



Aircore drilling at Nimrod's North Bourke Project area

Chairman's Report

Dear Shareholder,

On behalf of the Board of Nimrod Resources Limited (the "Company"), it is my pleasure to present to you the annual report for the Year Ending 30 June 2023.

With the Capital raised in June 2022 and March 2023, I do thank all those who contributed.

Your Company's Exploration program during the year included 39 AC/RC holes for 3637 meters of drilling. These results were Assayed, and a report was sent to all Shareholders in September 2023 with the results.

When looking at these results, it was the desire to use results of all historical Exploration work undertaken, to guide our future Exploration, so we convened a meeting on the 8th August 2023, to review our total Exploration program to date, and to outline the way forward. We brought together both External and Internal Experts. From that day, considerable work has been ongoing, by our Exploration Manager, Director David Hutton and External Experts Jon Hornsky and John Donahue. We will have an update for you by the 2023 AGM.

Nimrod remains focused on the most prospective portion of its Bourke Project.

In recent months, there has been a change in the weather at Bourke, from floods to now the potential of a drought, which brings with it new challenges.

Your Board is very mindful of the efficient spending of all capital raised. As such, all overheads have again been reviewed, and some major changes made to reduce expenses.

Further capital raising will continue to be a key issue in the 23/24 financial year. Shareholder support will be key as without it the Company would not have a future. I believe that the August 2023 review of the Exploration Program direction has enabled your Company to be best positioned to deliver exploration success, leveraging all historical information gathered by our Exploration.

To the Nimrod Board, Consultants and Contractors, on behalf of the Shareholders, I say thank you for all your expertise and efforts.

To the Shareholders who have supported our Exploration, I say thank you.

Nimrod has come through some difficult times in its history, but we are encouraged with the current exploration direction.



Bruce D McIver AM
Executive Chairman
19th October 2023

Directors & Officers



Bruce McIver, AM, FAICD

Chairman

Bruce is a Non-Executive Director of Palmer Leisure Australia Pty Ltd. He is also the Chairman of Sozo Resources Pty Ltd, Hunt Resources Pty Ltd and the McIver Group of Companies. Previously Bruce has served on a number of Boards specialising in Bulk Shipping, Mining Logistics, Oil & Gas Logistics, Property and with Australia Post. He also held positions in Australian Politics. Bruce has been a Fellow of the Australian Institute of Company Directors (AICD) since 2004.



Peter Jans, LLB (Hons), Grad. Dip (Ancient History), MA

Non-Executive Director

Peter is a senior commercial, corporate and resources lawyer with direct ASX listed experience, including group general counsel and company secretary for ERM Power Limited (ASX: EPW), Queensland Gas Company Limited (ASX:QGC) and CS Energy Limited (QLD: GOC). Peter has extensive experience in capital markets, including IPOs, mergers, acquisitions, equity and funding raisings, corporate governance and structuring, as well as regulatory dealings (ASX, ASIC and ACCC).



Terry O'Reilly B.Com, MBA, M.AppFin, FAICD, CPA

Non-Executive Director

Terry has extensive commercial experience in both Australia and Asia. With Rio Tinto he had Managing Director roles at Pacific Coal and Coal and Allied. He has been a director of a number of listed and unlisted companies including MacArthur Coal and is currently Chair of Batchfire Resources Pty Ltd.



DAVID HUTTON

Non-Executive Director – B.Sc. (Hons), FAusIMM, MAIG

David has over 30 years mining industry experience, having worked in a range of operational roles with the MIM Group, Forrestania Gold, Western Metals, LionOre Australia, both locally and overseas. David has extensive mineral exploration experience across a number of commodities including gold, copper, nickel, silver, lead and zinc. Prior to joining Nimrod Resources, David spent the last 12 years as Managing Director of two ASX – listed mineral exploration companies – firstly Breakaway Resources and then Mithril Resources. He has a Bachelor of Science (Honours) degree majoring in Geology from Monash University Victoria, is a Fellow of Australasian Institute of Mining and Metallurgy, and a Member of the Australian Institute of Geoscientists.

Directors & Officers (cont'd)



Stephen Gaffney B.Bus (Acctcy), B.Laws, ACA

Company Secretary & Financial Controller

Stephen has 20 years of professional and commercial accounting experience with a demonstrated history of working in the pharmaceutical, aviation, manufacturing, cement, mining & metals industries. He has worked both domestically and internationally, spanning both privately listed and public companies. Stephen has extensive experience in cash flow, business planning, financial analysis, corporate governance, equity and capital raisings, management, M&As and consolidation. He is a member of the Australian Institute of Chartered Accountants.

Management



Damien Mizow B.Sc. (Hons)

Exploration Manager

Damien has a 16 year career in the mineral industry having worked in Australia, Scandinavia and Ecuador. This has included experience in underground mine geology and extensive experience in greenfields base-metal and gold exploration and management of advanced exploration programs. Previous engagements have ranged from working with junior exploration companies through to majors and mid-tier mining companies such as Xstrata Zinc and Oz Minerals. Mr Mizow holds a Bachelor of Science with Honours, majoring in Geology, from the University of Adelaide and is a Director of Hunt Resources Pty Ltd.

Review of Operations

Company Overview

Nimrod Resources Limited ("Nimrod") is an unlisted public company engaged in mineral exploration for gold and base-metals.

Project Location

Nimrod has two projects termed the North Bourke and South Bourke Projects. The North Bourke Project is the flagship asset and is located 70km north of Bourke in New South Wales, while the South Bourke Project is located 60km south of Bourke (Figure 1).

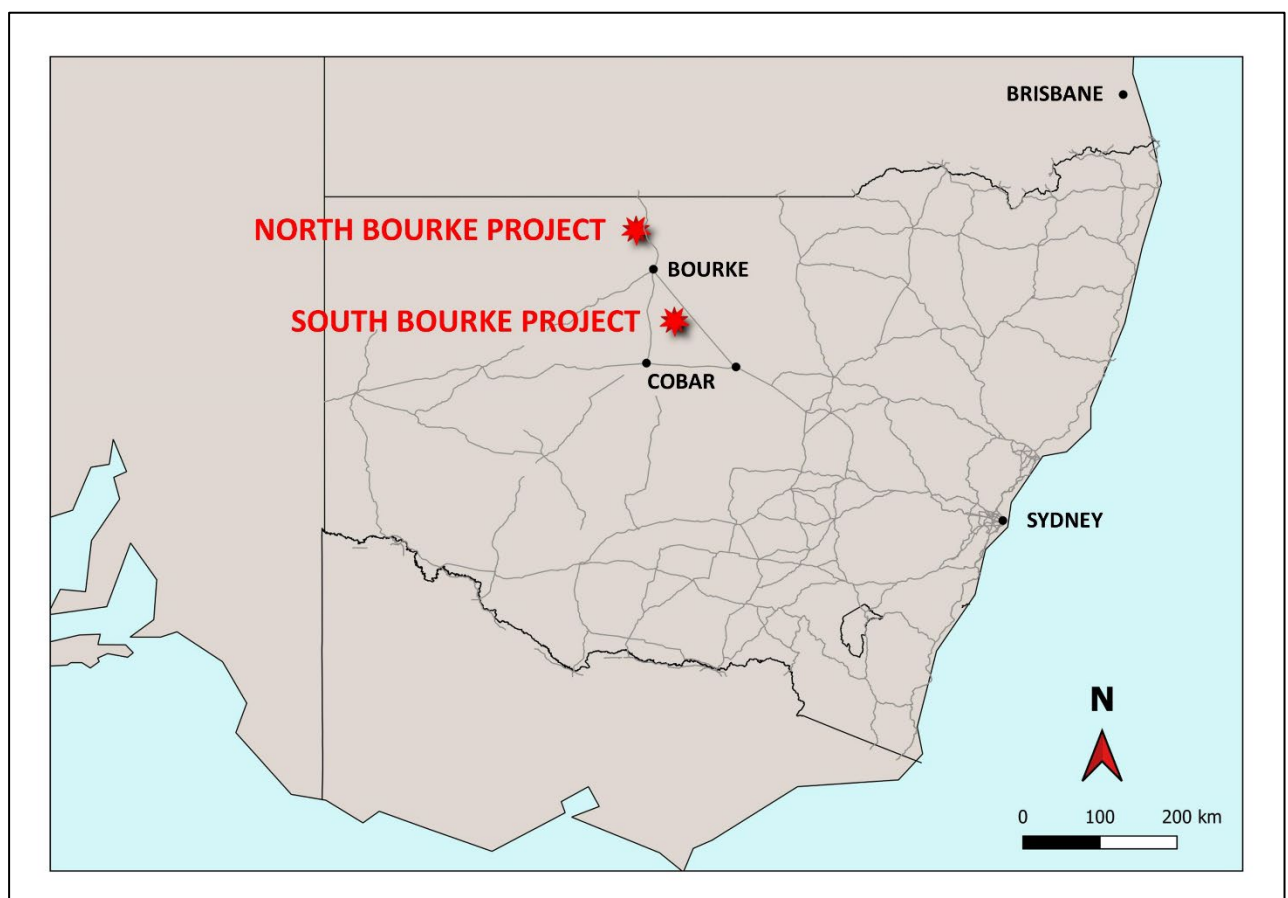


Figure 1: Location of the North Bourke and South Bourke Projects in New South Wales.

Tenure

Nimrod exploration ground is shown in Figure 2 and in Table 1. The Company holds six granted exploration licences (ELs) and two exploration licences in application (ELAs) covering the North and South Bourke Projects (Figure 2).

Review of Operations

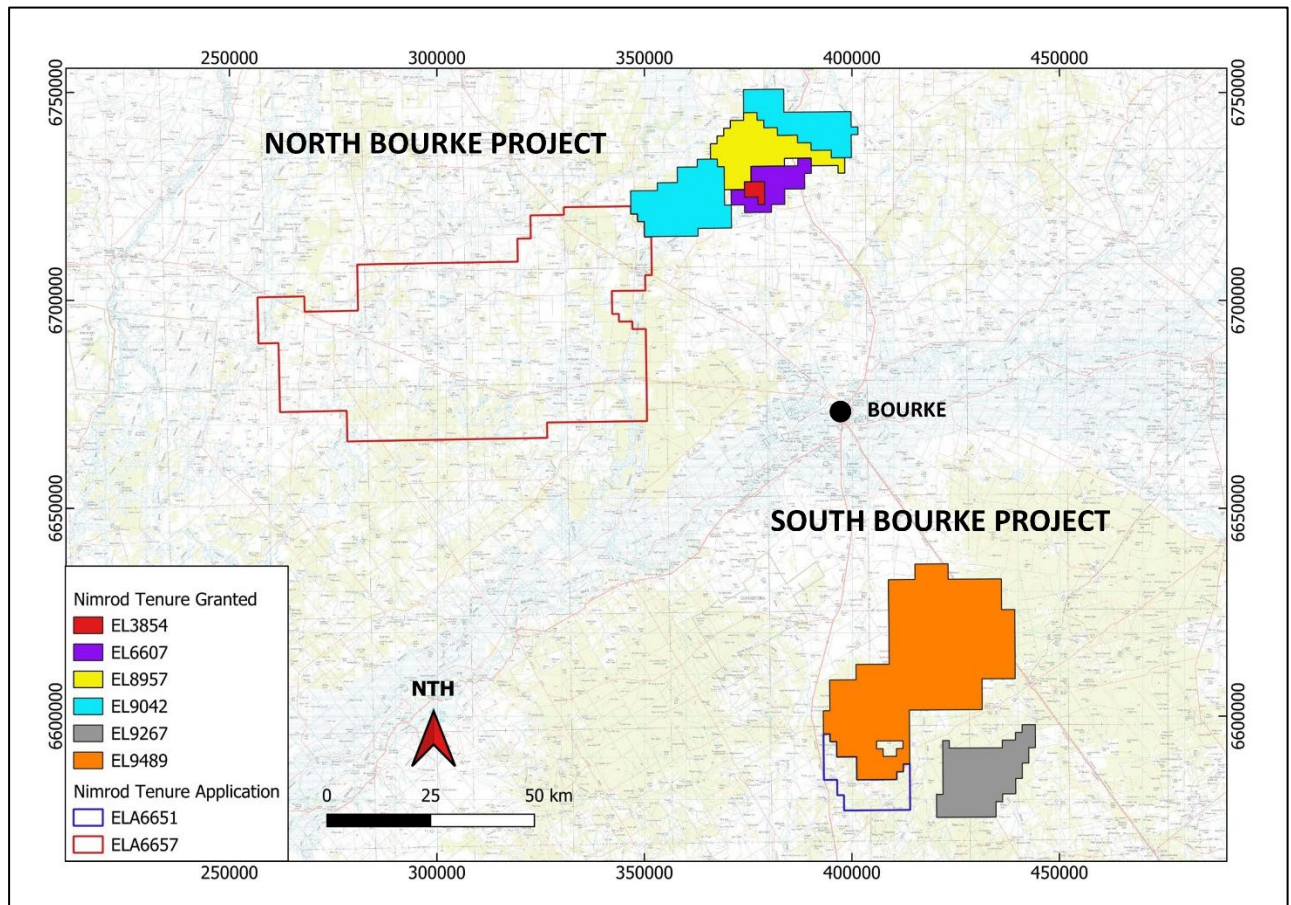


Figure 2: Map of Nimrod Exploration Licences.

Title No.	Project	Grant Date	Expiry Date	Units	Comments
EL3854	North Bourke	21/05/1991	21/05/2024	7	
EL6607	North Bourke	2/08/2006	02/08/2023	41	
EL8957	North Bourke	31/03/2020	31/03/2026	87	
EL9042	North Bourke	11/02/2021	11/02/2026	179	
ELA6657	North Bourke			1,250	In Application from 10/08/2023
EL9267	South Bourke	20/08/2021	20/08/2025	111	
EL9489	South Bourke	08/11/2022	08/11/2025	439	
ELA6651	South Bourke			65	In Application from 03/08/2023

Table 1: Nimrod Exploration Licence status.

Review of Operations

Geology and Exploration Rationale

North Bourke Project

The Bourke Project is located in the Southern Thomson Orogen, a broadly east-west oriented terrane, straddling the NSW-QLD border. The Thomson Orogen comprises Palaeozoic and perhaps older rocks but little is known about its geology due to large areas being totally covered by younger Mesozoic sedimentary rocks of the Eromanga Basin. The Eromanga Basin is often referred to as the "Great Artesian Basin" and contains a major aquifer near its base, hosted by the Jurassic Hooray Sandstone. There are no outcrops of Palaeozoic basement rocks within the Bourke Project.

The project area is dominated by a southwest - northeast oriented structural fabric and locally includes two major fault zones (FZ), the Culgoa FZ and the Yalambie FZ (Figure 3). These major northeast trending faults, and in particular the Yalambie FZ, represent a segment of the continental-scale Darling River Lineament or G7 lineament. The giant Broken Hill silver-lead-zinc deposits lie within the Darling River Lineament (further to the southwest), which represents a complex, multi-stage composite structural zone.

Another important structural fabric is a northwest to west-northwest trend, which represents part of the continental-scale Newcastle Lineament or G3 lineament and locally manifests as the Congararra FZ within the project area.

The intersection of these crustal scale faults forms the focus of continued exploration and supports the lodgement of the Exploration Licence Application ELA6657 which represents the western extension to the North Bourke Project.

The project area is considered prospective for 1) Orogenic Gold on the basis it overlaps with trans-lithospheric faults which are largely regarded as the necessary conduits for gold and volatiles sourced from the upper mantle 2) Nickel-Copper-PGE-Gold systems such as that observed at the Pirillie Prospect and 3) Cobar style basemetal-gold deposits based on volcanics intersected in historic Nimrod drilling which are a similar age to the major metal endowed Cobar Basin.

South Bourke Project

The South Bourke Project is located along the northern margin of the Central Lachlan Orogen a Palaeozoic terrane largely concealed by shallow Quaternary cover (<50m thick). Basement is dominated by the early Ordovician Girilambone Group sediments, consisting of deep water turbidites with cherts and mafic volcanics (such as the Mount Dijou basalts). Unconformably overlying and in

Review of Operations

faulted contact with the Girilambone Group are the Siluro-Devonian Cobar Supergroup. Over the project area they are expressed as north-south orientated units such as the shallow marine Coronga Peak Quartzites and are considered to be erosional remnants of a much larger sedimentary package. This package of rocks is intruded by several granitic intrusions formed between the Early Silurian to Early Devonian and serpentinised ultramafic intrusions.

In the Late Silurian the opening of numerous basins occurred across central western NSW. A deep marine trough formed west of the project area, called the Cobar Basin. This was subsequently deformed and inverted during the Early Devonian Cobar deformation event and contemporaneous with Cobar style gold and base metal mineralisation (~395Ma).

Given the above, the project area is considered prospective for Girilambone style and Cobar style basemetal - gold deposits and structurally controlled gold mineralisation as observed near the Mt Dijou Volcanic member.

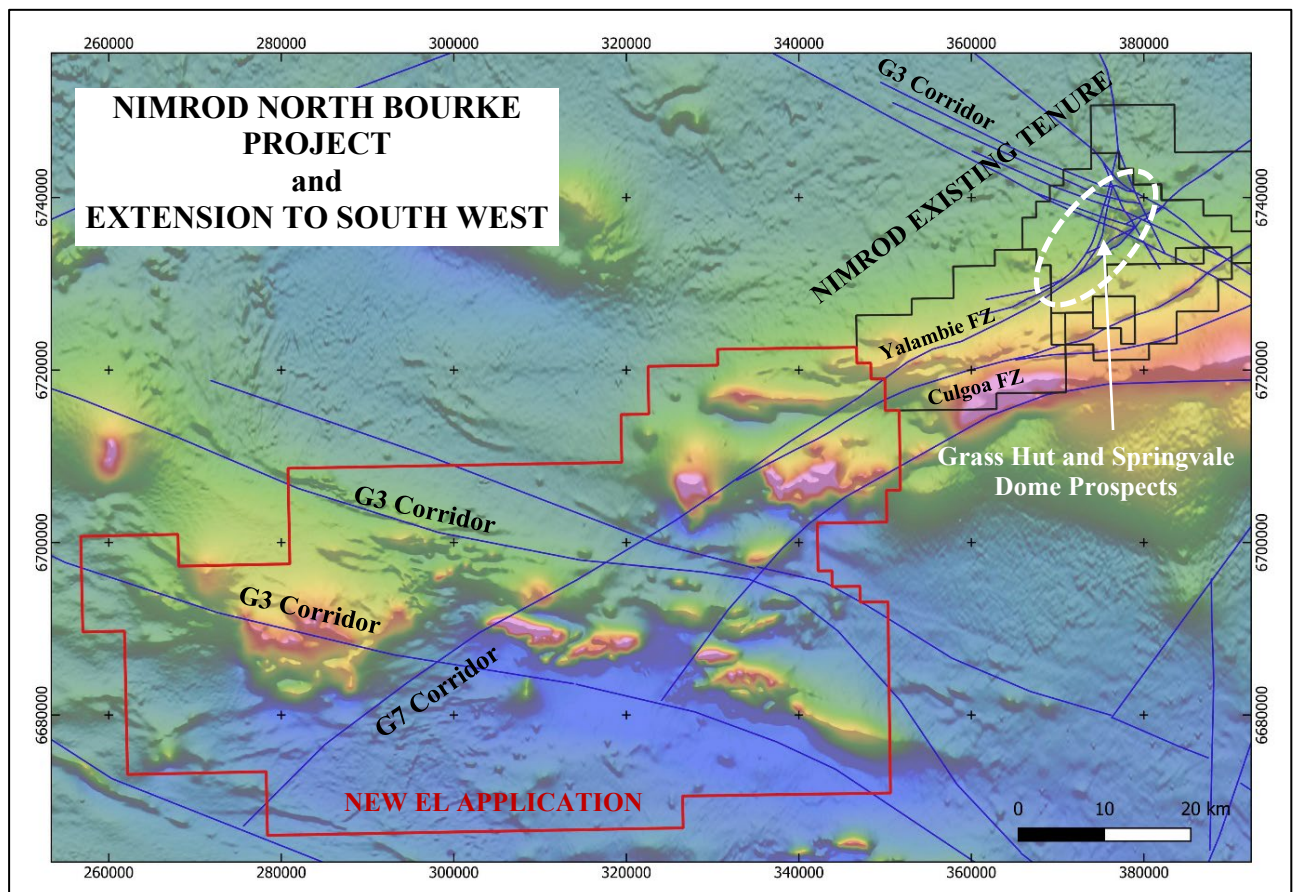


Figure 3: North Bourke Project showing the major structural features of the G3 and G7 lineaments. A new EL Application (red) is positioned immediately south west of the existing project and covers a critical intersection between these structures. This EL is prospective for Orogenic Gold, Cobar style basemetal-gold deposits and magmatic Nickel-Copper-PGE deposits. Background RTP image.

Review of Operations

Exploration Summary

North Bourke Project

39 AC/RC holes for 3637m were drilled covering two key prospects, namely the Grass Hut and Springvale Dome Prospects (Figure 4).

The Grass Hut Gold Prospect was previously identified as a 1,500m long gold target defined by anomalous soil geochemistry (gold +/- tungsten, arsenic, antimony and mercury) and gold in drilling as intersected in the 2021 era drill campaign, with notable results including BAC021: 6m @ 37ppb Au from 60m in basement and BAC018: 6m @ 62ppb Au from 34m in basement. Recent drilling focused on drilling deeper AC/RC holes on section of BAC018 and BAC021 and in between these sections where anomalous soil geochemistry reported. The best result from the Grass Hut Prospect drilling was in hole BAC092 which returned 3m @ 69ppb Au from a bleached and possibly altered dolerite intrusion (Figure 4); elsewhere this unit is associated with low level antimony.

Further analytical work at this prospect remains to determine if more drilling is warranted. Petrographic analysis of the bleached dolerite and the weakly mineralised dolerite in hole BAC018 has been submitted and will provide context to the host rock protolith and alteration style if any. Furthermore, Nimrod has commenced a study of the cover sequence – basement contact or the 'interface' where it is recognised that the Eromanga Basin basal horizon near Grass Hut Prospect can contain a sub-rounded quartz lag aggregate with spherical pyrite nodules. This horizon appears to be a geochemical sink and is commonly, albeit, weakly, elevated in gold and other pathfinder elements and hence could help vector to a mineralising centre.

The Springvale Dome Prospect was previously identified as a 1,500m x 1,500m Zinc-Copper-Lead anomaly defined by numerous 2021 era AC drillholes centred around an annular magnetic and gravity low. This feature was targeted with two drillholes. Diamond drillhole BDD001 failed to penetrate basement and terminated at 89.7m in cover sequences while BAC108 was drilled to 95m and intersected gneissic basement (Figure 4) directly above the gravity target (postulated to represent the hotter part of Cu-Pb-Zn-Au system). There was no significant assay in BAC108 nor was there any veining or alteration of interest. As such, the targeted gravity high is probably an artefact of a subtle basement high. No further work is warranted in exploring this basemetal concept.

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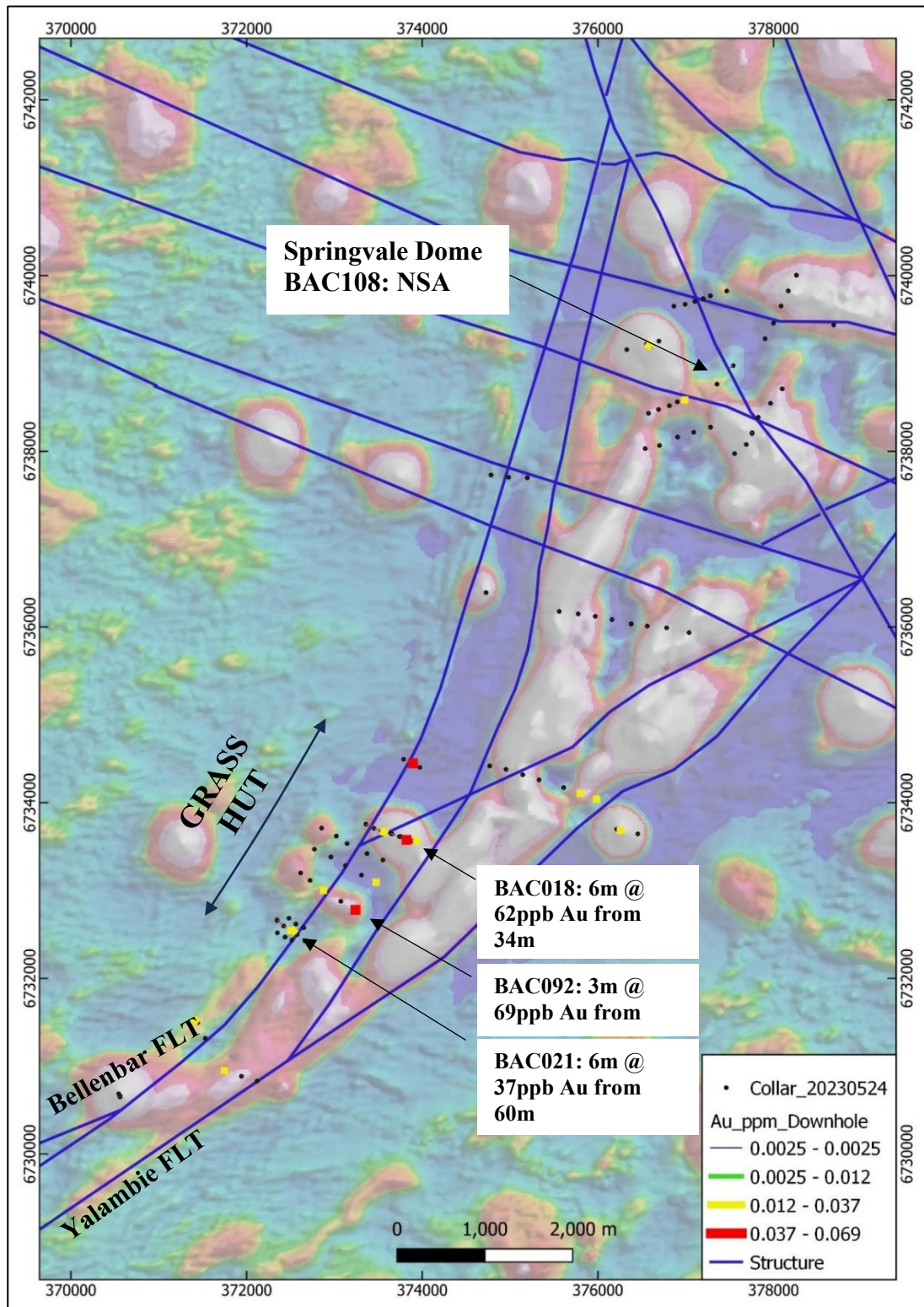


Figure 4: 2021 and 2023 era drill collars shown with gold displayed as thematic map. BAC092 returned 3m @ 69ppb Au from 51m and was the best result for the 2023 drill program. BAC108 targeted a gravity high at the Springvale Dome Prospect and did not return a significant or “NSA”. Background image is 0.5VD RTP magnetics.

Review of Operations

South Bourke Project

Two RC holes were drilled at the Kurrawong Prospect for 234m targeting structurally controlled copper mineralisation at the contact between the Girilambone Group sediments and an ultramafic intrusion (Figure 5). The best assay result was in drillhole KRC002 which returned 4m @ 307ppm Cu from 63m associated with trace visible disseminated chalcopyrite. This is a disappointing result and no further drilling is planned across this prospect.

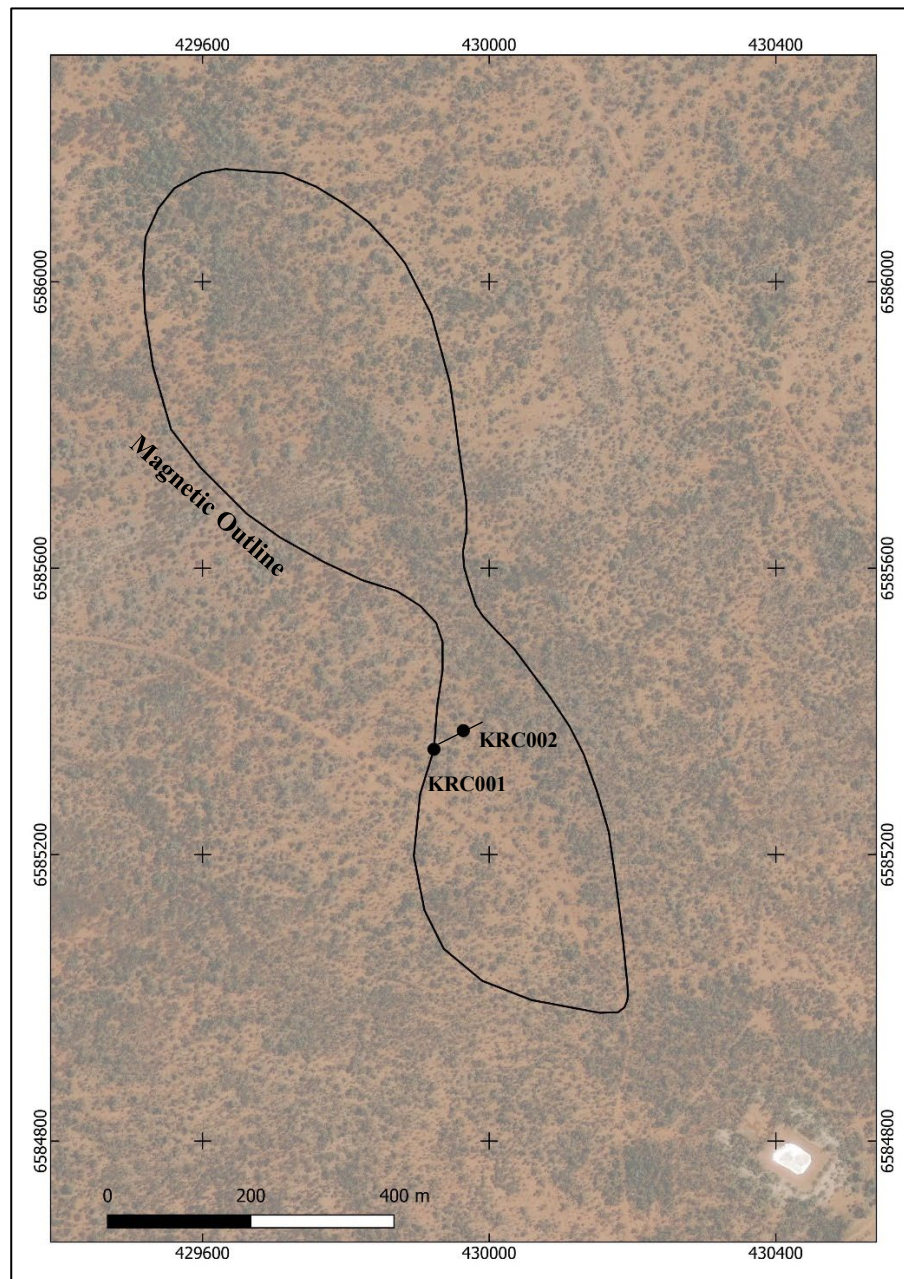


Figure 5: Kurrawong Prospect. KRC001 and 002 targeted historic copper intercept drilled by Seltrust Mining in the 1980s. KRC002 intersected 4m @ 307ppm Cu from 63m.

Review of Operations

Exploration Next Steps

North Bourke Project

As discussed above, various drill intervals from the Grass Hut Prospect are currently being examined via petrographic analysis and will provide context for the style of alteration, if any, and host rock protolith. This in conjunction with the cover sequence – basement contact or the ‘interface’ study will ultimately guide future exploration in this area.

A large exploration licence application, ELA 6657, for approximately 3,700km² has been lodged immediately to the south west of the existing North Bourke Project (Figure 6). This application was pegged on the basis it overlaps with a major structural intersection between the G3 and G7 lineaments covering an underexplored magnetic package of Thompson Orogen basement. The basement is concealed by Eromanga Basin sediments and is generally between 185m-385m thick but perhaps shallower in certain areas.

The ELA is considered prospective for gold, basemetal and other critical metals. Nimrod has established that segments of the G3 and G7 in this area are connected to the upper mantle by 2nd and 3rd order structures and therefore provide the necessary conduits for gold and volatiles to ascend. Furthermore, Nimrod has previously demonstrated that the Gumberco Domain volcanics as intersected in historic Nimrod drillholes at the Central Bullseye Prospect (Figure 6) are age equivalent to the Cobar Basin, a major metal endowed province immediately south of the project area. Given the Gumberco Domain likely occupies part of the new ELA, it is possible that concealed Cobar style copper-lead-zinc-gold systems exist. Finally, work completed at Nimrod’s Pirillie Prospect has demonstrated that ultramafic intrusions are spatially associated with the G7 Lineament (Culgoa Fault Zone). The Pirillie Prospect contains disseminated nickel sulphides or pentlandite, meaning magnetic positions along this fault corridor that overlap with the ELA may represent magmatic Nickel-Copper +/- Platinum-Palladium-Gold targets.

Given the large area to be explored, Nimrod will work this project up to the drill decision from first principles. A regional geology framework is being assembled by consulting geologist, Dr Jon Hronsky to assist in refining the structural architecture and basement domains. In conjunction with this, historic exploration data will be compiled to determine what exploration datasets and results are available. Nimrod will determine exploration next steps once these two milestones are achieved, but as is the case with any new project site, detailed magnetics and gravity will be required in the first instance.

Review of Operations

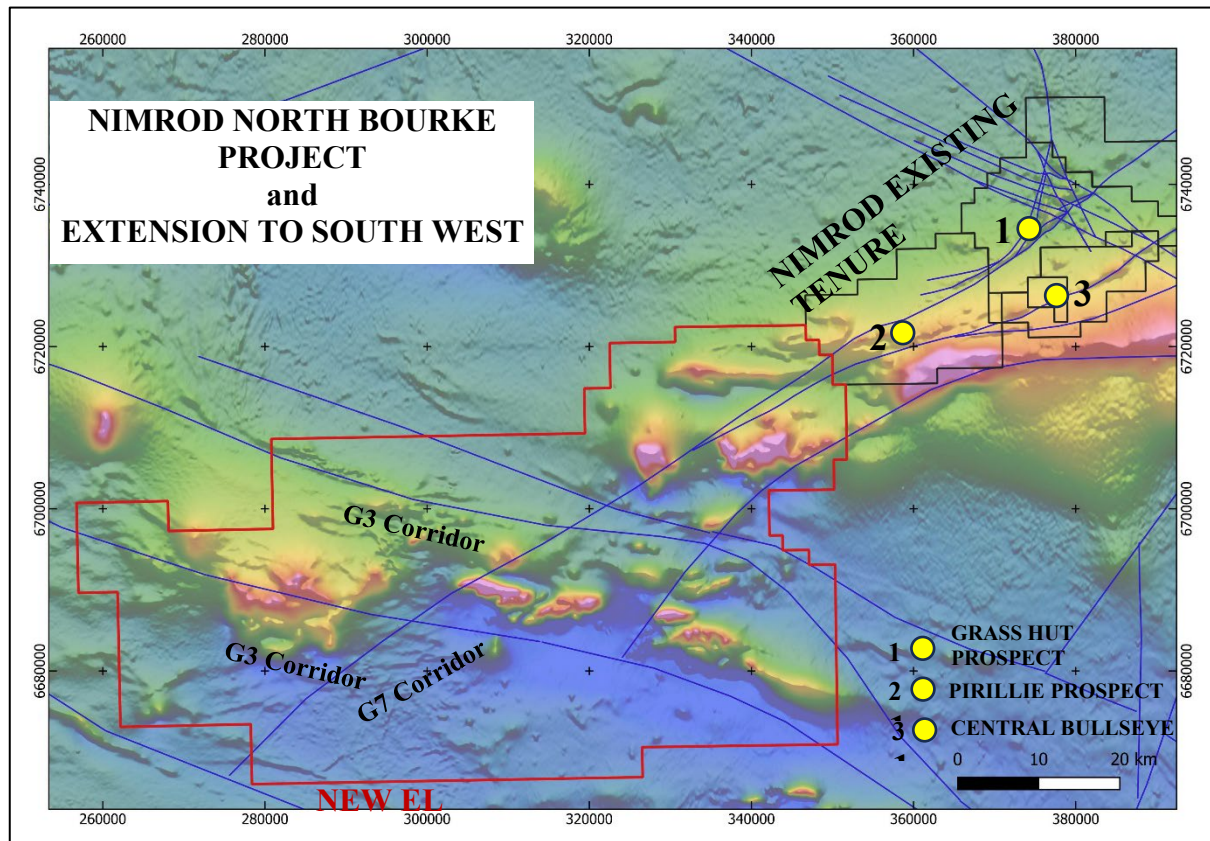


Figure 6: New Nimrod EL Application (red) is positioned immediately south west of the existing Bourke project and covers a critical intersection between the G3 and G7 lineaments. This EL is prospective for Orogenic Gold, Cobar style basemetal-gold deposits and magmatic Nickel-Copper-PGE deposits.

At the time of writing a large Ground Electromagnetic (GEM) survey has been planned and is scheduled to commence in week three of October 2023 covering an area immediately east of the existing Pirillie Prospect (Figure 7). This prospect was historically drilled by Minotaur Exploration in 2008 who intersected a serpentinised peridotite with traces of a nickel bearing sulphide called pentlandite. On the basis that nickel-sulphide deposits are commonly associated with strong conductive responses, Nimrod tested Pirillie with the SQUID EM system in April 2021 with no basement conductor responses detected. Upon further review of this prospect, however, it is suggested that due to the high metamorphic grade of the host rock (Amphibolite facies) and structural position of the peridotite, a metallic nickel-copper sulphide position could easily be dismembered and lie distal to the main intrusive complex. The area immediately east of Pirillie will be screened with a high powered SAMSON Ground EM survey to test this hypothesis.

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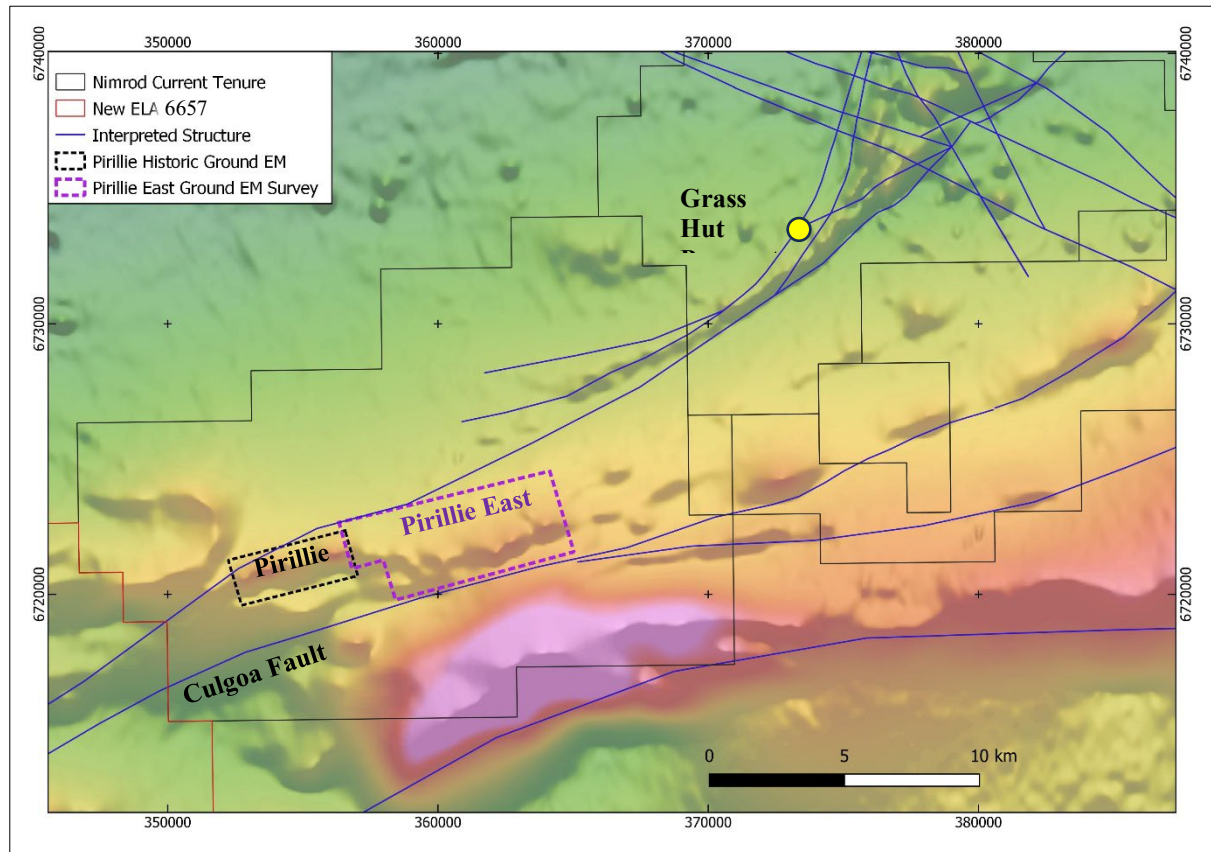


Figure 7: Pirillie East Ground EM survey is due to commence in October, 2023 and will screen for dismembered Nickel-Copper-PGE mineralisation associated with the Pirillie Prospect peridotite.

South Bourke Project

The Mt Dijou Gold Field is located 85km south of Bourke and is secured by Nimrod's EL application ELA6651 (Figure 8). Mt Dijou is a historic gold field with small parcels of ore mined at the turn of the 20th century. It covers more than 11 historic gold occurrences associated with trace sulphides including pyrite, pyrrhotite, minor chalcopyrite (copper species) and microscopic sphalerite (zinc species) and galena (lead species). To date, narrow, high grade gold has been intersected in drilling as highlighted at Mt Dijoe and Perservernace Prospects:

Mt Dijoe:

- PER009: 3m @ 1.39g/t Au from 58m incl 1m @ 2.19g/t Au
- PER010: 2m @ 1.03g/t Au from 74m, incl 1m @ 1.6g/t Au

Perseverance:

- CRA (1970s): 2m @ 3.68g/t Au from 24m
- ARK Minerals (2011): 3m @ 1.38g/t Au from 28m incl 1m @ 2.46g/t Au

A reconnaissance field trip was completed in September 2023 and grab samples were taken of historic gold workings, which were generally positioned at the contact between basalts and sediments. The field trip also

Review of Operations

enabled Nimrod to visit the historic copper-lead-zinc Mulga Tank Prospect on EL9489 where samples were taken of outcropping Ironstone. Collectively, 21 samples were taken and have been submitted for fire assay gold and a four acid multi-element analysis.

A follow up field visit to Mt Dijou is scheduled within the next month and will aim to review/ sample the remaining Mt Dijou gold workings.

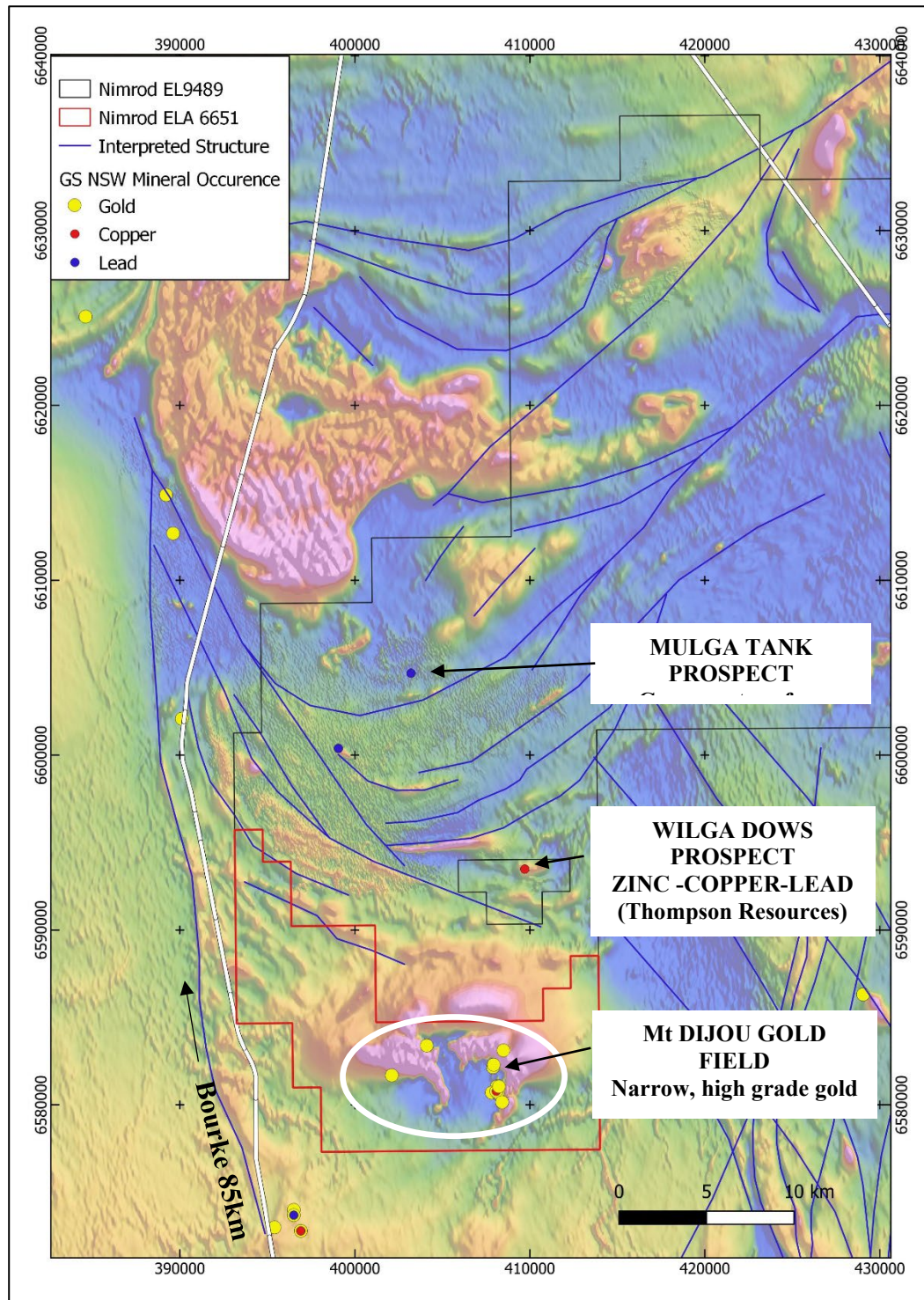


Figure 8: Location of the Mt Dijou gold field and associated new ELA6651 boundary is shown. Also shown is the Mulga Tank basemetal prospect on EL9489. Background image: RTP magnetics.

Nimrod Resources Limited

Financial Statements

For the Year Ended 30 June 2023

Nimrod Resources Limited

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For the Year Ended 30 June 2023

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Directors' Report

30 June 2023

The directors present their report on Nimrod Resources Limited for the financial year ended 30 June 2023.

1. General information

Information on directors

The names of each person who has been a director during the year and to the date of this report are:

Bruce McIver AM

Qualifications

Experience

Chairman

FAICD (Dip.)

Bruce is a Non-Executive Director of Palmer Leisure Australia Pty Ltd. He is also Chairman of Sozo Resources Pty Ltd, Hunt Resources Pty Ltd and the McIver Group of Companies. Previously Bruce has served on a number of Boards specialising in Bulk Shipping, Mining Logistics, Oil & Gas Logistics, Property and with Australia Post. He also held positions in Australian Politics. Bruce has been a Fellow of the Australian Institute of Company Directors (AICD) since 2004.

Interest in shares and share rights 1,600,000 shares held and 1,786,000 share rights held

Peter Jans

Qualifications

Experience

Non-Executive Director

LLB (Hons), Grad. Dip (Ancient History), MA

Peter is a senior commercial, corporate and resources lawyer with direct ASX listed experience, including group general counsel and company secretary for ERM Power Limited (ASX: EPW), Queensland Gas Company Limited (ASX:QGC) and CS Energy Limited (QLD: GOC). Peter has extensive experience in capital markets, including IPOs, mergers, acquisitions, equity and funding raisings, corporate governance and structuring, as well as regulatory dealings (ASX, ASIC and ACCC). He has been a Director of a number of listed and unlisted companies.

Interest in shares and share rights 892,000 share rights held

Terry O'Reilly

Qualifications

Experience

Non-Executive Director

B.Com, MBA, M.AppFin, FAICD, CPA

Terry has extensive commercial experience in both Australia and Asia. With Rio Tinto he had MD roles at Pacific Coal and Coal and Allied. He has been a director of a number of listed and unlisted companies including MacArthur Coal and is currently Chair of Batchfire Resources Pty Ltd

Interest in shares and share rights 892,000 share rights held

David Hutton

Qualifications

Experience

Non-Executive Director

B,Sc (Geol), Fellow AusIMM, Member AIG

David has over 30 years mining industry experience having worked in a range of operational and corporate roles with the MIM Group, Forresteria Gold, Western Metals, LionOre Australia, Breakaway Resources and Mithril Resources, both locally and overseas. David has extensive mineral exploration experience across a number of commodities including gold, copper, nickel, silver, lead and zinc. David is the Managing Director and Chief Executive Officer of Rimfire Pacific Mining Limited (ASX: RIM), Owner/Principal Consultant of Terrace Minerals Pty Ltd, a private consultancy firm, and a Non-Executive Director of Sozo Resources Pty Ltd, a private mineral exploration company.

Interest in shares and share rights 186,000 share rights held

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

Directors' Report

30 June 2023

1. General information

Principal activities

The principal activity of Nimrod Resources Limited during the financial year was the exploration of mineral opportunities in the Bourke area (New South Wales, Australia).

No significant changes in the nature of the Company's activity occurred during the financial year.

2. Operating results and review of operations for the year

Operating results

The loss of the Company after providing for income tax amounted to \$ 383,851 (2022: Loss \$ 3,178,224).

Review of operations

During the 2023 financial year the Company continued exploration of both its Northern and Southern Bourke tenement sectors, including the completion of 41 AS/RC Holes for 3,871m drilling metres. Results re-affirmed mineral prospectively.

Following the end of the financial year, new exploration licence applications were lodged in both the Northern and Southern tenement sectors with Ground Electromagnetics and assay testing commencing in October 2023.

During the financial year, the Company relinquished tenement(s) which it assessed as having no further prospective interest (EL6971). Exploration, evaluation and development expenditure of \$107,868 (2022: \$2,760,932), which had been accumulated in respect of relinquished tenement(s), was written off in full.

3. Other items

Significant changes in state of affairs

There have been no significant changes in the state of affairs of the Company during the year.

Matters or circumstances arising after the end of the year

No matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the company, the results of those operations or the state of affairs of the company in future financial years.

Future developments and results

Likely developments in the operations of the Company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Company.

Environmental matters

The company is required to carry out its activities in accordance with regulations determined by statute and regional entities in the areas in which it undertakes exploration, development and production activities. The company is not aware of any matter which requires disclosure with respect to any significant environmental regulation in respect of its operating activities.

Directors' Report

30 June 2023

3. Other items

Dividends paid or recommended

No dividends were paid or declared since the start of the financial year. No recommendation for payment of dividends has been made.

Company secretary

The following person held the position of Company Secretary at the end of the financial year:

Mark Day (BA/LLB) has been company secretary since 20th May 2019. Prior to joining the company Mark had over thirty years experience as a commercial lawyer in private practice and in-house roles, most recently as general counsel and company secretary for the ASX listed mineral processing equipment manufacturer, Ludowici Limited. Mark is a Fellow of the Governance Institute of Australia.

Stephen Gaffney was appointed company secretary, replacing Mark Day, with both changes effective 1 July 2023. Stephen Gaffney has over 30 years' experience in various corporate roles including as Chief Financial Officer of ASX listed companies, director and company secretary and holds degrees in both Accountancy and Law.

Meetings of directors

During the financial year, 5 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Bruce McIver	5	5
Peter Jans	5	4
Terry O'Reilly	5	5
David Hutton	5	5

Share Rights

No award of share rights has been made in relation to the year ended 30 June 2023 at this stage.

Indemnification and insurance of officers and auditors

The Company has indemnified the Directors for costs incurred, in their capacity as a director, for which they may be held personally liable, except where there is a lack of good faith. No such indemnity has been provided for the auditors.

During the financial year, Nimrod Resources Limited paid a premium of \$12,174 (2022: \$12,174) to insure the directors and secretary of the Company.

Directors' Report
30 June 2023

Auditor's independence declaration

The auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 30 June 2023 has been received and can be found on page 5 of the financial report.

Signed in accordance with a resolution of the Board of Directors:

Director: *B D McIver*
Bruce McIver AM

Director: *T M O'Reilly*
Terry O'Reilly

Dated this 19th day of October 2023

Nimrod Resources Limited

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of Nimrod Resources Limited

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2023, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.



Mark Taylor
Director
HALL CHADWICK QLD

Dated at Brisbane this 19th day of October 2023

Statement of Profit or Loss and Other Comprehensive Income
For the Year Ended 30 June 2023

		2023	2022
	Note	\$	\$
Income	4	105,528	56,350
Consulting and legal fees		(81,069)	(44,025)
Travel expenses		-	(1,225)
Rental expenses		(18,710)	(3,569)
Directors Fees		(150,000)	(150,000)
Depreciation and amortisation expense		(18,338)	(47,068)
Impairment losses on financial assets		(107,868)	(2,760,932)
Administrative expenses		(113,394)	(115,815)
Finance costs		-	(10)
Share rights expense		-	(111,930)
Loss before income tax		(383,851)	(3,178,224)
Income tax expense	5	-	-
Loss for the year		(383,851)	(3,178,224)
Other comprehensive loss for the year, net of tax		-	-
Total comprehensive loss for the year		(383,851)	(3,178,224)

The accompanying notes form part of these financial statements.

Nimrod Resources Limited

Statement of Financial Position

As at 30 June 2023

	Note	2023 \$	2022 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	7	466,985	1,208,911
Trade and other receivables	8	5,529	7,787
Other assets	9	13,855	13,418
TOTAL CURRENT ASSETS		<u>486,369</u>	<u>1,230,116</u>
NON-CURRENT ASSETS			
Trade and other receivables	8	127,740	124,000
Property, plant and equipment	10	7,123	34,039
Exploration, evaluation and development assets	11	3,384,862	2,772,340
TOTAL NON-CURRENT ASSETS		<u>3,519,725</u>	<u>2,930,379</u>
TOTAL ASSETS		<u>4,006,094</u>	<u>4,160,495</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	12	46,538	62,856
Employee benefits	13	7,815	7,045
TOTAL CURRENT LIABILITIES		<u>54,353</u>	<u>69,901</u>
TOTAL LIABILITIES		<u>54,353</u>	<u>69,901</u>
NET ASSETS		<u>3,951,741</u>	<u>4,090,594</u>
EQUITY			
Issued capital	14	12,152,010	11,907,012
Reserves	15	267,930	267,930
Retained earnings		(8,468,199)	(8,084,348)
TOTAL EQUITY		<u>3,951,741</u>	<u>4,090,594</u>

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

For the Year Ended 30 June 2023

	Ordinary Shares	Retained Earnings	Option Reserve	Total
	\$	\$	\$	\$
Balance at 1 July 2022	11,907,012	(8,084,348)	267,930	4,090,594
Loss for the year	-	(383,851)	-	(383,851)
Total other comprehensive income for the year	-	-	-	-
Transactions with owners in their capacity as owners				
Shares issued during the year	245,000	-	-	245,000
Shares bought back during the year	(2)	-	-	(2)
Balance at 30 June 2023	12,152,010	(8,468,199)	267,930	3,951,741

	Ordinary Shares	Retained Earnings	Option Reserve	Total
	\$	\$	\$	\$
Balance at 1 July 2021	10,870,936	(4,906,124)	156,000	6,120,812
Loss for the year	-	(3,178,224)	-	(3,178,224)
Total other comprehensive income for the year	-	-	-	-
Transactions with owners in their capacity as owners				
Shares issued during the year	1,113,000	-	-	1,113,000
Transaction costs	(76,924)	-	-	(76,924)
Share rights issued during the year	-	-	111,930	111,930
Balance at 30 June 2022	11,907,012	(8,084,348)	267,930	4,090,594

Statement of Cash Flows

For the Year Ended 30 June 2023

	2023	2022
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Grants and other income	95,850	56,252
Payments to suppliers	(449,942)	(415,725)
Interest received	9,678	98
Interest paid	-	(10)
GST Recovered	75,620	62,498
Net cash provided by/(used in) operating activities	16 (268,794)	(296,887)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of plant and equipment	6,000	108,200
Payment for exploration and evaluation	(720,390)	(660,299)
Payments for security deposits	(13,740)	(21,000)
Refund of security deposits	10,000	74,275
Net cash provided by/(used in) investing activities	(718,130)	(498,824)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from issue of shares	245,000	1,113,000
Share buy-back payment	(2)	-
Payment of transaction costs	-	(76,924)
Net cash provided by/(used in) financing activities	244,998	1,036,076
Net increase/(decrease) in cash and cash equivalents held	(741,926)	240,365
Cash and cash equivalents at beginning of year	1,208,911	968,546
Cash and cash equivalents at end of financial year	7 466,985	1,208,911

Notes to the Financial Statements

For the Year Ended 30 June 2023

Nimrod Resources Limited is a for-profit Company limited by shares, incorporated and domiciled in Australia.

The financial report was authorised for issue by the Directors on 19 October 2023.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures of the Australian Accounting Standards Board and the *Corporations Act 2001*. The company is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the Australian Accounting Standards Board has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

2 Summary of Significant Accounting Policies

(a) Income Tax

The tax expense recognised in the statement of profit or loss and other comprehensive income comprises of current income tax expense plus deferred tax expense.

Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (loss) for the year and is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the tax rates and laws that have been enacted or substantively enacted by the end of the reporting period. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred tax is not provided for the following:

- The initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).
- Taxable temporary differences arising on the initial recognition of goodwill.
- Temporary differences related to investment in subsidiaries, associates and jointly controlled entities to the extent that the company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

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

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and losses can be utilised.

Notes to the Financial Statements

For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies

(a) Income Tax

Current and deferred tax is recognised as income or an expense and included in profit or loss for the period except where the tax arises from a transaction which is recognised in other comprehensive income or equity, in which case the tax is recognised in other comprehensive income or equity respectively.

(b) Revenue and other income

All revenue is stated net of the amount of goods and services tax (GST).

Interest revenue

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument.

Other income

Other income is recognised on an accruals basis when the Company is entitled to it.

(c) Finance costs

Finance cost includes all interest-related expenses, other than those arising from financial assets at fair value through profit or loss.

(d) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

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

(e) Financial instruments

(i) Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Notes to the Financial Statements

For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies

(e) Financial instruments

(ii) Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

Impairment of Financial Assets

At the end of the reporting period the Company assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial assets at amortised cost

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial assets original effective interest rate.

Impairment on loans and receivables is reduced through the use of an allowance accounts, all other impairment losses on financial assets at amortised cost are taken directly to the asset.

Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

Available-for-sale financial assets

A significant or prolonged decline in value of an available-for-sale asset below its cost is objective evidence of impairment, in this case, the cumulative loss that has been recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment. Any subsequent increase in the value of the asset is taken directly to other comprehensive income.

(f) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts and credit cards are shown as borrowings in current liabilities on the statement of financial position.

Notes to the Financial Statements

For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies

(g) Trade and Other Receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for doubtful debts.

Collectability of receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for doubtful receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The amount of the provision is recognised in the income statement.

(h) Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the company that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(i) Exploration and development expenditure

Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. As the asset is not available for use it is not depreciated or amortised.

Accumulated costs in relation to an abandoned area are written off in full against profit or loss in the period in which the decision to abandon that area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

The mining extraction and processing activities of Nimrod Resources Limited normally give rise to obligations for site closure or rehabilitation.

Costs of site restoration are provided over the life of the facility from when exploration commences and are included in the costs of that stage. When provisions for closure and rehabilitation are initially recognised, the corresponding cost is capitalised as an asset representing part of the cost of acquiring the future economic benefits of the operation. The capitalised cost of closure and rehabilitation activities is recognised in property, plant and equipment and depreciated accordingly. The value of the provision is progressively increased over time as the effect of discounting unwinds, creating an expense which is recognised in finance costs. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal and rehabilitation of the site in accordance with clauses of the mining permits. Such costs have been determined using estimates of future costs, current legal requirements and technology discounted to their present value.

Any changes in the estimates for the costs are accounted on a prospective basis in the statement of profit or loss and other comprehensive income. In determining the costs of site restoration, there is an uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly the costs have been determined on the basis that restoration will be completed within one year of abandoning the site.

Notes to the Financial Statements

For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies

(j) Going concern

The financial statements have been prepared on a going concern basis which contemplates that the Company will continue to meet its commitments and can therefore continue normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

For the year ended 30 June 2023, the company reported a loss after tax for the year of \$383,851 (2022: loss of \$3,178,224). In the same period, the company had operating cash outflows of \$268,794 (2022: operating cash outflows \$296,887).

Because of the nature of its operations, the Directors recognise that there is a need, on an ongoing basis, for the Company to regularly raise additional cash to fund future exploration activity and meet other necessary corporate expenditure. Accordingly, when necessary, the Company investigates various options for raising additional funds which may include, but is not limited to, an issue of shares or the sale of exploration assets where increased value has been created through previous exploration activity. Over the past 10 years, the company has had a number of successful capital raisings.

Accessing capital markets is always uncertain and this may give rise to a material uncertainty in regards to the ability to raise additional funds. After taking into account the various funding options available, the Directors have a reasonable expectation that the Company will be successful with future fund raising initiatives and, as a result, will have adequate resources to fund its future operational requirements. For these reasons they continue to adopt the going concern basis in preparing the financial report.

Should the Company be unable to continue as a going concern, it may be required to realise its assets and liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements. The financial report does not include any adjustments relating to the recoverability or classification of recorded asset amounts nor to the amounts or classification of liabilities that might be necessary should the Company not be able to continue as a going concern.

3 Critical Accounting Estimates and Judgments

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key judgments - capitalisation of exploration and evaluation expenditure

The Company capitalises expenditure relating to exploration and evaluation where it is considered likely to be recoverable or where the activities have not reached a stage which permits a reasonable assessment of the existence of reserves. While there are certain areas of interest from which no reserves have been extracted, the directors are of the continued belief that such expenditure should not be written off since feasibility studies in such areas have not yet concluded. Such capitalised expenditure carried at the end of the reporting period is \$ 3,384,862 (2022: \$2,772,340).

Notes to the Financial Statements

For the Year Ended 30 June 2023

4 Revenue and Other Income

	2023 \$	2022 \$
Finance income		
- Interest received	9,678	98
Total interest income	9,678	98
Other income		
- Government grant	94,826	56,025
- Other income	1,024	227
Total other income	95,850	56,252
Total Income	105,528	56,350

5 Income Tax Expense

Reconciliation of income tax to accounting profit:

	2023 \$	2022 \$
Prima facie tax payable on profit from ordinary activities before income tax at 25% (2022: 25%)	(95,963)	(794,556)
Add:		
Tax effect of:		
- non-deductible depreciation and amortisation	4,585	11,767
- other non-allowable items	36,229	740,083
- Deferred tax asset not recognised	217,588	206,027
Less:	162,439	163,321
Tax effect of		
- deductible depreciation	-	(2,099)
- black hole expenses	(5,482)	(3,291)
- deductible exploration expenditure	(145,353)	(137,692)
- other allowable items	(11,604)	(20,239)
Income tax expense	-	-

6 Tax assets and liabilities

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of losses because it cannot be determined that future taxable profit will be available against which Nimrod Resources Limited can utilise the benefits therein.

As of 30 June 2023, the company has unutilised cumulative deferred tax assets of \$1,656,683 (2022: \$1,439,095).

Notes to the Financial Statements

For the Year Ended 30 June 2023

7 Cash and Cash Equivalents

	2023	2022
	\$	\$
Cash at bank and in hand	366,985	1,208,911
Deposits	100,000	-
	<u>466,985</u>	<u>1,208,911</u>

8 Trade and Other Receivables

	2023	2022
	\$	\$
CURRENT		
GST receivable	5,529	7,787
Total current trade and other receivables	<u>5,529</u>	<u>7,787</u>

	2023	2022
	\$	\$
NON-CURRENT		
Deposits	127,740	124,000
Total non-current trade and other receivables	<u>127,740</u>	<u>124,000</u>

9 Other Assets

	2023	2022
	\$	\$
CURRENT		
Prepayments	13,855	13,418
	<u>13,855</u>	<u>13,418</u>

Notes to the Financial Statements

For the Year Ended 30 June 2023

10 Property, plant and equipment

	2023 \$	2022 \$
Plant and equipment		
At cost	20,005	35,086
Accumulated depreciation	(17,807)	(24,020)
Total plant and equipment	2,198	11,066
Furniture, fixtures and fittings		
At cost	10,709	61,939
Accumulated depreciation	(8,782)	(45,055)
Total furniture, fixtures and fittings	1,927	16,884
Motor vehicles		
At cost	15,455	15,455
Accumulated depreciation	(12,457)	(9,366)
Total motor vehicles	2,998	6,089
Total property, plant and equipment	7,123	34,039

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Plant and Equipment \$	Furniture, Fixtures and Fittings \$	Motor Vehicles \$	Total \$
Year ended 30 June 2023				
Balance at the beginning of year	11,066	16,884	6,089	34,039
Additions				
Disposals				
Disposals - written down value	(4,769)	(3,809)	-	(8,578)
Depreciation expense	(4,099)	(11,148)	(3,091)	(18,338)
Balance at the end of the year	2,198	1,927	2,998	7,123
Year ended 30 June 2022				
Balance at the beginning of year	109,556	35,642	9,180	154,378
Disposals - written down value	(81,327)	(2,957)	-	(84,284)
Depreciation expense	(17,163)	(15,801)	(3,091)	(36,055)
Balance at the end of the year	11,066	16,884	6,089	34,039

Notes to the Financial Statements

For the Year Ended 30 June 2023

11 Exploration, evaluation and development assets

	2023	2022
	\$	\$
Exploration and evaluation	3,384,862	2,772,340
		Exploration & evaluation
		\$
2023		
Balance at beginning of the year		2,772,340
Expenditure incurred		720,390
Exploration asset write down		(107,868)
Balance at end of the year		3,384,862
2022		
Balance at beginning of the year		4,872,974
Expenditure incurred		660,298
Exploration asset write down		(2,760,932)
Balance at end of the year		2,772,340

The recoverability of the carrying amount of the exploration and evaluation assets is dependent on the successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

The recoverable amount of development expenditure is determined as the higher of its fair value less costs to sell and its value in use.

During the financial year, the company relinquished tenements which it assessed as having no further prospective interest (EL6971). Exploration, evaluation and development expenditure of \$107,868 (2022: \$2,760,932) which had been accumulated in respect of relinquished tenements, was written off in full.

12 Trade and Other Payables

	2023	2022
	\$	\$
Current		
Trade payables	19,809	30,156
Sundry payables and accrued expenses	18,807	23,657
Other payables	7,922	9,043
	46,538	62,856

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

Notes to the Financial Statements

For the Year Ended 30 June 2023

13 Employee Benefits

	2023	2022
	\$	\$
Current liabilities		
Provision for employee benefits	7,815	7,045
	<u>7,815</u>	<u>7,045</u>

14 Issued Capital

	2023	2022
	\$	\$
183,879,100 (2022: 187,808,811) Ordinary shares	<u>12,152,010</u>	<u>11,907,012</u>

Ordinary shares

	2023	2022
	No.	No.
At the beginning of the reporting period	187,808,811	156,008,811
Shares issued during the year	7,000,000	31,800,000
Shares bought back during the year	(10,929,711)	-
At the end of the reporting period	<u>183,879,100</u>	<u>187,808,811</u>

The holders of ordinary shares are entitled to participate in dividends and the proceeds on winding up of the Company. On a show of hands at meetings of the Company, each holder of ordinary shares has one vote in person or by proxy, and upon a poll each share is entitled to one vote.

The Company does not have authorised capital or par value in respect of its shares.

As at 30 June 2023, the Company has 5,429,000 vested but unexercised Share Rights on issue pursuant to its Share Rights Plan. No awards have as yet been made for the 30 June 2023 financial year. For more details refer to Note 15.

At the company's Extraordinary General Meeting held on 24 April 2023, resolutions were unanimously approved providing for the share buy-back of 10,929,711 shares for a total consideration of \$2.

15 Reserves

Share option reserve

This reserve records the cumulative value of director and employee service received for the issue of share options. When the option is exercised the amount in the share option reserve is transferred to share capital.

	2023	2022
	\$	\$
Option reserve		
Opening balance	267,930	156,000
Share rights issued during the year	-	111,930
Total	<u>267,930</u>	<u>267,930</u>

Notes to the Financial Statements

For the Year Ended 30 June 2023

16 Cash Flow Information

Reconciliation of result for the year to cashflows from operating activities

	2023	2022
	\$	\$
Loss for the year	(383,851)	(3,178,224)
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- depreciation	18,338	36,055
- depreciation on ROU asset	-	11,013
- write-off of capitalised expenditure	107,868	2,760,932
- gain on disposal of fixed assets	2,578	(23,915)
- share rights expense	-	111,930
- rent transferred to lease payments	-	(11,190)
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	-	5,729
- (increase)/decrease in prepayments	(437)	1,659
- increase/(decrease) in trade and other payables	(16,319)	(5,615)
- increase/(decrease) in GST	2,259	(3,594)
- increase/(decrease) in employee benefits	770	(1,667)
Cashflows from operations	<u>(268,794)</u>	<u>(296,887)</u>

17 Key Management Personnel Remuneration

There was remuneration paid to the key management personnel of Nimrod Resources Limited during the year.

	2023	2022
	\$	\$
Directors fees	150,000	150,000
Share rights issued	-	68,985
Total remuneration	<u>150,000</u>	<u>218,985</u>

At year end, no share rights had been exercised.

18 Auditors' Remuneration

	2023	2022
	\$	\$
Remuneration of the auditor for:		
- auditing or reviewing the financial statements	15,000	25,750
- due diligence services	-	2,000
- taxation services provided by related practice of auditor	2,330	2,220
- company secretarial services provided by related practice of auditor	240	235
Total	<u>17,570</u>	<u>30,205</u>

Notes to the Financial Statements

For the Year Ended 30 June 2023

19 Financial Risk Management

The entity's financial instruments consist mainly of deposits with banks, local money market instrument and accounts receivable and payable.

The carrying amounts for each category of financial instruments, measure in accordance with AASB 139: *Financial Instruments: Recognition and Measurement* as detailed in the accounting policies to these financial statements, are as follows:

The Company is exposed to a variety of financial risks through its use of financial instruments.

The Company's overall risk management plan seeks to minimise potential adverse effects due to the unpredictability of financial markets.

The most significant financial risks to which the Company is exposed to are described below:

Specific risks

- Liquidity risk
- Credit risk
- Market risk - currency risk, interest rate risk and price risk

Financial instruments used

The principal categories of financial instrument used by the Company are:

- Trade receivables
- Cash at bank
- Trade and other payables

	2023	2022
	\$	\$
Financial assets		
Held at amortised cost		
Cash and cash equivalents	466,985	1,208,911
Trade and other receivables	133,269	131,787
Financial liabilities		
Financial liabilities at amortised cost	(46,537)	(62,855)
Total	553,717	1,277,843

20 Events Occurring After the Reporting Date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

Notes to the Financial Statements

For the Year Ended 30 June 2023

21 Related Parties

- (a) The Company's main related parties are as follows:

- (i) Key management personnel (KMP)

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity are considered key management personnel.

For details of remuneration disclosures relating to key management personnel, refer to Note 17: Key Management Personnel Remuneration.

Other transactions with KMP and their related parties are shown below.

- (ii) Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

- (b) 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.

No transactions occurred with related parties in the year ended 30 June 2023.

- (c) Loans from related parties

There are no loans from KMP as of 30 June 2023 (2022: Nil).

22 Statutory Information

The registered office of the company is:

Nimrod Resources Limited
Level 4, 240 Queen Street
BRISBANE QLD 4000

The principal place of business is:

Unit 44, Kings Row Building 1 at Level 2
52 McDougall Street
MILTON QLD 4064

Nimrod Resources Limited

Directors' Declaration

The directors of the Company declare that:

- 1. The financial statements and notes, as set out on pages 6 to 22, are in accordance with the *Corporations Act 2001* and:
 - a. comply with Australian Accounting Standards - Simplified Disclosures; and
 - b. give a true and fair view of the financial position as at 30 June 2023 and of the performance for the year ended on that date of the Company.
- 2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

Director *B D McIver*
Bruce McIver AM

Director *T M O'Reilly*
Terry O'Reilly

Dated this 19th day of October 2023

Nimrod Resources Limited

Independent Audit Report to the members of Nimrod Resources Limited

Opinion

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

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

- (i) giving a true and fair view of the Company's financial position as at 30 June 2023 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards – AASB 1060: General Purpose Financial Statements – Simplified Disclosures for For-Profit Tier 2 Entities 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 Company in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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

Material Uncertainty Related to Going Concern

We draw attention to Note 2(j) in the financial report which indicates that the Company reported a loss after tax for the year ended 30 June 2023 of \$383,851 (2022: loss of \$3,178,224) and in the same period had operating cash outflows of \$268,794 (2022: operating cash outflows of \$296,887). Note 2(j) also indicates that there may be a material uncertainty in regard to the ability of the company to raise additional funds. As stated in Note 2(j), these events or conditions, along with other matters as set forth in Note 2(j), indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Information Other than the Financial Report and Auditor's Report Thereon

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

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

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

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

Responsibilities of 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 – AASB 1060: General Purpose Financial Statements – Simplified Disclosures for For-profit Tier 2 Entities and the Corporations Act 2001 and for such internal control as the Directors determine necessary to enable the preparation of a 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with 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 the financial report.

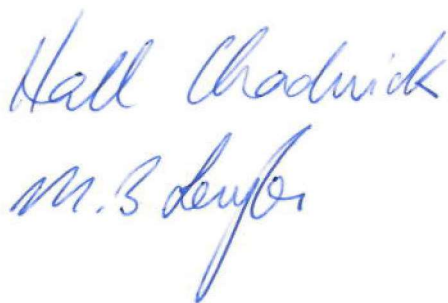
As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than one for resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

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



Mark Taylor
Director
Hall Chadwick QLD

Dated at Brisbane this 19th day of October, 2023

