



ASF Group Limited

ABN 50 008 924 570

Annual Report - 30 June 2024

Dear Shareholders,

It is my honor to present the annual report and financial statements of ASF Group Limited for the financial year ended 30 June 2024. This year has been a significant period of growth and development for our company, and I am pleased to share our achievements and future outlook with you.

Financial Performance

This year, ASF Group Limited and its associated entities delivered a remarkable financial performance with revenue from continuing operations reaching \$2,689,000. This represents a substantial increase of approximately 176% compared to the previous year, primarily driven by the successful sales of apartments and townhouses in the final stage of "The Peninsula Hope Island" development on the Gold Coast, Queensland. The completion and settlement of all units in this gated community have significantly contributed to our revenue growth.

Despite the strong revenue performance, we recorded a consolidated loss after tax and non-controlling interest of \$9,292,000, a notable improvement of approximately 19% from the previous year. The loss was mainly attributable to our share of losses from associates, impairment of investments in associates and other entities, interest expenses, and exploration expenditures for the Dawson West JV. These investments reflect our commitment to pursuing opportunities with long-term potential.

Strategic Investments and Developments

Our portfolio of strategic investments continues to position ASF Group Limited as a leading player in diverse sectors. Our stake in ActivEX Limited, an ASX-listed mineral exploration company, underscores our commitment to critical minerals exploration in Queensland. The progress in rare earth elements exploration are promising developments that align with our long-term investment strategy.

Our investments in Rey Resources Limited, which focuses on coal, oil, and gas exploration in Western Australia, and Key Petroleum Limited, which focuses on gas exploration in Queensland, remain important aspects of our portfolio and highlight our dedication to the energy and resources sector.

Civil & Mining Resources Pty Ltd ("CMR"), trading as CMR Coal, continues to move steadily towards the opening of a trial pit near Moura, Queensland with government approvals expected for a further 750,000 tonnes of thermal coal by calendar year end. Furthermore, CMR and its JV partner are advancing the commercial discussions in parallel with government approvals and expect agreements to be reached in the coming year.

Innovative Ventures

ASF Technologies (Australia) Pty Ltd has made significant advancements with its patented Scotch Yoke engine, which boasts enhanced emissions and performance standards. The engine's adaptability for various applications and its fuel-agnostic design present exciting opportunities in the new energy vehicle market.

In biotechnology, our investment in BSF Enterprise PLC and its subsidiary 3D Bio-Tissues Ltd has shown tremendous potential. The development of lab-grown leather and successful partnerships with major fashion companies highlight our commitment to both sustainability and innovation.

Looking ahead, ASF Group remains committed to its strategic goals and is well-positioned to leverage its diversified portfolio for sustainable growth. We look forward to another year of progress and achievements driven by our dedicated team and supportive shareholders.

On behalf of the Board, I extend my deepest gratitude to our dedicated team, partners, and shareholders for their unwavering support and confidence in our vision. Together, we will continue to pursue opportunities that align with our strategic vision, driving ASF Group Limited towards a prosperous future.

Yours sincerely,



Min Yang
Chairman
ASF Group Limited

30 September 2024

Introduction

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of ASF Group Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2024.

Directors

The following persons were directors of ASF Group Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Ms Min Yang - Chairman
Mr Nga Wong (Alex) Lao
Mr Quan (David) Fang
Mr Wai Sang Ho
Mr Geoff Baker
Mr Chi Yuen (William) Kuan
Mr Louis Li Chien

Principal activities

The Group is a diversified investment company with an international outlook and a focus on the real estate, resources, technology and financial sectors. In a rapidly changing global marketplace, the Group is a dynamic player that actively realises synergistic and transnational investment opportunities.

Dividends

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

Review of operations

The loss for the consolidated entity after providing for income tax and non-controlling interest amounted to \$9,292,000 (30 June 2023: \$11,545,000).

Financial results and commentary

Contributed by the commission revenue on property sales, revenue from continuing operations of ASF Group Limited (the "Company") and its controlled entities (referred to hereafter as the "Group") for the financial year ended 30 June 2024 amounted to \$2,689,000, a significant increase of approximately 175.5% compared to the last year of \$976,000.

ASF Properties achieved excellent sales results for the apartments and townhouses in the final stage of "The Peninsula Hope Island", a gated community masterplan development on the Gold Coast, Queensland. During the year, construction of the apartments and townhouses concluded and all units settled, contributed positively to revenue growth for the year. The resale of established properties in the Hope Island precinct along with upcoming new projects are expected to provide revenue contributions to the Group in the coming years.

Consolidated loss after tax and non-controlling interest for the year was \$9,292,000, a decrease of approximately 19.5% compared with last year of \$11,545,000. Majority of the loss for the year was attributed to the following:

- Share of losses of the associates of \$2,101,000 (2023: \$1,006,000);
- Impairment of investments in associates and other entities of \$2,332,000 (2023: \$2,551,000);
- Interest expenses and other finance costs \$2,666,000 (2023: \$2,462,000); and
- Share of expenditures for the Dawson West JV Project of \$2,215,000 (2023: \$3,344,000).

Subsequent to the financial year end on 30 July 2024, the Company announced the extension of its on-market share buyback program for a further 12 months from 13 August 2024 and up to 79.2 million shares of the Company can be bought back over the next 12 months under the new buyback program. During the year, no shares were bought back by the Company under share buyback program.

The Company also announced on 26 August 2024 that Civil & Mining Resources Pty Ltd, a subsidiary of the Company, has entered into a loan agreement with Star Diamond Developments Limited ("Star Diamond") for a \$2 million unsecured loan facility ("Facility") which bears an interest rate of 9% per annum and for a term of 1 year. On 13 September 2024, the Company announced that Star Diamond has agreed to increase the Facility by \$5 million to a total of \$7 million. Star Diamond also agreed to extend the maturity date of the Facility to 31 December 2025.

Financial position

As of 30 June 2024, the Company together with its subsidiaries (the "Group") maintained a cash balance of approximately \$1.3 million and has an available loan facility of \$2.05 million granted by Star Diamond which agreed to extend the maturity date of the loan facility to 30 April 2026.

Finance costs amounted to \$2,666,000 (2023: \$2,462,000) which represented principally interests on the loans due by the Company and Dawson West JV to Star Diamond.

Principal Investments

ActivEX Limited ("AIV")

AIV is an ASX listed mineral exploration company holding a number of prospective tenements, principally targeting copper, gold and critical minerals in Queensland.

On 21 January 2024, all 15,784,942 unexercised quoted options of AIV expired and all rights attaching to those options ceased.

During the year, AIV disposed of a wholly owned subsidiary, ActivEx Canning Pty Ltd, to the Company for a consideration of \$75,000, which is the holder of nine 100% owned thermal and metallurgical coal tenements located west of Mackay and south-west of Rockhampton within the premier Bowen and Surat Coal Basins.

On 3 June 2024, AIV announced that the maturity date of its \$5 million unsecured loan facility granted by Star Diamond was extended from 31 October 2024 to 30 April 2026.

AIV also announced on 20 June 2024 that it has been granted one of the two Exploration Permits for Minerals (EPM) applications lodged in Queensland in 2022 for its Aramac Project. AIV intends to explore for rare earth elements (REE) within the kaolinitic and in part calcareous sediments of the basal Lower Cretaceous Wallumbulla Formation (Doncaster Member) and base metals (Zn/Co) and Mn/Ba in the underlying Upper Jurassic/Lower Cretaceous fine-grained sediments of the Ronlow Beds.

As at 30 June 2024, the Company holds 16.74% of the issued capital of AIV with a market value of \$0.22 million.

Rey Resources Limited ("REY")

REY is an ASX listed energy company with a large tenement holding in coal, oil & gas in the Western Australia. The principal activity of REY is exploring for and developing energy resources in Western Australia's Canning Basin.

In June 2024, the Company agreed with REY that the maturity date of its \$2 million loan facility granted to REY be extended to 30 April 2026. REY also agreed with Ms Wanyan Liu for the increase of loan facility amount by \$5 million to a total of \$25 million and the extension of maturity date to 30 April 2026.

As at 30 June 2024, the Company holds 16.39% of the issued capital of REY with a market value of \$1.94 million.

Key Petroleum Limited ("KEY")

An ASX-listed oil and gas exploration company with asset holdings (ATP 920 & 924) in the Cooper Eromanga Basin in Queensland located between the Inland and Cook/Cuisinier Oil Fields, with the eastern assets located just north of the Eromanga Oil Refinery.

In December 2023, KEY announced the placement of 295,000,000 fully paid ordinary shares successfully raised \$295,000 (before costs). As a result of the placement, the Group's interest in KEY was diluted to 9.96%.

At the end of March 2024, KEY announced that it has had ongoing discussions with the Queensland Government and Department of Resources in regards to the impact of the Lake Eyre Basin (LEB) policy on its asset holdings, their tenures and the timeframe for their renewals. ATP 920 will be approximately 2% affected and ATP 924 will be approximately 40% affected by the LEB policy. KEY is investigating a higher form of tenure for areas of the ATPs and is assessing potential additions to its asset portfolio.

As at 30 June 2024, the Group holds 9.96% of the issued capital of KEY with a market value of \$0.23 million.

Kailli Resources Limited ("KLR")

KLR is a resources exploration company which holds tenements in Western Australia. The Group holds 2.2 million shares in KLR with a market value of \$17,600 as at 30 June 2024.

Civil & Mining Resources Pty Ltd ("CMR")

Trading as CMR Coal, CMR is a privately owned company with a substantial coal tenement portfolio in Queensland situated in close proximity to operating mines, infrastructure and proven economic coal resources.

The Dawson West project, which is 87.5% owned by CMR, has confirmed export quality thermal coal resources with seams of mineable thickness expected to extend further into unexplored areas. CMR has defined a JORC2012 code compliant resource, with a total of 876Mt (188Mt Indicated, 688Mt Inferred resource). During the year, CMR together with its JV partner are waiting on approvals for an additional 750,000 tonnes to the already approved sample pit of 250,000 tonnes while continuing to maintain momentum towards operating a sample pit.

Together with its subsidiary ASF Resources Pty Ltd, the Company holds 68.97% of the issued capital of CMR.

ASF Technologies (Australia) Pty Ltd ("ASFTA")

ASFTA is an Australian company that has developed a flat opposed cylinder boxer-type engine that uses patented Scotch Yoke mechanisms giving the engine advantages in weight, length, width, height, vibration and emissions over other conventional engines in its class.

ASFTA's Scotch Yoke engine was originally developed over 20 years ago and tested at the time by VW, Ford, Cosworth, and others. The engine has now refreshed its design, with 7 new patents, and tested by FEV. The engine is the first successful 4 stroke Scotch Yoke engine to be specifically designed and developed for modern Hybrid and Range Extender vehicles and can achieve Euro 6d and China 6b emissions on China RON 92 fuel with minimum expensive add on technologies. The engine does not need Turbo charging, VVT, EGR or GDI to meet the European 6d or China 6b emission regulations.

In addition to new energy vehicles, the engine is easily adaptable for a range of power applications ranging from aviation use to home generator use. The engine is designed to be fuel agnostic and can run on Gasoline, LPG, CNG and Hydrogen. Testing of B stage in Europe has now been completed. The engine achieved emissions that were better than Euro 6 and China 6b standards without expensive VVT or EGR technology and passed a 1000hr durability test that is 2.5 times the normal standard test requirement. Additionally one patent has been granted for the US market.

The Company holds 62% of the issued capital of ASFTA.

BSF Enterprise PLC ("BSFA")

BSF Enterprise PLC (LSE: **BSFA**), (OTCQB: BSFAF) is at the forefront of unlocking the next era of biotechnological solutions, focusing on cell-based tissue engineering to revolutionize cultured meat, lab-grown leather, human corneas, collagen growth, and skin substitutes across various sectors. As the parent company, BSFA initially acquired 100% of 3D Bio-Tissues Ltd (**3DBT**), which had developed a proprietary platform technology termed "tissue templating" (commonly referred to as "tissue engineering") that facilitates the production of a variety of animal tissue types for multiple uses.

3DBT was spun-out from Newcastle University, UK in 2019 as a tissue engineering firm with patent-protected technology that aims to offer structured, functional and scalable tissue replicates with potential applications in clinical settings for the replacement of human skin & corneas or broader uses in consumable protein including lab grown meat.

BSFA and corneal tissue replacement company Kerato, announces that 3DBT has signed an MoU with Maison Amelie Pichard, a fashion company that designs and makes products using environmentally friendly materials. The collaboration will explore future commercial opportunities, working together to develop, manufacture, and ultimately sell fashion accessories that incorporate lab-grown leather. This is a milestone event, marking the first-time real lab-grown leather has been ethically produced for the fashion industry using the same structures as traditional leather, without the need for plant-based scaffolds, making it suitable for traditional craft purposes.

BSFA has successfully completed several proof-of-concept agreements for developing cultivated leather, earning over £90,000 to date. Their subsidiary, 3DBT, partnered with a major leather fashion company to produce bio-engineered animal skin tissue samples, validating the suitability of 3DBT's cultivated skin as a sustainable alternative to traditional leather. Following a successful 60-week study, 3DBT continues to develop thicker bio-engineered samples and has received over £50,000 from this partnership. Additionally, BSFA secured a £38,000 Innovate UK grant for a project with the University of Northampton to further develop sustainable leather using 3DBT's dermal tissue. 3DBT's technology, which eliminates the need for animal-derived serum, marks significant progress in ethical leather production.

BSFA has granted 2.4 million Enterprise Management Incentive (EMI) options to its employees and subsidiaries, representing 2.23% of its current issued share capital. These options, exercisable at 15 pence per share, will vest in two tranches: 1.65 million options on the second anniversary and 750,000 options on the third anniversary of the grant date. This initiative aims to incentivize and retain key talent as BSFA continues to expand its pioneering work in tissue engineering, including lab-grown leather, cultivated meat, and corneal replacement tissues.

The Company through its subsidiary BSF Angel Funding Limited holds 16,610,944 fully paid ordinary shares representing approximately 16.07% of the issued capital of BSFA with a market value of GBP0.87 million (equivalent to approximately A\$1.6 million) as at 30 June 2024.

Property Marketing and Services

ASF Properties Pty Ltd ("ASFP"), a wholly-owned subsidiary of the Company, provides comprehensive property services to Australian and international property investors and purchasers. ASFP serves as a strategic and whole-process platform for offshore investors to access the Australian property market, providing services including but not limited to: development management, project marketing campaign delivery, property management and property consultations. ASFP's services cover projects from New South Wales to Queensland.

ASFP has achieved excellent sales results for the apartments and townhouses in the final stage of "The Peninsula Hope Island", a gated community masterplan development on the Gold Coast, Queensland. Construction of the apartment building and townhouses concluded respectively in March and June and all units settled, contributing positively to revenue growth. The resale of established properties in the Hope Island precinct along with upcoming new projects are expected to boost revenue in the coming year.

Fund Management and Advisory Services

ASF Capital Pty Ltd ("ASF Capital") holds an Australian Financial Services Licence and is the fund management and advisory arm of the Group's core strategy to facilitate two-way capital flows between Australia and Asia.

ASF Capital assists select businesses both on shore and off on matters such as public listing, financial advisory, entry and/or expansion in Australia, and visa migration related areas. Also, ASF Capital is working to form tailor-made wholesale funds to capture a diverse array of investment opportunities.

Matters subsequent to the end of the financial year

On 30 July 2024, the Company announced the extension of its on-market share buyback program for a further 12 months from 13 August 2024 and up to 79.2 million shares of the Company can be bought back over the next 12 months under the new buyback program.

On 26 August 2024, the Company announced that Civil & Mining Resources Pty Ltd, a subsidiary of the Company, has entered into a loan agreement with Star Diamond Developments Limited for a \$2 million unsecured loan facility which bears an interest rate of 9% per annum and for a term of 1 year. On 13 September 2024, the Company announced that Star Diamond has agreed to increase the unsecured loan facility by \$5 million to a total of \$7 million. Star Diamond also agreed to extend the maturity date of the Facility to 31 December 2025.

No other matters or circumstances that have arisen since 30 June 2024 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.

Information on directors

Name: Ms Min Yang
Title: Director and Chairman
Experience and expertise: Min Yang is the Chair and Founder of ASF Group Limited. With over 30 years of extensive experience in international business, Ms Yang has proven her unique business insight and expertise in the identification, acceleration and realisation of diverse investment opportunities. Under Ms Yang's leadership, ASF Group continues to actively spearhead strategic investment between Australia and the world.
Other current directorships: Non-executive Chairman of ActivEX Limited (ASX: AIV), Rey Resources Limited (ASX: REY) and Non-executive director of Key Petroleum Limited (ASX: KEY). Executive Chairman of BSF Enterprise PLC (LSE:BSFA).
Former directorships (last 3 years): None
Special responsibilities: None
Interests in shares: Direct interest in 286,500 ordinary shares and indirect interest in 86,914,266 ordinary shares held by FY Holdings Limited which is jointly controlled by Ms Yang and Mr Fang.

Name: Mr Nga Wong (Alex) Lao
Title: Vice Chairman and Non-Executive Director
Experience and expertise: Mr Lao is the managing director of ASF Macau Multinational Holdings Limited and is in charge of the operations of Multinational Youth Travel Agency Limited. Mr Lao resides in Macau where he has business interests in property, travel and retail industries and is Chairman of the Macau Travel Agency Association.
Other current directorships: None
Former directorships (last 3 years): None
Special responsibilities: None
Interests in shares: 18,026,525 ordinary shares

Name: Mr Quan (David) Fang
Title: Director
Experience and expertise: David Fang is the Executive Director of ASF Group Limited. With over 30 years of experience in the Australian real estate sales and property development sectors, he has led the acquisition, development and sales of multiple projects. His accomplishments have ranged from driving the delivery of high-end residential developments to large-scale urban renewal projects. Mr Fang continues to advance the Company through the realisation of property development projects and the acquisition of new projects to generate further value.

Other current directorships: None
Former directorships (last 3 years): None
Special responsibilities: None
Interests in shares: Direct interest in 10,000 ordinary shares and indirect interest in 86,914,266 ordinary shares held by FY Holdings Limited which is jointly controlled by Ms Yang and Mr Fang.

Name: Mr Wai Sang Ho
Title: Non-executive director
Experience and expertise: Mr Ho is a Hong Kong resident and a large property developer in Southern China. He has substantial property interests in Hong Kong and China.

Other current directorships: None
Former directorships (last 3 years): None
Special responsibilities: None
Interests in shares: 44,808,270 ordinary shares

Name: Mr Geoff Baker
Title: Director
Qualifications: Mr Baker is a qualified lawyer in Australia and Hong Kong with a Commerce degree (Accounting and Financial Management), a Law degree and Master of business administration (MBA).

Experience and expertise: Mr Baker assists in the international operations of the Group. He joined the Group after practising extensively for 30 years as a lawyer in Australia, Japan, Asia and China.

Other current directorships: Non-executive director of Rey Resources Limited (ASX: REY) and ActivEX Limited (ASX: AIV), Non-executive Chairman of Key Petroleum Limited (ASX: KEY). Director of BSF Enterprise PLC (LSE:BSFA).

Former directorships (last 3 years): None
Special responsibilities: Chairman of the Audit Committee
Interests in shares: Indirect interest in 7,734,517 ordinary shares held by Gold Star Industry Ltd, a related entity

Name: Mr Chi Yuen (William) Kuan
Title: Director and Company Secretary
Qualifications: Mr Kuan holds a Master Degree in International Accounting. He is a Fellow of CPA Australia and an Associate of The Chartered Governance Institute UK & Ireland (formerly ICSA) and The Hong Kong Chartered Governance Institute (formerly HKICS).
Experience and expertise: Mr Kuan joined the Group as the Company Secretary in February 2010 and has been responsible for all aspects of financial and corporate matters of the Group. He has extensive experience in accounting, corporate finance and company secretarial areas. Prior to joining the Group, he was company secretary for a number of diverse Hong Kong listed companies.
Other current directorships: None
Former directorships (last 3 years): Director of Rey Resources Limited (ASX: REY) – appointed 6 March 2023 and resigned on 15 May 2023.
Special responsibilities: None
Interests in shares: 250,000 ordinary shares

Name: Mr Louis Li Chien
Title: Director
Qualifications: Graduate of the Australian Institute of Company Directors (GAICD); Master of Business Administration (MBA) from Kelley School of Business, Indiana University; Bachelor of Architecture (BArch) from University of Cincinnati; Bachelor of Science (BS) in Design from Clemson University.
Experience and expertise: Mr Chien was born in Shanghai, China. He spent the formative years including education in the United States, and has 20+ years of experience in Fortune 100 companies. Now based in Australia, he is principally responsible for the management of ASF's investments, development, financial, and operational activities. Prior to joining the Group, Mr Chien held various leadership positions within Procter & Gamble Company (P&G), both in the United States and Singapore.
Other current directorships: Managing Director of Key Petroleum Limited (ASX: KEY).
Former directorships (last 3 years): Alternate Director to Ms Min Yang for Rey Resources Limited (ASX: REY) – resigned 1 October 2022. Alternate Director to Ms Min Yang for ActivEX limited (ASX: AIV) – resigned 10 August 2022.
Special responsibilities: Member of the Audit Committee
Interests in shares: None

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

Company secretary

Mr Chi Yuen (William) Kuan's experience is detailed in the 'information on directors' section above.

Meetings of directors

The number of meetings of the company's Board of Directors ('the Board') held during the year ended 30 June 2024, and the number of meetings attended by each director were:

	Full Board		Audit Committee	
	Attended	Held	Attended	Held
Ms Min Yang - Chairman	3	3	-	-
Mr Nga Wong (Alex) Lao	1	3	-	-
Mr Quan (David) Fang	3	3	-	-
Mr Wai Sang Ho	1	3	-	-
Mr Geoff Baker	3	3	2	2
Mr William Kuan	3	3	-	-
Mr Louis Chien	3	3	2	2

Held: represents the number of meetings held during the time the director held office.

Remuneration report (audited)

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

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

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

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

Principles used to determine the nature and amount of remuneration

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

- competitiveness and reasonableness to attract and retain key talent;
- acceptability to shareholders;
- performance linkage / alignment of executive compensation; and
- transparency.

While the Group does not have a remuneration committee, the Board is responsible for determining and reviewing compensation arrangements for the directors and the senior management team.

The performance of the Group depends on the quality of its directors and executives. The remuneration philosophy is to attract, motivate and retain high performance and high-quality personnel.

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

- having economic profit as a core component of plan design;
- focusing on sustained growth in shareholder wealth, consisting of dividends and growth in share price, and delivering constant or increasing return on assets as well as focusing the executive on key non-financial drivers of value; and
- attracting and retaining high calibre executives.

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

- rewarding capability and experience;
- reflecting competitive reward for contribution to growth in shareholder wealth; and
- providing a clear structure for earning rewards.

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

Non-executive directors' remuneration

Fees and payments to non-executive directors reflect the demands which are made on, and the responsibilities of, these directors. Non-executive directors' fees and payments are reviewed annually by the Board.

Executive remuneration

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

The executive remuneration and reward framework has the following components:

- base pay and non-monetary benefits;
- share-based payments; and
- other remuneration such as superannuation and long service leave.

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

Fixed remuneration, consisting of base salary, superannuation and non-monetary benefits, are reviewed annually by the Board, based on individual and the overall performance of the Group and comparable market remunerations. Other retirement benefits may be provided by the Group if approved by shareholders.

Directors receive fixed monthly salary or consulting fees for providing consulting services to the Group.

There are no guaranteed base pay increases included in any executives' contracts.

Executives may receive their fixed remuneration in the form of cash or other fringe benefits where it does not create any additional costs to the Group and provides additional value to the executive.

No short-term incentive ('STI') payments were made during the year.

The long-term incentives ('LTI') include long service leave.

Group's performance and link to remuneration

There is at present no direct link between remuneration and earnings except that the Board have decided that payments for services rendered should be kept to a minimum.

Use of remuneration consultants

During the financial year ended 30 June 2024, the Group did not use any remuneration consultants.

Voting and comments made at the company's 2023 Annual General Meeting ('AGM')

At the 2023 AGM, 99.98% of shareholders voted for the adoption of the remuneration report for the year ended 30 June 2023. The company did not receive any specific feedback at the AGM regarding its remuneration practices and received unanimous approval on the adoption of its remuneration report.

Details of remuneration

Amounts of remuneration

Details of the remuneration of the KMP of the Group are set out in the following tables.

The key management personnel of the Group consisted of the directors of ASF Group Limited:

2024	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	Total
	Cash salary and fees	Bonus	Non-monetary	Super-annuation	Long service leave accrued/(used)	Equity-settled	
	\$	\$	\$	\$	\$	\$	\$
Min Yang	187,236	-	-	3,511	-	-	190,747
David Fang	118,511	-	-	9,526	1,118	-	129,155
Geoff Baker	151,297	-	-	-	-	-	151,297
William Kuan	173,433	-	-	18,700	(25,936)	-	166,197
Louis Chien	122,400	-	-	-	-	-	122,400
	752,877	-	-	31,737	(24,818)	-	759,796

2023	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	Total
	Cash salary and fees	Bonus	Non-monetary	Super-annuation	Long service leave accrued/(used)	Equity-settled	
	\$	\$	\$	\$	\$	\$	\$
Min Yang	181,943	-	-	3,411	-	-	185,354
David Fang	116,857	-	-	9,143	1,260	-	127,260
Geoff Baker	147,972	-	-	-	-	-	147,972
William Kuan	171,030	-	-	17,850	2,833	-	191,713
Louis Chien	122,400	-	-	-	-	-	122,400
	740,202	-	-	30,404	4,093	-	774,699

Nga Wong (Alex) Lao and Wai Sang Ho did not receive any remuneration during 2024 and 2023 financial year.

The proportion of remuneration linked to performance and the fixed proportion are as follows:

Name	Fixed remuneration		STI	
	2024	2023	2024	2023
<i>Directors:</i>				
Min Yang	100%	100%	-	-
David Fang	100%	100%	-	-
Geoff Baker	100%	100%	-	-
William Kuan	100%	100%	-	-
Louis Chien	100%	100%	-	-

Service agreements

The table below summarises the key contractual provisions of the key management personnel.

Key Management Personnel	Position Held	Contract Details
Min Yang	Director and Chairman	Employment contract with ASF (Hong Kong) Limited (a subsidiary of the Company). The contract may be terminated at any time by either party giving to the other party not less than 30 days prior written notice.
Quan (David) Fang	Director	(a) Employment contract with ASF (Hong Kong) Limited (a subsidiary of the Company). The contract may be terminated at any time by either party giving to the other party 30 days prior written notice; and (b) Employment contract with ASF Corporate Pty Ltd (a subsidiary of the Company). The contract may be terminated at any time by either party giving to the other party not less than one month's prior written notice.
Geoff Baker	Director	(a) Employment contract with ASF (Hong Kong) Limited (a subsidiary of the Company). The contract may be terminated at any time by either party giving to the other party not less than 30 days prior written notice; (b) Consultancy agreement between ASF Corporate Pty Ltd (a subsidiary of the Company) and the director's related entity, Gold Star Industry Limited. The agreement may be terminated at any time by either party giving to the other party not less than three months prior written notice; and (c) Consultancy agreement between ASF Technologies (Australia) Pty Ltd (a subsidiary of the Company) and the director's related entity, Gold Star Industry Limited. The agreement may be terminated at any time by either party giving to the other party not less than three months prior written notice.
Chi Yuen (William) Kuan	Director and Company Secretary	Employment contract with the company. The contract may be terminated at any time by either party giving to the other party not less than 30 days prior written notice.
Louis Li Chien	Director	(a) Consultancy agreement between ASF Corporate Pty Ltd (a subsidiary of the Company) and the director's related entity, Chanticleer 168 Pty Ltd. The contract may be terminated at any time by either party giving to the other party not less than three months prior written notice; and (b) Consultancy agreement between ASF Technologies (Australia) Pty Ltd (a subsidiary of the Company) and the director's related entity, Chanticleer 168 Pty Ltd. The contract may be terminated at any time by either party giving to the other party not less than three months prior written notice.

Key management personnel have no entitlement to termination payments in the event of removal for misconduct.

Share-based compensation

Issue of shares

There were no shares issued to directors and other key management personnel as part of compensation during the year ended 30 June 2024 (2023: Nil).

Options

There were no options over ordinary shares issued to directors and other key management personnel as part of compensation that was outstanding as at 30 June 2024 (2023: Nil).

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

Additional information

The earnings of the Group for the five years to 30 June 2024 are summarised below:

	2024	2023	2022	2021	2020
	\$'000	\$'000	\$'000	\$'000	\$'000
Sales revenue	2,689	976	2,200	1,529	4,338
Profit (Loss) after income tax	(9,292)	(11,545)	(4,062)	(3,233)	(5,946)
Net equity	(27,238)	(17,335)	(4,836)	(295)	3,157

The factors that are considered to affect total shareholders return ('TSR') are summarised below:

	2024	2023	2022	2021	2020
Average share price (\$)	0.049	0.047	0.052	0.066	0.09
Basic earnings per share (cents per share)	(1.17)	(1.46)	(0.51)	(0.41)	(0.75)
Share buy-back (\$'000)	-	7	7	12	2

Additional disclosures relating to key management personnel

Shareholding

The number of shares in the company held during the financial year by each director and other members of key management personnel of the Group, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/ other	Balance at the end of the year
<i>Ordinary shares</i>					
Min Yang*	87,200,766	-	-	-	87,200,766
Nga Wong (Alex) Lao	18,026,525	-	-	-	18,026,525
Quan (David) Fang*	86,924,266	-	-	-	86,924,266
Wai Sang Ho	44,808,270	-	-	-	44,808,270
Geoff Baker **	7,734,517	-	-	-	7,734,517
William Kuan	250,000	-	-	-	250,000

* Included indirect interest of 86,914,266 (2023: 86,914,266) shares held by FY Holdings Limited, an entity jointly controlled by Ms Yang and Mr Fang.

** Included in Mr Baker's holdings are indirect interests held by Gold Star Industry Ltd which is controlled by Mr Baker.

Louis Chien held no shares in the company during the financial year.

Other transactions with key management personnel and their related parties

1. Rent paid on the operating lease of the head office of the Group to SPC Investments Pty Ltd, an entity in which Ms Min Yang has a beneficial interest, amounting to \$276,837 (2023: \$273,419).
2. Consulting fees paid to Gold Star Industry Ltd, an entity in which Mr Geoff Baker has a beneficial interest, amounting to \$76,500 (2023: \$57,000).
3. Consulting fees paid to Chanticleer 168 Pty Ltd, an entity in which Mr Louis Chien has a beneficial interest, amounting to \$122,400 (2023: \$122,400).
4. Commission of \$1,850,472 (2023: \$168,780) paid to the Company's subsidiary, ASF Properties Pty Ltd, by Peninsula Gold Coast Development Pty Ltd, an entity in which Ms Min Yang has beneficial interest.

This concludes the remuneration report, which has been audited.

Shares under option

There were no unissued ordinary shares of ASF Group Limited under option outstanding at the date of this report.

Shares issued on the exercise of options

There were no ordinary shares of ASF Group Limited issued on the exercise of options during the year ended 30 June 2024 and up to the date of this report.

Indemnity and insurance of officers

The company has in place Deeds with each of the Directors whereby the company has agreed to provide certain indemnities to each Director to the extent permitted by the Corporations Act and to use its best endeavours to obtain and maintain Directors' and Officers' indemnity insurance, subject to such insurance being available at reasonable commercial terms.

Indemnity and insurance of auditor

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

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

Proceedings on behalf of the company

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

Non-audit services

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

Officers of the company who are former partners of Nexia

There are no officers of the company who are former partners of Nexia Sydney Audit Pty Ltd.

Auditor's independence declaration

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

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors

A handwritten signature in black ink, appearing to be "Min Yang", written over a horizontal line.

Min Yang
Chairman

30 September 2024

To the Board of Directors of ASF Group Limited

Auditor's Independence Declaration under section 307C of the *Corporations Act 2001*

As lead auditor for the audit of the financial statements of ASF Group Limited for the financial year ended 30 June 2024, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (a) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (b) any applicable code of professional conduct in relation to the audit.

Yours sincerely

Nexia

Nexia Sydney Audit Pty Ltd



Erin Tanyag

Director

Date: 30 September 2024

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General information

The financial statements cover ASF Group Limited as a consolidated entity consisting of ASF Group Limited and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is ASF Group Limited's functional and presentation currency.

ASF Group Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Suite 2, 3B Macquarie Street
Sydney NSW 2000

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 30 September 2024.

ASF Group Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2024



	Note	Consolidated	
		2024 \$'000	2023 \$'000
Revenue	4	2,689	976
Share of losses of associates accounted for using the equity method	6	(2,101)	(1,006)
Other income	5	40	192
Interest revenue calculated using the effective interest method		115	134
Expenses			
Employee benefits expense		(1,317)	(1,645)
Commission and fee expenses		(1,112)	(171)
Depreciation and amortisation expense	6	(265)	(278)
Impairment of investments in associates and other entities	6	(2,332)	(2,551)
Impairment of assets	6	(96)	(804)
Loss on disposal of assets	6	(5)	(8)
Consultancy expense		(1,087)	(1,466)
Marketing expenses		(34)	(131)
Legal and professional fees		(292)	(383)
Occupancy expense	6	(324)	(246)
Exploration expense		(663)	(1,421)
Corporate and administration expense		(479)	(862)
Finance costs	6	(2,666)	(2,462)
Loss before income tax expense		(9,929)	(12,132)
Income tax expense	7	-	-
Loss after income tax expense for the year		(9,929)	(12,132)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		26	(360)
Other comprehensive income for the year, net of tax		26	(360)
Total comprehensive income for the year		<u>(9,903)</u>	<u>(12,492)</u>
Loss for the year is attributable to:			
Non-controlling interest		(637)	(587)
Owners of ASF Group Limited		(9,292)	(11,545)
		<u>(9,929)</u>	<u>(12,132)</u>
Total comprehensive income for the year is attributable to:			
Non-controlling interest		(637)	(587)
Owners of ASF Group Limited		(9,266)	(11,905)
		<u>(9,903)</u>	<u>(12,492)</u>
		Cents	Cents
Basic earnings per share	34	(1.17)	(1.46)
Diluted earnings per share	34	(1.17)	(1.46)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

ASF Group Limited
Statement of financial position
As at 30 June 2024



	Note	Consolidated	
		2024 \$'000	2023 \$'000
Assets			
Current assets			
Cash and cash equivalents	8	1,330	2,097
Trade and other receivables	9	419	151
Other assets	11	32	40
Total current assets		<u>1,781</u>	<u>2,288</u>
Non-current assets			
Trade and other receivables	9	147	119
Investments accounted for using the equity method	12	2,383	6,805
Financial assets at fair value through profit or loss		18	29
Property, plant and equipment	13	37	53
Right-of-use assets	10	763	206
Exploration and evaluation expenditure	14	3,607	3,529
Total non-current assets		<u>6,955</u>	<u>10,741</u>
Total assets		<u>8,736</u>	<u>13,029</u>
Liabilities			
Current liabilities			
Trade and other payables	15	728	1,139
Borrowings	16	4,870	2,602
Lease liabilities	17	256	203
Provisions for employee benefits	18	219	240
Total current liabilities		<u>6,073</u>	<u>4,184</u>
Non-current liabilities			
Borrowings	16	29,408	26,170
Lease liabilities	17	493	10
Total non-current liabilities		<u>29,901</u>	<u>26,180</u>
Total liabilities		<u>35,974</u>	<u>30,364</u>
Net liabilities		<u>(27,238)</u>	<u>(17,335)</u>
Equity			
Issued capital	19	122,662	122,662
Reserves	20	(2,708)	(2,734)
Accumulated losses		<u>(144,157)</u>	<u>(134,865)</u>
Deficiency in equity attributable to the owners of ASF Group Limited		(24,203)	(14,937)
Non-controlling interest		<u>(3,035)</u>	<u>(2,398)</u>
Total deficiency in equity		<u>(27,238)</u>	<u>(17,335)</u>

The above statement of financial position should be read in conjunction with the accompanying notes

ASF Group Limited
Statement of changes in equity
For the year ended 30 June 2024



	Issued capital \$'000	Reserves \$'000	Consolidated Accumulated Losses \$'000	Non- controlling interest \$'000	Total deficiency in equity \$'000
Consolidated					
Balance at 1 July 2022	122,669	(2,374)	(123,320)	(1,811)	(4,836)
Loss after income tax expense for the year	-	-	(11,545)	(587)	(12,132)
Other comprehensive income for the year, net of tax	-	(360)	-	-	(360)
Total comprehensive income for the year	-	(360)	(11,545)	(587)	(12,492)
<i>Transactions with owners in their capacity as owners:</i>					
Share buy-back	(7)	-	-	-	(7)
Balance at 30 June 2023	<u>122,662</u>	<u>(2,734)</u>	<u>(134,865)</u>	<u>(2,398)</u>	<u>(17,335)</u>
Consolidated					
Balance at 1 July 2023	122,662	(2,734)	(134,865)	(2,398)	(17,335)
Loss after income tax expense for the year	-	-	(9,292)	(637)	(9,929)
Other comprehensive income for the year, net of tax	-	26	-	-	26
Total comprehensive income for the year	-	26	(9,292)	(637)	(9,903)
Balance at 30 June 2024	<u>122,662</u>	<u>(2,708)</u>	<u>(144,157)</u>	<u>(3,035)</u>	<u>(27,238)</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes

ASF Group Limited
Statement of cash flows
For the year ended 30 June 2024



	Note	Consolidated	
		2024 \$'000	2023 \$'000
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		2,829	1,265
Payments to suppliers (inclusive of GST)		(5,659)	(5,490)
		(2,830)	(4,225)
Interest received		19	48
Government Grants		35	192
Interest paid		(410)	-
Net cash used in operating activities	32	(3,186)	(3,985)
Cash flows from investing activities			
Payments for property, plant and equipment	13	(65)	(19)
Payments for exploration and evaluation expenditures		(30)	(7)
Acquisition of subsidiary		(75)	-
Proceeds from disposal of property, plant and equipment		56	-
Advance of loan to other party		-	(150)
Repayment of loans from related parties		-	250
Net cash (used in)/from investing activities		(114)	74
Cash flows from financing activities			
Proceeds from borrowings		2,789	3,689
Payments for share buy-backs		-	(7)
Repayment of borrowings		-	(1,400)
Repayment of lease liabilities		(282)	(276)
Net cash from financing activities		2,507	2,006
Net decrease in cash and cash equivalents		(793)	(1,905)
Cash and cash equivalents at the beginning of the financial year		2,097	4,412
Effects of exchange rate changes on cash and cash equivalents		26	(410)
Cash and cash equivalents at the end of the financial year	8	<u>1,330</u>	<u>2,097</u>

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Material accounting policy information

These consolidated financial statements and notes are for the consolidated entity consisting of ASF Group Limited ("Company" or "parent entity") and its subsidiaries ("the consolidated entity").

These general purpose financial statements for the reporting period ended 30 June 2024 have been prepared in accordance with the Australian Accounting Standards and interpretations issued by the Australian Accounting Standards Board ('AASB') and the *Corporations Act 2001*, as appropriate for for-profit oriented entities.

The accounting policies that are material to the consolidated entity are set out below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

The financial statements were authorised for issue in accordance with a resolution of the Directors on 30 September 2024.

New or amended Accounting Standards and Interpretations adopted

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

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

Going concern

The financial report has been prepared on a going concern basis which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. For the year ended 30 June 2024, the consolidated entity recorded a loss after income tax and non-controlling interest of \$9,292,000 (2023: \$11,545,000); showed net cash outflow from investing activities of \$114,000 (2023: cash inflow \$74,000) and net cash outflows from operating activities of \$3,186,000 (2023: \$3,985,000) and, as of that date, the consolidated entity's current liabilities exceeded its current assets by \$4,292,000 (2023: \$1,896,000). The net liability of the consolidated entity as of 30 June 2024 were \$27,238,000 (2023: \$17,335,000).

The ability of the consolidated entity to meet its commitments and to develop its projects or divest for a profit is dependent upon the consolidated entity continuing to raise capital or convertible notes and/or realise its investments.

The directors have considered the following, in their assessment of the future funding of the consolidated entity:

- The consolidated entity manages cash diligently to meet immediate business needs. The consolidated entity has a long and proven track record in raising capital via share placements, right issues and convertible notes over the past 12 years. As at the date of this report, the consolidated entity has \$2.05 million in a convertible note facility available for draw down;
- The consolidated entity expects convertible notes amounting to \$29.4 million (inclusive of accrued interest) to be converted to equity or extended before their expiry. No cash outlay will be required;
- The consolidated entity plans to undertake further capital raising or realisation of assets during the next 12 months as needed;
- The consolidated entity has the ability to reduce operating costs as needed and appropriate; and
- Cash flow forecast, which incorporate expected drawdown of loans and disposal of investments, for the 12 months from the date of issue of these financial statements project that the consolidated entity will be able to operate as usual.

The directors are of the opinion that the consolidated entity will continue to obtain additional capital when the business requires and accordingly have prepared the financial statements on a going concern basis.

In the unlikely scenario that the consolidated entity is not able to obtain additional capital as and when required, there is a material uncertainty that may cast significant doubt upon the consolidated entity's ability to continue as a going concern and whether it will realise its assets and extinguish its liabilities in the normal course of business at the amounts stated in these financial statements.

At the date of approval of these financial statements, the directors are of the opinion that no asset is likely to be realised for an amount less than the amount at which it is recorded in the financial statements at 30 June 2024. Accordingly, no adjustments have been made to the financial statements relating to the recoverability and classification of the asset carrying amounts or the amounts and classifications of liabilities that might be necessary.

Note 1. Material accounting policy information (continued)

Comparatives

Comparatives in the statement of profit or loss and other comprehensive income and statement of financial position have been realigned with the current period presentation. There has been no effect on the loss for the comparative year or net assets of the consolidated entity.

Basis of preparation

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

Historical cost convention

The financial statements have been prepared under the historical cost convention except for certain financial instruments that are measured at revalued amounts on fair values, as explained in the accounting policies in this note. Historical cost is generally based on the fair values of the consideration given in exchange for assets.

Critical accounting estimates

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

Parent entity information

In accordance with the *Corporations Act 2001*, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 28.

Principles of consolidation

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

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

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

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

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the consolidated entity. Losses incurred by the consolidated entity are attributed to the non-controlling interest in full, even if that results in a deficit balance.

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

Note 1. Material accounting policy information (continued)

Foreign currency translation

The financial statements are presented in Australian dollars, which is ASF Group Limited's functional and presentation currency.

Foreign currency transactions

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign operations

The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

Revenue recognition

The consolidated entity recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the consolidated entity is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the consolidated entity: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Revenue is recognised when it is probable that the economic benefit will flow to the consolidated entity and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Commission Revenue

Commission revenue is primarily derived through the sale of properties. The consolidated entity holds formal agency contracts with property developers which specifies ASF's performance obligation to sell properties on behalf of the developers. The consolidated entity records commission revenues at a point-in-time, upon sale and/or settlement of a property.

The contract identifies the transaction price as a percentage of the sales price and this is allocated in entirety to the sale of the property. Whilst this is a variable consideration, there is no requirement by the consolidated entity, or risk for the consolidated entity, to estimate the value of the transaction as no revenue is recognised until the sale has been completed.

Note 1. Material accounting policy information (continued)

Corporate Services

Corporate services are management services provided by ASF. The consolidated entity holds formal contracts with other entities for the provision of management services including corporate and accounting services. Each contract details the consolidated entity's performance obligations which vary with each contract. Management have determined that all services defined by each contract form part of a series of distinct services that are substantially the same.

The activities performed are provided daily/monthly and have the same pattern of transfer to the customer.

The consolidated entity recognises the revenue from these services over each service period, typically defined as a month. Each contract clearly states a fixed transaction price for each service period.

Income tax

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

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

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

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

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

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

ASF Group Limited (the 'head entity') and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime. The head entity and each subsidiary in the tax consolidated group continue to account for their own current and deferred tax amounts. The tax consolidated group has applied the 'separate taxpayer within group' approach in determining the appropriate amount of taxes to allocate to members of the tax consolidated group.

In addition to its own current and deferred tax amounts, the head entity also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from each subsidiary in the tax consolidated group.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the tax consolidated group. The tax funding arrangement ensures that the intercompany charge equals the current tax liability or benefit of each tax consolidated group member, resulting in neither a contribution by the head entity to the subsidiaries nor a distribution by the subsidiaries to the head entity.

Current and non-current classification

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

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

Note 1. Material accounting policy information (continued)

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

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

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Derivative financial instruments

Recognition and derecognition

Financial assets and financial liabilities are recognised when the consolidated entity becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and initial measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with AASB 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

- financial assets at amortised cost
- financial assets at fair value through profit or loss (FVPL)

Classifications are determined by both:

- The entity's business model for managing the financial asset
- The contractual cash flow characteristics of the financial assets

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVPL):

- they are held within a business model whose objectives is to hold the financial assets and collect its contractual cash flows
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The consolidated entity's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

Note 1. Material accounting policy information (continued)

Financial assets at fair value through profit or loss (FVPL)

Financial assets that are held within a business model other than 'hold to collect' or 'hold to collect and sell' are categorised at fair value through profit and loss. Further, irrespective of business model, financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVPL. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply.

Impairment of financial assets

AASB 9's impairment model use more forward looking information to recognize expected credit losses - the 'expected credit losses (ECL) model'. The application of the impairment model depends on whether there has been a significant increase in credit risk.

The consolidated entity considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1') and
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').

'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date. '12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category. Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Trade and other receivables and contract assets

The consolidated entity makes use of a simplified approach in accounting for trade and other receivables as well as contract assets and records the loss allowance at the amount equal to the expected lifetime credit losses. In using this practical expedient, the consolidated entity uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

The consolidated entity assesses impairment of trade receivables on a collective basis as they possess credit risk characteristics based on the days past due.

All financial assets, except for those at fair value through profit or loss (FVPL) are subject to review for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired.

Classification and measurement of financial liabilities

The consolidated entity's financial liabilities include borrowings and trade and other payables.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs. Subsequently, financial liabilities are measured at amortised cost using the effective interest method.

Interest income

Interest income is recognised in the statement of profit or loss as part of other income using effective interest method.

Associates

Associates are entities over which the consolidated entity has significant influence but not control or joint control. Investments in associates are accounted for using the equity method. Under the equity method, the share of the profits or losses of the associate is recognised in profit or loss and the share of the movements in equity is recognised in other comprehensive income. Investments in associates are carried in the statement of financial position at cost plus post-acquisition changes in the consolidated entity's share of net assets of the associate. Goodwill relating to the associate is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment. Dividends received or receivable from associates reduce the carrying amount of the investment.

Note 1. Material accounting policy information (continued)

When the consolidated entity's share of losses in an associate equals or exceeds its interest in the associate, including any unsecured long-term receivables, the consolidated entity does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

The consolidated entity discontinues the use of the equity method upon the loss of significant influence over the associate and recognises any retained investment at its fair value. Any difference between the associate's carrying amount, fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

Property, plant and equipment

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

Depreciation is calculated on a diminishing value basis over the useful lives to the consolidated entity commencing from the time the assets is held ready for use. The following estimated useful lives are used in the calculation of depreciation:

Plant and equipment	25% - 37.5%
Leasehold improvements	37.5%
Motor vehicles	20%

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

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

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

Leases

As a lessee

The consolidated entity recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Generally, the consolidated entity uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the consolidated entity is reasonably certain to exercise, lease payments in an optional renewal period if the consolidated entity is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the consolidated entity is reasonably certain not to terminate early.

Note 1. Material accounting policy information (continued)

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the consolidated entity's estimate of the amount expected to be payable under a residual value guarantee, or if the consolidated entity changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The consolidated entity presents right-of-use assets and lease liabilities as separate items in the statement of financial position.

Short-term leases and leases of low-value assets

The consolidated entity has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets, including IT equipment.

The consolidated entity recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Exploration and evaluation expenditure

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

Exploration and evaluation expenditure incurred by the joint venture arrangement has been expensed in the statement of profit or loss until such time as the sample pit operation results have been returned.

Costs of site restoration are provided over the life of the facility from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with clauses of the mining permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

Any changes in the estimates for the costs are accounted for on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly, the costs have been determined on the basis that the restoration will be completed.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs of disposal.

Government grants

Government grants are recognised when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. It is recognised in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate. Grants related to income is presented as a credit in profit or loss, under "Other income".

Finance costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Employee benefits

Short-term employee benefits

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

Note 1. Material accounting policy information (continued)

Other long-term employee benefits

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

Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Business combinations

The Group accounts for business combinations using the acquisition method when control is transferred to the Group. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

Issued capital

Ordinary shares are classified as equity.

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

Earnings per share

Basic earnings per share

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

Diluted earnings per share

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

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

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

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

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

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

Note 1. Material accounting policy information (continued)

Rounding of amounts

The company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

Note 2. Critical accounting judgements, estimates and assumptions

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

Recovery of deferred tax assets

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

Exploration and evaluation costs

Exploration and evaluation costs have been capitalised on the basis that the consolidated entity will commence commercial production in the future, from which time the costs will be amortised in proportion to the depletion of the mineral resources. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised. In addition, costs are only capitalised that are expected to be recovered either through successful development or sale of the relevant mining interest. Factors that could impact the future commercial production at the mine include the level of reserves and resources, future technology changes, which could impact the cost of mining, future legal changes and changes in commodity prices. To the extent that capitalised costs are determined not to be recoverable in the future, they will be written off in the period in which this determination is made.

Impairment of investments in associates

The consolidated entity makes significant judgements about the impairment of a number of its investments in associates. The consolidated entity follows the guidance in AASB 136 'Impairment of Assets' to determine when an investment is impaired or when a previously recognised impairment is reversed. This determination requires significant judgement. In making this judgement the consolidated entity evaluates the outlook of the investee, including factors such as industry performance and the prospective potential of underlying exploration and evaluation assets.

Investments in associates accounted for using the equity method where voting rights below 20%

Management has determined that the consolidated entity has significant influence over its investments in Rey Resources Limited, ActivEX Limited and Key Petroleum Ltd, and that such investees should be treated as associates that are therefore equity accounted pursuant to AASB 128 Investments in Associates and Joint Ventures despite the consolidated entity's interest in voting rights in each investee being less than 20%. This judgement has been made having regard to the consolidated entity's substantial shareholding in each investee approaching 20% combined with the fact that 2 directors of the company are also directors of the respective investee. The consolidated entity also uses its judgement in assessing the timing of when significant influence changes and therefore when an investment either becomes an associate or ceases to be an associate.

Control over investee with a shareholding of 50%

Management has determined that the consolidated entity has control over its investment in BSF Angel Funding Limited. Although the company only holds 50% of the interest in the investee, the consolidated entity has the majority of the board representation of the investee, therefore have the power to direct the relevant activities of the investee. The consolidated entity is also exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. As such, the investee is treated as a subsidiary and is consolidated in accordance with AASB 10.

Note 3. Operating segments

Identification of reportable operating segments

The consolidated entity's operating segments are based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources. There is no aggregation of operating segments.

The consolidated entity operates in only one segment, being an investment and trading house. The segment result is as shown in the statement of profit or loss and other comprehensive income. Refer to statement of financial position for assets and liabilities.

Note 4. Revenue

	Consolidated	
	2024 \$'000	2023 \$'000
Corporate services	780	759
Commission revenue	1,909	217
Revenue	<u>2,689</u>	<u>976</u>

Disaggregation of revenue

The disaggregation of revenue from contracts with customers is as follows:

	Consolidated	
	2024 \$'000	2023 \$'000
<i>Geographical regions</i>		
Australia	2,515	807
Asia	49	48
Europe	125	121
	<u>2,689</u>	<u>976</u>
<i>Timing of revenue recognition</i>		
Service recognised at a point in time	1,909	217
Services transferred over time	780	759
	<u>2,689</u>	<u>976</u>

Note 5. Other income

	Consolidated	
	2024 \$'000	2023 \$'000
Net foreign exchange gain	1	-
Government grants**	35	45
R&D rebate	-	147
Miscellaneous Income	4	-
Other income	<u>40</u>	<u>192</u>

** Government grants consist of EMDG Grant.

Note 6. Expenses

Consolidated
2024 **2023**
\$'000 **\$'000**

Loss before income tax includes the following specific expenses:

Depreciation

Leasehold improvements	1	1
Plant and equipment	21	17

Total depreciation	22	18
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Amortisation

Right of use assets	243	260
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Total depreciation and amortisation	265	278
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Impairment

Impairment of investments in associates	2,321	2,549
Fair value movements in financial assets	11	2
Loss on disposal of plant and equipment	5	8
Impairment of loan to Rey Resources Limited	96	804

Total impairment	2,433	3,363
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Share of loss of associates

Rey Resources Limited	1,540	365
ActiveEx Limited	452	159
Key Petroleum Limited	96	50
BSF Enterprise PLC	13	432

Total share of losses of associates	2,101	1,006
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Finance costs

Interest and finance charges paid/payable on borrowings	2,649	2,442
Interest expense on lease	17	20

Finance costs expensed	2,666	2,462
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Leases

Minimum lease payments	324	246
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Superannuation expense

Defined contribution superannuation expense	90	115
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Note 7. Income tax expense

	Consolidated	
	2024	2023
	\$'000	\$'000
<i>Numerical reconciliation of income tax expense and tax at the statutory rate</i>		
Loss before income tax expense	(9,929)	(12,132)
Tax at the statutory tax rate of 25% (2023: 25%)	(2,482)	(3,033)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Entertainment expenses	2	1
Impairment of assets	748	839
Share of loss - associates	384	143
Interest expenses	560	560
Other adjustments	175	304
Current year tax losses not recognised	(613)	(1,186)
	613	1,186
Income tax expense	-	-

The above potential tax benefit for tax losses has not been recognised in the statement of financial position. These tax losses can only be utilised in the future if the continuity of ownership test is passed, or failing that, the same business test is passed.

Note 8. Cash and cash equivalents

	Consolidated	
	2024	2023
	\$'000	\$'000
<i>Current assets</i>		
Cash on hand	6	3
Cash at bank	1,324	2,094
	1,330	2,097

Reconciliation to cash and cash equivalents at the end of the financial year

The above figures are reconciled to cash and cash equivalents at the end of the financial year as shown in the statement of cash flows as follows:

Balances as above		
Cash and cash equivalents	1,330	2,097
Bank overdraft	-	-
Balance as per statement of cash flows	1,330	2,097

Note 9. Trade and other receivables

	Consolidated	
	2024	2023
	\$'000	\$'000
<i>Current assets</i>		
Trade receivables ¹	204	72
Loan receivable from associate - Dawson West JV ²	232	69
BAS receivable	(17)	10
	419	151
<i>Non-current assets</i>		
Deposits	147	119
Loan receivable from associate - Rey Resources Limited ³	900	804
Less: Provision for impairment of receivables (REY)	(900)	(804)
	147	119
	566	270

- Trade receivables are generally due for settlement within 30 days.
- On 23 December 2022, a loan agreement was entered into between the Company, Civil & Mining Resources Pty Ltd, a subsidiary of the Company, LD Dawson Pty Ltd and Dawson West Coal Management Pty Ltd pursuant to which the amount of \$514,789 advanced by the Company to Dawson West JV will be charged at the interest rate of 7% per annum until such repayment date as agreed by both parties.
- On 12 October 2017, the Group entered into a loan facility agreement with its associate, Rey Resources Limited (ASX: REY). Pursuant to the agreement the Group will provide up to \$1 million in standby funding for REY's exploration activities and general working capital for a term of one year. Interest will accrue at 12% per annum. The loan facility was subsequently increased to \$3.8 million and the maturity date extended to 31 December 2019. In April 2019, REY repaid \$2.5 million which remains available for re-draw before maturity. On 31 December 2019, the parties agreed to reduce the loan facility amount from \$3.8 million to \$2 million and to extend the maturity date to 31 March 2020 which has subsequently been further extended to 30 April 2026. As of 30 June 2024, the outstanding loan due from REY was fully impaired. As a result, the provision for impairment increased by \$96,000 which was charged to profit or loss for the year.

Note 10. Right-of-use assets

	Consolidated	
	2024	2023
	\$'000	\$'000
<i>Non-current assets</i>		
Right-of-use assets	763	206

Note 10. Right-of-use assets (continued)

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	\$'000	Total \$'000
Balance at 1 July 2022	452	452
Additions	14	14
Depreciation expense	(260)	(260)
	<hr/>	<hr/>
Balance at 30 June 2023	206	206
Additions	800	800
Depreciation expense	(243)	(243)
	<hr/>	<hr/>
Balance at 30 June 2024	<u>763</u>	<u>763</u>

The consolidated entity leases buildings for its office in Sydney. The original lease expired on 31 March 2024 and renewed for 3 years. On renewal, the terms of the leases are renegotiated, with fixed lease amount.

Note 11. Other assets

	Consolidated	
	2024	2023
	\$'000	\$'000
<i>Current assets</i>		
Prepayments	<u>32</u>	<u>40</u>

Note 12. Investments accounted for using the equity method

	Consolidated	
	2024	2023
	\$'000	\$'000
<i>Non-current assets</i>		
Rey Resources Limited (ASX: REY)	1,942	6,067
ActivEX Limited (ASX: AIV)	216	500
Key Petroleum Limited (ASX: KEY)	225	225
BSF Enterprise PLC (LSE: BSFA)	-	13
	<hr/>	<hr/>
	<u>2,383</u>	<u>6,805</u>

Refer to note 30 for further information on interests in associates.

Note 13. Property, plant and equipment

	Consolidated	
	2024	2023
	\$'000	\$'000
<i>Non-current assets</i>		
Leasehold improvements - at cost	154	153
Less: Accumulated depreciation	(154)	(153)
	<u>-</u>	<u>-</u>
Plant and equipment - at cost	396	393
Less: Accumulated depreciation	(359)	(340)
	<u>37</u>	<u>53</u>
	<u><u>37</u></u>	<u><u>53</u></u>

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Plant & equipment \$'000	Leasehold improvements \$'000	Motor vehicles \$'000	Total \$'000
Balance at 1 July 2022	59	1	-	60
Additions	19	-	-	19
Disposals	(8)	-	-	(8)
Depreciation expense	(17)	(1)	-	(18)
	<u>53</u>	<u>-</u>	<u>-</u>	<u>53</u>
Balance at 30 June 2023	53	-	-	53
Additions	-	-	65	65
Disposals	-	-	(65)	(65)
Depreciation expense	(16)	-	-	(16)
	<u>37</u>	<u>-</u>	<u>-</u>	<u>37</u>
Balance at 30 June 2024	<u><u>37</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>37</u></u>

Note 14. Exploration and evaluation expenditure

	Consolidated	
	2024	2023
	\$'000	\$'000
<i>Non-current assets</i>		
Mining exploration and evaluation expenditures	6,105	6,027
Less: Impairment	(2,498)	(2,498)
	<u>3,607</u>	<u>3,529</u>
	<u><u>3,607</u></u>	<u><u>3,529</u></u>

Note 14. Exploration and evaluation expenditure (continued)

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	\$'000	Total \$'000
Balance at 1 July 2022	3,585	3,585
Additions	7	7
Write off of assets	(63)	(63)
	<hr/>	<hr/>
Balance at 30 June 2023	3,529	3,529
Additions	78	78
Write off of assets	-	-
	<hr/>	<hr/>
Balance at 30 June 2024	<u>3,607</u>	<u>3,607</u>

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

Note 15. Trade and other payables

	Consolidated	
	2024	2023
	\$'000	\$'000
<i>Current liabilities</i>		
Trade payables	179	94
Other payables	549	1,045
	<hr/>	<hr/>
	<u>728</u>	<u>1,139</u>

The amounts are unsecured and are usually paid within 30 days of recognition. Refer to note 22 for further information on financial instruments.

Note 16. Borrowings

	Consolidated	
	2024	2023
	\$'000	\$'000
<i>Current liabilities</i>		
Dawson West JV - ASF loan	159	-
Dawson West JV - Star Diamond ¹	4,375	2,289
Dawson West JV - LDO loan	336	313
	<hr/>	<hr/>
	<u>4,870</u>	<u>2,602</u>
<i>Non-current liabilities</i>		
Convertible notes payable ²	29,408	26,170
	<hr/>	<hr/>
	<u>34,278</u>	<u>28,772</u>

1. On 5 October 2022, a loan agreement was entered into with Star Diamond Developments Limited ("Star Diamond") pursuant to which Star Diamond agreed to grant a \$5 million loan facility to Dawson West JV at an interest rate of 9% per annum for a term of twelve months, which was subsequently extended to 31 December 2024.

2. With the continuing support from Star Diamond, on 18 June 2021 Star Diamond agreed to increase the unsecured loan facility to a total of \$25 million ("SD Facilities"). On 3 June 2024, the maturity date of the SD Facilities was further extended to 30 April 2026. As of 30 June 2024, the total outstanding amount under the SD Facilities was 29.41 million which included an accrued interest of \$6.46 million with the remaining \$2.05 million available for further draw down by the Company.

Note 17. Lease liabilities

	Consolidated	
	2024 \$'000	2023 \$'000
<i>Current liabilities</i>		
Lease liability	256	203
<i>Non-current liabilities</i>		
Lease liability	493	10
	749	213

Refer to note 22 for further information on financial instruments.

Note 18. Provisions for employee benefits

The current provision for employee benefits includes all unconditional entitlements where employees have completed the required period of service and also those where employees are entitled to pro-rata payments in certain circumstances. The entire amount is presented as current, since the consolidated entity does not have an unconditional right to defer settlement. However, based on past experience, the consolidated entity does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. Leave that is not expected to be taken within the next 12 months is \$62,000 (2023: 85,000).

	Consolidated	
	2024 \$'000	2023 \$'000
<i>Current liabilities</i>		
Annual leave	157	155
Long service leave	62	85
	219	240

Note 19. Issued capital

	Consolidated			
	2024 Shares	2023 Shares	2024 \$'000	2023 \$'000
Ordinary shares - fully paid	792,397,534	792,397,534	122,662	122,662

Movements in ordinary share capital

Details	Date	Shares	Issue price	\$'000
Balance	30 June 2022	792,573,774		122,669
Share buy-back	1 July 2022 - 30 June 2023	(176,240)	\$0.041	(7)
Balance	30 June 2023	792,397,534		122,662
Share buy-back	1 July 2023 - 30 June 2024	-	\$0.000	-
Balance	30 June 2024	792,397,534		122,662

Note 19. Issued capital (continued)

Ordinary shares

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

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

Capital risk management

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

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

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

The consolidated entity would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current company's share price at the time of the investment. The consolidated entity is actively pursuing additional investments as it continues to integrate and grow its existing businesses in order to maximise synergies.

The consolidated entity is subject to certain financing arrangements covenants and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year.

The capital risk management policy remains unchanged from the 30 June 2023 Annual Report.

Note 20. Reserves

	Consolidated	
	2024 \$'000	2023 \$'000
Foreign currency reserve	(220)	(246)
Capital profits reserve	314	314
Non-controlling interests reserve	(2,802)	(2,802)
	<u>(2,708)</u>	<u>(2,734)</u>

Foreign currency reserve

The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars. It is also used to recognise gains and losses on hedges of the net investments in foreign operations.

Non-controlling interest reserve

The reserve is used to recognise non-controlling interest arising from the disposal of subsidiaries and to recognise the equity component within convertible notes payable and other borrowings.

Capital reserve

The capital reserve is used to recognise the equity component within convertible notes payable and other borrowings. It also includes the difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid.

Note 20. Reserves (continued)

Movements in reserves

Movements in each class of reserve during the current and previous financial year are set out below:

Consolidated	Foreign currency reserve \$'000	Non- controlling interest reserve \$'000	Capital reserve \$'000	Total \$'000
Balance at 1 July 2022	114	(2,802)	314	(2,374)
Foreign currency translation	(360)	-	-	(360)
Balance at 30 June 2023	(246)	(2,802)	314	(2,734)
Foreign currency translation	26	-	-	26
Balance at 30 June 2024	<u>(220)</u>	<u>(2,802)</u>	<u>314</u>	<u>(2,708)</u>

Note 21. Dividends

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

Note 22. Financial instruments

Financial risk management objectives

The consolidated entity's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The consolidated entity'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 consolidated entity. The consolidated entity uses derivative financial instruments such as forward foreign exchange contracts to hedge certain risk exposures. Derivatives are exclusively used for hedging purposes, i.e. not as trading or other speculative instruments. The consolidated entity uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks, ageing analysis for credit risk and beta analysis in respect of investment portfolios to determine market risk.

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

Market risk

Foreign currency risk

The consolidated entity undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

Price risk

The consolidated entity is exposed to equity securities price risk. This arises from investments held by the consolidated entity and classified in the statement of financial position as financial assets at fair value through profit or loss. The consolidated entity is not exposed to commodity price risk.

The consolidated entity's exposure to market price risk arises from its investments in shares in listed corporations which are subject to significant risk of changes in value from changing market prices. The risk is monitored and managed by having appropriate investment strategies in place.

Note 22. Financial instruments (continued)

Equity investments are publicly traded on the Australian Securities Exchange (ASX). If there was a 10% increase or decrease in the share price of Kaili Resources Limited (ASX: KLR), with all other variables held constant, the consolidated entity's profit before tax would have been \$1,760 higher/ \$1,760 lower (2023: \$2,880 higher/ \$2,880 lower). For those investments accounted for using the equity method, if there was a 10% increase or decrease in the share price of Rey Resources Limited (ASX: REY), ActivEX Limited (ASX: AIV) and Key Petroleum Limited (ASX: KEY), with all other variables held constant, the consolidated entity's profit before tax would have been \$238,312 higher/ \$238,312 lower (2023: \$679,234 higher/ \$679,234 lower). The percentage change is the expected overall volatility of the investments, which is based on management's assessment of reasonable possible fluctuations.

Interest rate risk

The consolidated entity's main interest rate risk arises from borrowings comprising convertible notes and loan payable and cash at bank.

Due to the short-term nature of the borrowings and fixed interest rate the consolidated entity's exposure to interest rate risk is limited to interest on cash at bank.

An official increase/decrease in interest rates of 50 (2023: 50) basis points would have a favourable/adverse effect on profit before tax of \$6,653 (2023: \$10,487) per annum.

Credit risk

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

In assessing the Expected Credit Losses ("ECL") of trade receivables management assesses historical write offs of trade receivables, aging of debtors and whether sufficient credit enhancement is provided by customers (letters of credit and bank guarantees). If the aging of trade receivables significantly increased then the recognition of ECL would need to be reassessed.

Receivables will only be written off if there is demonstrable evidence that there is no reasonable expectation of recovery.

There was no provision for lifetime or 12 month ECL recognised for trade receivables as at 30 June 2024 as there are minimal aged debts.

The credit risk on cash and cash equivalents is limited as the counterparties are banks with credit-ratings assigned by international credit-rating agencies that are at least investment grade.

The maximum exposure to credit risk on financial assets which have been recognised in the balance sheet is their carrying amount less impairment provision, if any as set out below.

	Consolidated	
	2024	2023
	\$'000	\$'000
Cash and cash equivalents	1,330	2,097
Trade receivables	419	151
Deposits	147	119
Loan receivables	-	-
	1,896	2,367

Liquidity risk

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

Note 22. Financial instruments (continued)

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

Remaining contractual maturities

The following tables detail the consolidated entity's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

Consolidated - 2024	Weighted average interest rate %	1 year or less \$'000	Between 1 and 2 years \$'000	Between 2 and 5 years \$'000	Over 5 years \$'000	Remaining contractual maturities \$'000
Non-derivatives						
<i>Non-interest bearing</i>						
Trade payables	-	179	-	-	-	179
Other payables	-	549	-	-	-	549
<i>Interest-bearing - variable</i>						
Lease liability	6 to 14%	256	493	-	-	749
<i>Interest-bearing - fixed rate</i>						
Convertible notes payable	10%	-	29,408	-	-	29,408
Total non-derivatives		984	29,901	-	-	30,885
Consolidated - 2023						
Consolidated - 2023	Weighted average interest rate %	1 year or less \$'000	Between 1 and 2 years \$'000	Between 2 and 5 years \$'000	Over 5 years \$'000	Remaining contractual maturities \$'000
Non-derivatives						
<i>Non-interest bearing</i>						
Trade payables	-	95	-	-	-	95
Other payables	-	1,044	-	-	-	1,044
<i>Interest-bearing - variable</i>						
Lease liability	6 to 14%	203	10	-	-	213
<i>Interest-bearing - fixed rate</i>						
Convertible notes payable	10%	-	26,170	-	-	26,170
Total non-derivatives		1,342	26,180	-	-	27,522

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Fair value of financial instruments

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

Note 23. Key management personnel disclosures

Compensation

The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

	Consolidated	
	2024	2023
	\$	\$
Short-term employee benefits	752,877	740,202
Post-employment benefits	31,737	30,404
Long-term benefits	(24,818)	4,093
	<u>759,796</u>	<u>774,699</u>

Note 24. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Nexia Sydney Audit, the auditor of the company, and unrelated firms:

	Consolidated	
	2024	2023
	\$	\$
<i>Audit services - Nexia Sydney Audit</i>		
Audit or review of the financial statements	118,632	106,613
<i>Audit services - unrelated firms</i>		
Audit or review of the financial statements	5,090	4,947
<i>Other services - unrelated firms</i>		
Tax compliance service	5,165	4,830
	<u>128,887</u>	<u>116,390</u>

Note 25. Contingencies

The consolidated entity has given bank guarantees as at 30 June 2024 of \$146,781 (30 June 2023: \$119,283).

Note 26. Commitments

	Consolidated	
	2024	2023
	\$'000	\$'000
<i>Capital commitments - Exploration and evaluation</i>		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	2,331	9,168
One to five years	-	2,281

Capital commitments relate to minimum annual expenditure required to be incurred by the consolidated entity under exploration licenses for tenements in Queensland. The Company has the ability to defer the payments to a later year.

Note 27. Related party transactions

Parent entity

ASF Group Limited is the parent entity.

Note 27. Related party transactions (continued)

Subsidiaries

Interests in subsidiaries are set out in note 29.

Associates

Interests in associates are set out in note 30.

Key management personnel

Disclosures relating to key management personnel are set out in note 23 and the remuneration report included in the directors' report.

Transactions with related parties

The following transactions occurred with related parties:

	Consolidated	
	2024	2023
	\$	\$
Sale of goods and services:		
Corporate service fee paid by associates	456,000	440,000
Property sale commission paid by Peninsula Gold Coast Development Pty Ltd, an entity in which Ms Min Yang has beneficial interest	1,850,472	48,420
Property sale commission paid by Paradise Development Holding Pty Ltd, an entity in which Ms Min Yang has beneficial interest	-	168,780
Payment for other expenses:		
Rent paid to SPC Investments Pty Ltd, an entity in which Ms Min Yang has a beneficial interest	276,837	273,419
Consulting fees paid to Gold Star Industry Ltd, an entity in which Mr Geoff Baker has a beneficial interest	76,500	57,000
Consulting fees paid to Chanticleer 168 Pty Ltd, an entity in which Mr Louis Chien has a beneficial interest	122,400	122,400

Receivable from and payable to related parties

The following balances are outstanding at the reporting date in relation to transactions with related parties:

	Consolidated	
	2024	2023
	\$	\$
Current receivables:		
Trade receivable from Peninsula Gold Coast Development Pty Ltd - a related entity of Director Min Yang	-	42,768

Loans to/from related parties

The following balances are outstanding at the reporting date in relation to loans with related parties:

	Consolidated	
	2024	2023
	\$	\$
Current receivables:		
Loan to associate - Dawson West Joint Venture	231,737	68,540
Non-current receivables:		
Loan to associate - Rey Resources Limited ¹	900	804
Less: Provision for impairment of receivables	(900)	(804)
	<u>-</u>	<u>-</u>

1. The difference of \$96,000 represented accrued interest for the year.

Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

Note 28. Parent entity information

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

Statement of profit or loss and other comprehensive income

	Parent	
	2024 \$'000	2023 \$'000
Loss after income tax	(5,693)	(2,759)
Total comprehensive income	(5,693)	(2,759)

Statement of financial position

	Parent	
	2024 \$'000	2023 \$'000
Total current assets	336	326
Total assets	20,596	23,051
Total current liabilities	1,786	1,786
Total liabilities	31,194	27,955
Equity		
Issued capital	122,662	122,662
Capital profits reserve	314	314
Accumulated losses	(133,574)	(127,880)
Total deficiency in equity	<u>(10,598)</u>	<u>(4,904)</u>

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries

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

Contingent liabilities

The parent entity had no contingent liabilities as at 30 June 2024 and 30 June 2023.

Capital commitments - Property, plant and equipment

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

Material accounting policy information

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

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

Note 29. Interests in subsidiaries

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

Name	Principal place of business / Country of incorporation	Ownership interest	
		2024 %	2023 %
ASF China Holdings Limited	British Virgin Islands	100.00%	100.00%
ASF Corporate Pty Ltd	Australia	100.00%	100.00%
ASF (Hong Kong) Ltd	Hong Kong	100.00%	100.00%
ASF Oil and Gas Holdings Pty Ltd	Australia	100.00%	100.00%
ASF Properties Pty Ltd	Australia	100.00%	100.00%
ASF Resources Pty Ltd	Australia	100.00%	100.00%
BSF International Ltd	United Kingdom	100.00%	100.00%
ASF Capital Pty Ltd	Australia	100.00%	100.00%
ASF Capital Investment Fund	Australia	100.00%	100.00%
ASF Capital Secure Fund	Australia	100.00%	100.00%
ASF Venture Fund	Australia	100.00%	100.00%
Activex Canning Pty Ltd #	Australia	100.00%	-

Acquired on 5 April 2024.

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries with non-controlling interests in accordance with the accounting policy described in note 1:

Name	Principal place of business / Country of incorporation	Principal activities	Parent Ownership interest		Non-controlling interest Ownership interest	
			2024 %	2023 %	2024 %	2023 %
Civil and Mining Resources Pty Ltd	Australia	Exploration	69.00%	69.00%	31.00%	31.00%
ASF Technologies (Australia) Pty Ltd	Australia	Development of SYTECH technologies	62.00%	62.00%	38.00%	38.00%
BSF Angel Funding Limited*	United Kingdom	Investment holding	50.00%	50.00%	50.00%	50.00%

* This entity only holds the investment in BSF Enterprise PLC which has been equity accounted, as shown in note 30.

Note 29. Interests in subsidiaries (continued)

Summarised financial information

Summarised financial information of subsidiaries with non-controlling interests that are material to the consolidated entity are set out below:

	Civil and Mining Resources Pty Ltd		ASF Technologies (Australia) Pty Ltd		BSF Angel Funding Ltd	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
<i>Summarised statement of financial position</i>						
Current assets	44	403	126	315	-	-
Non-current assets	3,363	3,359	289	279	-	13
Total assets	3,407	3,762	415	594	-	13
Current liabilities	5,565	1,007	15	16	-	-
Non-current liabilities	10,811	12,118	-	-	-	-
Total liabilities	16,376	13,125	15	16	-	-
Net assets/(liabilities)	(12,969)	(9,363)	400	578	-	13
<i>Summarised statement of profit or loss and other comprehensive income</i>						
Revenue	4	-	95	183	-	-
Expenses	(3,631)	(4,595)	(273)	(451)	(13)	(432)
Loss before income tax expense	(3,627)	(4,595)	(178)	(268)	(13)	(432)
Income tax expense	-	-	-	-	-	-
Loss after income tax expense	(3,627)	(4,595)	(178)	(268)	(13)	(432)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	(3,627)	(4,595)	(178)	(268)	(13)	(432)
<i>Statement of cash flows</i>						
Net cash used in operating activities	(2,639)	(2,637)	(251)	(267)	-	-
Net cash used in investing activities	(16)	(5)	-	-	-	-
Net cash from financing activities	2,474	2,842	-	-	-	-
Net increase/(decrease) in cash and cash equivalents	(181)	200	(251)	(267)	-	-
<i>Other financial information</i>						
Loss attributable to non-controlling interests	(1,125)	(1,426)	(68)	(102)	(6)	(216)
Accumulated non-controlling interests at the end of reporting period	(4,964)	(3,839)	181	249	(452)	(446)

The total accumulated non-controlling interests at the end of the reporting period is \$3,035,000 (2023: \$2,398,000)

Note 30. Interests in associates and joint venture

Interests in associates are accounted for using the equity method of accounting. Information relating to associates that are material to the consolidated entity are set out below:

Name	Principal place of business / Country of incorporation	Ownership interest	
		2024 %	2023 %
ASF Macau Multinational Holdings Ltd (1)	British Virgin Islands	40.00%	40.00%
Key Petroleum Ltd (2)	Australia	9.96%	11.45%
Rey Resources Limited (3)	Australia	16.39%	16.37%
ActivEX Limited (4)	Australia	16.74%	16.74%
UK Interational Innovation Centre Limited (5)	United Kingdom	20.00%	20.00%
BSF Enterprise PLC (6)	United Kingdom	8.04%	8.07%
Dawson West unincorporated joint venture (7)	Australia	60.35%	60.35%

- (1) Investment in this entity has been fully impaired.
- (2) Strategic investment for the consolidated entity, entity involved in oil and gas operations.
- (3) Strategic investment for the consolidated entity, entity involved in exploring and developing energy resources.
- (4) Strategic investment for the consolidated entity, entity involved in mineral operation targeting copper-gold and gold mineralisation.
- (5) Strategic investment for the consolidated entity, entity involved in the development of an incubation centre for development of early stage technology and life science businesses. Investment in this entity has been fully impaired.
- (6) Strategic investment for the consolidated entity, entity involved in the development of 3D tissue aimed to offer superior tissue replicates for the clinical and food markets. The investment is held through BSF Angel Funding Limited which the consolidated entity has an interest of 50% (note 12).
- (7) Unincorporated joint venture which is held through Civil and Mining Resources Pty Ltd which the consolidated entity has an interest of 68.97%.

Summarised financial information

	Key Petroleum Ltd		Rey Resources Ltd		ActivEX Limited		BSF Enterprise PLC		Dawson West JV	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000

Summarised statement of financial position

Current assets - cash and cash equivalents	172	345	268	240	53	680	2,063	5,034	44	243
Current assets - others	9	247	6	7	26	308	397	354	-	188
Non-current assets	1,330	1,645	33,830	39,930	5,821	7,366	4,801	4,983	3	5
Total assets	1,511	2,237	34,104	40,177	5,900	8,354	7,261	10,371	47	436
Current liabilities - others	295	267	837	537	105	142	343	451	6,360	4,700
Non-current liabilities - others	-	-	22,527	19,488	2,569	2,285	-	45	-	-
Total liabilities	295	267	23,364	20,025	2,674	2,427	343	496	6,360	4,700
Net assets	1,216	1,970	10,740	20,152	3,226	5,927	6,918	9,875	(6,313)	(4,264)

Note 30. Interests in associates and joint venture (continued)

	Key Petroleum Ltd *		Rey Resources Ltd *		ActivEX Limited *		BSF Enterprise PLC #		Dawson West JV *	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
<i>Summarised statement of profit or loss and other comprehensive income</i>										
Revenue	17	1,077	-	-	9	-	-	-	4	-
Interest income	8	-	-	-	-	-	-	-	-	-
Depreciation and amortisation Expenses	(986)	(640)	(9,401)	(2,230)	(2,710)	(979)	(3,126)	(2,333)	(2,535)	(3,822)
Profit/(Loss) before income tax	(961)	435	(9,401)	(2,230)	(2,701)	(984)	(3,126)	(2,333)	(2,531)	(3,822)
Other comprehensive income	-	-	-	-	-	-	-	-	-	-
Total comprehensive income	(961)	435	(9,401)	(2,230)	(2,701)	(984)	(3,126)	(2,333)	(2,531)	(3,822)

* Based on the audited financial statements of the associates and joint venture.

Based on the draft financial statements provided by the associate.

	Key Petroleum Ltd		Rey Resources Ltd		ActivEX Limited		BSF Enterprise PLC		Dawson West JV	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
<i>Reconciliation of the Group's carrying amount</i>										
Opening carrying amount	225	451	6,067	8,804	500	621	13	437	-	-
Share of loss after income tax	(96)	(50)	(1,540)	(365)	(452)	(159)	(13)	(432)	-	-
Foreign exchange difference	-	-	-	-	-	-	-	8	-	-
(Impairment)/Reversal of impairment	96	(176)	(2,586)	(2,372)	168	-	-	-	-	-
Acquisition of investment	-	-	-	-	-	38	-	-	-	-
Revaluation of investment	-	-	-	-	-	-	-	-	-	-
Closing carrying amount	225	225	1,941	6,067	216	500	-	13	-	-
Quoted fair value	225	225	1,941	6,067	216	613	1,675	3,596	-	-

Contingent liabilities

Contingent liabilities as at 30 June 2024 nil (30 June 2023: nil).

Commitments

Share of commitments but not recognised as liability as at 30 June 2024 nil (30 June 2023: nil).

Note 31. Events after the reporting period

On 30 July 2024, the Company announced the extension of its on-market share buyback program for a further 12 months from 13 August 2024 and up to 79.2 million shares of the Company can be bought back over the next 12 months under the new buyback program.

On 26 August 2024, the Company announced that Civil & Mining Resources Pty Ltd, a subsidiary of the Company, has entered into a loan agreement with Star Diamond Developments Limited ("Star Diamond") for a \$2 million unsecured loan facility which bears an interest rate of 9% per annum and for a term of 1 year. On 13 September 2024, the Company announced that Star Diamond has agreed to increase the unsecured loan facility by \$5 million to a total of \$7 million. Star Diamond also agreed to extend the maturity date of the Facility to 31 December 2025.

No other matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Note 32. Reconciliation of loss after income tax to net cash used in operating activities

	Consolidated	
	2024	2023
	\$'000	\$'000
Loss after income tax expense for the year	(9,929)	(12,132)
Adjustments for:		
Depreciation and amortisation	265	278
Net loss on disposal of property, plant and equipment	5	8
Net fair value loss on investments	2,399	2,551
Share of loss - associates	2,101	1,006
Write back impairment of investment in associates	(67)	-
Foreign exchange differences	(2)	-
Impairment of loan to associates	96	804
Interest and other finance costs	2,255	2,235
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	95	(482)
Increase/(decrease) in trade and other payables	(404)	1,747
Net cash used in operating activities	<u>(3,186)</u>	<u>(3,985)</u>

Note 33. Changes in liabilities arising from financing activities

Consolidated	Convertible notes \$'000	Loan payable \$'000	Other loans \$'000	Total \$'000
Balance at 1 July 2022	23,955	-	-	23,955
Loan drawdown	1,400	-	2,602	4,002
Loan repayment	(1,400)	-	-	(1,400)
Interest payable	2,242	-	-	2,242
Repayment of interest	(27)	-	-	(27)
Balance at 30 June 2023	26,170	-	2,602	28,772
Loan drawdown	1,000	-	1,789	2,789
Loan repayment	-	-	-	-
Interest payable	2,238	-	479	2,717
Repayment of interest	-	-	-	-
Balance at 30 June 2024	<u>29,408</u>	<u>-</u>	<u>4,870</u>	<u>34,278</u>

Note 34. Earnings per share

	Consolidated	
	2024	2023
	\$'000	\$'000
Loss after income tax	(9,929)	(12,132)
Non-controlling interest	637	587
Loss after income tax attributable to the owners of ASF Group Limited	<u>(9,292)</u>	<u>(11,545)</u>

Note 34. Earnings per share (continued)

	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>792,397,534</u>	<u>792,491,612</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>792,397,534</u>	<u>792,491,612</u>
	Cents	Cents
Basic earnings per share	(1.17)	(1.46)
Diluted earnings per share	(1.17)	(1.46)

Entity name	Entity type	Place formed / incorporated	% of share capital held	Tax residency
ASF Group Limited	Body Corporate	Australia	-	Australia
ASF Corporate Pty Ltd	Body Corporate	Australia	100.00%	Australia
ASF Oil and Gas Holdings Pty Ltd	Body Corporate	Australia	100.00%	Australia
ASF Properties Pty Ltd	Body Corporate	Australia	100.00%	Australia
ASF Resources Pty Ltd	Body Corporate	Australia	100.00%	Australia
ActivEx Canning Pty Ltd	Body Corporate	Australia	100.00%	Australia
ASF Capital Pty Ltd	Body Corporate	Australia	100.00%	Australia
ASF Capital Investment Fund	Fund	Australia	100.00%	Australia
ASF Capital Secure Fund	Fund	Australia	100.00%	Australia
ASF Venture Fund	Fund	Australia	100.00%	Australia
ASF Technologies (Australia) Pty Ltd	Body Corporate	Australia	62.00%	Australia
Civil and Mining Resources Pty Ltd	Body Corporate	Australia	68.97%	Australia
BSF International Ltd	Body Corporate	United Kingdom	100.00%	United Kingdom
BSF Angel Funding Limited	Body Corporate	United Kingdom	50.00%	United Kingdom
ASF (Hong Kong) Ltd	Body Corporate	Hong Kong	100.00%	Hong Kong
ASF China Holdings Limited	Body Corporate	British Virgin Islands	100.00%	British Virgin Islands

Basis of preparation

This consolidated entity disclosure statement (CEDDS) has been prepared in accordance with the *Corporations Act 2001* and includes information for each entity that was part of the consolidated entity as at the end of the financial year in accordance with AASB 10 *Consolidated Financial Statements*.

Determination of tax residency

Section 295 (3A)(vi) of the *Corporations Act 2001* defines tax residency as having the meaning in the *Income Tax Assessment Act 1997*. The determination of tax residency involves judgement as there are different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

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

- **Australian tax residency**
The consolidated entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5
- **Foreign tax residency**
Where necessary, the consolidated entity has used independent tax advisers in foreign jurisdictions to assist in its determination of tax residency to ensure applicable foreign tax legislation has been complied with (see section 295(3A)(vii) of the *Corporations Act 2001*).

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2024 and of its performance for the financial year ended on that date;
- 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
- the information disclosed in the attached consolidated entity disclosure statement is true and correct.

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

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

A handwritten signature in black ink, appearing to read "Min Yang", written over a horizontal line.

Min Yang
Chairman

30 September 2024

Independent Auditor's Report to the Members of ASF Group Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of ASF Group Limited (the Company and its subsidiaries (the ASF Group)), which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the Directors' declaration.

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

- i) giving a true and fair view of the ASF Group's financial position as at 30 June 2024 and of its financial performance for the year then ended; and
- ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for opinion

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

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

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

Material uncertainty related to going concern

We draw attention to Note 1 in the financial report, which indicates that the Company incurred a net loss after income loss and non-controlling interest of \$9,292,000 during the year ended 30 June 2024 and had net current liabilities of \$4,292,000, net cash outflow from operating activities of \$3,186,000. As stated in Note 1, these events or conditions, along with other matters as set forth in the note, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<p>Investments accounted for using the equity method</p> <p>Refer to note 30 (Interests in associates and joint venture).</p> <p>As at 30 June 2024, the Group has investments in six associates and one joint venture. These investments are recognised in accordance with AASB 128 <i>Investments in Associates and Joint Ventures</i>.</p> <p>AASB 128 requires management to assess their level of influence over the investments and thus determine the appropriate accounting classification. Once the determination has been made, it requires management to recognise their share of the profits/losses of the investee. Management is also required to assess the investments for indicators of impairment at each reporting date.</p> <p>This is a key audit matter due to the materiality of the balance at reporting date and the judgement required by management to conclude that the accounting treatment under AASB128 is appropriate.</p>	<p>Our procedures included, amongst others:</p> <ul style="list-style-type: none"> obtained and reviewed management's assessment regarding the appropriate classification of investments; verified Group's ownership of investments to share records; reviewed management's calculations of their share of the profit or loss of the investments accounted for using the equity method and verified to supporting documentation (e.g. audited financial statements); assessed significant investments contributed to the result of the Group and applied audit procedures under ASA 600 <i>Special considerations - Audits of a Group Financial Report</i>, including, but not limited to, reviewing audit work paper completed by component auditor, to ensure there is no indication of material misstatements or key risk from the underlying entities; considered management's impairment assessment of investments accounted for using the equity method; re-performed the impairment calculation to ensure accuracy; and assessed the appropriateness of the related disclosures within the financial statements.
<p>Exploration and evaluation expenditure</p> <p>Refer to note 14 (Exploration and evaluation expenditure)</p> <p>The Group recognises capitalised exploration and evaluation expenditure in accordance with AASB 6 <i>Exploration for and Evaluation of Mineral Resources</i>.</p> <p>As at 30 June 2024, exploration and evaluation assets in the Statement of Financial Position amounted to \$3,607,000. Additionally, in the Statement of Profit or Loss and Other</p>	<p>Our procedures included, amongst others:</p> <ul style="list-style-type: none"> evaluated the Group's accounting policy to recognise exploration and evaluation assets using the criteria in AASB 6 <i>Exploration and Evaluation of Mineral Resources</i>; vouched a sample of expenditure items to assess whether they meet the recognition criteria in AASB 6; confirmed whether the rights to tenure of the areas of interest remained current at balance date through third party records;

Key audit matter	How our audit addressed the key audit matter
<p>Comprehensive Income, the Group expensed \$663,000 for expenditure relating to exploration projects.</p> <p>The Group's accounting policy in respect of the exploration assets is outlined in note 1.</p> <p>The Group did not recognise any impairment in relation to exploration and evaluation expenditure during the period.</p> <p>This is a key audit matter because the carrying value of the assets are material to the financial statements and significant judgements have been applied in determining whether an indicator of impairment exists.</p>	<ul style="list-style-type: none"> • obtained an understanding of the status of ongoing exploration programmes for the respective areas of interest; • discussed with management the Group's ability and intention to undertake further exploration activities; and • assessed the appropriateness of the related disclosures within the financial statements.

Other information

The Directors are responsible for the other information. The other information comprises the information in ASF Group Limited's annual report for the year ended 30 June 2024, but does not include the financial report and the auditor's report thereon. Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Directors' responsibility for the financial report

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

- a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001; and
- b) the consolidated entity disclosure statement that is true and correct in accordance with the Corporations Act 2001, and

for such internal control as the Directors determine is necessary to enable the preparation of:

- i) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

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

Auditor's responsibility for the audit of the financial report

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

A further description of our responsibilities for the audit of the financial report is located at The Australian Auditing and Assurance Standards Board website at: www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf. This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 9 to 14 of the Directors' Report for the year ended 30 June 2024.

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

Responsibilities

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

Nexia

Nexia Sydney Audit Pty Ltd



Erin Tanyag

Director

Dated: 30 September 2024

Sydney, Australia

The shareholder information set out below was applicable as at 20 September 2024.

Distribution of equitable securities

Analysis of number of equitable security holders by size of holding:

	Ordinary shares	
	Number of holders	% of total shares issued
1 to 1,000	1,357	568,758
1,001 to 5,000	988	2,657,306
5,001 to 10,000	333	2,693,355
10,001 to 100,000	363	9,903,768
100,001 and over	92	776,574,347
	<u>3,133</u>	<u>792,397,534</u>
Holding less than a marketable parcel	<u>2,810</u>	<u>7,681,873</u>

Equity security holders

Twenty largest quoted equity security holders

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

	Ordinary shares	
	Number held	% of total shares issued
FY HOLDINGS LIMITED	86,914,266	10.969%
EVERBRIGHT SECURITIES INVESTMENT SERVICES (HK) LTD <CLIENTS A/C>	76,534,488	9.659%
XIN ZHANG	46,000,000	5.805%
WAI SANG HO	44,808,270	5.655%
RISING GAIN HOLDINGS LIMITED	39,214,563	4.949%
MILE OCEAN LIMITED	39,000,000	4.922%
TEAM FORTUNE TRADING LIMITED	39,000,000	4.922%
WELL SMART CAPITAL HOLDINGS	38,462,500	4.854%
FOREVER GRAND GROUP LIMITED	37,156,615	4.689%
WISEPLAN HOLDINGS LTD	34,086,919	4.302%
BETTER FUTURE CAPITAL INVESTMENT LIMITED	33,750,000	4.259%
XING MAO LIMITED	31,226,457	3.941%
MR JIARONG HE	31,092,702	3.924%
GLORY RESOURCES INTERNATIONAL INVESTMENT LIMITED	30,000,000	3.786%
MR ZHEN LI	29,124,153	3.675%
JADE SILVER INVESTMENTS LIMITED	26,573,776	3.354%
NGA FONG LAO	18,026,525	2.275%
MR JIANZHONG YANG	10,000,000	1.262%
GOLD STAR INDUSTRY LIMITED	7,734,517	0.976%
MR YIMING DU & MS LI CHEN	5,625,000	0.710%
	<u>704,330,751</u>	<u>88.886%</u>

Unquoted equity securities

There are no unquoted equity securities.

Substantial holders

Substantial holders in the company are set out below:

	Ordinary shares	
	Number held	% of total shares issued
FY HOLDINGS LIMITED	86,914,266	10.969%
EVERBRIGHT SECURITIES INVESTMENT SERVICES (HK) LTD <CLIENTS A/C>	76,534,488	9.659%
XIN ZHANG	46,000,000	5.805%
WAI SANG HO	44,808,270	5.655%

Voting rights

The voting rights attached to ordinary shares are set out below:

Ordinary shares

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

There are no other classes of equity securities.

Exploration Tenements

Tenement Number	Tenement Name	Interest owned %
EPC2427	Palmgrove Creek	87.5%
EPC2426	Devils Nest	87.5%
MDL521	Dawson West	87.5%
MLA700025	Dawson West (Application)	87.5%
MLA700020	Dawson West (Application)	87.5%
EPC2386	Lonesome Creek	100%
EPC2421	Cracow West	100%
EPC2390	Styx	100%
EPC2432	Carnarvon	100%
EPC2392	Mount Lorne	100%
EPC2387	Bioela South	100%
EPC2459	Riverview	100%
EPC2360	Denison Creek	100%
EPC2451	Mount Patterson	100%
EPC04/2681	Liveringa (Application)	100%

Directors	Ms Min Yang – Chairman Mr Nga Wong (Alex) Lao Mr Quan (David) Fang Mr Wai Sang Ho Mr Geoff Baker Mr Chi Yuen (William) Kuan Mr Louis Li Chien
Company secretary	Mr Chi Yuen (William) Kuan
Registered office	Suite 2, 3B Macquarie Street Sydney NSW 2000 Telephone: 02 9251 9088 Facsimile: 02 9251 9066
Principal place of business	Suite 2, 3B Macquarie Street Sydney NSW 2000 Telephone: 02 9251 9088 Facsimile: 02 9251 9066
Share register	Boardroom Pty Limited Level 8, 210 George Street Sydney NSW 2000 Telephone: 02 9290 9600 Facsimile: 02 9279 0664
Auditor	Nexia Sydney Audit Pty Ltd Level 22, 2 Market Street Sydney NSW 2000
Solicitors	Thomson Geer Lawyers Level 25 1 O'Connell Street, Sydney NSW 2000
Bankers	Commonwealth Bank of Australia 48 Martin Place, Sydney NSW 2000
Stock exchange listing	ASF Group Limited shares are listed on the Australian Securities Exchange (ASX code: AFA)
Website	www.asfgroupltd.com
Corporate governance statement	The corporate governance statement was approved at the same time as the annual report and can be found at https://www.asfgroupltd.com/investor-centre/