TRANSITION MINERALS LIMITED

ABN 86 641 565 139

Annual Report - 30 June 2024

Directors	Craig Andrew Wright Rene Sterk Tobias Fletcher Foster
Registered office	13 Rheola Street, WEST PERTH WA 6005
Principal place of business	13 Rheola Street, WEST PERTH WA 6005
Auditor	Elderton Audit Pty Ltd Level 32, 152 St George's Terrace, Perth WA 6000

Transition Minerals Limited
Directors' Report
June 2024

The directors present their report together with the financial report of Transition Minerals Limited (the "Company") for the year ended 30 June 2024 and auditor's report thereon.

Directors' names'

The names of the directors in office at any time during or since the end of the year are;

- Craig Andrew Wright
- Rene Sterk
- Tobias Fletcher Foster

The directors have been in office since the start of the year to the date of this report unless otherwise stated.

Results

The loss of the Group for the year after providing for income tax amounted to $337,722 (2023: Loss $844,914).

Review of operations

The company was incorporated on 09 June 2020. There is no change in operations since last year.

Principal activities

The Company's principal activity during the course of the financial year was the examination and evaluation of mineral projects for consideration to acquire.

There was no significant change in the nature of the Company's activity during the financial year.

Subsequent events-to the end of financial year

There are no significant events occurred after the reporting date.

Dividends paid, recommended, and declared

No dividends were paid or declared since the start of the year. No recommendation for payment of dividends has been made.

Options

No options over unissued shares or interests in the Group were granted during or since the end of the year and there were no options outstanding at the end of the year.

Indemnification of officers

No indemnities have been given or insurance premiums paid, during or since the end of the year, for any person who is or has been an officer of the Group.

Indemnification of auditors

No indemnities have been given or insurance premiums paid, during or since the end of the year, for any person who is or has been an auditor of the Group.

Directors' Meetings

During the financial year, 7 meetings of directors were held, including circulating resolutions.
Attendances by each director during the year were as follows:

Directors	Eligible to Attend	Attended
Craig Andrew Wright	3	3
Rene Sterk	3	3
Tobias Fletcher Foster	3	3

Directors Benefits

No Director of the Company has, since the end of the previous financial year, received or become entitled to receive a benefit (other than a benefit included in the total amount of emoluments received or due and receivable by Directors shown in the accounts) by reason of a contract made by the Company, or a related body corporate with the Director or with a firm of which the Director is a member, or with a Company in which the Director has a substantial financial interest.

Auditor's independence declaration

A copy of the auditor's independence declaration under section 307C of the Corporations Act 2001 in relation to the audit for the financial year is provided with this report.

Environmental Regulation

The Group's operations are not regulated by any significant environmental regulation under a law of the Commonwealth, State or Territory.

Rounding of Amounts

In accordance with ASIC Corporations (Rounding in Financial/Director's Reports) Instrument 2016/191, the Amounts in the directors' reports and in the financial report have been rounded to the nearest dollar.

Signed on behalf of the board of director.

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(Director)

Dated:

27/11/2024

ELDERTON
AUDIT PTY LTD

Auditor's Independence Declaration

To those charged with governance of Transition Minerals Limited;

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

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

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

This declaration is in respect of Transition Minerals Limited during the year.

Elderton Audit Pty Ltd

Elderton Audit Pty Ltd

Rafay Nabeel
Director

Perth
27 November 2024

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General information

The financial statements cover Transition Minerals Limited (the "Company") for the year ended 30 June 2024

Its registered office and principal place of business are:

Registered office
13 Rheola Street,
West Perth WA 6005

The financial statements were authorised for issue, in accordance with a resolution of directors, on 15 November 2024. The directors have the power to amend and reissue the financial statements.

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

	Notes	June 2024 $	June 2023 $
Other income	4	472,141	345,117
Exploration cost		(646,635)	(826,561)
Gross margin		**(174,494)**	**(481,444)**
Other expenses			
Consultants' fees		-	(70,600)
Salaries & wages		(71,302)	(237,661)
Accounting & tax services		(48,273)	(19,274)
Insurance		(7,404)	(8,660)
Legal fee		(9,022)	(6,058)
Miscellaneous expense		(27,227)	(21,217)
Total other expenses		**(160,124)**	**(363,470)**
Net profit before tax		**(337,722)**	**(844,914)**
Tax expense	5	-	-
Net profit after tax		**(337,722)**	**(844,914)**

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

Transition Minerals Limited
Statement of financial position
As at 30 June 2024

	Notes	June 2024 $	June 2023 $
Assets			
Current assets			
Cash and bank	**6**	56,408	230,547
Trade and other receivable	**7**	212,783	243,274
Tax receivable (GST)		2,508	14,708
Total current assets		**271,699**	**488,529**
Non-current assets			
Exploration asset	**8**	6,801	8,070
Property, plant & equipment	**9**	1,551	-
Total assets		**280,052**	**496,599**
Liabilities			
Current liabilities			
Trade payables	**10**	15,899	24,820
Payroll and other accruals		43,337	86,643
Related party loan	**14**	52,708	52,708
Short term borrowings	**11**	128,401	-
Total current liabilities		**240,345**	**164,171**
Non-current liabilities		-	-
Total non-current liabilities		**-**	**-**
Total Liabilities		**240,345**	**164,171**
Net Assets		**39,706**	**332,428**
Equity			
Share capital	**12**	2,862,094	2,817,094
Retained earnings		(2,822,388)	(2,484,666)
		39,706	**332,428**

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

Transition Minerals Limited
Statement of changes in equity
For the year ended 30 June 2024

	Share capital $	Retained earnings $	Total equity $
Balance as at June 2023	**2,817,094**	**(2,484,666)**	**332,428**
Loss for the year	-	(337,722)	(337,722)
Total comprehensive income for the year	**-**	**(337,722)**	**(337,722)**
Share capital	45,000	-	45,000
Balance as at June 2024	**2,862,094**	**(2,822,388)**	**39,706**

	Share capital	Retained earnings	Total equity
Balance as at June 2022	2,131,894	(1,639,752)	492,142
Loss for the year	-	(844,914)	(844,914)
Total comprehensive income for the year	**-**	**(844,914)**	**(844,914)**
Share capital	696,825	-	696,825
Share issue costs	(11,625)	-	(11,625)
Balance as at June 2023	**2,817,094**	**(2,484,666)**	**332,428**

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

Transition Minerals Limited
Statement of cash flows
For the year ended 30 June 2024

	Notes	June 2024 $	June 2023 $
Cash flows from operating activities			
Loss for the year		(337,722)	(844,914)
Adjustments for:		-	-
Depreciation - Computers		357	-
Impairment of exploration cost	**8**	1,269	5,922
Changes in working capital:			
Decrease / (increase) in other current assets		42,691	(100,211)
Increase in trade and other payables		(52,227)	(227,759)
Net cash used from operating activities		**(345,632)**	**(1,166,962)**
Cash flow from investing activities			
Property, Plant & Equipment	**9**	(1,908)	-
Exploration asset		-	(1,302)
Net cash used in investing activities		**(1,908)**	**(1,302)**
Cash flow from financing activities			
Share capital		45,000	685,200
Related party loan		-	39,884
Short term borrowing		128,401	-
Net cash from financing activities		**173,401**	**725,084**
Net increase /(decrease) in cash		**(174,139)**	**(441,877)**
Cash at beginning of the financial year		230,547	672,424
Cash at end of financial year	**6**	**56,408**	**230,547**

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

Note 1. Significant accounting policies
The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

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

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

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

Historical cost convention
The financial statements have been prepared under the historical cost convention.

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

Going Concern
The Company has incurred a net loss after tax for the financial year ended 30 June 2024 of $337,722 (2023: $844,914) and a net cash outflow from operating activities of $345,632 (2023: $1,166,962). As at 30 June 2024, the Company has accumulated losses of $2,822,388 (2023: $2,493,466) and net current liabilities excluding prepayments are $124,957 (2023: net assets $137,529). As a result, there is a significant uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

The Company's ability to continue as a going concern and pay its debts as and when they fall due, is dependent on the following:

a) further capital raisings and/or listing on the ASX in the next twelve months; and
b) active management of the current level of discretionary expenditure in line with the funds available to the Company.

The directors have reviewed the business outlook and cash flow forecast and are of the opinion that the use of the going concern basis of accounting is appropriate as they believe the Company will achieve the matters set out above. As such, the directors believe that they will be successful in enabling the Company to seek out and evaluate investment opportunities and provide working capital.

Going Concern (Continued)
Should the Company be unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different from those stated in the financial statements.

The financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or to the amount and classification of liabilities that might result should the Company be unable to continue as a going concern and meet its debts as and when they fall due.

Revenue recognition
The entity recognises income as follows:

Interest
Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Exploration and evaluation assets
It is the Entity's policy to capitalise the cost of acquiring rights to explore areas of interest. All other exploration and evaluation expenditure is charged against earnings as incurred and included as part of cash flows from operating activities.

The costs of acquisition are carried forward as an asset provided one of the following conditions is met:

a) Such costs are expected to be recouped through the successful development and exploitation of the area of interest, or alternatively, by its sale; or
b) Exploration activities in the area of interest have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in relation to the area are continuing. When the technical feasibility and commercial viability of extracting a mineral resource have been demonstrated then any capitalised exploration and evaluation expenditure is reclassified as capitalised mine development. Prior to reclassification, capitalised exploration and evaluation expenditure is assessed for impairment.

Exploration for and evaluation of mineral resources is the search for mineral resources after the entity has obtained legal rights to explore in a specific area, as well as the determination of the technical feasibility and commercial viability of extracting the mineral resource.

Accounting for exploration and evaluation expenditures is assessed separately for each 'area of interest' to determine whether expenditure is expensed as incurred or capitalised as an asset. An 'area of interest' is an individual geological area which is considered to constitute a favourable environment for the presence of a mineral deposit or has been proved to contain such a deposit.

Exploration and evaluation assets (Continued)
Pre-production costs are deferred as development costs until such time as the asset is capable of being operated in a manner intended by management. Capitalised expenses then become an active asset and are depreciated. Postproduction costs are recognised as a cost of production.

Capitalisation of development expenditure ceases once the mining property is capable of commercial production, at which point it is transferred into a separate mining asset. Any development expenditure incurred once a mine property is in production is immediately expensed to the Statement of Profit or Loss and Other Comprehensive Income except where it is probable that future economic benefits will flow to the entity, in which case it is capitalized as property, plant and equipment.

Impairment
The carrying value of capitalised exploration and evaluation expenditure is assessed for impairment at the cash generating unit level whenever facts and circumstances suggest that the carrying amount of the asset may exceed its recoverable amount.

An impairment exists when the carrying amount of an asset or cash-generating unit exceeds its estimated recoverable amount. Any impairment losses are recognised in the statement of profit or loss and other comprehensive income.

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

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

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

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

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

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

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

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

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

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

Trade and other receivables
Receivables are recognised at amortised cost, less any allowance for expected credit losses.

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

Borrowings
Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs.

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

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

Fair value measurement (Continued)
Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

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.

Goods and Services Tax ('GST') and other similar taxes
Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

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

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

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

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

New Accounting Standards and Interpretations not yet mandatory or early adopted
Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the entity for the annual reporting period ended 30 June 2023. The entity has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Note 2. Critical accounting judgements, estimates and assumptions
The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

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

It is reasonably possible that the underlying metal price assumption may change which may then impact the estimated life of mine determinant and may then require a material adjustment to the carrying value of mining plant and equipment, mining infrastructure and mining development assets. Furthermore, the expected future cash flows used to determine the value-in-use of these assets are inherently uncertain and could materially change over time. They are significantly affected by a number of factors including reserves and production estimates, together with economic factors such as metal spot prices, discount rates, estimates of costs to produce reserves and future capital expenditure.

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

Exploration and evaluation costs
Exploration and evaluation costs have been capitalised on the basis that the entity will commence commercial production in the future, from which time the costs will be amortised in proportion to the depletion of the mineral resources. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised.

Note 2. Critical accounting judgements, estimates and assumptions (*Continued*)

In addition, costs are only capitalised that are expected to be recovered either through successful development or sale of the relevant mining interest. Factors that could impact the future commercial production at the mine include the level of reserves and resources, future technology changes, which could impact the cost of mining, future legal changes and changes in commodity prices. To the extent that capitalised costs are determined not to be recoverable in the future, they will be written off in the period in which this determination is made.

Note 3. Operating segments

Identification of reportable operating segments

The entity is organised into one operating segment, being mining and exploration operations. This operating segment is based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources.

Note 4: Other income	**June 2024**	**June 2023**
R&D claim	387,141	345,117
Non-refundable payment from DevEx Resources Limited	85,000	-
	472,141	**345,117**

During the year, Transition Minerals entered into an agreement with DevEx Resources Limited ("DEV") under which DEV may earn a 75% beneficial interest in the uranium rights within certain tenements held by Transition Minerals. This interest is contingent upon DevEx completing specified activities during the first 18 months from the agreement date (the "Option Period") and incurring a minimum of A$3.5 million in exploration expenditures over a 5-year period after completing specified activities during option period. DEV is also obligated to make non-refundable payments of $85,000 in cash upon executing the agreement and on each anniversary during both the Option Period and the Earn-In Period to cover Transition Minerals' administrative costs.

Note 5: Tax expense	**June 2024**	**June 2023**
Prima facie tax benefit at the Australian tax rate of 25% (2023:25%)	84,430	211,229
Tax effect amounts which are not deductible/(taxable) in calculating taxable income;		
Permanent Non-deductible expenses	(7,843)	(4,710)
Temporary differences	12,568	23,611
Benefit from expenditure subject to R&D tax credit	22,041	75,881
Other tax benefits	58,248	(222,495)
Tax losses not brought into account	(583)	(93,648)
Income tax expense	**-**	**-**
Current tax expense	-	-
Deferred tax expense	-	-
Income tax expense	**-**	**-**
Tax assets not recognised at 25%(2023: 25%)		
Unused tax losses for which no deferred tax asset has been recognized	583	93,648
Temporary differences	-	-
Potential tax benefit	**583**	**93,648**

Note 6. Cash and cash equivalents	**June 2024**	**June 2023**
Cash at bank	56,048	230,547
	56,048	**230,547**

Note 7. Trade and other receivables	**June 2024**	**June 2023**
Prepaid expenses	156,311	186,828
Other current assets	56,472	56,445
	212,784	**243,274**

Note 8. Exploration and evaluation	**June 2024**	**June 2023**
Exploration and evaluation - at cost	6,801	8,070

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

Movement	
Balance at 1 July 2023	8,070
Additions	-
Impairment	(1,269)
Balance at 30 June 2024	**6,801**

Note 9. Property, plant & equipment	**June 2024**	**June 2023**
IT equipment	1,551	-

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

Movement	
Balance at 1 July 2023	-
Additions	1,908
Depreciation	(357)
Balance at 30 June 2024	**1,551**

Note 10. Trade and other payables	**June 2024**	**June 2023**
Trade and other payables	15,899	24,820
	15,899	**24,820**

Note 11. Short term borrowings
The company has a short-term loan from DevEx Resources Limited with a principal amount of $128,401 and a fixed interest rate of 6% per annum. The loan matures in December 2024 and is classified as a current liability.

Note 12. Equity - issued capital

Contributed Equity – Ordinary Shares

	2024	2023	2024	2023
	Shares	**Shares**	**$**	**$**
Ordinary shares - fully paid	**141,006,274**	**140,556,274**	**2,862,094**	**2,817,094**

Movements in ordinary share capital

	Total number of shares	$
Opening 1 July	**140,556,274**	2,817,094
Shares issued during the year	**450,000**	45,000
Total contributed equity	**141,006,274**	2,862,094

Ordinary shares

Ordinary shares

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

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

(ii) Share-based payments reserve	**2024**	**2023**	**2024**	**2023**
	Options	**Options**	**$**	**$**
Employees:				
Toby Foster				
Class A	**-**	2,000,000	-	
Class B	**2,000,000**	2,000,000	-	-
Richard Hall				
Class C	**1,000,000**	1,000,000	-	-
Shareholders				
Free attaching options	**1,050,000**	-	-	-
	4,050,000	5,000,000	-	-

Note 12. Equity - issued capital (*Continued*)

The Company provide benefits to the employees, in the form of options to be converted into ordinary shares at below market price.

Class A

Expiry Date	*: 31 March 2024*
Exercise Price	: *$0.1*

Class B & C

Expiry Date	: *31 March 2025*
Exercise Price	: *$0.2*

Free Attaching Options

Expiry Date	: *30 June 2028*
Exercise Price	: *$0.2*

Note 13. Financial instruments

Financial risk management objectives:

The entity’s activities expose it to a variety of financial risks: market risk (including price risk and interest rate risk), credit risk and liquidity risk. The entity's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the entity. Derivatives are not used as trading or other speculative instruments. The entity uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate and other price risks, ageing analysis for credit risk.

Risk management is carried out under policies approved by the Board of Directors ('Board'). These policies include identification and analysis of the risk exposure of the entity and appropriate procedures, controls and risk limits.

Credit risk:

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

Fair value of financial instruments:

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value. The carrying amounts of trade receivables and trade payables are assumed to approximate their fair values due to their short-term nature.

Foreign currency risk:

Exposure to foreign currency risk may result in the fair value or future cash flows of a financial instrument fluctuating due to movement in foreign exchange rates of currencies in which the entity holds financial instruments which are other than the AUD functional currency of the entity. The entity is not subject to foreign currency risk as they have foreign currency account. We do not expect significant impact to the consolidated entity.

Liquidity risk:
Liquidity risk is the risk that the entity will not be able to meet its financial obligations as they fall due. The Entity's approach to managing liquidity is to ensure, as far as possible, that it will always has 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. Ultimate responsibility for liquidity risk management rests with the Board of Directors. The entity manages liquidity risk by maintaining adequate cash reserves, or from funds raised in the market, or by debt and by continuously monitoring forecast and actual cash flows. The liquidity profile of the entity financial liabilities are disclosed in the relevant notes below.

	June 2024	June 2023
Financial assets		
Financial assets at amortised cost:		
Cash and cash equivalents	56,408	230,547
Trade and other receivables	212,784	243,274
Total financial assets	269,192	473,821
Financial liabilities at amortised costs:		
Trade and other payables	15,899	24,820
Total financial liabilities	15,899	24,820

Note 14. Related Party Transactions
Related Party Loan

	June 2024	June 2023
Loan from RSC Global Pty Ltd	52,708	52,708
Trade and other payables	8,116	15,236
Accruals	-	32,397

This related party loan is payable on demand to RSC Global Pty Ltd and has a 0% interest rate applicable.

Related Party transaction

Other transaction with RSC Global during the year	213,573	458,526

Key Management Remuneration
During the year a remuneration of AUD 150,000 (2023: 150,000) was paid to the managing director of the company in lieu of his services.

Options held by Key Management Personnel

30 June 2024 :

Name	Balance at the start of the year	Granted during the year	Exercised/expired during the year	Balance at the end of the year
Toby Foster				
Class A	2,000,000	-	(2,000,000)	-
Class B	2,000,000	-	-	2,000,000
Richard Hall				
Class C	1,000,000	-	-	1,000,000
Total	5,000,000	-	-	3,000,000

Note 15. Contingent liabilities

There are no contingent liabilities as at 30 June 2024.

Note 16. Commitments

The Company has certain obligations to perform minimum exploration work on the tenements in which it has an interest. These obligations may in some circumstances, be varied or deferred. Tenement rentals and minimum expenditure obligations which may be varied or deferred on application are expected to be met in the normal course of business.

The minimum statutory expenditure commitments required to be spent on the granted tenements for the next twelve months amounts to $211,550 on expenditure and $351,071 on Rent commitments.

Note 17. Events after the reporting period

There has not been any other matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

Directors' declaration

1. In accordance with a resolution of the directors of Transition Minerals Limited, the directors of the Company declare that:

a) the financial statements and notes, as set out on pages 11 to 22, are in accordance with the Corporations Act 2001 including:

   i. giving a true and fair view of the Company's financial position as at 30 June 2024 and of its performance for the year ended on that date; and
   ii. complying with Australian Accounting Standards and the Corporations Regulations 2001; and

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

2. The directors draw attention to Note 1 to the financial statements, which includes a statement of compliance with International Financial Reporting Standards.

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

On behalf of the directors

Director

15 November 2024

ELDERTON
AUDIT PTY LTD

Independent Audit Report to the members of Transition Minerals Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Transition Minerals Limited (the Company), which comprises the statement of financial position as at 30 June 2024, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and the directors' declaration.

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

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

Basis for Opinion

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

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

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

Material Uncertainty Related to Going Concern

Without modifying our opinion, we draw attention to Note 1 of the financial statements which outlines that the ability of the Company to continue as a going concern is dependent on the ability of the Company to secure additional funding through either the issue of further shares and/or options, the continual financial support of the directors, or a combination thereof.

As a result, there is a material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern, and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

Our opinion is not qualified in respect of this matter.

Responsibilities of Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001; and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company'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 Company'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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

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

Elderton Audit Pty Ltd

Elderton Audit Pty Ltd

Rafay Nabeel

Director

Perth

27 November 2024