accumulated Losses | Reserves | Non-controlling Interests | Total |
|---|---|---|---|---|---|
| | $ | $ | $ | $ | $ |
| ***Year ended 30 June 2023*** | | | | | |
| Balance at 1 July 2022 | **66,921,753** | **(66,954,214)** | **651,415** | **(58,656)** | **560,298** |
| Profit/(Loss) for the year | - | (11,217,832) | - | (123,510) | (11,341,342) |
| Other comprehensive (loss)/income for the year | - | - | 13,409 | - | 13,409 |
| **Total comprehensive profit/(loss) for the year** | **-** | **(11,217,832)** | **13,409** | **(123,510)** | **(11,327,933)** |
| ***Transactions with owners in their capacity as owners*** | | | | | |
| Equity settlement | 10,630,818 | - | - | - | 10,630,818 |
| Shares issued | 2,427,000 | | | | 2,427,000 |
| Cost of share issues | (155,524) | - | - | - | (155,524) |
| Issue of options | - | - | 202,314 | - | 202,314 |
| Vesting of performance rights | - | - | 2,225,242 | - | 2,225,242 |
| **Balance at 30 June 2023** | **79,824,046** | **(78,172,047)** | **3,092,381** | **(182,166)** | **4,562,214** |

| Group | Issued Capital | Accumulated Losses | Reserves | Non-controlling Interests | Total |
|---|---|---|---|---|---|
| | $ | $ | $ | $ | $ |
| ***Year ended 30 June 2022*** | | | | | |
| Balance at 1 July 2021 | 63,768,599 | (69,914,883) | 262,392 | (11,113) | (5,895,005) |
| Profit/(Loss) for the year | - | 2,960,669 | - | (47,543) | 2,913,126 |
| Other comprehensive loss for the year | - | - | (185,577) | - | (185,577) |
| **Total comprehensive profit/(loss) for the year** | **63,768,599** | **(66,954,214)** | **76,815** | **(58,656)** | **(3,167,456)** |
| ***Transactions with owners in their capacity as owners*** | | | | | |
| Shares issued | 3,291,875 | - | - | - | 3,291,875 |
| Cost of share issues | (178,721) | - | - | - | (178,721) |
| Exercise of options | 40,000 | - | - | - | 40,000 |
| Options issued to Corporate Advisor | - | - | 574,600 | - | 574,600 |
| **Balance at 30 June 2022** | **66,921,753** | **(66,954,214)** | **651,415** | **(58,656)** | **560,298** |

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

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# CONSOLIDATED STATEMENT OF CASH FLOWS
## for the year ended 30 June 2023

| | Note | Consolidated 2023 $ | Consolidated 2022 $ |
|---|---|---|---|
| **CASH FLOWS FROM OPERATION ACTIVITIES** | | | |
| Payments to suppliers and employees | | (2,556,975) | (578,376) |
| Interest income received | | 13,857 | 40 |
| Other income received, including GST refunds | | 4,750 | 23,687 |
| Interest expense/finance costs paid | | - | (771) |
| **Net Cash Utilised In Operating Activities** | 6(a) | **(2,538,368)** | **(555,420)** |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | | |
| Payment for property, plant & equipment | | (369) | - |
| Payment for exploration & evaluation | | (401,338) | - |
| Payment for investment on acquisition | | (121,312) | - |
| Cash disposed on sale of subsidiary | | - | (34,321) |
| **Net Cash Utilised In Investing Activities** | | **(523,019)** | **(34,321)** |
| **CASH FLOWS FROM FINANCING ACTIVITIES** | | | |
| Proceeds from issue of shares | 13 | 2,427,000 | 2,360,000 |
| Proceeds from borrowings and advances | | - | 145,747 |
| Repayment of borrowings and advances | | - | (129,909) |
| Cost of issue of shares | 13 | (155,524) | (93,179) |
| **Net Cash From Financing Activities** | | **2,271,476** | **2,282,659** |
| Net (decrease)/increase in cash and cash equivalents | | (789,911) | 1,692,918 |
| Cash and cash equivalents at beginning of the year | | 1,728,598 | 43,680 |
| Effect of exchange rate changes on cash and cash equivalents | | (80,993) | (8,000) |
| **Cash and cash equivalents at the end of the year** | 5 | **857,694** | **1,728,598** |

*The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.*

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## 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

These consolidated statements and notes represent those of Resource Mining Corporation Limited ("**Company**") and controlled entities (the "**Group**"). Resource Mining Corporation Limited is a listed public company, incorporated and domiciled in Australia.

The financial report was authorised for issue on 28th September 2023 by the Board of Directors.

### (a) Basis of Preparation and Accounting Policies

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*. The Group is a for profit entity for financial reporting purposes under Australian Accounting Standards. The financial report has also been prepared on a historical cost basis.

Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied to all years presented, unless otherwise stated.

The consolidated financial statements are presented in Australian dollars. The functional currency of Resource Mining Corporation Limited and its subsidiaries is Australian dollars, except for Eastern Nickel Tanzania Limited, Massive Nickel Tanzania Limited whose functional currency is Tanzanian Shillings and Element 92 Pte Limited presented in Singapore Dollar and Element 92 Suomi Oy its functional currency is in Euro.

### (b) Statement of Compliance

The financial report complies with Australian Accounting Standards as issued by the Australian Accounting Standards Board and International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board.

### (c) Going Concern

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

As disclosed in the financial statements, the Group incurred a loss of $11,341,342 (30 June 2022: Profit $2,913,126) and had net cash outflows from operating activities of $2,538,368 (30 June 2022: $555,420). At 30 June 2023, the Company had $857,694 (30 June 2022: $1,728,598) in cash and cash equivalents. For the Group to continue to carry out its exploration activities, meet its expenditure requirements and continue as a going concern it is dependent on securing additional funding. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern.

For the Group to be able to continue to carry out its exploration activity and to have sufficient working capital, it is dependent on the financial support from its shareholders to fund its working capital requirements and/or successfully raising capital. The Directors are satisfied they will be able to raise additional working capital as required and thus it is appropriate to prepare the financial statements on a going concern basis. In arriving at this position, the Directors have considered the following matters:

- Ongoing financial support from shareholders;
- Successfully raising funds through equity. The Group had successfully raised $2,141,279 on 26 October 2022 (before costs) via Placements which supports the Group's ability to raise capital if required; and
- The ability to reduce expenditure, where required. In the event that funding of an amount required to meet the future budgeted operational and investing activities of the Company is unavailable, the Directors would undertake steps to scale down its operations and reduce its discretionary expenditure in order to curtail cash outflows.

The Directors have assessed the cash flow requirements for the 12-month period from the date of approval of the financial statements and its impact on the Group and believe there will be sufficient funds to meet the Group's working capital requirements.

Should the Group not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements and that the financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that might be necessary should the Group not continue as a going concern.

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## 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### (d) New and Amended Accounting Standards and Interpretations

**Early adoption of accounting standards**

The Group has not elected to apply any pronouncements before their operative date in the annual reporting year beginning 1 July 2022.

A number of new or amended standards became applicable for the current reporting period for which the Group has adopted. None of these standards had a material effect on the Group.

**New and amended standards not yet adopted by the Group**

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 2023. The Group's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the Group, are set out below.

*AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current*

AASB 2020-1 makes amendments to AASB 101 Presentation of Financial Statements to clarify requirements for the presentation of liabilities in the statement of financial position as current or noncurrent. A liability is classified as current if the entity has no right at the end of the reporting period to defer settlement for the liability for at least 12 months after the reporting period. The AASB recently issued amendments at AASB 101 to clarify the requirements for classifying liabilities as current. Specifically: • clarifying that the classification of a liability as either current or non-current is based on the entity's rights at the end of the reporting period; • stating that management's expectations around whether they will defer settlement or not does not impact the classification of the liability; • adding guidance about lending conditions and how these can impact classification; and • including requirements for liabilities that can be settled using an entity's own instruments. This new standard is not expected to impact the Group's reporting.

There are no other material new or amended standards not yet adopted by the Group.

### (e) Significant Accounting Estimates and Judgements

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

*Commitments - Exploration*
The Group has certain minimum exploration commitments to maintain its right of tenure to its' exploration permits. These commitments require estimates of the cost to perform exploration work required under this permit.

*Capitalised Exploration Expenditure*
Exploration and evaluation costs have been capitalised on the basis that the Group will commence commercial production in the future, from which time the costs will be amortised in proportion to the depletion of the mineral resources. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised. In addition costs are only capitalised that are expected to be recovered either through successfully development or sale of the relevant mining interest. Factors that could impact the future commercial production at the mine include the level of reserves and resources, future technology changes, which could impact the cost of the mining, future legal changes and changes in commodity prices. To the extent that capitalised costs are determined not to be recoverable in the future, they will be written off in the period in which this determination is made. For any entities that are in exploration and evaluation that choose to not capitalised exploration expenditure no change in accounting will be applied and it will only be for areas of new interest that will be capitalised.

*Asset acquisition not Constituting a Business*
When an asset acquisition does not constitute a business combination, the assets and liabilities are assigned a carrying amount based on their relative fair values in an asset purchase transaction and no deferred tax will arise in relation to the acquired assets and assumed liabilities as the initial recognition exemption for deferred tax under AASB 112 applies. No goodwill will arise on the acquisition and transaction costs of the acquisition will be included in the capitalised cost of the asset. It is the Group's judgement that the acquisition of Massive Nickel Tanzania Limited and Element 92 Pte Limited represented asset acquisitions and as such the fair values of the assets acquired was based on the fair value of the shares issued as consideration.

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## 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### e) Significant Accounting Estimates and Judgements (continued)

*Deferred Consideration*
The Group makes an accounting estimate and judgement on the asset acquisition of Element 92 Pte 92 where the final consideration value has been estimated due to the ordinary shares not being issued and the Group has established control over the entity.

*Share based payment transactions*
The Group used significant accounting estimates and judgement in relation to the performance rights issued. The Company 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 an internal valuation using a Black-Scholes option pricing model, using the assumptions detailed in Note 17.
For equity transactions with consultants and other employees, the fair value reflects the value attributable to services where applicable. Where there is no quantifiable value of services the value of options is calculated using the Black - Scholes option pricing model, or the quoted bid price where applicable.

### (f) Principles of Consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Resource Mining Corporation Limited ("Company" or "Parent Entity") as at 30 June each year and the results of all subsidiaries for the year then ended. Resource Mining Corporation Limited and its subsidiaries together are referred to in these financial statements as the "Group".

Subsidiaries are all entities (including structured entities) over which the Company has control. The Company controls an entity when the Company 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 deconsolidated from the date that control ceases.

All inter-group balances and transactions between entities in the Group, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those adopted by the parent entity.

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

### (g) Foreign Currency Transaction and Balances

*Functional and presentation currency*

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

*Transaction and balances*

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate.

Exchange differences arising on the transaction of monetary items are recognised in the Statement of Profit or Loss and Other Comprehensive Income, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity, otherwise the exchange differences are recognised in the Statement of Profit or Loss and Other Comprehensive Income.

*Controlled entities*

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

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

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**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**g) Foreign Currency Transaction and Balances (continued)**

- retained earnings are translated at the exchange rates prevailing at the date of transaction.

Exchange differences arising on translation of foreign operations are transferred directly to the foreign currency translation reserve in the Statement of Financial Position. These differences are recognised in the Statement of Profit or Loss and Other Comprehensive Income in the period in which the operation is disposed of.

**(h) Areas of interest**

It is the group policy for areas of new interest that all exploration and evaluation expenditure is capitalised per the accounting standard for Companies acquiring new areas of interest.

*Eastern Nickel Tanzania Limited*
Kabulwanyele Nickel Project is the project of ENTL. This is an existing project in the group and exploration and evaluation expenditure is not capitalised.

*Massive Nickel Tanzania Limited*
The Group acquired new areas of interest from the acquisition of MNTL. All expenditure relating to Exploration and evaluation expenditure will be capitalised. The new areas of interest are Kabanga North Project, Kapalagulu Project, Mbinbga Project, Liparamba Project, Kitai Project.

*Element 92 Suomi Oy*
The Group acquired new areas of interest from the acquisition of Element 92 Pte Limited. All expenditure relating to Exploration and evaluation expenditure will be capitalised. The new areas of interest are Ruossakero Nickel Project, Kola Lithium Project, Hirikallo Lithium Project.

Acquisition costs are capitalised to the balance sheet as and when it is incurred and included as part of cash flows from investing activities.

Restoration, rehabilitation and environmental costs necessitated by exploration and evaluation activities are capitalised as incurred and treated as exploration and evaluation asset. The Group has seventeen tenements in Tanzania and three tenements in Finland.

**(i) Asset acquisition**

When an asset acquisition does not constitute a business combination, the assets and liabilities are assigned a carrying amount based on their relative fair values in an assets purchases transactions and no deferred tax will arise in relation to the acquired assets and assumed labilities as the initial recognition example for deferred tax under AASB 112 applies. No goodwill will arrives on the acquisition and transaction costs of the acquisition will be included in the capitalised costs of the assets. Assets acquired during the period were exploration expenditure.

The Group recognises the acquisition date is the date on which the Company obtains control of the acquiree. Judgement is required to determine the acquisition date when the Company starts running the business of the acquiree before the closing date.

The consideration transferred by the Group is measured at fair value at the date control passes. Consideration comprises the sum of the acquisition date fair value of the Group.

Where there is contingent consideration there is an estimated uncertainty because future payments may or may not be made, depending on whether certain key performance indicators are met.

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## 2. EXPENSES

| | Consolidated | |
|---|---|---|
| | 2023 | 2022 |
| | $ | $ |
| **(a) Administration and Corporate Expenses** | | |
| Compliance and regulatory expenses | 235,241 | 132,715 |
| Salaries and wages | 308 | - |
| Consultants | 429,475 | 269,770 |
| Non-Executive Directors' fees | 147,316 | 80,932 |
| Legal fees | 53,142 | 100,278 |
| Realised foreign exchange loss | 94,400 | - |
| Travel and accommodation | 69,970 | 41,876 |
| Executive Directors' fees | 382,500 | 40,809 |
| Other expenses | 180,805 | 18,039 |
| Occupancy | 4,353 | 14,573 |
| Insurance | 15,753 | 12,389 |
| Superannuation | 12,272 | 2,273 |
| | **1,625,535** | **713,654** |
| **(b) Exploration Expenditure** | | |
| Other exploration and project costs | 995,352 | 574,324 |
| Provision for impairment on acquisition – refer to note 23 | 5,700,000 | - |
| | **6,695,352** | **574,324** |
| **(c) Borrowing costs** | | |
| Finance costs - implicit interest on fair value adjustments of Sinom loans – refer note 12(b) | - | 68,777 |
| Finance costs – implicit interest on fair value adjustments of Corcel loans – refer note 12(c) | - | 250,397 |
| | - | 319,174 |
| Refer to the accounting policy notes under Interest Bearing Liabilities and Non-Interest Bearing Liabilities note 11 and note 12 | | |
| Interest paid | (6,856) | |
| Loss on settlement of debt | 808,946 | 34,375 |
| Finance charges on insurance funding | 124 | 771 |
| | **802,214** | **354,320** |

## 3. (LOSS)/EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit or loss attributable to equity holders of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year. Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

| | 2023 | 2022 |
|---|---|---|
| (Loss)/earnings used in the calculation of weighted average basic and diluted loss per share | (11,217,831) | 2,913,126 |
| Basic earnings per share – cents | (2.26) | 0.82 |
| Diluted earnings per share - cents | (2.26) | 0.82 |

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## 3. (LOSS)/EARNINGS PER SHARE (Continued)

| | | |
|---|---|---|
| Weighted average number of ordinary shares used in Calculating basic earnings per share | 495,889,096 | 357,164,321 |
| Weighted average number of ordinary shares used in calculating diluted earnings per share | 495,889,096 | 357,164,321 |

*2023*

- 2,000,000 options (convertible to 2,000,000 ordinary shares) were not include in the calculation of diluted earnings per share because they are antidilutive for the period presented.
- 2,094,118 options (convertible to 2,094,118 ordinary shares) were not include in the calculation of diluted earnings per share because they are antidilutive for the period presented.
- 8,000,000 options (convertible to 8,000,000 ordinary shares) were not include in the calculation of diluted earnings per share because they are antidilutive for the period presented.
- 5,000,000 options (convertible to 5,000,000 ordinary shares) were not include in the calculation of diluted earnings per share because they are antidilutive for the period presented.
- 11,031,813 options (convertible to 11,031,813 ordinary shares) were not include in the calculation of diluted earnings per share because they are antidilutive for the period presented.

*2022*

- 2,000,000 options (convertible to 2,000,000 ordinary shares) were not include in the calculation of diluted earnings per share because they are antidilutive for the period presented.
- 8,000,000 options (convertible to 8,000,000 ordinary shares) were not include in the calculation of diluted earnings per share because they are antidilutive for the period presented.
- 5,000,000 options (convertible to 5,000,000 ordinary shares) were not include in the calculation of diluted earnings per share because they are antidilutive for the period presented.

*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 Resource Mining Corporation 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 after income tax effect of interest and other financing costs associated with dilutive 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.

## 4. INCOME TAX

The charge for current income tax expenses is based on the profit for the year adjusted for any non-assessable or disallowable items. It is calculated using tax rates that have been enacted or are substantively enacted by the reporting date.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss. Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the Statement of Profit or Loss and Other Comprehensive Income except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary difference can be utilised.

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## 4. INCOME TAX (Continued)

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the Group will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

| | Consolidated | |
|---|---|---|
| | **2023** | **2022** |
| | **$** | **$** |
| **(a) Income Tax Expense** | | |
| A reconciliation of income tax (benefit) / expense applicable to accounting profit before income tax at the statutory income tax rate to income tax expense at the Company's effective income tax rate is as follows: | | |
| Profit/(loss) before tax | (11,341,342) | 2,913,126 |
| Prima facie income tax (benefit) @ 30% | (3,042,402) | 873,938 |
| Add: | | |
| Non deductible expenses | 1,315,232 | 309,494 |
| International tax rate differential | 695 | |
| Temporary differences and losses not recognised | 2,189,737 | 259,773 |
| Non-assessable income | - | (1,443,205) |
| Tax differential | - | - |
| Income tax (benefit) / expense attributable to operating loss | **-** | **-** |

### Tax Consolidation

The Company and its 100% owned subsidiaries have formed a tax consolidated group. Under the tax consolidation regime, all members of a tax consolidated group are jointly and severally liable for the tax consolidated group's income tax liabilities. The head entity of the tax consolidated group is Resource Mining Corporation Limited.

### (b) Net Deferred Tax Assets Not Recognised Relate to the Following:

| | Consolidated | |
|---|---|---|
| | **2023** | **2022** |
| **Unrecognised deferred tax assets / (liabilities):** | **$** | **$** |
| Deferred Tax Assets/(Liabilities) – Other Timing Differences, net | 8,700 | 7,725 |
| Deferred Tax Assets – Business related costs – P&L | 16,674 | 9,545 |
| Deferred Tax Assets - Capital losses | 4,989,341 | 4,955,390 |
| Deferred Tax Assets - Tax losses – Australia* | 6,840,496 | 6,620,512 |
| Deferred Tax Assets - Tax losses –Tanzania * | 212,062 | 67,234 |
| | **12,067,273** | **11,660,406** |

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

## 5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and less bank overdraft, if any.

| | Note | Consolidated | |
|---|---|---|---|
| | | **2023** | **2022** |
| | | **$** | **$** |
| Cash at bank and on hand | | **857,694** | **1,728,598** |

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## 6. NOTES TO THE STATEMENT OF CASH FLOWS

| | Note | Consolidated 2023 | 2022 |
|---|---|---|---|
| *(a) Reconciliation from net profit/(loss) after tax to the net cash flow from operating activities* | | $ | $ |
| (Loss)/profit after income tax | | (11,341,342) | 2,913,126 |
| Adjustment for: | | | |
| Exploration expenditure/impairment | | 5,700,000 | - |
| Sale of subsidiary | | - | (4,859,481) |
| Share based payment expense | | 2,225,242 | 574,600 |
| Finance costs – implicit interest on fair value adjustment of loans | | - | 319,174 |
| Other expenses | | 231,214 | - |
| Loss on settlement of debt | | 808,946 | 34,375 |
| Foreign exchange | | 94,400 | 2,698 |
| *Change in operating assets and liabilities:* | | | |
| (Increase)/decrease in trade and other receivables | | (31,546) | (35,775) |
| (Decrease)/increase in trade and other payables | | (225,282) | 496,950 |
| Decrease in interest bearing liabilities | | - | (1,087) |
| **Net cash used in operating activities** | | **(2,538,368)** | **(555,420)** |

**Non-cash financing and investing activities:**
Shareholders, on 29th September 2022, approved the Company's acquisition of Massive Nickel Tanzania Limited from Kaunga Holdings Pty Limited (a company controlled by Executive Chairman, Asimwe Kabunga) and 75,000,000 fully paid ordinary shares were issued to Kabunga Holdings Pty Limited, as consideration, on 6 October 2022. The consideration shares were converted from the escrow 6 months from the date of issue.

On 6 October 2022, the Company issued 10,470,742 shares and 2,094,148 options to Kabunga Holdings Pty Ltd (KHPL) by way of repayment of an amount of $649,186 owing to KHPL, a company controlled by Executive Chairman, Asimwe Kabunga. This was approved by shareholders at the General Meeting held on 29 September 2022. The fair value of the equity instruments granted was $1,511,157, which resulted in a loss on settlement of $861,971 being recognised in the profit and loss.

On the 19 January 2023, the Company acquired Element 92 Pte Limited and Element 92 Suomi Oy from Ropa Investments Gibraltar Limited via issue of 40,000,000 fully paid ordinary shares which are in escrow until the condition is satisfied to issue the shares. The ordinary shares will remain in escrow until a licence is granted to Element 92 Suomi Oy.

The below chart highlights the repayment about of financing:

| | Note | Consolidated 2023 | 2022 |
|---|---|---|---|
| | | $ | $ |
| Net borrowings and advances at 1 July | 12 | 649,186 | 4,901,075 |
| Cash flows: | | | |
| Sale of subsidiary | | - | (4,761,087) |
| Proceeds from borrowings and advances | | - | 145,747 |
| Repayment of borrowings and advances | | - | (129,909) |
| Loan assigned from trade and other payables* | | 117,185 | 724,186 |
| Repayment via share issue | | (649,186) | (550,000) |
| Finance costs – implicit interest on fair value adjustments of loans | | - | 319,174 |
| **Net borrowings and advances as at 30 June** | 12 | **117,185** | **649,186** |

*Leticia Kabunga loan payable by the company, refer to note 12 for details.

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## 7. RECEIVABLES AND OTHER CURRENT ASSETS

Receivables are initially recognised at fair value and subsequently measured at amortised cost, less provision for doubtful debts. Current receivables for GST are due for settlement within 30 days (Australian GST) and other current receivables within 12 months. Cash on deposit is not due for settlement until rights of tenure are forfeited or performance obligations are met.

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office in Australia. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expenses.

Receivables and payables are shown inclusive of GST. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables.

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

| | Consolidated | |
|---|---|---|
| | 2023 | 2022 |
| | $ | $ |
| **Current** | | |
| Prepayments | 27,022 | - |
| GST receivables | 37,839 | 42,589 |
| Trade Receivables | 6,272 | - |
| Other current assets | 3,002 | - |
| | **74,135** | **42,589** |

*Fair Value and Risk Exposures:*

(i) Due to the short term nature of these receivables, their carrying value is assumed to approximate their fair value.
(ii) The maximum exposure to credit risk is the fair value of receivables. Collateral is not held as security.
(iii) Other receivables generally have repayments between 30 and 90 days.

Receivables do not contain past due or impaired assets as at year end (2022: none).

## 8. PLANT AND EQUIPMENT

Each class of plant and equipment is carried at cost, less where applicable, any accumulated depreciation and impairment losses.

*Plant and equipment:*
Plant and equipment are measured on historical cost basis less depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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

*Depreciation:*
The depreciable amount of all fixed assets is depreciated on a reducing balance commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

| Class of Fixed Asset | Depreciation Rate |
|---|---|
| Plant and Equipment | 10 – 50% |

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

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## 8. PLANT AND EQUIPMENT (Continued)

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

| | Consolidated | |
|---|---|---|
| | **2023** | **2022** |
| | **$** | **$** |
| Cost | 3,421 | 3,052 |
| Accumulated depreciation | (3,052) | (3,052) |
| | **369** | **-** |
| Movement in carrying amounts: | | |
| Opening balance | - | 75,014 |
| Disposals | - | (75,014) |
| Depreciation expense | - | - |
| Computer equipment | 369 | - |
| Currency translation differences | - | - |
| **Closing balance** | **369** | **-** |

During the period, Massive Nickel purchased computer equipment for the amount $369. The 2022 property, plant and equipment at cost opening balances of $75,014 related to the 100% owned subsidiary Niugini Nickel Ltd. This subsidiary was sold on 15 October 2021 as part of the divestment of the Wowo Gap Project.

## 9. EXPLORATION AND EVALUATION ASSETS

Exploration and evaluation expenditure is accumulated on an area of interest basis. Exploration and evaluation assets include the costs of acquiring licenses, costs associated with exploration and evaluation activity, and the fair value (at acquisition date) of exploration and evaluation assets acquired in a business combination. Expenditure is carried forward when incurred in areas for which the Company has rights of tenure and where economic mineralisation is indicated, but activities have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves and active and significant operations in, or in relation to, the area of interest are continuing. Costs incurred before the Company has obtained the legal rights to explore an area are recognised in the statement of comprehensive income.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstratable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mine properties under development. No amortisation is charged during the exploration and evaluation phase.

During the year ended 30 June 2023, the Company capitalised $401,337 of exploration and evaluation expenditure in relation to the Massive Nickel project in Tanzania (2022: nil). The company did capitalise inherited capitalised expenditure on acquisition on 6 October 2022 during the acquisition for the amount $115,795. The Group impaired the acquisition cost due to timing of issue of shares resulting in an impairment for $5,700,000.

No exploration and evaluation expenditure has been incurred for the Finnish projects (2022: nil). The company did capitalise inherited capitalised expenditure on acquisition on 19 January 2023 during the acquisition for the amount $5,517.

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## 9. EXPLORATION AND EVALUATION ASSETS (Continued)

| | | Consolidated | |
|---|---|---|---|
| | | 2023 | 2022 |
| | | $ | $ |
| Cost | | 12,861,854 | - |
| Impairment | | (5,700,000) | - |
| Carrying value | | **7,161,854** | **-** |
| *Massive Nickel Tanzania Limited* | | | |
| Movement in carrying amounts: | | | |
| Opening balance | | - | - |
| Capitalised acquisition cost | MNTL | 9,375,000 | - |
| Capitalise exploration cost | MNTL | 401,337 | - |
| **Total cost** | | **9,776,337** | **-** |
| Impairment Acquisition Cost | MNTL | (5,700,000) | - |
| **Closing balance** | | **4,076,337** | **-** |
| *Element 92 Pte Limited* | | | |
| Movement in carrying amounts: | | | |
| Opening balance | | - | - |
| Capitalised Acquisition Cost | Element 92 | 3,080,000 | - |
| Incurred Capitalised Acquisition Cost | Element 92 | 5,517 | - |
| **Total cost** | | **3,085,517** | **-** |
| Impairment Acquisition Cost | Element 92 | - | - |
| **Closing balance** | | **3,085,517** | **-** |

## 10. TRADE AND OTHER PAYABLES

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 60 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date.

| | Consolidated | |
|---|---|---|
| | 2023 | 2022 |
| | $ | $ |
| Trade payables | 238,183 | 559,935 |
| Other payables and accruals | 96,470 | - |
| | **334,653** | **559,935** |

Fair Value and Risk Exposures

(i) Due to the short term nature of these payables, their carrying value is assumed to approximate their fair value.
(ii) Trade and other payables are unsecured, non-interest bearing and usually paid within 60 days of recognition, except for payables to Directors and their related entities for remuneration.

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## 11. INTEREST BEARING LIABILITIES

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised costs. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit of loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan, capitalised as a prepayment and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

| | Consolidated | |
|---|---|---|
| | **2023** | **2022** |
| | **$** | **$** |
| **Current** | | |
| Insurance premium funding | **-** | **1,767** |

## 12. NON-INTEREST BEARING LIABILITIES

| | | Consolidated | |
|---|---|---|---|
| | Note | **2023** | **2022** |
| | | **$** | **$** |
| **Current** | | | |
| Unsecured loans and advances – Kabunga Holdings (undiscounted) | 12(a) | - | 649,186 |
| Other loan | 12(b) | 117,185 | - |
| | | **117,185** | **649,186** |

### *(a) Unsecured loans due to Kabunga Holdings Pty Ltd*

Kabunga Holdings Pty Ltd is owned and controlled by Executive Chairman Asimwe Kabunga. In addition, Kabunga holds 25% of the issued capital in Resource Mining Corporation Limited's subsidiary, Eastern Nickel Pty Ltd, and Asimwe Kabunga is a director of that subsidiary.

On 3 February 2022, the Company issued 34,375,000 shares to Kabunga to repay $550,000 of debt. The balance owing as at 30 June 2022 was $649,186. The Company issued 10,470,742 Shares and 2,094,118 Options with an expiry date of 20 May 2025 and an exercise price of $0.08 to Kabunga by way of repayment of the $649,186 debt on 6 October 2022. This was approved by shareholders at the General Meeting held on 29 September 2022. The fair value of the equity instruments granted was $1,511,157, which resulted in a loss on settlement of $861,971 being recognised in the profit and loss.

### *(b) Other loan*

The other loan is a facility of AUD117,185 provided by Leticia Kabunga (the 1% shareholder of Eastern Nikel Tanzania Limited and Massive Nickel Tanzania Limited). The loan was unsecured and interest free with a maturity date in September 2023. The Company repaid this loan in full on 18 September 2023.

## 13. CONTRIBUTED EQUITY

Issued and paid up capital is recognised at the fair value of the consideration received by the Company. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

| | **2023 Number** | **2022 Number** | **2023 $** | **2022 $** |
|---|---|---|---|---|
| Issued and fully paid | 525,707,452 | 418,173,077 | 79,824,046 | 66,921,753 |

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## 13. CONTRIBUTED EQUITY (Continued)

**Movement in ordinary share capital of the Company:**

| | Note | Year ended 30 June 2023 Number of Shares | Year ended 30 June 2023 $ | Year ended 30 June 2022 Number of Shares | Year ended 30 June 2022 $ |
|---|---|---|---|---|---|
| Opening balance | | 418,173,077 | 66,921,753 | 325,894,082 | 63,768,599 |
| Issued - placements | (a) | 22,063,633 | 2,427,000 | 51,250,000 | 2,320,000 |
| Issued – settlement of debt | (b) | 10,470,742 | 1,255,818 | 34,375,000 | 584,375 |
| Issued – equity settlement | (c) | 75,000,000 | 9,375,000 | | |
| Issued – Director fees | | - | - | 2,153,995 | 50,000 |
| Issued - option conversion | | - | - | 2,000,000 | 40,000 |
| Issued – Finnish due diligence | | - | - | 2,500,000 | 337,500 |
| Cost of issues | | - | (155,524) | - | (178,721) |
| **Closing balance** | | **525,707,452** | **79,824,046** | 418,173,077 | 66,921,753 |

(a) On 26 October 2022 22,063,633 shares were issued at $0.11 per share.
(b) On 6 October 2022 10,470,742 shares were issued as consideration for repayment of $649,186 of debt owing to Kabunga Holdings Pty Ltd. Refer to notes 12a.
(c) On 6 October 2022 75,000,000 shares were issued for the acquisition of Massive Nickel Pty Ltd. Refer to note 23.

Deferred consideration
40,000,000 shares were valued and considered deferred consideration and are in escrow following the acquisition of Element 92 Pte Limited. Refer to note 23 for details.

**Options**
As at 30 June 2023, the following unlisted options were on issue:

**2023**

| Number of Options | Option Exercise Price A$ | Option Expiry |
|---|---|---|
| 2,000,000 | $0.08 | 20/05/2025 |
| 2,094,118 | $0.08 | 20/05/2025 |
| 8,000,000 | $0.10 | 25/05/2025 |
| 5,000,000 | $0.15 | 22/06/2025 |
| 11,031,813* | $0.15 | 26/10/2025 |

*11,031,813 unlisted options exercisable at $0.15 and expiring on 25 October 2025 were issued on 25 October 2022 as part of the placement completed in October 2022.

**2022**

| Number of Options | Option Exercise Price A$ | Option Expiry |
|---|---|---|
| 2,000,000 | $0.08 | 20/05/2025 |
| 8,000,000 | $0.10 | 25/05/2025 |
| 5,000,000 | $0.15 | 22/06/2025 |

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## 13. CONTRIBUTED EQUITY (Continued)

**Performance Rights**
As at 30 June 2023, the following unlisted performance rights were on issue (30 June 2022: nil):

| Number of Performance Rights | | Performance Rights Expiry |
|---|---|---|
| Series 1 17,500,000 | – | 31/12/2024 |
| Series 2 17,500,000 | – | 31/12/2024 |

Series 1 Performance Rights are subject to the vesting conditions including but not limited to
1. Remaining as a Director of the Company until 29 September 2023, and
2. At any time between 22 September 2022 and 22 September 2024, the VWAP of shares calculated over any 5 consecutive trading day period on which trades in shares were recorded is $0.15 or more.

Series 2 Performance Rights are subject to the vesting conditions including but not limited to
3. Remaining as a Director of the Company until 22 September 2023, and
4. At any time between 22 September 2022 and 22 September 2024, the VWAP of shares calculated over any 5 consecutive trading day period on which trades in shares were recorded is $0.20 or more.

**Voting and dividend rights**
Ordinary shares participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held. At shareholders meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

**Capital management**
When managing capital, management's objective is to ensure the entity continues as a going concern as well as maintains optimal returns to shareholders and benefits for other stakeholders. Management also aims to maintain a capital structure that ensures the lowest cost of capital available to the entity.

Management may in the future adjust the capital structure to take advantage of favourable costs of capital and issue further shares in the market. There are no plans to distribute dividends in the next year.

**Dividends**
The Group did not pay nor declare dividends in the last financial year (2022: nil).

## 14. RESERVES

| | | Consolidated | |
|---|---|---|---|
| | Note | 2023 $ | 2022 $ |
| Foreign currency reserve | (a) | 1,292 | (12,118) |
| Capital contributions reserve | (b) | 88,933 | 88,933 |
| Share based payment reserve | (c) | 3,002,156 | 574,600 |
| | | **3,092,381** | **651,415** |
| **(a) Foreign currency reserve** | | | |
| Balance at the beginning of the year | | (12,118) | 173,459 |
| Currency translation differences arising during the year | | 13,410 | (185,577) |
| **Balance at the end of the year** | | **1,292** | **(12,118)** |

The foreign currency translation reserve is used to record exchange differences arising on translation of the Group entities that do not have a functional currency of Australian dollars and have been translated into Australian dollars for presentation purposes.

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## 14. RESERVES (Continued)

### (b) Capital contributions reserve

| | | |
|---|---|---|
| Balance at the beginning of the year | 88,933 | 88,933 |
| **Balance at the end of the year** | **88,933** | 88,933 |

The capital contributions reserve is used to record the fair value adjustments of loans from shareholders who have provided the Company interest free loans and advances.

### (c) Share based payments reserve

| | Consolidated | |
|---|---|---|
| | **2023** | **2022** |
| | **$** | **$** |
| Balance at the beginning of the year | 574,600 | - |
| Issue of options to corporate advisors | - | 574,600 |
| Issue of options | 202,314 | - |
| Issue of performance rights | 2,225,242 | - |
| **Balance at the end of the year** | **3,002,156** | 574,600 |

## 15. NON-CONTROLLING INTERESTS

| | Consolidated | |
|---|---|---|
| | **2023** | **2022** |
| | **$** | **$** |
| Non-controlling interests | (182,166) | (58,657) |
| Movement during the year: | | |
| Balance at the beginning of the year | (58,657) | (11,113) |
| *Share of profit/(loss) for the year | (123,510) | (47,543) |
| Balance at the end of the year | **(182,166)** | **(58,657)** |

Non-controlling interests represent:

- a 1% interest in Eastern Nickel Limited held by Leticia Herman Kabunga.
- A 25% interest in Eastern Nickel Pty Ltd held by Kabunga Holdings Pty Ltd <Kabunga Family A/C>.
- A 1% interest in Massive Nickel Tanzania Limited held by Leticia Herman Kabunga.

## 16. RELATED PARTY TRANSACTIONS

**Subsidiaries**
The consolidated financial statements include the financial statements of Resource Mining Corporation Limited and the subsidiaries listed in the following table:

| Name | | Class of shares | Country of incorporation | % Interest | |
|---|---|---|---|---|---|
| | | | | **2023** | **2022** |
| Resource Exploration Pty Ltd | | Ordinary | Australia | 100% | 100% |
| Eastern Nickel Pty Ltd | | Ordinary | Australia | 75% | 75% |
| Eastern Nickel Tanzania Limited | | Ordinary | Tanzania | 99%, held by Eastern Nickel Pty Ltd | 99%, held by Eastern Nickel Pty Ltd |
| Massive Nickel Pty Ltd | * | Ordinary | Australia | 100% | - |
| Massive Nickel Tanzania Limited | * | Ordinary | Tanzania | 99% held by Massive Nickel Pty Ltd | - |
| Element92 Pte Ltd | ** | Ordinary | Singapore | 100% | - |
| Element92 Suomi Oy | ** | Ordinary | Finland | 100% | - |

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## 16. RELATED PARTY TRANSACTIONS (Continued)

* The Company's acquisition of Massive Nickel Pty Ltd from Kabunga Holdings Pty Ltd (a company controlled by Executive Chairman, Asimwe Kabunga) was approved by Shareholders on 29 September 2022. The Company issued 75,000,000 fully paid ordinary shares to Kabunga Holdings Pty Ltd, as consideration, on 6 October 2022. The consideration shares are voluntarily escrowed for 6 months from the date of issue.

** The Company executed a Share Swap Agreement (SSA) in January 2023 to acquire all the issued shares in Element92 Pte Ltd, which via Finland domiciled subsidiary, Element92 Suomi Oy, holds the exploration reservations for three Finland projects, Kola, Hirvikallio and Ruossakero projects.

**Ultimate Parent**
Resource Mining Corporation Limited is the ultimate Australian parent entity and the ultimate parent of the Group.

**Compensation of Key Management Personnel**

| | Consolidated | |
|---|---|---|
| | **2023** | **2022** |
| | **$** | **$** |
| Short term benefits | 600,238 | 267,924 |
| Post-employment benefits | 12,272 | 3,409 |
| Share-based payment | 2,225,242 | - |
| | **2,837,753** | **271,333** |

No remuneration remains unpaid at 30 June 2023 (30 June 2022: nil).

**Transactions with Related Parties**

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. The following transactions occurred with related parties:

**a) Loans and Advances from related parties**

*Advances (unsecured and interest free) from related parties*

| | Consolidated | |
|---|---|---|
| | **2023** | **2022** |
| **Warwick Davies**[(i)] | **$** | **$** |
| Balance at the beginning of the year | - | 66,059 |
| Loans/Advances advanced | - | 11,001 |
| Repaid | - | (77,059) |
| **Balance at the end of the year** | **-** | **-** |

(i) Warwick Davies was the previous Managing Director of the Company who resigned on 23 March 2022.

| | Note | Consolidated | |
|---|---|---|---|
| | | **2023** | **2022** |
| *Loans (unsecured and interest free) from related parties* | | **$** | **$** |
| **Sinom (Hong Kong) Limited** [(i)] | | | |
| Balance at the beginning of the year - undiscounted | | - | 365,000 |
| Advances during the year | | - | 110,000 |
| New loan to repay convertible notes | | - | (475,000) |
| **Balance at the end of the year** – undiscounted | | **-** | **-** |

(i) Previous Non-Executive Director, Mr Zhang Chi, is the Managing Director and Shareholder of Sinom (Hong Kong) Limited. Mr Zhang Chi resigned as a Director on 22 November 2021.

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## 16. RELATED PARTY TRANSACTIONS (continued)

| | Consolidated | |
|---|---|---|
| | 2023 | 2022 |
| **Kabunga Holdings Pty Ltd** | **$** | **$** |
| Balance at the beginning of the year | 649,186 | - |
| Assignment of loans from Sinom | - | 475,000 |
| Assignment of loans from William Mackenzie | - | 724,186 |
| Repayment via share issue | (649,186) | (550,000) |
| **Balance at the end of the year** | **-** | **649,186** |

6 October 2022 42,750,000 fully paid ordinary shares were issued to KHPL, as consideration for the Massive Nickel Transaction and were voluntarily escrowed for a period of 6 months from date of issue. This was approved by shareholders at the General Meeting held on 29 September 2022, and were released from escrow to Asimwe Kabunga on 5 April 2023.

| | Consolidated | |
|---|---|---|
| | 2023 | 2022 |
| **Leticia Kabunga** | **$** | **$** |
| Loan acquired on acquisition | 117,185 | - |
| **Balance at the end of the year** | **117,185** | **-** |

Outstanding balances relate to amounts owed to Massive Nickel Tanzania Limited Director, Leticia Kabunga, as part of the Massive Nickel acquisition which occurred in October 2022.

## 17. SHARE BASED PAYMENTS

Total costs and share issue costs arising from share-based payment transactions recognised during the year were as follows:

| | Consolidated | |
|---|---|---|
| | 2023 | 2022 |
| **Recognised share-based payments costs** | **$** | **$** |
| Director performance rights | 2,225,242 | - |
| Consultant options | - | 546,400 |
| Lead manager options | - | 28,200 |
| Total expense and issue costs arising from share-based payment transactions | **2,225,242** | **574,600** |

### Performance Rights

On 6 October 2022, 35 million performance rights were issued to the Directors of the Company as approved by shareholders at the General Meeting held on 29 September 2022. The performance rights have been issued for nil cash consideration. The options cannot be transferred and will not be quoted on the ASX. Therefore, no voting rights are attached to the performance rights unless converted into ordinary shares. Each performance right represents a right to acquire one fully paid ordinary share in the capital of the Company, subject to the satisfaction of the applicable vesting conditions.

The vesting conditions of the performance rights on issue at 30 June 2023 are as follows:

50% of the performance rights will be subject to the condition that:

- A person remains as a Director as at the date that is 12 months after the General Meeting where shareholders approved the issue of the performance rights, and
- At any time between the General Meeting and the date that is 24 months are the General Meeting date, the VWAP of shares calculated over any 5 consecutive trading day period on which trades in shares were recorded is $0.15 or more.

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## 17. SHARE BASED PAYMENTS (continued)

The vesting conditions for the other 50% of the performance rights will be subject to:

- A person remains as a Director as at the date that is 12 months after the General Meeting where shareholders approved the issue of the performance rights, and

- At any time between the General Meeting and the date that is 24 months are the General Meeting date, the VWAP of shares calculated over any 5 consecutive trading day period on which trades in shares were recorded is $0.20 or more.

An independent valuation using the Up-and-In trinomial model was used to calculate the fair value of the performance rights granted on 6 October 2022, giving a fair value of $2,225,242. The share price was $0.12 with an expected volatility rate of 140%, risk-free interest rate 3.48%. The fair value of the share price at the time was $0.1144.

There have been no alterations of the terms and conditions of the above share-based payment arrangements since grant date.

### Options

On 6 October 2022, the Company issued 10,470,742 ordinary fully paid shares and 2,094,148 options with an expiry date of 20 May 2025 and an exercise price of $0.08 to Kabunga Holdings Pty Ltd (KHPL) (a company controlled by Executive Chairman, Asimwe Kabunga) as part repayment of $649,186 owing to KHPL, as approved by shareholders on 29 September 2022. The options over ordinary shares have been issued for nil cash consideration. The 2,094,148 options cannot be transferred and will not be quoted on ASX. Therefore, no voting rights are attached to the options unless converted into ordinary shares. The Black-Scholes valuation method was used to value the options using a volatility of 140.9% and a share price of $0.125 on issue date and an exercise price of $0.08. The 10,470,742 ordinary fully paid shares were valued at grant date of 6 October 2022 at $0.125 per share.

| | 2023 Number of Options | 2022 Number of Options |
|---|---|---|
| Outstanding as at 1 July | 15,000,000 | - |
| Granted during the year | 13,125,961 | 17,000,000 |
| Exercised during the year[(i)] | - | (2,000,000) |
| Outstanding at end of the year | 28,125,961 | 15,000,000 |
| Exercisable as at 30 June | **28,125,961** | **15,000,000** |

The Weighted Average Exercise Price ("WAEP") for the year ended 30 June 2023 is $0.13 (30 June 2022: $0.11). All options refer to options over ordinary shares of Resource Mining Corporation Limited which are exercisable on a one for one basis.

(i) 11,031,813 unlisted options exercisable at $0.15 and expiring on 25 October 2025 were issued on 25 October 2022 as part of the placement completed in October 2022.

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## 18. PARENT ENTITY DISCLOSURES

| | Parent Entity | |
|---|---|---|
| | 2023 | 2022 |
| | $ | $ |
| Current assets | 850,584 | 1,742,823 |
| Non-current assets | 7,037,172 | 228,960 |
| **Total assets** | **7,887,756** | **1,971,783** |
| Current liabilities | 3,325,542 | 1,173,274 |
| **Total liabilities** | **3,325,542** | **1,173,274** |
| **Net assets** | **4,562,214** | **798,508** |
| Issued capital | 79,824,064 | 66,921,753 |
| Reserves | 3,091,089 | 663,533 |
| Accumulated losses | (78,352,939) | (66,786,777) |
| **Total equity** | **4,562,214** | **798,508** |
| Profit/(loss) for the year | (11,401,098) | 2,987,131 |
| Total comprehensive profit/(loss) for the year | (11,401,098)) | 2,987,131 |

i) Guarantees: No guarantees have been entered into by the parent entity on behalf of the subsidiaries.
ii) Contingent liabilities: No contingent liabilities exist.

## 19. CONTINGENCIES AND DEFERRED CONSIDERATION

*Contingencies*
Resource Mining Corporation Limited and its controlled entities do not have any known material contingent assets however a contingent liability arose in the year.

*Deferred consideration*
Resource Mining Corporation Limited from the acquisition of Element 92 Pte Limited recognised $3,080,000 of a deferred consideration for the value of the 40,000,000 ordinary shares as equity settlement. The value was based on the fair value as at 19 January 2023. The shares have not been issued as at 30 September 2023 due to the tenement licenses for the Element 92 Suomi Oy not yet being granted. However, control has been established over the entity and its subsidiaries. A value for the amount AUD $ 3,080,000 has been estimated on the what the issue of shares will be. (30 June 2022: nil).

*Element 92 Pte Limited*
The Company is committed to issuing 40,000,000 ordinary shares the vendor when at least one license is issued to Element 92 Suomi Oy, a subsidiary of Element 92 Pte Limited.

## 20. REMUNERATION OF AUDITORS

| | Consolidated | |
|---|---|---|
| | 2023 | 2022 |
| | $ | $ |
| Amount received, or due and receivable, by the auditors for: | | |
| Auditing and reviewing of financial reports | 51,000 | 54,550 |
| Other services – corporate finance | 14,000 | 41,550 |
| | **65,000** | **96,100** |

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## 21. COMMITMENTS

### Mineral Tenement Commitments

*Tanzania*
In order to maintain current rights of tenure to mining tenements, the Group has exploration and evaluation expenditure obligations up until the expiry of those licences. The following stated obligations are not provided for in the financial statements and represent a commitment of the Group for Tanzania.

| | Consolidated | |
|---|---|---|
| | **2023** | **2022** |
| | **$** | **$** |
| Within 1 Year | 83,812 | 12,756 |
| Later than 1 year but not later than five years | 65,013 | 38,268 |
| **Total** | **148,825** | **51,024** |

*Finland*
In order to maintain current rights of tenure to mining tenements, the Group has exploration and evaluation expenditure obligations up until the expiry of those licences. The following stated obligations are not provided for in the financial statements and represent a commitment of the Group for Finland.

| | Consolidated | |
|---|---|---|
| | **2023** | **2022** |
| | **$** | **$** |
| Within 1 Year | 11,213 | - |
| Later than 1 year but not later than five years | - | - |
| **Total** | **11,213** | **-** |

*Massive Nickel Tanzania Limited*
As part of the Massive Nickel Tanzania Limited (MNTL) acquisition approved by shareholders on 29 September 2022, the Company will enter into a net smelter return royalty deed with KHPL, whereby a 1.5% net smelter return will be paid to KHPL for any future production arising form MNTL's Nickel exploration assets.

## 22. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks, including market risk (including currency risk), credit risk and liquidity risks. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the business. To date, the Group has not used derivative financial instruments. The Group uses different methods to measure different types of risk to which it is exposed.

### Risk Management

Risk management is carried out by the Board under policies approved by the Group's Board of Directors and includes evaluation of financial risks. The Board provides principles for overall risk management and the finance function provides policies with regard to financial risk management that are defined and consistently applied.

### (a) Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or contract, leading to a financial loss. The maximum exposure to credit risk, excluding the value of any collateral or other security, at reporting date, is the carrying amount net of any provisions for impairment of debts, as disclosed in the Statement of Financial Position and notes to the financial statement. In the case of material cash deposited, credit risk is minimised by depositing with recognised financial intermediaries such as banks, subject to Australian Prudential Regulation Authority Supervision. For banks and financial institutions, only independently rated parties with a minimum rating of AA are accepted.

The Group does not have any material risk exposure to any single debtor or Group of debtors under financial instruments entered into by it.

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### (b) Liquidity and Capital Risk

The Group has appropriate procedures in place to manage cash flows including continuous monitoring of forecast and actual cash flows to ensure funds are available to meet commitments. The objectives when managing the Group's capital is to safeguard the business as a going concern, to maximise returns to shareholders and to maintain an optimal capital structure in order to reduce the cost of capital. The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date.

| Financial liabilities | Less than 6 months | 6 to 12 months | 1 to 5 years | Over 5 years | Total Cash Flows | Carrying Value |
|---|---|---|---|---|---|---|
| **2023** | | | | | | |
| Trade and other payables | 334,652 | - | - | - | 334,652 | 334,652 |
| Interest bearing liabilities | - | - | - | - | - | - |
| Non-interest bearing liabilities* | 117,185 | - | - | - | 117,185 | 117,185 |
| | **451,837** | **-** | **-** | **-** | **451,837** | **451,837** |
| **2022** | | | | | | |
| Trade and other payables | 559,935 | - | - | - | 559,935 | 559,935 |
| Interest bearing liabilities | 1,767 | - | - | - | 1,767 | 1,767 |
| Non-interest bearing liabilities | 649,186 | - | - | - | 649,186 | 649,186 |
| | **1,210,887** | **-** | **-** | **-** | **1,210,887** | **1,210,887** |

* The fair value of non-interest bearing liabilities is considered the same as the carrying value as the time value of money from the date the debt was assigned to the date it will be repaid via issue of shares will not be material.

### (c) Interest Rate Risk

The Group's exposure to market risk for changes in interest rates relates primarily to interest on deposits with banking institutions. The sensitivities of a movement in interest rates have no material impact on the Group due to the small balances that are interest bearing.

### (d) Foreign Exchange Risk

As a result of operations in Tanzania in both United States dollars and Tanzanian shillings, and operations in Finland in Euros, the Group's Statement of Financial Position can be affected by movements in exchange rates. The Group does not hedge this exposure.

The Group manages its foreign exchange risk by constantly reviewing its exposure to commitments payable in foreign currency and ensuring appropriate cash balances are maintained in Tanzanian shillings, to meet current operational commitments.

The Group's exposure to foreign exchange risk for changes in exchange rates relates has no material impact on the Group due to the small balances of cash, receivables and payables.

Management believes the balance date risk exposures are representative of the risk exposure inherent in financial instruments.

### (e) Net Fair Values

Disclosure of fair value measurements by level are as follows:

- Level 1 – the fair value is calculated using quoted prices in active markets
- Level 2 – the fair value is estimated using inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices)
- Level 3 – the fair value is estimated using inputs for the asset or liability that are not based on observable market data

***Fair values of other financial instruments***

The carrying value of assets and liabilities, due to their short term nature, are assumed to approximate their fair value other than the following non-interest bearing liabilities. These borrowings are on interest-free terms, and accordingly present value calculations have been performed on the basis of an implied 14% discount rate as determined by the Directors.

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## 23. ASSET ACQUSITION AND FAIR VALUE ASSESSMENT

*Massive Nickel Tanzania Limited*
On 6 October 2022, the Company acquired 99% of Massive Nickel Tanzania Limited (MNTL) from Kabunga Holdings Pty Ltd, a company controlled by the Company's Executive Chairman, Mr. Asimwe Kabunga.

| | | 2023<br>$ |
|---|---|---|
| **Fair value of consideration** | | |
| Equity Instruments – 75,000,000 RMI Shares ($0.0125/share) | MNTL | 9,375,000 |
| **Total consideration** | | 9,375,000 |
| | | |
| **Assets and liabilities acquired** | | |
| Net value of assets/(liabilities) of subsidiaries acquired | MNTL | (115,733) |
| Exploration and evaluation assets | | 9,490,733 |
| **Total carrying value** | | **9,375,000** |
| Impairment | | (5,700,000) |
| **Adjusted carrying value** | | **3,675,000** |

The Massive Nickel projects are at an early stage of development, and there are a number of tenements included in the projects where exploration activities are taking place.

The Company's share price when the acquisition of MNTL was announced was $0.051. The shares issued as consideration for the acquisition were approved by shareholders at the General Meeting held on 6th October 2022, and the share price had risen to $0.125. No other material activities of the Company had occurred over this period.

Under accounting standards, where the value of a transaction is measured by the value of the consideration paid, the value of the shares must be determined by the share price on the date they were issued rather than when the proposed transaction was announced. The Company's share price when the initial acquisition of its interest in the Massive Nickel projects was announced was $0.051 and increased to $0.125 when the shares were issued on 6th October 2022, resulting in a significant variance in the fair value of the equity instruments issued.

Furthermore, in connection with the transaction the Company obtained an Independent Expert Valuation Report which provided a fair value estimate of the acquired tenements. This valuation was within a reasonable range of the Company's share price when the initial acquisition of its interest in the Massive Nickel projects was announced.

As a result, whilst the value of the consideration paid was measured using a share price on issue date of $0.125, the value of the Group's interest in MNTL was subsequently reassessed based on the above factors, resulting in an impairment recognised in the period of $5,700,000.

*Element 92 Pte Limited*

On 19 January 2023 the Company acquired 100% of Element 92 Pte Limited from Ropa Investments (Gibraltar) Limited. As the fair value of the project cannot be reliably determined, the asset acquisition has been recorded based on the fair value of consideration.

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## 23. ASSET ACQUSITION AND FAIR VALUE ASSESSMENT (Continued)

The carrying amount of the interest is made up of the amounts set out below:

| | | 2023 $ |
|---|---|---|
| **Fair value of consideration** | | |
| Equity Instruments – 40,000,000 RMI Shares ($0.077/share) | Element 92 | 3,080,000 |
| **Total consideration** | | 3,080,000 |
| | | |
| **Assets and liabilities acquired** | | |
| Net value of assets/(liabilities) of subsidiaries acquired | Element 92 | 5,517 |
| Exploration and evaluation assets | | 3,085,517 |
| **Total carrying value** | | **3,085,517** |
| Impairment | | - |
| **Adjusted carrying value** | | **3,085,517** |

The purpose of the Element 92 Pte Limited acquisition was to acquire the Finnish subsidiary, Element 92 Suomi Oy, which has a number of tenements in application in Finland, where exploration activities will begin to take place once a license is issued.

The Company has agreed with the Vendor to acquire Element 92 Pte Ltd in consideration for 40,000,000 RMI shares to be paid to the Vendor in two traches, being:

(a) 30,000,000 RMI Shares on the conversion of the first "Exploration reservation' to "Exploration Licence'; and

(b) 10,000,000 RMI Shares on the date that is three months after the date of issue of the TRMI shares subject to shareholders' approval.

At 30th June 2023 the shares have not been issued due no license yet being issued and is still in the application phase.

If no exploration reservation is converted to exploration licence by 9 October 2023, RMI has the ability to reverse the contractual arrangement.

The valued share price was $0.077 per share on 19 January 2023 being the completion date of acquisition. This gives a total consideration value of $3,080,000.

Exploration and evaluation costs are carried forward where right of tenure of the area of interest is current and they are expected to be recouped through sale or successful development and exploitation of the area of interest, or, where exploration and evaluation activities in the area of interest have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

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

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## 24. SEGMENT INFORMATION

The Group operates within two geographical segments within mineral exploration and extraction, being Tanzania and Finland. The segment information provided to the chief operating decision maker is as follows:

| 2023 | Exploration activities | Exploration activities | Corporate activities | Consolidated |
|---|---|---|---|---|
| | Tanzania | Finland | Australia | |
| | | | | |
| Segment Revenue | - | - | 7,001 | 7,001 |
| **Total Revenue** | - | - | 7,001 | **7,001** |
| | | | | |
| Segment result before income tax | (7,176,904) | (11,570) | (4,152,868) | (11,341,342) |
| **Profit before income tax** | | | | **(11,341,342)** |
| | | | | |
| Segment assets | 4,116,608 | 3,083,506 | 893,938 | 8,094,052 |
| Segment liabilities | (206,295) | (21,187) | (3,304,355) | (3,531,837) |

| 2022 | Exploration activities | Exploration activities | Corporate activities | Consolidated |
|---|---|---|---|---|
| | Tanzania | Finland | Australia | |
| | | | | |
| Segment Revenue | - | - | 5,101,823 | 5,101,823 |
| **Total Revenue** | - | - | 5,101,823 | **5,101,823** |
| | | | | |
| Segment result before income tax | (574,324) | - | 3,487,450 | 2,913,126 |
| **Profit before income tax** | | | | **2,913,126** |
| | | | | |
| Segment assets | 28,364 | - | 1,742,823 | 1,771,187 |
| Segment liabilities | (268,383) | - | (942,505) | (1,210,888) |

## 25. MATTERS SUBSEQUENT TO THE REPORTING PERIOD

Subsequent to year end, the following occurred:

- On 28 July 2023, the Company and Chief Executive Officer (CEO) Mr Andrew Nesbitt mutually agreed to separate and Andrew's engagement as CEO ceased.
- On 16 August 2023, the Company announced a capital raising of up to approximately $2 million (before costs) through a placement to sophisticated and professional investors and a subsequent partially underwrites non-renounceable entitlement offer to eligible shareholders.
- On 21 August 2023, the Company completed a placement and issued 20 million new fully paid ordinary shares at $0.05 per share to raise $1 million (before costs).
- On 18 September 2023, the Company completed a partially underwritten non-renounceable entitlement offer and issued 6,640,355 new fully paid ordinary shares at $0.05 per share to raise $332k (before costs). A further issue of 10 million shares and an additional $500k is planned to be raised on 2 October 2023 when the underwritten shares are issued.

There are no other matters or circumstances that have arisen since 30 June 2023 that have or may significantly affect the operations, results, or state of affairs of the Group in future financial years.

## DIRECTOR'S DECLARATION
## for the year ended 30 June 2023

1. In the opinion of the Directors:

   a) The financial statements and notes are in accordance with the Corporations Act 2001, including:

      i) giving a true and fair view of the Group's financial position as at 30 June 2023 and of its performance for the year then ended; and

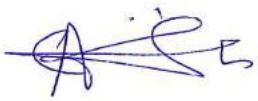
      ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations), the Corporations Regulations 2001 and other mandatory professional reporting requirements; and

      iii) complying with International Financial Reporting Standards (IFRS) as stated in note 1 of the financial statements; and

   b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

2. This declaration has been made after receiving the declarations required to be made to the Directors in accordance with Section 295A of the Corporations Act 2001 for the financial year ended 30 June 2023.

This declaration is signed in accordance with a resolution of the Board of Directors.



Asimwe Kabunga
Executive Chairman and Director
Dated this 29th day of September 2023

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**INDEPENDENT AUDITOR'S REPORT**

To the members of Resource Mining Corporation Limited

## Report on the Audit of the Financial Report

### Opinion

We have audited the financial report of Resource Mining Corporation Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2023, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies and the directors' declaration.

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

(i) Giving a true and fair view of the Group's financial position as at 30 June 2023 and of its financial performance for the year ended on that date; and

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

### Basis for opinion

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

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

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



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**Material uncertainty related to going concern**

We draw attention to Note 1(c) in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the group's ability to continue as a going concern and therefore the group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

**Key audit matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report

**Accounting for asset acquisitions**

| *Key audit matter* | *How the matter was addressed in our audit* |
|---|---|
| During the year, the Group acquired all the issued capital in Massive Nickel Pty Ltd (a related party entity) and Element92 Pte Ltd as disclosed in Note 23.<br><br>The Group accounted for the above transactions as asset acquisitions, after consideration and assessment of the details of each acquisition and the requirements of AASB 3 *Business Combinations* ('AASB 3').<br><br>Accounting for an asset acquisition is a complex accounting area due to the judgment applied in determining the treatment. In particular:<br>• Determination of the fair value of purchase consideration; and<br>• Identification and measurement of the fair value of assets acquired and liabilities assumed.<br><br>We therefore considered the asset acquisitions to be a Key Audit Matter. | Our procedures included, but were not limited to the following:<br>• Assessing the Group's determination that the acquisitions represented asset acquisitions in applying the criteria of AASB 3 to each acquisition;<br>• Confirming the appropriate acquisition dates with reference to supporting acquisition agreements;<br>• Reviewing the relevant agreements to obtain an understanding of the contractual terms and conditions of the transactions;<br>• Assessing management's determination of the fair value of consideration paid and agreeing to supporting documentation;<br>• Reviewed the basis for management's impairment calculation for Massive Nickel and the supporting independent valuation report;<br>• Agreeing the assets acquired and liabilities assumed to underlying data; and<br>• Assessing the adequacy of the related disclosures in Notes 1 and 23 to the Financial Report. |

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## Accounting for share-based payments

| *Key audit matter* | *How the matter was addressed in our audit* |
|---|---|
| During the year, the Company issued equity instruments. These instruments included issue of 35 million performance rights to directors, as well as 2,094,148 options issued to Kabunga Holdings Pty Ltd ('KHPL') as part repayment of $649,186 owing to KHPL as approved by shareholders at the Company's General Meeting on 29 September 2022 as disclosed in Note 17.<br><br>These instruments constitute share-based payments and accordingly are required to be recognised at their fair value and expensed over the respective vesting (performance) period.<br><br>Such arrangements embed complexities and significant judgements under the applicable accounting standard, particularly in respect to valuation and accounting. | Our procedures included, but were not limited to the following:<br><br>• Reviewing the relevant agreements to obtain an understanding of the contractual nature and terms and conditions of the share-based payment arrangements;<br><br>• Holding discussions with management to understand the share-based payment transactions in place;<br><br>• Reviewing management's determination of the fair value of the share-based payments granted, considering the appropriateness of the valuation models used and assess the valuation inputs;<br><br>• Engaging our valuation specialists to assess the reasonableness of management's valuation inputs;<br><br>• Verifying the share-based payment expense has been recognised appropriately over the relevant vesting period; and<br><br>• Assessing the adequacy of related disclosures in Note 1, 16 and 17 to the Financial Report. |

### Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2023, but does not include the financial report and the auditor's report thereon.

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

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

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

**Responsibilities of the directors for the Financial Report**

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

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or 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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (http://www.auasb.gov.au/Home.aspx) at:

https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf

This description forms part of our auditor's report.

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## Report on the Remuneration Report

### Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 16 to 20 of the directors' report for the year ended 30 June 2023.

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

### Responsibilities

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

**BDO Audit (WA) Pty Ltd**



**Neil Smith**

**Director**

Perth, 29 September 2023

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**DECLARATION OF INDEPENDENCE BY NEIL SMITH TO THE DIRECTORS OF RESOURCE MINING CORPORATION LIMITED**

As lead auditor of Resource Mining Corporation Limited for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Resource Mining Corporation Limited and the entities it controlled during the period.



**Neil Smith**

**Director**

**BDO Audit (WA) Pty Ltd**

Perth

29 September 2023



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# ADDITIONAL SHAREHOLDER INFORMATION

Additional information required by the Australian Securities Exchange Listing Rules and not disclosed elsewhere in this report is set out below. The information is current as at 20 September 2023.

**ANALYSIS OF SHAREHOLDING - Ordinary Shares**

| Size of Holding | Number of Holders | Number of Shares | % of Shares |
|---|---|---|---|
| 1 – 1,000 | 488 | 174,583 | 0.03 |
| 1,001 – 5,000 | 515 | 1,433,008 | 0.26 |
| 5,001 – 10,000 | 228 | 1,806,249 | 0.33 |
| 10,001 – 100,000 | 520 | 18,782,493 | 3.40 |
| 100,001 – or more | 214 | 530,151,474 | 95.98 |
| **TOTAL** | **1,965** | **552,347,807** | **100%** |

**SUBSTANTIAL SHAREHOLDERS**

The following substantial shareholders have notified the Company in accordance with the *Corporations Act 2001:*

| Shareholder Name | Number of Shares | % of Shares |
|---|---|---|
| Kabunga Holdings Pty Ltd <Kabunga Family A/C> | 128,474,001 | 23.26% |
| Topwei Two Pty Ltd <Topwei Two Family A/C> | 33,567,818 | 6.08% |

**TOP 20 SHAREHOLDERS**

The top 20 largest shareholders are listed below:

| | Name | Number of Shares | % of Shares |
|---|---|---|---|
| **1** | KABUNGA HOLDINGS PTY LTD <KABUNGA FAMILY A/C> | 128,474,001 | 23.26 |
| **2** | TOPWEI TWO PTY LTD <TOPWEI TWO FAMILY A/C> | 33,567,818 | 6.08 |
| **3** | HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED | 17,997,929 | 3.26 |
| **4** | BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP> | 17,763,128 | 3.22 |
| **5** | MS LETICIA HERMAN KABUNGA | 17,622,939 | 3.19 |
| **6** | MR ROHAN PATNAIK | 16,353,754 | 2.96 |
| **7** | AFRIKA KAZI LIMITED | 15,200,000 | 2.75 |
| **8** | MS JOVITHA CHARLES JOSEPH | 15,200,000 | 2.75 |
| **9** | MR XIAODONG MA | 13,970,000 | 2.53 |
| **10** | MR YULONG GU | 13,085,275 | 2.37 |
| **11** | ROPA INVESTMENTS (GIBRALTAR) LIMITED | 13,000,000 | 2.35 |
| **12** | BNP PARIBAS NOMS PTY LTD <DRP> | 11,741,056 | 2.13 |
| **13** | MR HASHIMU MUSEDEM MILLANGA | 11,444,801 | 2.07 |
| **14** | MR WALEED KH S A A ESBAITAH | 10,664,773 | 1.93 |
| **15** | MR JIUMIN YAN | 10,426,063 | 1.89 |
| **16** | IGNITE EQUITY PTY LTD | 9,130,000 | 1.65 |
| **17** | KEEN MERIT LIMITED | 8,503,171 | 1.54 |
| **18** | BEST VENTURE DEVELOPMENT LIMITED | 8,469,895 | 1.53 |
| **19** | VEN CAPITAL PTY LTD | 8,256,815 | 1.49 |
| **20** | CITICORP NOMINEES PTY LIMITED | 7,571,261 | 1.37 |
| **TOTAL TOP 20 HOLDERS** | | **388,442,679** | **70.33** |
| **TOTAL REMAINING HOLDERS BALANCE** | | **163,905,128** | **29.67** |
| **TOTAL** | | **552,347,807** | **100%** |

The Company had unmarketable parcels for 1,259 shareholders holding 3,723,501 units at 20 September 2023.

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## VOTING RIGHTS

Article 13.13 of the Constitution specifies that on a show of hands every member present in person, by attorney or by proxy shall have:

a) for every fully paid share held by him one vote
b) for every share which is not fully paid a fraction of the vote equal to the amount paid on the share over the nominal value of the shares.

## OPTION HOLDINGS AT 20 SEPTEMBER 2023

| | Class | Terms | Number of Options |
|---|---|---|---|
| OP2 | Unlisted options | Expiry 20/05/25 Exercise Price $0.08 | 4,094,148 |
| OP3 | Unlisted options | Expiry 25/05/25 Exercise Price $0.10 | 8,000,000 |
| OP4 | Unlisted options | Expiry 22/06/25 Exercise Price $0.15 | 5,000,000 |
| OP5 | Unlisted options | Expiry 26/10/25 Exercise Price $0.15 | 11,031,813 |
| **TOTAL** | | | **28,125,961** |

## ANALYSIS OF UNLISTED OPTION HOLDINGS AT 20 SEPTEMBER 2023

| Size of Holding | Number of Holders | Number of Options | % of Options |
|---|---|---|---|
| 1 – 1,000 | - | - | - |
| 1,001 – 5,000 | - | - | - |
| 5,001 – 10,000 | - | - | - |
| 10,001 – 100,000 | 5 | 395,454 | 1.14 |
| 100,001 – or more | 28 | 27,730,507 | 98.59 |
| **TOTAL** | **33** | **28,125,961** | **100%** |

The following Option holders hold more than 20% of a particular class of the Company's Unlisted Options:

| | Number of Options held | | | |
|---|---|---|---|---|
| **Holder** | **OP2** | **OP3** | **OP4** | **OP5** |
| Kabunga Holdings Pty Ltd <Kabunga Family A/C> | 2,094,148 | | | |
| Topwei Two Pty Ltd <Topwei Two Family A/C> | 2,000,000 | | | |
| Cong Ming Limited | | 4,000,000 | | |
| New Street Capital Pty Ltd | | 3,000,000 | | |
| Mr Ying Wang | | | 1,000,000 | |
| Mr Zuliang Park Wei + Ms Bao Hong Zhang <Wei & Zhang Super Fund A/C> | | | 1,500,000 | |
| Mr Bin Zhou | | | 1,000,000 | |
| Heping Pty Ltd | | | | 2,500,000 |

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## PERFORMANCE RIGHTS

### ANALYSIS OF UNLISTED PERFORMANCE RIGHTS HOLDINGS AT 20 SEPTEMBER 2023

| Size of Holding | Number of Holders | Number of Performance Rights | % of Performance Rights |
|---|---|---|---|
| 1 – 1,000 | - | - | - |
| 1,001 – 5,000 | - | - | - |
| 5,001 – 10,000 | - | - | - |
| 10,001 – 100,000 | - | - | - |
| 100,001 – or more | 4 | 35,000,000 | 100.00 |
| **TOTAL** | **4** | **35,000,000** | **100%** |

The following Performance Rights holders hold more than 20% of the Company's Unlisted Performance Rights on issue:

| Holder | Performance Rights held |
|---|---|
| Kabunga Holdings Pty Ltd <Kabunga Family A/C> | 20,000,000 |

### INTEREST IN MINING TENEMENTS

| Company | Project | Location | Tenement No. | RMC Interest |
|---|---|---|---|---|
| Eastern Nickel Tanzania Limited | Kabulwanyele | Tanzania | PL/11534/2021 | 74.25% |
| Eastern Nickel Tanzania Limited | Kabulwanyele | Tanzania | PL/11535/2021 | 74.25% |
| Eastern Nickel Tanzania Limited | Kabulwanyele | Tanzania | PL/17691/2021* | 74.25%* |
| Massive Nickel Tanzania Limited | Liparamba | Tanzania | PL 11725/2021 (previously PL/16943/2021 | 99.00% |
| Massive Nickel Tanzania Limited | Mbinga | Tanzania | PL 11726/2021 | 99.00% |
| Massive Nickel Tanzania Limited | Kapalagulu | Tanzania | PL 11724/2021 | 99.00% |
| Massive Nickel Tanzania Limited | Mbinga | Tanzania | PL/16944/2021* | 99.00%* |
| Massive Nickel Tanzania Limited | Kapalagulu | Tanzania | PL/17155/2021* | 99.00%* |
| Massive Nickel Tanzania Limited | Kapalagulu | Tanzania | PL 12196/2023 (previously PL/17041/2021)** | 99.00%** |
| Massive Nickel Tanzania Limited | Liparamba | Tanzania | PL/16942/2021* | 99.00%* |
| Massive Nickel Tanzania Limited | Kitai | Tanzania | PL 12195/2023 (previously PL/17015/2021** | 99.00%** |
| Massive Nickel Tanzania Limited | Kapalagulu | Tanzania | PL/17503/2021* | 99.00%* |

| Company | Project | Location | Tenement No. | RMC Interest |
|---|---|---|---|---|
| Massive Nickel Tanzania Limited | Kapalagulu | Tanzania | PL/17505/2021* | 99.00%* |
| Massive Nickel Tanzania Limited | Kapalagulu | Tanzania | PL 12197/2023 (previously PL/17687/2021)** | 99.00%** |
| Massive Nickel Tanzania Limited | Kapalagulu | Tanzania | PL/17757/2021* | 99.00%* |
| Massive Nickel Tanzania Limited | Kabanga | Tanzania | PL 12198/2023 (previously PL/17511/2021)** | 99.00%** |
| Massive Nickel Tanzania Limited | Kapalagulu | Tanzania | PL/17504/2021* | 99.00%* |
| Element92 Suomi Oy | Hirvikallio | Finland | VA2022:0012 | 100.00% |
| Element92 Suomi Oy | Kola | Finland | VA2022:0013 | 100.00% |
| Element92 Suomi Oy | Ruossakero | Finland | VA2022:0014 | 100.00% |
| Element92 Suomi Oy | Pikkukkalio | Finland | Submitted | 100.00%* |
| Element92 Suomi Oy | Köyhäjoki | Finland | Submitted | 100.00%* |
| Element92 Suomi Oy | Neverbacka | Finland | Submitted | 100.00%* |

* Tenement applied for but not yet granted.
** Tenements acquired during the quarter.

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