

Financial Report

for the year ended 30 June 2024

Saturn Metals Limited

ABN: 43 619 488 498

SATURN METALS



CORPORATE DIRECTORY

Directors

Brett Lambert	Non-Executive Chairman
Ian Bamborough	Managing Director
Andrew Venn	Non-Executive Director
Robert Tyson	Non-Executive Director
Adrian Goldstone	Non-Executive Director

Registered Office & Principal Place of Business

9 Havelock Street
WEST PERTH WA 6005
Telephone: + 61 (0)8 6234 1114
Email: info@saturnmetals.com.au
Website: www.saturnmetals.com.au

Company Secretary

Natasha Santi

ABN: 43 619 488 498
ACN: 619 488 498

Share Registry

Link Market Services Limited
Level 12 QV1 Building
250 St Georges Terrace
PERTH WA 6000

Telephone: +61 1300 554 474
Facsimile: +61 (0)2 9287 0303
Website: www.linkmarketservices.com

Auditors

BDO Audit Pty Ltd
Level 9, Mia Yellagonga Tower 2
5 Spring Street
Perth WA 6000

Stock Exchange Listing

Securities of Saturn Metals Limited are listed on the Australian Securities Exchange (ASX).
ASX Code: STN

Saturn Metals Limited is a Company registered under the *Corporations Act 2001* in the State of Western Australia on 2nd June 2017.

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DIRECTORS' REPORT

The Directors present their report together with the consolidated financial statements of the Group comprising of Saturn Metals Limited ("Saturn" the "Group" or the "Company") and its subsidiary for the financial year ended 30 June 2024 and the auditor's report thereon.

Directors and Company Secretary

The following persons were directors of Saturn during the whole of the financial year and up to the date of this report.

Brett Lambert – Non-Executive Chairman
Ian Bamborough – Managing Director
Andrew Venn – Non-Executive Director
Robert Tyson – Non-Executive Director
Adrian Goldstone – Non-Executive Director

The Company Secretary is Mrs Natasha Santi. Mrs Santi was appointed Company Secretary on 3 May 2021.

Mrs Santi previously had 9 years' experience, as an employee of Boden Corporate Services Pty Ltd, providing company secretarial and accounting services to a range of ASX listed and unlisted companies, including serving as Company Secretary at Capricorn Metals Ltd from July 2012. In addition, from April 2017, Mrs Santi was a full-time employee at Capricorn Metals Ltd until her resignation as Company Secretary, February 2020.

Principal Activities

The principal activity of the Group is the exploration for economic deposits of precious metals with the objective of progressing discoveries through to profitable mining operations.

For the period of this report, the emphasis has been gold focused exploration and mine development studies on the Company's **principal** project located near Leonora, in Western Australia.

Dividends Paid or Recommended

No dividends were paid or proposed to be paid during the financial year (2023: Nil).

Operating Results

The loss for the Group for the financial year after providing for income tax amounted to \$2,774,483 (2023: \$3,590,514). Loss per share \$0.01 (2023: \$0.03).

Financial Position

The net assets of the Group for the year ended 30 June 2024 were \$42,809,191 (2023: \$37,527,580). Net assets have increased due to share issues completed during the year which raised \$7,470,336 net of costs for further exploration activities. In addition, a further \$5,750,871 was capitalised as exploration and evaluation costs. At 30 June 2024 the closing cash balance of the Group was \$4,111,750 (2023: \$3,504,209).

DIRECTORS' REPORT *(Cont.)*

Review of Operations

During the financial year ended 30 June 2024 the Company progressed development and exploration activities across its Apollo Hill Gold Project and undertook an exploration campaign at our West Wyalong Joint Venture in New South Wales.

Significantly during the period, the Company published its first preliminary economic assessment (PEA) on the Apollo Hill Deposit, with the PEA achieving the following results:

- Open pit mine and heap leach processing facility projected to generate more than \$1 billion EBITDA over life of mine at a base case gold price of A\$2,665 /oz¹.
- Preliminary Economic Assessment (PEA) based on development of a large scale open pit mine and 10 Mtpa heap leach processing facility at the wholly owned Apollo Hill Gold Project to produce 122 koz pa.
- Strong free cash flow averaging \$90 million per annum with payback after 2.8 years of production, and 30% internal rate of return over life of mine (LOM).
- LOM undiscounted, pre-tax, free cashflow of \$688 million over 10-year term (A\$2,665 /oz sale price) increases to \$1,021 million at A\$2,950 /oz.
- PEA is based on planned mining inventory of 93.9 Mt grading 0.54 g/t Au containing 1,636 koz; the Project has an initial 10.5 year mine life based on the current Mineral Resource.

During the period total on ground activities completed by Saturn included:

- 405 Aircore (AC) Drill Holes for 28,866m of drilling;
- 17 Diamond (DD) Drill holes for 630m;
- 9 mud rotary drill holes for 736m of drilling; and
- Collection of 897 soil samples and 63 rock chips for analysis.

The Company progressed prefeasibility studies for the full-scale Apollo Hill Project under a bulk mining and heap leach processing scenario. In addition, the Company progressed concept studies on a bulk sample and pilot heap leach plant at Apollo Hill.

In terms of physical development activities, work progressed with the completion of a further five column leach tests, from material collected at Apollo Hill during the year. The completion of an electromagnetic survey flown across a portion of the tenement package identified creditable high volume fresh and production water targets, following which Saturn successfully developed six production bores towards securing water resources for the development of the Apollo Hill Gold Project. Other development work undertaken during the year also included engineering and geotechnical studies.

Apollo Hill regional exploration activities continued throughout the period, with Aircore drilling and soil sampling taking place over a large portion of the land package.

In addition to the significant work undertaken at Apollo Hill, Saturn completed an exploration program consisting of 48 Aircore drill holes totalling 2,998m and the collection of 110 soil samples and 4 rock chips in West Wyalong at its Gold joint venture in New South Wales.

¹ Complete details of the Preliminary Economic Assessment were published in the ASX Announcement dated 17 August 2023 titled "Updated Preliminary Economic Assessment". Saturn reports that it is not aware of any new information or data that materially affects the information included in that announcement and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and there have been no adverse material changes.

DIRECTORS' REPORT *(Cont.)*

Significant Changes in the State of Affairs

Other than as set out elsewhere in the report, there were no significant changes to the state of affairs.

Changes to Contributed Equity

During the year the Group increased contributed equity by \$7,470,336 through the issue of 61,888,072 shares in the Group as part of placements to institutional and sophisticated investors and the completion of a share purchase plan to shareholders and the issue of share. The details and timing of each raising were as follows:

- 23 October 2023, the Group completed Tranche 1 of the placement to institutional and sophisticated investors issuing 28,532,049 shares at an issue price of 12.5 cents per share. Tranche 2 of this placement was completed following shareholder approval, with a further 19,467,951 shares issued on 6 December 2023. Total shares issued raised \$6,000,000 (before costs)
- 27 November 2023, the Group raised \$1,696,200 (before costs) by issuing 13,569,600 shares at 12.5 cents per share to shareholders under a share purchase plan.
- Costs of shares issued throughout the year totalled \$275,864.
- 22 February 2024, the Company issued 318,472 shares to its West Wyalong Joint Venture partners in lieu of \$50,000 in cash progress payments.

Details of changes in contributed equity is disclosed in Note 11 in the consolidated financial statements.

The Directors are not aware of any other significant changes in the state of affairs of the Company occurring during the financial year, other than as disclosed in this report.

Events Occurring Subsequent to Balance Date

There were no other matters or circumstances that have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial years, other than:

- The capital raising via placement announced on 1 July 2024 to raise \$14 million (before costs) through the issue of 84,848,470 shares at a price of \$0.165 per share. The placement was completed in two tranches with 55,602,528 shares issued on 5 July 2024 and the balance 29,245,879 shares issued on 23 August 2024, following shareholder approval received on 15 August 2024.

Likely Developments and Expected Results

It is the Board's current intention that the Group will progress exploration and development on current projects. Exploration and development is inherently risky and there are no certainties that the Group will successfully achieve its objectives.

DIRECTORS' REPORT (Cont.)

Information on Directors

The names and particulars of the Group's Directors during the financial year, and as at the date of this report are as follows:

IAN BAMBOROUGH BSc(Hons), MSc, MBA, MAIG, GAICD Managing Director		
Experience and Expertise: Mr Bamborough is a geologist with more than 25 years leadership experience in the mining industry. Mr Bamborough developed his career with Newmont Mining Corporation and was previously Managing Director of ASX listed Spectrum Rare Earths Limited. Mr Bamborough has held office as Vice Chair of the Gold Industry Group of Australia and has previously served as a Director of the Northern Territory Mining Board. Mr Bamborough holds a directorship with private exploration and mining company, Reef Mining Pty Ltd. The Board does not consider Mr Bamborough to be an independent Director.		
Other current ASX listed company directorships: None.		
Former ASX listed company directorships in the last three years: None.		
First appointed as a Director: 19 September 2017.		
Interests in Shares, Rights and Options:	Shares:	6,918,730
	Performance Rights:	2,800,000
	Options:	-
BRETT LAMBERT BAppSc (Mining Engineering) Non-Executive Chairman		
Experience and Expertise: Mr Lambert is a mining engineer and experienced company director. He has over 40 years' involvement in the Australian and international resources industry encompassing exploration, mining operations, project development, business development and corporate administration. Mr Lambert commenced his professional career with Western Mining Corporation in Kalgoorlie and progressed to a Senior Management role. Since leaving WMC, Mr Lambert has held executive positions with a number of junior and mid-tier resource companies, including more than 10 years at CEO/managing director level. The Board considers that Mr Lambert is an independent Director.		
Other current ASX listed company directorships: Nil.		
Former ASX listed company directorships in the last three years: Non-Executive Chairman of Metal Hawk Limited (3 July 2019 to 9 September 2023). Non-Executive Director of Musgrave Minerals Ltd (4 February 2021 to 4 September 2023). Non-Executive Chairman of Mincor Resources NL (1 January 2017 to 6 July 2023). Non-Executive Director of Australian Potash Limited (9 May 2017 to 27 June 2023).		
First appointed as a Director: 9 April 2020.		
Interests in Shares, Rights and Options:	Shares:	-
	Performance Rights:	-
	Options:	2,400,000

DIRECTORS' REPORT (Cont.)

ROBERT TYSON B.App Sc(Geol), GradDip Applied Finance(SIA) MAusIMM Non-Executive Director							
Experience and Expertise: Mr Tyson is a geologist with more than 25 years resources industry experience having worked in exploration and mining-related roles for companies including Cyprus Exploration Pty Ltd, Queensland Metals Corporation NL, Murchison Zinc Pty Ltd, Normandy Mining Ltd and Equigold NL. Mr Tyson is an Executive Director and founder of Peel Mining Limited, a member of the AusIMM and winner of the 2019 AMEC Prospector award. The Board considers that Mr Tyson is an independent Director.							
Other current ASX listed company directorships: Executive Director – Technical of Peel Mining Limited (from 3 March 2022), Managing Director of Peel Mining Limited (20 April 2006 to 3 March 2022).							
Former ASX listed company directorships in the last three years: None.							
First appointed as a Director: 2 June 2017							
Interests in Shares, Rights and Options:	<table> <tr> <td>Shares:</td> <td>1,400,000</td> </tr> <tr> <td>Performance Rights:</td> <td>-</td> </tr> <tr> <td>Options:</td> <td>1,700,000</td> </tr> </table>	Shares:	1,400,000	Performance Rights:	-	Options:	1,700,000
Shares:	1,400,000						
Performance Rights:	-						
Options:	1,700,000						

ANDREW VENN BBus, GradDip Applied Finance, FFin Non-Executive Director							
Experience and Expertise: Mr Venn has over 20 years mining industry experience. Mr Venn has previously held senior positions across financing and operations for Argonaut Limited, Orica Mining Services, ICI Explosives and DDH1 Limited and is a Fellow of the Financial Services Institute of Australia. The Board considers that Mr Venn is an independent Director.							
Other current ASX listed company directorships: None.							
Former ASX listed company directorships in the last three years: None.							
First appointed as a Director: 29 September 2017.							
Interests in Shares, Rights and Options:	<table> <tr> <td>Shares:</td> <td>1,080,000</td> </tr> <tr> <td>Performance Rights:</td> <td>-</td> </tr> <tr> <td>Options:</td> <td>1,700,000</td> </tr> </table>	Shares:	1,080,000	Performance Rights:	-	Options:	1,700,000
Shares:	1,080,000						
Performance Rights:	-						
Options:	1,700,000						

DIRECTORS' REPORT (Cont.)

ADRIAN GOLDSTONE BSc, MSc (Hons) Non-Executive Director							
Experience and Expertise: Mr Goldstone has in excess of 35 years' experience in the resources industry holding executive roles over much of that time and has more recently become involved in specialist investment and financing for the resources industry. He currently holds the position of Managing Director, Technical at Dundee Corporation. He brings expertise and successful experience in Project Management and associated governance processes, environmental management, and social licence in the industry and has a strong focus on creative business solutions meeting the expectations of multiple stakeholders. The Board considers that Mr Goldstone is an independent Director.							
Other current ASX listed company directorships: Non-Executive Director, Ausgold Limited (20 May 2024 to present).							
Former ASX listed company directorships in the last three years: Non-Executive Director of Zinc of Ireland NL (29 January 2019 to 30 November 2021). Non-Executive Director of Big River Gold Limited (26 May 2021 to 21 September 2022 (removal from official list)).							
First appointed as a Director: 20 May 2021.							
Interests in Shares, Rights and Options:	<table> <tr> <td>Shares:</td> <td>110,239</td> </tr> <tr> <td>Performance Rights:</td> <td>-</td> </tr> <tr> <td>Options:</td> <td>1,700,000</td> </tr> </table>	Shares:	110,239	Performance Rights:	-	Options:	1,700,000
Shares:	110,239						
Performance Rights:	-						
Options:	1,700,000						

Meetings of Directors

The number of meetings of Director's (including committees of Directors) held during the year ended 30 June 2024, and the number of meetings attended by each director was as follows:

Director	Directors Meetings		Audit & Risk Committee	
	A	B	A	B
I Bamborough	8	8	1	1
B Lambert	8	8	1	1
R Tyson	7	8	1	1
A Venn	8	8	1	1
A Goldstone	8	8	1	1

A = Number of meetings attended.

B = Number of meetings held during the time the director held office or was a member of the committee.

REMUNERATION REPORT (AUDITED)

The Directors present the Saturn Metals Limited 2024 remuneration report, outlining key details of the nature and amount of remuneration for each Key Management Personnel (“KMP”) awarded this year.

The remuneration report is structured as follows:

- a) Key management personnel covered in this report
- b) Principles used to determine the nature and amount of remuneration
- c) Key personnel remuneration
- d) Service agreements
- e) Equity issued as part of remuneration
- f) Option holdings of key management personnel
- g) Performance rights holdings of key management personnel
- h) Share holdings of directors and key management personnel
- i) Additional information

a) Key Management Personnel Covered In This Report

Key Management Personnel	Position	Changes during the year
Ian Bamborough	Managing Director	-
Brett Lambert	Non-Executive Chairman	-
Robert Tyson	Non-Executive Director	-
Andrew Venn	Non-Executive Director	-
Adrian Goldstone	Non-Executive Director	-

Note:

The remuneration details of each director are set out on pages 8 – 15.

There have been no changes to KMP since 30 June 2024 and to the date of this report.

b) Principles Used To Determine The Nature And Amount Of Remuneration

The objective of the remuneration framework of Saturn Metals Limited is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with achievement of strategic objectives and the creation of value for shareholders. The Board believes that executive remuneration satisfies the following key criteria:

- competitiveness and reasonableness
- acceptability to shareholders
- performance linkage / alignment of executive compensation
- transparency
- capital management

These criteria result in a framework which can be used to provide a mix of fixed and variable remuneration, and a blend of short and long-term incentives in line with the Group’s remuneration policy.

REMUNERATION REPORT (AUDITED) (Cont.)

Board and senior management

The remuneration of the Managing Director will be decided by the Board, without the affected Executive Director participating in that decision-making process.

The total maximum remuneration of Non-Executive Directors was initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The current amount has been set at an amount not to exceed \$300,000 per annum. The determination of Non-Executive Directors' remuneration within that maximum is made by the Board having regard to the inputs and value to the Group of the respective contributions by each Non-Executive Director.

In addition, a Director may be paid fees or other amounts (i.e. subject to any necessary Shareholder approval, non-cash remuneration such as Options) as the Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director.

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

The Board reviews and approves the remuneration policy to enable the Group to attract and retain executives and Directors who will create value for Shareholders having consideration to the amount considered to be commensurate for a company of its size and level of activity as well as the relevant Directors' time, commitment, and responsibility. The Board is also responsible for reviewing any employee incentive and equity-based plans including the appropriateness of performance hurdles and total payments proposed. Senior management are paid based on applicable market rates.

Company Performance

The following table shows the gross revenue, profits, dividends and share price at the end of the financial year for the past 5 years, ending 30 June:

	2020	2021	2022	2023	2024
	\$	\$	\$	\$	\$
Revenue	74,974	72,592	15,777	56,354	111,741
Net profit/(loss)	(1,476,067)	(1,959,350)	(2,283,191)	(3,590,514)	(2,774,483)
Share price at year end	0.715	0.410	0.280	0.180	0.195
Loss per share	(0.02)	(0.02)	(0.02)	(0.03)	(0.01)
Dividends paid	-	-	-	-	-

Remuneration is not linked to past Group performance but rather towards generating future shareholder wealth through share price performance. The Board and management may be issued share options in the company on a periodic basis as a means to link executive rewards to shareholder value.

REMUNERATION REPORT (AUDITED) (Cont.)

c) Key Management Personnel Remuneration

Details of the remuneration expense recognized for each key management person of the Group during the current and previous financial year ending 30 June, is set out in the following table:

Key Management Person	Year	Fixed Remuneration			Variable Remuneration		Total \$	Performance Related %
		Short-Term Employment Benefits	Post-Employment Benefits	Long-Term Benefits	Share-based Payments			
		Cash salary & fees \$	Super-annuation \$	Leave benefits \$	Options \$	Performance Rights \$		
Executive								
I Bamborough	2024	299,998	27,499	39,212	-	237,997	604,706	39%
	2023	298,799	26,589	16,154	-	127,363	468,905	27%
Directors								
B Lambert	2024	77,000	8,470	-	61,413	-	146,883	42%
	2023	77,000	8,085	-	86,522	-	171,607	50%
R Tyson	2024	55,000	6,050	-	43,430	-	104,480	42%
	2023	55,000	5,775	-	61,802	-	122,577	50%
A Venn	2024	55,000	6,050	-	43,430	-	104,480	42%
	2023	55,000	5,775	-	61,802	-	122,577	50%
A Goldstone	2024	55,000	6,050	-	43,430	-	104,480	42%
	2023	55,000	5,775	-	61,802	-	122,577	50%
Total	2024	541,998	54,119	39,212	191,703	237,997	1,065,029	
	2023	540,799	51,999	16,154	271,928	127,363	1,008,243	

Note:

- Options issued during the year are designed to provide long-term incentives for Eligible Participants to deliver long-term shareholder returns (as disclosed on page 11e).
- Performance rights issued during the year are designed to provide short-term incentives to Directors to deliver short- and long-term shareholder returns (as disclosed on page 12).

d) Service agreements

Remuneration and other terms of employment for the executives of the Company are formalised in Employment Agreements. Details of the employment conditions for Executives are set out below.

The Company has entered into an Executive Service Agreement with Mr Ian Bamborough pursuant to which Mr Bamborough was appointed Managing Director of the Company on the following terms:

- The Managing Director is employed on a full time basis;
- The Company will pay to the Managing Director for services rendered a salary of \$300,000 (excluding superannuation) per annum;
- The Company will reimburse the Managing Director for all reasonable expenses (including travel and accommodation) incurred in the performance of his duties;
- The Company may terminate the executive services agreement without reason on three (3) months' notice thereafter and immediately without notice in the event of serious misconduct;
- The Managing Director may terminate the executive services agreement at any time and without notice if the Company commits a serious breach of the executive service agreement or by giving three (3) months' notice to the Company; and
- The Company has entered into a deed of insurance, indemnity and access with Mr Bamborough. The Company has taken out and will use its best endeavours to maintain appropriate directors' and officers' liability insurance.

The above Executive Service Agreement otherwise contains terms and conditions which are considered standard for agreements of their nature, including those relating to confidentiality, non-disclosure and assignment.

REMUNERATION REPORT (AUDITED) (Cont.)

e) Equity issued as part of remuneration

(i) Options

Options over shares in Saturn may be granted under the Company's Incentive Option Plan which was created in September 2017 and approved by shareholders again in November 2021. The Incentive Option Plan is designed to provide long-term incentives for Eligible Participants to deliver long-term shareholder returns. Under the plan, the Board may from time to time, in its absolute discretion, make a written offer to any Eligible Participant to apply for Options, upon the terms set out in the Plan and upon such additional terms and conditions as the Board determines. An Option may be made subject to vesting conditions as determined by the Board in its discretion and as specified in the offer for the Option.

Details of options over ordinary shares in the Company provided as remuneration to key management personnel of Saturn are set out below. When exercisable, each option is convertible into one ordinary share of Saturn. Further information on the options is set out in Note 20(a) to the consolidated financial statements.

Key management person	Fair Value at Grant Date		Options Granted During Year		Options Vested During Year		Maximum Value Yet to Vest \$
	2024 \$	2023 \$	2024 Number	2023 Number	2024 Number	2023 Number	
Executive							
I Bamborough	-	-	-	-	-	-	-
Directors							
B Lambert	52,310	40,699	1,000,000	700,000	1,050,000	350,000	21,724
R Tyson	36,617	29,071	700,000	500,000	750,000	250,000	15,207
A Venn	36,617	29,071	700,000	500,000	750,000	250,000	15,207
A Goldstone	36,617	29,071	700,000	500,000	750,000	250,000	15,207

The assessed fair value at grant date of options granted to the individuals is allocated equally over the period from grant date to vesting date.

Shares under option, provided as remuneration to key management personnel, and on issue as at the date of this report are set out in the following table.

Grant Date	Total on Issue to Key Management Personnel	Date Vested & Number Exercisable	Expiry Date	Exercise Price	Value per Option at Grant Date
24 Nov 2021	2,200,000	Class A – Vesting measurement date 24 Nov 2022, Vesting Condition of continuous service to 24 Nov 2022, 1,100,000 Class B – Vesting measurement date 24 Nov 2023, Vesting Condition of continuous service to 24 Nov 2023, 1,100,000	22 Nov 2024	80.0 cents	19.90 cents
29 Nov 2022	2,200,000	Class A – Vesting measurement date 29 Nov 2023, Vesting Condition of continuous service to 29 Nov 2023, 2,200,000	27 Nov 2025	28.0 cents	5.81 cents
29 Nov 2023	3,100,000	Class A – Vesting measurement date 29 Nov 2024, Vesting Condition of continuous service to 29 Nov 2024, 3,100,000	29 Nov 2026	20.0 cents	5.20 cents

REMUNERATION REPORT (AUDITED) (Cont.)

Fair value of options granted during the period

The fair value at grant date stated in the table above, for options granted during the year, was determined using the Black-Scholes valuation methodology and takes into account the following inputs:

Exercise price	\$0.20
Grant date	29 November 2023
Expiry date	29 November 2026
Share price at issue date	\$0.1375
Expected price volatility	69%
Expected dividend yield	0%
Risk-free interest rate	4.012%

(ii) Performance Rights

Performance Rights in Saturn may be granted under the Incentive Performance Rights Plan which was approved by Shareholders at the 2021 Annual General Meeting. The Incentive Performance Rights Plan is designed to provide short-term incentives for Eligible Participants to deliver short- and long-term shareholder returns. A Performance Right may be made subject to vesting conditions as determined by the Board in its discretion and as specified in the offer for the Performance Right. A Performance Right will lapse upon the earlier to occur of:

- (i) an unauthorised dealing in the Performance Right;
- (ii) a vesting condition in relation to the Performance Right is not satisfied by its due date, or becomes incapable of satisfaction, unless the Board exercises its discretion to waive the vesting conditions and vest the Performance Right in the circumstances set out in paragraph; and
- (iii) unless the Board resolves, in its absolute discretion, to allow the unvested Performance Rights to remain unvested after the Relevant Person ceases to be an Eligible Participant.

Details of performance rights provided as remuneration to key management personnel during the year, are set out below. When conditions attaching to the right are met, each performance right is convertible into one ordinary share of Saturn Metals Limited. Further information on the performance rights is set out in Note 20(b) to the consolidated financial statements.

Key management person	Fair Value at Grant Date		Performance rights granted during year		Performance rights vested during year		Maximum Value Yet to Vest \$
	2024 \$	2023 \$	2024 Number	2023 Number	2024 Number	2023 Number	
Executive I Bamborough	275,000	180,000	2,000,000	1,000,000	425,000	97,000	240,201
Directors B Lambert	-	-	-	-	-	-	-
R Tyson	-	-	-	-	-	-	-
A Venn	-	-	-	-	-	-	-
A Goldstone	-	-	-	-	-	-	-

Performance rights provided as remuneration to key management personnel, and on issue as at the date of this report are set out in the following table.

Grant Date	Total on Issue to Key Management Personnel	Date Vested & Number Exercisable	Expiry Date	Exercise Price	Fair value per Right at Grant Date
24 Nov 2021	750,000	Class A – Vesting measurement date 13 Dec 2024: 70% vest on achievement of a market-based performance hurdle. Class B – Vesting measurement date 13 Dec 2024: 30% vest on achievement of a performance hurdle.	23 Nov 2024	Nil	36.8 cents 56.0 cents

REMUNERATION REPORT (AUDITED) (Cont.)

Grant Date	Total on Issue to Key Management Personnel	Date Vested & Number Exercisable	Expiry Date	Exercise Price	Fair value per Right at Grant Date
29 Nov 2022	1,000,000	Class A – Vesting measurement date 29 Nov 2025: 20% vest on achievement of a performance hurdle. Class B – Vesting measurement date 29 Nov 2025: 40% vest on achievement of continuous employment hurdle. Class C – Vesting measurement date 29 Nov 2025: 20% vest on achievement of a performance hurdle. Class D – Vesting measurement date 29 Nov 2025: 20% vest on achievement of a performance hurdle.	29 Nov 2025	Nil	18.0 cents 18.0 cents 18.0 cents 18.0 cents
29 Nov 2023	2,000,000	Class A – Vesting measurement date 31 Dec 2025: 30% vest on achievement of a performance hurdle. Class B – Vesting measurement date 29 Nov 2025: 30% vest on achievement of continuous employment hurdle. Class C – Vesting measurement date 30 Jun 2026: 40% vest on achievement of a performance hurdle.	29 Nov 2026	Nil	13.75 cents 13.75 cents 13.75 cents

Fair value of performance rights granted during the period

The fair value of the rights is determined on the market price of the company's shares at grant date, with an adjustment made to take into account the two-year vesting period. The Directors do not receive any dividends and are not entitled to vote in relation to the performance rights during the vesting period.

Conditions of performance rights granted during the period

(Class A) The Company to define a new discovery or deposit with +100,000 oz JORC compliant Mineral Resource 31 December 2025.

(Class B) The holder must have remained in continuous employment with the Company from the Issue Date as either Saturn staff, under an Executive Services Agreement or, Non-Executive Director or as an officially appointed officer. Testing of the measure will be on 29 November 2025.

(Class C) The Company to publish a definitive feasibility study for the Apollo Hill Gold project by 30 June 2026.

The fair value of the Performance Rights is determined to be 13.75 cents per performance right issued. The performance rights were valued on a prorated basis as a result of the non-market vesting conditions attached. The fair value at grant date is determined using a Black-Scholes option model that takes into account the exercise price, the term of the performance right, the share price at grant date. The model inputs were:

	Class A, B, & C
Exercise price	Nil
Grant date	29 November 2023
Performance measurement date – Class A	31 December 2025
Performance measurement date – Class B	29 November 2025
Performance measurement date – Class C	30 June 2026
Expiry date	29 November 2026
Share price at issue date	\$0.1375
Expected price volatility	69%
Expected dividend yield	0%
Risk-free interest rate	4.012%

REMUNERATION REPORT (AUDITED) (Cont.)

f) Option holdings of key management personnel

The following table shows a reconciliation of movements in options held by key management personnel during the year ended 30 June 2024.

Key management person & Grant Date	Balance at the start of the year		Movements during the year				Balance at the end of the year	
	Vested	Unvested	Granted	Vested		Expired	Vested & exercisable	Unvested
				Number	%			
Executive								
I Bamborough	-	-	-	-	-	-	-	-
Directors								
B Lambert								
24 Nov 21	350,000	350,000	-	350,000	50	-	700,000	-
29 Nov 22	-	700,000	-	700,000	100	-	700,000	-
29 Nov 23	-	-	1,000,000	-	-	-	-	1,000,000
R Tyson								
24 Nov 21	250,000	250,000	-	250,000	50	-	500,000	-
29 Nov 22	-	500,000	-	500,000	100	-	500,000	-
29 Nov 23	-	-	700,000	-	-	-	-	700,000
A Venn								
24 Nov 21	250,000	250,000	-	250,000	50	-	500,000	-
29 Nov 22	-	500,000	-	500,000	100	-	500,000	-
29 Nov 23	-	-	700,000	-	-	-	-	700,000
A Goldstone								
24 Nov 21	250,000	250,000	-	250,000	50	-	500,000	-
29 Nov 22	-	500,000	-	500,000	100	-	500,000	-
29 Nov 23	-	-	700,000	-	-	-	-	700,000
	1,100,000	3,300,000	3,100,000	1,100,000		-	4,400,000	3,100,000

g) Performance rights holdings of key management personnel

Movements in performance rights held by key management personnel during the year ended 30 June 2024, are set out in the following table.

Key management person	Balance at the start of the year	Granted	Lapsed	Exercised	Balance at end of the year	Vested & exercisable	Unvested
Executive							
I Bamborough	1,750,000	2,000,000	(525,000)	(425,000)	2,800,000	-	2,800,000
Directors							
B Lambert	-	-	-	-	-	-	-
R Tyson	-	-	-	-	-	-	-
A Venn	-	-	-	-	-	-	-
A Goldstone	-	-	-	-	-	-	-
	1,750,000	2,000,000	(525,000)	(425,000)	2,800,000	-	2,800,000

h) Share holdings of key management personnel

Movements in shares held by key management personnel during the year ended 30 June 2024, are set out in the following table.

Key management personnel	Balance at The start of the year	Received during the year exercise of performance rights	Other changes during the year	Closing balance
Executive				
I Bamborough	6,253,730	425,000	240,000	6,918,730
Directors				
B Lambert	-	-	-	-
R Tyson	1,360,000	-	40,000	1,400,000
A Venn	1,040,000	-	40,000	1,080,000
A Goldstone	70,239	-	40,000	110,239
	8,723,969	425,000	360,000	9,508,969

REMUNERATION REPORT (AUDITED) (Cont.)

i) Additional information

Other transactions with key management personnel

Loans with key management personnel:

There are no loans between the Company and any key management personnel (2023: Nil).

Cash bonuses

No cash bonuses have been paid by the Group to directors during the financial year (2023: Nil).

Share-based compensation: options & performance rights

Other than options and performance rights granted under the Incentive Option & Performance Rights Plan as described in (e) above, there were no other options issued to, or exercised by Directors of Saturn or key management personnel during the year.

Use of remuneration consultants

During the year ended 30 June 2024, the Group did not employ the services of a remuneration consultant to review its existing remuneration policies and to provide recommendations in respect of both executive short-term and long-term incentive plan design.

Voting and comments made at the Company's Annual General Meeting

Saturn Metals Limited received 99.79% of "yes" votes from votes received on its remuneration report for the 2023 financial year. The Company did not receive any specific feedback at the AGM or throughout the year on its remuneration practices.

End of Audited Remuneration Report

DIRECTORS' REPORT (Cont.)

Shares under option

Unissued ordinary shares of the Company under option at the date of this report are as follows:

Grant date	Expiry date	Exercise price of options	Number under option
24 November 2021	22 November 2024	80.0 cents	2,200,000
13 December 2021	9 December 2025	63.0 cents	450,000
29 November 2022	27 November 2026	28.0 cents	2,200,000
2 February 2023	2 February 2023	25.0 cents	1,000,000
29 November 2023	29 November 2026	20.0 cents	3,100,000
24 May 2024	27 May 2027	40.0 cents	450,000

No option holder has any right under the options to participate in any other share issue of the Company.

Shares issued on the exercise of options

There were no shares issued on the conversion of options in the year ended 30 June 2024 (2023: Nil).

Shares issued on the conversion of performance rights

There were 1,083,800 shares issued on the conversion of performance rights in the year ended 30 June 2024 (2023: 106,000).

Date of Exercise	Issue price of shares		Number of shares issued	
	2024 cents	2023 cents	2024 Number	2023 Number
31 January 2023	-	17.0	-	106,000
11 September 2023	14.5	-	508,000	-
20 December 2023	18.0	-	200,000	-
16 January 2024	19.0	-	42,000	-
30 January 2024	17.5	-	108,800	-
10 April 2024	19.5	-	225,000	-

Indemnification and Insurance of Directors and Officers

During the financial year the Group paid a premium of \$15,280 (2023: \$17,280) to insure the Directors and officers of the Group. The policy indemnifies each Director and officer of the Group against certain liabilities arising in the course of their duties.

Proceedings on behalf of the Group

No person has applied for leave of court to bring proceedings on behalf of the Group or intervene in any proceedings to which the Group is a party for the purpose of taking responsibility on behalf of the Group for all or any part of those proceedings. The Group was not a party to any such proceedings during the year.

Environmental Regulation

The Group holds exploration licences and mining leases in Australia. These licences specify guidelines for environmental impacts in relation to exploration activities. The licence conditions provide for the full rehabilitation of the areas of exploration in accordance with the respective jurisdiction's guidelines and standards. The Group is not aware of any significant breaches of the licence condition.

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.

DIRECTORS' REPORT *(Cont.)*

Corporate Governance

A summary of the Company's corporate governance policies, practices and compliance with the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (4th Edition) will be provided at the same time as the 2024 Annual Report.

Auditor

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

Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001* is included at Page 18.

Non-Audit Services

The Group may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Group are important. The Board would ensure none of the services undermine the general principles relating to the auditor independence as set out in APES 110 Code of Ethics for Professional Accountants (including Independence Standards).

Fees paid, and payable to the auditor for the year ended 30 June 2024 were \$58,866 (2023: \$45,589).

Rounding Off

The Group is of a kind referred to in ASIC Corporations (Rounding in Financial/Director's Reports) Instrument 2016/191 and in accordance with that Instrument, amounts in the consolidated financial statements and Director's report have been rounded off to the nearest dollar, unless otherwise stated.

This report is made in accordance with a resolution of the Board of Directors and signed for on behalf of the Board by:



Ian Bamborough
Managing Director

Perth, Western Australia
27 September 2024

DECLARATION OF INDEPENDENCE BY DEAN JUST TO THE DIRECTORS OF SATURN METALS LIMITED

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

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

This declaration is in respect of Saturn Metals Limited and the entities it controlled during the period.



Dean Just

Director

BDO Audit Pty Ltd

Perth

27 September 2024

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2024

	Note	2024 \$	2023 \$
Interest and other income		111,741	56,354
Interest and other income		111,741	56,354
Share-based remuneration	20	(585,758)	(717,468)
Employee and Directors' benefit expenses	13	(1,125,935)	(1,135,278)
Administration expenses	13	(729,331)	(659,494)
Finance costs		(4,177)	(6,070)
Capitalised exploration expenditure expensed	9	(352,991)	(112,980)
Impairment expense	9	(88,032)	(1,015,578)
Expenses		(2,886,224)	(3,646,868)
Loss before income tax		(2,774,483)	(3,590,514)
Income tax benefit (expense)	14	-	-
Loss after income tax		(2,774,483)	(3,590,514)
Other comprehensive income		-	-
Total comprehensive loss for the year attributable to the members of Saturn Metals Limited		(2,774,483)	(3,590,514)
Earnings per share:			
Basic and diluted loss per share for the year attributable to the members of Saturn Metals Limited	22	(0.01)	(0.03)

The above statement should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2024

	Note	2024 \$	2023 \$
Current Assets			
Cash and cash equivalents	5	4,111,750	3,504,209
Trade and other receivables		81,346	79,538
Other current assets		170,370	276,841
Total Current Assets		4,363,466	3,860,588
Non-Current Assets			
Trade and other receivables		42,974	42,974
Property, plant & equipment		500,927	261,637
Exploration & evaluation assets	9	40,005,281	34,695,433
Total Non-Current Assets		40,549,182	35,000,044
Total Assets		44,912,648	38,860,632
Current Liabilities			
Trade and other payables	10	1,909,691	1,238,544
Lease liabilities		80,709	94,508
Total Current Liabilities		1,990,400	1,333,052
Non-Current Liabilities			
Trade and other payables		50,849	-
Lease liabilities	8	62,208	-
Total Non-Current Liabilities		113,057	-
Total Liabilities		2,103,457	1,333,052
Net Assets		42,809,191	37,527,580
Equity			
Contributed equity	11	53,566,347	46,096,011
Accumulated losses	12	(14,128,044)	(11,353,561)
Share-based payment reserve	12	2,961,988	2,376,230
Option reserve	12	408,900	408,900
Total Equity		42,809,191	37,527,580

The above statement should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2024

	Note	Contributed Equity \$	Accumulated Losses \$	Share- based Payment Reserve \$	Option Reserve \$	Total Equity \$
Balance at 30 June 2022		40,922,956	(7,763,047)	1,658,762	408,900	35,227,571
Loss for the year		-	(3,590,514)	-	-	(3,590,514)
Total comprehensive loss for the year	12	-	(3,590,514)	-	-	(3,590,514)
Issue of share capital	11	5,394,922	-	-	-	5,394,922
Share issue costs	11	(221,867)	-	-	-	(221,867)
Share-based payments	12	-	-	717,468	-	717,468
Balance at 30 June 2023		46,096,011	(11,353,561)	2,376,230	408,900	37,527,580
Loss for the year		-	(2,774,483)	-	-	(2,774,483)
Total comprehensive loss for the year	12	-	(2,774,483)	-	-	(2,774,483)
Issue of share capital	11	7,746,200	-	-	-	7,746,200
Share issue costs	11	(275,864)	-	-	-	(275,864)
Share-based payments	12	-	-	585,758	-	585,758
Balance at 30 June 2024		53,566,347	(14,128,044)	2,961,988	408,900	42,809,191

The above statement should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 June 2024

	Note	2024 \$	2023 \$
Cash flows from operating activities			
Payments to suppliers and employees		(1,541,109)	(1,651,629)
Net cash outflow from operating activities	15	(1,541,109)	(1,651,629)
Cash flows from investing activities			
Payments for purchase of plant and equipment		(246,448)	(66,209)
Payments for exploration expenditure		(5,023,618)	(6,992,940)
Interest received		97,895	56,354
Net cash outflow from investing activities		(5,172,171)	(7,002,795)
Cash flows from financing activities			
Proceeds from issue of shares		7,696,200	5,394,922
Transaction costs of issue of shares		(254,120)	(221,867)
Payments for lease liabilities		(121,259)	(122,982)
Net cash inflow from financing activities		7,320,821	5,050,073
Net increase/(decrease) in cash and cash equivalents		607,541	(3,604,351)
Cash and cash equivalents at the start of year		3,504,209	7,108,560
Cash and cash equivalents at the end of year	5	4,111,750	3,504,209

The above statement should be read in conjunction with the accompanying notes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. Significant changes during the year

There were no significant changes to adopted accounting policies during the year.

The principal accounting policies adopted in the preparation of the financial report are set out in the notes below, including Note 24. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial report includes the consolidated financial statements for the Group at the end of, or during the financial year ended 30 June 2024 and the comparative period.

2. Subsidiary companies

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiary in accordance with the accounting policy described in Note 24(b):

Name	Country of Incorporation	Class of Shares	Equity holding	
			2024 %	2023 %
Titan Metals Pty Ltd	Australia	Ordinary	100	100

3. Interests in other entities

In April 2020 Saturn entered into an unincorporated joint venture arrangement, through its wholly owned subsidiary Titan Metals Pty Ltd, with Mr Peter Goldner and Dr Angus Collins.

Saturn can earn up to 85% in the project through four farm-in stages by spending a total of \$1.9 million on exploration over approximately 4 years and by making a total of \$195,000 in staged progress payments (cash and or shares). Saturn must keep the tenements in good standing. On Saturn earning an 85% interest an Incorporated Joint Venture will be formed, and the Joint Venture Partners have the option to contribute or dilute (subject to the pre-negotiated dilution formula in line with previous earn in stages) to a combined 1.5% royalty. On the Joint Venture Partners reverting to a royalty position Saturn must make an additional \$50,000 progress payment. Saturn earns a transferrable interest in the tenement during the first three stages but does not maintain full commercial rights until having earned a 60% interest by spending a minimum of \$900,000 on exploration and notifying the completion of each of the first three stages of the farm-in agreement.

As at the time of this report, Titan Metals Pty Ltd has earned a 60% interest (2023: 20%) in the tenements under the agreement. The agreement does not constitute a Joint Arrangement under the Australian Accounting Standards. The Company accounts for its project expenditure through its wholly owned subsidiary and capitalises any appropriate expenditure in line with its policy on exploration and evaluation assets (Note 9).

4. Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief decision maker has been identified as the Board of Directors.

Management has determined that Saturn only has one segment, being exploration for precious metals at its tenement package, south of Leonora, Western Australia. Whilst the Company's 100% owned subsidiary, Titan Metals Pty Ltd, has entered into a farm-in arrangement for the exploration of precious metals at West Wyalong, NSW, at this early stage of the arrangement Management does not feel the transactions are material enough to qualify as an additional segment.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont.)

5. Cash & Cash Equivalents

For statement of cash flows preparation purposes, cash and cash equivalents includes cash on hand and short-term deposits held at call (other than deposits used as cash backing for performance bonds) with financial institutions. Any bank overdrafts are shown within borrowings in the current liabilities on the consolidated statement of financial position.

	2024	2023
	\$	\$
Cash at bank and in hand	4,111,750	3,504,209
	<u>4,111,750</u>	<u>3,504,209</u>

Refer to Note 16 for the policy on financial risk management.

6. Other Current Assets

	2024	2023
	\$	\$
Prepaid insurance	38,423	36,651
Other prepayments	130,525	237,714
Other current assets	1,422	2,476
	<u>170,370</u>	<u>276,841</u>

7. Property, Plant & Equipment

Plant and equipment

All assets acquired, including plant and equipment are initially recorded at their cost of acquisition, being the fair value of the consideration provided plus incidental costs directly attributable to the acquisition.

Plant and equipment include right-of use assets depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis as set out in Note 8. Depreciation on general plant and equipment is calculated using the straight-line method to allocate their cost or revalued amounts over their estimated useful lives from the time the asset is held ready for use as follows:

- Plant	3-10 years
- Vehicles	3-8 years
- Office equipment	3-5 years
- Computer software	3-5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is impaired.

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

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

Impairment of assets

At each reporting date, the Group assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the Group makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is the greater of fair value less costs of disposal and value in use. It is determined for an individual asset, unless the asset's value in use cannot be estimated to be close to its fair value less costs of disposal and it does not generate cash inflows that are largely independent of those from

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont.)

other assets or groups of assets, in which case, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

No impairment losses have been recognised for the year ending 30 June 2024 (2023: \$nil).

As at 30 June 2024	Plant & Equipment	Software	Furniture & Equipment	Vehicles	Total
	\$	\$	\$	\$	\$
Cost or fair value	325,717	94,267	516,547	44,991	981,522
Accumulated depreciation	(67,078)	(53,113)	(325,367)	(35,037)	(480,595)
Net carrying amount	258,639	41,154	191,180	9,954	500,927

Reconciliation for the year ended 30 June 2024	Plant & Equipment	Software	Furniture & Equipment	Vehicles	Total
	\$	\$	\$	\$	\$
Carrying amount at 1 July	41,674	51,905	152,480	15,578	261,637
Additions	245,052	-	166,888	-	411,940
Depreciation expense	(28,087)	(10,751)	(128,188)	(5,624)	(172,650)
Net carrying amount at 30 June	258,639	41,154	191,180	9,954	500,927

As at 30 June 2023	Plant & Equipment	Software	Furniture & Equipment	Vehicles	Total
	\$	\$	\$	\$	\$
Cost or fair value	80,665	94,267	435,862	44,991	655,785
Accumulated depreciation	(38,991)	(42,362)	(283,382)	(29,413)	(394,148)
Net carrying amount	41,674	51,905	152,480	15,578	261,637

Reconciliation for the year ended 30 June 2023	Plant & Equipment	Software	Furniture & Equipment	Vehicles	Total
	\$	\$	\$	\$	\$
Carrying amount at 1 July	50,819	5,710	277,788	21,202	355,519
Additions	3,155	53,755	9,300	-	66,210
Depreciation expense	(12,300)	(7,560)	(134,608)	(5,624)	(160,092)
Net carrying amount at 30 June	41,674	51,905	152,480	15,578	261,637

8. Leases

Except for short-term leases and leases of low-value assets, rights-of-use assets, capitalised in Property, Plant & Equipment (Note 7) and corresponding lease liabilities are recognised in the statement of financial position. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis, while the lease liability is reduced by an allocation of each lease payment. Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss.

(a) Amounts recognised in the statement of financial position:

	2024	2023
	\$	\$
Right-of-use assets:		
<i>Furniture & Equipment:</i>		
Office space	370,887	210,739
Equipment	13,362	8,017
Station house accommodation	-	86,202
	384,249	304,958
Lease liabilities:		
Current	80,709	94,508
Non-current	62,208	-
	142,917	94,508

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont.)

Additions to the right-of-use assets during the year was \$165,493 (2023: Nil). The total lease liabilities increased by \$165,493 due to the extended office lease.

During the year Saturn extended its office lease arrangement for its office premises in West Perth, Western Australia under normal commercial arrangements.

(b) Amounts recognised in the statement of profit or loss:

	2024	2023
Depreciation charge of right-of-use assets:	\$	\$
Office space	65,739	68,352
Equipment	2,664	2,676
Station house accommodation	38,022	43,101
	<u>106,425</u>	<u>114,129</u>
Interest expenses (included in finance costs)	4,177	6,070
	<u>4,177</u>	<u>6,070</u>

The total cash outflow relating to leases during the year was \$121,259 (2023: \$122,982).

9. Exploration and evaluation assets

All exploration and evaluation expenditure is capitalised under AASB 6 Exploration for and Evaluation of Mineral Resources. Mineral interest acquisition costs and exploration and evaluation expenditure incurred is accumulated and capitalised in relation to each identifiable area of interest. These costs are only carried forward to the extent that the Group's right to tenure to that area of interest are current and either the costs are expected to be recouped through successful development and exploitation of the area of interest (alternatively by sale) or where areas of interest have not at reporting date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active, and significant operations are being undertaken in relation to the area of interest.

Amortisation is not charged on costs carried forward in respect of areas of interest in the exploration and evaluation phase or development phase until production commences.

Details of critical accounting estimates and judgements in relation to exploration and evaluation assets are detailed in Note 24(d).

	2024	2023
	\$	\$
At cost	<u>40,005,281</u>	<u>34,695,433</u>
Reconciliation:		
Opening balance	34,695,433	28,379,483
Exploration expenditure	5,750,871	7,444,508
Exploration expenditure expensed	(352,991)	(112,980)
Impairment expense	(88,032)	(1,015,578)
Closing balance	<u>40,005,281</u>	<u>34,695,433</u>

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

A regular review of each area of interest is undertaken to determine the appropriateness of the carrying value in relation to that area of interest, as well to determine if events of changes in circumstances indicate that the carrying value may not be recoverable, in which case an impairment expense may be recorded.

During the year ended 30 June 2024 Saturn has recorded an impairment expense of \$88,032 (2023: \$1,015,578) against the capitalised carrying value of its exploration assets. The expense recorded for the year ended 30 June 2024 directly relates to the carrying value of tenure relinquished or proposed to be relinquished by the Company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont.)

10. Trade and other payables

	2024	2023
	\$	\$
Trade payables	1,149,191	772,619
Accrued expenses & other payables	760,500	465,925
	<u>1,909,691</u>	<u>1,238,544</u>

11. Contributed Equity

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. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a business are not included in the cost of the acquisition as part of the purchase consideration.

If the entity acquires its own equity instruments, e.g. as the result of a share buy-back, those instruments are deducted from equity and the associated shares are cancelled. No gain or loss is recognised in the profit or loss and the consideration paid including any directly attributable incremental costs (net of income taxes) are recognised directly in equity.

(a) Share capital

	2024		2023	
	Number of Shares	\$	Number of Shares	\$
Authorised & issued, ordinary shares fully paid	<u>224,002,477</u>	<u>53,566,347</u>	<u>161,030,605</u>	<u>46,096,011</u>

(b) Movements in ordinary share capital

	2024		2023	
	Number of Shares	\$	Number of Shares	\$
Opening balance at 1 July	161,030,605	46,096,011	129,899,177	40,922,956
<i>Shares issued:</i>				
- On conversion of performance rights	1,083,800	-	106,000	-
- As a result of share placements	61,569,600	7,696,200	31,025,428	5,394,922
- In lieu of progress payments to West Wyalong Joint Venture partners	318,472	50,000	-	-
- Transaction costs on share issues	-	(275,864)	-	(221,867)
Closing balance at 30 June	<u>224,002,477</u>	<u>53,566,347</u>	<u>161,030,605</u>	<u>46,096,011</u>

(c) Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Group in proportion to the number of and amounts paid on the shares held. On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

(d) Options & performance rights

Information relating to options and performance rights issued during the year is set out in Note 20.

(e) Capital risk management

In employing its capital, the Group seeks to ensure that it will be able to continue as a going concern and in time provide value to shareholders by way of increased market capitalisation and/or dividends. In the current stage of its development, the Group has invested its available capital in acquiring and exploring mining tenements. As is appropriate at this stage, the Group is funded entirely by equity. As it moves forward to develop its tenements towards production, the Group will adjust its capital structure

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont.)

to support its operational and strategic objectives, by raising additional capital or taking on debt, as is seen to be appropriate from time to time given the overriding objective of creating shareholder value. In this regard, the Board will consider each step forward in the development of the Group on its merits and in the context of the then capital markets, in deciding how to structure funding arrangements.

12. Reserves and accumulated losses

(a) Accumulated losses	2024	2023
	\$	\$
Opening balance	11,353,561	7,763,047
Loss for the year	2,774,483	3,590,514
Closing balance	<u>14,128,044</u>	<u>11,353,561</u>

(b) Share-based payments reserve

Opening balance	2,376,230	1,658,762
Option expenses (Director options)	191,703	271,928
Option expenses (Employee options)	56,156	109,475
Options lapsed (Employee options)	(55,755)	-
Performance rights expenses (Directors rights)	237,997	263,163
Lapsed performance rights (Directors rights)	-	(135,800)
Performance rights expenses (Employee rights)	317,790	344,509
Lapsed performance rights (Employee rights)	(162,133)	(135,807)
Closing balance	<u>2,961,988</u>	<u>2,376,230</u>

(c) Option reserve

Opening balance	408,900	408,900
Options issued to third party	-	-
Closing balance	<u>408,900</u>	<u>408,900</u>

Nature & Purpose of Reserve

Share-based payments reserve:

The share-based payment reserve represents the fair value of equity benefits provided to Directors and employees as part of their remuneration for services provided to the Group paid for by the issue of equity.

Reserve Movements

Share options & reserve movements:	2024	2023	2024	2023
	Number	Number	\$	\$
Opening balance	6,600,000	4,600,000	1,542,146	1,160,743
Options issued to Directors	3,100,000	2,200,000	191,703	271,928
Options issued to Employees	450,000	1,000,000	56,155	109,475
Exercised	-	-	-	-
Lapsed	(750,000)	(1,200,000)	(55,755)	-
Closing balance	<u>9,400,000</u>	<u>6,600,000</u>	<u>1,734,249</u>	<u>1,542,146</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont.)

	Number	
	2024	2023
Exercisable at 80.0 cents; vesting on or before 22 Nov 2022	1,100,000	1,100,000
Exercisable at 80.0 cents; vesting on or before 22 Nov 2023	1,100,000	1,100,000
Exercisable at 63.0 cents; vesting on or before 9 Dec 2022	150,000	400,000
Exercisable at 63.0 cents; vesting on or before 9 Dec 2023	150,000	400,000
Exercisable at 63.0 cents; vesting on or before 9 Dec 2024	150,000	400,000
Exercisable at 28.0 cents; vesting on or before 29 Nov 2023	2,200,000	2,200,000
Exercisable at 25.0 cents; vesting on or before 3 Feb 2024	333,333	333,333
Exercisable at 25.0 cents; vesting on or before 3 Feb 2025	333,333	333,333
Exercisable at 25.0 cents; vesting on or before 3 Feb 2026	333,334	333,334
Exercisable at 20.0 cents; vesting on or before 29 Nov 2024	3,100,000	-
Exercisable at 40.0 cents; vesting on or before 27 May 2025	450,000	-
	<u>9,400,000</u>	<u>6,600,000</u>

The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome. No other features of options granted were incorporated into the measurement of fair value (Note 20(a)).

<i>Third party options & reserve movements:</i>	2024	2023	2024	2023
	Number	Number	\$	\$
Opening balance	-	-	408,900	408,900
Options issued to Third Party	-	-	-	-
Options Expired	-	-	-	-
Closing balance	<u>-</u>	<u>-</u>	<u>408,900</u>	<u>408,900</u>

	Number	
	2024	2023
Exercisable at 70.0 cents; vesting on issue	-	-
	<u>-</u>	<u>-</u>

<i>Performance rights & reserve movements:</i>	2024	2023	2024	2023
	Number	Number	\$	\$
Opening balance	5,202,000	2,393,000	834,084	498,019
Performance Rights issued to Directors	2,000,000	1,000,000	237,997	263,163
Performance Rights issued to Employees	4,275,000	2,575,000	317,790	344,509
Lapsed	(1,764,200)	(766,000)	(162,133)	(271,607)
Exercised	(1,083,800)	(106,000)	-	-
Closing balance	<u>8,629,000</u>	<u>5,202,000</u>	<u>1,227,738</u>	<u>834,084</u>

The fair value of the rights is determined on the market price of the Group's shares at grant date, with an adjustment made to take into account the two-year vesting period. The maximum value of the performance rights shares vested has been determined as the amount of the grant date fair value of the rights that is expensed. For the performance rights granted during the year ended 30 June 2024, the maximum value vested for this grant was estimated based on the share price of the Group at grant date. The minimum value of performance rights shares vested is nil, as the shares will be forfeited if the vesting conditions are not met. The Directors do not receive any dividends and are not entitled to vote in relation to the performance rights during the vesting period (Note 20(b)).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont.)

13. Expenses

	2024 \$	2023 \$
Employees and Director's benefit expenses:		
Employment costs	871,613	871,870
Directors' fees	242,000	242,000
Recruitment costs	12,322	21,408
	1,125,935	1,135,278
Administration expenses:		
Corporate	312,991	296,854
Depreciation	172,650	160,092
Travel	73,887	44,281
Insurance	55,911	56,131
Office	66,471	63,343
Other Administration	47,421	38,793
	729,331	659,494

14. Income tax

The income tax expense (or benefit) for the period is the tax payable (or refundable) on the current period's taxable income based on the notional income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

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

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax assets and unused tax losses can be utilised. A deferred income tax asset is not recognised where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable income or when the deductible temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

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

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted at the reporting date. Income taxes relating to items recognised directly in equity are recognised in equity and not in profit and loss for the year.

The Group has total carried forward tax losses arising in Australia of \$14,566,329 (2023: \$12,160,688) available for offset against future assessable income of the Group. The deferred tax asset in respect of these losses has been used to offset a deferred tax liability. The net deferred tax asset attributable to the residual tax losses of \$13,083,525 has not been brought to account until convincing evidence exists that assessable income will be earned of a nature and amount to enable such benefit to be realised.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont.)

15. Reconciliation of cash flows from operating activities to loss after income tax

For statement of cash flows preparation purposes, cash and cash equivalents includes cash on hand and short-term deposits held at call (other than deposits used as cash backing for performance bonds) with financial institutions. Any bank overdrafts are shown within borrowings in the current liabilities on the consolidated statement of financial position.

	2024	2023
	\$	\$
Cash flow from operating activities:		
Net cash outflow from operating activities	(1,541,109)	(1,651,629)
<i>Adjustments for:</i>		
Share-based payments	(585,758)	(717,468)
Depreciation	(172,650)	(160,092)
Interest received and receivable	97,895	56,354
Capitalised exploration expenditure expensed	(352,991)	(112,980)
Impairment expense	(88,032)	(1,015,578)
Interest paid on lease liabilities	(4,177)	(6,070)
<i>Change in operating assets and liabilities:</i>		
Decrease in receivables	(27,737)	(24,969)
Increase in other current assets	(11,265)	72,958
Increase/(decrease) in payables	(88,659)	(31,040)
Loss after income tax	<u>(2,774,483)</u>	<u>(3,590,514)</u>
Non-cash investing activities:		
Additions of right-of-use assets	<u>165,493</u>	-
Non-cash financing activities:		
Increase in lease liabilities	<u>165,493</u>	-

16. Financial Risk Management

Overview

The Group is exposed to financial risks through the normal course of its business operations. The key risks impacting the Group's financial instruments are considered to be, interest rate risk, liquidity risk, and credit risk. There is no foreign exchange risk or impact. The Group's financial instruments exposed to these risks are cash and cash equivalents, trade receivables, trade payables and other payables.

Credit risk

Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, as well as credit exposures to wholesale and retail customers, including outstanding receivables. Management assesses the credit quality of the counterparties by taking into account its financial position, past experience and other factors. For banks and financial institutions, management considers independent ratings and only dealing with banks licensed to operate in Australia.

The Group applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets. To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due.

Tax receivables and prepayments do not meet the definition of financial assets.

Risk management:

The Group limits its exposure to credit risk in relation to cash and cash equivalents and other financial assets by only utilising banks and financial institutions with acceptable credit ratings.

The Group operates in the mining exploration sector and does not have trade receivables from customers.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont.)

Impairment losses:

At 30 June 2024 the Group has not recognised any impairment losses (2023: \$Nil).

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. The Group manages liquidity by maintaining adequate reserves by continuously monitoring forecast and actual cash flows ensuring there are appropriate plans in place to finance these future cash flows.

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

	30 June 2024	30 June 2023
<u>Financial Obligations:</u>	\$	\$
Trade and other payables less than 6 months	527,790	1,238,544
Lease liabilities payable less than 12 months	80,709	94,508
Lease liabilities payable more than 12 months	62,208	-

Interest rate risk

Interest rate risk is the risk that the Group's financial position will be adversely affected by movements in interest rates, cash and cash equivalents at variable rates exposes the Group to cash flow interest rate risk. The Group is not exposed to fair value interest rate risk as all of its financial assets and liabilities are carried at amortised amount.

At the reporting date there were no interest-bearing financial instruments (2023: \$Nil) and there were no financial liabilities subject to variable interest (2023: \$Nil).

Cash flow sensitivity analysis for variable rate instruments of the Group:

At 30 June 2024 if interest rates had changed +/- 100 basis points from year end rates with all other variables held constant, equity and post-tax loss would have been subject to no change as no short-term cash deposits were held at the end of the year (2023: \$Nil lower/higher).

Capital management

The Directors' objectives when managing capital are to ensure that the Group can fund its operations and continue as a going concern, so that they may continue to provide returns for shareholders and benefits for other stakeholders. Due to the nature of the Group's activities, being mineral exploration, the Group does not have ready access to credit facilities, with the primary source of funding being equity raisings. Therefore, the focus of the Group's capital risk management is the current working capital position against the requirements of the Group to meet exploration programmes and corporate overheads.

The Group's strategy is to ensure appropriate liquidity is maintained to meet anticipated operating requirements, with a view to initiating appropriate capital raisings as required.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont.)

The working capital position of the Group were as follows:

		2024	2023
	Note	\$	\$
Cash and cash equivalents	5	4,111,750	3,504,209
Trade and other receivables		81,346	79,538
Lease liabilities	8	(80,709)	(94,508)
Trade and other payables	10	(1,909,691)	(1,238,544)
Working capital position		<u>2,202,696</u>	<u>2,250,695</u>

Fair values

The carrying values of all financial assets and financial liabilities, as disclosed in the statement of financial position, approximate their fair values.

17. Contingencies & Commitments

The Group had no contingent assets or liabilities as at 30 June 2024 (2023: \$Nil).

Exploration commitments

Under the terms of mineral tenement licences held by the Group, minimum annual expenditure obligations are required to be expended during the forthcoming financial year in order for the tenements to maintain a status of good standing. This expenditure may be subject to variation from time to time in accordance with the relevant state department's regulations. The Group may at any time relinquish tenements and as such avoid the requirement to meet applicable expenditure requirement or may seek exemptions from the relevant authority.

Expenditure commitments within one year at the reporting date but not recognised as liabilities were \$1,048,100 (2023: \$994,600). Due to the uncertain nature of exploration and the fact that the Group may at any time relinquish tenements, it does not believe it to be appropriate to recognise these commitments post 12 months.

The Group had no other exploration expenditure commitments, or other commitments greater than 12 months.

18. Events after the reporting period

There were no other matters or circumstances that have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial years, other than:

- The capital raising via placement announced on 1 July 2024 to raise \$14 million (before costs) through the issue of 84,848,470 shares at a price of \$0.165 per share. The placement was completed in two tranches with 55,602,528 shares issued on 5 July 2024 and the balance 29,245,879 shares issued on 23 August 2024, following shareholder approval received on 15 August 2024.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont.)

19. Related Parties

Compensation of key management personnel	2024	2023
	\$	\$
Short-term employee benefits	541,998	540,799
Post-employment benefits	54,119	51,999
Long-term benefits	39,212	16,154
Share-based payments	429,700	399,291
	<u>1,065,029</u>	<u>1,008,243</u>

Transactions with related parties

The Group had no other transactions with related parties.

20. Share-based payments

Share-based compensation benefits to directors, employees and consultants are provided at the discretion of the Board.

The fair value of options and performance rights granted is recognised as an expense with a corresponding increase in equity. The fair value is measured at grant date and recognised over the period during which the recipient becomes unconditionally entitled to the options or performance rights.

The fair value at grant date is determined by using an appropriate model based on the vesting conditions attached to the options. The models used to determine fair value include a Black-Scholes model, or a hybrid employee share options pricing model.

During the year the Group has granted performance rights and options to Directors and employees through its Performance Rights and Incentive Option Plan (Plan).

Saturn's Performance Rights and Incentive Option Plan was last approved by shareholders at the annual general meeting held 24 November 2021.

Share-based payments recognised during the financial year within the consolidated statement of profit or loss were as follows:

	2024	2023
	\$	\$
Options issued	247,859	381,403
Options reversed	(55,755)	-
Performance rights issued	555,787	607,672
Performance rights reversed	(162,133)	(271,607)
	<u>585,758</u>	<u>717,468</u>

The movements in share-based payments reserves were as follows:

Balance at the beginning of the year	2,376,230	1,658,762
Option expenses (Director options)	191,703	271,928
Option expenses (Employee options)	56,156	109,475
Options lapsed (Employee options)	(55,755)	
Performance rights expenses (Directors rights)	237,997	263,163
Performance rights lapsed (Directors rights)	-	(135,800)
Performance rights expenses (Employee rights)	317,790	344,509
Performance rights lapsed (Employee rights)	(162,133)	(135,807)
Balance at the end of the year	<u>2,961,988</u>	<u>2,376,230</u>

Details of the share-based payment reserve can be found in Note 12.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont.)

(a) Options

Details of options granted under the Plan are set out in the following table.

Grant date	Expiry date	Exercise price	Fair value per option at grant date	Balance 1 July 2023	Options		Balance 30 June 2024	Vested & exercisable
					Granted during the year	Lapsed during the year		
24 Nov 21	22 Nov 24	\$0.800	\$0.199	2,200,000	-	-	2,200,000	2,200,000
13 Dec 21	9 Dec 25	\$0.630	\$0.173	1,200,000	-	(750,000)	450,000	300,000
29 Nov 22	27-Nov-25	\$0.280	\$0.058	2,200,000	-	-	2,200,000	2,200,000
25 Jan 23	2-Feb-27	\$0.250	\$0.079	1,000,000	-	-	1,000,000	333,333
29 Nov 23	29 Nov 26	\$0.200	\$0.052	-	3,100,000	-	3,100,000	-
24 May 24	27 May 27	\$0.400	\$0.100	-	450,000	-	450,000	-
				6,600,000	3,550,000	(750,000)	9,400,000	5,033,333

The weighted average remaining contractual life of options outstanding at the end of the period was 1.70 years (2023: 2.26 years).

The weighted average exercise price of options outstanding at the end of the period was \$0.39 (2023: \$0.51).

The weighted average fair value of options outstanding at the end of the period was \$0.10 (2023: \$0.13).

Fair value of options granted during the year ended 30 June 2024:

3,100,000 options issued to Director's vest in one tranche over a twelve-month period with 100% vesting 12 months from the grant date.

450,000 options issued to employee's vest in in one tranche over a twelve-month period with 100% vesting 12 months from the issue date.

	Director	Employee
Exercise price	\$0.20	\$0.25
Grant date	29 November 2023	24 May 2024
Expiry date	29 November 2026	27 May 2027
Share price at issue date	\$0.1375	\$0.250
Expected price volatility	69%	77%
Expected dividend yield	0%	0%
Risk-free interest rate	4.012%	3.980%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont.)

(b) Performance Rights

Details of performance rights granted under the Plan are set out in the following table.

Grant date	Expiry date	Balance 1 July 2023	Performance Rights			Balance 30 June 2024	Vested & exercisable
			Granted during the year	Converted during the year	Lapsed during the year		
24 Nov 21	23 Nov 24	750,000	-	(225,000)	(525,000)	-	-
13 Dec 21	19 Dec 24	912,000	-	(150,800)	(727,200)	34,000	-
29 Nov 22	29 Nov 25	1,000,000	-	(200,000)	-	800,000	-
14 Dec 22	29 Nov 25	1,540,000	-	(308,000)	(512,000)	720,000	-
25 Jan 23	29 Nov 25	1,000,000	-	(200,000)	-	800,000	-
29 Nov 23	29 Nov 26	-	2,000,000	-	-	2,000,000	-
17 May 24	29 Nov 26	-	4,275,000	-	-	4,275,000	-
		5,202,000	6,275,000	(1,083,800)	(1,764,200)	8,629,000	-

Fair value of performance rights granted during the year ended 30 June 2024:

Performance rights granted during the year were as follows.

Grant Date	Type	Class A	Class B	Class C	Total
29 Nov 23	Director Performance Rights	600,000	600,000	800,000	2,000,000
17 May 24	Employee Performance Rights	862,500	1,710,000	1,702,500	4,275,000

Tranche 1, 2 and 3 Performance Rights

Class A: The Company to define a new discovery or deposit with +100,000 oz JORC compliant Mineral Resource 31 December 2025.

Class B: The holder must have remained in continuous employment with the Company from the Issue Date as either Saturn staff, under an Executive Services Agreement or, Non-Executive Director or as an officially appointed officer. Testing of the measure will be on 29 November 2025.

Class C: The Company to publish a definitive feasibility study for the Apollo Hill Gold project by 30 June 2026.

The performance rights were valued on a prorated basis as a result of the non-market vesting conditions attached. The fair value at grant date is determined using a Black-Scholes option model that takes into account the exercise price, the term of the performance right, the share price at grant date.

	Director	Employee
Exercise price	Nil	Nil
Grant date	29 November 2023	17 May 2024
Performance measurement date – Class A	31 December 2025	31 December 2025
Performance measurement date – Class B	29 November 2025	29 November 2025
Performance measurement date – Class C	30 June 2026	30 June 2026
Expiry date	29 November 2026	29 November 2026
Share price at issue date	\$0.1375	\$0.2450
Expected price volatility	69%	76%
Expected dividend yield	0%	0%
Risk-free interest rate	4.012%	3.843%
Probability assessment	100%	100%

(c) Acquisition – Share-based payment

The Group made no acquisitions using share-based payments during the year (2023: Nil)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont.)

21. Remuneration of Auditors

	2024	2023
	\$	\$
<i>Amounts paid or due and payable to BDO</i>		
- Auditing and reviewing financial reports	58,866	45,589
	58,866	45,589

There were no non-assurance services provided during the year ended 30 June 2024 (2023: \$Nil).

The BDO entity performing the audit of the Company transitioned from BDO Audit (WA) to BDO Audit Pty Ltd on the 31 May 2024. The disclosures include amounts received or due and receivable by BDO Audit (WA) Pty Ltd, BDO Audit Pty Ltd and their respective related entities

22. Loss per share

Basic loss per share is calculated by dividing the loss attributable to equity holders of the Group, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

	2024	2023
	\$	\$
Basic loss per share		
Loss from continuing operations attributable to the ordinary equity holders of the Group	(0.01)	(0.03)
Diluted loss per share		
Loss from continuing operations attributable to the ordinary equity holders of the Group	(0.01)	(0.03)
Reconciliation of loss used in calculation of loss per share		
Loss from continuing operations attributable to the ordinary equity holders of the Group per share	(2,774,483)	(3,590,514)
	Number of Shares	Number of Shares
Weighted average number of shares used as the denominator	2024	2023
Weighted average number of shares used in calculating basic loss per share	200,354,936	142,680,245

Effect of dilutive securities

Options and Performance Rights on issue at reporting date could potentially dilute earnings per share in the future. The effect in the current year is to reduce the loss per share hence they are considered anti-dilutive.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont.)

23. Parent Entity

	Parent Entity	
	2024	2023
Statement of financial position	\$	\$
Current assets	4,360,238	3,871,206
Total assets	44,914,267	38,864,007
Current liabilities	(1,987,174)	(1,333,052)
Total liabilities	(2,100,232)	(1,333,052)
Net assets	42,814,035	37,530,955
Equity		
Issued capital	53,566,347	46,096,011
Share-based payments reserve	2,961,988	2,376,230
Option reserve	408,900	408,900
Accumulated losses	(14,123,200)	(11,350,186)
Total equity	42,814,035	37,530,955
Statement of profit or loss and other comprehensive income		
Interest revenue and other income	111,741	56,354
Comprehensive loss for the year	(2,884,755)	(3,532,706)
Total comprehensive loss for the year	(2,773,014)	(3,589,060)

Commitments for the parent entity are the same as those for the consolidated entity and are set out in Note 17.

The financial information for the parent entity, Saturn Metals Limited, has been prepared on the same basis as the consolidated financial statements.

The parent entity has not entered into a deed of cross guarantee nor are there any contingent liabilities at year-end.

24. Statement of Significant Accounting Policies

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial report includes the consolidated financial statements for the Group during the financial years ended 30 June 2023 and the comparative period.

(a) Basis of preparation

These general-purpose financial statements have been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Australian Accounting Interpretations and the *Corporations Act 2001*. Saturn Metals Limited is a for-profit entity for the purpose of preparing the consolidated financial statements. The presentation currency of these accounts is Australian Dollars (AUD).

Going Concern

This report is prepared on the going concern basis which assumes the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

The financial statements for the year ended 30 June 2024 have been prepared on the basis that the group is a going concern and therefore, contemplates the continuity of normal business activity, realisation of assets and settlement of liabilities in the normal course of business.

During the year the group recorded a net loss after tax of \$2,774,483 and had net cash outflows from operating activities of \$1,541,109. At balance date the group has working capital of \$2,445,529.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(Cont.)*

The Directors have reviewed the business outlook and the assets and liabilities of the Group and are of the opinion that the going concern basis of accounting is appropriate as they believe the Group will continue to be successful in securing the additional funds as and when the need to raise funds arises.

Compliance with IFRS

The consolidated financial statements and notes of the Group comply with International Financial Reporting Standards (IFRS).

Historical cost convention

These consolidated financial statements have been prepared under the historical cost convention.

(b) Principles of consolidation

The consolidated financial statements are those of the consolidated entity, comprising Saturn Metals Limited (“the parent entity”) and entities controlled during the year and at reporting date (“Group”). A controlled entity is any entity that 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.

Information from the consolidated financial statements of the controlled entities is included from the date the parent company obtains control until such time as control ceases. Where there is a loss of control of a subsidiary, the consolidated financial statements include the results for the part of the reporting period during which the parent company has control.

The financial statements of subsidiaries are prepared for the same reporting period as the parent entity, using consistent accounting policies.

All intercompany balances and transactions, including unrealised profits arising from intra-Group transactions, have been eliminated in full. Unrealised losses are eliminated except where costs cannot be recovered.

Investments in subsidiaries are carried at cost in the parent entity.

(c) New standards and amendments

Certain new accounting standards and interpretations have been published that are mandatory for the 30 June 2024 reporting period and have not been early adopted by the group. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

(d) Critical accounting estimates and judgements

The Directors evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information.

The Group makes estimates and judgements in applying the accounting policies.

Share-based payment transactions

The Group measures the cost of equity-settled share-based payment transactions by reference to the fair value of the equity instruments at the grant date. The fair value is determined by using an appropriate model based on the vesting conditions attached to the options. The models used to determine fair value include a Black-Scholes model, or a hybrid employee share options pricing model. 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 expenses and equity.

Impairment of capitalised exploration and evaluation expenditure

Critical judgements in respect of accounting policies relate to exploration assets, where exploration expenditure is capitalised in certain circumstances. Recoverability of the carrying amount of any

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(Cont.)*

exploration assets is dependent on the successful development and commercial exploitation or sale of the respective areas of interest.

It is the Group's policy to capitalise costs relating to exploration and evaluation activities. The future recoverability of capitalised exploration and evaluation expenditure is dependent upon a number of factors, including whether the Group decides to exploit the related lease itself or, if not, whether it successfully recovers the related exploration and evaluation asset through sale.

Factors that could impact future recoverability include the level of reserves and resources, future technological changes which could impact the cost of mining, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices.

To the extent that capitalised exploration and evaluation expenditure is determined not to be recoverable in the future, profits and net assets will be reduced in the period in which the determination is made.

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

Company¹	Type of Entity	Country of Incorporation	Australian or Foreign Tax Resident	Equity Interest (%)
Saturn Metals Limited	Body Corporate	Australia	Australian	N/A
Titan Metals Pty Ltd	Body Corporate	Australia	Australian	100

Notes

1. Entities listed above are those that are part of the consolidated entity at the end of the financial year. Entities disposed of during the year, or where the entity has lost control by the reporting date, are not included here. This means that entities listed could be different to the 'Interests in subsidiaries' note contained in the notes to the financial statements.
2. No entities listed above are a part of a trustee, partnership or joint venture.

Basis of Preparation

This Consolidated Entity Disclosure Statement (CEDS) has been prepared in accordance with the Corporations Act 2001. It includes certain information for each entity that was part of the consolidated entity at the end of the financial year.

Determination of Tax Residency

Section 295 (3A) of the *Corporation Acts 2001* defines tax residency as having the meaning in the *Income Tax Assessment Act 1997*. The determination of tax residency involves judgement as there are currently several different interpretations that could be adopted, and which could give rise to a different conclusion on residency. It should be noted that the definitions of 'Australian resident' and 'foreign resident' in the *Income Tax Assessment Act 1997* are mutually exclusive. This means that if an entity is an 'Australian resident' it cannot be a 'foreign resident' for the purposes of disclosure in the CEDS.

In determining tax residency, the consolidated entity has applied the following interpretations:

- Australian tax residency.
- The consolidated entity has applied current legislation and judicial precedent, including having regard to the Commissioner of Taxation's public guidance in Tax Ruling TR 2018/5.

DIRECTOR'S DECLARATION

The Board of Directors of Saturn Metals Limited declares that:

- (a) the consolidated financial statements, comprising the consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position, consolidated statement of cash flows, consolidated statement of changes in equity and accompanying notes are in accordance with the Corporations Act 2001, and:
 - (i) comply with Accounting Standards and the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - (ii) give a true and fair view of the financial position as at 30 June 2024 and performance for the financial year ended on that date of the entity.
- (b) the consolidated entity disclosure statement as at 30 June 2024 set out on page 41 to the consolidated financial statements is true and correct;
- (c) the Group has included in the notes to the consolidated financial statements an explicit and unreserved statement of compliance with International Financial Reporting Standards;
- (d) In the Directors' opinion, there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable; and
- (e) the Board of Directors have been given the declaration by the chief executive officer and chief financial officer required by Section 295A of the Corporations Act 2001.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Directors by:



Ian Bamborough
Managing Director

Perth, Western Australia
27 September 2024

INDEPENDENT AUDITOR'S REPORT

To the members of Saturn Metals Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Saturn Metals Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including material accounting policy information, 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 ended on that date; and
- (ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

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

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

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

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.

Carrying value of exploration and evaluation asset

Key audit matter	How the matter was addressed in our audit
<p>The carrying value of the capitalised exploration and evaluation asset as at 30 June 2024 is disclosed in Note 9 of the financial report.</p> <p>As the carrying value of the capitalised exploration and evaluation asset represents a significant asset of the Group, we considered it necessary to assess whether any facts or circumstances exist to suggest that the carrying amount of this asset may exceed its recoverable amount.</p> <p>Judgement is applied in determining the treatment of exploration expenditure in accordance with Australian Accounting Standard AASB 6 Exploration for and Evaluation of Mineral Resources. In particular, whether facts and circumstances indicate that the exploration and expenditure assets should be tested for impairment.</p>	<p>Our procedures included, but were not limited to:</p> <ul style="list-style-type: none"> • Obtaining a schedule of the areas of interest held by the Group and assessing whether the rights to tenure of those areas of interest remained current at balance date; • Considering the status of the ongoing exploration programmes in the respective areas of interest by holding discussions with management, and reviewing the Group’s exploration budgets, ASX announcements and director’s minutes; • Considering whether any area of interest had reached a stage where a reasonable assessment of economically recoverable reserves existed; • Considering whether there are any other facts or circumstances existing to suggest impairment testing was required; • Reviewing the basis of impairment recorded by management and the methodology used to determine the fair value for compliance with the relevant accounting standards; and • Assessing the adequacy of the related disclosures in Note 9 to the financial report.



Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2024, but does not include the financial report and the auditor's report thereon.

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

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

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

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of:

- a) the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and
- b) 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:

- i) the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- ii) 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 ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

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



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

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

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 8 to 15 of the directors' report for the year ended 30 June 2024.

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

Responsibilities

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

BDO Audit Pty Ltd

A handwritten signature in black ink, appearing to read 'Dean Just', written over a faint, larger 'BDO' watermark.

Dean Just

Director

Perth, 27 September 2024