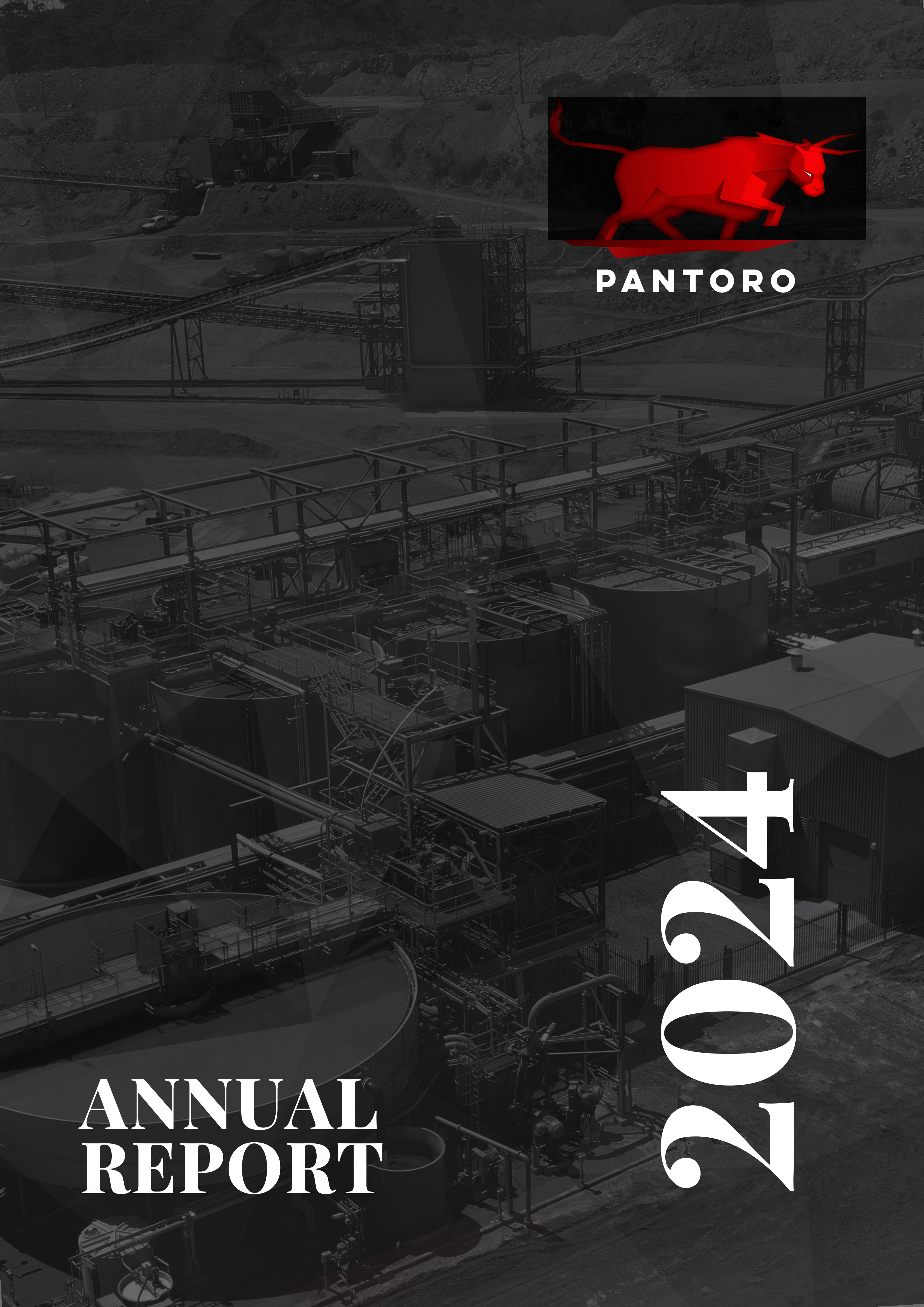

PANTORO

ANNUAL REPORT

2024

CORPORATE DIRECTORY

BOARD OF DIRECTORS

Wayne Zekulich (Independent Non-Executive Chairman)
Paul Cmrlec (Managing Director)
Kevin Maloney (Non-Executive Director)
Mark Maloney (Non-Executive Director)
Colin McIntyre (Independent Non-Executive Director)
Fiona Van Maanen (Independent Non-Executive Director)

COMPANY SECRETARY
David Okeby

REGISTERED OFFICE
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Telephone: +61 8 6263 1110

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West Perth WA 6872

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admin@pantoro.com.au

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Facsimile: +61 8 9429 2436

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Perth WA 6000
GPO Box 2975 Melbourne Vic 3001
Telephone: 1300 850 505 (within Australia)
Telephone: +61 3 9415 4000 (outside Australia)
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SECURITIES EXCHANGE
Australian Securities Exchange Limited
Level 40, Central Park
152-158 St Georges Tce
Perth WA 6000
Code: PNR

Cover Photo
Processing Facility and Infrastructure, Norseman

Picture Opposite
Ore Haulauge from Scotia Operations

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MANAGING DIRECTOR'S LETTER

DEAR SHAREHOLDERS

The board of directors of Pantoro Limited (Pantoro) is pleased to present its annual report for 2024.

The 2024 financial year has been a pivotal period in the growth of your company with improved results achieved in every quarterly period since the commencement of operations at Norseman. The growing production profile, combined with record gold prices saw operations at Norseman in a cashflow positive position for the second half of the year despite several capital projects being active during the period.

A major modification to the mining strategy at the Scotia Mining centre was announced in January 2024, precipitating the positive results in the second half of the year. Ongoing cost escalation in the open pit environment dictated an earlier transition to underground mining than previously planned in order to optimise economic outcomes. The Scotia Underground Mine commenced in May 2024 as a result. The Scotia Open Pit continues to operate, but the current phase of open pit mining will be completed during the December 2024 quarter and the underground mine will transition to become the primary feed source for the operation over the coming years, increasing feed grade to the processing plant.

The board decided to sell the rights to lithium, nickel and copper during the period, realising a $30 million payment in November 2023 ahead of the lithium price crash which followed. The sale gave the company the financial freedom necessary to execute its revised mine plan. The improved results realised in delivery of the mine plan provided a number of investors with confidence in our vision for the growth of the Norseman operation, and a transformational $100 million capital raise was completed at a premium to the 30 day VWAP, placing the company in an excellent financial position. As a result, the USD29.6 million (AUD 44.5 million) term loan with Nebari Partners LLC was paid in its entirety realising substantial savings in interest payments that would have been due during the subsequent 3 years. Pantoro's only outstanding debt is a USD 12.5 million (AUD 18.9 million) convertible note which matures in June 2027.

Our growth strategy, which aims to realise development of an additional two underground mines during the coming two years is in full swing with extensional growth drilling to commence from underground platforms at Scotia, and surface positions in the Butterfly area of the Norseman Mainfield in September 2024. In addition, preparations are underway for re-entry to the Bullen decline where drilling will target highly prospective un-mined zones from existing development positions with the goal of re-commencing operations in the near term.

The company is well funded to execute the growth strategy with $104 million in cash and gold at the end of the year.

The past year, and in particular the past six months have been extremely positive for our shareholders with record gold prices underpinning our success. I would like to acknowledge and thank our hard working employees and contractors who continue to strive for ongoing growth and improvement of the mine. Thanks also to our many corporate supporters including our loyal shareholders, brokers and advisors that have worked tirelessly through good times and bad during the past few years.

I believe that the Norseman Gold Project is in the best position that it has been in for a number of decades and the future is bright!

Yours sincerely

P.M. C

Paul Cmrlec
Managing Director

Picture Opposite
Scotia Pit Operations

REVIEW OF OPERATIONS

About the Norseman Gold Project

Pantoro Limited has a 100% interest in the Norseman Project.

On 13 February 2023, Pantoro announced an agreed merger with Tulla Resources Plc, the then 50% partner at Norseman. The merger was completed in late June 2023, with Tulla Shareholders receiving Pantoro shares as consideration.

Since its entry to the project in 2019, Pantoro has completed over 300,000 metres of RC and diamond drilling, defined Ore Reserves of over 950,000 ounces, completed construction of a new 1 million tonnes per annum gold processing plant which is operating above nameplate capacity, and recommenced production. The current Mineral Resource is 4.9 million ounces of gold. Open pit and underground mining is underway.

The Norseman Project is located in the Eastern Goldfields of Western Australia, at the southern end of the highly productive Norseman-Wiluna greenstone belt. The project lies approximately 725 km east of Perth, 200 km south of Kalgoorlie, and 200 km north of Esperance.

Many of the Mineral Resources defined to date remain open along strike and at depth, and many of the Mineral Resources have only been tested to shallow depths. In addition, there are numerous anomalies and mineralisation occurrences which are yet to be tested adequately to be placed into Mineral Resources, with a number of highly prospective targets already identified.

The project comprises a number of near-contiguous mining tenements, most of which are pre-1994 Mining Leases. The tenure includes approximately 70 lineal kilometres of the highly prospective Norseman – Wiluna greenstone belt covering approximately 800 square kilometres.

Historically, the Norseman Project areas have produced over 5.5 million ounces of gold since operations began in 1935, and Norseman is one of, if not the highest grade field within the Yilgarn Craton.

Norseman Gold Project Activity Report

The Norseman Gold Project transitioned to profitable operations during the year, with positive cashflow generation on an All in Cost (AIC) basis for the second half of the year. Production from the mine has increased in each quarter since commencement of operations in November 2022.

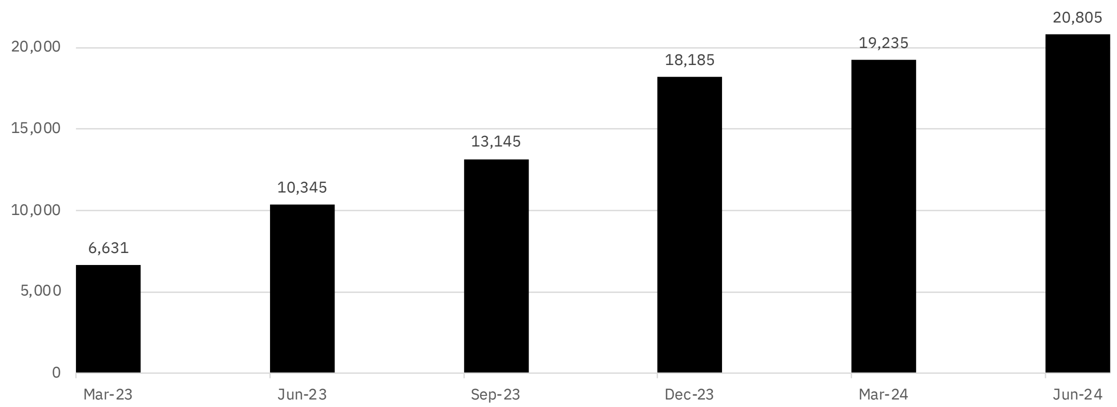


Figure – Quarterly ounces produced.

Labour issues which hampered operations during the previous year eased substantially during the period, and in particular during the second half of the year coinciding with the significant pull-back in the nickel and lithium industries. Strengthening of the company balance sheet and repayment of debt has also assisted in the attraction of high quality candidates during the later part of the year.

Active mines during the period included the OK Underground Mine and open pit operations at the Scotia Mining Centre. Open pits mined during the period included the Green Lantern and Scotia Pits, with underground development commencing at the latter during May 2024.

The processing plant has performed exceptionally well during the year, exceeding nameplate capacity whilst retaining expected gold recoveries.

OK Underground Mine

The OK Underground Mine continued to perform well during the year with both the Star of Erin and O2 Lodes progressing.

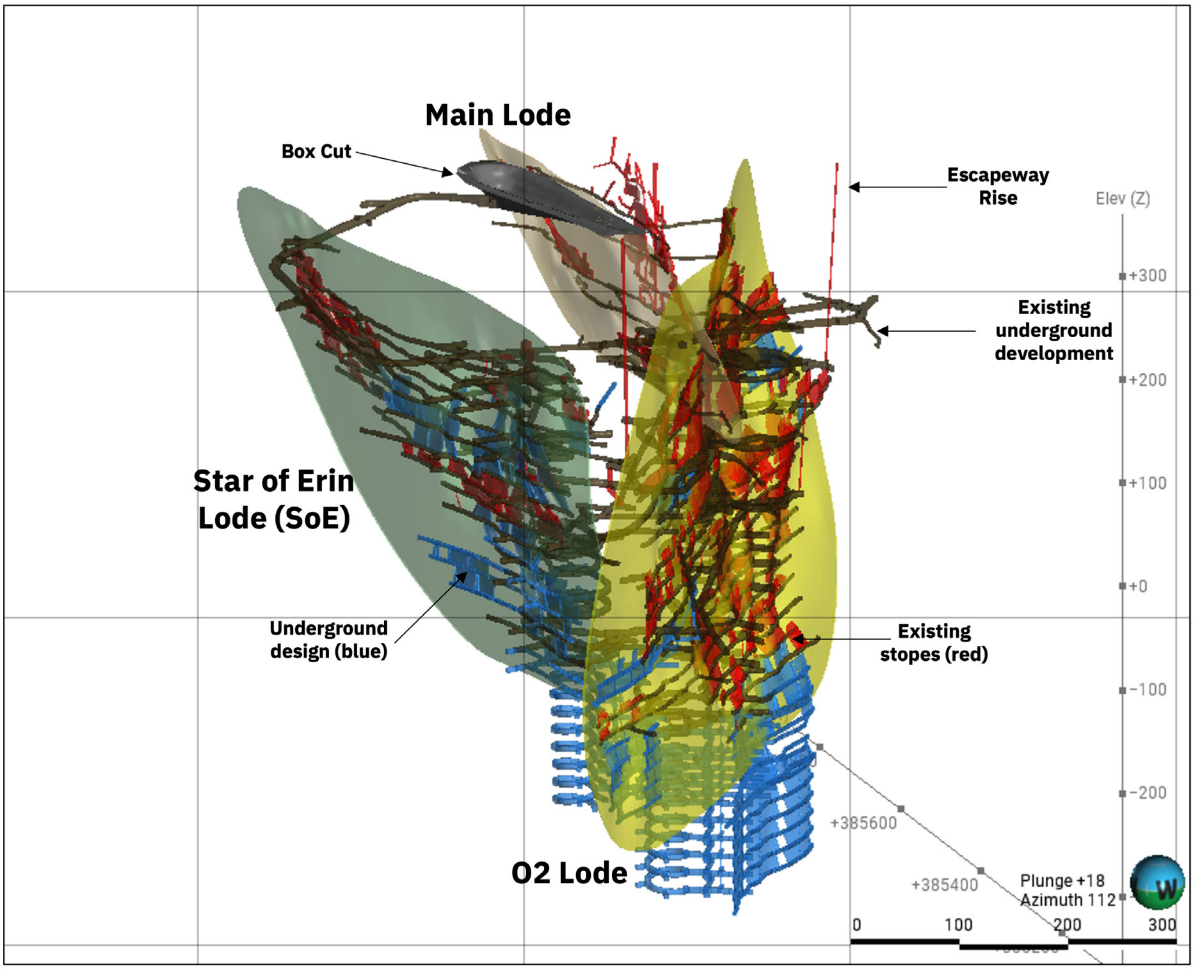


Figure – O2 Lode and Star of Erin Lodes at the OK Underground Mine.

Following dewatering and rehabilitation works during FY2023, the first virgin areas of the historically mined O2 lode were accessed on the 515 and 530 levels and development was approaching the 550 level cross-cut by the end of the period. Both the 515 and 530 levels revealed high grade mineralisation over the expected strike length with exceptionally high grades immediately west of the cross-cut on both levels.

Development and stoping activities around the Star of Erin Lode continued to show substantial upside in both grade and volume compared to Mineral Resource models in place prior to the recommencement of mining in 2022.

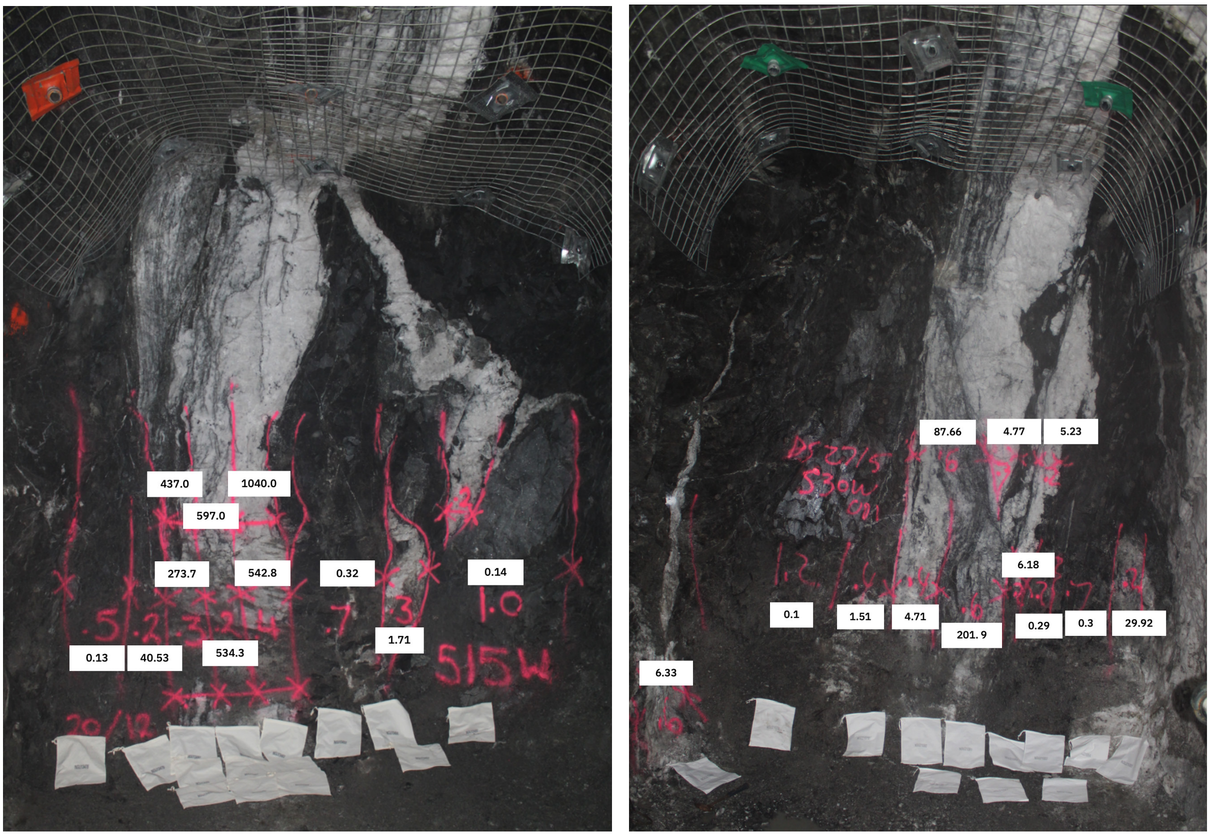
Capital decline development at Star of Erin has been completed between the current stoping front at the 145 level and the 308 level approximately 150 metres below placing the mine in a strong position heading into FY2025.

The updated Ore Reserve for the OK Underground Mine now stands at 432,000 tonnes @ 7.4 g/t Au for 102,000 ounces completely replacing mining depletion within the period and extending the OK life of mine. Substantial drilling programs are planned at the mine during FY2025 targeting both depth extensions in current mining areas as well as exploration for substantial lateral extensions and new lodes as part of the operations growth strategy.

REVIEW OF OPERATIONS (CONTINUED)

Norseman Gold Project Activity Report (Continued)

OK Underground Mine (Continued)



Pictures – 515W Face 3 (Left) and 530W Face 9 (Right), annotated with Au g/t.

Mine physicals substantially increased in FY2024 compared with FY2023, reflective of the completion of mine rehabilitation and major capital works during the previous year. There were no major capital works required during the year other than ongoing decline development and associated underground infrastructure in both the O2 and Star of Erin Declines. Development is planned to be ongoing throughout the coming year in both active areas of the mine.

Key Underground Statistics	FY2024	FY2023
Capital Development (m)	3,905	1,839
Operating Development (m)	4,118	2,536
Ore Mined - Tonnes	183,355	51,163
Ore Mined - Grade (g/t)	4.61	4.64
Ore Mined - Ounces	27,181	7,630
Waste Tonnes Mined	403,360	211,712
Operating Cost	$34.24M	$13.32M
Sustaining Capital	$10.68M	$22.22M
Major Capital	$16.38M	$6.66M

Scotia Mining Centre

Both the Scotia and Green Lantern Open Pits were mined throughout the year. In January 2024, Pantoro announced a significant change to the mining strategy for the Scotia Mining Centre, reducing the open pit scope and bringing forward underground development.

The change in strategy was reflective of the increased open pit cost environment making underground extraction of the ore bodies favourable compared with further high strip ratio pit cut-backs. The modified strategy required a substantial reduction in open pit mining volumes and the replacement of open pit contractors on 1 February 2024. Underground mining contractors were appointed and commenced development from the base of the Scotia South Open Pit in May 2024. The current phase of open pit mining at the Scotia Mining Centre will be completed during the first half of the December 2024 quarter, coinciding with completion of the Scotia Central and Green Lantern Open Pits. Stockpiles of approximately 0.5 million tonnes of medium and low grade ore are expected to be available for processing upon completion of the open pits.

Picture – Scotia Operations showing portal in background.

Open pit mining is expected to recommence in the Princess Royal Mining centre during the March 2025 quarter.

Scotia Open Pit

Following the changes to the mining strategy for Scotia, operations have progressed in accordance with plan. Scotia South was completed during June 2024 and Scotia Central is expected to be completed in the first half of the December 2024 quarter.

The Scotia North Open Pit has been deferred to later in the mine life and assessments for mining the previously planned areas from underground will be undertaken during FY2025 ahead of finalisation of the mining strategy for that area.

Green Lantern Open Pit

Stage 1 of the Green Lantern Open Pit has advanced in accordance with the updated mining strategy for the Scotia mining centre and is expected to be completed around the same time as the Scotia Open Pit in the December 2024 quarter.

The deeper areas of the Green Lantern Open Pit have exposed zones of higher grade mineralisation as expected, and opportunities for underground mining at Green Lantern will be further assessed once the Scotia Underground development is in steady state and after additional resource development drilling.

Stage 2 of the Green Lantern Open Pit is currently expected to be undertaken towards the end of Norseman's mine life.

REVIEW OF OPERATIONS (CONTINUED)

Norseman Gold Project Activity Report (Continued)

Scotia Mining Centre (Continued)

Open Pit Production	FY2024			
	Q1	Q2	Q3	Q4
BCM Mined	1,666,376	1,379,028	629,846	682,902
Ore Mined - Tonnes	226,845	266,647	237,966	274,452
Ore Mined - Grade (g/t)	1.30	1.66	1.67	1.83
Ore Mined - Ounces	9,504	14,270	12,801	16,142
LG Ore Mined - Tonnes	54,274	78,349	67,567	79,678
LG Ore Mined - Grade (g/t)	0.61	0.73	0.65	0.69
LG Ore Mined - Ounces	1,067	1,828	1,408	1,766
$/BCM (Operating + Capital)	$18.40	$20.53	$37.28	$35.50
$/Ore Tonne (Inc. Capital)	$109.05	$82.07	$76.85	$68.47

Scotia Underground

Development at the Scotia Underground Mine was established via twin portals (access and ventilation) from the base of the Scotia South Open Pit in May 2024.

The mine is now fully established with additional fixed infrastructure including the site power station, underground change rooms and temporary office and workshop facilities in place. The underground operations will assume control of the existing permanent offices and workshop upon completion of open pit operations.

Ore development is underway and the mine is expected to be a substantial contributor to site production from the December 2024 quarter. Operations are expected to be in steady state by the end of the March 2025 quarter.

Processing

The Norseman Processing Plant has operated above nameplate capacity for much of the period and is now comfortably running 20% above nameplate capacity at an annualised rate of 1.2 million tonnes per annum.

Despite the increased milling rate, gold recoveries have remained high as expected at over 93%.

Picture – Norseman Processing Facility.

Ongoing optimisation work in the plant has seen a substantial reduction in several key consumables including reagents, mill balls, crusher mill and liners.

Mill reliability has been excellent with 99% utilisation for the second half of the year. The comminution circuit design which includes large coarse ore and fine ore stockpiles has greatly assisted in ensuring uninterrupted milling operations during both primary and secondary/tertiary crusher maintenance.

Processing Plant Production	FY2024			
	Q1	Q2	Q3	Q4
Milled - Tonnes	256,196	271,893	284,535	305,273
Milled - Grade	1.76	2.24	2.22	2.26
Gold Produced (oz)	13,145	18,185	19,235	20,805
Processing $/t milled	$39.45	$39.86	$37.02	$35.30

Growth

Following the improvement to operational outcomes and the $100 million equity raising completed in May 2024, expansion of mine operations has become a priority. Pantoro released its FY2025 exploration strategy to the ASX during June 2024, outlining a $25 million budget for the coming year which will entail surface and underground drilling and re-entry and rehabilitation of the Bullen Underground Mine. The Bullen Mine provides access to the majority of the Norseman Mainfield with the objecting of delineating several large additional mining areas.

Work to execute the growth strategy is well underway with drilling from the surface in the Butterfly area of the Mainfield mining area commencing in September 2024. Extensional drilling from underground at Scotia also commenced during September 2024.

Pantoro has a clear objective to add at least two additional underground mines to the operation in order to replace lower grade open pit feed material with higher grade ore, thereby increasing target production to +200,000 ounces per annum.

Exploration and project teams are now in place to control the growth activities during the exciting year ahead.

Growth activities were limited for the majority of the previous year as all efforts were concentrated on getting operations to a profitable position. Ongoing underground extensional drilling was undertaken at OK during the first half of the year. Combined with development the drilling at OK has delivered ongoing Ore Reserve growth, under writing a substantially longer life than planned in pre-mining feasibility studies.

Surface drilling was undertaken at the Desirables deposit in the Princess Royal mining area. The Desirables Open Pit, which is now in the Ore Reserve, lies within 500 metres of the Slippers Open Pit, and the two pits will be able to mined in unison, greatly improving efficiencies.

Picture – Surface drilling for the growth programme underway.

REVIEW OF OPERATIONS (CONTINUED)

Corporate

Share Issues and corporate structure

On 9 August 2023, the Company announced a capital raise by way of a placement at an issue price of $0.06 per share to institutional and sophisticated investors. On 15 August 2023, the Company completed the placement raising $30,000,000 (before costs) and issued 500,000,000 ordinary shares.

On 14 May 2024, the Company announced a capital raise by way of a placement at an issue price of $0.08 per share to institutional and sophisticated investors to be completed in two tranches. On 20 May 2024, the Company completed tranche 1 of the placement raising $88,303,825 (before costs) and issued 1,103,797,808 ordinary shares. On 28 June 2024 after receiving shareholder approval at a general meeting, the Company completed tranche two of the placement raising $11,696,175 (before costs) and issued 146,202,192 ordinary shares.

The capital structure of the company at 30 June 2024 is shown in the table below:

Ordinary Shares (PNR)	6,454,030,514
Unlisted Options	36,363,636 (exercise $0.275, expiry 30/9/2024)
Unlisted Employee Options	10,405,328 (various conversions and expiry dates)
Unlisted Employee Performance Rights	161,324,941
Salary Sacrifice Share Rights	142,944

Gold Forward Contracts

Pantoro currently has no gold forward contracts.

Debt Facility

As announced on 14 May 2024, part proceeds from the Company's $100M equity raise were to be applied to closing out the term loan component of the Nebari debt facility. Repayment of US$29.6M (A$44.5M) was completed on 28 June 2024.

The convertible loan component of the Nebari debt facility remains in place on the terms noted below:

Convertible Loan Facility

- US$12.1M funds advanced net of a 3.5% original issuer discount;
- Remaining term is 36 months;
- Coupon of Secure Overnight Financing Rate (SOFR) + 3.0% per annum on the outstanding balance;
- Nebari, at its election, may convert an amount of up to 100% of the outstanding balance into fully paid ordinary Pantoro shares, in one or multiple parts at any time prior to maturity or the repayment of the convertible loan;
- Conversion price is US$0.0636 (AUD equivalent of $0.0960 at 30 June 24 exchange rate of 0.6624) per share;
- The Company has the right to prepay in whole or part. If Pantoro elects to prepay, Pantoro must issue such number of options to Nebari equal to 85% of the prepaid amount divided by the conversion price, exercisable at the conversion price expiring on the later of the maturity date and the date that is 18 months after the date of prepayment; and
- Loan repayment is 100% at maturity (30 June 2027), if not converted beforehand.

Liquidity

Cash on hand at 30 June 2024 was $98,121,705 (2023: $46,609,969). As at 30 June 2024, the site gold inventory (1,609.058 oz), cash and gold on hand (26.231 oz) was $103.9 million[1].

(1) Using the 30 June 2024 spot gold price of A$3,518.87.

Picture Opposite
Underground Operations at OK


Epiroc

MINERAL RESOURCES & ORE RESERVES

Pantoro Global Mineral Resource

	Measured			Indicated			Inferred			Total		
	kT	Grade	kOz	kT	Grade	kOz	kT	Grade	kOz	kT	Grade	kOz
Norseman Gold Project	4,590	1.7	252	21,064	3.2	2,154	19,291	3.7	2,302	44,926	3.3	4,708
Halls Creek Project	152	8.3	41	459	5.3	78	339	4.0	43	950	5.3	162
Total	**4,742**	**1.9**	**293**	**21,523**	**3.2**	**2,232**	**19,630**	**3.7**	**2,346**	**45,876**	**3.3**	**4,870**

Norseman Gold Project Mineral Resource

	Measured			Indicated			Inferred			Total		
	kT	Grade	kOz	kT	Grade	kOz	kT	Grade	kOz	kT	Grade	kOz
Total Underground	284	15.5	142	3,094	11.2	1,112	2,591	11.0	919	5,969	11.3	2,173
Total Surface South	140	2.3	10	13,227	1.8	748	13,333	2.6	1,116	26,700	2.2	1,874
Total Surface North	4,165	0.7	100	4,744	1.9	294	3,367	2.5	267	12,257	1.7	661
Total	**4,590**	**1.7**	**252**	**21,064**	**3.2**	**2,154**	**19,291**	**3.7**	**2,302**	**44,926**	**3.3**	**4,708**

Halls Creek Project Mineral Resource

	Measured			Indicated			Inferred			Total		
	kT	Grade	kOz	kT	Grade	kOz	kT	Grade	kOz	kT	Grade	kOz
Nicolsons	69	10.2	23	265	4.9	42	96	6.3	19	429	6.1	84
Wagtail	83	6.7	18	194	5.8	36	65	4.8	10	342	5.8	64
Grants Creek	-	-	-	-	-	-	179	2.4	14	179	2.4	14
Total	**152**	**8.3**	**41**	**459**	**5.3**	**78**	**339**	**4.0**	**43**	**950**	**5.3**	**162**

Notes

- Scotia and Green Lantern Open Pits (0.5 g/t cut-off applied), OK and Scotia Underground Mines (2.0 g/t cut-off applied), Nicolsons and Wagtail Undergrounds (2.0 g.t cut-off applied).
- Measured and Indicated Mineral Resources are inclusive of those Mineral Resources modified to produce the Ore Reserves.
- Mineral Resource and Ore Reserve statements have been rounded for reporting. Rounding may result in apparent summation differences between tonnes, grade and contained metal content.

Pantoro Global Ore Reserve

	Proven			Probable			Total		
	kT	Grade	kOz	kT	Grade	kOz	kT	Grade	kOz
Norseman Gold Project	4,212	0.9	117	9,184	2.6	778	13,397	2.1	895
Halls Creek Project	69	7.9	18	207	5.5	36	277	6.1	54
Total	**4,282**	**1.0**	**135**	**9,392**	**2.7**	**814**	**13,673**	**2.2**	**949**

Norseman Gold Project Ore Reserve

	Proven			Probable			Total		
	kT	Grade	kOz	kT	Grade	kOz	kT	Grade	kOz
Underground	47	11.2	17	2,051	5.0	327	2,098	5.1	344
Open Pit - Northern Mining Centres	-	-	-	2,169	2.4	167	2,169	2.4	167
Open Pit - Southern Mining Centres	-	-	-	4,543	1.9	272	4,543	1.9	272
Stockpiles	4,165	0.8	100	422	0.8	11	4,587	0.8	112
Total	**4,212**	**0.9**	**117**	**9,184**	**2.6**	**778**	**13,397**	**2.1**	**895**

Halls Creek Project Ore Reserve

	Proven			Probable			Total		
	kT	Grade	kOz	kT	Grade	kOz	kT	Grade	kOz
Nicolsons Open Pits	39	9.9	12	52	4.2	7	91	6.6	19
Wagtail Underground	30	5.4	5	60	6.6	16	91	6.2	22
Wagtail Open Pits	-	-	-	95	4.3	13	95	4.3	13
Total	**69**	**7.9**	**18**	**207**	**5.5**	**36**	**277**	**6.1**	**54**

Notes

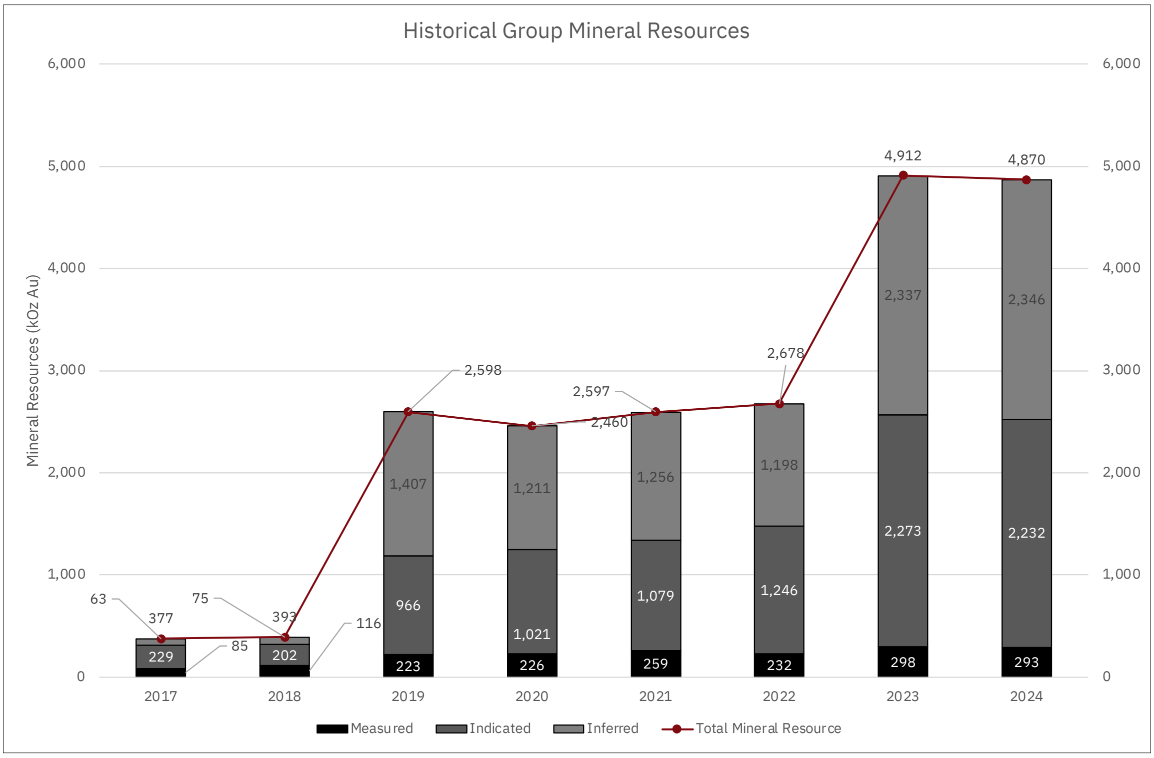
- Norseman Underground (2.5 g/t cut-off grade applied to stoping, 1.0 g/t cut-off grade applied to development necessarily mined to access stope block). Open Pits (0.6 g/t cut-off grade applied).
- Measured and Indicated Mineral Resources are inclusive of those Mineral Resources modified to produce the Ore Reserves.
- Mineral Resource and Ore Reserve statements have been rounded for reporting. Rounding may result in apparent summation differences between tonnes, grade and contained metal content.

MINERAL RESOURCES & ORE RESERVES

Annual Update of Mineral Resource & Ore Reserves

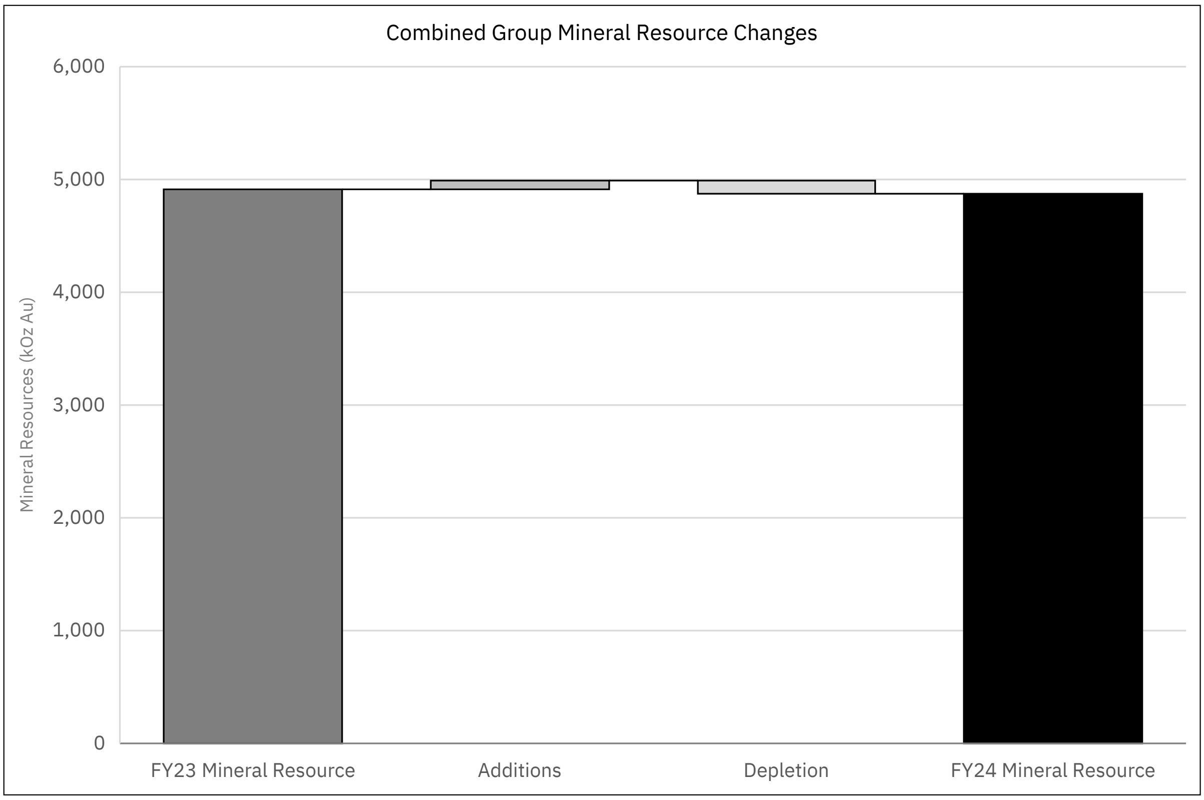
For details of the annual review, refer to the ASX Announcement 'Annual Mineral Resource & Ore Reserve Statement' released on 26 September 2024.

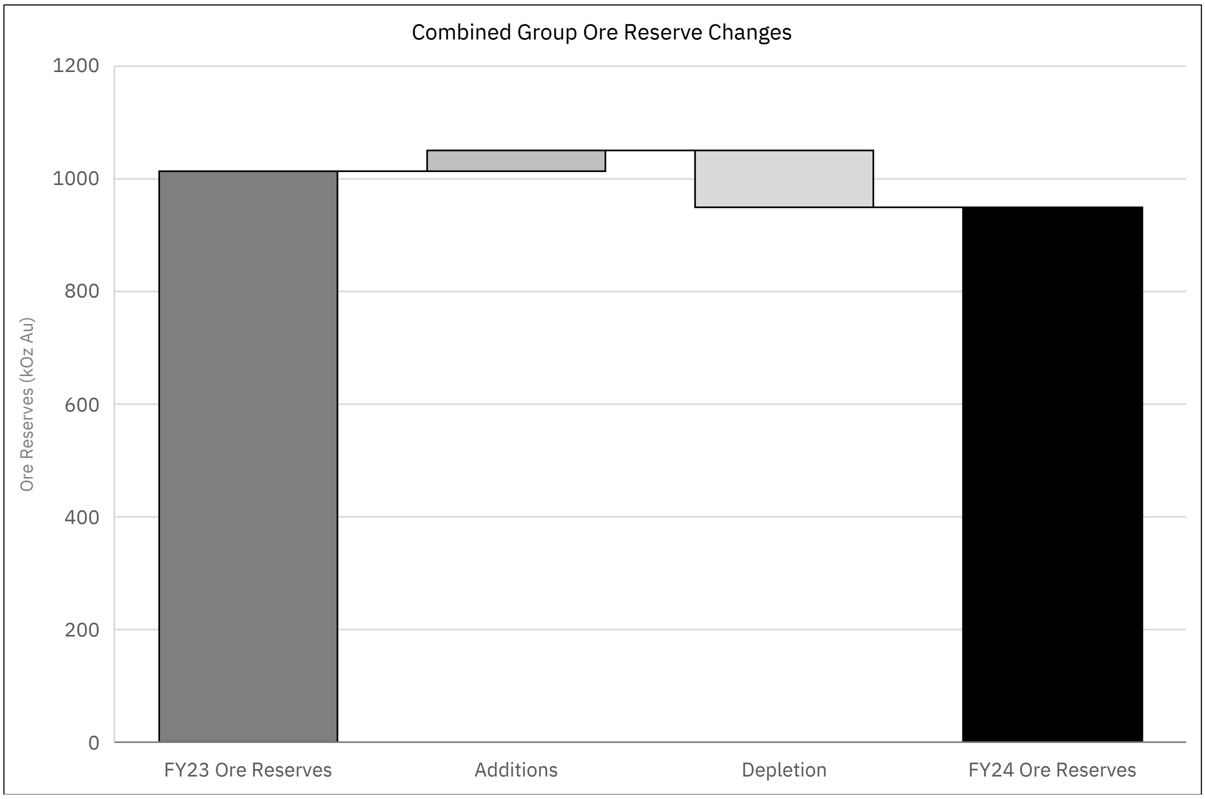
- Total Mineral Resource stands at 45,876,000 tonnes @ 3.3 g/t Au for 4,870,000 ounces.
- Total Ore Reserve stands at 13,673,000 tonnes @ 2.2 g/t Au for 949,000 ounces.



Key Updates to the Mineral Resource and Ore Reserve include:

- Year on year, the total Mineral Resource and Ore Reserve have decreased by approximately 1% and 7% respectively after mining depletion.
- The updated Ore Reserve for the OK Underground Mine now stands at 432,000 tonnes @ 7.4 g/t Au for 102,000 ounces completely replacing mining depletion within the period and extending the OK life of mine.
- The updated Mineral Resource for the Star of Erin and O2 Lodes at the OK Underground Mine has been completed based on additional drilling and ongoing development of underground operations. The OK Mineral Resource inventory now stands at 456,872 tonnes @ 14.9 g/t Au for 218,000 ounces, an overall increase of 11% in ounces after mining depletion.
- The OK Mineral Resource contains 18,000 ounces in the measured category at an average grade 32.2 g/t Au. The total Mineral Resource grade within Star of Erin and OK has increased from 13.5 to 14.9g/t Au.
- The Scotia Open Pit and Underground Reserve has changed to reflect the modified open pit strategy and earlier commencement of the underground mine.
- The Scotia and Green Lantern Mineral Resources and Ore Reserves have been depleted to account for mining activity during the period.
- The Desirables Open Pit Mineral Resource was updated following additional drilling and a maiden Mineral Resource and Ore Reserve is included. Desirables is part of the Princess Royal Mining Centre.
- All other Mineral Resource estimates and Ore Reserve calculations at Norseman remain unchanged from the Annual Mineral Resource and Ore Reserve Update from 2023.
- The Halls Creek operations were placed into Care and Maintenance during 2023. The Nicolsons and Wagtail (inclusive of Rowdies, Wagtail North and Wagtail South) Mineral Resource and Ore Reserve at Halls Creek remain unchanged from 31 May 2023.


Combined Group Mineral Resource Changes
6,000
5,000
4,000
3,000
2,000
1,000
0
Mineral Resources (kOz Au)
FY23 Mineral Resource
Additions
Depletion
FY24 Mineral Resource


Combined Group Ore Reserve Changes
1200
1000
800
600
400
200
0
Ore Reserves (kOz Au)
FY23 Ore Reserves
Additions
Depletion
FY24 Ore Reserves

MINERAL RESOURCES & ORE RESERVES

Material Changes between 30 June 2024 and 26 September 2024

Between 30 June 2024 and 26 September 2024 there were no other material changes aside from mining depletion in the ordinary course of business.

Governance Arrangements and Internal Controls

Pantoro ensures that the Mineral Resource and Ore Reserve estimates quoted are subject to governance arrangements and internal controls activated at a site level and at the corporate level. Internal reviews of Mineral Resource and Ore Reserve estimation procedures and results are carried out by the Managing Director Chief Operating Officer. These reviews have not identified any material issues.

The Chief Operating Officer is responsible for monitoring the planning, prioritisation and progress of exploratory and resource definition drilling programs across the Company and the estimation and reporting of resources and reserves

Pantoro reports its Mineral Resources and Ore Reserves on an annual basis in accordance with the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (the JORC Code) 2012 Edition. Mineral Resources are quoted inclusive of Ore Reserves. Competent Persons named by Pantoro are Members or Fellows of the Australasian Institute of Mining and Metallurgy and/or the Australian Institute of Geoscientists, and qualify as Competent Persons as defined in the JORC Code.

JORC Compliance Statements

Exploration Targets and Exploration Results

The information in this report that relates to Exploration Targets and Exploration Results is based on information compiled by Mr Scott Huffadine (B.Sc. (Hons)), a Competent Person who is a Member of the Australian Institute of Geoscientists. Mr Huffadine is a full time employee of the company. Mr Huffadine is eligible to participate in short and long term incentive plans of and holds shares and options in the Company as has been previously disclosed. Mr Huffadine has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Huffadine consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Mineral Resources & Ore Reserves

The information in this report that relates to Mineral Resources or Ore Reserves extracted from the report entitled 'Annual Mineral Resource & Ore Reserve Statement' created on 26 September 2024 and is available to view on Pantoro's website (www.pantoro.com.au) and the ASX (www.asx.com.au). The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

DIRECTORS' REPORT

Your directors present their report on the company, being Pantoro Limited (the Company) and its controlled entities (the Group) for the financial year ended 30 June 2024.

DIRECTORS

The names of the directors in office at any time during or since the end of the financial year are as follows. Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Names, qualifications, experience and special responsibilities

Wayne Zekulich BBus, FCA – Independent Non-Executive Chairman
Mr Zekulich has a broad range of experience covering advice on mergers and acquisitions, arranging and underwriting project financings, and debt and equity capital markets. Wayne was previously the Head of Deutsche Bank in Perth and is currently a consultant, Chair of Jindalee Lithium Limited and is on the Board of Western Australian Treasury Corporation. Mr Zekulich serves on the Company's Remuneration and Audit and Risk Committees.

During the past three years he has served as a director of the following public listed companies:

- Jindalee Lithium Limited (appointed 1 February 2024)*
- Openn Negotiation Limited (resigned 17 November 2023)

Paul Cmrlec BEng (Mining), Honours – Managing Director
Mr Cmrlec is a qualified mining engineer with over 25 years of experience. He has worked in numerous production, planning and corporate roles during his career and has worked in both executive and non-executive board positions for a number of mining and exploration companies.

He has held senior operational and or corporate positions within a range of companies including Metals X Limited, Harmony Gold, and Anglo Gold Ashanti, and has been the Managing Director of Pantoro since 2011.

During the past three years he has served as a director of the following public listed companies:

- Maximus Resources Limited (resigned 27 January 2023)

Kevin Maloney – Non-Executive Director (appointed 30 June 2023)
Mr Maloney is the founder and Chairman of Tulla Private, the Australian-owned investment group of the Maloney family. Based in Sydney, it was established in the early 1990s with an open mandate focusing on small to middle market listed companies, private equity, venture capital and debt. Tulla Group has a track record of success from building and growing many businesses, including The MAC Services Group which is a mining services company that was listed on the ASX in April 2007 and sold to Oil States International in December 2010.

Mr Maloney has extensive experience in international and corporate banking, finance and the resources industry over his illustrious career. He is currently also Chairman of THEMAC Resources, a Canadian company listed on the Toronto Stock Exchange. He has also been a director and Chairman of ASX listed mining companies Queensland Mining Corporation Limited and Altona Mining Limited. Mr Maloney serves on the Company's Remuneration Committee.

- THEMAC Resources Group Limited*
- Tulla Resources Plc (resigned 30 June 2023)

Mark Maloney BBus, Honours – Non-Executive Director (appointed 30 June 2023)
Mr Maloney is a Founder and the CEO of Tulla Group Pty Ltd, the Maloney family finance and investment group. He previously spent 15 years in investment banking holding senior positions with JP Morgan Chase & Co and Goldman Sachs Group Inc in Sydney and London. Mr Maloney was also CEO of The MAC Services Limited, an ASX200 company. Mr Maloney is on the Board of the UTS Business School. Mr Maloney is the Chair of the Company's Remuneration Committee and serves on the Audit and Risk Committee.

During the past three years he has served as a director of the following public listed companies:

- Tulla Resources Plc (resigned 30 June 2023)

DIRECTORS' REPORT (CONTINUED)

DIRECTORS *(CONTINUED)*

Colin McIntyre BEng (Mining) – Independent Non-Executive Director (appointed 30 June 2023)
Mr McIntyre worked with WMC as a Mine Manager for 14 years, mainly at Kalgoorlie, Kambalda Nickel and Gold Operations and Hill 50 gold mines in Mount Magnet. He was also Mine Manager at Southern Cross for the Mt Dimer Gold Project, as well as running Mincoa Resources and Mawson Pacific Limited's gold operations at Marvel Loch. Mr McIntyre was Principal and part owner of a large mine contracting company called National Mine Management for seven years, which merged with Macmahon Holdings Limited (MAH) in 1995. Mr McIntyre was Operations Manager with MAH for four years and specialised in contract mining of open pits, underground mines, crushing and screening. Mr McIntyre was Chairman of Tectonic Resources Limited and Perilya Limited, and a Non-Executive Director of MAH and Firestone Energy Limited.

Mr McIntyre has not held any other public company directorships in the past three years.

Fiona Van Maanen BBus, CPA, Grad Dip CSP – Independent Non-Executive Director
Ms Van Maanen is a CPA, holds a Bachelor of Business (Accounting) and a Graduate Diploma in Company Secretarial Practice. Ms Van Maanen has significant experience in corporate governance, financial management and accounting in the mining and resources industry. Ms Van Maanen is also the Chair of the Company's Audit and Rick Committee and served on the Remuneration Committee until 30 June 2023.

During the past three years she has served as a director of the following public listed companies:

- Westgold Resources Ltd*
- Wildcat Resources Ltd (appointed 1 June 2024)*

* Denotes current directorship.

INTEREST IN SHARES AND OPTIONS OF THE COMPANY

As at 30 June 2023, the interests of the Directors in the shares and options of Pantoro Limited were:

Director	Ordinary Shares	Options	Share Rights
Paul Cmrlec	8,950,616	54,496,743	57,526
Kevin Maloney	891,168,407	-	-
Mark Maloney	882,503,502	-	-
Colin McIntyre	-	-	-
Fiona Van Maanen	238,321	-	85,418
Wayne Zekulich	650,126	-	-

COMPANY SECRETARY

Mr David Okeby
Mr Okeby has extensive legal, contractual, administrative and corporate experience in the mining industry. Mr Okeby brings skills in governance, stakeholder relations and corporate activities including mergers, acquisitions and divestments to the Company.

PRINCIPAL ACTIVITIES

The principal activities of the Group during the financial year was gold mining, processing and exploration in Western Australia.

OPERATING RESULTS

The Norseman Gold Project continued mining activities in both open pits and underground with gold production ramping up throughout the year with the mill increasing throughput during the year to reliably operating above name plate capacity. Exploration activities remained reduced to allow the operation to focus on the ramp up of mining and milling operations. The Halls Creek project remained on care and maintenance as the Company looks to divest the asset.

Key metrics:

- Gold produced – 71,370 oz exclusively from Norseman (2023: 35,791 oz Halls Creek 23,712 and 50% of Norseman 12,079 oz);
- Revenue - $229,431,930 (2023: $98,544,119);
- Cost of goods sold - $280,272,589 (2023: $152,791,798);
- Gross loss - $50,840,659 (2023: $54,247,679);
- Loss before income tax - $49,368,511 (2023: $106,612,944);
- Net Cash used in operating activities - $563,172 (2023: $17,128,369);
- Net Cash flows used in investing activities - $11,327,457 (2023: $68,278,681); and
- Net Cash flows from financing activities - $67,402,365 (2023: $75,976,135).

DIVIDENDS PAID OR RECOMMENDED

The directors recommend that no dividend be paid for the year ended 30 June 2024, nor have any amounts been paid or declared by way of dividend since the end of the previous financial year.

SHARE OPTIONS

Unissued shares

As at the date of this report, there were 208,236,849 ordinary shares options and rights on issue.

Option and right holders do not have any right, by virtue of the option, to participate in any share issue of the Company or any related body corporate.

Shares issued as a result of exercising options

There were no (2023: 1,102,730) employee ZEPOs exercised during the financial year with ordinary shares issued.

There were no (2023: 114,271) director salary sacrifice share rights exercised during the financial year with ordinary shares issued, refer to note 26(e).

REVIEW OF OPERATIONS

A full review of the operations of the Group during the year ended 30 June 2024 is included in this report. Refer to Review of Operations for further detail.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

In the opinion of the directors, there were no significant changes in the state of affairs of the Group that occurred during the financial year other than as disclosed in this report or the consolidated financial statements.

AFTER BALANCE DATE EVENTS

On 2 July 2024, the Company announced the lapse of 7,583,056 employee ZEPOs due to vesting conditions not being satisfied.

There are no other matters or circumstances that have arisen since the end of the financial year to the date of this report, which has significantly affected, or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial years.

FUTURE DEVELOPMENTS AND EXPECTED RESULTS

Business strategies and prospects for future financial years have been included in the review of operations.

ENVIRONMENTAL REGULATIONS AND PERFORMANCE

The Group's operations are subject to significant environmental regulations under the laws of Australia. These issues are dealt with by the Chief Operating Officer of the Company.

The Group is not aware of any matter that requires disclosure with respect to any significant environmental regulation in respect of its activities.

DIRECTORS' REPORT (CONTINUED)

MATERIAL BUSINESS RISKS

The Group prepares its business plans using estimates of production and financial performance based on a range of assumptions and forecasts. There is uncertainty in these assumptions and forecasts, and risk that variation from them could result in actual performance being different to expected outcomes. The uncertainties arise from a range of factors, including the nature of the mining industry and general economic factors. The material business risks faced by the Group that may have an impact on the operating and financial prospects of the Group as at 30 June 2024 are:

Fluctuations in the gold price and Australian dollar

The Group's revenues are exposed to fluctuations in the gold and silver prices and the Australian dollar. Volatility in the gold and silver prices and Australian dollar creates revenue uncertainty and requires careful management of business performance to ensure that operating cash margins are maintained should the Australian dollar price fall.

Declining gold and silver prices can also impact operations by requiring a reassessment of the feasibility of a particular exploration or development project. Even if a project is ultimately determined to be economically viable, the need to conduct such a reassessment could cause substantial delays and/or may interrupt operations, which may have a material adverse effect on our results of operations and financial condition.

Mineral Resources and Ore Reserves

The Group's Mineral Resources and Ore Reserves are estimates, and no assurance can be given that the estimated reserves and resources are accurate or that the indicated level of gold, silver or any other mineral will be produced. Such estimates are, in large part, based on interpretations of geological data obtained from drill holes and other sampling techniques. Actual mineralisation or geological conditions may be different from those predicted. No assurance can be given that any part or all of the Group's Mineral Resources constitute or will be converted into Ore Reserves.

Market price fluctuations of gold and silver as well as increased production and capital costs may render the Group's Ore Reserves unprofitable to develop at a particular site or sites for periods of time or may render Ore Reserves containing relatively lower grade mineralisation uneconomic. Estimated reserves may have to be re-estimated based on actual production experience. Any of these factors may require the Group to reduce its Mineral Resources and Ore Reserves, which could have a negative impact on the Group's financial results.

Replacement of depleted Ore Reserves

The Group must continually replace Ore Reserves depleted by production to maintain production levels over the long term. Ore Reserves can be replaced by expanding known ore bodies, locating new deposits or making acquisitions. Exploration is highly speculative in nature. The Group' exploration projects involve many risks and are frequently unsuccessful. Once a site with mineralisation is discovered, it may take several years from the initial phases of drilling until production is possible.

As a result, there is no assurance that current or future exploration programs will be successful. There is a risk that depletion of Ore Reserves will not be offset by discoveries or acquisitions or that divestitures of assets will lead to a lower Ore Reserve base. The Mineral Resource base of the Group may decline if Ore Reserves are mined without adequate replacement and the Group may not be able to sustain production beyond the current mine lives, based on current production rates.

Mining risks and insurance risks

The mining industry is subject to significant risks and hazards, including environmental hazards, industrial accidents, unusual or unexpected geological conditions, unavailability of materials and equipment, pit wall failures, rock bursts, seismic events, cave-ins, and weather conditions (including flooding and bush fires), most of which are beyond the Group's control. These risks and hazards could result in significant costs or delays that could have a material adverse effect on the Group's financial performance, liquidity and results of operation.

The Group maintains insurance to cover some of these risks and hazards. The insurance is maintained in amounts that are considered reasonable depending on the circumstances surrounding each identified risk. However, property, liability and other insurance may not provide sufficient coverage for losses related to these or other risks or hazards.

Production and cost estimates

The Group may prepare estimates of future production, cash costs and capital costs of production for its operations. No assurance can be given that such estimates will be achieved. Failure to achieve production or cost estimates or material increases in costs could have an adverse impact on the Group's future cash flows, profitability, results of operations and financial condition.

The Group's actual production and costs may vary from estimates for a variety of reasons, including: actual ore mined varying from estimates of grade, tonnage, dilution and metallurgical and other characteristics; short-term operating factors relating to the Ore Reserves, such as the need for sequential development of ore bodies and the processing of new or different ore grades; revisions to mine plans; risks and hazards associated with mining; natural phenomena such as inclement weather conditions, water availability and floods; and unexpected labour shortages or strikes. Costs of production may also be affected by a variety of factors including: changing waste-to-ore ratios, ore grade, metallurgal factors, labour costs, cost of commodities, general inflationary pressures and currency exchange rates.

Environmental, health and safety, and permits
The Group's mining and processing operations and exploration activities are subject to extensive laws and regulations governing the protection and management of the environment, water management, waste disposal, worker health and safety, mine development and rehabilitation and the protection of endangered and other special status species. The Group's ability to obtain permits and approvals and to successfully operate may be adversely impacted by real or perceived detrimental events associated with the Group's activities or those of other mining companies affecting the environment, human health and safety of the surrounding communities. Delays in obtaining or failure to obtain government permits and approvals may adversely affect the Group's operations, including its ability to continue operations.

The Group has implemented extensive health, safety and community initiatives at its sites to manage the health and safety of its employees, contractors and members of the community. While these control measures are in place there is no guarantee that these will eliminate the occurrence of incidents which may result in personal injury or damage to property. In certain instances such occurrences could give rise to regulatory fines and/or civil liability.

Climate Change
The Group acknowledges that climate change is occurring, and its effects have the potential to impact our business and communities. The most significant climate related risks include the following: reduced water availability; extreme weather or health events; emissions and waste, changes to legislation and regulation; reputational risk; technological and market changes; and shareholder activism.

The Group is committed to understanding and proactively managing the impact of climate related risks to our business and our environment.

The Group transparently reports our emissions and energy consumption performance. Each year, annual reports are submitted the Australia's National Pollutant Inventory (NPI) and the National Greenhouse and Energy Reporting Act 2007 (NGER Act) to estimate greenhouse gas (GHG) emissions and energy use at our Australian operations.

The Group is currently undertaking a process to review and update its governance frameworks to include climate-related risks with the Board actively considering these risks in its decision-making. Pantoro management has begun implementing climate strategy and risk management considerations into its management and reporting systems.

Community relations
The Group maintains active community relations programmes at both site and corporate level. The Group recognises that maintaining trusted relationships with our local community stakeholders throughout the entire mining cycles is an essential part of securing and maintain our social licence to operate, including with our First Nation People's communities.

Group recognises that a failure to appropriately manage local community stakeholder expectations may lead to dissatisfaction which has the potential to disrupt production and exploration activities.

Risk management
The Group manages the risks listed above, and other day-to-day risks through an established management framework which conforms to Australian and international standards and guidance. The Group's risk reporting and control mechanisms are designed to ensure strategic, operational, legal, financial, reputational and other risks are identified, assessed and appropriately managed.

Financial reporting and control mechanisms are reviewed during the year by management, the Audit & Risk Committee and the external auditors.

The Group has policies in place to manage risk in the areas of Health, Safety, Environment, Cultural Heritage and Equal Employment Opportunity.

REMUNERATION REPORT (AUDITED)

CONTENTS

1. REMUNERATION REPORT OVERVIEW

The directors of Pantoro present the Remuneration Report (the Report) for the Group for the year ended 30 June 2024 (FY2024). This Report forms part of the Director's Report and has been audited in accordance with section 308(3C) of the Corporations Act 2001 and its regulations.

The Report details the remuneration arrangements for Pantoro's Key Management Personnel (KMP) being the:

- Non-Executive Directors (NEDs); and
- Managing Director (MD), executive directors and senior executives (collectively "the executives").

KMP are those who directly, or indirectly, have authority and responsibility for planning, directing and controlling the major activities of the Group.

Details of KMP of the Group are set out below:

Name	Position	Appointed	Resigned
(i) Non-Executive Directors			
W Zekulich	Non-Executive Chairman	2 October 2019	-
K Maloney	Non-Executive Director	30 June 2023	-
M Maloney	Non-Executive Director	30 June 2023	-
C McIntyre	Non-Executive Director	30 June 2023	-
FJ Van Maanen	Non-Executive Director	4 August 2020	-
(ii) Executive Director			
PM Cmrlec	Managing Director & CEO	1 June 2010	-
(iii) Senior Executives			
SM Balloch	Chief Financial Officer	31 October 2014	-
SJ Huffadine(1)	Chief Operations Officer	15 March 2016	-
DW Okeby	Company Secretary	31 October 2014	-

(1) Mr Huffadine and was an executive director from 15 March 2016 until his resignation from the board on 30 June 2023 upon completion of the merger with Norseman Gold Ltd (formerly Tulla Resources Plc).

2. ROLE OF REMUNERATION COMMITTEE

The Remuneration Committee is responsible for oversight of the remuneration system and policies. It is also responsible for evaluating the performance of the Executive Directors and monitoring performance of the executive management team. The Board, upon recommendation of the Remuneration Committee, determines the remuneration of the Executive Directors. The Remuneration Committee reviews and approves the remuneration of the executive management team (other than Executive Directors).

The objective of the Remuneration Committee is to ensure that the Company's remuneration system and policies attract and retain executives and directors who will create sustained value for shareholders.

3. REMUNERATION GOVERNANCE

The Remuneration Committee makes recommendations to the Board on:

- Executive Director and senior executive remuneration; and
- The executive remuneration framework and incentive plan policies.

The Remuneration Committee assess the appropriateness of the nature and amount of remuneration of Non-Executive Directors and executives on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of high performing Directors and executive team. The composition of the Remuneration Committee is set out on page 38 of this financial report.

Services from remuneration consultants

During the year, the Remuneration Committee approved the engagement of The Reward Practice (TRP) to review the executive remuneration and incentives, and benchmark against a comparable group of companies.

The Board is satisfied that the interaction between TRP and the executive management team was minimal, principally involving provision or relevant Company information for consideration by TRP. The Board is satisfied that the advice received from TRP was free from undue influence from the executive management team to whom the remuneration applies.

The remuneration benchmarking reports were provided to the Remuneration Committee as an input into decision making only. The Remuneration Committee considered the reports, along with other factors, in making its remuneration decisions.

Total fees paid to TRP for remuneration benchmarking reports during the year ended 30 June 2024 were $22,000.

Outcome of TRP Remuneration Review

The fixed remuneration of the executives has been benchmarked to current market conditions with changes becoming effective from 1 November 2023 and shown below:

	Fixed Annual Remuneration (Including superannuation)	
Position	Original	Revised
Managing Director	$507,500	$550,000
Chief Operations Officer	$400,000	$460,000
Chief Financial Officer	$325,000	$358,000
Company Secretary	$295,000	$347,000

The short and long term incentive benchmarking indicated the current policies were in line with the comparison group of companies, therefore no changes have been implemented.

Recommendations applied from prior years

The long term incentive (LTI) policy was amended, in FY2021, to focus the efforts of executives on long term value creation to further align management's interests with those of shareholders. The LTI will be considered to be an annual "at risk" component of remuneration for executives that is payable in zero exercise price options (ZEPOs) (being an option to acquire an ordinary share in Pantoro for nil consideration).

The Managing Director will have a maximum LTI opportunity of 100% of fixed remuneration, the Chief Operating Officer will have a maximum LTI opportunity of 75% of fixed remuneration and other executives have a maximum LTI opportunity of 50% of fixed remuneration.

All grants of options will be made in a single tranche with a three year performance and service period. The performance conditions will be 50% relative total shareholder return and 50% absolute share price performance. There will be no opportunity for re-testing. Any options that do not vest will lapse after testing. Executives are able to exercise any options that vest for up to two years after the vesting date before the vested options lapse.

3. REMUNERATION GOVERNANCE (CONTINUED)

Services from remuneration consultants (continued)

***Recommendations applied from prior years** (continued)*

NED remuneration was also changed to reflect current remuneration practices and levels to cover all activities associated with their role on the Board and any sub-committees. Changes are shown below:

Position	FY2024 Fixed Annual Remuneration (Exclusive of superannuation)	FY2023 Fixed Annual Remuneration (Inclusive of superannuation)
Chairman[(1)]	$136,000	$136,000
Non-Executive Director	$80,000	$80,000
Committee Chairperson	$12,000	$12,000
Committee Member	$6,000	$6,000

(1) No additional fees are payable to the Chairman for committee membership.

The Board has adopted a shareholding policy under which all NEDs are encouraged to acquire and maintain a minimum shareholding in the Company equal to 100% of their base fees. There is a target to meet this within 3 years with a requirement to ensure this occurs within 5 years from adoption of the shareholding policy or from appointment, whichever is later.

The Company implemented a Directors salary sacrifice plan after approval at the Annual General Meeting on 17 November 2021. The salary sacrifice plan allows for Non-Executive and Executive Directors to annually elect to sacrifice their fees, or a portion of their fees, for share rights or options to acquire shares in the Company. Participation is voluntary at the election of the director. No performance conditions are included in these rights or option as they are in lieu of Director's fees.

Remuneration report at FY2023 AGM

The FY2023 remuneration report received positive shareholder support at the FY2023 AGM with a vote of 96.01% in favour.

4. NON-EXECUTIVE DIRECTOR REMUNERATION

NED Remuneration Policy

Pantoro's NED fee policy is designed to attract and retain high calibre directors who can discharge the roles and responsibilities required in terms of good governance, strong oversight, independence and objectivity.

The Company's constitution and the ASX listing rules specify that the NED fee pool limit, can only be increased by shareholders. The last determination was approved at a General Meeting of shareholders on 29 May 2024 with an aggregate fee pool of $600,000 per year.

The amount of the aggregate remuneration sought to be approved by shareholders and the manner in which it is paid to NEDs is reviewed against comparable companies. The Board also considers advice from external advisors when undertaking the review.

Non-Executive Directors are encouraged to hold shares in the Company and align their interests with the Company's shareholders. The Company has a shareholding policy under which all NEDs are encouraged to acquire and maintain a minimum shareholding in the Company equal to 100% of their base fees. There is a target to meet this within 3 years of appointment. To assist with achieving this policy a Directors salary sacrifice plan has been adopted (refer to section 3).

NED Remuneration Structure

The remuneration of NEDs consists of director's fees. There is no scheme to provide retirement benefits to NEDs other than statutory superannuation. NEDs generally do not participate in any performance-related incentive programs.

Fees paid to NEDs cover all activities associated with their role on the Board and any sub-committees. Additional fees are paid to NEDs (the Chairman receives no additional fees) for being a Chair or Member of a sub-committee. NEDs are entitled to fees or other amounts as the Board determines where they perform special duties or otherwise perform extra services on behalf of the Company. NEDs may be issued with non-performance based share options in exceptional circumstances as considered appropriate by the Board, which is subject to shareholder approval in accordance with the ASX Listing Rules. They may also be reimbursed for out-of- pocket expenses incurred as a result of their directorships.

5. EXECUTIVE REMUNERATION

Executive Remuneration Policy

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

- competitive and reasonable, enabling the Company to attract and retain high calibre talent;
- aligned to the Company's strategic and business objectives and the creation of shareholder value;
- linked to the performance of the Company;
- transparent and easily understood; and
- acceptable to shareholders.

The Company's approach to remuneration ensures that remuneration is competitive, performance-focused, clearly links appropriate reward with desired business performance and is simple to administer and understand by executives and shareholders.

In line with the remuneration policy, remuneration levels are reviewed annually to ensure alignment to the market and the Company's stated objectives to provide a base level of remuneration which is both appropriate to the position and is competitive in the market.

Executive Remuneration Structure

The Company's remuneration structure provides for a combination of fixed and variable pay with the following components:

- fixed remuneration;
- short-term incentives (STI); and
- long-term incentives (LTI).

In accordance with the Company's objective to ensure that executive remuneration is aligned to Company performance, a portion of executives' remuneration is placed "at risk". The relative proportion of FY2024 potential total remuneration packages split between the fixed and variable remuneration is shown below:

Executive	Fixed remuneration	STI	LTI
Managing Director	40%	20%	40%
Chief Operations Officer	45%	22%	33%
Other Executives	53%	21%	26%

Elements of remuneration

Fixed remuneration

Fixed remuneration consists of base salary, superannuation and other non-monetary benefits and is designed to reward for:

- the scope of the executive's role;
- the executive's skills, experience and qualifications; and
- individual performance.

REMUNERATION REPORT (CONTINUED)

5. EXECUTIVE REMUNERATION (Continued)

Short Term Incentive (STI) arrangements

Under the STI, all executives have the opportunity to earn an annual incentive award which is delivered in cash. The STI recognises and rewards annual performance.

How is it paid?	Any STI award is paid in cash after the assessment of annual performance.
How much can executives earn?	In FY2024, the STI dollar values that executives are entitled to receive as a percentage of their fixed remuneration would not exceed 50% for the Managing Director/Chief Operating Officer and 40% for the other executives.
How is performance measured?	A combination of specific Company Key Performance Indicators (KPIs) are chosen to reflect the core drivers of short-term performance and provide a framework for delivering sustainable value to the Group and its shareholders. The following KPIs were chosen for FY2024: • KPI 1: NGP Safety & environmental performance targets (25%); • KPI 2: NGP Project net cashflow relative to budget (25%); • KPI 3: NGP Gold production relative to budget (25%); • KPI 4: Personal KPI as assessed by the Board (25%). These measures have been selected as they can be reliably measured, are key drivers of value for shareholders and encourage behaviours in line with the Company's core values
When is it paid?	The STI award is determined after the end of the financial year following a review of performance over the year against the STI performance measures by the Remuneration Committee. The Remuneration Committee approves the final STI award based on this assessment of performance and the award is paid in cash up to four months after the end of the performance period.
What happens if an executive leaves?	Where executives cease to be an employee of the Group: • due to resignation or termination for cause, before the end of the financial year, no STI is awarded for that year; or • due to redundancy, ill health, death or other circumstances approved by the Board, the executive will be entitled to a pro-rata cash payment based on assessment of performance up to the date of ceasing employment for that year. unless the Board determines otherwise.
What happens if there is a change of control?	In the event of a change of control, a pro-rata cash payment will be made based on assessment of performance up to the date of the change of control (subject to Board discretion).

STI performance

A combination of financial and non-financial measures were used to measure performance for STI rewards, with a score being calculated on the following measures:

Metric	Weight	Targets	Score
Norseman Gold Project (NGP)			
Safety – Medically Treated Injury Frequency Rate (MTIFR)	10	Annual MTIFR decreases by 25% or more Annual MTIFR stays within ±25% Annual MTIFR increases by 25% or more	10 5 0
Safety – Lost Time Injury Frequency Rate (LTIFR)	10	Annual LTIFR decreases by 25% or more Annual LTIFR stays within ±25% Annual LTIFR increases by 25% or more	10 5 0
Environmental	5	Exceptional environmental management performance No serious breaches of environmental management Serious breach of environmental management	5 2.5 0
Project net cashflow relative to budget	25	Outperform budget by 10% Outperform budget by between 5% and 10% Outperform budget by less than 5% Underperforms budget by less than 5% Underperforms budget by between 5% & 10% Underperforms budget by more than 10%	25 20 15 10 5 0
Gold Production relative to budget	25	Outperform budget by 10% Outperform budget by between 5% and 10% Outperform budget by less than 5% Underperforms budget by less than 5% Underperforms budget by between 5% & 10% Underperforms budget by more than 10%	25 20 15 10 5 0
Personal			
Personal performance	25	Exception effort and exceptional achievement Good Effort and Exceptional Achievement Good Effort and Good Achievement Average Effort and Good Achievement Average Effort and Average Achievement	25 20 15 10 5
Total	**100**		

STI outcomes

Performance against those measure is as follows for FY2024:

Name	Position	Maximum potential award $	Achieved STI %	STI Awarded (i) $	Forfeited STI %
PM Cmrlec	Managing Director	261,250	64	166,625	36
SJ Huffadine	Chief Operating Officer	216,250	57	122,313	43
SM Balloch	Chief Financial Officer	132,200	60	78,900	40
DW Okeby	Company Secretary	127,800	59	75,700	41
Total		**737,500**		**443,538**	

(i) The FY2024 STI awards were paid in July 2024.

5. EXECUTIVE REMUNERATION (CONTINUED)

Long Term Incentive (LTI) arrangements

Under the LTI plan, annual grants of options are made to executives to align remuneration with the creation of shareholder value over the long-term.

How is it paid?	Executives are eligible to receive options. In FY2024, no ZEPOs were issued as part of the normal LTI arrangements. Alternatively, the Remuneration Committee resolved to issue a one-off grant of performance rights to executives.
Are options eligible for dividends?	Executives are not eligible to receive dividends on unvested options.
How much can executives earn?	The LTI dollar values that executives are entitled to receive as a percentage of their fixed remuneration would not exceed 100% (FY2023: 100%) for the Managing Director, 75% (FY2023: 75%) for the Chief Operating Officer and 50% (FY2023: 50%) for the other executives. The number of options granted is determined by reference to the LTI dollar values divided by the 5 day volume weighted average share price (VWAP) prior to the day of approval by the Remuneration Committee. The one-off issue of performance rights in FY2024 exceeded the entitlements specified above in recognition of the contribution of the executives in achieving and completing the merger process. Details of the proposed performance rights issue to the Managing Director were provided to shareholders in the notice of meeting dated 29 April 2024 and approved at a general meeting of shareholders on 29 May 2024. The performance conditions are discussed below in detail.
How is performance measured?	**Performance Rights** The performance rights will vest and become exercisable subject to the performance condition for each tranche is met. The Board considers the performance conditions are a cost effective and efficient reward to appropriately incentivise KMP's continued performance because it ensures that a proportion of each participant's remuneration is explicitly linked to shareholder value and ensures that participants only receive a benefit where there is a corresponding direct benefit to shareholders. The performance condition for each tranche comprises the following: • Tranche A - Achieving a 3-month VWAP of $0.12; • Tranche B - Gold production exceeding 100,000 ounces in a trailing 12-month period and a target ASIC of $1,900 (adjusted on testing date by reference to the applied rise and fall on the mining contracts) and • Tranche C - Gold production exceeding 125,000 ounces in a trailing 12-month period and a target ASIC of $1,900 (adjusted on testing date by reference to the applied rise and fall on the mining contracts). **ZEPOs** The options will vest and become exercisable subject to the service and performance conditions being met. The Board considers that Total Shareholder Return (TSR) is an appropriate performance hurdle because it ensures that a proportion of each participant's remuneration is linked to Pantoro's ability to deliver superior shareholder returns relative to its peer companies by comparing the TSR performance against the performance of the S&P/All Ordinaries Gold Index.

How is performance measured? (Continued)

The Board considers that Absolute Share Price (ASP) is an appropriate performance hurdle because it ensures that a proportion of each participant's remuneration is explicitly linked to shareholder value and ensures that participants only receive a benefit where there is a corresponding direct benefit to shareholders.

The service condition requires:

- Continued employment for the three-year vesting period.

The performance condition comprises the following:

- Relative Total Shareholder Returns (50%); and
- Absolute Share Price Performance (50%).

Relative Total Shareholder Return Performance Condition

TSR is the percentage growth in shareholder value, which takes into account factors such as changes in share price and dividends paid. The Relative TSR performance condition measures Pantoro's ability to deliver superior shareholder returns relative to its peer companies by comparing the share price performance of Pantoro against the performance of the S&P/All Ordinaries Gold Index. The vesting schedule for the Relative TSR measure is as follows:

Relative TSR Performance	% Contribution to the Number of Employee Options to Vest
Below Index	0%
Equal to the Index	50%
Above Index and below 15% above the Index	Pro-rata from 50% to 100%
15% above the Index	100%

Absolute Share Price Performance Condition

ASP measures the movement in Pantoro's share price from over the measurement period. The vesting schedule for the ASP measure is as follows:

ASP Performance	% Contribution to the Number of Employee Options to Vest
Share price appreciation < 10%	0%
Share price appreciation > 10%	50%
Share price appreciation > 10% < 60%	Pro-rata from 50% to 100%
Share price appreciation > 60%	100%

When is performance measured?

Performance Rights

Performance against each condition is periodically tested, up to expiry date, to determine if the condition has been achieved.

ZEPOs

The testing date is 1 July 2024 and 1 July 2025 unless otherwise determined by the Board.

Executives may exercise the options for up to two years after the vesting date before the options lapse.

What happens if an executive leaves?

Where executives cease to be an employee of the Group:

- due to resignation or termination for cause, then any unvested options will automatically lapse on the date of the cessation of employment; or
- where an employee ceases employment after the vesting of their options, the options automatically lapse after three months of cessation of employment.

unless the Board determines otherwise on compassionate grounds.

REMUNERATION REPORT (CONTINUED)

6. PERFORMANCE AND EXECUTIVE REMUNERATION OUTCOMES

Remuneration earned by executives in 2024

The statutory remuneration earned by executives in the year ended 30 June 2024 is set out in Table 1.

STI performance and outcomes

A combination of financial and non-financial measures were used to measure performance for STI rewards. As a result of the Group's performance against those measures STIs rewarded for the FY2024 were paid in July 2024, but have been disclosed in Table 1.

LTI performance and outcomes

No ZEPOs were granted in FY2024. Performance rights granted in FY2024 are subject to performance conditions over a vesting period of between one and three years ending in May 2027.

The Managing Director was granted 52,040,305 performance rights in May 2024 and other executives were granted 109,284,636 performance rights in April 2024 under the Incentive Awards Plan.

For further details of options granted and vested refer to Table 5 below.

Overview of Company performance

The table below sets out information about Pantoro's earnings and movements in shareholder wealth for the past five years up to and including the current financial year.

	30 June 2024	30 June 2023	30 June 2022	30 June 2021	30 June 2020
Closing share price	$0.10	$0.07	$0.19	$0.20	$0.27
Profit/(loss) per share (cents)	(0.93)	(3.67)	(0.74)	(2.49)	(2.49)
Net tangible assets per share (cents)(1)	6.41	7.19	12.25	11.06	7.61
Total Shareholder Returns	33%	-62%	-5%	-25%	33%
Dividends	-	-	-	-	-

(1) Net tangible assets per share includes right-of-use assets and lease liabilities.

Clawback of remuneration

In the event of serious misconduct or material misstatement in the Group's financial statements, the board has the discretion to reduce, cancel or clawback any unvested short-term incentives or long-term incentives.

Share trading policy

The Pantoro trading policy applies to all non-executive directors and executives. The policy prohibits employees from dealing in Pantoro securities while in possession of material non-public information relevant to the Group or during certain periods (without consent of the chairman). Executives must not enter into any hedging arrangements over unvested long-term incentives under the Group's long-term incentive plan. The Group would consider a breach of this policy as gross misconduct, which may lead to disciplinary action and potentially dismissal.

7. EXECUTIVE EMPLOYMENT ARRANGEMENTS

A summary of the key terms of employment agreements for executives is set out below. There is no fixed term for executive service agreements and all executives are entitled to participate in the Company's STI and LTI plans. The Company may terminate employment agreements immediately for cause, in which the executive is not entitled to any payment other than the value of fixed remuneration and accrued leave entitlements up to the termination date.

Name	Base Salary $	Superannuation	Notice Period	Termination Payment*
PM Cmrlec (Managing Director)	522,500	11% to a maximum of $27,500	6 months	6 months base salary
SJ Huffadine (Chief Operating Officer)	432,500	11% to a maximum of $27,500	6 months	6 months base salary
SM Balloch (Chief Financial Officer)	330,500	11% to a maximum of $27,500	6 months	6 months base salary
DW Okeby (Company Secretary	319,500	11% to a maximum of $27,500	6 months	6 months base salary

* Represents payments in lieu of notice for termination of employment agreements by the Group for anything other than for cause.

REMUNERATION REPORT (CONTINUED)

7. EXECUTIVE EMPLOYMENT ARRANGEMENTS (CONTINUED)

Table 1: Statutory Remuneration for the year ended 30 June 2024

2024	Short Term		Post employment	Long term benefits	Share-based payments	Total	% Performance related
	Salary and Fees	Cash Bonus	Superannuation	Leave[1]	Options/Rights		
Directors							
Paul Cmrlec	508,333	166,625	27,500	51,266	481,836	1,235,560	52
Kevin Maloney	86,000	-	9,460	-	-	95,460	-
Mark Maloney	108,780	-	-	-	-	108,780	-
Colin McIntyre	80,000	-	8,800	-	-	88,800	-
Fiona Van Maanen	92,000	-	10,120	-	-	102,120	-
Wayne Zekulich	136,000	-	14,960	-	-	150,960	-
	1,011,113	166,625	70,840	51,266	481,836	1,781,680	
Other key management personnel							
Scott Balloch	319,500	78,900	27,500	41,032	361,766	828,698	53
Scott Huffadine	412,500	122,313	27,500	47,177	430,347	1,039,837	53
David Okeby	303,910	75,700	27,500	27,296	353,569	787,975	54
	1,035,910	276,913	82,500	115,505	1,145,682	2,656,510	
Total	2,047,023	443,538	153,340	166,771	1,627,518	4,438,190	

(1) Leave movement relates to annual and long service leave.

Table 2: Statutory Remuneration for the year ended 30 June 2023

2023	Short Term		Post employment	Long term benefits	Share-based payments	Total	% Performance related
	Salary and Fees	Cash Bonus	Superannuation	Leave[1]	Options		
Directors							
Paul Cmrlec	480,000	78,000	27,500	39,956	265,525	890,981	39
Kyle Edwards [2]	74,614	-	9,355	-	26,604	110,573	-
Kevin Maloney [3]	-	-	-	-	-	-	-
Mark Maloney [3]	-	-	-	-	-	-	-
Colin McIntyre [3]	-	-	-	-	-	-	-
Fiona Van Maanen	81,667	-	9,355	-	8,186	99,208	-
Wayne Zekulich	122,117	-	12,982	-	8,378	143,477	-
	758,398	78,000	59,192	39,956	308,693	1,244,239	
Other key management personnel							
Scott Balloch	297,500	48,000	27,500	20,044	77,146	470,190	27
Scott Huffadine [4]	372,500	70,000	27,499	40,252	156,960	667,211	34
David Okeby	268,182	44,250	27,500	5,698	70,025	415,655	27
	938,182	162,250	82,499	65,994	304,131	1,553,056	
Total	1,696,580	240,250	141,691	105,950	612,824	2,797,295	

(1) Leave movement relates to annual and long service leave.
(2) Resigned 30 June 2023.
(3) Appointed 30 June 2023.
(4) On completion of the merger with Norseman Gold Ltd (formerly Tulla Resource Plc), Mr Huffadine resigned from the board on 30 June 2023 and continues with Pantoro as Chief Operating Officer.

REMUNERATION REPORT (CONTINUED)

7. EXECUTIVE EMPLOYMENT ARRANGEMENTS (CONTINUED)

The remuneration detailed in table 3 represents the KMP's "take home pay" and is a non-IFRS disclosure which is particularly useful in understanding the cash value of remuneration realised during the year. The table excludes adjustments made for accounting purposes and included in Statutory Remuneration (refer to Tables 1 and 2 above), specifically long service leave expenses recognised prior to the achievement of 7 years' continuous employment and the fair value of options under two outstanding LTI cycles expensed and not exercised during the reporting period. The value of director salary sacrificed share rights as expensed over the vesting period in Table 2 are excluded and instead recognised on exercising by reference to the share price on exercise date during the period.

Table 3: Take home pay for the year ended 30 June 2024

2024	Salary and fees	STI bonus	Superan-nuation	Leave[1]	Exercise of Options/ Rights [2]	Total
Directors						
Paul Cmrlec	508,333	166,625	27,500	29,939	-	732,397
Kevin Maloney	86,000	-	9,460	-	-	95,460
Mark Maloney	108,780	-	-	-	-	108,780
Colin McIntyre	80,000	-	8,800	-	-	88,800
Fiona Van Maanen	92,000	-	10,120	-	-	102,120
Wayne Zekulich	136,000	-	14,960	-	-	150,960
	1,011,113	166,625	70,840	29,939	-	1,278,517
Other key management personnel						
Scott Balloch	319,500	78,900	27,500	25,779	-	451,679
Scott Huffadine	412,500	122,313	27,500	47,177	-	609,490
David Okeby	303,910	75,700	27,500	15,140	-	422,250
	1,035,910	276,913	82,500	88,096	-	1,483,419
Total	2,047,023	443,538	153,340	118,035	-	2,761,936

(1) Leave entitlement relates to annual leave.

(2) The value of options and rights are calculated by reference to the share price on exercise date.

Table 4: Take home pay for the year ended 30 June 2023

2023	Salary and fees	STI bonus	Superan-nuation	Leave(1)	Exercise of Options/ Rights (2)	Total
Directors						
Paul Cmrlec	480,000	78,000	27,500	25,837	54,519	665,856
Kyle Edwards (3)	74,614	-	9,355	-	16,405	100,374
Kevin Maloney (4)	-	-	-	-	-	-
Mark Maloney (4)	-	-	-	-	-	-
Colin McIntyre (4)	-	-	-	-	-	-
Fiona Van Maanen	81,667	-	9,355	-	-	91,022
Wayne Zekulich	122,117	-	12,982	-	4,262	139,361
	758,398	78,000	59,192	25,837	75,186	996,613
Other key management personnel						
Scott Balloch	297,500	48,000	27,500	10,293	25,442	408,735
Scott Huffadine (5)	372,500	70,000	27,499	93,749	40,889	604,637
David Okeby	268,182	44,250	27,500	(5)	22,716	362,643
	938,182	162,250	82,499	104,037	89,047	1,376,015
Total	1,696,580	240,250	141,691	129,874	164,233	2,372,628

(1) Leave entitlement relates to annual leave.

(2) The value of options and rights are calculated by reference to the share price on exercise date less any applicable exercise price (PEPO's). Where the share price is lower than exercise price then no value is recorded.

(3) Resigned 30 June 2023.

(4) Appointed 30 June 2023.

(5) On completion of the merger with Norseman Gold Ltd (formerly Tulla Resource Plc), Mr Huffadine resigned from the board on 30 June 2023 and continues with Pantoro as Chief Operating Officer.

8. ADDITIONAL STATUTORY DISCLOSURES

Table 5: Compensation options/rights – Granted and vested during the year

The table below shows options and rights granted and vested during the 2024 financial year.

2024	Granted Number	Grant Date	Fair value per Option/ Right at Grant Date $	Fair value of options granted $	Exercise Price $	Vesting Date	Expiry Date	Options/ rights vesting during the year	Options/ rights lapsed during the year
Directors and key management personnel									
S Balloch-ZEPOs	393,273	1/11/21	0.160	62,924	Nil	1/7/24	30/6/26	-	-
S Balloch-ZEPOs	393,273	1/11/21	0.152	59,777	Nil	1/7/24	30/6/26	-	-
S Balloch-ZEPOs	468,996	7/10/22	0.123	57,687	Nil	1/7/25	30/6/27	-	-
S Balloch-ZEPOs	468,996	7/10/22	0.125	58,625	Nil	1/7/25	30/6/27	-	-
S Balloch-Rights	14,571,285	29/4/24	0.056	815,992	Nil	**	30/5/25	-	-
S Balloch-Rights	14,571,285	29/4/24	0.089	1,296,844	Nil	**	30/5/26	-	-
S Balloch-Rights	7,285,642	29/4/24	0.089	648,422	Nil	**	30/5/27	-	-
P Cmrlec-ZEPOs	1,228,219	19/10/21	0.298	366,009	Nil	1/7/24	30/6/26	-	-
P Cmrlec-ZEPOs	1,228,219	19/10/21	0.286	351,271	Nil	1/7/24	30/6/26	-	-
P Cmrlec-Rights	20,816,122	29/5/24	0.055	1,144,887	Nil	**	30/5/25	-	-
P Cmrlec-Rights	20,816,122	29/5/24	0.090	1,873,451	Nil	**	30/5/26	-	-
P Cmrlec-Rights	10,408,061	29/5/24	0.090	936,725	Nil	**	30/5/27	-	-
S Huffadine-ZEPOs	726,041	19/10/21	0.298	216,360	Nil	1/7/24	30/6/26	-	-
S Huffadine-ZEPOs	726,041	19/10/21	0.286	207,648	Nil	1/7/24	30/6/26	-	-
S Huffadine-Rights	14,571,285	29/4/24	0. 056	815,992	Nil	**	30/5/25	-	-
S Huffadine-Rights	14,571,285	29/4/24	0.089	1,296,844	Nil	**	30/5/26	-	-
S Huffadine-Rights	7,285,642	29/4/24	0.089	648,422	Nil	**	30/5/27	-	-
D Okeby-ZEPOs	356,970	1/11/21	0.160	57,115	Nil	1/7/24	30/6/26	-	-
D Okeby-ZEPOs	356,970	1/11/21	0.152	54,259	Nil	1/7/24	30/6/26	-	-
D Okeby-ZEPOs	425,704	7/10/22	0.123	52,362	Nil	1/7/25	30/6/27	-	-
D Okeby-ZEPOs	425,704	7/10/22	0.125	53,213	Nil	1/7/25	30/6/27	-	-
D Okeby-Rights	14,571,285	29/4/24	0. 056	815,992	Nil	**	30/5/25	-	-
D Okeby-Rights	14,571,285	29/4/24	0.089	1,296,844	Nil	**	30/5/26	-	-
D Okeby-Rights	7,285,642	29/4/24	0.089	648,422	Nil	**	30/5/27	-	-

** Performance rights vest once the performance hurdle is achieved and not on a specific date.

For details on the valuation of the options, including models and assumptions used, please refer to note 26 to the financial statements.

The value of the share based payments granted during the year is recognised in compensation over the vesting period of the grant. The total unvested option value yet to be expensed as at 30 June 2024 is $11,375,385.

Table 6: Option and performance right holdings of key management personnel

The numbers of options and performance rights over ordinary shares in the company held during the financial year by directors and other key management personnel, including their personally related parties, are set out below.

30 June 2024	Balance at beginning of year or on appointment	Granted during the year as compensation	Expired during the year	Exercised during the year	Balance at end of year	Vested and exercisable at the end of the year
Directors						
Paul Cmrlec	2,513,964	52,040,305	-	-	54,554,269	57,526
Kevin Maloney	-	-	-	-	-	-
Mark Maloney	-	-	-	-	-	-
Colin McIntyre	-	-	-	-	-	-
Fiona Van Maanen	85,418	-	-	-	85,418	85,418
Wayne Zekulich	-	-	-	-	-	-
Key management personnel						
Scott Balloch	1,724,538	36,428,212	-	-	38,152,750	-
Scott Huffadine	1,452,082	36,428,212	-	-	37,880,294	-
David Okeby	1,565,348	36,428,212	-	-	37,993,560	-
Total	**7,341,350**	**161,324,941**	**-**	**-**	**168,666,291**	**142,944**

Table 7: Shareholdings of key management personnel

The numbers of shares in the Company held during the financial year by each director and other key management personnel of the Company, including their personally related parties, are set out below. No shares were granted as remuneration. No shares were issued on the vesting and exercise of remuneration options (2023: 776,031).

30 June 2024	Balance at start of year	Acquired during the year	Disposed during the year	Exercise of options/ rights	Other changes during the year	Balance at the end of the year
Directors						
Paul Cmrlec	8,950,616	-	-	-	-	8,950,616
Kevin Maloney	891,168,407	-	-	-	-	891,168,407
Mark Maloney	882,503,502	-	-	-	-	882,503,502
Colin McIntyre	12,895,237	-	12,895,237	-	-	-
Fiona Van Maanen	238,321	-	-	-	-	238,321
Wayne Zekulich	650,126	-	-	-	-	650,126
Key management personnel						
Scott Balloch	1,176,724	-	-	-	-	1,176,724
Scott Huffadine	3,155,965	-	-	-	-	3,155,965
David Okeby	1,742,903	-	100,000	-	-	1,642,903
Total	**1,802,481,801**	**-**	**12,995,237**	**-**	**-**	**1,789,486,564**

REMUNERATION REPORT (CONTINUED)

8. ADDITIONAL STATUTORY DISCLOSURES (CONTINUED)

Loans to key management personnel and their related parties

There were no loans to key management personnel during the years ended 30 June 2024 and 30 June 2023.

Other transactions to key management personnel and their related parties

There are no other transactions with key management personnel during the years ended 30 June 2024 and 30 June 2023.

END OF THE AUDITED REMUNERATION REPORT

DIRECTORS' REPORT (CONTINUED)

MEETINGS OF DIRECTORS

During the financial year details of meetings of directors held and attendances by each director (while a director of the Company) were as follows:

	Directors		Audit and Risk Committee		Remuneration Committee	
	Eligible to attend	Attended	Eligible to attend	Attended	Eligible to attend	Attended
P Cmrlec	15	15	-	-	-	-
K Maloney	15	15	-	-	2	2
M Maloney	15	15	2	2	2	2
C McIntyre	15	14	-	-	-	-
F Van Maanen	15	15	2	2	-	-
W Zekulich	15	15	2	2	2	2

COMMITTEE MEMBERSHIP

Audit and Risk Committee	Remuneration Committee
F Van Maanen *	M Maloney *
M Maloney	K Maloney
W Zekulich	W Zekulich

* Designates the Chairperson of the Committee

INDEMNIFYING AND INSURANCE OF DIRECTORS AND OFFICERS

During the financial year and to the extent permitted by law, the Company has paid premiums to insure the directors and officers against certain liabilities arising out of their conduct while acting as an officer of the Company. The Company has paid premiums to insure each of the directors and officers against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director or officer of the Company, other than conduct involving a wilful breach of duty in relation to the Company. Under the terms and conditions of the insurance contract the premium paid cannot be disclosed.

INDEMNIFICATION OF AUDITORS

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young during or since the financial year.

PROCEEDINGS ON BEHALF OF COMPANY

No person has applied for leave of court to bring proceedings on behalf of the Company or intervene in any proceedings to which the company is party for the purpose of taking responsibility on behalf of the Company for all or any part of these proceedings.

The Company was not a party to any such proceedings during the year.

CORPORATE GOVERNANCE

In recognising the need for the highest standards of corporate behaviour and accountability, the directors of the Company support and have adhered to the principles of Corporate Governance. The Company's corporate governance statement is available on the Company's website (https://www.pantoro.com.au/about/corporate-governance/).

DIRECTORS' REPORT (CONTINUED)

NON-AUDIT SERVICES

The following non-audit services were provided by the entity's auditor Ernst & Young. The Directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The nature and scope of each type of non-audit service provided means that auditor independence was not compromised.

Ernst & Young received or are due to receive the following amounts for the provision of non-audit services (refer to note 9):

Tax compliance services	$69,158

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration for the year ended 30 June 2024 is on the following page and the declaration forms part of this directors' report.

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

P.M. [signature]

Paul Cmrlec
Managing Director
Dated 26 September 2024

AUDITOR'S INDEPENDENCE DECLARATION

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Building a better working world

Auditor's independence declaration to the directors of Pantoro Limited

As lead auditor for the audit of the financial report of Pantoro Limited for the financial year ended 30 June 2024, I declare to the best of my knowledge and belief, there have been:

a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit;

b. No contraventions of any applicable code of professional conduct in relation to the audit; and

c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Pantoro Limited and the entities it controlled during the financial year.

Ernst & Young

Ernst & Young

Gavin Buckingham

Gavin Buckingham
Partner
26 September 2024

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2024

	Note	30 Jun 24 $	30 Jun 23 $
Revenue	6	229,431,930	98,544,119
Cost of sales	7(a)	(280,272,589)	(152,791,798)
Gross loss		(50,840,659)	(54,247,679)
Other income	6	30,655,911	1,670,815
Administration and other expenses	7(b)	(6,759,224)	(16,609,911)
Finance costs	7(c)	(18,172,203)	(9,166,029)
Fair value change in financial instruments	7(d)	(2,560,467)	(145,695)
Care and maintenance costs	7(e)	(1,653,521)	-
Impairment loss on non-financial assets	36	-	(15,381,323)
Loss on remeasurement of previously held interest in joint operation	37	-	(12,593,992)
Exploration and evaluation expenditure written off		(38,348)	(62,591)
Share of loss of an associate		-	(76,539)
Loss before income tax		(49,368,511)	(106,612,944)
Income tax benefit	8	58,771	31,973,137
Loss after income tax		(49,309,740)	(74,639,807)
Other comprehensive loss		-	-
Other comprehensive loss for the year, net of tax		-	-
Total comprehensive loss for the year, net of tax		(49,309,740)	(74,639,807)
Earnings per share attributable to the ordinary equity holders of the parent (cents per share)			
Basic loss per share (cents per share)	10	(0.94)	(3.67)
Diluted loss per share (cents per share)	10	(0.94)	(3.67)

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2024

	Note	30 Jun 24 $	30 Jun 23 $
CURRENT ASSETS			
Cash and cash equivalents	11	98,121,705	42,609,969
Trade and other receivables	12	5,154,768	3,965,937
Inventories	13	19,062,814	9,196,862
Prepayments	14	1,445,613	1,325,464
Total current assets		123,784,900	57,098,232
NON-CURRENT ASSETS			
Property, plant and equipment	15,36	119,802,450	113,016,119
Exploration and evaluation expenditure	16,36	190,354,804	208,960,502
Mine properties and development costs	17,36	94,907,980	103,861,253
Goodwill	18	32,031,908	31,973,137
Total non-current assets		437,097,142	457,811,011
TOTAL ASSETS		560,882,042	514,909,243
CURRENT LIABILITIES			
Trade and other payables	19	49,732,414	57,641,925
Provisions	20	1,909,909	1,564,152
Interest-bearing loans and borrowings	21	27,375,254	55,421,188
Other financial liabilities	23	9,979,734	7,556,279
Total current liabilities		88,997,311	122,183,544
NON-CURRENT LIABILITIES			
Provisions	20	29,843,219	30,267,722
Interest-bearing loans and borrowings	21	28,741,634	24,151,803
Other financial liabilities	23	-	86,466
Total non-current liabilities		58,584,853	54,505,991
TOTAL LIABILITIES		147,582,164	176,689,535
NET ASSETS		413,299,878	338,219,708
EQUITY			
Issued capital	24	686,630,133	563,899,951
Reserves	25	14,372,501	12,712,773
Accumulated losses		(287,702,756)	(238,393,016)
TOTAL EQUITY		413,299,878	338,219,708

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

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2024

	Note	30 Jun 24 $	30 Jun 23 $
CASH FLOWS USED IN OPERATING ACTIVITIES			
Receipts from customers		229,431,929	98,544,119
Payments to suppliers and employees		(224,136,475)	(98,995,979)
Interest and borrowing costs paid		(7,078,648)	(6,297,495)
Interest received		1,220,022	685,033
Other income		-	146,233
Payments for transaction costs		-	(11,210,280)
Net cash used in operating activities	11	(563,172)	(17,128,369)
CASH FLOWS USED IN INVESTING ACTIVITIES			
Payments for property, plant and equipment		(3,655,314)	(16,009,478)
Payments for exploration and evaluation		(3,939,104)	(7,334,308)
Payments for mine properties and development		(33,133,039)	(40,605,314)
Proceeds from sale of property, plant and equipment		-	232,238
Proceeds from sale of mineral rights		29,400,000	-
Receipts from finance leases		-	3,579,390
Receipts from disposal of investment in an associate		-	2,643,425
Inflow of cash on acquisition of subsidiary	37	-	11,716,539
Funds lent to subsidiary prior to acquisition		-	(22,501,173)
Net cash flows used in investing activities		(11,327,457)	(68,278,681)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from share issues	24	130,000,000	104,371,000
Transaction costs on issue of shares		(7,269,818)	(5,985,020)
Proceeds from borrowings		-	18,795,536
Repayment of borrowings		(44,518,662)	(30,000,000)
Payment of principal portion of insurance premium funding	21	(746,406)	(784,047)
Payment of principal portion of lease liabilities	22	(9,839,271)	(10,421,334)
Payment to closeout currency hedge derivatives		(223,478)	-
Net cash flows from financing activities		67,402,365	75,976,135
Net increase/(decrease) in cash and cash equivalents held		55,511,736	(9,430,915)
Cash and cash equivalents at the beginning of the financial period		42,609,969	52,040,884
Cash and cash equivalents at the end of the financial period	11	98,121,705	42,609,969

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2024

	Issued Capital	Options reserve	Share based payment reserve	Accumulated losses	Total equity
	$	$	$	$	$
At 1 July 2022	344,731,334	4,613,958	7,304,252	(163,753,209)	192,896,335
Loss for the year	-	-	-	(74,639,807)	(74,639,807)
Other comprehensive loss, net of tax	-	-	-	-	-
Total comprehensive loss for the year	**-**	**-**	**-**	**(74,639,807)**	**(74,639,807)**
Shares issued during the year	225,153,637	-	-	-	225,153,637
Share issue costs	(5,985,020)	-	-	-	(5,985,020)
Share-based payments	-	-	794,563	-	794,563
At 30 June 2023	**563,899,951**	**4,613,958**	**8,098,815**	**(238,393,016)**	**338,219,708**

	Issued capital	Options reserve	Share-based payments reserve	Accumulated losses	Total equity
	$	$	$	$	$
At 1 July 2023	563,899,951	4,613,958	8,098,815	(238,393,016)	338,219,708
Loss for the year	-	-	-	(49,309,740)	(49,309,740)
Other comprehensive loss, net of tax	-	-	-	-	-
Total comprehensive loss for the year	**-**	**-**	**-**	**(49,309,740)**	**(49,309,740)**
Shares issued during the year	130,000,000	-	-	-	130,000,000
Share issue costs	(7,269,818)	-	-	-	(7,269,818)
Share-based payments	-	-	1,659,728	-	1,659,728
At 30 June 2024	686,630,133	4,613,958	9,758,543	(287,702,756)	413,299,878

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

1. CORPORATE INFORMATION

Pantoro Limited (Pantoro or the Company) is a for profit company limited by shares incorporated and domiciled in Australia whose shares are publicly traded on the Australian Securities Exchange.

The nature of the operations and principal activities of Pantoro and its controlled entities (the Group) are described in the Directors' Report.

The address of the registered office is Level 2, 46 Ventnor Avenue, West Perth WA 6005.

The financial report of Pantoro Limited for the year ended 30 June 2024 was authorised for issue in accordance with a resolution of the directors on 26 September 2024.

2. BASIS OF PREPARATION

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001 and Australian Accounting Standards and other authoritive pronouncements of the Australian Accounting Standards Board.

The financial report has been prepared on a historical cost basis other than derivatives which are carried at fair value.

The financial report is presented in Australian dollars.

The financial report complies with Australian Accounting Standards as issued by the Australian Accounting Standards Board (AASB) and also International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

The Group has prepared the financial statements on the basis that it will continue to operate as a going concern which contemplates the realisation of assets and the settlement of liabilities in the ordinary course of business for at least 12 months beyond the date of signing the financial report. The Directors are satisfied this is appropriate having regard to the $100 million capital raising during the financial year, the repayment in full of the Term loan with Nabari Partners LLC during the financial year and the positive cashflows generated from operations over the last 6 months of the 30 June 2024 year due to the ongoing development of the Norseman Gold Project.

3. NEW AND AMENDED ACCOUNTING STANDARDS AND INTERPRETATIONS ADOPTED

The Group has adopted all Accounting Standards and Interpretations effective from 1 July 2023. The accounting policies adopted are consistent with those of the previous financial year.

Additionally, the Group has early adopted from 1 July 2023, AASB 2020-1 and AASB 2022-6 Amendments to Australian Accounting Standard AASB 101 – Classification of Liabilities as Current or Non-current (otherwise effective from 1 July 2024). This Standard amends AASB 101 to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. Among other things, the amendments clarify that the meaning of 'settlement' of a liability includes settlement through the transfer of an entity's own equity instruments. As a result of adoption of these amendments, the Group has classified its liability under the Nebari Convertible Loan facility (note 21) as 'current', at 30 June 2024.

Any other new and amended Accounting Standards and Interpretations applied for the first time from 1 July 2023 did not have an impact on the consolidated financial statements of the Group and, hence, have not been disclosed.

New and amended standards and interpretations issued but not yet effective

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted by the Group for the annual reporting period ended 30 June 2024 (except as noted above). Those which may be relevant to the Group are set out in the table below:-

- AASB 18 Presentation and Disclosure in Financial Statements, effective for the Group 1 July 2027.

  AASB 18 has been issued to improve how entities communicate in their financial statements, with a particular focus on information about financial performance in the statement of profit or loss. The Group is in the process of evaluating the impact of this Standard.

4. SIGNIFICANT 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 and estimates on historical experience and on other various factors it believes to be reasonable under the circumstances, the result of which form the basis of the carrying values of assets and liabilities that are not readily apparent from other sources.

Management has identified the following critical accounting policies for which significant judgements have been made as well as the following key estimates and assumptions that have the most significant impact on the financial statements. Actual results may differ from these estimates under different assumptions and conditions and may materially affect financial results or the financial position reported in future periods.

Further details of the nature of these assumptions and conditions may be found in the relevant notes to the financial statements.

Significant judgements

The Group determines whether a contract is, or contains, a lease at the commencement date. Judgement is applied to determine whether or not the contract contains an identified asset, has the right to obtain substantially all of the economic benefits from the use of the identified asset throughout the period of use and has the right to direct how and for what purpose the asset is used throughout the period of use. Judgement is also applied in assessing a supplier's right and practical ability to substitute alternative assets through the period of use. The Group considers that a supplier has substantive substitution rights when it can be demonstrated that the supplier would benefit economically from the exercise of its right to substitute assets. In this regard, with respect to the mining services contracts, the Group considers whether the supplier has other contracts within the same geographical location, the size of the supplier's equipment fleet and the ease and expected cost of substitution.

Determining the lease term of contracts with renewal options

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has the option, under some of its leases to lease the assets for additional terms of one to two years. The Group applies judgement in evaluating whether it is reasonably certain to exercise the option to renew. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew (e.g. a change in business strategy).

The Group included the renewal period as part of the lease term for leases of plant and machinery due to the significance of these assets to its operations. These leases have a short non-cancellable period (i.e. two to three years) and there will be a significant negative effect on production if a replacement is not readily available.

Estimating the incremental borrowing rate

Where the Group cannot readily determine the interest rate implicit in its leases, it uses the relevant incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Determiation of mineral resources and ore reserves

The determination of reserves impacts the accounting for asset carrying values, depreciation and amortisation rates and provisions for mine rehabilitation. The Group estimates its mineral resource and ore reserves in accordance with the Australian code for Reporting of Exploration Results, Mineral Resources and Ore Reserves 2012 (the JORC code). The information on mineral resources and ore reserves were prepared by or under the supervision of Competent Persons as defined in the JORC code. The amounts presented are based on the mineral resources and ore reserves determined under the JORC code.

There are numerous uncertainties inherent in estimating mineral resources and ore reserves and assumptions that are valid at the time of estimation may change significantly when new information becomes available.

Changes in the forecast prices of commodities, exchange rates, production costs or recovery rates may change the economic status of reserves and may ultimately, result in the reserves being updated.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONTINUED)

Impairment of capitalised mine development expenditure and property, plant and equipment

For assets excluding goodwill, the Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

The Halls Creek CGU ceased production in June 2023 and moved to care and maintenance. With the CGU no longer generating cash inflows, fair value was determined using a market comparison approach based on the remaining JORC compliant Mineral Resources. To value the residual resources, the Group has considered comparable market transactions to derive a market multiple per resource ounce. Refer to note 36 for further details on inputs and sensitivities.

Impairment of capitalised exploration and evaluation expenditure

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

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

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

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

Valuation of embedded derivative in convertible loan

The Group has an embedded derivative for the conversion right associated with its convertible loan. The derivative is valued using a Monte Carlo simulation which requires multiple inputs. Judgement is required to estimate the values used for the following inputs:

- The life of the derivative;
- The expected volatility of Pantoro's share price;
- The risk-free rate of interest

Changes to any of these estimates could result in significant changes to the fair value of the derivative, which would in turn impact future financial results. Refer to note 23 for further details.

Unit of production method of amortisation and depreciation

The Group applies the unit of production method of amortisation to mine properties and development based on ore ounces mined. These calculations require the use of estimates and assumptions. Significant judgement is required in assessing the available reserves and the production capacity of the plants to be depreciated under this method. Factors that are considered in determining reserves and production capacity are the Group's history of converting resources to reserves and the relevant time frames, the complexity of metallurgy, markets and future developments. When these factors change or become known in the future, such differences will impact pre-tax profit and carrying values of assets.

Mine rehabilitation provision

The Group assesses its mine rehabilitation provisions on an annual basis in accordance with the accounting policy stated in note 5(s). In determining an appropriate level of provision, consideration is given to the expected future costs to be incurred, the timing of those future costs (largely dependent on the life of mine) and the estimated level of inflation. The ultimate cost of rehabilitation is uncertain and costs can vary in response to many factors including changes to the relevant legal requirements, the emergence of new rehabilitation techniques or experience at other mine sites. The expected timing of expenditure can also change, for example in response to changes in resources or to production rates. Changes to any of the estimates could result in significant changes to the level of provisioning required, which would in turn impact future financial results.

In recognising the amount of rehabilitation obligation at each reporting date, estimates are made on the extent of rehabilitation that the Group is responsible for at each reporting date.

The provision at reporting date represents management's best estimate of the present value of the future rehabilitation costs required, utilising the following key inputs:

	Halls Creek	Norseman
Discount rate	4.41%	4.31%
Inflation rate	3.80%	2.60%
Expected timing of rehabilitation activities	1 year	10 years

Taxation

Balances disclosed in the financial statements and the notes relating to taxation, are based on the best estimates of management and take into account the financial performance and position of the Group as they pertain to current income tax legislation, and management's understanding thereof. No adjustment has been made for pending taxation legislation.

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 each reporting date. Deferred tax assets, when 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. Unrecognised deferred tax assets are only recognised to the extent that it is probable that there are future taxable profits available against which deductible temporary differences can be utilised. As at 30 June 2024, deferred tax assets have been recognised by the Group to the extent there are sufficient taxable temporary differences (deferred tax liabilities) available to the Group that relate to the same taxation authority and that will reverse in the same period as the expected reversal of the deferred tax assets.

5. MATERIAL ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all the years presented in these consolidated financial statements, unless otherwise stated and have been applied consistently across the Group.

(a) Principles of consolidation

(i) Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of the Company as at 30 June 2024 and the results of all subsidiaries for the year then ended. The Company and its subsidiaries together are referred to in this financial report as the Group.

Subsidiaries are entities controlled by the Company. The Company has control over an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity, and has the ability to use its power to affect those returns. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. They are de-consolidated from the date that control ceases.

(ii) Transactions eliminated on consolidation

Intra-Group balances, and any unrealised income and expenses arising from intra-Group transactions, are eliminated in preparing the consolidated financial statements. Accounting policies of subsidiaries are consistent with the parent.

(b) Business combinations

The acquisition method of accounting is used to account for all business combinations. Consideration is measured at the fair value of the assets transferred, liabilities incurred and equity interests issued by the Group on acquisition date. Consideration also includes the acquisition date fair values of any contingent consideration arrangements. The acquisition date is the date on which the Group obtains control of the acquiree. Where equity instruments are issued as part of the consideration, the value of the equity instruments is their published market price at the acquisition date.

Identifiable assets acquired and liabilities and contingent liabilities assumed in business combinations are, with limited exceptions, initially measured at their fair values at acquisition date. Goodwill represents the excess of the consideration transferred and the amount of the non-controlling interest in the acquiree over fair value of the identifiable net assets acquired. If the consideration and non-controlling interest of the acquiree is less than the fair value of the net identifiable assets acquired, the difference is recognised in profit or loss as a bargain purchase price, but only after a reassessment of the identification and measurement of the net assets acquired. For each business combination, the Group measures non-controlling interests at either fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

Acquisition-related costs are expensed when incurred.

When the Group obtains control of a business that was previously accounted for as a joint operation, the Group accounts for the transaction as a business combination achieved in stages. As such, the Group remeasures its previously held interests in the business at its acquisition date fair value and the resulting gain or loss is recognised in profit or loss.

Where settlement of any part of the cash consideration is deferred, the amounts payable in future are discounted to present value at the date of exchange using the entity's incremental borrowing rate as the discount rate.

Contingent consideration is classified as equity or financial liabilities. Amounts classified as financial liabilities are subsequently remeasured to fair value at the end of each reporting period, with changes in fair value recognised in profit or loss.

(c) Foreign currency transactions and balances

(i) Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Australian dollars, which is the Company's functional and presentation currency.

(ii) Transactions and balances

Transactions in foreign currencies are converted at rates of exchange ruling on the date of those transactions. At balance date, amounts receivable and payable in foreign currencies are translated at rates of exchange current at that date. Realised and unrealised gains and losses are brought to account in determining the profit or loss for the financial year.

(iii) Group companies

The results and financial position of all entities in the Group (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- Share capital, reserves and accumulated losses are converted at applicable historical rates;
- Income and expenses for each item of profit or loss are presented are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- All resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, a proportionate share of such exchange differences is reclassified to profit or loss, as part of the gain or loss on sale where applicable.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entities and translated at the closing rate.

(d) Cash and cash equivalents

For the Consolidated Statement of Cash Flows purposes, 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.

(e) Trade and other receivables

Receivables are classified, at initial recognition, and subsequently measured at amortised cost or fair value through profit or loss. The classification of receivables at initial recognition depends on the receivable's contractual cash flow characteristics and the Group's business model for managing them. Except for trade receivables the Group initially measures a receivable at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables are initially measured at the transaction price determined in accordance with the accounting policy for revenue.

(i) Receivables at amortised cost

The Group classifies receivables as financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment.

5. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(e) Trade and other receivables (continued)

(ii) Impairment

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original EIR. ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, the Group applies the simplified approach in calculating ECLs, as permitted by AASB 9. For other receivables that are due in less than 12 months, the 12-month ECL equals to lifetime ECL. Therefore, the Group does not track changes in credit risk for short term receivables, but instead, recognises a loss allowance based on the financial asset's lifetime ECL at each reporting date. For any other financial assets carried at amortised cost (which are due in more than 12 months), the ECL is based on the 12-month ECL when there has not been a significant increase in credit risk since origination. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment including forward-looking information.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows and usually occurs when past due for more than one year and not subject to enforcement activity.

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

(f) Inventories

Inventories are valued at the lower of cost and net realisable value.

Cost includes expenditure incurred in acquiring and bringing the inventories to their existing condition and location and is determined using the weighted average cost method.

(g) Property, plant and equipment

Recognition and measurement

Each class of property, plant and equipment is stated at historical cost less, where applicable, any accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of the equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent costs

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Consolidated Statement of Profit or Loss and Other Comprehensive Income during the financial period in which they are incurred.

Depreciation

Depreciation is calculated on a straight-line basis over the estimated useful life of the asset Major depreciation periods are:

- Mine Specific plant and equipment is depreciated using the shorter of life of mine and useful life. Useful life ranges between 1 and 10 years.
- Buildings are depreciated using shorter of life of mine and useful life. Useful life ranges between 3 and 10 years.
- Office plant and equipment is depreciated over useful lives ranging between 1 and 10 years.

The useful lives of assets are reviewed, and adjusted if appropriate, at each reporting date.

Capital work in progress is not depreciated until it is ready for use.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the profit or loss.

(h) Mineral exploration and evaluation expenditure

Expenditure on acquisition, exploration and evaluation relating to an area of interest is carried forward at cost where rights to tenure of the area of interest are current and;

(i) it is expected that expenditure will be recouped through successful development and exploitation of the area of interest or alternatively by its sale and/or;

(ii) exploration and evaluation activities are continuing in an area of interest but at reporting date have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. Where uncertainty exists as to the future viability of certain areas, the value of the area of interest is written off to the profit and loss or provided against.

Capitalised Mineral exploration and evaluation expenditure is transferred into mine properties and development cost upon technical feasibility and commercial viability of extracting the mineral resource becomes demonstrable and a decision has been made to develop and extract the resource.

Impairment

The carrying value of capitalised exploration and evaluation expenditure is assessed for impairment regularly and if after expenditure is capitalised, information becomes available suggesting that the recovery of expenditure is unlikely or that the Group no longer holds tenure, the relevant capitalised amount is written off to the Consolidated Statement of Profit or Loss and Other Comprehensive Income in the period when the new information becomes available.

Mineral exploration and evaluation expenditure are also assessed for impairment prior to the reclassification as mine properties and development costs.

(i) Mine properties and development

Expenditure on the acquisition and development of mine properties within an area of interest are carried forward at cost separately for each area of interest. Accumulated expenditure is amortised over the life of the area of interest to which such costs relate on a units of production basis using proven and probable Ore Reserves.

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

Impairment

The carrying value of capitalised mine properties and development expenditure is assessed for impairment whenever facts and circumstances suggest that the carrying amount of the asset may exceed its recoverable amount.

Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Refer to note 5(l) for further discussion on impairment testing performed by the Group.

5. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(j) Deferred stripping

As part of its mining operations, the Group incurs mining stripping (waste removal) costs both during the development and production phase of its operations.

When stripping costs are incurred in the development phase of a mine before the production phase commences (development stripping), such expenditure is capitalised as part of the cost of constructing the mine and subsequently amortised over its useful life using a units of production method, in accordance with the policy applicable to mine properties. The capitalisation of development stripping costs ceases when the mine or relevant component thereof is commissioned and ready for use as intended by management.

Waste development costs incurred in the production phase creates two benefits, being either the production of inventory or improved access to the ore to be mined in the future. Where the benefits are realised in the form of inventory produced in the period, the production stripping costs are accounted for as part of the cost of producing those inventories. Where production stripping costs are incurred and the benefit is improved access to ore to be mined in the future, the costs are recognised as a stripping activity asset within mine properties.

If the costs of the inventory produced and the stripping asset are not separately identifiable, the allocation is undertaken based on the waste-to-ore stripping ratio for the particular ore component concerned. If mining of waste in a period occurs in excess of the expected life-of-component waste-to-ore strip ratio, the excess is recognised as part of the stripping asset. Where mining occurs at or below the expected life-of-component stripping ratio in a period, the entire production stripping cost is allocated to the cost of the ore inventory produced.

Amortisation is provided on the units-of-production method over the life of the identified orebody component. The units-of-production method results in an amortisation charge proportional to the depletion of the economically recoverable mineral resources (comprising proven and probable reserves).

(k) Goodwill

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

(l) Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal (FVLCD) and its value in use (VIU). Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing VIU, the estimated future cash flows are discounted to their present value. The discount rate is derived from the Group's post-tax weighted average cost of capital (WACC), with appropriate adjustments made to reflect the risks specific to the CGU and the market participant debt equity structure. In determining FVCLD, an appropriate valuation method such as a discounted cash flow analysis is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

Where a discounted cash flow analysis is used, the Group bases its impairment calculation on detailed budgets and forecasts, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated, based on the life-of-mine plans. The estimated cash flows are based on expected future production, metal selling prices, operating costs and forecast capital expenditure based on life-of-mine plans.

Value in use does not reflect future cash flows associated with improving or enhancing an asset's performance, whereas anticipated enhancements to assets are included in fair value less costs of disposal calculations. Impairment losses of continuing operations, including impairment on inventories, are recognised in the profit and loss. For such properties, the impairment is recognised in other comprehensive income up to the amount of any previous revaluation.

(m) Reversal of impairment of non-financial assets

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Impairment losses relating to goodwill cannot be reversed in future periods.

(n) Trade and other payables

Trade payables, accruals and other payables are carried at amortised costs and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services.

(o) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the Consolidated Statement of Financial Position are shown inclusive of GST. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the Consolidated Statement of Financial Position.

Cash flows are presented in the Consolidated Statement of Cash Flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(p) Interest-bearing loans and borrowings

All loans and borrowings are initially recognised at fair value less directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method.

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

5. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(q) Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. IFRS 16.9.

Group as lessee

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

(i) Right of use assets

The Group has elected to present right-of-use assets as part of property, plant and equipment in the statement of financial position.

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term (ranging from three years to five years). Right-of-use assets are subject to impairment and assessed in accordance with the Group's impairment policies.

(ii) Lease liabilities

The Group has elected to present lease liabilities as part of interest bearing loans and borrowings in the statement of financial position.

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

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

- Separated the lease and non-lease components for all classes of assets;
- Applied the short term lease exemption to leases with lease terms that end within 12 months or less and do not contain a purchase option; and
- Applied the exemption to lease contracts for which the underlying asset is of low value.

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

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

Group as lessor

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for the head lease and the sub-lease as two separate contracts. The sub-lease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

Finance lease income is calculated with reference to the gross carrying amount of the lease receivables, except for credit-impaired financial assets for which interest income is calculated with reference to their amortised cost (i.e. after a deduction of the loss allowance).

(r) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability, to the extent that these risks have not been included within the estimate of expenditure required to settle the present obligation at the reporting date. The increase in the provision resulting from the passage of time is recognised in finance costs.

Rehabilitation Costs

The Group is required to decommission and rehabilitate mines and processing sites at the end of their producing lives to a condition acceptable to the relevant authorities.

The expected cost of any approved decommissioning or rehabilitation programme, discounted to its net present value, is provided when the related environmental disturbance occurs. The cost is capitalised when it gives rise to future benefits, whether the rehabilitation activity is expected to occur over the life of the operation or at the time of closure. The capitalised cost is amortised over the life of the operation and the increase in the net present value of the provision for the expected cost is included in financing expenses. Expected decommissioning and rehabilitation costs are based on the discounted value of the estimated future cost of detailed plans prepared for each site. Where there is a change in the expected decommissioning and restoration costs, the value of the provision and any related asset are adjusted and the effect is recognised in profit or loss on a prospective basis over the remaining life of the operation.

The estimated costs of rehabilitation are reviewed annually and adjusted as appropriate for changes in legislation, technology or other circumstances. Cost estimates are not reduced by potential proceeds from the sale of assets or from plant clean up at closure.

(s) 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.

(t) Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

The Group primarily generates revenue from the sale of gold and silver bullion. Bullion is sold either under a spot sale contract with the refiner or through forward sale agreements with banks. The only performance obligation under the contract is for the sale of gold or silver bullion. Revenue from bullion sales is recognised at a point in time when control passes to the buyer. This generally occurs after the unrefined doré is outturned and the Group either instructs the refiner to purchase the outturned fine metal or advises the refiner to transfer the gold to the bank by crediting the metal account of the bank. As all performance obligations are satisfied at that time, there are no remaining performance obligations under the contract. The transaction price is determined at transaction date and there are no further adjustments to this price. Forward sale agreements are accounted for as executory sale contracts for which revenue is recognised in the period in which the performance obligation is satisfied under the normal sale and purchase exemption.

Transaction prices for the sale of gold and silver bullion are determined on deal confirmation for spot sales and price within the forward contracts, with no further adjustments to the price.

5. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(u) Interest revenue

Interest income is recognised on a time proportion basis using the effective interest method.

(v) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use or sale) are capitalised as part of the cost of that asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

(w) Employee benefits

(i) Superannuation

Obligations for contributions to defined contribution superannuation funds are recognised as an expense in profit or loss when they are due.

(ii) Short-term benefits

Liabilities for employee benefits for wages, salaries, sick leave and other short-term benefits represent present obligations resulting from employees' services provided to reporting date and are calculated at undiscounted amounts based on remuneration wage and salary rates that the Group expects to pay when the liabilities are settled, including related on-costs, such as workers compensation insurance and payroll tax.

(iii) Long service leave

The liability for long service leave is recognised and measured as 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 currencies that match, as closely as possible, the estimated future cash outflows.

(x) Share-based payment transactions

The Group provides benefits to employees (including Directors) in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares (equity-settled transactions). The Group has one plan in place that provides these benefits. It is the Incentive Awards Plan which provides benefits to all employees including Directors.

In valuing equity-settled transactions, no account is taken of any vesting conditions (such as service conditions), other than conditions linked to the price of the shares of Pantoro Limited (market conditions) if applicable. The cost of these equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined by using a Black & Scholes or Monte Carlo model as appropriate. Further details of which are given in note 26.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled (the vesting period), ending on the date on which the relevant employees become fully entitled to the award (the vesting date).

At each subsequent reporting date until vesting, the cumulative charge to the statement of comprehensive income is the product of (i) the grant date fair value of the award; (ii) the current best estimate of the number of awards that will vest, taking into account such factors as the likelihood of employee turnover during the vesting period and the likelihood of non-market performance conditions being met; and (iii) the expired portion of the vesting period.

The charge to profit and loss for the period is the cumulative amount as calculated above less the amounts already charged in previous periods. There is a corresponding credit to equity.

Until an award has vested, any amounts recorded are contingent and will be adjusted if more or fewer awards vest than were originally anticipated to do so. Any award subject to a market condition is considered to vest irrespective of whether or not the market condition is fulfilled, provided that all other conditions are satisfied.

If a non-vesting condition is within the control of the Group, Company or the employee, the failure to satisfy the condition is treated as a cancellation. If a non-vesting condition within the control of neither the Group, Company nor employee is not satisfied during the vesting period, any expense for the award not previously recognised is recognised over the remaining vesting period, unless the award is forfeited.

If the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. An additional expense is recognised for any modification that increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee, as measured at the date of modification.

If an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award, and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of dilutive earnings per share.

(y) Income Tax

Current and deferred income tax

Income tax expense comprises current and deferred tax. Current tax for the period is the expected tax payable on the current period's taxable income based on the national income tax rate for each jurisdiction. Deferred tax is recognised using the full liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes and unused tax losses. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. No deferred tax is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Deferred tax is recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates, which are enacted or substantively enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure deferred tax.

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.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

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

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

Current and deferred tax balances attributable to amounts recognised in other comprehensive income and directly in equity are also recognised in other comprehensive income and directly in equity respectively.

Tax consolidation

Pantoro Limited and its wholly-owned Australian subsidiaries have formed a tax consolidated group under tax consolidation legislation. The head entity, Pantoro Limited, and the controlled entities in the tax consolidated group continue to account for their own current and deferred tax amounts. The Group has applied the group allocation approach in determining the appropriate amount of current taxes and deferred taxes to allocate to members of the tax consolidated group. Current tax liabilities and deferred tax assets arising from unused tax losses and tax credits in the subsidiaries are immediately transferred to the head entity. Entities in the tax consolidated group have entered a tax funding arrangement whereby each company in the group contributes to the income tax payable by the head entity in proportion to their contribution to the group's taxable income. Differences between the amounts of net tax assets and liabilities derecognised and the net amounts recognised pursuant to the funding arrangement are recognised as either a contribution by, or distribution to the head entity. Members of the tax consolidated group have entered into a tax sharing agreement, which provides for the allocation of income tax liabilities between members of the tax consolidated group should the parent, Pantoro Limited, default on its tax payments obligations.

5. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(z) Earnings per share

(i) Basic earnings per share

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

(i) 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.

6. REVENUE FROM CONTRACTS WITH CUSTOMERS AND OTHER INCOME

	2024 $	2023 $
Revenue from contracts with customers		
Sale of gold at spot	228,954,406	96,796,328
Sale of silver	477,524	479,004
Pre-production start date		
Sale of gold at spot	-	1,268,787
Total revenue from contracts with customers	229,431,930	98,544,119
Other income		
Interest income on cash at bank calculated using the effective interest rate method	1,220,022	685,033
Finance income on the net investment in finance leases	-	839,549
Sale of mineral rights net of costs (i)	29,400,000	-
Other income	35,889	146,233
Total other income	30,655,911	1,670,815

(i) During the year ended 30 June 2024, Pantoro divested its lithium, nickel, copper and cobalt rights across the Norseman Gold Project tenure to Mineral Resources Limited.

In consideration of this, Pantoro received cash payment of $29.4 million, net of costs of $0.6 million, and:

1. Right to receive future revenue based royalties, as the mine is developed in the future by Mineral Resources.
2. Right to receive an additional $30m, should Mineral Resources make a final investment decision in relation to a base metals mine in the future.

7. EXPENSES

	2024 $	2023 $
(a) Cost of Sales		
Salaries, wages expense and other employee benefits	(14,286,400)	(20,283,809)
Superannuation	(1,300,674)	(1,835,362)
Short term lease expenses	(1,718,925)	(224,815)
Mining costs	(134,422,200)	(52,114,362)
Processing costs	(36,331,358)	(19,208,409)
Other production costs net of inventory movements	(9,722,748)	(10,006,125)
Royalties	(5,416,080)	(2,218,272)
Reversal/(write down) in value of inventories to estimated net realisable value	5,231,628	(3,661,615)
Depreciation and amortisation expense		
Plant and equipment	(9,368,433)	(6,508,205)
Buildings	(733,834)	(451,595)
Mine properties and development costs	(61,841,856)	(27,310,542)
Right of use assets	(10,361,709)	(7,495,113)
	(280,272,589)	(151,318,224)
Pre-production start date	-	(1,473,574)
Total cost of sales	(280,272,589)	(152,791,798)
(b) Other Expenses		
Administration expenses		
Salaries, wages expense and other employee benefits	(1,679,487)	(1,291,868)
Superannuation	(151,885)	(116,831)
Directors' fees and other benefits	(576,157)	(333,425)
Share-based payments	(1,659,727)	(794,563)
Consulting expenses	(886,430)	(879,829)
Transaction costs	-	(11,210,280)
Travel and accommodation expenses	(67,969)	(51,889)
Administration costs	(1,984,479)	(1,598,373)
Depreciation expense		
Depreciation of non-current assets:		
Property, plant and equipment	(27,171)	(37,995)
Right of use assets	(85,647)	(85,647)
Total administration expenses	(7,118,952)	(16,400,700)
Other expenses		
Realised foreign exchange (loss)/gain	(925)	33,988
Unrealised foreign currency gain	235,007	-
Net (loss)/profit on disposal of property, plant and equipment	(7,747)	(309,047)
Gain on lease terminations	133,393	65,848
	359,728	(209,211)
Total other expenses	(6,759,224)	(16,609,911)

		2024	2023
(c)	**Finance costs**		
	Interest and borrowing costs	(12,050,152)	(6,591,357)
	Interest on lease liabilities	(2,354,444)	(1,924,894)
	Unwinding of rehabilitation provision discount	(1,650,930)	(649,778)
	Loss on derecognition of loan	(2,116,677)	-
	Total finance costs	(18,172,203)	(9,166,029)
(d)	**Fair value change in financial instruments**		
	Loss on movement in embedded derivative value	(2,482,684)	-
	Fair value change in derivatives	(77,783)	(145,695)
	Total fair value change in financial instruments	(2,560,467)	(145,695)
(e)	**Care and maintenance costs**		
	Salaries, wages expense and other employee benefits	(599,107)	-
	Superannuation	(54,055)	-
	Other care and maintenance costs	(1,000,359)	-
	Total care and maintenance costs	(1,653,521)	-

8. INCOME TAX

	2024	2023
(a) Major components of income tax expense:		
Income Statement		
Current income tax		
Current income tax benefit	11,951,728	(26,957,085)
Adjustments in respect of current income tax of previous years	-	-
Deferred tax		
Relating to origination and reversal of temporary differences	-	-
Previously unrecognised deferred tax assets recognised in the current year	-	(5,016,052)
Deferred tax asset not recognised in the current year	(11,892,957)	-
Income tax benefit reported in the statement of profit and loss and other comprehensive income	58,771	31,973,137

(b) A reconciliation between tax expense and the product of accounting loss before income tax multiplied by the Group's applicable tax rate is as follows:

	2024	2023
Accounting loss before tax from continuing operations	(49,368,511)	(106,612,944)
Total accounting loss before income tax	(49,368,511)	(106,612,944)
At statutory income tax rate of 30% (2023: 30%)	(14,810,553)	(31,983,883)
Non-deductible items		
Share based payments	497,918	238,369
Deemed interest accretion	1,050,940	669,348
Movement in value of embedded derivative	744,805	-
Loss on derecognition of debt	635,003	-
Other non-deductible items	(69,841)	4,119,081
Deferred tax assets (recognised)/not recognised in the current year	11,892,957	(5,016,052)
Income tax benefit reported in the statement of comprehensive income	(58,771)	(31,973,137)

(c) Deferred income tax at 30 June relates to the following:

	Statement of financial position		Statement of profit or loss and other comprehensive income	
	2024	**2023**	**2024**	**2023**
Deferred tax liabilities				
Prepayments	(53,719)	(95,263)	(41,544)	(105,711)
Diesel rebate	(216,285)	(294,401)	(78,116)	232,577
Finance lease receivables	-	-	-	(2,155,453)
Consumables	(1,822,792)	(1,278,661)	544,131	508,030
Inventories	-	920	920	(920)
Property, plant and equipment	(10,160,095)	(6,629,242)	3,530,853	(79,502)
Exploration	(47,227,492)	(51,003,999)	(3,835,278)	2,507,665
Deferred mining	(4,588,698)	(1,948,569)	2,640,129	(7,550,496)
Mine properties & development	(1,731,701)	(1,358,817)	372,884	5,927
Rehabilitation asset	-	-	-	(285,367)
Financial assets	24,015	24,015	-	474,413
Accrued expenses	48,672	54,000	5,328	(25,783)
Provision for employee entitlements	681,310	546,603	(134,707)	302,557
Provision for fringe benefits tax	-	(2,226)	(2,226)	3,270
Right-of-use lease amortisation	12,847,915	9,291,799	(3,556,116)	(793,757)
Provision for rehabilitation	1,504,666	1,482,711	(21,955)	(122,346)
Recognised tax losses	50,694,204	51,211,130	634,468	39,058,033
Net deferred tax liabilities	-	-		
Income tax benefit			58,771	31,973,137

(d) Tax Consolidation and the tax sharing arrangement

The Company and its 100% owned Australian tax resident subsidiaries are a tax consolidated group with effect from 1 July 2014. Pantoro Limited is the head entity of the tax consolidated group. Members of the group have entered into a tax sharing agreement that provides for the allocation of income tax liabilities between the entities should the head entity default on its tax payments obligations. No amounts have been recognised in the financial statements in respect of this agreement on the basis that the possibility of default is remote.

(e) Tax effect accounting by members of the tax consolidated group

Members of the tax consolidated group have entered into a tax funding agreement. Deferred taxes are allocated to members of the tax consolidated group in accordance with a group allocation approach which is consistent with the principles of AASB 112 'Income Taxes'.

The allocation of taxes under the tax funding agreement is recognised as an increase/decrease in the controlled entities intercompany accounts with the tax consolidated group head company, Pantoro Limited. The nature of the tax funding agreement is such that no tax consolidation contributions by or distributions to equity participants are required.

(f) Unrecognised deferred tax assets

At 30 June 2024, there are unrecognised deferred tax assets (on Australian tax losses) of $17,460,678 for the Group (2023: $5,702,120); unrecognised deferred tax asset (on NGP rehabilitation liability) of $7,339,962 (2023:$7,523,548); and unrecognised deferred tax assets (on temporary differences relating to blackhole expenditure) of $4,664,752 (2023: $2,048,738).

9. AUDITORS' REMUNERATION

	2024 $	2023 $
Fees to Ernst & Young (Australia)		
Fees for auditing the statutory financial report of the parent covering the group and auditing the statutory financial reports of any controlled entities	364,898	262,521
Fees for other services - Taxation	69,158	108,334
Total auditor's remuneration	434,056	370,855
Fees to Sinton Spence Chartered Accountants (PNG)		
Fees for auditing the statutory financial report of controlled entity Pacific Niugini Minerals (PNG) Ltd	-	-
Fees for other services - De-registration	1,609	562
Total auditor's remuneration	1,609	562

10. EARNINGS PER SHARE

	2024 $	2023 $
Net (loss)/profit attributable to ordinary equity holders	(49,309,740)	(74,639,807)
Net (loss)/profit attributable to ordinary shareholders for diluted earnings per share	(49,309,740)	(74,639,807)
Basic (loss)/profit per share (cents)	(0.94)	(3.67)
Diluted (loss)/profit per share (cents)	(0.94)	(3.67)
Weighted average number of ordinary shares for basic earnings per share	5,262,621,543	2,035,345,580
Effect of dilution:		
Share options	-	-
Weighted average number of ordinary shares adjusted for the effect of dilution	5,262,621,543	2,035,345,580

Basic EPS is calculated by dividing the profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is calculated by dividing the profit attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

At 30 June 2024, 405,446,669 (2023: 246,201,016) outstanding share options, share rights and conversion rights attached to the convertible loan facility were not considered in the current year diluted earnings per share calculation as they were either contingently issuable or anti-dilutive.

11. CASH AND CASH EQUIVALENTS

	2024 $	2023 $
Cash at bank	98,121,705	42,609,969
Total	98,121,705	42,609,969
- Refer to note 32 for credit risk disclosures.		
Reconciliation of the net loss after tax to net cash flows from operations		
(Loss)/profit after tax	(49,309,740)	(74,639,807)
Adjustments for:		
Income tax benefit	(58,771)	(31,973,137)
Depreciation and amortisation	82,418,650	41,889,097
Impairment loss on assets	-	15,381,323
Loss on remeasurement of previously held interest in joint operation	-	12,593,992
Share-based payments	1,659,727	794,563
Unrealised foreign exchange difference	(235,007)	-
Foreign exchange difference on loan facility	11,571	-
Exploration and evaluation expenditure written off	38,348	62,591
Fair value change in financial instruments	77,783	145,695
Loss on disposal of property, plant and equipment	7,747	309,047
Other income	(29,400,000)	-
Gain on lease terminations	(133,393)	(65,848)
Unwinding rehabilitation provision	1,650,930	649,778
Non-cash interest expense on borrowings	7,144,280	2,231,159
Movement in embedded derivative valuation	2,482,684	-
Loss on derecognition of loan	2,116,677	-
Share of loss of an associate	-	76,539
Finance income	-	(873,537)
Working capital adjustments:		
(Increase)/decrease in receivables	(573,784)	1,227,771
(Increase)/decrease in inventories	(9,865,952)	960,954
Increase/(Decrease) in trade and other payables	(7,679,045)	15,653,390
(Decrease)/increase in provisions	(915,877)	(1,551,939)
Net cash from operating activities	(563,172)	(17,128,369)

12. TRADE AND OTHER RECEIVABLES

	2024 $	2023 $
Statutory receivables (i)	3,238,777	3,593,895
Other debtors (ii)	1,759,611	180,062
Security bonds (iii)	156,380	191,980
	5,154,768	3,965,937

(i) Statutory receivables consist of GST input tax credits and diesel fuel tax credits.

(ii) Other debtors are non-interest bearing.

The carrying amounts disclosed approximate fair value.

There are no past due nor impaired receivables at 30 June 2024. The Group has assessed the probability of default as low and the ECL insignificant. ECL disclosures not provided as immaterial.

(iii) Cash deposits used for office lease bond and miscellaneous security deposits.

(iv) All trade and other receivables are classed as recoverable in full. Refer to note 32 for credit risk disclosures.

13. INVENTORIES

	2024 $	2023 $
Ore stocks at net realisable value	7,376,530	916,909
Gold in circuit at net realisable value	5,520,315	3,827,314
Gold in transit at net realisable value	89,996	190,435
Stores and spares at cost	6,483,696	4,509,733
Provision for obsolete stores and spares	(407,723)	(247,529)
	19,062,814	9,196,862

During the year there was a reversal to inventory write downs to net realisable value of $5,231,628 (2023: $3,661,615) from continuing operations for the Group. This is included in cost of sales refer to note 7(a).

14. PREPAYMENTS

	2024 $	2023 $
Current		
Prepayments (i)	1,445,613	1,325,464
	1,445,613	1,325,464

(i) Prepayments primarily relate to payments made for the Groups insurance policy premiums and software maintenance.

15. PROPERTY, PLANT AND EQUIPMENT

	2024 $	2023 $
Plant and equipment		
Gross carrying amount - at cost	103,392,384	102,620,531
Accumulated depreciation and impairment	(34,291,617)	(26,983,270)
Net carrying amount	69,100,767	75,637,261
Land and buildings		
Gross carrying amount - at cost	7,003,023	6,646,786
Accumulated depreciation	(2,515,230)	(1,796,394)
Net carrying amount	4,487,793	4,850,392
Right of use assets		
Gross carrying amount - at cost	54,045,659	36,273,267
Accumulated amortisation	(12,446,363)	(6,052,998)
Net carrying amount (refer to note 22)	41,599,296	30,220,269
Capital work in progress at cost	4,614,594	2,308,197
Total property, plant and equipment	119,802,450	113,016,119
Movement in property, plant and equipment		
Plant and equipment		
Net carrying amount at 1 July	75,637,261	9,474,451
Transfer from capital work in progress	2,866,858	44,190,575
Adjustment on acquisition of Tulla Resources Plc (Refer to note 37)	-	32,569,255
Disposals	(7,747)	(541,285)
Depreciation charge for the year	(9,395,605)	(6,546,201)
Impairment (refer to note 36)	-	(3,509,534)
Net carrying amount at 30 June	69,100,767	75,637,261
Land and buildings		
Net carrying amount at 1 July	4,850,392	633,009
Transfer from capital work in progress	371,235	2,417,202
Adjustment on acquisition of Tulla Resources Plc (Refer to note 37)	-	2,251,776
Depreciation charge for the year	(733,834)	(451,595)
Net carrying amount at 30 June	4,487,793	4,850,392
Capital works in progress		
At 1 July	2,308,197	44,121,641
Additions	5,786,264	12,376,070
Adjustment on acquisition of Tulla Resources Plc (Refer to note 37)	-	1,154,099
Transfer to mine properties and development	(241,774)	(8,735,836)
Transfer to plant and equipment	(2,866,858)	(44,190,575)
Transfer to land and buildings	(371,235)	(2,417,202)
At 30 June	4,614,594	2,308,197

All assets included in this note are pledged as security for the Nebari loan facility. Refer to note 21 for further details.

16. EXPLORATION AND EVALUATION EXPENDITURE

	2024 $	2023 $
Opening balance at 1 July	208,960,502	96,872,418
Expenditure for the year	4,221,260	6,033,102
Adjustment on acquisition of Tulla Resources Plc (Refer to note 37)	-	111,683,859
Exploration and evaluation expenditure write off	(38,348)	(3,637,296)
Transfer to mine properties and development	(21,098,151)	-
Rehabilitation provision change in conditions	(1,690,459)	(1,991,581)
Closing balance at 30 June	190,354,804	208,960,502

The ultimate recoupment of costs carried forward in respect of areas of interest in the exploration and evaluation phases is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas. The Company has an interest in certain exploration licences and the amounts shown above include amounts expended to date in the acquisition and/or exploration of those tenements.

During the year, tenements which were or are to be relinquished or for which no substantial expenditure is planned, have been fully impaired. As a result, exploration and evaluation expenditure of $38,348 (2023: $3,637,296) was written off.

During the year, the Company transferred $21,098,151 (2023: nil) of exploration and evaluation assets associated with the Scotia underground to mine properties. The exploration and evaluation asset was reclassified to mine properties as the Scotia underground resource moved into production. Prior to reclassification to mine properties, the Norseman Gold Project exploration and evaluation asset was assessed for impairment using a discounted cashflow model, with no impairment loss recognised.

All tenements included in this note are pledged as security for the Nebari loan facility extending to mortgages over key tenure of the Norseman Gold Project. Refer to note 21 for further details.

17. MINE PROPERTIES AND DEVELOPMENT COSTS

	2024 $	2023 $
Mine properties and development		
Gross carrying amount - at cost	313,732,060	261,025,144
Accumulated amortisation and impairment	(218,824,080)	(157,163,891)
Net carrying amount	94,907,980	103,861,253
Net carrying amount at 1 July	103,861,253	51,426,983
Expenditure for the year	32,047,898	38,843,887
Adjustment on acquisition of Tulla Resources Plc (Refer to note 37)	-	40,989,845
Transfer from capital work in progress (refer to note 15)	241,774	8,735,836
Transfer from exploration and evaluation expenditure	21,098,151	-
Impairment (refer to note 36)	-	(8,297,084)
Adjustment to rehabilitation provision for a change in conditions	(499,240)	(527,672)
Amortisation (refer to note 7(a))	(61,841,856)	(27,310,542)
Net carrying amount at 30 June	94,907,980	103,861,253

The amounts above relate to underground and open pit mine capital development for the Norseman gold project as well as pre-production and tails dam costs capitalised for the Norseman project.

Refer to note 21 for details on Nebari loan facility security.

18. GOODWILL

	2024 $	2023 $
Opening balance	-	-
Goodwill arising on acquisition of Tulla Resources Plc (Refer to note 37)	32,031,908	31,973,137
Closing balance	32,031,908	31,973,137

Acquisition during the year

As part of the merger with Norseman Gold Ltd (formerly Tulla Resources Plc) interests in exploration tenements acquired have a reduced tax cost base for amortisation due to being acquired prior to 1 July 2001. This has created a deferred tax liability on acquisition which has reduced the total value of identified assets and liabilities. As a result, goodwill is increased by the amount of deferred tax liability recognised.

For impairment testing goodwill acquired through the Norseman Gold Ltd business combination has been allocated to the Norseman Gold Project CGU. The Group performed its annual impairment test at 30 June 2024. The Group reviewed the recoverable amount using a discounted cashlfow (DCF) model under the fair value less costs of disposal (FVLCD) approach when reviewing for indicators of impairment. As at 30 June 2024, there were no indicators of impairment from the DCF model and the market capitalisation of the Group was above the book value of its equity.

The following key assumptions were used in the DCF valuation of the Norseman Gold Project CGU at 30 June 2024:

- Future production based on the life of mine plan;
- External consensus real gold price forecast per year ranging from $3,495/oz to $2,776/oz;
- Real discount rate applied to post tax cashflow projections of 10.0%; and
- Average mill recovery rate of 94.4%.

19. TRADE AND OTHER PAYABLES (CURRENT)

	2024 $	2023 $
Trade payables (i)	22,067,968	29,355,440
Sundry payables and accrued expenses (ii)	27,664,446	28,286,485
	49,732,414	57,641,925

(i) Trade payables are non-interest bearing and generally on 30 day terms.

(ii) Sundry payables and accruals are non-interest bearing and generally on 30 day terms. Estimated stamp duty costs associated with the merger with Norseman Gold Ltd (formerly Tulla Resources Plc) of $7,065,800 are included in accrued expenses.

Due to the short term nature of these payables, their carrying value approximates their fair value.

20. PROVISIONS

	2024 $	2023 $
Current		
Provision for annual leave	1,652,895	1,331,028
Provision for long service leave	257,014	240,544
Provision for fringe benefits tax payable	-	(7,420)
	1,909,909	1,564,152
Non-current		
Provision for long service leave	361,125	246,859
Provision for rehabilitation (i)	29,482,094	30,020,863
	29,843,219	30,267,722

(i) Environmental obligations associated with the retirement or disposal of mining properties and/or of exploration activities are recognised when the disturbance occurs and are based on the extent of the damage incurred. The provision is measured as the present value of the future expenditure. The rehabilitation liability is remeasured at each reporting period in line with the change in the time value of money (recognised as an interest expense in the Consolidated Statement of Profit and Loss and Other Comprehensive Income and an increase in the provision), and additional disturbances/change in the rehabilitation cost are recognised as additions/changes to the corresponding asset and rehabilitation liability.

Movements in provision for rehabilitation	2024 $	2023 $
Opening balance at 1 July	30,020,863	19,351,092
Adjustment on acquisition Tulla Resources Plc (Refer to note 37)	-	12,539,246
Adjustment due to revised conditions	(2,189,699)	(2,519,253)
Rehabilitation expenditure	-	-
Unwind of discount	1,650,930	649,778
Closing balance at 30 June	29,482,094	30,020,863

21. INTEREST-BEARING LOANS AND BORROWINGS

	2024 $	2023 $
Current		
Insurance premium funding	73,520	84,729
Lease liabilities (refer to note 22)	14,084,750	6,820,862
Nebari loan (i)	13,216,984	48,515,597
	27,375,254	55,421,188
Non-current		
Lease liabilities (refer to note 22)	28,741,634	24,151,803
Nebari loan (i)	-	-
	28,741,634	24,151,803

(i) On 18 June 2023, Pantoro executed a A$55 million equivalent USD-denominated senior secured loan agreement with Nebari Natural Resources Credit Fund I, LP, Nebari Natural Resources Credit Fund II, LP and Nebari Gold Fund 1, LP (Nebari). The loan agreement comprised two facilities being a A$37.2 million amortising term loan and a A$17.8 million convertible loan. The term loan facility was repaid in full on 28 June 2024. The convertible loan facility is fully drawn down as at 30 June 2024. Details of each facility are below:

Term Loan Facility (repaid 28 June 2024)

- US$25.2M funds advanced net of a 7% original issuer discount;
- 48 month term;
- Coupon of Secure Overnight Financing Rate (SOFR) + 8.0% per annum on the outstanding balance;
- First 8 months of interest payments eligible for payment in kind treatment (capitalisation of interest) and will amortise over the remaining life of loan;
- Straight line 2.5% of principle per month amortisation profile after a 12 month interest only period; and
- The Company has the right to make early repayments subject to a minimum term of 12 months.
- There was a loss of $2,116,677 on derecognition of the term loan. Refer to note 7(c).

Convertible Loan Facility

- US$12.1M funds advanced net of a 3.5% original issuer discount;
- 48 month term, maturing 30 June 2027;
- Coupon of Secure Overnight Financing Rate (SOFR) + 3.0% per annum on the outstanding balance;
- First 8 months of interest payments eligible for payment in kind treatment (capitalisation of interest) and will amortise over the remaining life of loan;
- Nebari, at its election, may convert an amount of up to 100% of the outstanding balance into fully paid ordinary Pantoro shares, in one or multiple parts at any time prior to maturity or the repayment of the convertible loan;
- Conversion price is US$0.0636 (AUD equivalent of $0.0960 at 30 June 24 exchange rate of 0.6624) per share;
- The Company has the right to prepay in whole or part. If Pantoro elects to prepay, Pantoro must issue such number of options to Nebari equal to 85% of the prepaid amount divided by the conversion price, exercisable at the conversion price expiring on the later of the maturity date and the date that is 18 months after the date of prepayment; and
- Loan repayment is 100% at maturity, if not converted beforehand.

The Nebari loan facility is secured over the assets and shares in subsidiaries of Pantoro Limited and its subsidiaries except for Pacific Niugini Minerals Pty Ltd which is in the process of being deregistered. The security over the assets of Pantoro South Pty Ltd extends to a mortgage over the key project tenure.

The fair value of the Nebari finance facility approximates its carrying value.

22. LEASES

Group as a lessee

The Group has lease contracts for various items of mining equipment, site accommodation, plant, machinery and commercial property used in its operations. Leases generally have lease terms between 1 month and 10 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets.

The Group also has certain leases of machinery and equipment with lease terms of 12 months or with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases. Set out below are the carrying amounts of right-of-use assets recognised and the movement during the period:

Right-of-use assets	Plant and equipment	Land & buildings	Total
Opening balance	20,432,897	9,787,372	30,220,269
Additions	26,342,430	222,334	26,564,764
Depreciation expense	(8,671,369)	(1,775,987)	(10,447,356)
Adjustment to lease terms / termination of leases	(4,738,381)	-	(4,738,381)
As at 30 June 2024	33,365,577	8,233,719	41,599,296

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the period:

	2024 $	2023 $
Lease liabilities		
Opening balance	30,972,665	28,326,807
Additions	26,564,764	24,140,533
Accretion of interest	2,354,444	1,924,894
Payments	(12,193,715)	(12,346,228)
Adjustment to lease terms / termination of leases	(4,871,774)	(11,073,341)
As at 30 June	42,826,384	30,972,665

The following are the amounts recognised in profit or loss:

	2024 $	2023 $
Depreciation expense of right-of-use assets	(10,447,356)	(7,580,760)
Interest expense on lease liabilities	(2,354,444)	(1,924,894)
Expense related to short-term leases (included in cost of sales)	(1,718,925)	(224,815)
Expense related to low-value assets (included in administration expenses)	(14,856)	(7,198)
Gain on lease terminations	133,393	65,848
	(14,402,188)	(9,671,819)

The Group had total cash payments for lease liabilities (including short-term and low value leases) of $13,927,496 (2023: $12,578,241).

23. OTHER FINANCIAL LIABILITIES

	2024 $	2023 $
Derivatives not designated as hedging instruments		
Foreign Exchange Contracts	-	145,695
Embedded derivatives (i)	9,979,734	7,497,050
	9,979,734	7,642,745
Current	9,979,734	7,556,279
Non-current	-	86,466

(i) The Company has a convertible loan facility (refer note 21) containing an embedded derivative for the conversion features of the loan. The embedded derivative was valued on drawdown date and has been separated out from the host debt contract (refer note 21). The embedded derivatives is carried at fair value (level 2) through profit and loss and was valued using a Monte Carlo simulation model with the following inputs:

-closing 30 June 2024 share price of $0.096
-conversion price of US$0.0636 (AUD equivalent of $0.0960 at 30 June 24 exchange rate of 0.6624)
-derivative life of 3 years
-share price volatility of 75%
-risk-free rate of 4.074%

The loan drawdown date was 30 June 2023, with a fair value increase of $2,482,684 recorded in the current year (2023: nil).

24. ISSUED CAPITAL

		2024 $	2023 $
(a)	**Ordinary Shares**		
	Issued and fully paid	686,630,133	563,899,951

		Number	$
(b)	**Movements in ordinary shares on issue**		
	At 1 July 2022	1,575,044,871	344,731,334
	Share placements	1,446,551,724	103,500,000
	Share Purchase Plan	6,006,976	871,000
	Exercise of ZEPOs	1,102,730	-
	Exercise of share rights	114,271	-
	Consideration share for the acquisition of Tulla Resources Plc	1,675,209,942	120,782,637
	Share issue costs	-	(5,985,020)
	At 30 June 2023	4,704,030,514	563,899,951
	At 1 July 2023	4,704,030,514	563,899,951
	Share placements	1,750,000,000	130,000,000
	Share issue costs	-	(7,269,818)
	At 30 June 2024	6,454,030,514	686,630,133

(c) Terms and conditions of contributed equity

Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholder meetings. In the event of winding up the Company, the holders are entitled to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held.

24. ISSUED CAPITAL (CONTINUED)

(d) Options and share rights outstanding

At balance date there were unissued ordinary shares of the Company under option and performance rights as follows:

Type	Expiry Date	Exercise Price ($)	2024 Number	2023 Number
Unlisted options	30/09/2024	0.275	36,363,636	36,363,636
Unlisted options	30/06/2026	nil	6,634,712	7,583,056
Unlisted options	30/06/2027	nil	3,770,616	4,901,560
Share rights - director salary sacrifice plan	-	nil	142,944	142,944
Unlisted performance rights	29/05/2025	nil	64,529,977	-
Unlisted performance rights	29/05/2026	nil	64,529,977	-
Unlisted performance rights	29/05/2027	nil	32,264,987	-
Total			208,236,849	48,991,196

(e) Shares issued on exercise of options & rights

No options or rights were exercised during the year.

25. RESERVES

	2024 $	2023 $
Options reserve	4,613,958	4,613,958
Share-based payment reserve	9,758,543	8,098,815
	14,372,501	12,712,773

(a) Option reserve

The option reserve records items recognised as expenses on valuation of share options issued to third parties.

(b) Share-based payment reserve

The share-based payment reserve records items recognised as expenses on valuation of the options and performance rights issued to directors and employees.

26. SHARE BASED PAYMENTS

(a) Recognised share-based payment expense

The expense recognised for services received during the year is shown in the table below:

	2024 $	2023 $
Expense arising from equity-settled share-based payments	1,659,727	794,563

(b) Incentive awards plan

Under the Incentive Awards Plan (Plan), grants are made to senior executives and other staff members who have made an impact on the Group's performance. Plan grants are delivered in the form of share options or performance rights which vest over periods as determined by the Board of Directors.

The current Scheme was approved at the 2022 Annual General Meeting replacing the previous Incentive Options and Performance Rights Scheme (Scheme) with wording updated to reflect current best practice.

PEPOs

Share options are issued for nil consideration. The exercise price, vesting conditions and expiry date are determined by the Board of Directors. Any options that are not exercised by the expiry date will lapse. Upon exercise, these options will be settled in ordinary fully paid shares of the Company.

ZEPOs (Performance options)

Performance options are issued for nil consideration. The performance options vest over a measurement period of one to three years subject to meeting performance measures. The Company uses relative total shareholder return and absolute share price as the performance measures for the performance options. Any performance options that do not vest when tested against performance measures will lapse. Upon vesting these performance options will convert into an option to acquire ordinary fully paid share of the Company for nil consideration. Any performance options that are not exercised by the second anniversary date of their vesting date will lapse.

Performance rights

Performance rights are issued for nil consideration. The performance rights are subject to one or more performance conditions and vest when the performance condition is achieved prior to expiry. Performance rights are issued with expiry dates typically between one and three years from issue date. The Company uses a mix of market and non-market performance conditions. Upon vesting, performance rights will convert into ordinary fully paid shares of the Company for nil consideration. Any performance rights that have not their performance condition prior to the expiry date will lapse.

Summary of rights and share options granted under the Incentive Awards Plan

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movement in, rights and share options issued under the Plan.

	2024 Number	2024 WAEP	2023 Number	2023 WAEP
Outstanding at the beginning of the year	12,484,616	-	18,480,068	0.109
Expired during the year	-	-	(8,500,000)	0.238
Granted during the year	161,324,941	-	4,901,560	-
Forfeited during the year	(2,079,288)	-	(1,294,282)	-
Exercised during the year	-	-	(1,102,730)	-
Outstanding at the year end	171,730,269	-	12,484,616	-
Exercisable at the year end	-	-	-	-

26. SHARE BASED PAYMENTS (CONTINUED)

(b) Incentive awards plan (continued)

The outstanding balance as at 30 June 2024 is represented by the following table:

Grant Date	Vesting Date	Expiry Date	Exercise Price ($)	Opening Balance	Options Granted	Options lapsed / cancelled and exercisable	Options Exercised	Number of options at end of period	
								On Issue	Vested
ZEPOs									
1/11/2021	1/07/24	30/06/26	nil	3,674,536	-	(948,344)	-	2,726,192	-
17/11/2021	1/07/24	30/06/26	nil	3,908,520	-	-	-	3,908,520	-
7/10/2022	1/07/25	30/06/27	nil	4,901,560	-	(1,130,944)	-	3,770,616	-
Performance Rights									
29/04/2024	N/A	29/05/25	nil		43,713,855	-	-	43,713,855	-
29/04/2024	N/A	29/05/26	nil		43,713,855	-	-	43,713,855	-
29/04/2024	N/A	29/05/27	nil		21,856,926	-	-	21,856,926	-
29/05/2024	N/A	29/05/25	nil		20,816,122	-	-	20,816,122	-
29/05/2024	N/A	29/05/26	nil		20,816,122	-	-	20,816,122	-
29/05/2024	N/A	29/05/27	nil		10,408,061	-	-	10,408,061	-
				12,484,616	161,324,941	(2,079,288)	-	171,730,269	-

Weighted average remaining contractual life of performance rights and share options

The weighted average remaining contractual life for the performance rights and share options outstanding as at 30 June 2024 is 1.82 years (2023: 3.40 years).

Range of exercise price of performance rights and share options

The range of exercise price for all performance rights and options outstanding at the end of the year is $0.00 (2023: $0.00).

Weighted average fair value of performance rights and share options

The weighted average fair value of options granted during the year was $0.076 (2023: $0.124).

Performance Rights performance conditions

The performance rights have the following performance hurdles, which can be achieved during the life of the performance right:

- Tranche A (40% of total performance rights) - The Company share price achieving a 3-month VWAP of $0.12;
- Tranche B (40% of total performance rights) - Gold production exceeding 100,000 ounces in a trailing 12-month period and a target ASIC of $1,900 (adjusted on testing date by reference to the applied rise and fall on the mining contracts) and
- Tranche C (20% of total performance rights) - Gold production exceeding 125,000 ounces in a trailing 12-month period and a target ASIC of $1,900 (adjusted on testing date by reference to the applied rise and fall on the mining contracts).

ZEPO Performance conditions

The performance options have the following performance hurdles, which will be measured over the measurement period from grant date:

- The Relative Total Shareholder Return (TSR) performance options (50% of total performance options) are measured by comparing the performance of Pantoro against the performance of the S&P/All Ordinaries Gold Index. The Relative TSR performance condition measures Pantoro’s ability to deliver superior shareholder returns relative to its peers.

  The vesting schedule for the Relative TSR measure is as follows:

Relative TSR Performance	% Contribution to the Number of Employee Options to Vest
Below Index 0%	0%
Equal to the Index	50%
Above Index and below 15% above the Index	Pro-rata from 50% to 100%
15% above the Index	100%

- The Absolute Share Price (ASP) performance options (50% of total performance options) are measured based on the percentage growth in Pantoro’s share price over the measurement period. The ASP performance condition aligns with our shareholders overall interests.

  The vesting schedule for the ASP measure is as follows:

ASP Performance	% Contribution to the Number of Employee Options to Vest
Share price appreciation < 10%	0%
Share price appreciation > 10%	50%
Share price appreciation > 10% < 60%	Pro-rata from 50% to 100%
Share price appreciation > 60%	100%

26. SHARE BASED PAYMENTS (CONTINUED)

(b) Incentive awards plan (continued)

Performance right valuation

The fair value of the equity-settled performance rights granted under the Plan is estimated at the date of grant using a Monte Carlo model, which takes into account factors including the exercise price, the volatility of the underlying share price, the risk-free interest rate, the market price of the underlying share at grant date, historical and expected dividends and the expected life of the performance right, and the probability of fulfilling the required performance hurdles.

The following table gives the assumptions made in determining the fair value of the performance rights granted during the current year:

2024						
Type	Performance Rights			Performance Rights		
Grant date	29-Apr-24			29-May-24		
Expected Volatility (%)	80%			80%		
Exercise price	Nil			Nil		
Share price at grant date ($)	$0.089			$0.090		
Tranche	A	B	C	A	B	C
Risk-free interest rate (%)	4.16%	4.16%	4.11%	4.12%	4.12%	4.07%
Expected life of options (yrs)	1.1	2.1	3.1	1.0	2.0	3.0
Fair value at grant date ($)	$0.056	$0.089	$0.089	$0.055	$0.090	$0.090

The expected volatility was determined using a historical sample of the Company's share price over a historical term consistent with the performance right period. The resulting expected volatility therefore reflects the assumptions that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome.

Share option valuation

The fair value of the equity-settled share options granted under the Plan is estimated at the date of grant using either a Black & Scholes or a Monte Carlo model, which takes into account factors including the option's exercise price, the volatility of the underlying share price, the risk-free interest rate, the market price of the underlying share at grant date, historical and expected dividends and the expected life of the option.

The following table gives the assumptions made in determining the fair value of the options granted in the prior year:

2023		
Type	ZEPO	
Grant date	07-Oct-22	
Expected Volatility (%)	70%	
Risk-free interest rate (%)	3.34%	
Expected life of options (yrs)	2.7	
Exercise price	Nil	
Share price at grant date ($)	$0.185	
Performance Condition	TSR	ASP
Fair value at grant date ($)	$0.123	$0.125

(c) Directors salary sacrifice plan

Under the Directors salary sacrifice plan (Directors Plan), Directors may elect to sacrifice part or all of their fees to acquire ordinary fully paid shares in the Company through the grant of PEPOs or share rights as determined by the Board. The Directors Plan and approval for Mr Zekulich, Mr Cmrlec and Ms Van Maanen were approved at the 2021 Annual General Meeting.

PEPOs

PEPOs are valued using a Black-Scholes formula using the 20-day volume weighted average price (VWAP) prior to the date of the Company's notice of annual general meeting to determine the value to salary sacrifice. The exercise price, vesting conditions and expiry date are determined by the Board of Directors. Any options that are not exercised by the expiry date will lapse. Upon exercise, these options will be settled in ordinary fully paid shares of the Company.

Share Rights

Share rights are valued at the 20-day VWAP prior to the date of the Company's notice of annual general meeting to determine the value to salary sacrifice. They have a nil exercise price and vesting conditions and expiry date are determined by the Board of Directors. Any options that are not exercised by the expiry date will lapse. Upon exercise, these options will be settled in ordinary fully paid shares of the Company.

Summary of options and rights granted under the Directors salary sacrifice plan

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movement in, share rights and share options issued under the Plan.

	2024 Number	2024 WAEP	2023 Number	2023 WAEP
Outstanding at the beginning of the year	142,944	-	332,745	-
Expired during the year	-	-	-	-
Granted during the year	-	-	-	-
Forfeited during the year	-	-	(75,530)	-
Exercised during the year	-	-	(114,271)	-
Outstanding at the year end	142,944	-	142,944	-
Exercisable at the year end	142,944	-	142,944	-

27. COMMITMENTS

(a) Capital commitments

At 30 June 2024, the Group has capital commitments that relate principally to Noreseman infrastructure items and the maintenance of plant and equipment for its mining operations.

Capital expenditure commitments

Estimated capital expenditure contracted for at reporting date, but not recognised as liabilities for the Group:

	2024 $	2023 $
- Within one year	1,393,810	603,073
(b) Mineral tenement commitments		
- Within one year	6,483,880	6,617,620
- After one year but not more than five years	14,365,680	17,893,760
- After more than five years	7,759,400	9,724,800
	28,608,960	34,236,180
(c) Future lease commitments		
Future minimum lease commitments after year end for non-cancellable leases not yet commenced:		
- Within one year	973,250	-
- After one year but not more than five years	1,820,625	-
- After more than five years	-	-
	2,793,875	-

(d) Contractual commitments

The Group has entered into a number of key contracts as part of its operations with terms between 1 and 3 years. The minimum expected payments in relation to these contracts which were not required to be recognised as liabilities at 30 June 2024 amount to approximately $228,580,000 (undiscounted) (2023: $152,871,000).

28. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There are no contingent liabilities or contingent assets at balance date.

29. SUBSEQUENT EVENTS

On 2 July 2024, the Company announced the lapse of 7,583,056 employee ZEPOs due to vesting conditions not being satisfied.

There are no other matters or circumstances that have arisen since the end of the financial year to the date of this report, which have significantly affected, or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial years

30. PARENT ENTITY INFORMATION

The following information relates to the parent entity, Pantoro Limited. The information presented here has been prepared using consistent accounting policies as presented in note 5.

	2024 $	2023 $
Current assets	98,269,629	22,225,437
Non-current assets	379,927,575	384,562,383
Total assets	478,197,204	406,787,820
Current liabilities	22,775,522	60,773,668
Non-current liabilities	42,121,804	7,794,444
Total liabilities	64,897,326	68,568,112
Net assets	413,299,878	338,219,708
Issued capital	686,630,133	563,899,951
Accumulated losses	(287,702,756)	(238,393,016)
Option premium reserve	4,613,958	4,613,958
Share-based payments reserve	9,758,543	8,098,815
Total shareholders' equity	413,299,878	338,219,708
Net (loss)/profit of the parent entity	(49,309,739)	(62,022,733)
Total comprehensive income for the year	(49,309,739)	(62,022,733)

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

Pantoro Limited and certain Australian controlled entities are parties to a Deed of Cross Guarantee (the Deed) as disclosed in note 31.

Contingent liabilities of the parent entity

Nil

Contractual commitments by the parent entity for the acquisition of property, plant or equipment

Nil

31. DEED OF CROSS GUARANTEE

The subsidiaries identified with a '*' in note 34 are parties to a deed of cross guarantee under which each company guarantees the debts of the others. By entering into the Deed, the wholly owned entities have been relieved from the requirements to prepare financial report and directors' report under ASIC Corporations (Wholly-owned Companies) Instrument 2016/785.

These subsidiaries and Pantoro Limited together referred to as the 'Closed Group', entered into the Deed on 13 June 2019. The effect of the Deed is that each party to it has guaranteed to pay any deficiency in the event of the winding up of any of the entities in the Closed Group.

Consolidated statement of profit or loss and other comprehensive income

The consolidated statement of profit or loss and other comprehensive income for the entities that are members of the Closed Group is as follows:

	Deed 2024 $	Deed 2023 $
Revenue	114,718,114	98,544,119
Cost of sales	(140,036,855)	(152,791,798)
Gross (loss)/profit	(25,318,741)	(54,247,679)
Other income	30,583,171	1,670,815
Other expenses	(6,084,136)	(16,755,606)
Finance costs	(18,510,773)	(9,166,029)
Fair value change in financial instruments	(2,560,467)	-
Care and maintenance costs	(1,653,521)	-
Impairment recognised	(28,272,227)	(15,381,323)
Loss on remeasurement of interest held before business combination	-	(12,593,992)
Exploration and evaluation expenditure written off	(32,256)	(62,591)
Share of loss of an associate	-	(76,539)
Loss before income tax	(49,366,266)	(106,612,944)
Income tax expense	58,771	31,973,137
Loss after income tax	(49,307,495)	(74,639,807)
Other comprehensive income		
Items that may be reclassified subsequently to profit or loss:		
Other comprehensive profit for the year, net of tax	-	-
Total comprehensive loss for the year, net of tax	(49,307,495)	(74,639,807)
Summary of movements in retained earnings		
Accumulated losses at the beginning of the year	(238,395,261)	(163,755,454)
Loss for the year	(49,307,495)	(74,639,807)
At 30 June	(287,702,756)	(238,395,261)

Consolidated statement of financial position

The consolidated statement of financial position for the entities that are members of the Closed Group is as follows:

	Deed 2024 $	Deed 2023 $
CURRENT ASSETS		
Cash and cash equivalents	98,030,479	30,893,430
Trade and other receivables	2,537,072	2,478,239
Inventories	9,912,590	4,969,265
Prepayments	887,611	896,600
Total current assets	111,367,752	39,237,534
NON-CURRENT ASSETS		
Other receivables	103,163,909	91,732,638
Property, plant and equipment	60,450,336	57,476,237
Exploration and evaluation expenditure	90,881,200	99,019,781
Mine properties and development costs	47,700,568	53,123,999
Investments in subsidiaries	92,511,410	120,782,637
Total non-current assets	394,707,423	422,135,292
TOTAL ASSETS	506,075,175	461,372,826
CURRENT LIABILITIES		
Trade and other payables	29,202,110	32,485,800
Provisions	1,212,226	1,101,919
Interest-bearing loans and borrowings	20,345,380	52,016,180
Other financial liabilities	9,979,734	7,556,279
Total current liabilities	60,739,450	93,160,178
NON-CURRENT LIABILITIES		
Provisions	17,609,949	17,728,476
Interest-bearing loans and borrowings	14,425,898	12,180,243
Other financial liabilities	-	86,466
Total non-current liabilities	32,035,847	29,995,185
TOTAL LIABILITIES	92,775,297	123,155,363
NET ASSETS	413,299,878	338,217,463
EQUITY		
Issued capital	686,630,133	563,899,951
Reserves	14,231,561	12,712,773
Accumulated losses	(287,561,816)	(238,395,261)
TOTAL EQUITY	413,299,878	338,217,463

32. FINANCIAL RISK MANAGEMENT

Overview

This note presents information about the Group's exposure to credit, liquidity and market risks, their objectives, policies and processes for measuring and managing risk, and the management of capital. The Group's principal financial instruments comprise receivables, payables, interest-bearing loans and borrowings and cash and short-term deposits.

The Group uses gold forwards to manage its exposure to commodity price fluctuations. Exposure limits are reviewed by management on a continuous basis. As at 30 June 2024, the Group had no outstanding gold forward contracts. The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. Management monitors and manages the financial risks relating to the operations of the Group through regular reviews of the risks.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables and cash held at financial institutions.

Exposure to credit risk

The carrying amount of the Group's financial assets represents the maximum credit exposure. The Group's maximum exposure to credit risk at the reporting date was:

		Carrying amount	
		2024	2023
Financial assets at amortised cost	**Note**	$	$
Cash and cash equivalents	11	98,121,705	42,609,969
Other receivables	12	1,915,991	372,042

Cash and cash equivalents

The Group limits its exposure to credit risk by only investing in liquid securities and only with counterparties that have an acceptable credit rating. All cash is held with Commonwealth Bank, an Australian bank with credit ratings of AA- (Standard & Poor's).

Trade and other receivables

As the Group operates primarily in gold mining and exploration activities, it does not have trade receivables and therefore is not exposed to credit risk in relation to trade receivables. The Group's other receivables relate to major contractor back charges, other debtors and security deposits. Contractor back charges are offset against invoice payments for the same period.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group manages liquidity risk by maintaining adequate cash reserves from funds raised in the market and by continuously monitoring forecast and actual cash flows. The Group's external borrowings are in relation to Nebari finance facilities and insurance premium funding facility as disclosed in note 21.

The remaining contractual maturities of the Group's financial liabilities are:

	<6 months	6-12 months	1-5 years	>5 years	Total
2024					
Financial liabilities					
Trade and other payables	(49,732,414)	-	-	-	(49,732,414)
Interest bearing liabilities (excluding leases)	(76,828)	-	-	-	(76,828)
Lease liabilities	(8,308,127)	(8,308,127)	(28,565,255)	(3,374,821)	(48,556,330)
Nebari loan facility on demand (1)	(13,640,286)	-	-	-	(13,640,285)
Conversion derivative liability on demand (1)	(9,979,734)	-	-	-	(9,979,734)
	(81,737,389)	(8,308,127)	(28,565,255)	(3,374,821)	(121,985,591)

(1) Contractual maturity of the Nebari loan facility is 4 years, however, it has been classified as current given the conversion option. Refer to note 21 for details.

	<6 months	6-12 months	1-5 years	>5 years	Total
2023					
Financial liabilities					
Trade and other payables	(57,641,925)	-	-	-	(57,641,925)
Interest bearing liabilities (excluding leases)	(87,485)	-	-	-	(87,485)
Lease liabilities	(4,060,730)	(4,060,730)	(20,973,476)	(5,998,353)	(35,093,289)
Nebari loan facility	(782,176)	(80,585,903)	-	-	(81,368,079)
	(62,572,316)	(84,646,633)	(20,973,476)	(5,998,353)	(174,190,778)

Foreign currency risk

The Group is exposed to fluctuations in foreign currencies relating primarily to its USD denominated Nebari loan facilities. The Group manages its foreign currency risk using collar call spread contracts to cover payments that are expected to occur within a maximum 18-month period. In conjunction with the repayment of the Nebari term loan facility the Group closed out its remaining contracts which were primarily managing risk associated with the term loan principal and interest payments through to December 2024. At 30 June 2024, there are no remaining collar call spread contracts.

Foreign currency sensitivity

The following tables demonstrates the sensitivity to a reasonably possible change in USD exchange rate, with all other variables held constant. The impact on the Group's pre-tax equity is due to changes in the fair value of the USD Nebari loan facilities. The Group's exposure to foreign currency changes for all other currencies is not material.

	Change in USD rate	Effect on profit before tax	Effect on pre-tax equity
2024	pre-tax equity	87,521	630,311
	-5%	(205,918)	(696,659)
2023	+5%	-	2,322,761
	-5%	-	(2,567,262)

32. FINANCIAL RISK MANAGEMENT (CONTINUED)

Interest rate risk

The Group's exposure to risks of changes in market interest rates relate primarily to the Group's interest-bearing liabilities and cash balances. The level of debt is disclosed in note 21. The Group's policy is to manage its interest cost using fixed rate debt where possible. The Nebari finance facilities have fixed base interest rate margins plus a variable SOFR interest rate. The Group constantly analyses its interest rate exposure. Within this analysis consideration is given to potential renewals of existing positions, alternative financing positions and the mix of fixed and variable interest rates. The Group's exposure to interest rate risk is not considered to be significant.

At the reporting date, the Group's exposure to interest rate risk for classes of financial assets and financial liabilities is set out below. Reasonably possible changes in floating interest rates that the Group's financial assets are subjected to will not have a material effect on the Group's financial performance and position.

2024	Floating interest rate	Fixed interest	Non-interest bearing	Total carrying amount
Financial assets				
Cash and cash equivalents	98,121,705	-	-	98,121,705
Trade and other receivables	-	-	1,915,991	1,915,991
	98,121,705	-	1,915,991	100,037,696
Financial liabilities				
Trade and other payables	-	-	(49,732,414)	(49,732,414)
Interest-bearing liabilities	(13,216,984)	(42,899,904)	-	(56,116,888)
	(13,216,984)	(42,899,904)	(49,732,414)	(105,849,302)
Net financial liabilities				(5,811,606)

2023	Floating interest rate	Fixed interest	Non-interest bearing	Total carrying amount
Financial assets				
Cash and cash equivalents	42,609,969	-	-	42,609,969
Trade and other receivables	-	-	372,042	372,042
	42,609,969	-	372,042	42,982,011
Financial liabilities				
Trade and other payables	-	-	(57,641,925)	(57,641,925)
Interest-bearing liabilities	(48,515,597)	(31,057,394)	-	(79,572,991)
	(48,515,597)	(31,057,394)	(57,641,925)	(137,214,916)
Net financial liabilities				(94,232,905)

Commodity price risk

The Group's revenues are exposed to commodity price fluctuations. The Group manages this risk through the use of gold forward contracts if deemed necessary. As at reporting date, the Group had no unrecognised sales contracts. There is therefore no exposure on recognised financial instruments at the balance sheet date.

Equity Price Risk

The Group's is affected by the volatility of the Company's share price which is used as an input into the calculation of the fair value of the embedded derivative associated with the conversion option of the Nebari convertible loan facility.

Equity price sensitivity

The following tables demonstrates the sensitivity of the embedded derivative valuation to a reasonably possible change in the Company's share price, with all other variables held constant.

	Change in underlying share price	Effect on profit before tax	Effect on pre-tax equity
2024	+20%	(3,147,546)	(3,147,546)
	-20%	2,846,497	2,846,497
2023	+20%	-	-
	-20%	-	-

Fair values

For all financial assets and liabilities recognised in the Consolidated Statement of Financial Position, carrying amount approximates fair value unless otherwise stated in the applicable notes.

The methods for estimating fair value are outlined in the relevant notes to the financial statements.

The Group uses various methods in estimating the fair value of a financial instrument. The methods comprise:

Level 1 – the fair value is calculated using quoted prices in active markets.

Level 2 - the fair value is estimated using inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from price).

Level 3 – the fair value is estimated using inputs for the asset or liability that are not based on observable market data.

Derivatives are carried at fair value (level 2 in the fair value hierarchy) – see note 23.

Transfer between categories

There were no transfers between Level 1 and Level 2, and no transfers into and out of Level 3 fair value measurement.

Changes in liabilities arising from financing activities

	1 July 2023	Cash flows	Additions	Interest	Termination of lease	Reclassification and other adjustment [1]	30 June 2024
Current interest bearing loans and borrowings (excluding items listed below)	48,515,597	(48,928,249)	-	11,735,535	-	1,894,101	13,216,984
Current obligations under leases	6,820,862	(12,193,715)	8,835,232	2,354,444	(4,871,774)	13,139,701	14,084,750
Current obligations under insurance premium funding	84,729	(779,107)	735,197	32,701	-	-	73,520
Current derivative liabilities	7,556,279	(223,478)	-	-	-	2,646,933	9,979,734
Non-current obligations under leases	24,151,803	-	17,729,532	-	-	(13,139,701)	28,741,634
Non-current derivative liabilities	86,466	-	-	-	-	(86,466)	-
Total liabilities from financing activities	87,215,736	(62,124,549)	27,299,961	14,122,680	(4,871,774)	4,454,568	66,096,622

[1] For interest bearing loans and borrowings the adjustment amount includes loss on derecognition on repayment of the term loan component of the Nebari loan facility and foreign exchange revaluation movements. For derivative liabilities the adjustment amounts include movement in embedded derivative value and foreign exchange revaluation movements.

	1 July 2022	Cash flows	Additions	Termination of lease	Acquisition of Tulla Resources Plc	Reclassification and other adjustment [1]	30 June 2023
Current interest bearing loans and borrowings (excluding items listed below)	10,000,000	8,795,536	37,217,111	-	37,251,099	(44,748,149)	48,515,597
Current obligations under leases	8,237,212	(10,421,333)	5,139,637	(6,695,512)	-	10,560,858	6,820,862
Current obligations under insurance premium funding	402,767	(784,048)	423,645	-	42,365	-	84,729
Current derivative liabilities	-	-	59,229	-	-	7,497,050	7,556,279
Non-current interest bearing loans and borrowings (excluding items listed below)	17,768,841	(20,000,000)	-	-	-	2,231,159	-
Non-current obligations under leases	20,089,595	-	19,000,896	(4,377,829)	-	(10,560,859)	24,151,803
Non-current derivative liabilities	-	-	86,466	-	-	-	86,466
Total liabilities from financing activities	56,498,415	(22,409,845)	61,926,984	(11,073,341)	37,293,464	(35,019,941)	87,215,736

[1] Includes the direct settlement of the Tulla Nebari loan facility.

33. OPERATING SEGMENTS

For management purposes, the Group now has a single operating segment being the Norseman Gold Project following the Halls Creek Project being placed on care and maintenance during the 30 June 2023 year.

All material revenue in the current period is derived from the development of mineral resources from the Norseman Gold Project in Australia, which is the Group's sole cash generating unit. All segment revenue is derived from within Australia with all gold and silver being sold to The Perth Mint. Revenue in the prior comparative period was derived as per the table below:

Year ended 30 June 2023	Halls Creek Project	Norseman Gold Project	Total
Revenue			
External Customers	65,965,337	32,578,782	98,544,119
Total revenue	65,965,337	32,578,782	98,544,119

Refer to note 36 for details of the Halls Creek Project assets and liabilities. Other than disclosed at note 7(e) there are no material income and expense items during the current year.

34. RELATED PARTY DISCLOSURES

(a) Subsidiaries

The consolidated financial statements include the financial statements of Pantoro Limited and the subsidiaries listed in the following table:

Name	Country of incorporation	Percentage Owned	
		2024	2023
Halls Creek Mining Pty Ltd *	Australia	100%	100%
Central Norseman Gold Corporation Pty Ltd	Australia	100%	100%
Norseman Gold Ltd	UK	100%	100%
Norseman Gold Pty Ltd	Australia	100%	100%
Pacific Niugini Minerals Pty Ltd (1)	Australia	0%	100%
Pacific Niugini Minerals (PNG) Ltd (2)	PNG	0%	100%
Pangolin Resources Pty Ltd	Australia	100%	100%
Pantoro South Pty Ltd *	Australia	100%	100%

(1) Deregistration with ASIC is in progress.

(2) Deregistered 5 September 2023

* An ASIC-approved Deed of Cross Guarantee has been entered into by Pantoro Limited and these entities.

(b) Ultimate Parent

Pantoro Limited is the ultimate parent entity.

(c) Key Management Personnel

Disclosures relating to key management personnel are set out in the remuneration report in the Directors' Report.

35. KEY MANAGEMENT PERSONNEL

(a) Details of key management personnel

(i) Non-Executive Directors ("NEDs")

		Appointed	Resigned
W Zekulich (1)	Non-Executive Chairman	2 October 2019	-
K Maloney	Non-Executive Director	30 June 2023	-
M Maloney	Non-Executive Director	30 June 2023	-
C McIntyre	Non-Executive Director	30 June 2023	-
FJ Van Maanen	Non-Executive Director	4 August 2020	-

(ii) Executive Directors

		Appointed	Resigned
PM Cmrlec (2)	Managing Director	1 June 2010	-

(iii) Other Executives ("KMPs")

		Appointed	Resigned
SM Balloch	Chief Financial Officer	31 October 2014	-
SJ Huffadine (3)	Chief Operating Officer	15 March 2016	-
DW Okeby	Company Secretary	31 October 2014	-

(1) Mr Zekulich was appointed as a Non-Executive Director on 2 October 2019 and appointed Non-Executive Chairmen on 6 February 2020.

(2) Mr Cmrlec was appointed as a Non-Executive Director on 1 June 2010 and appointed Managing Director on 4 April 2011.

(3) Mr Huffadine resigned as Operations Director and continues as the Chief Operating Officer upon completion of the merger with Norseman Gold Ltd (formerly Tulla Resources Plc).

There are no other changes of the key management personnel after the reporting date and before the date the financial report was authorised for issue.

(b) Compensation of key management personnel

	2024 $	2023 $
Short-term employee benefits	2,490,561	1,936,830
Post-employment benefits	153,340	141,691
Other long-term benefits	166,771	105,950
Share-based payments	1,627,518	612,824
	4,438,190	2,797,295

The amounts disclosed in the table are the amounts recognised as an expense during the period related to key management personnel

(c) Loans to key management personnel

There were no loans to key management personnel during the current or previous financial year

(d) Interest held by Key Management Personnel under the Long Term Incentive Plan

Share options and rights held by key management personnel under the incentive awards plan to purchase ordinary shares:

Grant date	Expiry date	Exercise price $	2024	2023
19/10/2021	30/6/2026	Nil	3,908,520	3,908,520
1/11/2021	30/6/2026	Nil	1,500,486	1,500,486
12/11/2021	19/11/2026	Nil	142,944	142,944
7/10/2022	30/6/2027	Nil	1,789,400	1,789,400
29/4/2024	30/5/2025	Nil	43,713,855	-
29/4/2024	30/5/2026	Nil	43,713,855	-
29/4/2024	30/5/2027	Nil	21,856,926	-
29/5/2024	30/5/2025	Nil	20,816,122	-
29/5/2024	30/5/2026	Nil	20,816,122	-
29/5/2024	30/5/2027	Nil	10,408,061	-
Total			168,666,291	7,341,350

36. IMPAIRMENT OF NON-FINANCIAL ASSETS

The Group conducts an internal review of asset values at each reporting date, which is used as a source of information to assess for any indicators of impairment. Factors, such as changes in gold price, production performance and costs are monitored to assess for indicators of performance. If any indication of impairment exists, an estimate of the assets recoverable amount is calculated. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets or groups of assets (cash generating unit CGU).

During the second half of FY2023 the Halls Creek Cash Generating Unit (CGU) mining operations ceased production and the projected transitioned to care and maintenance (C&M). With the project now in C&M the Group has determined the recoverable value of the CGU based on its estimated FVLCD using a market comparison approach (level 3 in the fair value hierarchy). In this regard, the Group conducted a market value assessment for the CGU based on it remaining JORC compliant Mineral Resources. .To value the residual resources, the Company has considered comparable market transactions to derive a valuation multiple per resource ounce.

	Low	Mid	High
Mineral Resource ounces	162,000	162,000	162,000
Valuation multiple ($/oz)	35	40	45
Valuation of residual resources	5,670,000	6,480,000	7,290,000

Asset Class	2023 Carrying Value	2023 Impairment	2023 Post Impairment Carrying Values	2024 Post Impairment Carrying Values
Property, Plant & Equipment	5,111,444	(3,509,534)	1,601,910	871,497
Exploration	12,859,694	(3,574,705)	9,284,989	9,719,936
Mine Properties and development costs	8,297,084	(8,297,084)	-	-
Inventories	741,668	-	741,668	762,366
Leave Provisions	(206,196)	-	(206,196)	-
Rehabilitation Provision	(4,942,371)	-	(4,942,371)	(5,015,554)
	21,861,323	(15,381,323)	6,480,000	6,338,245

36. IMPAIRMENT OF NON-FINANCIAL ASSETS (CONTINUED)

Pantoro determined that the recoverable amount of the CGU, using the mid-point resource multiple, to be $6,480,000. As a result, an impairment of $15,381,323 was recognised for the year ended 30 June 2023. The fair value methodology adopted is categorised as Level 3 in the fair value hierarchy. The Group considered a number of sensitivities in assessing the recoverable amount as at 30 June 2023. It was estimated that changes in key assumptions, in isolation, would increase or (decrease) the recoverable amount of the Halls Creek Project CGU as at 30 June 2023 as follows:

% Change	Resources (oz)	Multiple ($/oz)
-20.0%	-1,296,000	-1,296,000
-10.0%	-648,000	-648,000
0.0%	0	0
10.0%	648,000	648,000
20.0%	1,296,000	1,296,000

37. BUSINESS COMBINATION

Norseman Gold Ltd (formerly Tulla Resources Plc)

On 30 June 2023, the Company implemented the scheme of arrangement (Scheme) in relation to the merger of the Company and Norseman Gold Ltd (formerly Tulla Resources Plc) (Tulla). In accordance with the Scheme, holders of Tulla shares and CHESS depositary interests (CDIs) received Scheme consideration of 4.9578 shares in Pantoro for each Tulla share. Consequently, 1,675,209,942 Pantoro ordinary shares were issued on that date.

In addition to recognising the effects of acquiring Tulla's assets and liabilities, the transaction also results in the Group obtaining control of the unincorporated Norseman Gold Project Joint Venture (NGPJV) in which the Group had a pre-existing 50 percent joint operating interest. This was the primary reason for the combination.

Details of the purchase consideration paid in the previous financial year, the fair value of the previously held interest in NGPJV and the net identifiable assets acquired are as follows:

Purchase Consideration	$
Ordinary shares *	120,782,637
Purchase consideration paid	120,782,637

* 1,675,209,942 ordinary shares were issued as consideration with a fair value based on the closing share price on implementation date of $0.0721 per share.

Fair value of previously held interest in NGPJV	166,055,916

The assets and liabilities recognised as a result of acquiring the controlling interest in Tulla and the NGPJV are as follows:

	Fair Value[1] $
Assets	
Cash and cash equivalents	19,847,348
Trade and other receivables	3,778,420
Inventories	8,455,194
Prepayments	857,730
Property, plant and equipment	111,079,764
Exploration and evaluation expenditure	199,675,512
Mine properties and development costs	103,861,253
Goodwill	32,031,908
	479,587,129
Liabilities	
Trade and other payables	(44,210,648)
Employee Leave Provisions	(924,466)
Provision for Rehabilitation	(25,078,492)
Interest-bearing loans and borrowings	(90,503,062)
Deferred tax liability	(32,031,908)
	(192,748,576)
Net assets acquired	286,838,553

(1) Reflecting 100% of identifiable assets acquired and liabilities assumed in both Tulla and NGPJV.

Goodwill

Interests in exploration tenements acquired have a reduced tax cost base for amortisation due to being acquired prior to 1 July 2001. This has created a deferred tax liability on acquisition which has reduced the total value of identified assets and liabilities. As a result, goodwill is increased by the amount of deferred tax liability recognised.

Acquired receivables

The fair value of acquired trade and other receivables is $2,092,522. This consists of $1,925,506 of statutory receivables and $97,077 of trade receivables.

Acquisition-related costs

Acquisition related costs of $11,167,817 have been included in administration and other expenses in the profit or loss for the year ended 30 June 2023.

CONSOLIDATED ENTITY DISCLOSURE STATEMENT
AS AT 30 JUNE 2024

The consolidated entity disclosure statement below has been prepared in accordance with the requirements of the Corporations Act 2001.

Entity Name	Entity Type	Body corporate country of incorporation	Body corporate % of share capital held	Country of tax residence
Pantoro Limited	Body Corporate	Australia	-	Australia
Halls Creek Mining Pty Ltd	Body Corporate	Australia	100%	Australia
Central Norseman Gold Corporation Pty Ltd	Body Corporate	Australia	100%	Australia
Norseman Gold Ltd	Body Corporate	UK	100%	Australia
Norseman Gold Pty Ltd	Body Corporate	Australia	100%	Australia
Pangolin Resources Pty Ltd	Body Corporate	Australia	100%	Australia
Pantoro South Pty Ltd	Body Corporate	Australia	100%	Australia

DIRECTORS' DECLARATION
FOR THE YEAR ENDED 30 JUNE 2024

In the directors' opinion:

(a) the financial statements and notes of the Company and of the Group are in accordance with the *Corporations Act 2001* including:

  (i) comply with Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*; and

  (ii) give a true and fair view of the Company's and Group's financial position as at 30 June 2024 and of the performance for the year ended on that date; and

(b) the financial statements and notes also comply with International Financial Reporting Standards as disclosed in note 2; and

(c) the consolidated entity disclosure statement required by section 295(3A) of the Corporations Act is true and correct; and

(d) this declaration has been made after receiving declarations required to be made to the Directors in accordance with section 295A of the Corporations Act 2001 for the financial year ended 30 June 2024.

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

P.M.

Paul Cmrlec
Managing Director

Dated 26 September 2024

INDEPENDENT AUDITOR'S REPORT

Building a better working world

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Independent auditor's report to the members of Pantoro Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of Pantoro Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, 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 Group is in accordance with the *Corporations Act 2001*, including:

a. Giving a true and fair view of the consolidated financial position of the Group as at 30 June 2024 and of its consolidated financial performance for the year ended on that date; and

b. Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For the matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial report* section of our report, including in relation to this matter. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying financial report.

1. **Carrying value of the Norseman Gold Project Cash Generating Unit**

Why significant	How our audit addressed the key audit matter
The Group successfully acquired the remaining 50% interest in the Norseman Gold Project during the financial year ended 30 June 2023 and recognised goodwill of \$32,031,908 in connection with the acquisition. The carrying value of the non current assets, including the acquired goodwill, applicable to the Norseman Gold Project CGU as at 30 June 2024 amounted to \$426,119,791. Under AASB 136 *Impairment of assets*, goodwill acquired in a business combination is required to be tested for impairment annually irrespective of whether there is any indication of impairment. Management has performed an impairment assessment over the recognised goodwill applicable to the Norseman Gold Project cash generating unit ("CGU") as at 30 June 2024 and concluded, based on this assessment, that no impairment of the goodwill applicable to the Norseman CGU is required. We consider this to be a key audit matter because of the significant judgement and estimates involved in the determination of the recoverable amount of the Norseman Gold Project CGU including assumptions relating to future gold prices, foreign currency exchange rates, operating and capital costs, future production volumes, resource trading multiples and an appropriate discount rate to reflect the risk associated with the forecast cash flows having regard to the current status of the project.	We assessed the reasonableness of the Group's impairment assessment process and the resultant recoverable value determination for the Norseman Gold Project CGU. Our audit procedures included the following: ▸ Assessed the Group's impairment methodology was in accordance with the requirements of Australian Accounting Standards. ▸ Assessed whether all applicable assets and liabilities had been allocated to the CGU. ▸ Evaluated the assumptions and methodologies used by the Group, in particular those relating to board approved forecast cash flows and inputs used to formulate them. This included assessing, with involvement from our valuation specialists the reasonableness of, the foreign currency exchange rates and commodity prices with reference to broker consensus forward estimates, and the discount rate. ▸ Evaluated whether the capital and operating expenditure assumptions were consistent with historical performance, information in Board reports and releases to the market. ▸ Assessed the work of the Group's experts with respect to production assumptions, including reserve and resource assumptions used in the cash flow forecasts. We also examined the competence, qualifications and objectivity of the Group's experts, and assessed whether key production assumptions were consistent with those in the life of mine plan and previous market releases. ▸ Tested the mathematical accuracy of the Group's discounted cash flow impairment model. ▸ Assessed the impact on the impairment assessment of a range of sensitivities relating to the commodity prices, exchange rate, discount rate, costs and production assumptions. ▸ Where applicable, with the involvement of our valuation specialists, evaluated the reasonableness of resource trading multiples underpinning the fair value assessment of exploration and evaluation assets. ▸ Assessed the adequacy of the Group's disclosures included in the Notes to the financial report.

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Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information comprises the information included in the Company's 2024 annual report, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

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

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

Responsibilities of the directors for the financial report

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

a. The financial report (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;

a. 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 Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

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

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

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

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

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

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

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Report on the audit of the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2024.

In our opinion, the Remuneration Report of Pantoro 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.

Ernst & Young

Ernst & Young

Gavin Buckingham

Gavin Buckingham
Partner
Perth
26 September 2024

INTERESTS IN MINING TENEMENTS
AS AT 25 SEPTEMBER 2024

Halls Creek, Western Australia	Status	Interest %
E80/2601	Granted	100%
E80/3861	Granted	100%
E80/4458	Granted	100%
E80/4952	Granted	100%
E80/4958	Granted	100%
E80/4991	Granted	100%
E80/5003	Granted	100%
E80/5004	Granted	100%
E80/5005	Granted	100%
E80/5006	Granted	100%
E80/5054	Granted	100%
E80/5150	Granted	100%
E80/5185	Granted	100%
E80/5324	Granted	100%
E80/5456	Granted	100%
G80/23	Granted	100%
L80/70	Granted	100%
L80/71	Granted	100%
L80/94	Granted	100%
L80/97	Granted	100%
M80/343	Granted	100%
M80/355	Granted	100%
M80/359	Granted	100%
M80/362	Granted	100%
M80/471	Granted	100%
M80/503	Granted	100%
P80/1845	Granted	100%
P80/1846	Granted	100%

INTERESTS IN MINING TENEMENTS (CONTINUED)

Norseman, Western Australia	Status	Interest %
E63/1759	Application	100%
E63/2263	Application	100%
L63/74	Application	100%
L63/95	Application	100%
M63/679	Application	100%
P63/2239	Application	100%
P63/2240	Application	100%
P63/2273	Application	100%
E63/1919	Granted	100%
E15/1908	Granted	100%
E63/1641	Granted	100%
E63/1919	Granted	100%
E63/1920	Granted	100%
E63/1921	Granted	100%
E63/1969	Granted	100%
E63/1970	Granted	100%
E63/1975	Granted	100%
E63/2034	Granted	100%
E63/2062	Granted	100%
L63/12	Granted	100%
L63/13	Granted	100%
L63/14	Granted	100%
L63/17	Granted	100%
L63/19	Granted	100%
L63/32	Granted	100%
L63/34	Granted	100%
L63/35	Granted	100%
L63/36	Granted	100%
L63/37	Granted	100%
L63/38	Granted	100%
L63/39	Granted	100%
L63/40	Granted	100%
L63/41	Granted	100%
L63/56	Granted	100%

Norseman, Western Australia	Status	Interest %
M63/100	Granted	100%
M63/105	Granted	100%
M63/108	Granted	100%
M63/11	Granted	100%
M63/110	Granted	100%
M63/112	Granted	100%
M63/114	Granted	100%
M63/115	Granted	100%
M63/116	Granted	100%
M63/118	Granted	100%
M63/119	Granted	100%
M63/120	Granted	100%
M63/122	Granted	100%
M63/125	Granted	100%
M63/126	Granted	100%
M63/127	Granted	100%
M63/128	Granted	100%
M63/129	Granted	100%
M63/13	Granted	100%
M63/130	Granted	100%
M63/133	Granted	100%
M63/134	Granted	100%
M63/136	Granted	100%
M63/137	Granted	100%
M63/138	Granted	100%
M63/14	Granted	100%
M63/140	Granted	100%
M63/141	Granted	100%
M63/142	Granted	100%
M63/145	Granted	100%
M63/15	Granted	100%
M63/152	Granted	100%
M63/155	Granted	100%
M63/156	Granted	100%
M63/160	Granted	100%
M63/164	Granted	100%

Norseman, Western Australia	Status	Interest %
M63/173	Granted	100%
M63/174	Granted	100%
M63/178	Granted	100%
M63/180	Granted	100%
M63/182	Granted	100%
M63/184	Granted	100%
M63/187	Granted	100%
M63/189	Granted	100%
M63/190	Granted	100%
M63/204	Granted	100%
M63/207	Granted	100%
M63/213	Granted	100%
M63/214	Granted	100%
M63/218	Granted	100%
M63/219	Granted	100%
M63/220	Granted	100%
M63/224	Granted	100%
M63/231	Granted	100%
M63/232	Granted	100%
M63/233	Granted	100%
M63/257	Granted	100%
M63/258	Granted	100%
M63/259	Granted	100%
M63/26	Granted	100%
M63/265	Granted	100%
M63/272	Granted	100%
M63/273	Granted	100%
M63/274	Granted	100%
M63/275	Granted	100%
M63/29	Granted	100%
M63/315	Granted	100%
M63/316	Granted	100%
M63/325	Granted	100%
M63/327	Granted	100%

Norseman, Western Australia	Status	Interest %
M63/35	Granted	100%
M63/36	Granted	100%
M63/40	Granted	100%
M63/41	Granted	100%
M63/42	Granted	100%
M63/43	Granted	100%
M63/44	Granted	100%
M63/45	Granted	100%
M63/46	Granted	100%
M63/47	Granted	100%
M63/48	Granted	90%
M63/49	Granted	100%
M63/50	Granted	100%
M63/51	Granted	100%
M63/52	Granted	100%
M63/526	Granted	100%
M63/53	Granted	100%
M63/54	Granted	100%
M63/55	Granted	100%
M63/56	Granted	100%
M63/57	Granted	100%
M63/58	Granted	100%
M63/59	Granted	100%
M63/60	Granted	100%
M63/61	Granted	100%
M63/62	Granted	100%
M63/63	Granted	100%
M63/64	Granted	100%
M63/65	Granted	100%
M63/659	Granted	100%
M63/66	Granted	100%
M63/666	Granted	100%
M63/668	Granted	100%
M63/67	Granted	100%
M63/68	Granted	100%
M63/69	Granted	100%

Norseman, Western Australia	Status	Interest %
M63/88	Granted	100%
M63/9	Granted	100%
M63/96	Granted	100%
M63/99	Granted	100%
P63/2003	Granted	100%
P63/2004	Granted	100%
P63/2089	Granted	100%
P63/2096	Granted	100%
P63/2138	Granted	100%
P63/2139	Granted	100%
P63/2140	Granted	100%
P63/2141	Granted	100%
P63/2142	Granted	100%
P63/2261	Granted	100%
P63/2262	Granted	100%
P63/2263	Granted	100%

SECURITY HOLDER INFORMATION
AS AT 24 SEPTEMBER 2024

(a) Top 20 Quoted Shareholders

	Units	%
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	963,238,625	14.92
TULLA RESOURCES GROUP PTY LIMITED <TULLA RESOURCES A/C>	847,863,099	13.14
CITICORP NOMINEES PTY LIMITED	812,832,762	12.59
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	565,352,897	8.76
UBS NOMINEES PTY LTD	486,025,120	7.53
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	241,864,240	3.75
PURE GOLD PTY LTD	187,830,566	2.91
WARBONT NOMINEES PTY LTD <UNPAID ENTREPOT A/C>	129,427,250	2.01
MCCUSKER HOLDINGS PTY LTD	123,000,000	1.91
BELL POTTER NOMINEES LTD <BB NOMINEES A/C>	119,142,570	1.85
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED-GSCO ECA	78,345,284	1.21
HILLBOI NOMINEES PTY LTD	77,737,865	1.20
BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	48,735,543	0.76
MR NEIL DONALD DELROY <NDD INVESTMENT A/C>	44,108,219	0.68
AGATI PTY LTD	42,028,368	0.65
GOLDFIRE ENTERPRISES PTY LTD	30,847,283	0.48
PIPERLAKE PTY LTD <SERTORIO FAMILY A/C>	29,955,690	0.46
BNP PARIBAS NOMS PTY LTD	22,859,089	0.35
SPAR NOMINEES PTY LTD <THE DEVEREUX A/C>	21,900,000	0.34
MR RICHARD FARLEIGH	21,450,997	0.33
Total	4,894,545,467	75.84

(b) Distribution of quoted ordinary shares

Size of parcel	Number of holders	Number of shares
1 - 1,000	1,728	272,024
1,001 - 5,000	931	3,110,583
5,001 - 10,000	961	7,750,846
10,001 - 100,000	3,359	135,454,668
100,001 -	1,617	6,307,442,393
Total	8,596	6,454,030,514

(c) Number of holders with less than a marketable parcel of ordinary shares

	Number of holders	Number of shares
Minimum $ 500.00 parcel at $ 0.11 per unit 4,546 shares).	2,447	2,337,249

(d) Substantial Shareholders

	Units	%
Tulla Resources Group Pty Ltd	875,328,236	13.56%
Regal Funds Management Pty Ltd	766,327,539	11.87%
L1 Capital Pty Ltd	584,968,293	9.06%
Franklin Resources, Inc.	487,158,441	7.55%
Bank of America Corporation	338,221,942	5.24%

(e) Voting Rights

The voting rights for each class of security on issue are:

Ordinary fully paid shares

Each ordinary shareholder is entitled to one vote for each share held.

Unquoted Options

The holders of options have no rights to vote at a general meeting of the company.

Unquoted Performance Rights

The holders of performance rights have no rights to vote at a general meeting of the company.

Unquoted Share Rights

The holders of share rights have no rights to vote at a general meeting of the company.

(f) Unquoted Equity Securities

Unquoted Options	Exercise Price	Expiry Date	Number of Holders
36,363,636	$0.275	30/09/2024	1
4,901,560	Nil, subject to performance.	30/07/2027	8^
41,265,196			

Unquoted Performance Rights	Exercise Price	Expiry Date	Number of Holders
64,529,977	Nil	29/05/2025	4^
64,529,977	Nil	29/05/2026	4^
32,264,987	Nil	29/05/2027	4^
161,324,941			

Unquoted Share Rights	Exercise Price	Expiry Date	Number of Holders
142,944	Nil	19/11/2026	2#
142,944			

^ Unquoted employee options and performance rights issued under an employee incentive scheme.

Unquoted director share rights issued under the director salary sacrifice incentive plan.

(g) Substantial Holders of Unquoted Securities (Above 20%)

Unlisted Options, Exercise Price $0.275, Expiry 30/09/2024	Units	%
GLOBAL CREDIT INVESTMENTS PTY LTD <GCI SPEC FUND 4 A/C>	36,363,636	100%

^,# Substantial holders of these unquoted securities are not provided as they are issued under employee incentive schemes.

PANTORO

2024

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