Red Hawk Mining Limited

ABN 46 091 118 044

Formerly known as Flinders Mines Limited

Annual Report
for the year ended 30 June 2023

Red Hawk Mining Limited
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Annual Report - 30 June 2023

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Board of Directors

The Hon Cheryl Edwardes, AM	Independent Non-Executive Chair
Steven Michael	Managing Director and CEO
Rob Foster	Non-Executive Director
James Gurry	Independent Non-Executive Director
Amy Jiang	Non-Executive Director
Daniel Harris	Independent Non-Executive Director
Michael Wolley	Non-Executive Director

Company Secretary

Sarah Wilson

Registered Office

Ground Floor, 23 Ventnor Avenue

West Perth WA 6005

Telephone: 08 9389 4483

Email: info@redhawkmining.com.au

Website: www.redhawkmining.com.au

Share Registry

Computershare Investor Services Pty Ltd

Level 17, 221 St Georges Terrace

Perth WA 6000

Telephone: 08 9323 2000

Website: www.computershare.com.au

Auditors

KPMG

235 St Georges Terrace

Perth WA 6000

Securities Exchange Listing

Shares in Red Hawk Mining Limited are quoted on the Australian Securities Exchange under trading code RHK.

Chairperson Report

Dear Shareholders,

I am pleased to present the Red Hawk Mining Limited Annual Report for the financial year ended 30 June 2023.

The past 12 months have seen substantial and welcome change for the Company as we have continued our focus on the development of the Blacksmith Project in Western Australia (**Blacksmith**).

We welcomed our new Managing Director/CEO, Mr Steven Michael who brings a wealth of knowledge and experience to the Company, with a background of over 25 years' experience in the resources industry and mining projects.

In the short period of time that Mr Michael has been employed, he has overseen the delivery of a 60% Fe Direct Shipped Ore mineral resource for the Delta and Paragon deposits at Blacksmith and is currently completing a scoping study to produce up to 3Mtpa of DSO product. Alongside Mr Michael's appointment, the Company's management saw the appointment of Mr Matt Owen as CFO and Dr Andrew Whitehead continuing as General Manager.

At the Board level, we welcomed independent Non-Executive Director, Mr Daniel Harris to the Board in August 2022 and Mr Rob Foster, as a nominee Director of the Company's largest shareholder TIO (NZ) Limited in October 2022. Both Directors have made significant contributions since their respective appointments.

Towards the end of 2022, the Company initially engaged BBI Group Pty Ltd, for a period of 3 months to provide management services for the Blacksmith Project following the termination of the Farm-in Agreement with BBIG, as announced on 5 September 2022. This arrangement with BBIG provided a firm foundation for the Company to transition back to full operational and management control of Blacksmith.

Early 2023 saw the Company enter into binding agreements with BBIG to acquire 100% of the share capital in Forge Resources Swan Pty Ltd to provide an infrastructure model and access to a potential future port development. This pathway for the commercial development of the Blacksmith ore under the agreement had various conditions precedents, which were unable to be satisfied in the timeframe determined under the Agreement. As a result, the agreements were mutually terminated in July 2023.

The termination of the binding agreement with BBIG has allowed the Company to retain the $3.3 million purchase consideration and provided the Company with sufficient funds to engage and undertake the Scoping Study at Blacksmith. The Scoping Study has focused on utilising public access and third-party trucking logistics to bring the ore to port.

Subsequent to the reporting period, shareholders approved the Company's name change to Red Hawk Mining Limited, a name derived from the red goshawk which is found in the Pilbara Region. The change of name represents the Company's continued aspirational goal to produce iron ore in 2025.

I would like to thank my fellow directors, management and employees for their commitment to the Company and drive towards attaining our goals.

On behalf of the Board, I would like to thank our shareholders for your continued support of Red Hawk Mining. I look forward to providing updates on the advancement of the Blacksmith Project during the 2024 financial year as the Company continues its progress.

The Hon. Cheryl Edwardes, AM
Independent Non-Executive Chair
Perth, Western Australia
21 September 2023

Directors' Report

Your Directors present their report on the Consolidated Entity comprising Red Hawk Mining Limited (the **Company** or **Red Hawk**) and its controlled entities (the **Group**) for the financial year ended 30 June 2023.

Directors

The following persons held office as Directors of Red Hawk Mining Limited from the start of the financial year to the date of this report, unless otherwise stated.

Name	Title	Appointment	Resigned
The Hon Cheryl Edwardes AM	Independent Non-Executive Chair	17 Jun 2019	
Michael Wolley	Non-Executive Director	19 Oct 2016	
James Gurry	Independent Non-Executive Director	18 Sep 2019	
Amy Jiang	Non-Executive Director	5 Mar 2021	
Daniel Harris	Independent Non-Executive Director	8 Aug 2022	
Rob Foster	Non-Executive Director	6 October 2022	
Steven Michael	Managing Director / CEO	2 March 2023	
Neil Warburton	Independent Non-Executive Chair	19 Oct 2016	1 Jul 2022

Company Secretary

Ms Sarah Wilson was appointed on 20 November 2018 as Company Secretary. On 30 August 2019, Ms Shannon Coates was appointed as Joint Company Secretary and resigned on 31 July 2023. Ms Wilson remains sole Company Secretary.

Information on Directors

The Hon Cheryl Edwardes, AM	Independent Non-Executive Chair
Qualifications	LLM, B. Juris, BA, GAICD
Experience	Ms Edwardes is a highly credentialled and experienced company director and Chairperson. A solicitor by profession and a former Minister in the Court Government of Western Australia, she has extensive experience and knowledge of WA's legal and regulatory framework relating to mining projects, environmental, native title, heritage, and land access. During her political career, Ms Edwardes held positions that included WA Attorney General, Minister for the Environment, and Minister for Labour Relations. In addition to her directorships, including Chair of the Port Hedland International Airport, she also works with HHG Legal Group on a part-time basis, focusing on pro bono work and the development of the firm's charitable arm, HHG Giving Back, and assists the clients of FTI Consulting within a range of complex statutory approvals required for resources and infrastructure projects. Ms Edwardes has been awarded an Order of Australia in the Queen's Birthday Honours 2016 for "significant service to the people and Parliament of Western Australia, to the law and the environment, and through executive roles with business, education and community organisations." She was also named in the 100 Women of Influence 2016, inducted into the Western Australian Women's Hall of Fame 2016 and was a finalist in the Women in Resources Award 2015.
Interest in RHK Shares and Options at the date of this report	20,646 fully paid ordinary shares.
Special responsibilities	Chair of Nominations and Remuneration Committee and member of Audit and Risk Committee.
Directorships held in other ASX listed entities in the last three years	Non-Executive Director of Nuheara Limited (January 2020 to date), Non-Executive Chair of Westgold Resources Ltd (March 2022 to date)

	Previously a Non-Executive Director of Vimy Resources Limited (May 2014 to August 2022), AusCann Group Holding Limited (May 2016 to January 2020) and Non-Executive Chair of Kalium Lakes Limited (November 2022 to August 2023).
Steven Michael	**Managing Director / CEO**
Qualifications	BCom, CA, MAICD
Experience	Mr Michael is a highly experienced mining executive with over 25 years' experience in the resources industry in senior executive leadership roles with ASX-listed mining and exploration companies as well as investment banking, corporate advisory and equities research positions with several global investment banks. Prior to joining Red Hawk, Mr Michael has served as Managing Director of ASX-listed uranium company Vimy Resources Limited, which culminated in the successful $658 million merger with Deep Yellow Limited, and Mr Michael subsequently served as an Executive Director of Deep Yellow. Prior to his positions with Vimy Resources Limited and Deep Yellow Limited, Mr Michael was a Managing Director with global business advisory firm FTI Consulting, where he specialised in economic evaluations, feasibility studies and project financing of mining projects across multiple commodities and jurisdictions.
Interest in RHK Shares and Options at the date of this report	4,000,000 Performance Rights
Special responsibilities	Nil
Directorships held in other ASX listed entities in the last three years	Non-Executive Director of Predictive Discovery Ltd (December 2019 to date) and Non-Executive Director of Wia Gold Limited (September 2020 to date). He was Managing Director of Vimy Resources Limited (then Deep Yellow Limited) (May 2014 to November 2022).
Michael Wolley	**Non-Executive Director**
Qualifications	BE (Chemical and Materials, 1st Class Hons), MMan
Experience	Mr Wolley holds a first-class honours degree in Chemical and Materials Engineering (University of Auckland) and a Master of Management (Macquarie Graduate School of Management). Mr Wolley had a 15-year career with Mobil Oil Australia in a range of roles including engineering, operations, strategic planning and business development in Australia and New Zealand. In 1995 he left Mobil to pursue opportunities in Asia Pacific and worked in several senior executive roles in the manufacturing and industrial sectors including a period as President of BlueScope Steel China. In 2007 he returned to the resources sector as Chief Operating Officer for Lynas Corporation, an ASX 100 business, and subsequently into the gold sector in ASX-listed gold development businesses. He was appointed Vice President Corporate Development for the Todd Corporation in 2011. In February 2013 he was appointed to the role of Vice President Minerals and moved to Sydney in July 2013, before leaving Todd Corporation in September 2022. Mr Wolley is a member of the AICD and the NZICD. Mr Wolley is a nominee Director of the Company's largest shareholder, TIO (NZ) Limited.
Interest in RHK Shares and Options at the date of this report	Nil
Special responsibilities	Member of Nominations and Remuneration Committee and Audit and Risk Committee.

Directorships held in other ASX listed entities in the last three years	Nil
James Gurry	**Independent Non-Executive Director**
Qualifications	B. Com (Hons), CA, GAICD
Experience	Mr Gurry is a leading equity analyst with extensive research experience in the iron ore sector. He is currently a Senior Equity Analyst and Director with corporate finance firm PAC Partners. Prior to this he was Head of Natural Resources Equity Research with Deutsche Bank Equities Australia and held similar roles with Credit Suisse Equities in both Sydney and London where he was Head of Mining Company Research. Mr Gurry is also a Member of the Institute of Chartered Accountants in Australia and a Graduate of the AICD. Mr Gurry holds a Bachelor of Commerce (Honours) in Accounting and Finance.
Interest in RHK Shares and Options at the date of this report	45,493 fully paid ordinary shares.
Special responsibilities	Chair of Audit and Risk Committee and member of Nominations and Remuneration Committee.
Directorships held in other ASX listed entities in the last three years	Navarre Minerals Ltd
Amy Jiang	**Non-Executive Director**
Qualifications	JD, BA, GAICD and FGIA
Experience	Ms Jiang has more than 16 years' experience in management and corporate governance within the mining and resources sector. Ms Jiang is currently company secretary and executive manager and nominee director of OCJ Investment (Australia) Pty Ltd, the second largest shareholder of Red Hawk Mining Limited. Ms Jiang is a Graduate Member of the Australian Institute of Company Directors and a Fellow of the Governance Institute of Australia. She holds a Bachelor of Arts and a Juris Doctor, both from The University of Sydney. In addition, Ms Jiang is currently completing a Graduate Diploma of Applied Corporate Governance and Risk Management at the Governance Institute of Australia.
Interest in RHK Shares and Options at the date of this report	Nil
Special responsibilities	Member of Audit and Risk Committee and Nominations and Remuneration Committee.
Directorships held in other ASX listed entities in the last three years	Nil
Daniel Harris	**Independent Non-Executive Director**
Qualifications	B. Sc ChE
Experience	Mr Harris is an experienced Mining Industry Company Executive and Director. Mr Harris has served as CEO, COO and CFO in mining and metals companies around the world and has worked and lived in the USA, South Africa, Russia, and Australia. He is a world recognised vanadium industry veteran and has a strong understanding of the resource section from both a technical and financial perspective.
Interest in RHK Shares and Options at the date of this report	Nil

Special responsibilities	Member of Audit and Risk Committee and Nominations and Remuneration Committee.
Directorships held in other ASX listed entities in the last three years	Non-Executive Director of Australian Vanadium Ltd (February 2017 to date) and Queensland Energy Minerals Limited (March 2018 to date).
Rob Foster	**Non-Executive Director**
Qualifications	B. For Sc., MInstD
Experience	Mr Foster is an experienced senior executive and has held a number of leadership and strategic business development roles in the energy, infrastructure, and financial markets industries. He was previously CEO of King Country Energy Limited and Independent Director and Interim CEO of NZX listed NZ Windfarms Limited. He formerly held senior investment banking, corporate finance and equity capital markets roles at Macquarie Bank and ABN AMRO NV. Mr Foster is currently General Manager, Business Development for the Todd Corporation, an Independent Member of the Audit and Risk Committee of Te Runanga O Ngai Tahu and Advisory Committee member of Forest Partners Fund Limited Partnership investment fund. Mr Foster holds a Bachelor of Forestry Science, has completed the AVIRA Programme at INSEAD and is a member of the Institute of Directors in New Zealand. Mr Foster is a nominee Director of the Company's largest shareholder, TIO (NZ) Limited.
Interest in RHK Shares and Options at the date of this report	Nil
Special responsibilities	Member of Audit and Risk Committee and Nominations and Remuneration Committee.
Directorships held in other ASX listed entities in the last three years	Nil
Sarah Wilson	**Company Secretary**
Experience	Ms Wilson is an experienced company secretary with more than 10 years' experience in governance and compliance. She is an Executive Director of national corporate advisory firm Source Governance and is currently company secretary to a number of ASX listed companies with a strong focus on resources.
Neil Warburton	**Independent Non-Executive Chair – Resigned 1 July 2022**
Qualifications	Assoc. MinEng WASM, MAusIMM, FAICD
Experience	Mr Warburton has over 40 years' experience in corporate and all areas of mining operations. Mr Warburton held senior positions with Barminco Limited culminating in being the Chief Executive Officer from August 2007 to March 2012. He successfully grew Barminco into Australia and West Africa's largest underground hard rock mining contractor before expanding to non-executive director roles with ASX listed and private mining companies.

Meeting of Directors

The numbers of meetings of the Company's Board of Directors and of each Board committee held during the year ended 30 June 2023, and the numbers of meetings attended by each Director were:

	Board		Audit & Risk Committee		Nominations & Remuneration Committee	
	A	B	A	B	A	B
C Edwardes	14	14	2	2	-	-
S Michael[1]	3	5	-	1	-	-
M Wolley	14	13	2	2	-	-
D Harris[4]	13	13	2	2	-	-
J Gurry	14	14	2	2	-	-
A Jiang	14	14	2	2	-	-
R Foster[2]	10	13	1	2	-	-
N Warburton[3]	-	-	-	-	-	-

A = Number of meetings held during the time the Director held office or was a member of the committee during the year.
B = Number of meetings attended.

1 *Mr Michael attended two Directors meetings and one Audit and Risk Committee meeting by invitation as a consultant. He was appointed on 2 March 2023.*

2 *Mr Foster attended three Directors meetings and one Audit and Risk Committee meeting by invitation as an incoming director. He was appointed on 6 October 2022.*

3 *Mr Warburton resigned as a Director on 1 July 2022.*

4 *Mr Harris was appointed on 8 August 2022 as a Director.*

Principal Activities

The Group's principal continuing activities during the year ended 30 June 2023 consisted of the development of the Blacksmith Project in Western Australia.

Mineral exploration also continued at the Group's Canegrass Project in Western Australia under a Farm-In Agreement with a subsidiary of Viking Mines Limited.

There were no significant changes in the nature of the activities of the Group during the year other than as stated above.

Dividends

No dividends have been declared or paid during the financial year (2022: $nil).

Operating Results and Financial Position

The net result of operations for the financial year was a profit of $13.185 million (2022: loss of $2.391 million).

Review of Operations

Corporate

Director and Management Changes

Mr Steven Michael was appointed as Managing Director effective 2 March 2023.

Mr Matt Owen was appointed as Chief Financial Officer on 17 December 2022 to replace Ms Rebecca Broughton.

Mr Rob Foster was appointed as a Non-Executive Director effective 6 October 2022 and is a nominee Director of the Company's largest shareholder, TIO (NZ) Limited.

Mr Daniel Harris was appointed as Independent Non-Executive Director effective 8 August 2022.

Mr Neil Warburton resigned as an Independent Non-Executive Director effective 1 July 2022.

Blacksmith Development

Termination of the Farm-In agreement with BBIG

On 2 September 2022, the Company received a withdrawal notice from BBIG, relating to the immediate termination of the Farm-In Agreement (**FIA**). Pursuant to the FIA, the termination amount was $11.668 million, of which $9.045 million was received by the Company on 7 October 2022, and $2.624 million was held on trust to contribute to the rehabilitation program that was progressed by BBIG under a Services Agreement dated 2 September 2022. This Services Agreement allowed for continuation of the rehabilitation program for a further 3 months, until December 2022 to complete the rehabilitation program. $2.250 million was received from BBIG in December 2022 with the final settlement of the balance of the shortfall being received on 11 May 2023.

BBIG's Balla Balla Infrastructure Project

On 17 January 2023, the Company entered into binding agreements with BBIG for the Company to acquire 100% of the share capital in Forge Resources Swan Pty Ltd (**FRS**) via a two-stage process. This would allow the Company to acquire the assets of BBIG's Balla Balla Infrastructure Project which consisted of agreements, licenses, permits and intellectual property in order to support the development of Blacksmith.

The Company and BBIG worked together to satisfy the various conditions of stage 1 which included,

a) The Company obtaining FIRB approval in relation to the acquisition of the shares in FRS; and
b) Completion by BBIG of an internal restructure to give effect to the staged acquisition of the Infrastructure Project and BBIG's retention of assets held by FRS which do not form part of the Infrastructure Project, noting this internal restructure is conditional upon:
    (i) FIRB approval;
    (ii) corporate reconstruction relief in respect of the transfer of assets held by FRS which do not form part of the Infrastructure Project to another BBIG subsidiary; and
    (iii) consent from the Ngarluma Aboriginal Corporation in relation to the transfer of the assets held by FRS which are not part of the Infrastructure Project to the same BBIG subsidiary.

Stage 2 was conditional upon, Todd Corporation Limited (**Todd**), the ultimate holding company of BBIG being released from their obligations as guarantors under the State Rail Agreement, *Railway (BBI Rail Aus Pty Ltd) Agreement Act 2017 (WA).*

Shortly after the reporting period on 11 July 2023, the Company announced that the binding agreements with BBIG regarding the Balla Balla Infrastructure Project were terminated by way of mutual agreement as the Conditions Precedent were unable to be satisfied in the timeframe specified in the agreement.

Scoping Study

During the reporting period the Company commenced a Scoping Study to 'right size' the development of Blacksmith, with a focus on speed to market and lowering upfront capital. The Scoping Study will provide a 'base case' scenario, based on a sustainable production rate of up to 3 million tonnes per annum of +60% Fe direct shipping ore (**DSO**) utilising public access and third-party transport and export infrastructure where possible.

On 6 September 2023, the company announced a Direct Shipping Ore Mineral Resource Estimate of 100.3Mt at a grade of 60.1% Fe for the Delta and Paragon deposits at the Blacksmith Project. This high-grade resource will underpin the scoping study as a basis for a potential 3 million tonne per annum DSO project.

Canegrass Project

The Canegrass Project became subject to a Farm-in Agreement (**Canegrass FIA**) with a subsidiary of Viking Mines Limited (ASX: VKA) (**Viking**) on 30 September 2022. Under the Canegrass FIA, Viking can earn up to a 99% interest in the Canegrass tenements by spending $4 million on exploration and making payments to the Company of $1.25 million over 54 months (from 30 November 2022). The structure of the farm-in provided for the Company to avoid the on-going tenement holding costs associated with the Canegrass Project. Viking has continued its exploration activities over the Canegrass Project targeting battery minerals, including vanadium.

On 16 August 2023 Viking Mines Limited (ASX: VKA) announced that it had completed Stage 1 of the FIA after reaching the commitment of $1 million on exploration expenditure on the Canegrass tenements. The Group received the cash payment of $225,000 due on completion of Stage 1 and consequently Viking Mines Limited now holds 25% of the project.

Environmental Regulation

The Group's operations are subject to significant environmental regulation under both Commonwealth and relevant State legislation in relation to the discharge of hazardous waste and materials arising from any exploration or mining activities and development conducted by the Group on any of its tenements. Subject to ongoing rehabilitation, the Group believes it has complied with all environmental obligations.

Heritage and Community Relations

The Company recognises the importance of establishing relationships with the Traditional Owners that are based on trust and mutual advantage and are respectful of the needs and concerns of the communities located within the regions in which it operates. The Company has agreements in place with the Traditional Owners and is committed to building strong relationships by:

- Being open and transparent in its communications;
- Improving cross-cultural awareness through training and education;
- Developing community relations management procedures that include business alliances;
- Being sensitive to the values and heritage issues of the local communities; and
- Being a good neighbour.

Likely Developments and Business Strategies

The likely developments of the Group and the expected results of those developments are as follows:

- Continued progression of a lower tonnage, near-term mining operation at Blacksmith initially supported by the release of a Scoping Study.

Events Subsequent to the End of the Reporting Period

By way of mutual agreement, on 11 July 2023 the Company and BBIG Group Pty Ltd (BBIG) and Todd Corporation terminated the agreement for the Company to acquire 100% of Forge Resources Swan Pty Ltd which included the assets of BBIG's Balla Balla Infrastructure Project.

Following shareholder approval at the meeting held on 28 July 2023, the Company changed its name from Flinders Mines Limited to Red Hawk Mining Limited, with the Company's shares registered for trading under the new ASX Ticker Code ASX: RHK, to better reflect the strategic direction of the Company, as it continues to focus on the development of Blacksmith.

On 31 July 2023, Ms Shannon Coates resigned as Joint Company Secretary.

On 16 August 2023 Viking Mines Limited (ASX: VKA) announced that it had completed Stage 1 of the FIA after reaching the commitment of $1 million on exploration expenditure on the Canegrass tenements. The Group received the cash payment of $225,000 due on completion of Stage 1 and consequently Viking Mines Limited now holds 25% of the project.

No other matter or circumstance has arisen since 30 June 2023 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Audited Remuneration Report

Remuneration Report

This report sets out the remuneration arrangements in place for Directors and senior management of the Company and the Group in accordance with the requirements of the *Corporations Act 2001* and its regulations. For the purposes of the report, Key Management Personnel (**KMP**) of the Group are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company and the Group, directly or indirectly, including any Director (whether Executive or otherwise) of the Company.

Key Management Personnel Covered in this Report

The names and positions of the KMP of the Company and the Group during the financial year were:

Neil Warburton	Independent Non-Executive Chair (resigned 1 July 2022)
The Hon Cheryl Edwardes, AM	Independent Non-Executive Chair
Steven Michael[1]	Managing Director / CEO
Michael Wolley	Non-Executive Director
Daniel Harris	Independent Non-Executive Director
James Gurry	Independent Non-Executive Director
Amy Jiang	Non-Executive Director
Rob Foster	Non-Executive Director
Matthew Owen[2]	Chief Financial Officer
Andrew Whitehead	General Manager - Commercial
Adam Hall[3]	General Manager - Projects

1. *Mr Michael was appointed 2 March 2023*
2. *Mr Owen was appointed as CFO on 17 December 2022*
3. *Mr Hall was employed as GM – Projects on 1 June 2023*

Remuneration Governance

The Nominations and Remuneration Committee is a sub-committee of the Board. It is primarily responsible for making recommendations and assisting the Board to:

- ensure that it is of an effective composition, size, and commitment to adequately discharge its responsibilities and duties;
- independently ensure that the Company adopts and complies with remuneration policies that attract, retain, and motivate high calibre executives and Directors to encourage enhanced performance by the Company; and
- motivate Directors and management to pursue the long-term growth and success of the Company within an appropriate framework.

Use of Remuneration Consultants

During the year the Nominations and Remuneration Committee sought advice from BDO Reward (WA) Pty Ltd (BDO) in relation to Board and Executive Remuneration Review, and specifically the incoming Managing Director's Remuneration package. Such consultants were engaged by and reported directly to the Nominations and Remuneration Committee and/or Board and were required to confirm in writing, their independence from the Company's senior management and other executives. The Board of Directors is satisfied that the recommendations were made free from undue influence from any member of the KMP to whom the advice may relate, because strict protocols were observed and complied with regarding any interaction between BDO and management, and because all remuneration advice was provided directly to the Nominations and Remuneration Committee Chair.

The recommendations from BDO were provided directly to the Board as an input to the remuneration decision-making processes. These recommendations were considered along with other factors by the Board of Directors.

BDO were paid $10,000 for these services and no other services were provided during the year.

Executive Remuneration Policy and Framework

The Group's policy for determining the nature and amounts of emoluments of senior executives is as follows:

In determining executive remuneration, the Board aims to ensure that remuneration practices are:

- competitive and reasonable, enabling the Company to attract and retain key talent; and
- aligned to the Company's strategic and business objectives and the creation of shareholder value.

The remuneration of the Company's Managing Director/CEO, Mr Michael, is determined by the Directors as part of the terms and conditions of his employment which are subject to review from time to time. Mr Michael assumed key executive leadership responsibilities from the Company's General Manager Dr Andrew Whitehead (who is now engaged as General Manager – Commercial). Mr Michael's employment conditions for the Managing Director/CEO role were formalised in an Executive Services Agreement.

Terms of Employment

Mr Michael's terms of employment as Managing Director / CEO was formalised in an Executive Services Agreement and contained the following material terms:

Item	**Term**
Position	Chief Executive Officer and Managing Director
Commencement Date	2 March 2023
Term	Ongoing basis, subject to termination provisions as set out below.
Base Salary	Mr Michael is entitled to a base salary of $527,500 (inclusive of superannuation) per annum.
Short-Term Incentive	Mr Michael is entitled to receive up to 30% of his base salary annually on attainment of measurable KPI's agreed for each financial year, and up to 50% for exceptional performance determined at the discretion of the Board and subject to Board approval.
Long term Incentives	**<u>Shares</u>** Mr Michael will receive a one-off grant of 500,000 shares in the Company to be issued in two tranches:

	• 250,000 shares will be issued on the 1 year anniversary of the Commencement Date (**Tranche 1**), and • 250,000 shares will be issued on the 2 year anniversary of the Commencement Date (**Tranche 2**), in each case, provided Mr Michael remains employed by the Company at the issue date for Tranche 1 and Tranche 2 respectively. **Performance Rights** Mr Michael received a total of 4,000,000 performance rights which will vest on achievement of various performance and tenure hurdles relating to share price, and the attainment of project and production milestones. All performance share rights expire five years after the Commencement Date if not vested. If Mr Michael's employment is terminated by either party for any reason, any performance rights awarded which have not vested at the date of termination will be forfeited subject to Board approval. All performance share rights that are unvested will immediately vest on a Change of Control event.
Termination	Mr Michael may resign on giving 6 months' notice.
Other	The Executive Employment Agreement contains other standard terms and conditions for agreements of this nature, including non-solicitation and restraint clauses.

Mr Owen is engaged on a part time basis by way of a professional service agreement with Qlarity Pty Ltd a company of which Mr Owen is a director and shareholder:

Item	**Term**
Position	Chief Financial Officer
Commencement Date	17 December 2022
Term	Professional Services agreement ongoing subject to 30 days notice.
Base Salary	Hourly rate equivalent to $288,000 per annum.
Termination	30 days notice by either party

Mr Whitehead is engaged on a part time basis by way of a professional services agreement with Mining Oil and Gas Jobs Pty Ltd a company in which Mr Whitehead is a director and shareholder:

Item	**Term**
Position	General Manager – Commercial (initially as General Manager)
Commencement Date	17 June 2020
Term	Professional Services agreement ongoing subject to 30 days notice.
Base Salary	Daily rate equivalent to $360,000 per annum
Termination	30 days notice by either party

Mr Hall is engaged under an employment agreement.

Item	Term
Position	General Manager - Projects
Commencement Date	1 June 2023
Term	Permanent – Full Time
Base Salary	$300,000
Termination	3 Months

Non-Executive Directors Remuneration Policy

Non-Executive Directors receive a Directors fee and are eligible for fees for extra exertion and consulting services, at the discretion of the full Board. Fees provided to Non-Executive Directors are inclusive of superannuation and salary sacrifice, if applicable.

Fees are reviewed annually by the Board's Nominations and Remuneration Committee considering comparable roles and market data provided by an independent remuneration adviser.

Non-Executive Directors fees are determined within an aggregate Directors' fee pool limit, which is periodically recommended for approval by shareholders. The maximum Directors fee pool currently stands at $750,000 per rolling 12-month period and was approved by shareholders at the Annual General Meeting on 6 November 2009. The Board may apportion any amount up to this maximum amount amongst the Non-Executive Directors as it determines. Directors are also entitled to be paid reasonable travel, accommodation and other expenses incurred in performing their duties as Directors.

Non-Executive Directors do not participate in schemes designed for remuneration of executives, nor do they receive options or bonus payments and are not provided with retirement benefits other than salary sacrifice and statutory superannuation.

Details of Remuneration

The following tables show details of the remuneration received by the Directors and KMP of the Group for the current and previous financial year.

	Short- term benefits			Post employment benefits	Share-based payments	Total
2023	**Salary & Service Contract**	**Leave entitlements**	**Short term incentive**	**Superannuation**	**Performance rights**	
	$	$	$	$	$	$
Executive Directors						
S Michael[1]	166,667	-	62,500	9,167	150,309	388,643
Subtotal - Executive Directors	**166,667**		**62,500**	**9,167**	**150,309**	**388,643**
Non-Executive Directors						
C Edwardes[3]	108,857	-		11,427	-	120,284
M Wolley[2]	86,850	-		-	-	86,850
D Harris[4]	70,349	-		-	-	70,349
J Gurry[3]	71,903	-		7,546	-	79,449
A Jiang	69,641	-		7,309	-	76,950
R Foster[2,5]	57,809	-		-	-	57,809
Subtotal Non-Executive Directors	**465,409**	**-**	**-**	**26,282**	**-**	**491,691**
M Owen[6]	106,050	-		-	-	106,050
A Whitehead	270,000	-		-	-	270,000
A Hall[7]	25,000	43,298		2,625	-	70,923
Subtotal Other KMP	**401,050**	**43,298**	**-**	**2,625**	**-**	**446,973**
Total	**1,033,126**	**43,298**	**62,500**	**38,074**	**150,309**	**1,327,307**

[1] *Mr Michael was appointed MD & CEO on 2 March 2023.*

[2] *Messrs Wolley and Foster's Non-Executive Director Fees are paid directly to the Company's major shareholder, TIO (NZ) Limited. From 10 September 2022, Mr Wolley's director fees are paid directly to him following his departure from Todd Corporation, (TIO (NZ) Limited's ultimate parent entity) and includes special exertion fees of $10,600. Mr Wolley remains as a nominee director for Todd Corporation.*

[3] *The Independent Non-Executive Directors are remunerated by the Company in relation to their non-executive directorships of PIOP Mine Co Pty Ltd, a wholly owned subsidiary of the Company. As Chair of PIOP Mine Co Pty Ltd, Ms Edwardes' remuneration is $5,000 per meeting and Mr Gurry is $2,500 per meeting. There was one PIOP Mine Co Pty Ltd meeting held in the year ending 30 June 2023 (following the termination of the JV on 3 September 2023 and cancellation of the B shares separate meetings were no longer required).*

[4] *Mr Harris was appointed 8 August 2022*

[5] *Mr Foster was appointed 6 October 2022*

[6] *Mr Owen was appointed as CFO on 17 December 2022*

[7] *Mr Hall was engaged as a permanent employee on 1 June 2023*

2022	Salary & Service Contract	Share based payments	Superannuation	Total
	$	$	$	$
N Warburton [3, 4]	110,000	-	-	110,000
C Edwardes [3]	81,818	-	8,182	90,000
M Wolley [1]	70,000	-	-	70,000
E Davies [1,2]	54,758	-	-	54,758
J Gurry [3]	72,727	-	7,273	80,000
A Jiang	63,636	-	6,364	70,000
Subtotal Non-Executive Directors	**452,939**	**-**	**21,819**	**474,758**
A Whitehead	276,000	-	-	276,000
Total	**728,939**	**-**	**21,819**	**750,758**

[1] Messrs Wolley and Davies Non-Executive Director Fees were paid directly to the Company's major shareholder, TIO (NZ) Limited.

[2] Mr Davies resigned on 11 April 2022.

[3] The Independent Non-Executive Directors are remunerated by the Company in relation to their non-executive directorships of PIOP Mine Co Pty Ltd, a wholly owned subsidiary of the Company. As Chair of PIOP Mine Co Pty Ltd, Ms Edwardes' remuneration is $5,000 per meeting and Messrs Warburton and Gurry is $2,500 per meeting. There were 4 PIOP Mine Co Pty Ltd meetings held in the year ending 30 June 2022.

[4] Mr Warburton resigned on 1 July 2022.

Performance Rights

Mr Michael received a total of 4,000,000 performance rights which will vest on achievement of various performance and tenure hurdles relating to share price, and the attainment of project and production milestones. All performance share rights expire five years after the Commencement Date if not vested.

If Mr Michael's employment is terminated by either party for any reason, any performance rights awarded which have not vested at the date of termination will be forfeited subject to Board approval.

All performance share rights that are unvested will immediately vest on a Change of Control event.

Share holdings

Name	Held at 1 July 2022	Granted as compensation	On exercise of options/rights	Other Changes	Held at 30 June 2023
N Warburton	-	-	-	-	-
C Edwardes	20,646	-	-	-	20,646
M Wolley	-	-	-	-	-
R Foster	-	-	-	-	-
J Gurry	45,493	-	-	-	45,493
A Jiang	-	-	-	-	-
D Harris	-	-	-	-	-
S Michael[1]	-	-	-	-	-
M Owen	-	-	-	-	-
A Whitehead	-	-	-	-	-
A Hall	-	-	-	-	-

[1] Mr Michael holds 4,000,000 performance rights and pursuant to his Executive Employment Agreement, Mr Michael will also be issued 250,000 shares on the 2 March 2024, and a further 250,000 shares on the 2 March 2025.

Name	Held at 1 July 2021	Granted as compensation	On exercise of options/rights	Other Changes	Held at 30 June 2022
N Warburton	-	-	-	-	-
C Edwardes	20,646	-	-	-	20,646
M Wolley	-	-	-	-	-
E Davies	-	-	-	-	-
J Gurry	45,493	-	-	-	45,493
A Jiang	-	-	-	-	-
A Whitehead	-	-	-	-	-

Other changes refer to sales/purchases on market and participation in entitlement offers.

There were no shares granted during the reporting period as compensation (2022: nil). A total of 4,000,000 performance rights, linked to performance as remuneration, was awarded to Mr Michael during the year ended 30 June 2023.

Other Transactions with KMP and their Related Parties

During the year ended 30 June 2023, the Company paid Director fees to TIO (NZ) Limited (TIO), its major shareholder, for Director services provided by Messrs Wolley and Foster. The total value of these services was $71,226 (2022: $124,758). From 10 September 2022, Mr Wolley's directors' fees were paid directly to him following his departure from Todd Corporation, TIO (NZ) Limited's ultimate parent entity. Mr Wolley remains as a nominee director for Todd Corporation

The remaining Loan facility with PIO Mines Pty Ltd of $1.178 million inclusive of capitalised interest was repaid in full on 12 October 2022.

The FIA was terminated by BBIG on 2 September 2022 and as such a withdrawal payment of $11.668 million was receivable in respect of the shortfall against the required annual expenditure of $15 million.

During the year to 30 June 2023 $134,578 was paid to FTI Consulting (Australia) Pty Ltd for public relations work on a monthly retainer. FTI Consulting is an entity which Ms Edwardes provides assistance in relation to complex approvals.

$10,000 for advisory services was paid to PAC Partners Securities Pty Ltd which is a company that employs Mr Gurry.

The above transactions are all entered into at arm's length terms.

End of the Audited Remuneration Repot.

Options Granted over Unissued Shares

There are no unissued ordinary shares of Red Hawk Mining Limited under option at the date of this report.

Non-Audit Services

KPMG provided taxation advisory services of $46,607 during the year.

Indemnification of Auditors

The Company has not indemnified its auditors, KPMG.

Indemnification and Insurance of Officers

The Company has taken out an insurance policy insuring Directors and Officers of the Company against any liability arising from a claim bought by a third party against the Company or its current or former Directors or Officers and against liabilities for costs and expense incurred by them in defending any legal proceedings arising out of their conduct while acting in their capacity as a Director or Officer of the Company, other than conduct involving a wilful breach of duty in relation to the Company.

The Company indemnifies each of the Directors and Officers of the Company. Under its Constitution, the Company will indemnify those Directors or Officers against any claim or for any expenses or costs which may arise as a result of work performed in their respective capacities as Directors or Officers of the Company or any related entities.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on the following page.

Rounding

The amounts contained in the financial report have been rounded to the nearest $1,000 (unless otherwise stated) pursuant to the option available to the Company under ASIC Legislative Instrument 2016/191. The Company is an entity to which this class order applies.

This report is made in accordance with a resolution of Directors.

The Hon Cheryl Edwardes, AM
Independent Non-Executive Chair

Perth, Western Australia
21 September 2023

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

To the Directors of Red Hawk Mining Limited

I declare that, to the best of my knowledge and belief, in relation to the audit of Red Hawk Mining Limited for the financial year ended 30 June 2023 there have been:

i. No contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

ii. No contraventions of any applicable code of professional conduct in relation to the audit.

KPMG.

KPMG

Glenn Diedrich
Partner
Perth
21 September 2023

Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2023

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	Notes	2023 $'000	2022 $'000
Finance income	5	211	15
Other income	5	50	912
Administrative & other expenses	5	(4,238)	(3,244)
Impairment of exploration & evaluation expenditure		(1,498)	-
Finance costs	5	(23)	(74)
Loss before income tax		**(5,498)**	**(2,391)**
Income tax benefit	6	18,683	-
Profit/(Loss) for the year		**13,185**	**(2,391)**
Items that may be reclassified to profit or loss:			
Other comprehensive income		-	-
Other comprehensive Income/(Loss) for the year attributable to owners of the Company		**13,185**	**(2,391)**
Profit/(Loss) per share attributable to ordinary equity holders:		Cents	Cents
Basic and diluted profit/(loss) per share	7	7.809	(1.416)

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

Consolidated Statement of Financial Position
For the year ended 30 June 2023

	Notes	2023 $'000	2022 $'000
Current assets			
Cash and cash equivalents	8	6,116	4,198
Trade and other receivables		192	34
Other current assets	10	451	12,022
Total current assets		**6,759**	**16,254**
Non-current assets			
Right-of-use asset	12	315	-
Plant and equipment		107	-
Exploration and evaluation	11	79,486	78,315
Total non-current assets		**79,908**	**78,315**
Total assets		**86,667**	**94,569**
Current liabilities			
Trade and other payables	13	797	561
Loans and borrowings	14	-	1,261
Provisions	15	334	3,459
Lease liabilities		103	-
Total current liabilities		**1,234**	**5,281**
Non-current liabilities			
Provisions	15	1,280	-
Deferred tax liability	6	-	18,683
Lease liabilities		213	-
Total non-current liabilities		**1,493**	**18,683**
Total liabilities		**2,727**	**23,964**
Net assets		**83,940**	**70,605**
Equity			
Contributed equity	16	160,694	160,694
Reserves	17	150	30,000
Accumulated losses		(76,904)	(120,089)
Total equity		**83,940**	**70,605**

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

Consolidated Statement of Changes in Equity
For the year ended 30 June 2023

	Contributed equity	PIOP Class B Reserve	Share based payment reserve	Accumulated losses	Total equity
	$'000	**$'000**	**$'000**	**$'000**	**$'000**
Balance at 1 July 2021	**160,694**	**15,000**	**-**	**(117,698)**	**57,996**
Total comprehensive loss for the year	-	-	-	(2,391)	(2,391)
Transactions with owners in their capacity as owners:					
Issue of PIOP B Class Shares	-	15,000	-	-	15,000
Balance as at 30 June 2022	**160,694**	**30,000**	**-**	**(120,089)**	**70,605**
Profit for the year	-	-	-	13,185	13,185
Total comprehensive profit for the year	-	-	-	13,185	13,185
Transactions with owners in their capacity as owners:					
Repurchase and cancellation of B Class Share	-	(30,000)	-	30,000	-
Share based payments	-	-	150	-	150
Balance at 30 June 2023	**160,694**	**-**	**150**	**(76,904)**	**83,940**

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

Consolidated Statement of Cash Flows
For the year ended 30 June 2023

	Notes	2023 $'000	2022 $'000
Cash flows from operating activities			
Payments to suppliers and employees		(4,096)	(3,694)
Interest expense		(17)	-
Interest received		208	15
Net cash outflow used in operating activities	9	**(3,905)**	**(3,679)**
Cash flows from investing activities			
Payments for plant and equipment		(120)	-
Payments for exploration activities		(4,464)	(4,455)
Net cash outflow used in investing activities		**(4,584)**	**(4,455)**
Cash flows from financing activities			
Proceeds from termination of PIOP Mine Co Pty Ltd joint venture	11	11,668	10,386
Repayment of borrowings	14	(1,261)	(1,739)
Net cash inflow from financing activities		**10,407**	**8,647**
Net increase/(decrease) in cash and cash equivalents		1,918	513
Cash and cash equivalents at the beginning of the year		4,198	3,685
Cash and cash equivalents at the end of the year	9	**6,116**	**4,198**

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

1 Corporate information

The consolidated financial report of Red Hawk Mining Limited for the year ended 30 June 2023 was authorised for issue in accordance with a resolution of the Directors on 21 September 2023. The Board of Directors has the power to amend the consolidated financial statements after issue.

Red Hawk Mining Limited (the 'Company' or 'Red Hawk') is a for-profit company limited by shares whose shares are publicly traded on the Australian Securities Exchange. The Company and its subsidiaries were incorporated and domiciled in Australia. The registered office and principal place of business of the Company is 23 Ventnor Avenue, West Perth, WA 6005.

The amounts contained in the financial report are presented in Australian dollars and have been rounded to the nearest $1,000 (unless otherwise stated) pursuant to the option available to the Company under ASIC Instrument 2016/191. The Company is an entity to which this Instrument applies.

2 Reporting entity

The Consolidated Financial Statements comprise of the Company and its subsidiaries, (together referred to as the 'Consolidated Entity' or the 'Group').

3 Basis of preparation

The Consolidated Financial Statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the *Corporations Act 2001*. The Consolidated Financial Statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

These financial statements have been prepared under the historical cost convention except for certain financial assets and liabilities which are required to be measured at fair value.

a) Going concern basis of accounting

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

As disclosed in these financial statements, the Group reported profit of $13.185 million which includes a tax benefit of $18.683m during the year ended 30 June 2023. The cash and cash equivalents held as at 30 June 2023 was $6.116 million. Current assets exceed current liabilities by $5.525 million. The Group's net cash used in operating activities and exploration and evaluation expenditure for the year ended 30 June 2023 was $3.905 million and $4.464 million respectively.

Management intends to continue undertaking the Group's exploration and evaluation process in relation to the Blacksmith project and will require additional funding in the near term. This funding may include capital raising and other funding options which are uncertain.

These conditions indicate a material uncertainty that may cast significant doubt about the ability of the Group to continue as a going concern.

Whilst the Group is dependent on securing additional funding options to remain a going concern, the Directors are confident these will be received, and the group will meet its current liabilities when they fall due in the next 12 months and therefore have prepared the financial reporting on a going concern basis.

b) Basis of consolidation

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

The acquisition method of accounting is used to account for business combinations by the Group.

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

c) Goods and services tax ('GST')

Revenues, expenses, and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the consolidated statement of financial position.

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

d) Joint arrangements

Under AASB 11 Joint Arrangements investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the obligations of each investor, rather than the legal structure of the joint arrangement. The Company had two joint operations.

The first joint operation was a Farm-In Agreement (FIA) with BBI Group Pty (BBIG) Ltd, with PIOP Mine Co Pty Ltd being the incorporated joint venture vehicle, under which this FIA operates. Conditions precedent to the FIA were satisfied on 3 September 2020, and the FIA was terminated on 2 September 2022.

Under the FIA, BBIG had a commitment to spend $15 million per annum for four years and in which BBIG were required to progress a feasibility study for a 50mtpa operation at the Company's Blacksmith Project (Blacksmith). Any shortfall to this expenditure commitment was required to be provided back to the Company. BBIG could terminate the agreement at any time, and at termination the higher of $3.0 million or the shortfall to the $15 million per annum spend is required to be provided back to the Company. The agreement was terminated during the year on 2 September 2022 and the shortfall in expenditure for the year of $11.7 million was received by the company during the year.

Following the termination of the FIA with BBIG on 2 September 2022. The Company retains 100% ownership of PIOP Mine Co Pty.

Control of PIOP Mine Co Pty Ltd, has been assessed as wholly with the Company and is therefore fully consolidated into the Red Hawk Mining Limited Group.

The Company entered a second joint operation, being the Farm In Agreement (Canegrass FIA) with Viking Canegrass Pty Ltd, with Flinders Canegrass Pty Ltd being the incorporated joint venture vehicle, under which this FIA operates. Conditions precedent to the FIA were satisfied on 5 January 2023.

Under the terms of the Canegrass FIA, Viking Critical Minerals has the right to acquire up to a 99% interest in the Canegrass Tenements and related mining information for up to $4,000,000 expenditure over four stages to occur across a period of up to 54 months from the effective date of the FIA. Flinders Canegrass will also receive joint venture cash payments from Viking Critical Minerals at completion of each stage- totalling $1,250,000. In consideration for executing this agreement, Viking Critical Minerals has paid to Flinders Canegrass a non-refundable deposit of $50,000 as required in the agreement.

Control of Viking Canegrass Pty Ltd has been assessed as wholly with the Company and is therefore fully consolidated into the Red Hawk Mining Limited Group.

4 Segment information

Identification of reportable segments

Management has determined the operating segments based on the reports reviewed and used by the Board of Directors (the chief operating decision maker) that are used to make strategic decisions. The Group is managed primarily based on geographical area of interest, since the diversification of Group operations inherently has notably different risk profiles and performance assessment criteria. Operating segments are therefore determined on the same basis.

Reportable segments disclosed are based on aggregating operating segments where the segments are considered to have similar economic characteristics and are also similar with respect to the following:

- external regulatory requirements
- geographical and geological styles

Operations

The Group has exploration operations in iron ore mineralisation, gold, and base metals. The costs associated with the Blacksmith Project are reported on in the Pilbara Iron Ore segment.

Accounting policies developed

Unless stated otherwise, all amounts reported to the Board of Directors as chief decision maker with respect to operating segments are determined in accordance with accounting policies that are consistent to those adopted in the Consolidated Financial Statements of the Group.

2023	**Pilbara Iron Ore $'000**
Segment result	(37)
Capital expenditure	6,578
Total segment assets	83,985
Total segment liabilities	(1,856)
2022	
Segment result	-
Capital expenditure	5,136
Total segment assets	77,407
Total segment liabilities	(22,631)

A reconciliation of segment loss to operating loss before income tax is provided as follows:

	Notes	**2023 $'000**	**2022 $'000**
Total segment loss		(37)	-
Finance income		211	15
Other income		50	912
Administrative and other expenses		(4,200)	(3,244)
Impairment of exploration and evaluation expenditure (Note 12)	11	(1,498)	-
Finance cost		(23)	(74)
Loss before income tax		**(5,497)**	**(2,391)**

4 Segment information (continued)

Reportable segments' assets are reconciled to total assets as follows:

	Notes	2023 $'000	2022 $'000
Segment assets		83,985	77,407
Unallocated:			
Cash and cash equivalents		629	2,595
Exploration asset – Canegrass	11	1,053	2,511
Trade and other receivables		127	34
Other current assets		451	12,022
Other non-current assets		422	-
Total assets		**86,667**	**94,569**

Reportable segments' liabilities are reconciled to total liabilities as follows:

	2023 $'000	2022 $'000
Segment liabilities	1,856	22,631
Unallocated:		
Trade and other payables	871	72
Loans and borrowings	-	1,261
Total liabilities	**2,727**	**23,964**

5 Income and expenses

	2023 $'000	2022 $'000
Finance income		
Interest received	211	15
Other income		
Net other income	50	912
Administrative & other expenses		
Compliance	(214)	(204)
Depreciation	(13)	-
Insurance	(720)	(697)
Consultants	(717)	(1,112)
Administration costs	(474)	(68)
Salary and Wages (including Director Fees)	(1,406)	(473)
Legal costs	(541)	(658)
Occupancy costs	(61)	(21)
Other	(92)	(11)
	(4,238)	**(3,244)**
Finance costs		
Interest expense	(17)	(73)
Interest on lease liabilities	(3)	-
Bank fees	(3)	(1)
	(23)	**(74)**

6 Income tax expense

The components of income tax (benefit)/expense:

	2023 $'000	2022 $'000
Income Statement		
Current income tax expense		
Current income tax expense	-	-
Deferred income tax benefit		
Relating to ability to offset PIOP DTL against group DTA[1]	18,683	-
Income tax benefit/ (expense) reported in the consolidated statement of profit or loss and other comprehensive income	**18,683**	**-**

[1] During the year ended 30 June 2021, PIOP Mine Co NL issued Class B shares to its Farm-In partner, BBI Group Pty Ltd (BBIG). Upon the issue of the Class B shares, PIOP Mine Co NL exited the Company's tax consolidated group and the deferred tax asset shielding the deferred tax liability was derecognised as it was no longer considered sufficiently probable that forecast taxable profits will be available against which these deductible temporary differences can be utilised, resulting in a deferred income tax expense of $18.683 million in the year ended 30 June 2021.

On 5 September 2022, BBIG withdrew from the Farm-In Agreement, and as such the Class B share was transferred back to the Company and PIOP Mine Co Pty Ltd (Formerly PIOP Mine Co NL) has once again become a member of the Company's tax consolidated group. Therefore, as at and for the six months ended 31 December 2022, the deferred tax asset to the extent of the deferred tax liability amount of $18.683 million was recognised resulting in a corresponding deferred tax benefit in the profit or loss.

In addition, on 5 September 2022, in view of the termination of the Farm-In Agreement, PIOP Mine Co Pty Ltd meets the eligibility criteria to re-enter the tax consolidated Group. Upon consolidation, PIOP's tax current and deferred taxes have been absorbed into the Tax Consolidated Group and all tax implications are assessed by single entity principles in accordance with AASB 112 Income Taxes and on the basis that:

The Tax Consolidated Group has sufficient deferred tax assets on unutilised tax losses ($44.657 million at 30 June 2023) to offset the deferred tax liability.

The Tax Consolidated Group is in a surplus deferred tax asset position. Deferred tax assets are only recognised to the extent that it is probable that future taxable profits will arise to offset the carry forward losses.

Reconciliation of income tax benefit and the product of accounting loss before income tax multiplied by the Company's applicable tax rate:

	2023 $'000	2022 $'000
Loss from continuing operations before income tax	**(5,498)**	**(2,391)**
Tax at the Australian tax rate of 30% (2022: 30%)	(1,649)	(717)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:	48	-
Gain on JV Termination	3,763	26
Under/over provision	-	-
Tax losses not bought to account	(2,162)	691
Recognition of Deferred Tax Asset	(18,683)	-
Income tax benefit reported in the statement of comprehensive income	**(18,683)**	**-**

6 Income tax expense (continued)

Deferred income tax at 30 June relates to the following:

	Statement of financial position		Statement of profit or loss and other comprehensive income	
	2023 **$'000**	**2022** **$'000**	**2023** **$'000**	**2022** **$'000**
Deferred tax asset				
Recognition of deferred tax asset	-	18,683	(18,683)	-
Gross deferred tax asset	**-**	**18,683**		
Deferred tax benefit			**(18,683)**	**-**

The tax rate used in the above reconciliation is the corporate tax rate of 30% (2022: 30%) payable by Australian corporate entities on taxable profits under Australian Tax Law. There has been no change in this tax rate since the previous reporting period.

A DTA on the timing differences has not been recognised as they do not meet the recognition criteria as outlined below. A DTA has not been recognised in respect of tax losses either, as realisation of the benefit is not regarded as probable.

The taxation benefits will only be obtained if:

a) the Consolidated Entity derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deduction for the loss to be realised.
b) the Consolidated Entity continues to comply with the conditions for deductibility imposed by law; and
c) no changes in tax legislation adversely affect the consolidated entity in realising the benefits from the deductions for the loss.

The income tax expense or benefit for the financial year is the tax payable on the current financial years taxable income based on the applicable 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 in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit nor loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

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

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the Parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

6 Income tax expense (continued)

Tax Consolidation

The Company and its wholly owned Australian resident entities have formed a tax-consolidated group with effect from 1 July 2018 and are therefore taxed as a single entity from that date. The head entity within the tax consolidated group is Red Hawk Mining Limited.

PIOP Mine Co Pty Ltd left the tax consolidated group on 3 September 2020 upon completion of the Farm-In Agreement with BBIG. On 2 September 2022, the Farm-In Agreement was terminated and as a result PIOP Mine Co Pty Ltd rejoined the group.

A total of $120.510 million in carry forward revenue tax losses (gross) were transferred into the tax-consolidated group at formation and subsequently $10,668 million of carry forward losses were transferred into the group as a result PIOP Mine Co Pty Ltd rejoining the group on 3 September. The Company has assessed that these losses are able to be carried forward under the Continuity of Ownership test as at 30 June 2023.

The head entity, in conjunction with other members of the tax-consolidated group, entered into a tax funding arrangement which sets out the funding obligations of members of the tax-consolidated group in respect of tax amounts. Any current tax liabilities (or assets) and deferred tax assets arising from unused tax losses of the subsidiaries are assumed by the head entity and are recognised by the Company as intercompany receivables (or payables). Contributions to fund the current tax liabilities are payable as per the tax funding arrangement and reflect the timing of the head entity's obligation to make payments for tax liabilities to the relevant tax authorities.

The head entity in conjunction with other members of the tax-consolidated group has also entered into a tax sharing agreement. The tax sharing agreement provides for the determination of the allocation of income tax liabilities between the entities should the head entity default on its tax payment obligations. No amounts have been recognised in the financial statements in respect of this agreement as payment of any amounts under the tax sharing agreement is considered remote.

7 Loss per share

Basic earnings/loss per share is determined by dividing net profit or loss after income tax attributable to members of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year.

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

	2023 $'000	2022 $'000
Profit/(Loss) used in calculating basic and diluted earnings per share	13,185	(2,391)

	2023 Number	2022 Number
Weighted average number of ordinary shares used in the calculation of basic loss per share	168,848,577	168,848,577
Shares contingently issued under employee share ownership plans [1]	-	-
Weighted average number of ordinary shares used in the calculation of diluted earnings per share	168,848,577	168,848,577

[1] The diluted EPS calculation excludes 4,500,000 (FY 22: nil) rights which are considered anti-dilutive and are subject to service and performance conditions.

8 Cash and cash equivalents

	2023 $'000	2022 $'000
Cash at bank and in hand	6,086	2,565
Term deposits	30	30
	6,116	**2,595**

Cash and short-term deposits comprise of cash at bank and in hand and short-term deposits with an original maturity of three months or less.

9 Reconciliation of Profit/(Loss) for the year to net cash flows from operations:

	2023 $'000	2022 $'000
Profit/(Loss) for the year	**13,185**	**(2,391)**
Exploration expensed	1,543	73
Finance cost accrued	-	(261)
Depreciation	13	-
Changes in operating assets and liabilities		
(Increase)/Decrease in trade and other receivables	(158)	25
(Increase)/Decrease in other current assets	(120)	44
Decrease/(increase) in trade and other payables	315	(1,169)
Increase in deferred tax asset	(18,683)	-
Net cash flows from operating activities	**(3,905)**	**(3,679)**

10 Other current assets

	2023 $'000	2022 $'000
Other current assets [1]	451	331
Receivable from BBIG [2]	-	11,691
	451	**12,022**

[1] *Other current assets represent the prepaid portion of the Group's corporate insurances.*

[2] *The FIA with BBIG was terminated on 2 September 2022 and the shortfall in actual expenditure offset against the $15 million required under the FIA was minimum requirement of annual expenditure was $11.667 million. This amount was received in four instalments on 7 October 2022, 1 December 2022, 19 December 2022, 11 May 2023.*

11 Exploration and evaluation expenditure

	2023 $'000	2022 $'000
Opening balance	78,315	73,761
Expenditure incurred	2,655	3,748
Recognition of rehabilitation asset	106	817
Exploration expenditure expensed	(92)	(11)
Exploration expenditure impaired[1]	(1,498)	-
Closing balance	**79,486**	**78,315**

[1] Under the terms of the Canegrass FIA, Viking has the right to acquire up to a 99% interest in the Canegrass tenements and related mining information for up to $4 million expenditure over four stages for a maximum earning period of 54 months. Canegrass will also receive joint venture cash payments from Viking Critical Minerals at completion of each stage totalling to $1.250 million. In consideration for executing this agreement, Viking paid a non-refundable deposit of $50,000 to Canegrass which was recognised in other income by the Group.

Management have considered the Canegrass FIA in its impairment assessment for Canegrass' exploration and evaluation assets. At 31 December 2022, management have written down the carrying value of the assets to $1.052 million and recognised an impairment loss of $1.498 million in the profit or loss. The net book value after impairment of $1.052 million is consistent with the expected consideration of $1.250 million (before discounting over an estimated 4.5 year period) from Viking.
Future receipts from Viking would reduce the carrying value of remaining Canegrass exploration and evaluation assets. In addition, should the farm-in agreement cease or change the carrying value of these assets would require reassessment.

The ultimate recoupment of costs carried forward for areas of interest in the exploration and evaluation phases is dependent upon the successful development and commercial exploitation, or sale, of the respective areas of interest. For areas which do not meet the criteria of the accounting policy, those amounts are charged to the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

Exploration and evaluation costs related to an area of interest are expensed as incurred except they may be carried forward as an item in the consolidated statement of financial position where the rights of tenure of an area are current and one of the following conditions is met:

- the costs are expected to be recouped through successful development and exploitation of the area of interest, or alternatively, by its sale; and
- exploration and/or evaluation activities in each area of interest have not at the end of each reporting period reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Capitalised costs include costs directly related to exploration and evaluation activities in the relevant area of interest. General and administrative costs are allocated to an exploration or evaluation asset only to the extent that those costs can be related directly to operational activities in the area of interest to which the asset relates.

Capitalised exploration and evaluation expenditure is expensed where the above conditions are no longer satisfied.

Exploration and evaluation expenditure incurred subsequent to the acquisition in respect of an exploration asset acquired is accounted for in accordance with the policy outlined above.

All capitalised exploration and evaluation expenditure is assessed for impairment if facts and circumstances indicate that an impairment may exist. Exploration and evaluation assets are also tested for impairment once commercial reserves are found before the assets are transferred to development properties.

12 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease i.e., if the contract conveys the right to control use of an identified asset for a period of time in exchange for consideration.

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets

i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

Right of use Asset	**2023** **$'000**	**2022** **$'000**
At the beginning of the year	-	-
Additions	324	-
Depreciation charge for the year	(9)	-
At the end of the year	**315**	**-**

ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

12 Leases (continued)

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Lease liabilities	**2023 $'000**	**2022 $'000**
At the beginning of the year	**-**	**-**
Additions	324	-
Accretion of interest	3	-
Payments	(12)	-
At the end of the year	**315**	**-**

The Group has total cash outflows for its property leases of $11,775 (2022: nil)

iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

13 Trade and other payables

	2023 $'000	**2022 $'000**
Trade and other payables	797	561
	797	**561**

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured, non-interest bearing and are usually paid within 30 days of recognition.

Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

14 Loans and Borrowings

	2023 $'000	**2022 $'000**
Current Loan	-	1,261
	-	**1,261**

In October 2022, the Company repaid the outstanding loan with PIO Mines Pty Ltd, a related party. This loan was unsecured, with interest capitalised annually at a rate of BBSW plus a 2% margin. The balance of the loan as at 30 June 2022 inclusive of capitalised interest was $1.261 million. The balance of $1.278 million inclusive of capitalised interest was repaid in full on 12 October 2022.

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

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

15 Provisions

	2023 $'000	2022 $'000
Current Rehabilitation provision	185	3,459
Non-Current Rehabilitation provision	1,265	-
	1,450	**3,459**
Opening balance	3,459	3,735
Expenditure	(2,115)	(1,093)
Changes in estimates	106	817
Closing balance	**1,450**	**3,459**

	2023 $'000	2022 $'000
Current leave provision	149	-
Non-Current leave provision	15	-
	164	**-**
Opening balance	-	-
Provision made during the year	164	-
Amount utilised	-	-
Closing balance	**164**	**-**

Rehabilitation provision

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be measured reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

A provision is made for the estimated cost of rehabilitation relating to areas disturbed during exploration activities, such as drill holes, collars, and track creation, undertaken at Blacksmith up to reporting date but not yet rehabilitated. Provision has been made in full for all disturbed areas at the reporting date based on current estimates of costs to rehabilitate such areas, discounted to their present value based on expected future cash flows. The estimated cost of rehabilitation includes the current cost of re-contouring, topsoiling and revegetation, employing legislative requirements. Changes in estimates are dealt with on a prospective basis as they arise.

Uncertainty exists as to the amount of rehabilitation obligations which will be incurred due to the impact of changes in environmental legislation. The provision is recognised as a non-current liability with a corresponding asset included in property, plant, and equipment.

At each reporting date the rehabilitation liability is re-measured in line with changes in discount rates and timing or amount of costs to be incurred. Changes in the liability relating to rehabilitation of mine infrastructure and dismantling obligations are added to or deducted from the related asset, other than the unwinding of the discount which is recognised as finance costs in profit or loss as it occurs.

If the change in liability results in a decrease in the liability that exceeds the carrying amount of the asset, the asset is written down to nil and the excess is recognised immediately in the income statement. If the change in the liability results in an addition to the cost of the asset, the recoverability of the new carrying amount is considered. Where there is an indication that the new carrying amount is not fully recoverable, an impairment test is performed with the write-down recognised in the consolidated profit or loss and other comprehensive income in the period in which it occurs.

16 Contributed equity

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

	Number of shares	$'000
Issued shares:		
As at 30 June 2022	168,848,577	160,694
As at 30 June 2023	**168,848,577**	**160,694**

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company 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.

Ordinary shares have no par value, and the Company does not have a limited amount of authorised capital.

Capital risk management

The Group's debt and capital includes ordinary share capital and debt. There are no externally imposed capital requirements.

Management effectively manages the Group's capital by assessing the Group's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of debt levels, distributions to shareholders and share issues.

There have been no changes in the strategy adopted by management to control the capital of the Group since the prior year. This strategy is to ensure that the Group can fund its future activities.

17 Reserves

17.1 PIOP Class B Reserve

The PIOP B Class Reserve was the minimum annual expenditure required under the Farm-In Agreement with BBI Group Pty Ltd. Following the termination of the Farm-In Agreement the single remaining Class B share was transferred to the Company by the BBI Group Pty Ltd for a consideration of $1 under the terms of the agreement. The Class B share has been cancelled and the B Class reserve was credited to accumulated losses during the period.

17.2 Share Based Payment Reserve

Share-based payment transactions are recognised at fair value in accordance with AASB 2 Share-based payments.

On 2 March 2023 Mr Michael received a total of 4,000,000 performance rights which will vest on achievement of various performance and tenure hurdles relating to share price, and the attainment of project and production milestones. All performance share rights expire five years after the Commencement Date if not vested.

If Mr Michael's employment is terminated by either party for any reason, any performance rights awarded which have not vested at the date of termination will be forfeited subject to Board approval.

All performance share rights that are unvested will immediately vest on a Change of Control event.

Key inputs used in the fair value calculation of the performance rights which have been granted during the year ended 30 June 2023 were as follows:

Number Granted	**Exercise price Expected**	**Expected vesting dates**	**Expiry date**	**Share price at grant date**	**Risk fee rate**	**Dividend yield**	**Fair value per performance right**	**Total fair value $**	**Value of rights expected to convert $**
500,000 [1]	$-	Various	Mar 28	0.48	3.58%	Nil	0.3845	192,250	12,627
3,500,000 [2]	$-	Various	Mar 28	0.48	N/A	N/A	0.480	1,680,000	90,456
4,000,000								**1,872,250**	**103,083**

[1] *Rights will vest on the share price attaining $1.20 for a minimum of 20 days and continuing employment.*
[2] *Rights will vest upon the achievement of various non-market-based performance hurdles and continued employment.*

As an incentive to join the company, on the 2 March 2023 a one-off grant of 500,000 shares in the company was made to Mr Michael to be issued in 2 tranches of 250,000 which vest on the 1st and 2nd year anniversary respectively.

Key inputs used in the fair value calculation of the rights which have been granted during the year ended 30 June 2023 were as follows:

Number Granted	**Expected vesting dates**	**Expiry date**	**Share price at grant date**	**Risk fee rate**	**Dividend yield**	**Fair value per share**	**Total fair value $'000**	**Value of rights expected to convert**
250,000	2 March 2024	Mar 28	0.48	N/A	Nil	0.480	120,000	39,344
250,000	2 March 2025	Mar 28	0.48	N/A	N/A	0.480	120,000	7,882
500,000							**240,000**	**47,226**

18 Financial risk management

The Group's activities expose it to a variety of financial risks: interest rate risk; credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.

Risk management is carried out by management under policies approved by the Board of Directors. Management identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The Board provides principles for overall risk management, as well as policies covering specific areas, such as interest rate risk, credit risk, and use of financial instruments and investment of excess liquidity where appropriate.

The Group's financial instruments consist mainly of deposits with banks, accounts receivable and payables and loans to related parties.

Interest rate risk

The Group's exposure to market risk for changes in interest rates arise from variable interest rate exposure on cash, term deposits and interest-bearing liabilities.

The Group's policy is to manage its exposure to interest rate risk by holding cash in short-term, fixed rate and variable rate deposits with reputable high credit quality financial institutions. With interest bearing liabilities, consideration is also given to the potential renewal of existing positions, alternative financing, and the mix of fixed and variable interest rates.

The following table summarises the financial assets and liabilities of the Group, together with the effective interest rates as at the reporting date.

2023		**Fixed interest maturing in:**				**Average interest rates**	
	Floating interest rate	**< 1 year**	**1 – 5 years**	**> 5 years**	**Non-interest bearing**	**Floating**	**Fixed**
	$'000	**$'000**	**$'000**	**$'000**	**$'000**	**%**	**%**
Cash and cash equivalents	6,086	30	-	-	-	4.2%	4.2%
Trade and other receivables	-	-	-	-	192	-	-
Trade and other payables	-	-	-	-	797	-	-

2022		**Fixed interest maturing in:**				**Average interest rates**	
	Floating interest rate	**< 1 year**	**1 – 5 years**	**> 5 years**	**Non-interest bearing**	**Floating**	**Fixed**
	$'000	**$'000**	**$'000**	**$'000**	**$'000**	**%**	**%**
Cash and cash equivalents	4,168	30	-	-	-	0.85%	1.65%
Trade and other receivables	-	-	-	-	11,725	-	-
Trade and other payables	-	-	-	-	562	-	-
Loans and borrowings	-	1,261	-	-	-	2.70%	-

As at 30 June 2023, a movement of 1% in interest rates (2022: 1%), with all other variables being held constant, results in an immaterial movement in post-tax loss and equity.

The movements in loss after income tax are due to higher/lower interest costs from fixed and variable rate financial liabilities and cash balances during the relevant year. Reasonably possible movements

18 Financial risk management (continued)

Interest rate risk (continued)

in interest rates were determined based on observations of historical movements in the past two years.

The net exposure at reporting date is representative of what the Group was and is expecting to be exposed to in the next twelve months from reporting date.

Credit risk

Credit risk arises from the financial assets of the Group, and its exposure to credit risk arises from potential default of the counter party, with a maximum exposure equal to the carrying amount of the instruments. The Group's exposure to credit risk is minimal and results only from its exposure in cash and cash equivalents and trade receivables.

Liquidity risk

The Group's objective is to ensure sufficient liquid funds are available to meet the Group's financial commitments in a timely and cost-effective manner.

The Group's treasury function continually reviews the Group's liquidity position including cash flow forecasts to determine the forecast liquidity position and maintain appropriate liquidity levels.

2023	**< 1 year $'000**	**1 – 5 years $'000**	**Total $'000**
Cash and cash equivalents	6,116	-	6,116
Trade and other receivables	192	-	192
Other current assets	-	-	-
Trade and other payables	(797)	-	(797)
Lease Liabilities	(103)	(213)	(316)
Loans and borrowings	-	-	-
Net outflow	**5,408**	**(213)**	**5,195**
2022			
Cash and cash equivalents	4,198	-	4,198
Trade and other receivables	34	-	34
Other current assets	11,691	-	11,691
Trade and other payables	(562)	-	(562)
Loans and borrowings	(1,261)	-	(1,261)
Net outflow	**14,100**	-	**14,100**

Reconciliation of movements of liabilities to cash flows arising from financing activities:

	1 Jul 22 $'000	**Payments $'000**	**Interest accrued $'000**	**30 Jun 23 $'000**
Loans and borrowings	1,261	(1,278)	17	-

19 Subsidiaries

The Consolidated Financial Statements include the financial statements of Red Hawk Mining Limited and the subsidiaries listed in the following table:

Name of entity	Country of incorporation	Class of shares	Equity holding %	
			2023	2022
FME Exploration Services Pty Ltd	Australia	Ordinary	**100**	100
Flinders Canegrass Pty Ltd	Australia	Ordinary	**100**	100
Flinders Diamonds Pty Ltd	Australia	Ordinary	**100**	100
Flinders Iron Pty Ltd	Australia	Ordinary	**100**	100
PIOP Mine Co Pty Ltd [1]	Australia	Ordinary	**100**	100

[1] In the year ended 30 June 2022 and for the period to 2 September 2022 when the FIA with BBIG was terminated, the Company held 100% economic interest and 90% of the voting interest in PIOP Mine Co Pty Ltd. As control is maintained over PIOP Mine Co Pty Ltd, the Company considers 100% consolidates PIOP Mine Co Pty Ltd. Following the termination of the FIA on 3 September 2022 with BBIG the Company held 100% of both the economic interest and voting rights in PIOP Mine Co Pty Ltd.

20 Parent entity information

	2023 $'000	2022 $'000
Current assets	1,177	17,126
Non-current assets	54,651	55,254
Current liabilities	643	1,338
Non-current liabilities	228	18,683
Issued capital	(160,645)	(160,645)
Reserves	(150)	(11,691)
Accumulated losses	105,826	119,976
Total equity	**54,969**	**52,360**
Profit/(Loss) for the year	13,151	(2,304)
Total comprehensive Income/(loss) for the year	13,151	(2,304)

The Company has no material contingent liabilities.

21 Contingent liabilities

Previous exploration drilling activity within the planned Delta mine footprint has resulted in a potential rehabilitation requirement should the mine not proceed as planned. The estimated cost of rehabilitating these tracks and drill pads is $0.303 million.

The Group recognises contingent liabilities at 30 June 2023 of $0.303 million (2022: nil).

22 Contingent consideration

FMG Pilbara Pty Ltd ("FMG") and Flinders Diamonds Limited (now Red Hawk Mining Limited) entered into the Mining Rights Agreement (Agreement) on 29 March 2005. Under the Agreement, Red Hawk granted FMG an exclusive licence to explore for and mine iron ore on the Flinders Tenements – E47/1011, E47/1013, E47/1016 and E47/1306.

Under the Agreement, FMG must pay Red Hawk a royalty calculated as follows:
Royalty = Tonnes x FOB Price x Rate
Where:

Royalty = the royalty to be paid by FMG to Red Hawk

Tonnes = number of tonnes of iron ore mined from the Red Hawk Tenements and loaded on board for shipping to FMG's customers during any half year

FOB Price = the FOB price per tonne payable by FMG's customers to FMG in respect of any Tonnes (as defined above)

Rate = if the cumulative number of Tonnes (as defined above) is:
(1) less than or equal to 8 million tonnes, the rate is 1%; and
(2) greater than 8 million tonnes, the rate is 0.00001%.

If no iron ore is produced from the tenements, then no consideration is payable.

23 Remuneration of auditors

During the year the following fees were paid or payable for services provided by the auditor of the parent entity, its related practices and non-related audit firms:

	2023 $	2022 $
Auditing and reviewing of financial reports	128,350	110,483
Taxation advisory services	46,607	-
	174,957	**110,483**

The auditor of the parent entity for the year ended 30 June 2023 and 30 June 2022 is KPMG.

24 Commitments

Exploration and evaluation expenditure commitments

In order to maintain current rights of tenure to exploration tenements, the Group is required to meet the minimum expenditure requirements specified by various State and Territory Governments. These obligations are subject to renegotiation when application for a mining lease is made and at other times. These obligations are not provided for in this financial report.

The minimum level of exploration commitment expected in the year ending 30 June 2023 for the Group is approximately $1.381 million (2022: $1.345 million). These obligations are expected to be fulfilled in the normal course of operations.

25 Related party transactions

Parent entity

The Parent Entity within the Group is Red Hawk Mining Limited.

Loans to subsidiaries

Loans between entities in the wholly owned Group are non-interest bearing, unsecured and are payable upon reasonable notice having regard to the financial situation of the entity.

Other transactions with related parties

During the year ended 30 June 2023, the Company paid Director fees to TIO (NZ) Limited (TIO), its major shareholder, for Director services provided by Messrs Wolley and Foster. The total value of these services was $71,226 (2022: $124,758). From 10 September 2022, Mr Wolley's directors' fees were paid directly to him following his departure from Todd Corporation, TIO (NZ) Limited's ultimate parent entity. Mr Wolley remains as a nominee director for Todd Corporation

The remaining Loan facility with PIO Mines Pty Ltd of $1.178 million inclusive of capitalised interest was repaid in full on 12 October 2022.

The FIA was terminated by BBIG on 2 September 2022 and as such a withdrawal payment of $11.668 million was receivable in respect of the shortfall against the required annual expenditure of $15 Million.

During the year to 30 June 2023 $134,578 was paid to FTI Consulting (Australia) Pty Ltd for public relations work on a monthly retainer. FTI Consulting is an entity which Ms Edwardes provides assistance in relation to complex approvals.

$10,000 for advisory services was paid to PAC Partners Securities Pty Ltd which is a company that employs Mr Gurry.

The above transactions are all entered into at arm's length terms.

26 Key management personnel disclosures

Details of key management personnel

The names and positions of the KMP of the Company and the Group during the financial year were:

Neil Warburton	Independent Non-Executive Chair (resigned 1 July 2022)
Cheryl Edwardes	Independent Non-Executive Chair
Steven Michael	Managing Director / CEO
Michael Wolley	Non-Executive Director
Rob Foster	Non-Executive Director
James Gurry	Independent Non-Executive Director
Amy Jiang	Non-Executive Director
Daniel Harris	Independent Non-Executive Director
Matt Owen	Chief Financial Officer
Andrew Whitehead	General Manager - Commercial
Adam Hall	General Manager - Projects

Compensation of key management personnel

	2023 $	2022 $
Short-term employee benefits	1,138,924	728,939
Post-employment benefits	38,074	21,819
Share based payments	150,309	-
	1,327,307	**750,758**

27 Events occurring after the reporting period

By way of mutual agreement on 11 July 2023, the Company and BBIG Group Pty Ltd (BBIG) and Todd Corporation terminated the agreement for the Company to acquire 100% of Forge Resources Swan Pty Ltd which included the assets of BBIG's Balla Balla Infrastructure Project.

Following shareholder approval at the meeting held on 28 July 2023, the Company changed its name from Flinders Mines Limited to Red Hawk Mining Limited, with the Company's shares registered for trading under the new ASX Ticker Code ASX:RHK, to better reflect the strategic direction of the Company, as it continues to focus on the development of Blacksmith.

On 16 August 2023 Viking Mines Limited (ASX: VKA) announced that it had completed Stage 1 of the FIA after reaching the commitment of $1 million on exploration expenditure on the Canegrass tenements. The Group received the cash payment of $225,000 due on completion of Stage 1 and consequently Viking Mines Limited now holds 25% of the project.

On 6 September 2023, the Company announced a Direct Shipping Ore Mineral Resource Estimate of 100.3Mt at a grade of 60.1% Fe for the Delta and Paragon deposits at the Blacksmith Project.

No other matter or circumstance has arisen since 30 June 2023 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

28 Critical accounting estimates and assumptions

The preparation of the consolidated financial statements requires management to make estimates and assumptions. These estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Exploration and evaluation

The future recoverability of capitalised exploration and evaluation expenditure is dependent on a number of factors, including whether the Group decides to exploit the related area of interest itself or, if not, whether it successfully recovers the related exploration and evaluation asset through sale.

Factors which could impact the 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 obligations) and changes to commodity prices.

28 Critical accounting estimates and assumptions (continued)

Exploration and evaluation (continued)

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

In addition, exploration and evaluation expenditure is capitalised if rights to tenure of the area of interest are current and activities in the area of interest have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves. To the extent that is determined in the future that this capitalised expenditure should be written off, this will reduce profits and net assets in the period in which this determination is made.

Rehabilitation

The Group assesses rehabilitation liabilities annually. The provision recognised is based on an assessment of the estimated cost of closure and reclamation of the areas using internal information concerning environmental issues in the exploration area, together with input from various environmental consultants, discounted to present value. Significant estimation is required in determining the provision for site rehabilitation as there are many factors that may affect the timing and ultimate cost to rehabilitate sites where mining and/or exploration activities have previously taken place. These factors include future development and exploration activity, changes in the cost of goods and services required for restoration activity and changes to the legal and regulatory framework. These factors may result in future actual expenditure differing from the amounts currently provided.

Lease – estimating the incremental borrowing rate

If the Group cannot readily determine the interest rate implicit in the lease, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available as the Group does not enter into financing transactions. The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

29 Changes in accounting policy

In the year ended 30 June 2023, the directors have reviewed all the new and revised Standards and Interpretations issued by the AASB that are relevant to the Company and effective for the current annual reporting period.

As a result of this review, the directors have determined that there is no material impact of the new and revised Standards and Interpretations on the Company and, therefore, no material change is necessary to Group accounting policies.

30 New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2023 reporting periods and have not been early adopted by the group. The group's assessment of the impact of these new standards and interpretations is set out below. 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.

There are no other standards that are not yet effective and that are expected to have a material impact on the Group in the current or future reporting period and in the foreseeable future.

In the Directors' opinion:

(a) the Consolidated Financial Statements and notes and Remuneration Report are in accordance with the *Corporations Act 2001*, including:

(i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements, and

(ii) giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2023 and of its performance for the year ended on that date, and

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

(c) the financial statements and notes thereto are in accordance with the International Financial Reporting Standards issued by the International Accounting Standards Board.

The Directors have been given the declarations as required by section 295A of the *Corporations Act 2001*.

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

The Hon. Cheryl Edwards, AM
Independent Non-Executive Chair

Perth, Western Australia
21 September 2023

Independent Auditor's Report

To the shareholders of Red Hawk Mining Limited

Report on the audit of the Financial Report

Opinion

We have audited the ***Financial Report*** of Red Hawk Mining Limited (the Company).

In our opinion, the accompanying Financial Report of the Company is in accordance with the *Corporations Act 2001*, including:

- Giving a true and fair view of the ***Group***'s financial position as at 30 June 2023 and of its financial performance for the year ended on that date; and
- Complying with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The ***Financial Report*** comprises

- Consolidated Statement of financial position as at 30 June 2023;
- Consolidated Statement of profit or loss and other comprehensive income, Consolidated Statement of changes in equity, and Consolidated Statement of cash flows for the year then ended;
- Notes including a summary of significant accounting policies; and
- Directors' Declaration.

The ***Group*** consists of the Company and the entities it controlled at the year-end or from time to time during the financial year.

Basis for Opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 fulfilled our other ethical responsibilities in accordance with the Code.

Emphasis of Matter – Material Uncertainty Related Going Concern

We draw attention to Note 3(a), "Going Concern" in the Financial Report. The conditions disclosed in Note 3(a), indicate a material uncertainty exists that may cast significant doubt on the Group's and the Company's ability to continue as a going concern and, therefore, whether it will realise its assets and discharge its liabilities in the normal course of business, and at the amounts stated in the Financial Report. Our conclusion is not modified in respect of this matter.

KPMG

Key Audit Matters

The ***Key Audit Matters*** we identified are:

- Capitalised Exploration and Evaluation.

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.

Capitalised Exploration and Evaluation $79.486m

Refer to Note 11 and Note 28 to the Financial Report

The key audit matter	How the matter was addressed in our audit
Capitalised exploration and evaluation expenditure (E&E) is a key audit matter due to: • The significance of the activity to the Group's business and the balance; and • The greater level of audit effort to evaluate the Group's application of the requirements of AASB 6 *Exploration for and Evaluation of Mineral Resources*. In particular, the evaluation of the Blacksmith Project (Blacksmith), previously known as Pilbara Iron Ore Project (PIOP) development options to progress the feasibility of the project. The presence of impairment indicators would necessitate a detailed analysis by the Group of the value of E&E. Given the criticality of this to the scope of our work, we involved senior team members to challenge the Group's determination that no such indicators existed. In assessing the conditions allowing capitalisation of relevant expenditure, we focused on: • The determination of the areas of interest (areas); • Documentation available regarding rights to tenure, via licensing, and compliance with relevant conditions, to maintain current rights to an area of interest and the Group's intention and capacity to continue the relevant E&E activities; and • The Group's determination of whether the E&E are expected to be recouped through successful development and exploitation of the area of interest.	Our procedures included: • Evaluating the Group's accounting policy to recognise exploration and evaluation assets using the criteria in the accounting standard. • We assessed the Group's determination of its areas of interest for consistency with the definition in the accounting standard. This involved analysing the licenses in which the Group holds an interest and the exploration programmes planned for those for consistency with documentation such as license related technical conditions and planned work programmes. • For each area of interest, we assessed the Group's current rights to tenure by checking the ownership of the relevant license to government registries. We also tested for compliance with conditions, such as minimum expenditure requirements, on a sample of exploration and mining licenses. • We tested the Group's additions to E&E for the year by evaluating a sample of recorded expenditure. We tested consistency to underlying records, the capitalisation requirements of the Group's accounting policy, and the requirements of the accounting standard. • We evaluated Group documents, such as minutes of Board meetings, for consistency with their stated intentions for continuing E&E in certain areas. We challenged this through interviews with key operational and finance personnel.

In assessing the presence of impairment indicators, we focused on those that may draw into question the commercial continuation of E&E activities for Blacksmith where significant capitalised E&E exists. In addition to the assessments above, and given the financial position of the group, we paid particular attention to: • Group's determination that capitalised E&E expenditure will be recovered in full through successful development and exploitation of the areas of interest, or alternatively, by their sale; and • Ability of the Group to fund the continuation of activities.	• We obtained project and corporate budgets identifying areas with existing funding and those requiring alternate funding sources. We compared this for consistency with areas with E&E, for evidence of the ability to fund continued activities. • We analysed the Group's determination of recoupment through successful development and exploitation of the area by evaluating the Group's documentation of planned future activities including work programmes and project budgets for a sample of areas.

Other Information

Other Information is financial and non-financial information in Red Hawk Mining Limited's annual reporting which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we 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.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- Preparing the Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*;
- Implementing necessary internal control to enable the preparation of a Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- Assessing the Group and Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group and Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- To obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- To issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Financial Report.

A further description of our responsibilities for the audit of the Financial Report is located at the *Auditing and Assurance Standards Board* website 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

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

Directors' 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 responsibilities

We have audited the Remuneration Report included in pages 11 to 17 of the Directors' report for the year ended 30 June 2023.

Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with *Australian Auditing Standards*.

KPMG.

KPMG

Glenn Diedrich
Partner
Perth
21 September 2023

Additional information required by the Australian Securities Exchange Limited and not shown elsewhere in this report is as follows. The information is current as at 1 September 2023.

Issued Equity Capital

	Ordinary Shares	Performance Rights
Number of holders	3,644	1
Number on issue	168,848,577	4,000,000

Voting Rights

Voting rights, on a show of hands, are one vote for every registered holder of Ordinary Shares and on a poll, are one vote for each share held by registered holders of Ordinary Shares.

Performance Rights do not entitle the holders to vote in respect of that Performance Right, until such time as the performance rights vest and are subsequently registered as ordinary shares.

Distribution of Holdings of Ordinary Shares

Holding ranges	Ordinary Shares		
	Number of Equity Security Holders	Units	%
1 – 1,000	2,049	728,855	0.43
1,001 – 5,000	954	2,314,505	1.37
5,001 – 10,000	254	1,853,074	1.10
10,001 – 100,000	332	10,200,080	6.04
100,001 and over	55	153,752,063	91.06
Total	**3,644**	**168,848,577**	**100.00**

Distribution of Holdings of Performance Rights

Holding ranges	Performance Rights		
	Number of Equity Security Holders	Units	%
1 – 1,000	-	-	-
1,001 – 5,000	-	-	-
5,001 – 10,000	-	-	-
10,001 – 100,000	-	-	-
100,001 and over	1[1]	4,000,000	100.00
Total	**1**	**4,000,000**	**100.00**

1. Mr Steven Michael holds 4,000,000 Performance Rights, comprising 100% of this class.

Unmarketable Parcels

The number of shareholders holding less than a marketable parcel (being 632 shares based on a share price of $0.79 at 1 September 2023) was 1,665.

Substantial Shareholders

Substantial shareholders as disclosed in substantial shareholder notices as at 1 September 2023.

	Number of Ordinary Shares	Percentage (%)
TIO (NZ) Limited[1]	2,258,958,869[4]	58.93
OCJ Investment (Australia) Pty Ltd and Associates[2]	758,160,000[4]	21.75
Various Requisitioning Shareholders[3]	210,302,405[4]	6.03

[1]. As lodged on ASX on 29 April 2020.

[2]. As lodged on ASX on 3 February 2017.

[3]. On 13 March 2019, various Shareholders lodged a Form 603 (Becoming a Substantial Shareholder Notice) with ASX disclosing an association pursuant to sections 12(2)(b) or (c) of the Corporations Act by reason of notices issued under sections 203D and 249D of the Corporations Act requiring the Company to call and arrange to hold a general meeting to consider resolutions to remove, as directors of the Company, Mr Neil Warburton, Mr Michael Wolley, Mr Evan Davies and any other persons appointed as directors of the Company prior to the requisitioned meeting, and to elect Mr Brendon Dunstan as a director of the Company. These resolutions were subsequently not carried at a general meeting of shareholders on 9 May 2019.

[4] Note these figures are prior to the share consolidation November 2020

Top 20 Shareholders

Rank	Name	Number of Ordinary Shares	Percentage (%)
1	TIO (NZ) LIMITED	100,398,172	59.46
2	OCJ INVESTMENT (AUSTRALIA) PTY LTD	35,060,675	20.76
3	MR KENNETH MARTIN KEANE	2,714,618	1.61
4	CITICORP NOMINEES PTY LIMITED	1,560,206	0.92
5	MR KENNETH MARTIN KEANE + MS SALLY MORTON ROBERTS <KEANE SUPER FUND A/C>	1,076,108	0.64
6	MR CHUNLEI OUYANG	993,689	0.59
7	BNP PARIBAS NOMS PTY LTD <DRP>	970,516	0.57
8	QUATTUOR REGIONIS PTY LTD <QUATTUOR REGIONIS A/C>	864,407	0.51
9	MR IAN DRUMMOND + MRS JANICE DRUMMOND <INSTIL ENTERPRISES S/F A/C>	708,000	0.42
10	DRAMISTA PTY LTD <BEP SELF MANAGED SF A/C>	600,000	0.36
11	MR BRENDON TONY DUNSTAN	483,750	0.29
12	DR ASHLEY MARTIN NEWLAND	471,000	0.28
13	MR ALEXANDER ILIEVSKI	419,712	0.25
14	STAFRA PTY LTD	340,000	0.20
15	MR DAVID CASSIDY	306,000	0.18
16	DR STUART CLARKE + MRS MARGARET IRENE CLARKE <MACSE SUPER FUND A/C>	305,689	0.18
17	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	293,013	0.17
18	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	276,103	0.16
19	MR WAYNE RAYMOND KEARNEY + MRS ROBYN KEARNEY <KEARNEY SUPER A/C>	270,919	0.16
20	MR WAYNE RAYMOND KEARNEY <W & R KEARNEY FAMILY A/C>	270,319	0.16
	TOTAL	**148,382,896**	**87.87**

On Market Buy Back

There is no current on-market buy-back.

Restricted Securities

There are no restricted securities.

Corporate Governance

The Company's 2023 Corporate Governance Statement is available for in the Corporate Governance section of the Company's website: https://redhawkmining.com.au/about-us/corporate-governance/

The below table details the Group's interest in mining tenements as at 30 June 2023

Tenement	Location	Status	Registered Holder	Interest at 30 June 2023
R47/021	Western Australia	Granted	PIOP Mine Co Pty Ltd	100%
E58/0232	Western Australia	Granted	Flinders Canegrass Pty Ltd	100%
E58/0236	Western Australia	Granted	Flinders Canegrass Pty Ltd	100%
E58/0282	Western Australia	Granted	Flinders Canegrass Pty Ltd	100%
E58/0520	Western Australia	Granted	Flinders Canegrass Pty Ltd	100%
E58/0521	Western Australia	Granted	Flinders Canegrass Pty Ltd	100%
E58/0522	Western Australia	Granted	Flinders Canegrass Pty Ltd	100%
L47/0728	Western Australia	Granted	PIOP Mine Co Pty Ltd	100%
L47/0730	Western Australia	Granted	PIOP Mine Co Pty Ltd	100%
L47/0734	Western Australia	Granted	PIOP Mine Co Pty Ltd	100%
M47/1451	Western Australia	Granted	PIOP Mine Co Pty Ltd	100%
L47/0731	Western Australia	Granted	PIOP Mine Co Pty Ltd	100%

Mineral Resources Annual Statement and Review

The Company carries out an annual review of its Mineral Resources as required by the ASX Listing Rules. The review was carried out as at 30 June 2023. The estimates for Mineral Resources were prepared and disclosed under the JORC Code 2012 Edition.

Estimation Governance Statement

The Company ensures that all Mineral Resource and Ore Reserves estimations are subject to appropriate levels of governance and internal controls.

Exploration results are collected and managed by an independent competent qualified geologist. All data collection activities are conducted to industry standards based on a framework of quality assurance and quality control protocols covering all aspects of sample collection, topographical and geophysical surveys, drilling, sample preparation, physical and chemical analysis and data and sample management.

Mineral Resource and Ore Reserves estimates are prepared by appropriately qualified, independent Competent Persons. If there is a material change in the estimate of a Mineral Resource or Ore Reserves, the estimate and supporting documentation in question is reviewed by a suitable qualified independent Competent Persons and announced to the ASX in accordance with the Listing Rules.

The Company reports its Mineral Resources and Ore Reserves on an annual basis in accordance with JORC Code 2012.

Annual Mineral Resource and Ore Reserves Statement

The Company carried out an annual review of the Blacksmith Project (formerly Pilbara Iron Ore Project) as at 30 June 2023, as required by the ASX Listing Rules. The total estimate for Mineral Resources at the Blacksmith mining lease and Anvil retention licence was released on 1 March 2018 was **1,484 Mt at a grade of 52.2% Fe**, which was prepared and disclosed under the JORC Code 2012 Edition. The Company confirms that it is not aware of any new information or data that materially affects the total Mineral Resource as reported on 1 March 2018 and all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

M47/1451 – Blacksmith [1,3]

JORC Classification	Tonnes Mt	Fe%	SiO_2%	AL_2O_3%	P%	LOI%
Inferred	105	51.6	15.7	5.13	0.057	4.4
Indicated	1,148	52.6	14.1	4.81	0.067	4.93
Measured	54	59.8	6.24	4.28	0.064	2.98
Total	**1,307**	**52.8**	**13.9**	**4.81**	**0.066**	**4.81**

Note: Tonnage figures have been rounded and as a result may not add up to the totals quoted.

R47/1560 - Anvil [2,3]

JORC Classification	Tonnes Mt	Fe%	SiO_2%	AL_2O_3%	P%	LOI%
Inferred	176	47.1	21.3	6.05	0.044	4.13
Total	**176**	**47.1**	**21.3**	**6.05**	**0.044**	**4.13**

[1] The Blacksmith Mineral Resource includes the Ajax, Badger, Blackjack, Champion, Delta, Eagle and Paragon deposits. All the estimates making up the Blacksmith Mineral Resource are reported to JORC 2012 standards.

[2] The Anvil Mineral Resource includes the Area F, Area G, Area H and Area J deposits. All the estimates making up the Anvil Mineral Resource are reported to JORC 2012 standards.

[3] Cut off: Ore types DID1, DID2, DID3 reported using Fe>40% and Al_2O_3<8%, ore types DID4, CID, BID reported using Fe>50% and Al_2O_3<6%

On 6 September 2023, the Company announced a Direct Shipping Ore Mineral Resource Estimate of **100.3Mt at a grade of 60.1% Fe** for the Delta and Paragon deposits at the Blacksmith Project.

Blacksmith Project – DSO Mineral Resource (Delta and Paragon Deposits)

JORC Classification	Tonnes Mt	Fe%	P%	SiO_2%	AL_2O_3%	LOI%
Indicated	96.1	60.1	0.090	4.71	3.12	5.25
Inferred	4.3	59.8	0.102	4.12	2.54	6.98
Total	**100.3**	**60.1**	**0.091**	**4.68**	**3.09**	**5.32**

There has been no change to the Blacksmith Project – DSO Mineral Resource Estimate during the financial year as the Company has not reported a DSO Mineral Resource Estimate previously.

Estimation Governance Statement

The Company ensures that all Mineral Resource and Ore Reserves estimations are subject to appropriate levels of governance and internal controls.

Exploration results are collected and managed by an independent competent qualified geologist. All data collection activities are conducted to industry standards based on a framework of quality assurance and quality control protocols covering all aspects of sample collection, topographical and geophysical surveys, drilling, sample preparation, physical and chemical analysis and data and sample management.

Mineral Resource and Ore Reserves estimates are prepared by appropriately qualified, independent Competent Persons. If there is a material change in the estimate of a Mineral Resource or Ore Reserves, the estimate and supporting documentation in question is reviewed by a suitable qualified independent Competent Persons and announced to the ASX in accordance with the Listing Rules.

The Company reports its Mineral Resources and Ore Reserves on an annual basis in accordance with JORC Code 2012.

Competent Person's Statements

Blacksmith and Anvil - Mineral Resource Estimate (2018)

The information in this report that relates to the global Blacksmith and Anvil Mineral Resources (2018) is based on, and fairly reflects, the ASX announcement dated 1 March 2018 (PIOP Mineral Resource Estimate Update) which was prepared by a Competent Person (Mr John Graindorge). The Mineral Resource statement has been approved by Dr Tarrant Elkington, who consents to the inclusion in the report of the matters based on this information in the form and context in which it appears. Dr Elkington is a full-time employee of Snowden Mining Industry Consultants Pty Ltd and is a member of the Australasian Institute of Mining and Metallurgy.

Blacksmith Project – DSO Mineral Resource Estimate (Delta and Paragon Deposits) (2023)

The information in this report that relates to DSO Mineral Resource Estimate (Delta and Paragon Deposits) (2023) is based on information compiled by Mr Aaron Meakin and Mr Mark Pudovskis. Mr Aaron Meakin is a full-time employee of CSA Global Pty Ltd and is a Member and Chartered Professional of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Mark Pudovskis is a full-time employee of CSA Global Pty Ltd and is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Aaron Meakin and Mr Mark Pudovskis have sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2012 Edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). Mr Aaron Meakin and Mr Mark Pudovskis each approve of, and consent to, the inclusion of the information in this Annual Mineral Resource Statement and the Annual Mineral Resource Statement as a whole, in the form and context in which it appears.

Canegrass Battery Minerals Project Inferred Mineral Resources as at 30 June 2023

On 30 November 2022, the Company entered into binding agreements with a subsidiary of Viking Mines Ltd pursuant to which they would acquire 99% of the Canegrass Battery Minerals Project. The Company released an Inferred Mineral Resource had been estimated over the Fold Nose and Kinks deposits for 79Mt at 0.64% Vanadium Pentoxide (V_2O_5) for 1.1 billion pounds of contained V_2O_5 on 30 January 2018.

The Mineral Resource estimate released on that date was prepared and disclosed under the JORC Code 2012 Edition. The Company confirms that it is not aware of any new information or data that materially affects the Mineral Resource as reported on 30 January 2018 and all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

The Company carried out an annual review of its Mineral Resources and Ore Reserves, as required by the ASX Listing Rules. The review was carried out as at 30 June 2023.

Deposit	JORC Classification	Tonnage (Mt)	V_2O_5 %	Fe %	TiO_2 %	Al_2O_3 %	P %	SiO_2 %	LOI %
Fold Nose	Inferred	59	0.66	30.5	6.5	11.9	0.006	22.9	2.9
Kinks	Inferred	20	0.57	27.4	5.5	13.0	0.009	25.9	3.1
TOTAL		**79**	**0.64**	**29.7**	**6.0**	**12.2**	**0.007**	**23.6**	**3.0**

Table 1; Canegrass Project Vanadium Mineral Resource estimate, 0.5% V2O5 cut-off grade, >210m RL (due to the effects of rounding, the total may not represent the sum of all components).

Competent Person's Statement - Canegrass

The information in this report that relates to Mineral Resources is based on, and fairly reflects, information compiled by Mr Aaron Meakin, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Meakin is a consultant to Red Hawk Mining Ltd and Viking Mines Ltd, employed by CSA Global Pty Ltd, independent mining industry consultants. Mr Meakin has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2012 edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources, and Ore Reserves (JORC Code). Mr Meakin approves of, and consents to, the inclusion of the information in this Annual Mineral Resource Statement and the Annual Mineral Resource Statement as a whole, in the form and context in which it appears.