# Star Minerals Limited

**ACN: 648 048 631**

# Annual Report

**30 June 2024**

# CONTENTS

# Corporate Directory

**Directors**

| | |
|---|---|
| Ian Stuart | Non-executive Chairman |
| Ashley Jones | Non-executive Director |
| Gemma Lee | Non-executive Director |

**Company Secretary**

Chris Achurch

**Registered Office & Principal Place of Business**

191B Carr Place
Leederville
WA 6007
Telephone 08 9226 1860

**Share Registry**

Automic Pty Ltd
Level 5, 191 St Georges Terrace,
Perth WA 6000
Telephone 1300 288 664

**Auditors**

Elderton Audit Pty Ltd
Level 32, 152 St Georges Terrace,
Perth WA 6000

**Securities Exchange Listing**

Star Minerals Limited shares (SMS) and options (SMSO) are listed on the Australian Securities Exchange.

## Directors' Report

The directors submit their report on Star Minerals Limited ("Star" or the "Company") and its subsidiaries the ("Consolidated Entity" or "Group") for the year ended 30 June 2024. This report should be read in conjunction with announcements to the Australian Securities Exchange (ASX). In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

## Highlights

- Tumblegum South gold Project Scoping Study completed.
- Updated Scoping Study completed to reflect sustained increase in gold price
- Confirmation of important historical copper gold targets within the highly prospective Narracoota Formation at West Bryah Project.

## Review of Operations

The Company is a gold and copper focused explorer with two projects, both located in Western Australia. The Tumblegum South gold Project and the West Bryah copper-gold exploration project (Figure 1).

The Tumblegum South Project has a JORC compliant 2012 gold Mineral Resource Estimate, and is located approximately 40km south of Meekatharra, Western Australia.

The West Bryah project is a gold and copper focused exploration project approximately 140km north of Meekatharra in the Bryah Basin.

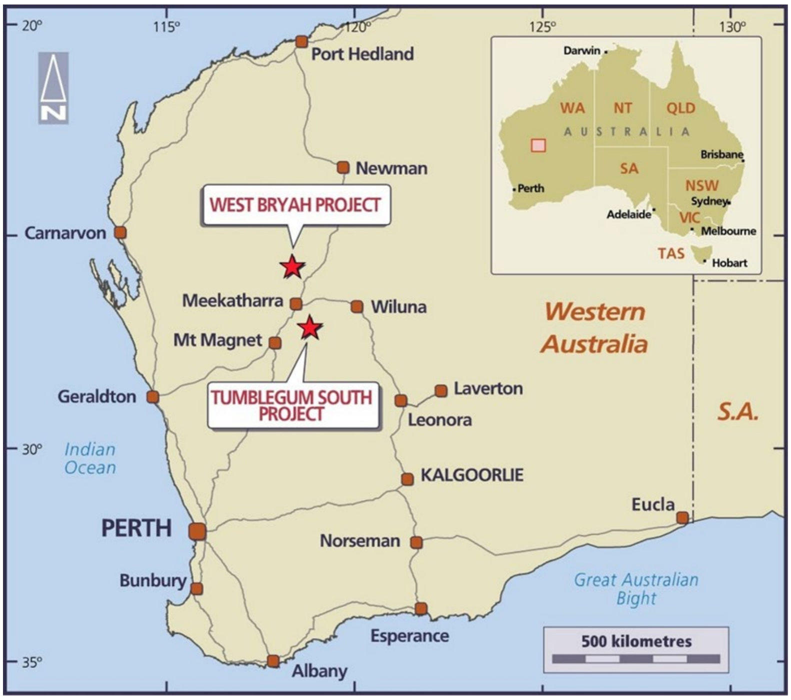


*Figure 1: Project Location Map*

## Tumblegum South Project

The Company's Tumblegum South Project consists of the Tumblegum South mining lease.

The mining lease, M51/888 is located approximately 40km south of Meekathara and hosts a gold Mineral Resource of 616,000 tonnes @ 2.28g/t Au for a total of 45,000 ounces of contained gold and includes an Indicated Mineral Resource of 337,000 tonnes @ 2.52 g/t Au for 27,000 Oz gold[1].

Tenement M51/888 has been a focus of activities ongoing project evaluation and completion of scoping studies to ascertain project economics and paths to monetise this project.

Following a positive scoping study first released to the ASX in December 2023[2], the Company announced an updated Scoping Study for Tumblegum South in May 2024. The Positive Updated Scoping Study[3] further demonstrated the value and viability of the Tumblegum South Gold Project over a broad range of gold prices.

Following discussions with interested parties, and considering a sustained increase in the gold price, a better understanding of processing and transport costs likely incurred, the updated study importantly provided what the Company believes is a more accurate reflection of the underlying value.

The Study remains positive with an increased underlying base case even after absorbing increased assumptions for costs and capital costs incurred.

## Updated Scoping Study

## Cautionary Statement

*The Updated Scoping Study referred to in this announcement has been undertaken to determine the viability of open pit mining and third-party toll treatment of the Tumblegum South gold deposit. It is a preliminary technical and economic study of the potential viability of the Project. It is based on low level technical and economic assessments that are not sufficient to support estimation of ore reserves. Further evaluation work and appropriate studies are required before Star will be able to estimate any ore reserves or to provide any assurance of an economic development case.*

*The Updated Scoping Study is based on the material assumptions outlined in the announcement dated 20 May 2024. These include the availability of funding. While Star considers all the material assumptions to be based on reasonable grounds, there is no certainty that they will prove to be correct or that the range of outcomes indicated by the Scoping Study will be achieved.*

*To achieve the range of outcomes indicated in the Updated Scoping Study funding of the order of $1.7 million to $3.9 million will likely be required. Investors should note that there is no certainty that Star will be able to raise that amount of funding when needed. It is also possible working capital may only be available on terms that may be dilutive to or otherwise affect the value of Star's shares. It is also possible that Star could pursue other 'value realisation' strategies such as a sale, partial sale or joint venture of the Project. If it does, this could materially reduce Star's proportionate ownership of the Project.*

[1] See Star Minerals Limited (ASX: SMS) dated 29 May 2023 titled: 'Tumblegum South Mineral Resource Upgrade'
[2] See Star Minerals Limited (SMS) ASX announcement dated 8 December 2023 'Positive Scoping Study for Tumblegum South'
[3] See Star Minerals Limited (ASX: SMS) ASX Announcement dated 20 May 2024 titled: 'Positive Updated Scoping Study for Tumblegum South'

*Given the uncertainties involved, investors should not make any investment decisions based solely on the results of the Scoping Study.*

## Updated Scoping Study Highlights

The Updated Scoping Study is based on the May 2023 Tumblegum South mineral resource estimate described in Star's announcement to the ASX on 29 May 2023[4]. The resource model was prepared by Entech, an independent competent person in accordance with the JORC Code (2012) and includes estimates classified as Indicated and Inferred. Orelogy's study included generating an optimal pit geometry utilising Whittle optimisation software.

Based upon the resource estimate model, slope parameters and the cost structure applied, the Updated Production Target outlined via pit optimisation at gold prices AUD$3,000 to AUD$3,800/oz, ranges from approximately:

- 167kt at 2.43g/t producing 11.8koz gold recovered and an undiscounted accumulated cash surplus of $9.4M, excluding pre-mining capital requirements.
- 255kt at 2.16g/t producing 15.9koz gold recovered and an undiscounted accumulated cash surplus of $19.6M, excluding pre-mining capital requirements.

Project sensitivities were examined for a range of gold prices demonstrating that Project economics are robust with positive outcomes returned for gold prices ranging from AUD$2,000 to AUD$4,000 per ounce.

A Base Case at AUD$3,400 per ounce gold price was used to assess the components of Inferred and Indicated Mineral Resources. The range of the Updated Production Target outlined via pit optimisation at the Base Case for a range of toll treatment and road haulage costs is set out below:

- Lowest cost option – 257kt at 2.14g/t producing 15.9koz gold recovered and an undiscounted accumulated cash surplus of $15.6M.
- Mid cost option - 181kt at 2.37g/t producing 12.4koz gold recovered and an undiscounted accumulated cash surplus of $14.7M.
- High cost option – 170kt at 2.43g/t producing 11.9koz gold recovered and an undiscounted accumulated cash surplus of $12.0M.

- The options utilising third-party processing plants operating under a toll treatment agreement were re-evaluated for the increase in gold price and higher processing and trucking costs. There are currently three active processing plants with a radius of 50km to 250km from Tumblegum South.
- At gold prices from AUD$3,000 to AUD$3,800/oz, the updated Production Target for the Project ("**Updated Production Target**") ranges from approximately:
    - 167kt at 2.43g/t producing 11.8koz gold, to
    - 255kt at 2.16g/t producing 15.9koz gold.

[4] See Star Minerals Limited (SMS) ASX announcement dated 29 May 2023 'Tumblegum South Mineral Resource Update'

- The Updated Production Target generates an undiscounted accumulated cash surplus after payment of all working capital costs, but excluding pre-mining capital requirements, of approximately **$9.4M to $19.6M**.
- Mining is contemplated as a single campaign over approximately **18-months.**
- Pre-mining capital and start-up costs are estimated to be approximately **$0.7M to $1.5M.**
- Sensitivity of the Base Case scenario to gold price was assessed. Results suggest that **project economics are robust** for a broad range of gold prices.

| Project Area | Resource Category | Weathering | Tonnes (kt) | Grade (g/t Au) | Gold ounces (koz) |
|---|---|---|---|---|---|
| | | | | | |
| **Tumblegum South** | **Indicated** | Transitional | 25 | 2.99 | 2 |
| | | Fresh | 312 | 2.48 | 25 |
| | | **Subtotal** | **337** | **2.52** | **27** |
| | **Inferred** | Transitional | 40 | 1.76 | 2 |
| | | Fresh | 239 | 2.03 | 16 |
| | | **Subtotal** | **279** | **1.99** | **18** |
| **Total** | | | **616** | **2.28** | **45** |

*Tonnages are dry metric tonnes. Minor discrepancies may occur due to rounding.

*Table 1. Tumblegum South – May 2023 Mineral Resource Estimate at 0.5g/t cut-off by Weathering status.*

## Background

Star commissioned Orelogy Consulting Pty Ltd, a Western Australian based mine planning consulting firm with extensive experience evaluating mining projects across Australia, to update the Scoping Study[5] evaluating potential open pit mining at Tumblegum South and ore processing via toll treatment at an existing plant.

The processing plants considered for this study are located within a radius of 50-250km from Tumblegum South. No agreement has been entered into at the time of writing, and there is no guarantee an agreement will be entered into. It is noted Tumblegum South ore at a range from 2.16 g/t to 2.43 g/t compares favourably with head grade mined at a number of plants in the Murchison and has the potential to provide valuable mill feed and ore blending opportunities. For further details of the location, see Figure 4 below.

The total project has an estimated mine life of approximately 18-20 months with processing time potentially longer, dependent on mill availability. This is estimated to give an undiscounted accumulated cash surplus after payment of all working capital costs of approximately $12.4M.

The AUD$3,400 pit crest and corresponding cross section are shown in Figures 2 and 3.

[5] See Star Minerals Limited (SMS) ASX announcement dated 8 December 2023 'Positive Scoping Study for Tumblegum South'

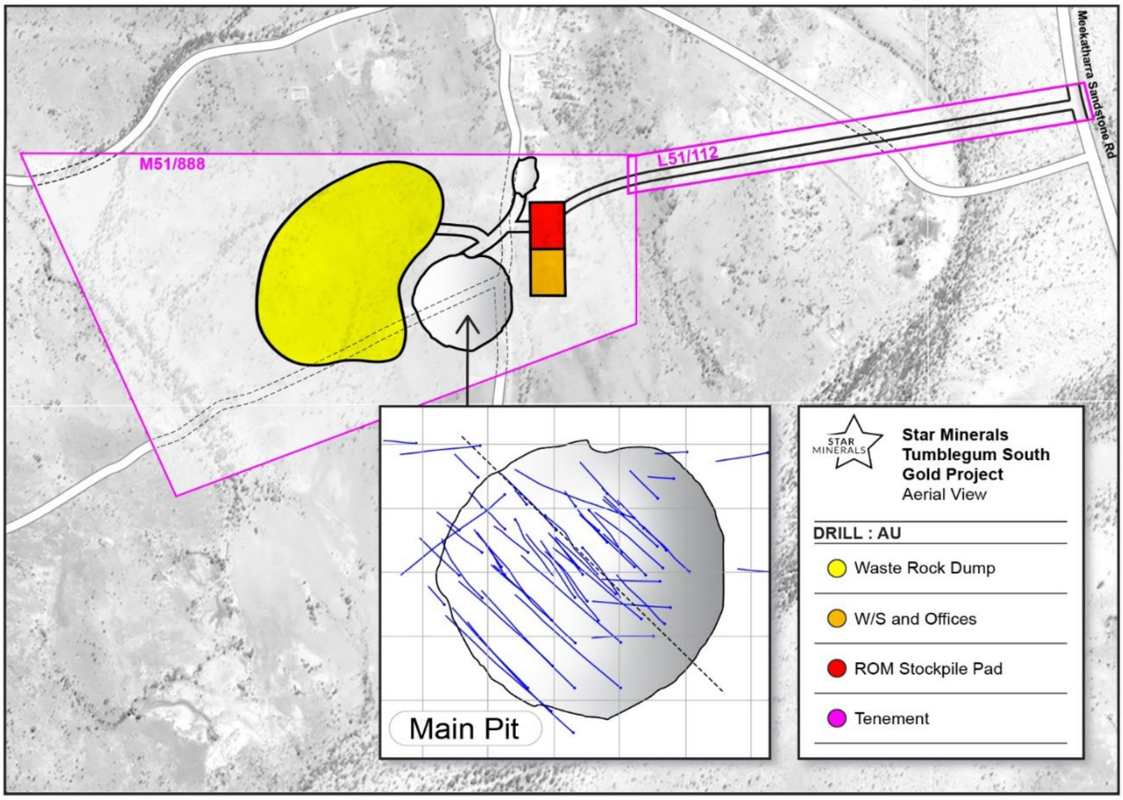


*Figure 2: Tumblegum South Gold Deposit Optimised Pit Plan Over Geology.*

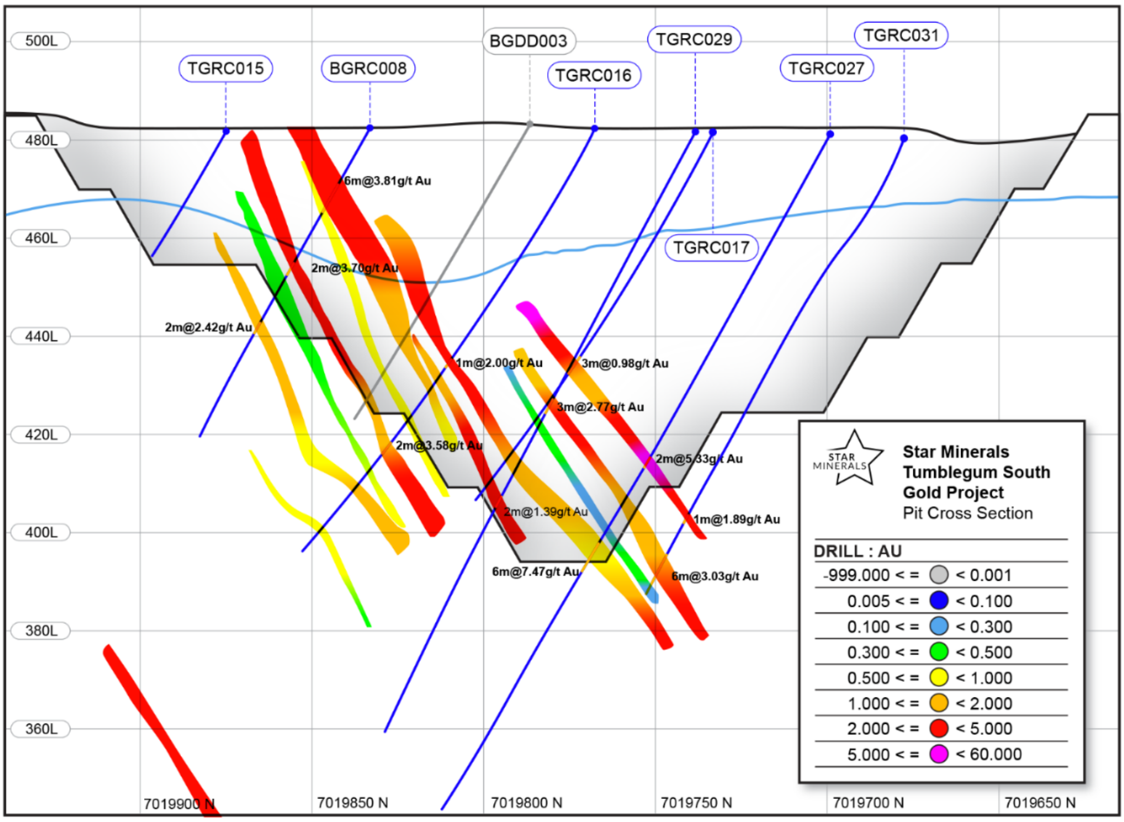


*Figure 3: Tumblegum South Gold Deposit Cross Section Through Optimised Pit (refer Figure 2).*

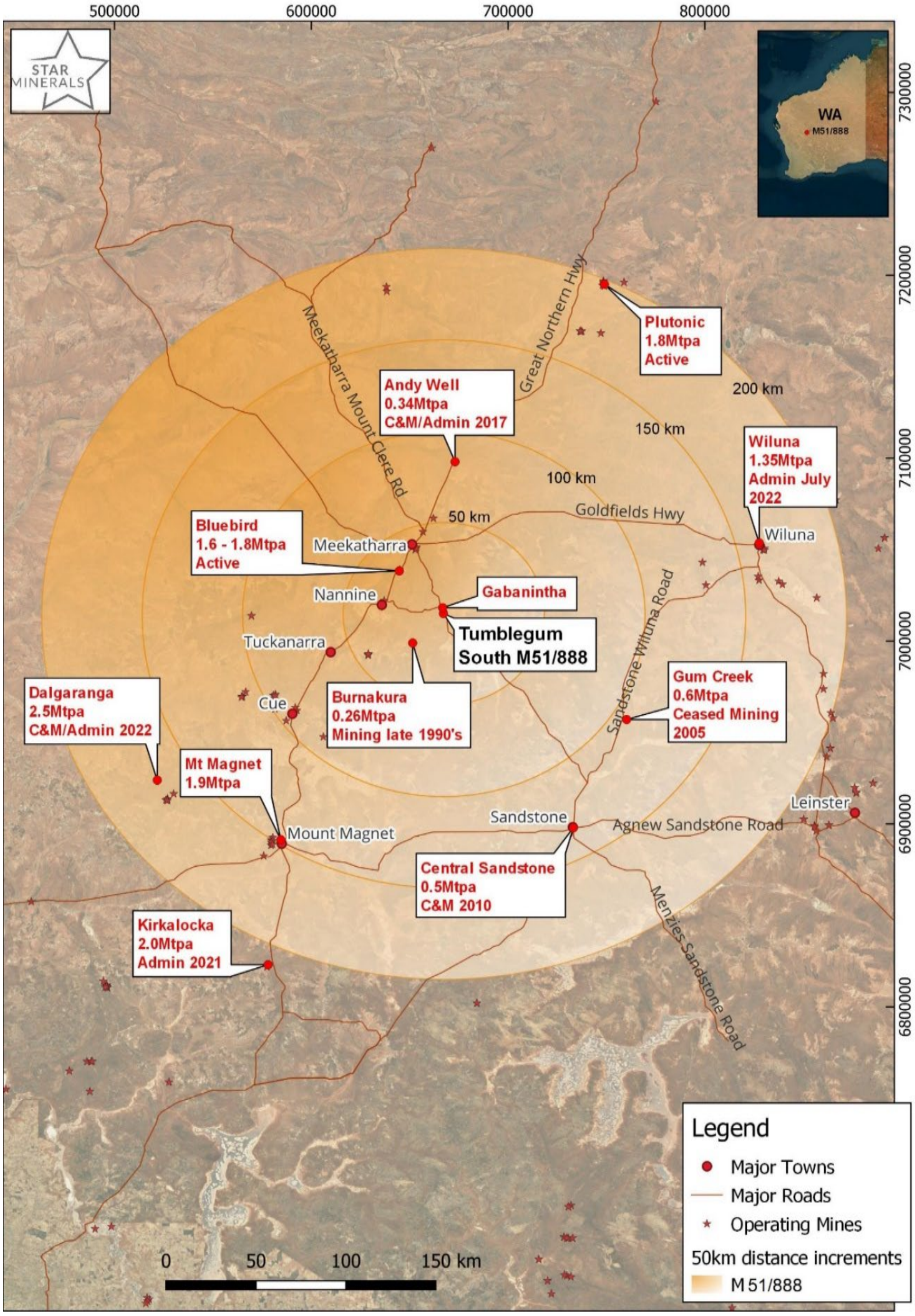


*Figure 4: Location map and relevant infrastructure in the area.*

## Tumblegum South Mineral Resource and Structural geology review.

A geological structural review of the Tumble Gum South gold resource was completed in April 2024 and showed the potential for additional high-grade lodes. This work follows an initial structural review completed in 2019 by the same structural consultant that was used as the basis for drilling programs and the subsequent revised Mineral Resource estimate[6].

This study was commissioned to review the mineral resource estimate and structural models and informed by detailed geological modelling based on a robust drill dataset and builds on the initial structural interpretation underpinning the geology model for the Mineral Resource. The new interpretation has identified areas for additional drilling targeting the maximum curvature of the duplex, and therefore dilation of the structures, with the aim being to identify additional high-grade mineralised gold lodes close to surface and materially increase the current Mineral Resource. The interpretation provided by the Structural Geology Consultant is shown in Figure 5.

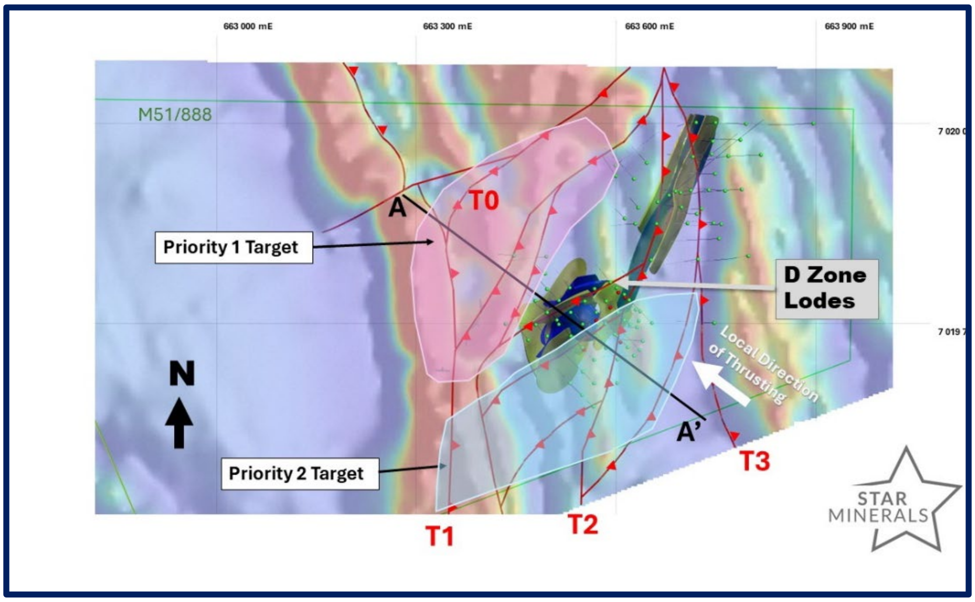


*Figure 5: Structural Interpretation of near surface duplex with targets for additional drilling.*

## Observations from the Structural review

- Only the central portion of the near surface area of the duplex has previously been tested by the post-2019 drilling. This drilling revealed duplex geometries on the linking splay between T1 and T2. The zones of maximum curvature (in plan and section) in the shears plus high-grade gold mineralisation correspond to areas of maximum dilation in the thrust surfaces that make up the duplex.
- The resource model indicates that there is a strong thrust control on the gold mineralisation D Zone lodes with duplex geometries that control the high-grade mineralisation. There is potential to find more of these duplex geometries on and between the T1 and T3 thrusts.

[6] See Star Minerals Limited (SMS) ASX announcement dated 29 April 2024 'Tumblegum South Gold Resource Review'.

- The presence of mineralised crackle breccia zones between the gold bearing shears indicates brittle deformation of the rock combined with high-fluid pressures to increase the volume of a potentially economic lode.
- Combining the observed geometries in the resource model with those interpreted from the initial aeromagnetic interpretation by the Structural Geology Consultant indicates potential to materially increase the resource from a combination of shear zone hosted and crackle breccia hosted gold mineralisation.

## Star of the East

On 28 July 2022, the Company signed an option agreement to acquire the Star of the East gold Project.[7] Star of the East is approximately 2.5km to the west of the Tumblegum South mining lease, consisting of tenement E51/1561.

At the beginning of the reporting period during July 2023, the Group decided not to exercise the Star of the East Option.[8]

## West Bryah copper gold Project

On 25 July 2023 Star entered into a binding agreement with Pinny Pty Ltd to acquire a 100% interest in MW Minerals Pty Ltd. Under the agreement the Group acquired a 100% interest for a cash consideration of $50,000 and 4,000,000 ordinary paid shares in Star Minerals Limited to acquire E52/3635.

MW Minerals Pty Ltd's tenure (E52/3635) is an area covering 216 square km and is located in the Murchison region, situated approximately 100km north of Meekatharra and 50 km west of Peak Hill Mining Centre. E52/3635 is contiguous to the West Bryah Project area owned by Star Minerals Limited. The tenement is underlain by the Narracoota formation (Palaeo-Proterozoic) and part of the Trillbar Formation, both of which are known to host copper and gold deposits in the Bryah Basin and the greater district.

In 28 July 2023 the Star also entered into an agreement with Drillabit Pty Ltd for the 100% acquisition of E51/2069 for a cash consideration of $15,000 and 2,111,000 fully paid ordinary shares. This tenement covers 97.5 square km and is immediately south and contiguous with the Group's existing tenement package.

[7] See Star Minerals Limited (SMS) ASX announcement dated 28 July 2022 'Star of the East project – Acquisition agreement'.
[8] See Star Minerals Limited (ASX: SMS) ASX announcement 28 July 2023 'June Quarterly Activities Report'.

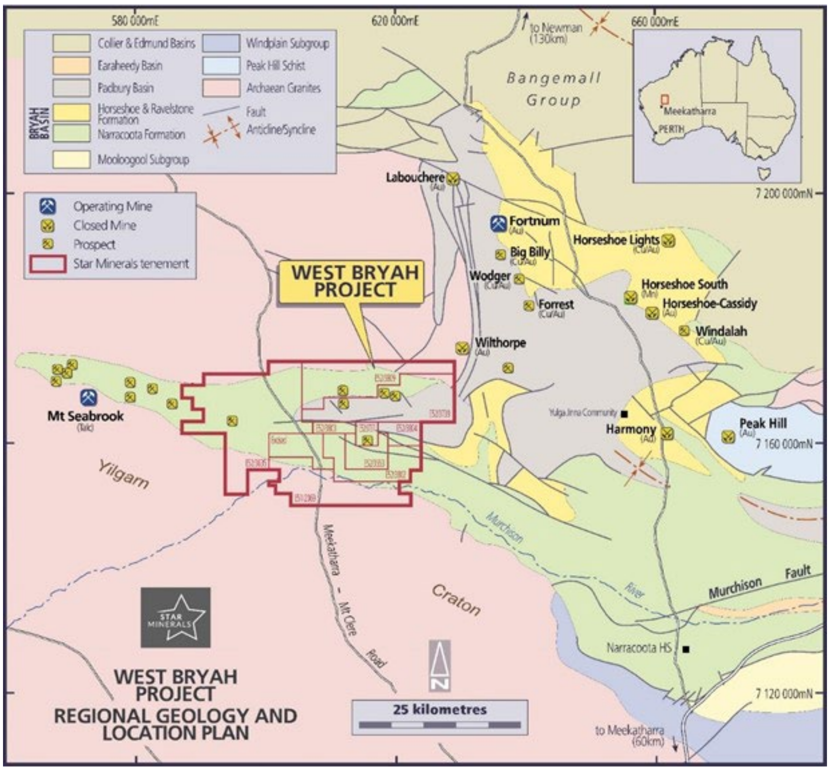


*Figure 6: West Bryah copper gold Project Location Map.*

A reconnaissance and rock chip campaign[9] conducted in late 2023 by Star geologists returned results supporting and validated historical exploration results at the Mount Padbury Prospect and the potential of the Dimble prospect. The aim was to evaluate the Project for prospectivity for gold deposits similar to that defined by Metal Bank (ASX:MBK) at the Livingstone Project, 30km west of the Dimble and Mount Padbury Prospects.

This work has identified numerous gold targets.

Best Rock Chip results include:

- 30.2 g/t Au and 2.1% Cu in sample SMRK055 from Dimble East.
- 12.7 g/t Au in sample SMRK062 from Mount Padbury.
- 11.1 g/t Au in sample SMRK061 and 6.83 g/t Au in sample SMRK059 from West Dimble 4.
- 7.97 g/t Au in sample SMRK070 from Dimble West.

- Mount Padbury reconnaissance checks historical drilling by Lachlan Resources in 1997[10] that returned multiple significant gold intercepts in RAB and RC drilling, including down hole intercepts of:

[9] See Star Minerals Limited (SMS) ASX announcement dated 20 February 2024 'High-Grade Rock Chip Results from West Bryah Project Validate Historical Gold Exploration'.

[10] See Star Minerals Limited (SMS) ASX announcement dated 20 February 2024 'High-Grade Rock Chip Results from West Bryah Project Validate Historical Gold Exploration'.

- 12m at 5.66 g/t Au from 0m in RAB hole MPRB015, including 1m at 59.1 g/t Au from 7m;
- 19m at 2.68 g/t Au from 0m in RAB hole MPRB001, including 1m at 6.14 g/t Au from 4m and including 2m at 17.0 g/t Au from 8m;
- 9m at 1.35 g/t Au from 22m in RAB hole MPRB014;
- 4m at 2.69 g/t Au from 35m in RC hole MPRC0002, including 1m at 7.43 g/t Au from 35m;
- 2m at 2.42 g/t Au from 11m and 1m at 1.16 g/t Au from 20m in RC hole MPRC0004;
- 3m at 1.66 g/t Au from 5m in RC hole MPRC0007; and
- 1m at 8.04 g/t Au from 27m in hole MPRC0008

- Historical drilling and sampling and recent surface sampling highlight potential for West Bryah Project to host gold deposits similar to the Livingstone Project deposits 30km to the west owned by Metal Bank Limited.

**Corporate**

In September 2023 Star Minerals Limited completed a private placement with commitments from new and existing sophisticated investors raising $600,000. The issue of 15,000,000 ordinary shares ("New Shares") and 15,000,000 free attaching options ("New Options") was subject to shareholder approval at a General Meeting of shareholders held on 18 October 2023 and as such, settlement of the Placement funds occurred following shareholder approval. Funds raised from the placement allowed the Company to advance scoping and environmental studies at the Company's Tumblegum South gold Project, exploration activities at the West Bryah copper gold Project and provide additional working capital[11].

**Placement and Share Purchase Plan**

A placement of ordinary shares to new and existing sophisticated investors was completed during the June 24 quarter, raising $264,000 at 3 cents per share.[12]

Participants in the placement received one free attaching option for every one ordinary share subscribed for. The unlisted options are exercisable at 6 cents and expire on 31 October 2026.

Subsequent to the reporting period end, a Share Purchase Plan ("SPP") was completed under the same terms as the Placement and raised $240,000.[13] The shortfall to the SPP of $60,000 was placed by the Lead Manager to the SPP, Caravel Securities Pty Ltd, on 19 July 2024.

'.

[11] See Star Minerals Limited (ASX: SMS) ASX announcement dated 4 September 2023 titled: 'Placement Completed'
[12] See Star Minerals Limited (ASX: SMS) ASX Announcement dated 06 June 2024 titled: 'Placement and Share Purchase Plan'
[13] See Star Minerals Limited (SMS) ASX announcement dated 10 July 2024 'Share Purchase Plan Results'

Participants in the SPP and SPP shortfall received one free attaching option for every one ordinary share subscribed for. The unlisted options are exercisable at $0.06 and expire on 31 October 2026.

## Material Business Risks

### Exploration and development

The Company's mining tenements 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 tenements, or any other mineral tenements that may be acquired in the future, will result in the discovery of an economic resource. Even where an apparently viable resource is identified, there is no guarantee that it can be economically exploited.

### Staffing and reliance on key management

The Company relies on the experience and knowledge of key members of its staff. In the event that key personnel leave and the Company is unable to recruit suitable replacements, such loss could have a materially adverse effect on the Company.

### Capital and funding requirements

Given its focus on exploration, the Company has negative operating cashflow and, at present, it does not generate any material revenue. No assurance can be given that the Company will achieve commercial viability through its existing exploration programs or otherwise. Until the Company is able to realise the full value from its exploration activities, it is likely to incur ongoing operating losses.

# Directors

The names of the directors who held office during or since the end of the half-year and until the date of this report are noted below. Directors were in office for this entire period unless otherwise stated:

- Ian Stuart – Non-executive Chair
- Ashely Jones - Non-executive Director
- Gemma Lee – Non-executive Director

## Information about the Directors

The names, qualifications and experience of each person who has been a director during the period and to the date of this report are:

**Ian George Stuart B.Sc. (Hons) F.FIN MAICD**
Mr. Stuart is a geologist by profession with experience in both the finance and mining industries. He holds an Honours degree in Geology, is a Fellow of the Financial Services Institute of Australasia and a member of the Australian Institute of Company Directors. Ian has extensive experience in capital markets and is conversant with public company governance and management across international jurisdictions.

During the year Mr. Stuart was also the Non-executive Chair of ASX listed company Bryah Resources Limited.

**Ashley Jones B.Sc. (Hons), MAppFin, MBA**
Mr. Jones graduated from the University of Canterbury, New Zealand with a B.Sc. (Hons) in Geology, has a Master of Applied Finance from Kaplan University, Australia, and a MBA with Distinction from Imperial College London. He is a member of the Australian Institute of Mining and Metallurgy (AusIMM) and a member of the Financial Services Institute of Australasia (FINSIA).

Mr. Jones is a geologist with over 20 years of a diverse range of exploration, mine geology and management experience in Australia and Africa. He has project development expertise in feasibility level projects with particular focus on resources and mine development. He was based in Africa for over 11 years exploring a range of commodities for ASX, AIM and TSX listed public companies.

**Gemma Lee BSc. (Applied Geology)(Hons), MAIG, GAICD**
Ms. Lee is a geologist by profession with 20 years' experience in the mining industry in Western Australia, with extensive experience in resource development exploration at advanced exploration sites and working open pit and underground mines. Gemma graduated from Curtin University of Technology with a BSc. Applied Geology (Hons) and is a member of the Australian Institute of Geoscientists (AIG) and Australian Institute of Company Directors (AICD).

## Company Secretary

The following person held the position of Company Secretary at the end of the year and at the date of this report:

- Chris Achurch

## Meetings of Directors

The number of meetings of Directors (including meetings of committees of Directors) held during the period and the number of meetings attended by each Director were as follows:

| | **Board of Directors** | |
|---|---|---|
| | **Number eligible to attend** | **Number attended** |
| Ian Stuart | 4 | 4 |
| Ashley Jones | 4 | 4 |
| Gemma Lee | 4 | 4 |

The full Board fulfils the role of remuneration, nomination and audit committees, although the Chair of these committees differs with Gemma Lee chairing each aforementioned committee.

## Operating and Financial Review

A Review of Operations is contained in the Directors' Report.

The operating loss of the Group for the financial year after providing for income tax was $857,628 (2023: loss of $1,173,316). The Group's net assets as at 30 June 2024 were $6,456,062 (2023: $6,194,467).

At 30 June 2024, the Group had cash reserves of $435,164 (2023: $784,026). The decrease in cash is the result of expenditure on exploration and general overheads, capital raising was undertaken during the reporting period to support ongoing exploration.

The annual financial statements for the Group have been prepared based on assumptions and conditions prevalent at 30 June 2024.  Given ongoing economic uncertainty, these assumptions could change in the future.

## Principal Activities

The Company carries on the business of mineral exploration, focused on the exploration and evaluation of the Tumblegum South project and the West Bryah project both located in central Western Australia.

## Likely Developments and Expected Results

Information on likely developments in the operations of the Group and the expected results of operations have not been included in this report because the Directors believe it would be likely to result in unreasonable prejudice to the Group.

## Environmental Regulation

The Group's operations are subject to various environmental laws and regulations under government legislation. The exploration tenements held by the Company are subject to these regulations and there have not been any known breaches of any environmental regulations during the financial period and up until the date of this report.

## Dividends

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

## Events Subsequent to Reporting Date

Following the placement of ordinary shares and capital raising that was completed during the June 24 quarter and subsequent to the reporting period end, a Share Purchase Plan ("SPP") was completed under the same terms as the Placement and raised $240,000.[14] The shortfall to the SPP of $60,000 was placed by the Lead Manager to the SPP, Caravel Securities Pty Ltd, on 19 July 2024.

Participants in the SPP and SPP shortfall received one free attaching option for every one ordinary share subscribed for. The unlisted options are exercisable at $0.06 and expire on 31 October 2026.

On 19 September 2024 Star also announced it had entered into a binding agreement with Canadian listed Madison Metals Inc. (CSE: GREN) for an earn-in and joint venture to acquire up to 51% of the company holding exploration permit EPL 8531 (**Permit**) comprising the Cobra Uranium Project in the Erongo region of Namibia (**Cobra Project**).[15]

There have been no other matters or circumstances that have occurred subsequent to the reporting date that have significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in subsequent reporting periods.

[14] See Star Minerals Limited (SMS) ASX announcement dated 10 July 2024 'Share Purchase Plan Results'

[15] See Star Minerals Limited (SMS) ASX announcement dated 19 September 2024 'Star to Earn into Namibian Uranium Project'

## Remuneration Report (Audited)

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

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

The remuneration report is set out under the following main headings:

- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Additional disclosures relating to key management personnel

### Principles used to determine the nature and amount of remuneration.

The objective of the Group's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and it is considered to conform to the market best practice for the delivery of reward. The Board of Directors ('the Board') ensures that executive reward satisfies the following key criteria for good reward governance practices:

- Competitiveness and reasonableness
- Acceptability to shareholders
- Performance linkage / alignment of executive compensation
- Transparency

The Board is responsible for determining and reviewing remuneration arrangements for its Directors and executives. The performance of the Group depends on the quality of its Directors and executives. The remuneration philosophy is to attract, motivate and retain high performing and high-quality personnel.

The Board has structured an executive remuneration framework that is market competitive and complementary to the reward strategy of the Group.

The reward framework is designed to align executive reward to shareholders' interests. The Board have considered that it should seek to enhance shareholders' interests by:

- Focusing on sustained growth in shareholder wealth and delivering constant or increasing return on assets as well as focusing the executive on key non-financial drivers of value
- Attracting and retaining high calibre executives.

Additionally, the reward framework should seek to enhance executives' interests by:

- Rewarding capability and experience
- Reflecting competitive reward for contribution to growth in shareholder wealth
- Providing a clear structure for earning rewards

In accordance with best practice corporate governance, the structure of non-executive Director and executive Director remuneration is separate.

### Non-executive Director remuneration

Fees and payments to non-executive Directors reflect the demands and responsibilities of their role. Non-executive Directors' fees and payments are reviewed annually by the Board. The Board may, from time to time, receive advice from independent remuneration consultants to ensure non-executive Directors' fees and payments are appropriate and in line with the market. The chairman's fees are determined independently to the fees of other non-executive Directors based on comparative roles in the external market. The chairman is not present at any discussions relating to the determination of his own remuneration.

ASX listing rules require the aggregate non-executive Directors' remuneration be determined periodically by a general meeting. The current aggregate is $500,000 as determined at the Company's AGM held in November 2023.

### Executive remuneration

The Group aims to reward executives based on their position and responsibility, with a level and mix of remuneration which has both fixed and variable components.

The Board reviews and approves the remuneration levels to enable the Company to attract and retain executives who will create shareholder value having regard to the amount considered to be commensurate for a company of its size, level of activity and the executive's responsibilities. The Board is also responsible for reviewing any employee incentive and equity-based plans including the appropriateness of performance hurdles and total payments proposed.

The executive remuneration and reward framework has four components:

- base pay and non-monetary benefits
- short-term performance incentives
- share-based payments
- other remuneration such as superannuation and long service leave.

The combination of these comprises the executive's total remuneration.

There was no short-term incentive ('STI') program in place during the reporting period, other than the Directors performance rights.

The long-term incentives ('LTI') include long service leave and any share-based payments.

## Equity Incentive Plan (Incentive Plan)

The Company has adopted an Incentive Plan to allow eligible participants to be issued securities in the Company.

Eligible participants include a person who is a full-time or part-time employee, a non-executive director, a contractor or a casual employee of the Company, or an Associated Body Corporate (as defined in ASIC Class Order 14/1000), or such other person who has been determined by the Board to be eligible to participate in the Incentive Plan from time to time.

The purpose of the plan is to:

- assist in the reward, retention and motivation of Eligible Participants.
- link the reward of Eligible Participants to Shareholder value creation; and,
- align the interests of Eligible Participants with shareholders by providing an opportunity to receive an equity interest.

## Use of remuneration consultants

The Company did not engage remuneration consultants during the reporting period.

## Details of remuneration

Details of the remuneration of key management personnel of the Group for the year ended 30 June 2024 are set out in the following tables.

| | Short-term benefits | | Post - employment | Share-based payments | | |
|---|---|---|---|---|---|---|
| **2024** | **Salary & Fees** | **Other benefits** | **SGC** | **Perf. Rights** | **Total** | **Proportion of total performance related** |
| | **$** | **$** | **$** | **$** | **$** | **%** |
| **Directors** | | | | | | |
| **I. Stuart** [1.] | | | | | | |
| 12 months to 30 June 2024 | 200,000 | - | - | 14,929 | **214,92** | 7% |
| | | | | | | |
| **A. Jones** | | | | | | |
| 12 months to 30 June 2024 | 40,000 | - | - | 8,951 | **48,951** | 18% |
| | | | | | | |
| **G. Lee** | | | | | | |
| 12 months to 30 June 2024 | 37,783 | - | 2,323 | 5,944 | **46,050** | 13% |
| | | | | | | |
| **Total Directors** | | | | | | |
| **12 months to 30 June 2024** | **277,783** | **-** | **2,323** | **29,824** | **309,93** | **10%** |
| | | | | | | |
| | | | | | | |
| **Total Directors and Key Management Personnel** | | | | | | |
| **12 months to 30 June 2024** | **277,783** | **-** | **2,323** | **29,824** | **309,93** | |

[1.] Mr Stuart worked additional hours during the 2024 year as the Company continued its search for a Chief Executive Officer. The additional fees paid to Mr Stuart are captured within the non-executive director fees remuneration pool, as approved by shareholders at the Company's annual general meeting on 20 November 2023 (where the aggregate cap was set at $500,000).

| 2023 | Short-term employee benefits | | Post - employment | Share-based payments | Total | Proportion of total performance related |
|---|---|---|---|---|---|---|
| | Salary & Fees | Other benefits | SGC | Perf. Rights | | |
| | $ | $ | $ | $ | $ | % |
| **Directors** | | | | | | |
| **I. Stuart** | | | | | | |
| Period ended 30 June 2023 | 76,667 | - | - | 5,997 | **82,663** | 7% |
| | | | | | | |
| **A. Jones** | | | | | | |
| Period ended 30 June 2023 | 40,000 | - | - | 2,998 | **42,998** | 7% |
| | | | | | | |
| **S. Strubel** [1] | | | | | | |
| 1 July 2022 to 21 October 2022 | 12,308 | - | - | (2,037) | **10,270** | 0% |
| | | | | | | |
| **G. Lee** [2] | | | | | | |
| 21 October 2022 to 30 June 2023 | 22,207 | - | 2,332 | - | **24,539** | 0% |
| | | | | | | |
| **Total Directors** | | | | | | |
| Period ended 30 June 2023 | **151,182** | **-** | **2,332** | **6,958** | **160,471** | **4%** |
| | | | | | | |
| **Key Management Personnel** | | | | | | |
| **G. Almond** [3] | | | | | | |
| 1 July 22 to 2 June 2023 | 254,164 | - | 24,581 | (5,433) | 273,312 | 0% |
| | | | | | | |
| **Total Key Management** | | | | | | |
| **Period ended 30 June 2023** | **254,164** | **-** | **24,581** | **(5,433)** | **273,312** | 0% |
| | | | | | | |
| **Total Directors and Key Management Personnel** | | | | | | |
| **Period ended 30 June 2023** | **405,345** | **-** | **26,913** | **1,525** | **433,783** | **0%** |

1. S. Strubel resigned 21 October 22
2. G. Lee was appointed 21 October 22
3. G. Almond resigned 2 June 23

## Service Agreements

The service terms and conditions of key management personnel other than the Chief Executive Officer (if applicable), are not formalised via a contract of employment. The service terms and conditions are not for a fixed term. There is no notice period and no entitlement upon termination.

## Share-based compensation

### Issue of Shares

There were no shares issued to Directors and other key management personnel as part of compensation during the year ended 30 June 2024.

### Options

There were no options over ordinary shares issued to Directors and other key management personnel as part of compensation that were outstanding as at 30 June 2024.

There were no options over ordinary shares granted to or vested by Directors and other key management personnel as part of compensation during the year ended 30 June 2024.

### Performance rights

2,625,000 performance rights were issued to Directors as part of compensation during the year ended 30 June 2024.

No performance rights over ordinary shares affecting remuneration, previously issued to Directors and other key management personnel were forfeited during the period.

### Additional disclosures relating to Directors and key management personnel

*Shareholding*

The number of shares in the Company held for the year ending 30 June 2024 and 30 June 2023 by each Director and other key management personnel, including their personally related parties is set out below:

| Ordinary Shares | Balance as at 1/7/23 | Shares issued on exercise of options | Shares Purchased / Disposed | Balance as at 30/6/24 |
|---|---|---|---|---|
| **Directors** | | | | |
| Ian Stuart | 30,000 | - | 1,000,000 | 1,030,000 |
| Ashley Jones | 30,000 | - | 625,000 | 655,000 |
| Gemma Lee [2] | 10,000 | - | - | 10,000 |
| **Total** | **70,000** | **-** | **-** | **1,695,000** |

| Ordinary Shares | Balance as at 1/7/22 | Shares issued on exercise of options | Shares Purchased / Disposed | Balance as at 30/6/23 |
|---|---|---|---|---|
| **Directors** | | | | |
| Ian Stuart | 30,000 | - | - | 30,000 |
| Ashley Jones | 30,000 | - | - | 30,000 |
| Stephen Strubel [1] | 1,800,001 | - | - | 1,800,001 |
| Gemma Lee [2] | 10,000 | - | - | 10,000 |
| **Total** | **1,870,001** | **-** | **-** | **1,870,001** |

1. S. Strubel resigned 21 October 2022
2. G. Less appointed 21 October 2022

### *Performance rights holding*

The number of performance rights over ordinary shares in the Company held for the year ending 30 June 2023 and 30 June 2024 by each Director and other key management personnel, including their personally related parties is set out below:

| 2024 | Grant date | Balance as at 1/7/23 | Granted | Forfeited | Balance as at 30/6/24 | Not vested and not exercisable at 30/6/24 | Vested and exercisable at 30/6/24 |
|---|---|---|---|---|---|---|---|
| **Directors** | | | | | | | |
| **Performance Rights B** | | | | | | | |
| Ian Stuart | 25/10/21 | 750,000 | - | - | 750,000 | 750,000 | - |
| Ashley Jones | 25/10/21 | 375,000 | - | - | 375,000 | 375,000 | - |
| | | | | | | | |
| **Tranche 1** | | | | | | | |
| Ian Stuart | 18/10/23 | - | 375,000 | - | 375,000 | 375,000 | - |
| Ashley Jones | 18/10/23 | - | 250,000 | - | 250,000 | 250,000 | - |
| Gemma Lee | 18/10/23 | - | 250,000 | - | 250,000 | 250,000 | - |
| | | | | | | | |
| **Tranche 2** | | | | | | | |
| Ian Stuart | 18/10/23 | - | 375,000 | - | 375,000 | 375,000 | - |
| Ashley Jones | 18/10/23 | - | 250,000 | - | 250,000 | 250,000 | - |
| Gemma Lee | 18/10/23 | - | 250,000 | - | 250,000 | 250,000 | - |
| | | | | | | | |
| **Tranche 3** | | | | | | | |
| Ian Stuart | 18/10/23 | - | 375,000 | - | 375,000 | 375,000 | - |
| Ashley Jones | 18/10/23 | - | 250,000 | - | 250,000 | 250,000 | - |
| Gemma Lee | 18/10/23 | - | 250,000 | - | 250,000 | 250,000 | - |
| | | | | | | | |
| | | | | | | | |
| **Total** | | **1,125,000** | **2,625,000** | **-** | **3,750,000** | **3,750,000** | **-** |

| **2023** | **Grant date** | **Balance as at 1/7/22** | **Granted** | **Forfeited** | **Balance as at 30/6/23** | **Not vested and not exercisable at 30/6/23** | **Vested and exercisable at 30/6/23** |
|---|---|---|---|---|---|---|---|
| **Directors** | | | | | | | |
| Ian Stuart | 25/10/21 | 750,000 | - | - | 750,000 | 750,000 | - |
| Ashley Jones | 25/10/21 | 375,000 | - | - | 375,000 | 375,000 | - |
| Stephen Strubel [1] | 25/10/21 | 375,000 | - | (375,000) | - | - | - |
| | | | | | | | |
| **KMP** | | | | | | | |
| Greg Almond [2] | 25/10/21 | 1,000,000 | - | (1,000,000) | - | - | - |
| | | | | | | | |
| **Total** | | **2,500,000** | **-** | **(1,375,000)** | **1,125,00** | **1,125,000** | **-** |

1. S. Strubel resigned 21 October 2022
2. G. Almond resigned 2 June 2023

The terms and conditions of each grant of Class B performance rights over ordinary shares affecting remuneration of Directors and key management personnel are as follows:

| **Tranche** | **Performance Condition** | **Number** | **Fair Value** |
|---|---|---|---|
| Performance Rights B | Performance rights will vest at the commencement of commercial gold production in relation to tenement M51/888 within 5 years of issue. | 1,125,000 | $0.20 |

The terms and conditions of Tranches 1 to 3 of performance rights issued to Directors during the 2024 financial year, and over ordinary shares affecting remuneration of Directors and key management personnel are as follows:

| **Tranche** | **Performance Condition** | **Number** | **Fair Value** |
|---|---|---|---|
| Tranche 1 | The Performance Rights will vest subject to satisfaction of performance milestones based on the Company's share price. By the date that is 3 years from the grant date, the Company's share price trades on or above a 20-day VWAP of $0.08, being an 82% increase from the closing price of the Company's shares of $0.044 as at 31 August 2023. | 875,000 | $0.0356 |
| Tranche 2 | The Performance Rights will vest subject to satisfaction of performance milestones based on the Company's share price. By the date that is 3 years from the grant date, the Company's share price trades on or above a 20-day VWAP of $0.10, being an 127% increase from the closing price of the Company's shares of $0.044 as at 31 August 2023. | 875,000 | $0.0339 |

| | | | |
|---|---|---|---|
| Tranche 3 | The Performance Rights will vest subject to satisfaction of performance milestones based on the Company's share price. By the date that is 3 years from the grant date, the Company's share price trades on or above a 20-day VWAP of $0.12, being an 173% increase from the closing price of the Company's shares of $0.044 as at 31 August 2023. | 875,000 | $0.0322 |
| | **Total** | **2,625,000** | |

The estimated valuations for Tranches 1 to 3 are based on a Trinomial Barrier option valuation conducted by the Company applying the following key assumptions and variables:

- Underlying spot price: $0.04
- Strike price: Nil
- Volatility: 100%
- Interest rate: 3.00%
- Barrier: (a) in relation to the Tranche 1 Performance Rights, $0.08;<br>(b) in relation to the Tranche 2 Performance Rights, $0.10; and<br>(c) in relation to the Tranche 3 Performance Rights, $0.12.

### Loans and other transactions with Key Management Personnel

There were no loans to or from key management personnel.

This concludes the remuneration report, which has been audited.

## Shares under option

Unissued ordinary shares of Star Minerals Limited under option at the date of this report are as follows:

| Options | Expiry date | Exercise price | Number under option |
|---|---|---|---|
| Listed | 15/10/2024 | $0.30 | 2,000,000 |
| Listed | 15/10/2024 | $0.30 | 12,500,000 |
| Unlisted | 31/10/2026 | $0.06 | 36,599,992 |
| | | | **51,099,992** |

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

## Shares under performance rights

Unissued ordinary shares of Star Minerals Limited under performance rights at the date of this report are as follows:

| Performance rights | Expiry date | Number under performance right |
|---|---|---|
| | 25/10/2026 | 8,125,000 |
| | 17/10/2026 | 5,250,000 |
| | | **13,375,000** |

No person entitled to exercise the performance rights had or has any right by virtue of the performance right to participate in any share issue of the Company. Each performance right converts into one ordinary share.

## Shares issued on the exercise of options

There were no ordinary shares of Star Minerals Limited issued on the exercise of options during the year ended 2024.

## Shares issued on the exercise of performance options

There were no ordinary shares of Star Minerals Limited issued on the exercise of performance rights during the year ended 2024.

## Indemnity and insurance of officers

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

The Company has incurred a premium in respect of a contract to insure the Directors and executives of the Company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

## Indemnity and insurance of auditor

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

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

## Proceedings on behalf of the Company

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

## Non-audit services

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

## Officers of the Company who are former partners of Elderton Audit Pty Ltd

There are no officers of the Company who are former partners of Elderton Audit Pty Ltd.

## Auditor's independence declaration

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

## Auditor

Elderton Audit Pty Ltd continues in office in accordance with section 327 of the Corporations Act 2001.

## Going concern

The financial report has been prepared on a going concern basis. Refer to note 1 'Significant accounting policies'.

This report is made in accordance with a resolution of Directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the Directors

___________________________

**Ian Stuart**
**Non-executive Chair**
30 September 2024

# Auditor's Independence Declaration

To those charged with the governance of Star Minerals Limited

As auditor for the audit of Star Minerals Limited for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of the independence requirements of the *Corporations Act 2001* in relation to the audit; and

- no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Star Minerals Limited and the entities it controlled during the period.

Elderton Audit Pty Ltd.

**Elderton Audit Pty Ltd**

**Rafay Nabeel**

Director

30th September 2024

Perth



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**ABN** 51 609 542 458 **W** www.eldertongroup.com

## Consolidated Statement of Profit or Loss and Other Comprehensive Income
## For the period ended 30 June 2024

| | Notes | Consolidated 30/06/2024 $ | 30/06/2023 $ |
|---|---|---|---|
| Income | 4 (a) | **-** | 202,337 |
| Accounting, audit, legal & taxation | | **(53,815)** | (44,398) |
| Consultants | | **(30,350)** | (65,750) |
| Directors / Officers | | **(336,208)** | (405,345) |
| Employee benefits expense | | **(124,488)** | (351,151) |
| Insurance | | **(55,028)** | (49,986) |
| Exploration and evaluation written off | | **(26,029)** | (191,494) |
| Rental expenses | | **(50,611)** | (54,953) |
| Depreciation expense | 10 | **(4,551)** | (5,413) |
| Share Based Payments | 24 | **(74,824)** | (51,525) |
| Other corporate and administrative expenses | 4 (b) | **(101,724)** | (155,636) |
| **Profit/(Loss) before income tax expense** | | **(857,628)** | (1,173,316) |
| Income Tax Expense | 5 (a) | **-** | - |
| **Profit/(Loss) after income tax expense** | | **(857,628)** | (1,173,316) |
| **Other Comprehensive Income** | | | |
| Movement in fair value of investments | | **18,334** | - |
| **Total Comprehensive Profit/(Loss)** | | **(839,295)** | (1,173,316) |
| | | **Cents** | Cents |
| **Basic/diluted earnings per share** | 7 | **(1.20)** | (2.21) |

The accompanying notes form part of these financial statements.

# Consolidated Statement of Financial Position
# For the period ended 30 June 2024

| | Notes | Consolidated 30/06/2024 $ | 30/06/2023 $ |
|---|---|---|---|
| **ASSETS** | | | |
| **Current Assets** | | | |
| Cash and cash equivalents | 8 | **435,164** | 784,026 |
| Trade and other receivables | 9 | **27,217** | 69,716 |
| Prepayments | | **6,989** | 13,677 |
| **Total Current Assets** | | **469,370** | 867,419 |
| **Non-Current Assets** | | | |
| Plant and equipment | 10 | **602** | 5,153 |
| Exploration and evaluation assets | 11 | **6,124,600** | 5,537,358 |
| **Total Non-Current Assets** | | **6,125,202** | 5,542,511 |
| **TOTAL ASSETS** | | **6,594,572** | 6,409,931 |
| **LIABILITIES** | | | |
| **Current Liabilities** | | | |
| Trade and other payables | 12 | **135,567** | 204,313 |
| Employee provisions | 13 | **2,943** | 11,150 |
| **Total Current Liabilities** | | **138,510** | 215,463 |
| **TOTAL LIABILITIES** | | **138,510** | 215,463 |
| **NET ASSETS** | | **6,456,062** | 6,194,467 |
| **EQUITY** | | | |
| Issued Capital | 14 | **9,467,264** | 8,301,602 |
| Capital Raising Expenses | 14 | **(763,027)** | (668,431) |
| Reserves | 24 | **575,531** | 545,707 |
| Accumulated losses | | **(2,823,706)** | (1,984,410) |
| **TOTAL EQUITY** | | **6,456,062** | 6,194,467 |

The accompanying notes form part of these financial statements.

# Consolidated Statement of Changes in Equity
# For the period ended 30 June 2024

| | Note | Issued Capital $ | Share Based Payment Reserve $ | Accumulated Losses $ | TOTAL $ |
|---|---|---|---|---|---|
| Balance as at 1 July 22 | | 7,583,170 | 544,182 | (811,094) | 7,316,258 |
| Loss for the period | | - | - | (1,173,316) | (1,173,316) |
| Other comprehensive income for the period | | - | - | - | - |
| Total comprehensive loss | | - | - | (1,173,316) | (1,173,316) |
| **Transactions with owners in their capacity as owners** | | | | | |
| Contributions of Equity | | 50,000 | - | - | 50,000 |
| Share based payments | | - | 1,525 | - | 1,525 |
| Shares issued as consideration – E&E asset acquisition | | - | - | - | - |
| Capital raising costs | | - | - | - | - |
| **Balance as at 30 June 23** | | **7,633,170** | **545,707** | **(1,984,410)** | **6,194,467** |
| Balance as at 1 July 23 | | 7,633,170 | 545,707 | (1,984,410) | 6,194,467 |
| Loss for the period | | - | - | (857,628) | (857,628) |
| Other comprehensive income for the period | | - | - | 18,333 | 18,333 |
| Total comprehensive loss | | - | - | (839,295) | (839,295) |
| **Transactions with owners in their capacity as owners** | | | | | |
| Contributions of Equity | | 909,000 | - | - | 909,000 |
| Share based payments | 24 | - | 29,824 | - | 29,824 |
| Shares issued as consideration | 14(b) | 256,662 | - | - | 256,662 |
| Capital raising costs | | (94,595) | - | - | (94,595) |
| **Balance as at 30 June 2024** | | **8,704,237** | **575,531** | **(2,823,705)** | **6,456,062** |

The accompanying notes form part of these financial statements.

# Consolidated Statement of Cash Flows
# For the period ended 30 June 2024

| | Note | Consolidated | |
|---|---|---|---|
| | | **30/06/2024** | 30/06/2023 |
| | | **$** | $ |
| **Cash flows from operating activities** | | | |
| Payments to suppliers and employees | | **(1,109,295)** | (1,819,492) |
| **Net cash provided by / (used) in operating activities** | | **(1,109,295)** | (1,819,492) |
| | | | |
| **Cash flows from investing activities** | | | |
| Payments for exploration and mining interests | | **(67,309)** | (364,466) |
| Payment for property plant and equipment | | **-** | (6,747) |
| **Net cash used in investing activities** | | **(67,309)** | (371,213) |
| | | | |
| **Cash flows from financing activities** | | | |
| Proceeds from issue of shares | | **864,000** | - |
| Payment of capital raising costs | | **(36,258)** | - |
| **Net cash provided by financing activities** | | **827,742** | - |
| | | | |
| Net increase (decrease) in cash held | | **(348,862)** | (2,190,705) |
| | | | |
| Cash at beginning of the period | | **784,026** | 2,974,731 |
| **Cash at end of the period** | | **435,164** | 784,026 |

The accompanying notes form part of these financial statements.

## 1. STATEMENT OF MATERIAL ACCOUNTING POLICIES

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

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

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

**Going concern**
The financial statements have been prepared on a going concern basis.

Based on its assessment of the cash flow projections over the ensuing 12 months from the date of this report the Board is satisfied that sufficient funds are available for the Group to pay its debts as and when they fall due for at least the next 12 months from the date of this report.

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

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

**Critical accounting estimates**
The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

**Parent entity information**
In accordance with the Corporations Act 2001, these financial statements present the results of the Group only. Supplementary information about the parent entity is disclosed in note 20.

**Principles of consolidation**
The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Star Minerals Limited ('Company' or 'parent entity') as at 30 June 2024 and the results of all subsidiaries for the year then ended. Star Minerals Limited and its subsidiaries together are referred to in these financial statements as the 'Group'.

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

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

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

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

**Income tax**

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

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

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled, and it is probable that the temporary difference will not reverse in the foreseeable future.

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

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

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

**Current and non-current classification**

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

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

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

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

**Cash and cash equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the statement of cash flows presentation purposes, cash and cash equivalents also include bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

**Trade and other receivables**

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

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

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

**Property, plant and equipment**

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

| | |
|---|---|
| - Buildings | 40 years |
| - Leasehold improvements | 3-10 years |
| - Plant and equipment | 3-7 years |

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

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

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

**Exploration and evaluation assets**

Exploration and evaluation expenditure in relation to separate areas of interest for which rights of tenure are current is carried forward as an asset in the statement of financial position where it is expected that the expenditure will be recovered through the successful development and exploitation of an area of interest, or by its sale; or exploration activities are continuing in an area and activities have not reached a stage which permits a reasonable estimate of the existence or otherwise of economically recoverable reserves. Where a project or an area of interest has been abandoned, the expenditure incurred thereon is written off in the year in which the decision is made.

**Impairment of non-financial assets**

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

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

**Trade and other payables**

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

**Borrowings**

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

**Provisions**

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

**Employee benefits**

*Short-term employee benefits*

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

*Other long-term employee benefits*

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

*Share-based payments*

Equity-settled and cash-settled share-based compensation benefits are provided to employees.

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

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

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

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

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

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

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

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

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

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

**Fair value measurement**

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

**Issued capital**

Ordinary shares are classified as equity.

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

**Business combinations**

The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

The consideration transferred is the sum of the acquisition-date fair values of the assets transferred, equity instruments issued, or liabilities incurred by the acquirer to former owners of the acquiree and the amount of any non-controlling interest in the acquiree. For each business combination, the non-controlling interest in the acquiree is measured at either fair value or at the proportionate share of the acquiree's identifiable net assets. All acquisition costs are expensed as incurred to profit or loss.

On the acquisition of a business, the Group assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the Group's operating or accounting policies and other pertinent conditions in existence at the acquisition-date.

Where the business combination is achieved in stages, the Group remeasures its previously held equity interest in the acquiree at the acquisition-date fair value and the difference between the fair value and the previous carrying amount is recognised in profit or loss.

Contingent consideration to be transferred by the acquirer is recognised at the acquisition-date fair value. Subsequent changes in the fair value of the contingent consideration classified as an asset or liability is recognised in profit or loss. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

The difference between the acquisition-date fair value of assets acquired, liabilities assumed and any non-controlling interest in the acquiree and the fair value of the consideration transferred and the fair value of any pre-existing investment in the acquiree is recognised as goodwill. If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognised as a gain directly in profit or loss by the acquirer on the acquisition-date, but only after a reassessment of the identification and measurement of the net assets acquired, the non-controlling interest in the acquiree, if any, the consideration transferred and the acquirer's previously held equity interest in the acquirer.

Business combinations are initially accounted for on a provisional basis. The acquirer retrospectively adjusts the provisional amounts recognised and also recognises additional assets or liabilities during the measurement period, based on new information obtained about the facts and circumstances that existed at the acquisition-date. The measurement period ends on either the earlier of (i) 12 months from the date of the acquisition or (ii) when the acquirer receives all the information possible to determine fair value.

**Earnings per share**

*Basic earnings per share*

Basic earnings per share is calculated by dividing the profit attributable to the owners of Star Minerals 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.

**Goods and Services Tax ('GST') and other similar taxes**

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

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

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

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

**New Accounting Standards and Interpretations not yet mandatory or early adopted**

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 30 June 2024. The Group has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

## 2. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

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

*Share-based payment transactions*

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

*Fair value measurement hierarchy*

The Group is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being: Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date; Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and Level 3: Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

*Goodwill and other indefinite life intangible assets*

The Group tests annually, or more frequently, if events or changes in circumstances indicate impairment, whether goodwill and other indefinite life intangible assets have suffered any impairment, in accordance with the accounting policy stated in note 1. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions, including estimated discount rates based on the current cost of capital and growth rates of the estimated future cash flows.

*Impairment of non-financial assets other than goodwill and other indefinite life intangible assets*

The Group assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the Group and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

*Income tax*

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

*Exploration and evaluation costs*

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 successful 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 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.

*Business combinations*

As discussed in note 1, business combinations are initially accounted for on a provisional basis. The fair value of assets acquired, liabilities and contingent liabilities assumed are initially estimated by the Group taking into consideration all available information at the reporting date. Fair value adjustments on the finalisation of the business combination accounting are retrospective, where applicable, to the period the combination occurred and may have an impact on the assets and liabilities, depreciation and amortisation reported.

## 3. OPERATING SEGMENTS

Based on the information used for internal reporting purposes by the chief operating decision maker (directors of the Company) the Company operated in one reportable segment during the period.

The reportable segment financial information is therefore the same as the statement of financial position and the statement of profit or loss and other comprehensive income.

## 4. REVENUE AND EXPENSES

### 4 (a) Income

| | | Consolidated | |
|---|---|---|---|
| | | **30/06/2024** | 30/06/2023 |
| | | **$** | $ |
| Other Income | | | |
| - Salaries and wages recharged | | - | 202,337 |
| | Total | - | 202,337 |

### 4 (b) Other corporate and administration expenses

| | | Consolidated | |
|---|---|---|---|
| | | **30/06/2024** | 30/06/2023 |
| | | **$** | $ |
| - Advertising and marketing | | **3,503** | 27,360 |
| - ASIC, share registry and ASX | | **54,351** | 77,195 |
| - IT, software and website expenses | | **19,133** | 33,505 |
| - General administration | | **24,737** | 17,576 |
| | Total | **101,724** | 155,636 |

## 5. INCOME TAX

| | Consolidated | |
|---|---|---|
| | **30/06/2024** | 30/06/2023 |
| | **$** | $ |
| **5(a) Income tax expense** | | |
| The components of tax expense comprise | | |
| Current tax | - | - |
| Deferred tax | - | - |

### 5(b) Numerical reconciliation of income tax expense to prima facie tax payable

| | | |
|---|---|---|
| Profit (loss) from ordinary activities before income tax expense | **(839,295)** | (1,173,316) |
| Prima facie tax benefit on loss from ordinary activities at 25% | **(209,824)** | (293,329) |
| | | |
| Tax effect of amounts which are not deductible (taxable) in calculating taxable income: | | |
| - Entertainment | **209** | (350) |
| - Fines | **-** | 272 |
| - Share based payments | **29,824** | 1,525 |
| | **(179,791)** | (291,882) |
| | | |
| Tax effect of current year tax losses for which no deferred tax asset has been recognised | **283,919** | 385,789 |
| | | |
| Amortisation of capitalised exploration and evaluation expenditure for tax | **(74,623)** | (69,293) |
| | | |
| Amortisation of capital raising costs for tax (Black-hole expenditure) | **(29,505)** | (24,614) |
| | | |
| **Income Tax Expense** | **-** | - |

### 5(c) Unrecognised temporary differences

| | | |
|---|---|---|
| **Deferred Tax Assets (at relevant tax rates)** | | |
| Accrued expenses | **9,656** | 3,217 |
| Entity establishment costs | **-** | 321 |
| Provision for expenses | **1,522** | 2,787 |
| Capital raising costs | **68,740** | 73,627 |
| Carry forward tax losses | **1,384,075** | 1,016,611 |
| | **1,463,993** | 1,096,563 |
| **Deferred Tax Liabilities (at relevant tax rates)** | | |
| Prepaid expenses | **618** | 3,419 |
| Depreciable assets | **150** | 1,288 |
| Mineral exploration | **601,556** | 483,533 |
| | **602,324** | 488,240 |
| | | |
| **Net Deferred Asset / (Liability) not recognised** | **861,669** | 608,323 |

The deferred tax asset and deferred tax liability have not been brought to account as it is unlikely they will arise unless the company generates sufficient revenue to utilise them.

## 6. AUDITORS' REMUNERATION

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

| | Consolidated | |
|---|---|---|
| | **30/06/2024** | 30/06/2023 |
| | **$** | $ |
| Amounts paid or due and payable to Elderton Audit Pty Ltd for: | | |
| - Annual audit and review services | **25,413** | 16,400 |
| Total | **25,413** | 16,400 |

## 7. EARNINGS PER SHARE

| | Consolidated | |
|---|---|---|
| | **30/06/2024** | 30/06/2023 |
| | **(Cents)** | (Cents) |
| Basic Profit / (loss) per share | **(1.20)** | (2.21) |

The earnings and weighted average number of ordinary shares used in the calculation of basic and

| | | |
|---|---|---|
| Net Profit / (loss) for the period | **(839,295)** | (1,173,316) |
| | **No.** | No. |
| Weighted average number of ordinary shares used in the calculation of Basic and diluted EPS | **70,203,228** | 53,189,319 |

7,999,992 ordinary fully paid shares were issued by Star on 12 July 2024 as part of a placement transaction that occurred during June 2024 quarter.

There have been no other transactions involving ordinary shares or potential ordinary shares since the reporting date and before the completion of these financial statements.

As the Company is loss making there is no diluted EPS calculated. Basic EPS is calculated by dividing:

- The profit (loss) attributable to owners of the Company, excluding any costs of servicing equity other than ordinary shares.
- By the weighted average number of ordinary shares outstanding during the financial period.

## 8. CASH AND CASH EQUIVALENTS

| | | Consolidated | |
|---|---|---|---|
| | | **30/06/2024** | 30/06/2023 |
| | | **$** | $ |
| Cash at bank | | **434,958** | 782,942 |
| Debit card | | **206** | 1,084 |
| | Total | **435,164** | 784,026 |

## 9. TRADE AND OTHER RECEIVABLES

| | | Consolidated | |
|---|---|---|---|
| | | **30/06/2024** | 30/06/2023 |
| | | **$** | $ |
| Trade receivables | | **10,817** | 43,636 |
| BAS receivable | | **16,400** | 26,080 |
| | Total | **27,217** | 69,716 |

## 10. PLANT AND EQUIPMENT

| | | Consolidated | |
|---|---|---|---|
| | | **30/06/2024** | 30/06/2023 |
| | | **$** | $ |
| Computer Equipment | | | |
| - At cost | | **10,787** | 10,787 |
| - Less: accumulated depreciation | | **(10,185)** | (5,634) |
| | Total | **602** | 5,153 |

### 10 (a) Movements in carrying amounts

Movements in the carrying amounts for each class of plant and equipment during the financial year:

| | **Computer Equipment** |
|---|---|
| Balance at 1 July 2023 | **5,153** |
| Additions | **-** |
| Disposals | **-** |
| Depreciation Expense | **(4,551)** |
| Balance at 30 June 2024 | **602** |

## 11. EXPLORATION AND EVALUATION ASSETS

| | Consolidated | |
|---|---|---|
| | **30/06/2024** | 30/06/2023 |
| | **$** | $ |
| Exploration expenditure brought forward | **5,537,358** | 4,637,617 |
| Tenement acquisition costs | **342,303** | - |
| Stamp Duty | **-** | 113,455 |
| Expenditures during the period | **244,939** | 786,286 |
| Exploration expenditure carried forward | **6,124,600** | 5,537,358 |

The expenditure above relates principally to the exploration and evaluation phase. The ultimate recoupment of this expenditure is dependent upon the successful development and commercial exploitation, or alternatively, sale of the respective areas of interest, at amounts at least equal to book value.

## 12. TRADE AND OTHER PAYABLES

| | Consolidated | |
|---|---|---|
| | **30/06/2024** | 30/06/2023 |
| | **$** | $ |
| Trade payables | **91,302** | 115,148 |
| Accrued expenses | **38,622** | 12,868 |
| PAYG withholding | **2,496** | 76,297 |
| Superannuation payable | **3,147** | - |
| Total | **135,567** | 204,313 |

Refer to note 16 for further information on financial instruments.

## 13. EMPLOYEE PROVISIONS

| | Consolidated | |
|---|---|---|
| | **30/06/2024** | 30/06/2023 |
| | **$** | $ |
| Annual leave entitlements | **2,943** | 11,150 |
| Total | **2,943** | 11,150 |

## 14. ISSUED CAPITAL

### 14 (a) Issued and paid up capital

| | **30/06/2024 No.** | 30/06/2023 No. | **30/06/2024 $** | 30/06/2023 $ |
|---|---|---|---|---|
| Ordinary shares – fully paid | **84,722,799** | 53,561,799 | **8,798,832** | 7,633,171 |
| Share issue costs | - | - | **(94,596)** | - |
| | **84,722,799** | 53,561,799 | **8,704,236** | 7,633,171 |

### 14 (b) Movements in ordinary share capital

| Ordinary shares – fully paid | **30/06/2024 No.** | 30/06/2024 $ |
|---|---|---|
| Opening balance – 01/07/2023 | **53,561,799** | 7,633,171 |
| Shares issued to investors | **25,050,000** | 909,000 |
| Capital raising costs | **-** | (94,596) |
| Shares issued as consideration | **6,111,000** | 256,661 |
| Closing balance | **84,722,799** | 8,704,236 |

*Ordinary shares*

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

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

### 14 (c) Movements in performance rights and options

| | **30/06/2024 Performance rights No.** | **30/06/2024 Options No.** |
|---|---|---|
| Opening balance – 01/07/2023 | **8,125,000** | **14,500,000** |
| Free attaching options with placements | **-** | **23,800,000** |
| KMP performance rights issued – tranche 1 - 3 | **2,625,000** | **-** |
| Closing balance | **10,750,000** | **38,300,000** |

*Capital risk management*

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

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current Company's share price at the time of the investment. The Group is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

## 15. DIVIDENDS

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

## 16. FINANCIAL INSTRUMENTS

*Financial risk management objectives*

The Group's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. 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 Group. The Group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks and ageing analysis for credit risk.

Risk management is carried out by senior finance executives ('finance') under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the Group and appropriate procedures, controls and risk limits. Finance identifies, evaluates and hedges financial risks within the Group's operating units. Finance reports to the Board monthly.

*Market risk*

The Group is not exposed to any significant market risk.

*Price risk*

The Group is not exposed to any significant price risk.

*Interest rate risk*

The Group is not exposed to any significant interest rate risk.

*Credit risk*

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has a strict code of credit, including confirming references and setting appropriate credit limits. The Group obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The Group does not hold any collateral.

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

*Liquidity risk*

Vigilant liquidity risk management requires the Group to maintain sufficient liquid assets (mainly cash and cash equivalents) to be able to pay debts as and when they become due and payable.

The Group manages liquidity risk by maintaining adequate cash reserves by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

*Fair value of financial instruments*

The fair values of financial assets and liabilities, together with their carrying amounts in the statement of financial position for the Group are as follows:

| | **30/06/2024** | | 30/06/2023 | |
|---|---|---|---|---|
| Consolidated | **Carrying amount** | **Fair value** | Carrying amount | Fair value |
| | **$** | $ | **$** | $ |
| *Assets* | | | | |
| Cash at bank | **435,164** | **435,164** | 784,026 | 784,026 |
| Other receivables | **34,206** | **34,206** | 69,716 | 69,716 |
| | **469,370** | **469,370** | 853,742 | 853,742 |
| *Liabilities* | | | | |
| Trade Payables | **135,567** | **135,567** | 115,148 | 115,148 |
| Other payables | **2,943** | **2,943** | 76,297 | 76,297 |
| | **138,510** | **138,510** | 191,445 | 191,445 |

## 17. KEY MANAGEMENT PERSONNEL DISCLOSURES

*Compensation*

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

| | | Consolidated | |
|---|---|---|---|
| | | **30/06/2024** | 30/06/2023 |
| | | **$** | $ |
| Short-term employee benefits | | **277,783** | 405,345 |
| Post-employment benefits | | **2,323** | 26,913 |
| Share-based payments (refer note 24) | | **29,824** | 1,525 |
| | Total | **309,930** | 433,783 |

## 18. CONTINGENT LIABILITIES

A contingent liability exists in relation to the Company granting the vendors of the West Bryah Project a 0.75% net smelter return royalty on all products extracted or derived from the area.

A contingent liability also exists in relation to Australian Vanadium Limited (ASX: AVL) being granted a 0.75% net smelter return royalty on all products extracted or derived from area M51/888 – Tumblegum South Project.

There were no other contingent liabilities at the period end.

## 19. COMMITMENTS

*Exploration commitments*

The Company has certain obligations to perform minimum exploration work and to expend minimum amounts of money on such work on mining tenements. These obligations may be varied from time to time subject to approval and are expected to be fulfilled in the normal course of the operations of the Company. These commitments have not been provided for in the accounts. The current minimum expenditure commitments on the tenements are:

| | | Consolidated | |
|---|---|---|---|
| | | **30/06/2024** | 30/06/2023 |
| | | **$** | $ |
| - No later than 1 year | | **392,000** | 256,711 |
| - Between 1 and 5 years | | **2,892,000** | 2,528,000 |
| | Total | **3,284,000** | 2,784,711 |

*Operating lease commitments*

The Company has a shared service agreement which includes access to office facilities and car parking at 191B Carr Place, Leederville. WA 6007

| | | Consolidated | |
|---|---|---|---|
| | | **30/06/2024** | 30/06/2023 |
| | | **$** | $ |
| No later than 1 year | | **30,000** | 60,000 |
| | Total | **30,000** | 60,000 |

## 20. RELATED PARTY TRANSACTIONS

*Parent entity*
Star Minerals Limited is the parent entity.

*Subsidiaries*
Interests in subsidiaries are set out in note 22.

*Key management personnel*
Disclosures relating to key management personnel are set out in note 17 and the remuneration report included in the Directors report.

*Receivable from and payable to related parties*
The following balances are outstanding at the reporting date in relation to transactions with related parties:

| | | Consolidated | |
|---|---|---|---|
| | | **30/06/2024** | 30/06/2023 |
| | | **$** | $ |
| Current receivables | | | |
| Trade receivables – Bryah Resources | | **367** | 43,636 |
| | Total | **367** | 43,636 |
| Current payables | | | |
| Trade payables – Bryah Resources | | **20,283** | 34,610 |
| | Total | **20,283** | 34,610 |

As approved by shareholders on 18 October 2023 performance rights were issued to key management personnel in three tranches, with only half of the performance rights granted being issued on 7 November 2023. The Performance Rights will vest subject to satisfaction of performance milestones based on the Company's share price by the date that is 3 years from the grant date.

| | Position | # Performance rights | Fair value per performance right | Total fair value |
|---|---|---|---|---|
| **Tranche 1** – 20 day VWAP of $0.08 | | | **$** | **$** |
| Ian Stuart | Non-executive chairman | 375,000 | 0.0356 | 13,350 |
| Ashley Jones | Non-executive Director | 250,000 | 0.0356 | 8,900 |
| Gemma Lee | Non-executive Director | 250,000 | 0.0356 | 8,900 |
| | | **875,000** | | **31,150** |
| **Tranche 2** – 20 day VWAP of $0.10 | | | | |
| Ian Stuart | Non-executive chairman | 375,000 | 0.0339 | 12,712 |
| Ashley Jones | Non-executive Director | 250,000 | 0.0339 | 8,475 |
| Gemma Lee | Non-executive Director | 250,000 | 0.0339 | 8,475 |
| | | **875,000** | | **29,662** |
| **Tranche 3** – 20 day VWAP of $0.12 | | | | |
| Ian Stuart | Non-executive chairman | 375,000 | 0.0322 | 12,075 |
| Ashley Jones | Non-executive Director | 250,000 | 0.0322 | 8,050 |
| Gemma Lee | Non-executive Director | 250,000 | 0.0322 | 8,050 |
| | | **875,000** | | **28,175** |

## 21. PARENT ENTITY INFORMATION

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

| | Consolidated | |
|---|---|---|
| | **30/06/2024** | 30/06/2023 |
| *Statement of profit or loss and other comprehensive income* | **$** | $ |
| Loss after income tax | **(838,598)** | (1,170,940) |

| | | |
|---|---|---|
| **Total comprehensive income** | **(838,598)** | (1,170,940) |
| *Statement of financial position* | | |
| Total Current Assets | **275,607** | 635,757 |
| Total Assets | **6,583,940** | 6,391,399 |
| Total Current Liabilities | **119,648** | 189,399 |
| Total Liabilities | **119,648** | 189,399 |
| **Equity** | | |
| Issued Capital | **8,704,236** | 7,633,171 |
| Reserves | **575,531** | 545,707 |
| Accumulated losses | **(2,815,475)** | (1,976,877) |
| **TOTAL EQUITY** | **6,464,292** | 6,202,000 |

*Guarantees entered into by the parent entity in relation to the debts of its subsidiaries*
The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2024 and 30 June 2023.

*Contingent liabilities*
As disclosed in note 18 'Contingent liabilities'.

*Capital commitments - Property, plant and equipment*
The parent entity had no capital commitments for property, plant and equipment as at 30 June 2024 and 30 June 2023.

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

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

## 22. INTERESTS IN SUBSIDIARIES

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiary in accordance with the accounting policy described in note 1:

| **Name** | **Principal place of business / Country of incorporation** | **Ownership interest** | |
|---|---|---|---|
| | | **30/06/2024** | 30/06/2023 |
| | | % | % |
| White Star Minerals Pty Ltd | Australia | **100** | 100 |
| MW Minerals Pty Ltd | Australia | **100** | - |

## 23. EVENTS AFTER REPORTING PERIOD

Following the placement of ordinary shares and capital raising that was completed during the June 24 quarter and subsequent to the reporting period end, a Share Purchase Plan ("SPP") was completed under the same terms as the Placement and raised $240,000.[16] The shortfall to the SPP of $60,000 was placed by the Lead Manager to the SPP, Caravel Securities Pty Ltd, on 19 July 2024.

Participants in the SPP and SPP shortfall received one free attaching option for every one ordinary share subscribed for. The unlisted options are exercisable at $0.06 and expire on 31 October 2026.

On 19 September 2024 Star also announced it had entered into a binding agreement with Canadian listed Madison Metals Inc. (CSE: GREN) for an earn-in and joint venture to acquire up to 51% of the company holding exploration permit EPL 8531 (**Permit**) comprising the Cobra Uranium Project in the Erongo region of Namibia (**Cobra Project**).[17]

There have been no other matters or circumstances that have occurred subsequent to the reporting date that have significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in subsequent reporting periods.

## 24. SHARE-BASED PAYMENTS

*Reconciliation of share-based payments*

| | Consolidated | |
|---|---|---|
| | **30/06/2024**<br><br>**Share-based payments expense**<br>**$** | **30/06/2024**<br>**Share-based payments reserve movement**<br>**$** |
| Opening balance | - | 545,707 |
| Performance rights granted to key management personnel under the Equity Incentive Plan. | **29,824** | 29,824 |
| Equity issue to employee under the Equity Incentive Plan | **45,000** | - |
| | **74,824** | 575,531 |

[16] See Star Minerals Limited (SMS) ASX announcement dated 10 July 2024 'Share Purchase Plan Results'
[17] See Star Minerals Limited (SMS) ASX announcement dated 19 September 2024 'Star to Earn into Namibian Uranium Project'

## CONSOLIDATED ENTITY DISCLOSURE STATEMENT

| Name of Entity | Entity Type | Country of Incorporation | Ownership Interest % | Tax Residency |
|---|---|---|---|---|
| White Star Minerals Pty Ltd | Body Corporate | Australia | 100 | Australia |
| MW Minerals Pty Ltd | Body Corporate | Australia | 100 | Australia |

Star Minerals Limited (the “head entity”) and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime.

# DIRECTORS' DECLARATION

The Directors of the Company declare that:

1. the financial statements and notes set out on pages 28 to 55 are in accordance with *the Corporations Act 2001* including:
    a. complying with Australian Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements, and
    b. giving a true and fair view of the Company's financial position as at 30 June 2024 and of the performance for the period ended on that date, and;
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.
3. in the Directors' opinion, the consolidated entity disclosure statement required by section 295(3A) of the Corporations Act is true and correct.
4. a statement that the attached financial statements are in compliance with International Financial Reporting Standards has been included in the notes to the financial statements.

The Directors have been given the declarations pursuant to Section 295A of the *Corporations Act 2001*.

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

______________________

**Mr Ian Stuart**
**Non-executive Chair**

30 September 2024

# Independent Audit Report to the members of Star Minerals Limited

### Report on the Audit of the Financial Report

### Opinion

We have audited the financial report of Star Minerals Limited (‘the Company’) and it’s controlled entities (collectively referred to as ‘the Group’), which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, the consolidated entity disclosure statement 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 2024 and of its financial performance for the year then ended; and

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

### Basis for Opinion

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

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the Directors of the Group, 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.

### 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. We have determined the matters described below to be key audit matters to be communicated in our report.

**Exploration and evaluation assets**

Refer to Note 11, Exploration and Evaluation Asset ($6,124,600) and accounting policy Notes 1.

| Key Audit Matter | How our audit addressed the matter |
|---|---|
| The Group has a significant amount of capitalised exploration and evaluation costs. As the carrying value of exploration and evaluation assets represents a significant asset of the Group, we considered it necessary to assess whether facts and circumstances exist to suggest the carrying amount of this asset may exceed its recoverable amount. | Our audit work included, but was not restricted to, the following:<br>• We obtained evidence that the Group has valid rights to explore in the areas represented by the capitalised exploration and evaluation costs by obtaining independent searches of the Group's tenement holdings and reviewing contracts under which the Group acquired the areas of interest.<br>• We enquired with those charged with governance to assess whether substantive costs on further exploration for and evaluation of the mineral resources in the Group's areas of interest are planned.<br>• We enquired with directors and reviewed minutes of directors' meetings to ensure that the Group has not decided to discontinue activities in any of its areas of interest.<br>• We enquired with management to ensure that the Group had not decided to proceed with development of a specific area of interest, yet the carrying amount of the exploration and evaluation asset was unlikely to be recovered in full from successful development or sale. |

**Non cash share-based payments/benefits**

Refer to Note 24 Share Based Payment ($74,824) and Note 2

| Key Audit Matter | How our audit addressed the matter |
|---|---|
| During the year, the group issued performance rights to its directors and share options to brokers. Non cash share-based payments/benefits are considered to be a key audit matter due to:<br>• The significance of the balances to the Company's profit or loss and KMP remuneration;<br>• The level of judgement required in evaluating management's application of the requirements of AASB 2 Share based Payment ("AASB 2");<br>• Use of the American Binomial and Trinomial pricing valuation model to determine the fair value of the options and performance rights granted. | Our procedures included, amongst others:<br>• Analyse contractual agreement to identify key terms and conditions of the share-based payments issued and relevant vesting conditions in accordance with AASB 2;<br>• Evaluate valuation methods and assess the assumptions and inputs used;<br>• Assess the amount recognised during the period against relevant vesting conditions; and<br>• Assess the appropriateness of the disclosures included in the relevant notes to the financial statements. |

**Other Information**

The Directors are responsible for the other information. The other information obtained at the date of this auditor's report is included in Group's annual report, 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 on the other information obtained prior to the date of this auditor's report, 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 Group are responsible for the preparation of the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and the consolidated entity disclosure statement that is true and correct in accordance with the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error and the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

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

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

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

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

## Report on the Remuneration Report

*Opinion on Remuneration Report*

We have audited the Remuneration Report included in pages 16 to 24 of the directors' report for the year ended 30 June 2024.

In our opinion, the Remuneration Report of Star Minerals Limited for the year ended 30 June 2024 complies with section 300A of the Corporations Act 2001.

*Responsibilities*

The directors of the Star Minerals Limited 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.

Elderton Audit Pty Ltd.

**Elderton Audit Pty Ltd**

**Rafay Nabeel**
Director

30th September 2024

Perth

## Tumblegum South Project - Mineral Resource Statement

A summary of the JORC 2012 gold Mineral Resource at the Tumblegum South Prospect as at 30 June 2024is shown in Table 1 and Table 2 below. The Mineral Resource Estimate for the Tumblegum South Prospect was completed by independent resource consultant, Entech Pty Ltd. Since the Maiden Mineral Resource estimate for Tumblegum South in 2020, two campaigns of RC drilling for 4,634 metres of drilling over 44 holes, and six diamond core holes for 558.9 metres of drilling have been added to the geological dataset.

Drill core provided material for density determinations through Archimedes Principal measurements, and structural data to verify the geological model prior to the Mineral Resource estimation update.

At a 0.5g/t Au cut-off the total Indicated Mineral Resource is estimated at 337kT at 2.52 g/t Au, and Inferred Mineral Resource is estimated at 279 kT at 1.99 g/t Au, for 45,000 oz Au (See Table 1 and Table 2). This 2023 Mineral Resource estimation has resulted in conversion of 60% of the previous Mineral Resource estimate from Inferred to Indicated category, reflecting the addition of a significant amount of drill data and the resulting increased confidence of the geology and grade of the deposit[18]

Table 1: Tumblegum South - Total Indicated and Inferred Mineral Resource Inventory (0.5g/t Au cut-off, by weathering status)

| Project Area | Resource Category | Weathering | Tonnes (kt) | Grade (g/t Au) | Gold ounces (koz) |
|---|---|---|---|---|---|
| | | | | | |
| Tumblegum South | **Indicated** | Transitional | 25 | 2.99 | 2 |
| | | Fresh | 312 | 2.48 | 25 |
| | | **Subtotal** | 337 | 2.52 | 27 |
| | **Inferred** | Transitional | 40 | 1.76 | 2 |
| | | Fresh | 239 | 2.03 | 16 |
| | | **Subtotal** | 279 | 1.99 | 18 |
| **Total** | | | **616** | **2.28** | **45** |

Tonnages are dry metric tonnes. Minor discrepancies may occur due to rounding.

At a 1.0g/t Au cut-off the total Inferred Mineral Resource is estimated at 500,000 tonnes at 2.6 g/t Au, 0.2% Cu and 1.6 g/t Ag for 41,700 oz Au (See Table 2).

Table 2: Tumblegum South Gold Deposit – Comparison of 2023 Mineral Resource Estimate and 2020 Maiden Mineral Resource Estimate

| Mineral Resource Estimate | Indicated Category | | | Inferred Category | | | Global | | |
|---|---|---|---|---|---|---|---|---|---|
| Year | Kt | Au g/t | Au Oz | Kt | Au g/t | Au Oz | Tonnes | Au g/t | Au Oz |
| **2023** | **337** | **2.52** | **27,300** | **279** | **1.99** | **17,800** | **616** | **2.28** | **45,000** |
| **2020** | **-** | **-** | **-** | **600** | **2.2** | **42,500** | **600** | **2.2** | **42,500** |

Tonnages are dry metric tonnes. Minor discrepancies may occur due to rounding.

[18] See Star Minerals Limited (SMS) ASX announcement dated 29 May 2023 'Tumblegum South Mineral Resource Update'.

## Governance arrangements and Internal controls

The Company has ensured that the Mineral Resources quoted are subject to good governance arrangements and internal controls. The Mineral Resources reported have been generated by independent consultants where appropriate who are experienced in best practices in modelling and estimation methods. The consultants have also undertaken reviews of the quality and suitability of the underlying information used to determine the Mineral Resource estimate.

In addition, management carries out regular reviews and audits of internal processes and external contractors that have been engaged by the Company.

## Competent Person Statement — Tumblegum South Mineral Resource Estimation

The information in this report that relates to Mineral Resources is based on and fairly represents information compiled by Ms Lisa Milham, Consultant with Entech Pty Ltd. Ms Milham is a member of the Australasian Institute of Geoscientists (AIG). Ms Milham has sufficient experience of relevance to the styles of mineralisation and types of deposits under consideration, and to the activities undertaken to qualify as Competent Persons as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Ms Milham consents to the inclusion in this report of the matters based on their information in the form and context in which they appear.

# ASX ANNUAL REPORT REQUIREMENTS

Additional information required by the ASX Listing Rules not disclosed elsewhere in this Annual Report is set out below. The information is current as at 27 September 2024.

## SCHEDULE OF INTERESTS IN MINING TENEMENTS AS AT 27 SEPTEMBER 2024

| Project | Tenement | Registered Holder | Beneficial Interest | Location | Status |
|---|---|---|---|---|---|
| Tumblegum South Project | M51/888 | White Star Minerals Pty Ltd | 100% | Western Australia | Granted |
| | L51/112 | White Star Minerals Pty Ltd | 100% | Western Australia | Granted |
| West Bryah Project | E51/2069 | Star Minerals Limited | 100% | Western Australia | Granted |
| | E52/3553 | Star Minerals Limited | 100% | Western Australia | Granted |
| | E52/3635 | MW Minerals Pty Ltd | 100% | Western Australia | Granted |
| | E52/3737 | Star Minerals Limited | 100% | Western Australia | Granted |
| | E52/3739 | Star Minerals Limited | 100% | Western Australia | Granted |
| | E52/3802 | Star Minerals Limited | 100% | Western Australia | Granted |
| | E52/3803 | Star Minerals Limited | 100% | Western Australia | Granted |
| | E52/3804 | Star Minerals Limited | 100% | Western Australia | Granted |
| | E52/3809 | Star Minerals Limited | 100% | Western Australia | Granted |
| | E52/4335 | MW Minerals Pty Ltd | 100% | Western Australia | Granted |

# DISTRIBUTION OF EQUITABLE SECURITIES

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

| | Ordinary Shares (SMS) | | Options over ordinary shares (SMSO) | |
|---|---|---|---|---|
| | **Number of holders** | **% of total shares issued** | **Number of holders** | **% of total options issued** |
| 1 – 1,000 | 9 | - | - | - |
| 1,001 – 5,000 | 28 | 0.11% | 193 | 7.70% |
| 5,001 – 10,000 | 127 | 1.31% | 65 | 4.06% |
| 10,001 – 100,000 | 177 | 6.61% | 116 | 24.46% |
| 100,001+ | 92 | 91.97% | 13 | 63.78% |
| | **433** | **100.00%** | **387** | **100.00%** |

## Equity security holders

## Twenty largest quoted equity security holders

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

| Fully paid ordinary shares (quoted SMS) | Number held | % of total shares issued |
|---|---|---|
| JALEIN PTY LTD <ELBAJA A/C> | 13,963,128 | 14.74% |
| BRYAH RESOURCES LIMITED | 11,000,000 | 11.61% |
| PINNY PTY LTD | 5,190,500 | 5.48% |
| ANNBROOK CAPITAL PTY LTD | 4,024,438 | 4.25% |
| OKANAGAN TRADING PTY LTD | 3,900,000 | 4.12% |
| CROFTBANK PTY LTD <WATTS FAMILY SUPER FUND A/C> | 3,175,861 | 3.35% |
| MS CHUNYAN NIU | 3,000,000 | 3.17% |
| JORGENSON-WATTS PTY LTD <JORGENSON-WATTS FAMILY A/C> | 2,546,748 | 2.69% |
| JM STARCEVICH INVESTMENTS PTY LTD | 2,400,000 | 2.53% |
| MR VINCENT JAMES ALGAR | 2,100,000 | 2.22% |
| BUTTONWOOD NOMINEES PTY LTD | 2,027,000 | 2.14% |
| RILUKIN HOLDINGS PTY LTD | 2,000,000 | 2.11% |
| GUILDFORDS FUNDS MANAGEMENT PTY LTD <MAGNOLIA CAPITAL ECMF 1 A/C> | 1,836,258 | 1.94% |
| ORC PTY LTD | 1,650,000 | 1.74% |
| VALAS INVESTMENTS PTY LTD | 1,500,000 | 1.58% |
| SCARFELL PTY LTD <THE STUART SUPERANNUATION FUND A/C> | 1,363,333 | 1.44% |
| RIYA INVESTMENTS PTY LTD | 1,200,000 | 1.27% |
| MR HUGH JAMES PILGRIM <THE HJP FAMILY A/C> | 1,108,036 | 1.17% |
| WALSH PRESTIGE PTY LTD <WALSH FAMILY A/C> | 1,000,000 | 1.06% |
| PINNY PTY LTD | 1,000,000 | 1.06% |
| AHSLEY JONES ALL | 988,333 | 1.04% |
| **Total** | **66,973,635** | **70.70%** |

| **Listed options expiring on 15 October 2024 with an exercise price of $0.30 (quoted SMSO)**<br>**Total number on issue – 12,500,000** | **Number held** | **% of total options issued** |
|---|---|---|
| GOFFACAN PTY LTD | 2,500,000 | 20.00% |
| PET FC PTY LTD <PET FC ACCOUNT> | 2,200,000 | 17.60% |
| GUILDFORDS FUNDS MANAGEMENT PTY LTD <MAGNOLIA CAPITAL ECMF 1 A/C> | 900,000 | 7.20% |
| BUSINESS INTELLIGENCE INSTITUTE PTY LTD | 659,626 | 5.28% |
| MR SCOTT ANDREW GRUNDMANN | 321,150 | 2.57% |
| AKASH JAIN | 269,999 | 2.16% |
| BNP PARIBAS NOMINEES PTY LTD | 223,500 | 1.79% |
| CITICORP NOMINEES PTY LIMITED | 198,500 | 1.59% |
| MR SHANE ANTHONY MATCHETT & MRS MELITA ANGELA <SA & MA MATCHETT S/F A/C> | 172,625 | 1.38% |
| BNP PARIBAS NOMINEES PTY LTD <CLEARSTREAM> | 169,500 | 1.36% |
| GREGORY JAKAB | 120,000 | 0.96% |
| MR KRISHNA CHAITANYA NIMMAGADDA | 119,999 | 0.96% |
| MR ANDREW JOHN LEHMANN | 118,000 | 0.94% |
| MR SHANE ANTHONY MATCHETT & MRS MELITA ANGELA <SA & MA MATCHETT SUPER A/C> | 100,000 | 0.80% |
| OACK INVESTMENTS PTY LTD | 80,000 | 0.64% |
| DEPACHAN PTY LTD <THE BATES FAMILY A/C> | 75,000 | 0.60% |
| PAUL STEPHEN DAVIES | 75,000 | 0.60% |
| MR JOHN THOMAS RYALL <JOHN RYALL FAMILY A/C> | 75,000 | 0.60% |
| MR BENJAMIN KAHN | 75,000 | 0.60% |
| HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED | 65,000 | 0.52% |
| DEMASIADO PTY LTD <DEMASIADO FAMILY A/C> | 65,000 | 0.52% |
| MR SAMUEL EDELMAN | 62,500 | 0.50% |
| FRANK TRETT PTY LTD <F & J TRETT SUPER FUND A/C> | 60,250 | 0.48% |
| MR JAMES LUIGI ROMAGNESI & MRS LYNETTE MARIA ROMAGNESI <ROMAGNESI FAMILY A/C> | 60,000 | 0.48% |
| **Total** | **8,765,649** | **70.13%** |

| **Unquoted equity securities** | **Number on issue** | **Number of holders** |
|---|---|---|
| Options expiring 15 October 2024 with an exercise price of $0.30 | 2,000,000 | 1 |
| Options expiring 31 October 2026 with an exercise price of $0.06 | 36,599,992 | 73 |
| Class A Performance rights expiring 25 October 2026 (SMSPRA) | 3,000,000 | 1 |
| Class B Performance rights expiring 25 October 2026 (SMSPRB) | 5,125,000 | 3 |
| Tranche 1 Performance rights expiring 17 October 2026 (SMSPR1) | 1,750,000 | 3 |
| Tranche 2 Performance rights expiring 17 October 2026 (SMSPR2) | 1,750,000 | 3 |
| Tranche 3 Performance rights expiring 17 October 2026 (SMSPR3) | 1,750,000 | 3 |

## ASX Listing Rule 4.1.19 Statement

The Company confirms that it has used the cash and assets readily in a form readily convertible to cash that it had at the time of admission in a manner consistent with its business objectives.

## Corporate Governance

The Company's corporate governance statement is located on its website at: www.starminerals.com.au/site/about/corporate-governance.

## Unmarketable Parcels

There were 47 holders of less than a marketable parcel of ordinary shares.

## Restricted Securities

The Company had 13,375,000 restricted securities (performance rights), on issue as at 27 September 2024.

## Substantial Shareholders

The Company had received substantial holder notices from the following shareholders.

| Shareholder | No. of shares |
|---|---|
| JALEIN PTY LTD <ELBAJA A/C> | 12,912,000 |
| BRYAH RESOURCES LIMITED | 11,000,000 |
| ANNBROOK CAPITAL PTY LTD AND <THE HJP FAMILY A/C> | 4,954,974 |
| PINNY PTY LTD | 4,690,500 |

Note – The above totals may not reconcile to the information in the Top 20 largest shareholders as they represent the totals included in the most recent substantial notice received.