

Westar Resources Limited

ABN 66 635 895 082

Annual Report - 30 June 2021

Westar Resources Limited

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30 June 2021

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Westar Resources Limited
Corporate directory
30 June 2021

Directors	Simon Eley - Non-Executive Chairman Karl Jupp - Managing Director Nathan Cammerman - Non-Executive Director
Company secretary	Ben Donovan
Registered office	Level 1, 19 Ord Street West Perth WA 6005
Principal place of business	Level 1, 19 Ord Street West Perth WA 6005
Share register	Automic Level 2/267 St George's Terrace Perth WA 6000 T: 1300 288 664 W: www.automicgroup.com.au
Auditor	Nexia Brisbane Audit Pty Ltd Level 28, 10 Eagle Street Brisbane QLD 4000
Solicitors	Colin Biggers & Paisley Lawyers Level 35, 1 Eagle Street Brisbane QLD 4000
Stock exchange listing	Westar Resources Limited shares are listed on the Australian Securities Exchange (ASX code: WSR)
Website	www.westar.net.au
Contact details:	PO Box 814 West Perth WA 6872 T: +61 08 6556 6000 E: admin@westar.net.au

Westar Resources Limited
Directors' report
30 June 2021

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of Westar Resources Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2021.

Directors

The following persons were Directors of Westar Resources Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Simon Eley - Non-Executive Chairman (appointed 15 October 2020)
Karl Jupp - Managing Director (appointed 15 October 2020)
Nathan Cammerman - Non-Executive Director (appointed 30 August 2019)
Nathan Cull - Non-Executive Director (resigned 15 October 2020)
Andrew Jones - Non-Executive Director (resigned 16 October 2020)

Principal activities

The principal activity of the Company during the year was to explore mineral tenements in Western Australia. The Company is currently focused on gold across seven projects located in Western Australia. Following the completion of an Initial Public Offering in December 2020 which raised \$5,000,000 (before costs), the Company listed on the Australian Securities Exchange and has undertaken an aggressive exploration program across a number of its projects to determine the potential for economic projects.

Dividends

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

Review of operations

The loss for the Group after providing for income tax amounted to \$783,515 (30 June 2020: \$237,561).

As at reporting date the Group has total assets of \$5,511,311 (including exploration and evaluation assets of \$2,221,069 and bank balance of \$3,078,591).

At 30 June 2021, the Company has 50,404,146 shares on issue and 5,000,000 options on issue. Capital raised during the year, including the Initial Public Offering, totalled \$5,750,300 (before costs).

During the year the, Company lodged a prospectus to list on the ASX. The Company listed on 17 December 2020.

Throughout the year, the Company was required to comply with intrastate border restrictions imposed by the Western Australian State Government to deal with COVID-19. These restrictions temporarily halted exploration activities for a number of weeks. The Company doesn't foresee ongoing issues with COVID-19 outside of any additional requirement to comply with any new State or Federal requirements.

During the year, the Company did not make use of the Federal Government assistance programs including Jobkeeper.

The Group holds 100% ownership over seven projects in Western Australia, being:

- The Sandstone Projects - Gidgee South and Gidgee North
- The Mt Magnet Projects - Winjangoo and Coolaloo
- The Pilbara Project - Opaline Well
- The Southern Cross Projects - being Mt Finnerty and Parker Dome, which are held under a farm-in/JV agreement with Ramelius Resources Ltd having the right to earn a 75% interest

Sandstone Projects - Gidgee North & Gidgee South

The Company's Sandstone Projects are comprised of two separate projects - Gidgee South (E57/1055, M57/352, P57/1363 and P57/1368) and Gidgee North (E53/1920 and E51/2044-*under application*), covering circa 315 km² and located approximately 640 km northeast of Perth and 700 km north-northwest of Kalgoorlie. The Projects lie within the Gum Creek Greenstone Belt of the Youami Terrane, which forms a lensed, broadly sinusoidal belt measuring some 100km in length and 24km in width.

Gidgee North

During the year the Company flew 2,708 line kms of Geophysics and completed a detailed litho structural interpretation and geochemical analysis. From this work, multiple gold targets have already been identified.

The Company also completed a detailed analysis of open file SKyTEM data, and from this work six conductors were identified with geophysical plates confirming 4 targets. Deconvolution modelling was also carried out to model depth of the proposed targets.

Following the year end, field mapping and soil sampling was completed, with assays currently being processed at labs.

The Company has applied for additional tenure adjoining the northern border the north of the Gidgee North Project.

Gidgee South

During December 2020, the Company drilled 41 aircore holes (regolith evaluation program) for 469m. In addition, a total of 1,106 line km of Geophysics were flown and Litho structural interpretations were completed. This work identified 15 targets, with 10 of these targets recently tested with the drilling of 56 RC holes for a total of 4,258m.

The Company also carried out a DGPR (Deep Ground Penetrating Radar) program to gain a greater understanding of the depth of any potential mineralisation.

In April and May 2021, the Company also acquired the Carbine Bore and Birrigrin Mining Centre which have shown significant prospects for mineralisation. The acquisitions were completed for \$10,000 and \$80,000 respectively. The acquisitions consolidates the Company's position in the Sandstone area.

Mt Magnet Projects – Winjangoo & Coolaloo

The Mount Magnet Projects are comprised of several granted exploration licences; the Winjangoo Project (E58/536) and the Coolaloo Project (E59/2329 & E59/2509), situated in the Murchison Mineral Field and proximal to the historical mining centre of Mount Magnet which has historically produced over six million ounces of gold since the initial discovery in 1891. The Mount Magnet Projects cover approximately 302 km².

Winjangoo

In late 2020, a total of 749 Auger holes were completed for geochemical sampling. A total of 5 gold targets were generated for drilling. The Company completing heritage surveys, clearing and preparations for RC Drilling programs.

The Company also flew 1,319 line km Geophysics and undertook Litho structural interpretation work to identify additional targets. Post the year end, the Company has completed a RC program consisting of 38 holes for 2,980m. Assays results are currently at the lab awaiting analysis.

Coolaloo

At the Coolaloo project, 458 Auger holes were drilled with samples assayed. In addition, a total of 3,241 line km of Geophysics were flown and Litho structural interpretation was completed.

A total of 10 targets were generated and drilled via aircore drilling for appx 11,000m of AC over 373 holes

Pilbara Project - Opaline Well

The Opaline Well project (E 45/4997) is located in the Pilbara, approximately 190km southeast of Port Hedland and 35km west of Nullagine.

The Company completed flying 2,252km line kms of Geophysics and Litho structural interpretation. A number of targets were generated and the Company completed field reconnaissance, mapping and rock-chip sampling.

Southern Cross Projects (Ramelius Resources (ASX:RMS) Farm-in/JV)

The Mt Finnerty Project, which forms part of the Southern Cross Assets (E 16/505) is located approximately 430km east-northeast of Perth and 100km northeast of Southern Cross. Located in the Archean Mara-Diemals greenstone belt, previous exploration activity has been extensive.

The Parker Dome Project (E 77/2424) is located approximately 400km east of Perth and 60km south-southeast of Southern Cross. Situated on the western margin of the north-westerly elongated Parker Dome granitoid, the project hosts several broad previously identified gold-in soil anomalies from historic auger drilling with results up to 192ppb Au. Historical RAB drilling has reported results up to 0.52 g/tAu in transported overburden and 0.38 g/t Au in ultramafics.

The Mt Finnerty and Parker Dome Projects are subject to the Flinders and Parker Dome Farm-in and Joint Venture Agreement between Ramelius Resources Ltd and Rouge Resources (a 100% owned subsidiary of Westar Resources Ltd) dated 30 August 2019. Under the terms of the agreement Ramelius may earn up to a 75% interest by spending \$2,000,000 over a three-year period.

Work is currently underway to commence drilling at the projects.

Significant changes in the state of affairs

The Company was incorporated on 30 August 2019 for the purpose of acquiring a portfolio of gold exploration tenements in Western Australia. The Company's business model to acquire tenements solely or with partners, with the aim of undertaking exploration. Risks associated with this business activity primarily relate to the identification and acquisition of tenements and the ability to undertake exploration. As part of its activities, the company acquired Rouge Resources Pty Ltd on 12 September 2019 and acquired Imperator Resources Pty Ltd on 29 September 2019.

The Company listed on the Australian Securities Exchange on 17 December 2020.

In connection with the above strategic developments the Company completed a range of issues of shares and options.

There were no other significant changes in the state of affairs of the Group during the financial year.

Matters subsequent to the end of the financial year

No matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Likely developments and expected results of operations

The Group will continue its exploration programs in accordance with business strategy. Otherwise likely developments in the operations of the Group and the expected results of operations have not been included in this report because the Directors believe it would be likely to result in unreasonable prejudice to the Group.

Environmental regulation

The Group's operations are subject to environmental regulation under the laws of the Commonwealth and Western Australia including those set by the Department of Mines, Industry Regulation and Safety.

The Directors monitor the Group's compliance with environmental regulation under law, in relation to its exploration activities. The Directors are not aware of any compliance breach arising during the period and up to the date of this report.

Westar Resources Limited
Directors' report
30 June 2021

Information on Directors

Name:	Simon Eley
Title:	Non-Executive Chairman - appointed 15 October 2020
Qualifications:	B.Laws (LLB), B.Arts
Experience and expertise:	Simon has extensive experience in the identification and commercialisation of mineral resource projects and was the founding director of Egan Street Resources Ltd, having led the acquisition of the Rothsay Gold Project in 2011. Egan Street was taken over by Silver Lake Resources in early 2020 for an implied value of approximately A\$79m. Simon was an Executive Director of Aragon Resources Limited (Aragon) and led the team that secured the Central Murchison Gold Project which became Aragon's core asset and eventually led to a \$76m takeover by Westgold Resources Limited in 2011. Simon was also Chairman of Tierra Grande Resources Inc. (OTCBB:TGRI) until the company entered a merger with VNUE Inc. (OTCQB: VNUE).
Other current directorships:	Celamin Holdings Ltd M3M Mining Limited
Former directorships (last 3 years):	Egan Street Resources Ltd
Interests in shares:	599,651 fully paid ordinary shares
Interests in options:	1,000,000 unlisted options exercisable at \$0.25 on or before 17 December 2023 with vesting conditions
Name:	Karl Jupp
Title:	Managing Director & CEO - appointed 15 October 2020
Qualifications:	BappSc (Hons), GradDip(Bus), MAIG, MAusIMM
Experience and expertise:	A Geologist with over 20 years' technical and leadership experience in the Australian and international mineral resources sector. Karl commenced his career in mineral exploration in Western Australia working for Normandy, Great Central Mines, and Barrick, later moving into mining and leadership roles and eventually consulting. He has co-authored several technical papers and is experienced in Feasibility Studies, JORC Mineral Resource delineation and management of Ore Reserve conversion.
Other current directorships:	Nil
Former directorships (last 3 years):	Nil
Interests in shares:	3,811,189 fully paid ordinary shares
Interests in options:	3,000,000 unlisted options exercisable at \$0.25 on or before 17 December 2023 with vesting conditions
Name:	Nathan Cammerman
Title:	Non-Executive Director - appointed 30 August 2019
Qualifications:	BSC (HONS) GEOLOGY, MIWM, MBus (Intl)
Experience and expertise:	Geologist by initial training, Nathan's senior executive and board experience includes project generation, evaluation and acquisition, JV negotiation, financing, permitting and approvals, feasibility study management, offtake and government relations. Strong track record in shareholder wealth creation. Co-founded several private exploration companies which have progressed from green fields concepts to near term production propositions.
Other current directorships:	
Former directorships (last 3 years):	
Interests in shares:	4,000,000 fully paid ordinary shares
Interests in options:	1,000,000 unlisted options exercisable at \$0.25 on or before 17 December 2023 with vesting conditions

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Name: **Nathan Cull**
Title: Non-Executive Director - resigned 15 October 2020
Qualifications: BAppSc, MAIG
Experience and expertise: Over 25 years' experience in the exploration and mining sectors in Australia and the Far East. Member of the Australian Institute of Geoscientists and as such, is able to fulfil the role of Competent Person for ASX announcements and resource estimates. He has had significant experience in the discovery and development of gold assets.
Other current directorships: N/A
Former directorships (last 3 years): N/A
Interests in shares: N/A

Name: **Andrew Jones**
Title: Non-Executive Director - resigned 16 October 2020
Qualifications: MSc, MAIG, MAusIMM
Experience and expertise: Andrew Jones has more than 20 years experience as a geologist in the resources sector and has worked throughout Australia, West Africa, Southern Africa and Southern America. He has experience in a range of mineral commodities and has been involved in the discovery of new mineral deposits, extensions to known mineral resources at operating mine sites and has been involved in several feasibility studies for commodities including gold, copper and nickel-cobalt.
Other current directorships: N/A
Former directorships (last 3 years): N/A
Interests in shares: N/A

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

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

Company secretary

Ben Donovan (appointed 1 March 2021)

Mr Donovan is a member of the Governance Institute of Australia and is the principal of Argus Corporate Partners Pty Ltd which provides corporate advisory, IPO and consultancy services. Mr Donovan is currently the company secretary of several ASX listed and public unlisted companies with experience across the resources, agritech, biotech, media and technology industries.

He has extensive experience in listing rules compliance and corporate governance, having served as a Senior Adviser at the ASX in Perth for almost three years, where he managed the listing process of close to 100 companies to the ASX.

In addition, Mr Donovan has experience in the capital markets having raised capital and assisted numerous companies on achieving an initial listing on the ASX.

Brent Van Staaden FGIA (appointed 30 August 2019 - resigned 1 March 2021)

Brent is an experienced corporate lawyer advising junior mineral explorers in Australia, with other 20 years experience. Brent is an admitted solicitor in Queensland, New South Wales, England and Wales and South Africa and is a Fellow of the Governance Institute of Australia. Brent holds a B.Juris, LL.B (Hons), a LLM(Commercial Law) and a LLM (Taxation).

Meetings of Directors

The number of meetings of the Company's Board of Directors ('the Board') held during the year ended 30 June 2021, and the number of meetings attended by each Director were:

	Attended	Held
Simon Eley	6	6
Karl Jupp	8	8
Nathan Cammerman	8	8
Nathan Cull	2	2
Andrew Jones	2	2

Held: represents the number of meetings held during the time the Director held office excluding circular resolutions.

Remuneration report (audited)

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

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

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

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

Principles used to determine the nature and amount of remuneration

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

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

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

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

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

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

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

Non-executive Directors remuneration

Fees and payments to non-executive Directors reflect the demands and responsibilities of their role. Non-executive Directors' fees and payments are reviewed annually by the Board. The Board may, from time to time, receive advice from independent remuneration consultants to ensure non-executive Directors' fees and payments are appropriate and in line with the market. The chairman's fees are determined independently to the fees of other non-executive Directors based on comparative roles in the external market. The chairman is not present at any discussions relating to the determination of his own remuneration.

ASX listing rules require the aggregate non-executive Directors' remuneration be determined periodically by a general meeting. The most recent determination was upon adoption of the Company's constitution (clause 14.8), where a maximum annual aggregate remuneration of \$400,000 is approved.

Executive remuneration

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

The executive remuneration and reward framework has four components:

- base pay and non-monetary benefits
- short-term performance incentives
- share-based payments
- other remuneration such as superannuation and long service leave

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

Fixed remuneration, consisting of base salary, superannuation and non-monetary benefits, are reviewed annually by the Board based on individual and business unit performance, the overall performance of the Group and comparable market remunerations.

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

The short-term incentives ('STI') program is designed to align the targets of the business units with the performance hurdles of executives. STI payments are granted to executives based on specific annual targets and key performance indicators ('KPI's') being achieved. KPI's include profit contribution, customer satisfaction, leadership contribution and product management.

The long-term incentives ('LTI') include long service leave and share-based payments. Shares are awarded to executives over a period of three years based on long-term incentive measures. These include increase in shareholders value relative to the entire market and the increase compared to the Group's direct competitors.

Details of remuneration

Amounts of remuneration

Details of the remuneration of key management personnel of the Group are set out in the following tables.

The key management personnel of the Group consisted of the following Directors of Westar Resources Limited:

- Simon Eley - appointed 15 October 2020
- Nathan Cammerman - appointed 30 August 2019
- Karl Jupp - appointed 15 October 2020
- Nathan Cull - resigned 15 October 2020
- Andrew Jones - resigned 16 October 2020

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	Short-term benefits		Post-employment benefits	Share-based payments	
	Cash salary and fees	Cash bonus	Super-annuation	Options issued	Total
	\$	\$	\$	\$	\$
2021					
<i>Non-Executive Directors:</i>					
Simon Eley	25,000	-	2,375	69,421	96,796
Nathan Cammerman	17,500	-	1,662	69,421	88,583
Nathan Cull	-	-	-	-	-
Andrew Jones	-	-	-	-	-
<i>Executive Directors:</i>					
Karl Jupp *	201,923	-	17,812	208,264	427,999
	244,423	-	21,849	347,106	613,378

* Includes annual leave accrual of \$14,423

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

Name	Fixed remuneration		Performance related	
	2021	2020	2021	2020
<i>Non-Executive Directors:</i>				
Simon Eley	28%	-	72%	-
Nathan Cammerman	22%	-	78%	-
Nathan Cull	-	-	-	-
Andrew Jones	-	-	-	-
<i>Executive Directors:</i>				
Karl Jupp	51%	-	49%	-

Service agreements

Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

Name: Karl Jupp
Title: Chief Executive Officer & Managing Director
Agreement commenced: 1 September 2020
Term of agreement: 3 years then either party may terminate with 6 months notice.
Details: Karl has entered into an Executive Services Agreement with the Company and will be paid \$225,000 per annum plus statutory superannuation and other statutory leave entitlements.

Name: Simon Eley
Title: Non-Executive Chairman
Details: Simon has entered into a Letter of Engagement with the Company and will be paid a Director's fee of \$50,000 per annum plus statutory superannuation.

Name: Nathan Cammerman
Title: Non-Executive Director
Details: Nathan has entered into a Letter of Engagement with the Company and will be paid a Director's fee of \$35,000 per annum plus statutory superannuation.

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

Share-based compensation

Issue of shares

There were no shares issued to Directors and other key management personnel as part of compensation during the year ended 30 June 2021.

Options

The Company has adopted a Director's and Employee's Equity Incentive Plan (DEEIP). The Board is responsible for administering the DEEIP in accordance with the DEEIP Rules. The DEEIP is open to certain contractors and employees (including Directors), the Board may invite Participants to apply for Shares, Performance Rights and/or Options under the DEEIP in its absolute discretion.

On successful listing on the ASX the Directors were issued with 5,000,000 options exercisable at \$0.25 expiring 17 December 2023. The options were issued in two tranches (equal numbers of Tranche A and Tranche B) to each of the Directors, pursuant to the Company's DEEIP. The vesting conditions for:

- (a) The Tranche A Director Options, is the Company listing on the ASX; and
- (b) The Tranche B Directors Options, is the Company's Share price on the ASX trading at a 20-trading day VWAP of at least 40 cents,

during the exercise period.

The terms and conditions of each grant of options over ordinary shares affecting remuneration of Directors in this financial year or future reporting years are as follows:

Name	Number of options granted	Grant date	Vesting date	Expiry date	Exercise price	Fair value per option at grant date
Simon Eley	500,000	17 Dec 2020	17 Dec 2020	17 Dec 2023	\$0.2500	\$0.1179
Simon Eley	500,000	17 Dec 2020	*	17 Dec 2023	\$0.2500	\$0.1176
Nathan Cammerman	500,000	17 Dec 2020	17 Dec 2020	17 Dec 2023	\$0.2500	\$0.1179
Nathan Cammerman	500,000	17 Dec 2020	*	17 Dec 2023	\$0.2500	\$0.1176
Karl Jupp	1,500,000	17 Dec 2020	17 Dec 2020	17 Dec 2023	\$0.2500	\$0.1179
Karl Jupp	1,500,000	17 Dec 2020	*	17 Dec 2023	\$0.2500	\$0.1176

* Vesting date is based on the Company's VWAP

Options granted carry no dividend or voting rights.

The number of options over ordinary shares granted to and vested by Directors and other key management personnel as part of compensation during the year ended 30 June 2021 are set out below:

Name	Number of options granted during the year 2021	Number of options vested during the year 2021
Simon Eley	1,000,000	500,000
Nathan Cammerman	1,000,000	500,000
Karl Jupp	3,000,000	1,500,000

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Additional information

The earnings of the Group for the two years to 30 June 2021 are summarised below:

	2021 \$	2020 \$
Loss after income tax	(783,515)	(237,561)

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

	2021
Share price at financial year end (\$)	0.19
Basic earnings per share (cents per share)	(2.08)

Additional disclosures relating to key management personnel

Shareholding

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

	Starting balance	Resignation	Consolidation *	Additions	Balance at the end of the year
<i>Ordinary shares</i>					
Simon Eley (appointed 15 October 2020)	1,000,000	-	349,651	250,000	599,651
Karl Jupp (appointed 15 October 2020)	10,900,000	-	3,811,189	50,000	3,861,189
Nathan Cammerman	11,150,000	-	3,898,602	-	3,898,602
Nathan Cull (resigned 15 October 2020)	11,185,714	(11,185,714)	-	-	-
Andrew Jones (resigned 16 October 2020)	10,000,000	(10,000,000)	-	-	-
	44,235,714	(21,185,714)	8,059,442	300,000	8,359,442

* On 23 October 2020 shares were consolidated on the basis of 1:2.86

Option holding

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

	Starting balance	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
<i>Options over ordinary shares</i>					
Simon Eley	-	1,000,000	-	-	1,000,000
Karl Jupp	-	3,000,000	-	-	3,000,000
Nathan Cammerman	-	1,000,000	-	-	1,000,000
Nathan Cull	-	-	-	-	-
Andrew Jones	-	-	-	-	-
	-	5,000,000	-	-	5,000,000

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	Vested and exercisable	Unvested and unexercisable	Balance at the end of the year
<i>Options over ordinary shares</i>			
Simon Eley	500,000	500,000	1,000,000
Karl Jupp	1,500,000	1,500,000	3,000,000
Nathan Cammerman	500,000	500,000	1,000,000
Nathan Cull	-	-	-
Andrew Jones	-	-	-
	2,500,000	2,500,000	5,000,000

This concludes the remuneration report, which has been audited.

Shares under option

Unissued ordinary shares of Westar Resources Limited under option at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under option
17 December 2020	17 December 2023	\$0.2500	5,000,000

No person entitled to exercise the options had or has any right by virtue of the option to participate in any share issue of the Company or of any other body corporate.

Shares issued on the exercise of options

There were no ordinary shares of Westar Resources Limited issued on the exercise of options during the year ended 30 June 2021 and up to the date of this report.

Indemnity and insurance of officers

The Company has indemnified the Directors and executives of the Company for costs incurred, in their capacity as a Director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the Company paid a premium in respect of a contract to insure the Directors and executives of the Company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Indemnity and insurance of auditor

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

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

Proceedings on behalf of the Company

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

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

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Non-audit services

Details of the amounts paid or payable to the auditor for services provided during the financial year by the auditor are outlined in note 20 to the financial statements.

The Directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The Directors are of the opinion that the services as disclosed in note 20 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as advocate for the Company or jointly sharing economic risks and rewards.

Auditor's independence declaration

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

Auditor

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

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

On behalf of the Directors



Karl Jupp
Managing Director

29 September 2021

Auditor's Independence Declaration

Under Section 307C of the *Corporations Act 2001*

To the Directors of Westar Resources Limited

As lead auditor for the audit of the financial report of Westar Resources Limited for the year ended 30 June 2021, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Westar Resources Limited and the entities it controlled during the year.



Nexia Brisbane Audit Pty Ltd



ND Bamford
Director

Date: 29 September 2021

Nexia Brisbane Audit Pty Ltd

Registered Audit Company 299289
Level 28, 10 Eagle Street
Brisbane QLD 4000
GPO Box 1189
Brisbane QLD 4001
p +61 7 3229 2022
f +61 7 3229 3277
e email@nexiabrisbane.com.au
w nexia.com.au

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Westar Resources Limited
Consolidated statement of profit or loss and other comprehensive income
For the year ended 30 June 2021

	Note	2021 \$	2020 \$
Expenses			
Employee benefits expense		(288,743)	-
Depreciation		(4,584)	-
Exploration expenditure		(73,602)	(158,449)
Share based payments		(52,356)	-
Consulting and professional services		(152,337)	(64,616)
Statutory and compliance		(49,851)	-
Corporate and administration		(161,033)	(14,496)
Finance costs		(1,009)	-
Loss before income tax expense		(783,515)	(237,561)
Income tax expense	5	-	-
Loss after income tax expense for the year attributable to the owners of Westar Resources Limited	16	(783,515)	(237,561)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year attributable to the owners of Westar Resources Limited		(783,515)	(237,561)
		Cents	Cents
Basic loss per share	31	(2.08)	(1.97)
Diluted loss per share	31	(2.08)	(1.97)

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

Westar Resources Limited
Consolidated statement of financial position
As at 30 June 2021

	Note	2021 \$	2020 \$
Assets			
Current assets			
Cash and cash equivalents	6	3,078,591	17,203
Trade and other receivables	7	93,668	23,647
Other assets	8	60,112	2,070
Total current assets		3,232,371	42,920
Non-current assets			
Property, plant and equipment	9	57,871	-
Exploration and evaluation	10	2,221,069	552,883
Total non-current assets		2,278,940	552,883
Total assets		5,511,311	595,803
Liabilities			
Current liabilities			
Trade and other payables	11	412,788	9,829
Borrowings	12	-	15,000
Provisions	13	27,377	-
Total current liabilities		440,165	24,829
Total liabilities		440,165	24,829
Net assets		5,071,146	570,974
Equity			
Issued capital	14	5,745,116	808,535
Reserves	15	347,106	-
Accumulated losses	16	(1,021,076)	(237,561)
Total equity		5,071,146	570,974

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

Westar Resources Limited
Consolidated statement of changes in equity
For the year ended 30 June 2021

	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 30 August 2019 (incorporation date)	-	-	-	-
Loss after income tax expense for the year	-	-	(237,561)	(237,561)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	(237,561)	(237,561)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs (note 14)	808,535	-	-	808,535
Balance at 30 June 2020	808,535	-	(237,561)	570,974
	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2020	808,535	-	(237,561)	570,974
Loss after income tax expense for the year	-	-	(783,515)	(783,515)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	(783,515)	(783,515)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity (note 14)	5,750,300	-	-	5,750,300
Capital raising costs	(813,719)	-	-	(813,719)
Share-based payments (note 32)	-	347,106	-	347,106
Balance at 30 June 2021	5,745,116	347,106	(1,021,076)	5,071,146

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

Westar Resources Limited
Consolidated statement of cash flows
For the year ended 30 June 2021

	Note	2021 \$	2020 \$
Cash flows from operating activities			
Payments to suppliers and employees		(363,293)	(197,223)
Interest and other finance costs paid		(1,009)	-
Net cash used in operating activities	29	(364,302)	(197,223)
Cash flows from investing activities			
Payments for property, plant and equipment	9	(62,455)	-
Payments for exploration and evaluation	10	(1,668,186)	(28,729)
Payments for security deposits		(60,000)	-
Cash acquired on acquisition of subsidiary		-	9,305
Net cash used in investing activities		(1,790,641)	(19,424)
Cash flows from financing activities			
Proceeds from issue of shares	14	5,750,300	233,850
Share issue transaction costs		(518,969)	-
Repayment of shareholder loans		(15,000)	-
Net cash from financing activities		5,216,331	233,850
Net increase in cash and cash equivalents		3,061,388	17,203
Cash and cash equivalents at the beginning of the financial year		17,203	-
Cash and cash equivalents at the end of the financial year	6	3,078,591	17,203

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

Westar Resources Limited
Notes to the consolidated financial statements
30 June 2021

Note 1. General information

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

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

Level 1, 19 Ord Street
West Perth WA 6005

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

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 29 September 2021. The Directors have the power to amend and reissue the financial statements.

Note 2. 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 Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

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

Going concern

The directors have prepared the financial statements of the company on a going concern basis.

Basis of preparation

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

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

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 Group'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 3.

Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the Group only. Supplementary information about the parent entity is disclosed in note 25.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Westar Resources Limited ('Company' or 'parent entity') as at 30 June 2021 and the results of all subsidiaries for the year then ended. Westar Resources Limited and its subsidiaries together are referred to in these financial statements as the 'Group'.

Note 2. Significant accounting policies (continued)

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

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

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

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

Operating segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

Income tax

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

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

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

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

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

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

Note 2. Significant accounting policies (continued)

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

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

Cash and cash equivalents

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

Trade and other receivables

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Property, plant and equipment

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

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Motor Vehicles	3-5 years
Plant and equipment	3-7 years

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

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

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

Exploration and evaluation assets

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

Trade and other payables

These amounts represent liabilities for goods and services provided to the Group 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.

Note 2. Significant accounting policies (continued)

Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Finance costs

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

Employee benefits

Short-term employee benefits

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

Share-based payments

Equity-settled and cash-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the Group receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying either the Binomial or Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:

- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the Group or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Group or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

Note 2. Significant accounting policies (continued)

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

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.

Issued capital

Ordinary shares are classified as equity.

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

Earnings per share

Basic earnings per share

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

Diluted earnings per share

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

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

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

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

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

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

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 Group for the annual reporting period ended 30 June 2021. The Group has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Note 3. 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.

Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Exploration and evaluation costs

Exploration and evaluation costs have been capitalised on the basis that the Group will continue the exploration work. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised. In addition, costs are only capitalised that are expected to be recovered either through successful development or sale of the relevant mining interest. Factors that could impact the future commercial production 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 4. Operating segments

Identification of reportable operating segments

The Group operates in 1 operating segment: mineral exploration activities in Western Australia. These operating segments are based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources).

Note 5. Income tax expense

	2021	2020
	\$	\$
<i>Numerical reconciliation of income tax expense and tax at the statutory rate</i>		
Loss before income tax expense	(783,515)	(237,561)
Tax at the statutory tax rate of 26% (2020: 27.5%)	(203,714)	(65,329)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Amounts not allowable for tax	14,440	7,288
	(189,274)	(58,041)
Tax losses and temporary differences not brought to account	189,274	58,041
Income tax expense	-	-

Westar Resources Limited
Notes to the consolidated financial statements
30 June 2021

Note 5. Income tax expense (continued)

	2021	2020
	\$	\$
<i>Deferred tax assets not recognised</i>		
Deferred tax assets not recognised comprises temporary differences attributable to:		
Tax losses and temporary differences	247,315	58,041
Total deferred tax assets not recognised	247,315	58,041

The above potential tax benefit, which excludes tax losses, for deductible temporary differences has not been recognised in the statement of financial position as the recovery of this benefit is uncertain.

The Group has unconfirmed carry forward losses of approximately \$1 million. The availability of losses to be utilised in the future is dependent on compliance with tax legislation.

Note 6. Cash and cash equivalents

	2021	2020
	\$	\$
<i>Current assets</i>		
Cash at bank	3,078,591	17,203

Note 7. Trade and other receivables

	2021	2020
	\$	\$
<i>Current assets</i>		
Other receivables	93,668	3,147
Share subscriptions receivable *	-	20,500
	93,668	23,647

* Included in share subscriptions receivables is \$10,000 from Mr Karl Jupp, a related party, see note 24.

Note 8. Other assets

	2021	2020
	\$	\$
<i>Current assets</i>		
Prepayments	112	2,070
Security deposits	50,000	-
Other deposits	10,000	-
	60,112	2,070

Westar Resources Limited
Notes to the consolidated financial statements
30 June 2021

Note 9. Property, plant and equipment

	2021	2020
	\$	\$
<i>Non-current assets</i>		
Plant and equipment - at cost	13,921	-
Less: Accumulated depreciation	(1,605)	-
	12,316	-
Motor vehicles - at cost	48,534	-
Less: Accumulated depreciation	(2,979)	-
	45,555	-
	57,871	-

Reconciliations

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

	Plant and equipment \$	Motor Vehicles \$	Total \$
Balance at 1 July 2020	-	-	-
Additions	13,921	48,534	62,455
Depreciation expense	(1,605)	(2,979)	(4,584)
Balance at 30 June 2021	12,316	45,555	57,871

Note 10. Exploration and evaluation

	2021	2020
	\$	\$
<i>Non-current assets</i>		
Exploration and evaluation assets (exploration phase)	2,221,069	552,883

Reconciliations

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

	\$
Balance at 30 August 2019	-
Tenements acquired on the acquisition of Rouge Resources Pty Ltd (i)	24,154
Tenements acquired	528,729
Balance at 30 June 2020	552,883
Tenements acquired	90,190
Expenditure during the year	1,577,996
Balance at 30 June 2021	2,221,069

Recoverability of the carrying amount of exploration assets is dependent on the successful exploration and development of project, or alternatively, through the sale of the areas of interest.

Westar Resources Limited
Notes to the consolidated financial statements
30 June 2021

Note 10. Exploration and evaluation (continued)

- (i) The Company acquired Rouge Resources Pty Ltd, which held tenements E16/505, E45/4997, E77/2424, E58/536 and E59/2329 (note 26).

All tenements are 100% owned by the Group. Included in the carrying amount of exploration and evaluation assets is \$267,693 (2020: \$261,693) relating to tenements subject to farm-out arrangements, whereby the Group will retain a 25% interest in the tenements.

Commitments in respect of tenements are set out in note 23.

Note 11. Trade and other payables

	2021	2020
	\$	\$
<i>Current liabilities</i>		
Trade payables	313,256	9,829
Other payables	99,532	-
	412,788	9,829

Refer to note 18 for further information on financial instruments.

Note 12. Borrowings

	2021	2020
	\$	\$
<i>Current liabilities</i>		
Shareholder loans	-	15,000

Refer to note 18 for further information on financial instruments.

Note 13. Provisions

	2021	2020
	\$	\$
<i>Current liabilities</i>		
Annual leave	27,377	-

Note 14. Issued capital

	2021	2020	2021	2020
	Shares	Shares	\$	\$
Ordinary shares - fully paid	50,404,146	54,655,714	5,745,116	808,535

Westar Resources Limited
Notes to the consolidated financial statements
30 June 2021

Note 14. Issued capital (continued)

Movements in ordinary share capital

Details	Date	Shares		\$
Balance	30 August 2019	-		-
Issued on acquisition of Rouge Resources Pty Ltd (see)		31,500,000	\$0.0004	12,685
Initial seed capital share issues		5,595,714	\$0.0350	195,850
Issued on acquisition of tenements		10,000,000	\$0.0350	350,000
Conversion of shareholder loans to equity		800,000	\$0.0350	28,000
Issued on acquisition of tenements		3,000,000	\$0.0500	150,000
Other share issues during the period		3,760,000	\$0.0218	82,000
Less: Transaction costs arising on share issues		-	\$0.0000	(10,000)
Balance	30 June 2020	54,655,714		808,535
Seed Capital Offer	19 September 2020	15,000,000	\$0.0500	750,000
Shares issued pursuant to advisory agreement	19 September 2020	3,000,000	\$0.0001	300
Share consolidation on 1:2.86 basis	23 October 2020	(47,251,568)	\$0.0000	-
Shares issued at IPO	12 December 2020	25,000,000	\$0.2000	5,000,000
Less: Transactions costs arising on share issues		-	\$0.0000	(813,719)
Balance	30 June 2021	50,404,146		5,745,116

Ordinary shares

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

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

Capital risk management

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

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

In the current year the Company has raised capital and listed on ASX. There are no externally imposed capital requirements on the Company.

Note 15. Reserves

	2021 \$	2020 \$
Options reserve	347,106	-

The reserve is used to recognise the value of equity benefits provided to employees and Directors as part of their remuneration, and other parties as part of their compensation for services.

Westar Resources Limited
Notes to the consolidated financial statements
30 June 2021

Note 15. Reserves (continued)

Movements in reserves

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

	Options reserve \$	Total \$
Balance at 30 August 2019	-	-
Balance at 30 June 2020	-	-
Options issued - capital raising costs	294,750	294,750
Options issued - share based payments	52,356	52,356
Balance at 30 June 2021	347,106	347,106

Note 16. Accumulated losses

	2021 \$	2020 \$
Accumulated losses at the beginning of the financial year	(237,561)	-
Loss after income tax expense for the year	(783,515)	(237,561)
Accumulated losses at the end of the financial year	(1,021,076)	(237,561)

Note 17. Dividends

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

Note 18. Financial instruments

Financial risk management objectives

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

Risk management is carried out by senior management under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the Group and appropriate procedures, controls and risk limits. Management identifies, evaluates and manages financial risks and reports to the Board on a monthly basis.

Interest rate risk

The Group's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates, arises in relation to the Group's bank balances.

Note 18. Financial instruments (continued)

		2021		2020
	Weighted average interest rate %	Balance \$	Weighted average interest rate %	Balance \$
Cash and cash equivalents	-	3,078,591	-	17,203
Net exposure to cash flow interest rate risk		3,078,591		17,203

Credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements. Credit risk arises from exposures to deposits and receivables.

Credit risk is minimal as all deposits are with reputable entities, and amounts receivable have been collected.

Liquidity risk

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

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

Remaining contractual maturities

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

	Weighted average interest rate %	1 year or less \$	Between 1 and 2 years \$	Between 2 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
2021						
Non-derivatives						
<i>Non-interest bearing</i>						
Trade payables	-	313,256	-	-	-	313,256
Other payables	-	99,532	-	-	-	99,532
Total non-derivatives		412,788	-	-	-	412,788

	Weighted average interest rate %	1 year or less \$	Between 1 and 2 years \$	Between 2 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
2020						
Non-derivatives						
<i>Non-interest bearing</i>						
Trade payables	-	9,829	-	-	-	9,829
Other loans	-	15,000	-	-	-	15,000
Total non-derivatives		24,829	-	-	-	24,829

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above. The cash outflows are covered by cash balances at 30 June 2021 of \$3,078,591.

Westar Resources Limited
Notes to the consolidated financial statements
30 June 2021

Note 18. Financial instruments (continued)

Fair value of financial instruments

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

Note 19. Key management personnel disclosures

Key management personnel of the Group are its directors.

Directors

The following persons were Directors of Westar Resources Limited during the financial year:

Simon Eley - Non-Executive Chairman	Appointed 15 October 2020
Nathan Cammerman - Non-Executive Director	Appointed 30 August 2019
Karl Jupp - Managing Director	Appointed 15 October 2020
Nathan Cull - Non-Executive Director	Resigned 15 October 2020
Andrew Jones - Non-Executive Director	Resigned 16 October 2020

Compensation

The aggregate compensation made to Directors and other members of key management personnel of the Group is set out below:

	2021	2020
	\$	\$
Short-term employee benefits	244,423	-
Post-employment benefits	21,849	-
Share-based payments	347,106	-
	613,378	-

Note 20. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Nexia Brisbane Audit Pty Ltd, the auditor of the Company:

	2021	2020
	\$	\$
<i>Audit services - Nexia Brisbane Audit Pty Ltd</i>		
Audit or review of the financial statements	28,350	5,000
<i>Other services - Nexia Brisbane Audit Pty Ltd</i>		
Investigating Accountants Report	27,500	-
	55,850	5,000

Note 21. Contingent assets

The Group had no contingent assets at 30 June 2021 (2020: Nil).

Note 22. Contingent liabilities

The Group had no contingent liabilities at 30 June 2021 (2020: Nil).

Note 23. Commitments

	2021	2020
	\$	\$
<i>Capital commitments</i>		
Committed at the reporting date but not recognised as liabilities, payable:		
Exploration and evaluation	1,553,000	895,986
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	311,400	235,000
One to five years	1,241,600	660,986
	1,553,000	895,986

The Group must meet minimum expenditure commitments in relation to granted exploration tenements to maintain those tenements in good standing. If the relevant mineral tenement is relinquished the expenditure commitment also ceases.

As set out in note 10, certain tenements are subject to farm-out arrangements under which commitment expenditure (included above) is the responsibility of the counter-party.

Note 24. Related party transactions

Parent entity

Westar Resources Limited is the parent entity.

Subsidiaries

Interests in subsidiaries are set out in note 27.

Key management personnel

Disclosures relating to key management personnel are set out in note 19 and the remuneration report included in the Directors' report.

The following transactions occurred with related parties:

	2021	2020
	\$	\$
Payment for goods and services:		
Payment for geological services from Georesphere (director-related entity of Karl Jupp)	3,299	30,000

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

	2021	2020
	\$	\$
Current receivables:		
Share subscription outstanding from an entity related to Karl Jupp	-	10,000

Note 24. Related party transactions (continued)

Loans to/from related parties

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

	2021	2020
	\$	\$
The Group was provided with interest free, unsecured loans from the following shareholder related entities:		
Karl Jupp	-	5,000
Nathan Cull	-	5,000
Nathan Cammerman	-	15,000
	2021	2020
	\$	\$
Opening balance	15,000	-
Loans advanced in the period	-	60,000
Loans repaid in the period	(15,000)	(45,000)
Closing balance	-	15,000

Terms and conditions

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

Note 25. Parent entity information

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

Statement of profit or loss and other comprehensive income

	2021	2020
	\$	\$
Loss after income tax	(783,515)	(237,561)
Total comprehensive income	(783,515)	(237,561)

Note 25. Parent entity information (continued)

Statement of financial position

	2021 \$	2020 \$
Total current assets	3,232,198	27,210
Total assets	5,511,312	573,309
Total current liabilities	440,166	2,335
Total liabilities	440,166	2,335
Equity		
Issued capital	5,745,116	808,535
Options reserve	347,106	-
Accumulated losses	(1,021,076)	(237,561)
Total equity	5,071,146	570,974

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

The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2021.

Contingent liabilities

The parent entity had no contingent liabilities as at 30 June 2021.

Significant accounting policies

The accounting policies of the parent entity are consistent with those of the Group, as disclosed in note 2, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.

Note 26. Business combinations

Acquisition of Rouge Resources Pty Ltd

Pursuant to a scrip for scrip rollover agreement dated 12 September 2019, Westar Resources Limited acquired a 100% interest in the issued capital of Rouge Resources Pty Ltd. The acquisition has been accounted for as a common control transaction - the asset and liabilities are recognised at acquisition date at their carrying value as recorded in Rouge Resources Pty Ltd.

Note 26. Business combinations (continued)

Details of the acquisition are as follows:

	Fair value \$
Cash and cash equivalents	9,305
Other current assets	6,385
Exploration and evaluation	24,154
Trade and other payables	(27,159)
Net assets acquired	12,685
Goodwill	-
Acquisition-date fair value of the total consideration transferred	<u>12,685</u>
Representing:	
Westar Resources Limited shares issued to vendor	<u>12,685</u>

Note 27. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 2:

Name	Principal place of business / Country of incorporation	Ownership interest	
		2021 %	2020 %
Rouge Resources Pty Ltd *	Australia	100.00%	100.00%
Imperator Resources Pty Ltd **	Australia	100.00%	100.00%

* Rouge Resources Pty Ltd was acquired on 19 September 2019.

** Imperator Resources Pty Ltd was incorporated on 29 August 2019.

There are no significant restrictions over the Group's ability to use assets, and settle liabilities of the Group.

Loans to subsidiaries

	2021 \$	2020 \$
Imperator Resources Pty Ltd		
Opening balance	2,335	-
Loans advanced	1,080,416	2,335
Closing balance	<u>1,082,751</u>	<u>2,335</u>
Rouge Resources Pty Ltd		
Opening balance	157,495	-
Loans advanced	1,131,521	157,495
Closing balance	<u>1,289,016</u>	<u>157,495</u>
	<u>2,371,767</u>	<u>159,830</u>

Loans to subsidiaries are advanced on an unsecured interest free basis and are repayable on demand.

Note 28. Events after the reporting period

No matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Note 29. Reconciliation of loss after income tax to net cash used in operating activities

	2021	2020
	\$	\$
Loss after income tax expense for the year	(783,515)	(237,561)
Adjustments for:		
Depreciation and amortisation	4,584	-
Share-based payments	52,356	41,500
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	(70,021)	3,238
Decrease/(increase) in prepayments	1,958	(2,070)
Increase/(decrease) in trade and other payables	402,959	(2,330)
Increase in provisions	27,377	-
Net cash used in operating activities	(364,302)	(197,223)

Note 30. Non-cash investing and financing activities

	2021	2020
	\$	\$
Acquisition of tenements from TASEX through share issue (i)	-	350,000
Acquisition of Sandstone Gold Project tenements through share issue (ii)	-	150,000
Acquisition of Rouge Resources Pty Ltd through share issue (note 26)	-	12,685
Options issued - Directors Tranche A (Capital raising costs)	294,750	-
	294,750	512,685

- (i) Pursuant to a Tenement Sale agreement dated 23 January 2020, Westar Resources Limited issued 10,000,000 fully paid ordinary shares at a price of \$0.05 to acquire a number of tenements from Tasex Geological Services Pty Ltd.
- (ii) Pursuant to a Term Sheet Agreement dated 11 February 2020, Westar Resources Limited 3,000,000 fully paid ordinary shares at a price of \$0.035 to acquire a number of tenements from Rafaella Resources.

Westar Resources Limited
Notes to the consolidated financial statements
30 June 2021

Note 31. Earnings per share

	2021	2020
	\$	\$
Loss after income tax attributable to the owners of Westar Resources Limited	(783,515)	(237,561)
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	37,706,040	12,085,309
Weighted average number of ordinary shares used in calculating diluted earnings per share	37,706,040	12,085,309
	Cents	Cents
Basic loss per share	(2.08)	(1.97)
Diluted loss per share	(2.08)	(1.97)

Note 32. Share-based payments (continued)

Note 32. Share-based payments

Director Options

The Company has adopted a Director's and Employee's Equity Incentive Plan (DEEIP). The Board is responsible for administering the DEEIP in accordance with the DEEIP Rules. The DEEIP is open to certain contractors and employees (including Directors), the Board may invite Participants to apply for Shares, Performance Rights and/or Options under the DEEIP in its absolute discretion.

Set out below are summaries of options granted under the plan:

	Number of options 2021	Weighted average exercise price 2021	Number of options 2020	Weighted average exercise price 2020
Outstanding at the beginning of the financial year	-	\$0.0000	-	\$0.0000
Granted	8,000,000	\$0.2500	-	\$0.0000
Forfeited	(3,000,000)	\$0.2500	-	\$0.0000
Exercised	-	\$0.0000	-	\$0.0000
Expired	-	\$0.0000	-	\$0.0000
Outstanding at the end of the financial year	5,000,000	\$0.2500	-	\$0.0000
Exercisable at the end of the financial year	2,500,000	\$0.2500	-	\$0.0000

On successful listing on the ASX the Directors were issued with 5,000,000 options exercisable at \$0.25 expiring 17 December 2023. The options were issued in two tranches (equal numbers of Tranche A and Tranche B) to each of the Directors, pursuant to the Company's DEEIP. The vesting conditions for:

- (a) The Tranche A Director Options, is the Company listing on the ASX; and
- (b) The Tranche B Directors Options, is the Company's Share price on the ASX trading at a 20-trading day VWAP of at least 40 cents,

during the exercise period.

The options were issued to the directors as follows:

	Tranche A	Tranche B	Total
Simon Eley	500,000	500,000	1,000,000
Nathan Cammerman	500,000	500,000	1,000,000
Karl Jupp	1,500,000	1,500,000	3,000,000
	2,500,000	2,500,000	5,000,000

The Tranche A options fully vested on the successful listing on the ASX were valued using a binomial model calculation and were accounted for as capital raising costs totalling \$294,750.

The Tranche B options were valued using a binomial model calculation and have been accounted for over the vesting period \$52,356 was expensed to share based payments during the period.

Note 32. Share-based payments (continued)

Lead Manager Options

The Company granted 3,000,000 options for a subscription price of \$30 on successful listing on the ASX to the Lead Manager of the IPO. The options are exercisable at \$0.25 with a term of 3 years from issue date of the options. The Company and the Lead Manager agreed to terminate their 12 month corporate advisory mandate and the Lead Manager renounced their right to subscribe for the 3,000,000 options, no cost has been recognised for these options.

For the options granted during the current financial year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

	Number issued	Volatility %	Exercise price	Expiration period	Share price at grant	Value per option
Director - Tranche A	2,500,000	103.70%	\$0.25	3 years	\$0.20	\$0.1179
Director - Tranche B	2,500,000	103.70%	\$0.25	3 years	\$0.20	\$0.1176

Westar Resources Limited
Directors' declaration
30 June 2021

In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 30 June 2021 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

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

On behalf of the Directors



Karl Jupp
Managing Director

29 September 2021

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WESTAR RESOURCES LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Westar Resources Limited (the Company) and its subsidiaries ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2021, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

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

- (i) giving a true and fair view of the Group's financial position as at 30 June 2021 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the 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* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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

Key Audit Matters

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

Nexia Brisbane Audit Pty Ltd

Registered Audit Company 299289
Level 28, 10 Eagle Street
Brisbane QLD 4000
GPO Box 1189
Brisbane QLD 4001
p +61 7 3229 2022
f +61 7 3229 3277
e email@nexiabrisbane.com.au
w nexia.com.au

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WESTAR RESOURCES LIMITED (CONTINUED)

Key audit matter	How our audit addressed the key audit matter
Carrying Value of Exploration and Evaluation Assets <i>Refer to note 10 Exploration and Evaluation Assets</i> As at 30 June 2021 the carrying value of exploration and evaluation assets is \$2,221,069. The Group's accounting policy in respect of exploration and evaluation assets is outlined in Note 2. This is a key audit matter as this is a significant asset of the Company, and due to the fact that significant judgement is applied in determining whether the capitalized exploration and evaluation assets meet the recognition criteria set out in AASB 6.	Our procedures included, amongst others: • We obtained evidence as to whether the rights to tenure of the areas of interest remained current at balance date as well as confirming that rights to tenure are expected to be renewed for tenements that will expire in the near future; • We obtained evidence of the future intentions for the areas of interest, including reviewing future budgeted expenditure and related work programs; • We obtained an understanding of the status of ongoing exploration programs, for the areas of interest; • We obtained evidence as to the assumptions made by management in the determination of the recoverable value of the asset.

Other Information

The directors are responsible for the other information. The other information comprises the information in the Company's annual report for the year ended 30 June 2021, but does not include the financial report and the auditor's report thereon.

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

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

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

Responsibilities of the 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WESTAR RESOURCES LIMITED (CONTINUED)

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 related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or 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 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 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.

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WESTAR RESOURCES LIMITED (CONTINUED)

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.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period 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.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 8 to 13 of the Directors' Report for the year ended 30 June 2021.

In our opinion, the Remuneration Report of ActivEX Limited for the year ended 30 June 2020 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

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



Nexia Brisbane Audit Pty Ltd

Level 28, 10 Eagle Street
Brisbane, QLD, 4000

Date: 29 September 2021



N D Bamford

Director

Corporate Governance

The Board of Westar Resources Ltd is committed to achieving and demonstrating the highest standards of Corporate Governance. The Board is responsible to its shareholders for the performance of the Company and seeks to communicate extensively with shareholders. The Board believes that sound Corporate Governance practices will assist in the creation of shareholder wealth and provide accountability.

In accordance with ASX Listing Rule 4.10.3, the Company has elected to disclose its Corporate Governance policies and its compliance with them on its website, rather than in the Annual Report.

Accordingly, information about the Company's Corporate Governance practices is set out on the Company's website at <https://westar.net.au>

Westar Resources Limited
Shareholder information
30 June 2021

The shareholder information set out below was applicable as at 14 September 2021.

Distribution of equitable securities

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

	Ordinary shares	Options over ordinary shares
	Number of holders	Number of holders
1 to 1,000	9	-
1,001 to 5,000	54	-
5,001 to 10,000	92	-
10,001 to 100,000	285	-
100,001 and over	86	3
	526	3
Holding less than a marketable parcel	18	-

Equity security holders

Twenty largest quoted equity security holders

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

	Ordinary shares % of total shares issued
Number held	
WRIGHT HOLROYD PTY LTD (THE WRIGHT HOLROYD A/C)	3,911,089 7.76
ROCLINCOURT PTY LTD (THE KUBIRA A/C)	3,811,189 7.56
RHYD-Y-FELIN PTY LTD	3,772,727 7.48
TASEX GEOLOGICAL SERVICES PTY LTD	3,496,504 6.94
MR KEIRAN JAMES SLEE	1,500,000 2.98
HORIZON INVESTMENT SERVICES PTY LTD (THE HORIZON INVESTMENT A/C)	1,048,952 2.08
RAFAELLA RESOURCES LIMITED	1,048,952 2.08
TWO TOPS PTY LTD	1,000,000 1.98
AYERS CAPITAL PTY LTD	949,651 1.88
MR MEHDI MOHSENIN-MOSHIRI	900,000 1.79
MATINA CORP PTY LTD (T MATINA FAMILY A/C)	529,895 1.05
BLUE COASTERS PTY LTD	500,000 0.99
LONGHORN CAPITAL PTY LTD	497,004 0.99
CANNING CORP PTY LTD (J CANNING-URE FAMA/C)	472,028 0.94
MR LINDSAY GRANT FRANKER	459,791 0.91
JENNIFER VAN STADEN	454,546 0.90
KHE SANH PTY LTD (TRADING NO 2 A/C)	400,000 0.79
MRS SARVESVARI RAJAKULENDRAN	400,000 0.79
NEIL FRANCIS STUART	384,616 0.76
MR STEPHEN GORDON PATTRICK	375,000 0.74
	25,911,944 51.39

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	Options over ordinary shares	
	Number held	% of total options issued
KARL FRANCIS JUPP	3,000,000	60.00
SIMON PETER ELEY	1,000,000	20.00
NATHAN LAWRENCE CAMMERMAN	1,000,000	20.00
	5,000,000	100.00

Unquoted equity securities

There are no unquoted equity securities other than the options.

Substantial holders

Substantial holders in the Company are set out below:

	Ordinary shares	
	Number held	% of total shares issued
RHYD-Y-FELIN PTY LTD / NATHAN CAMMERMAN / NATHAN LAWRENCE CAMMERMAN & JAMES EDWARD DILLON ATF THE SUPA DOOPER SUPER FUND	4,000,000	7.94
WRIGHT HOLROYD PTY LTD (THE WRIGHT HOLROYD A/C)	3,911,089	7.76
ROCLINCOURT PTY LTD (THE KUBIRA A/C)	3,811,189	7.56
TASEX GEOLOGICAL SERVICES PTY LTD	3,496,504	6.94
	Options over ordinary shares	
	Number held	% of total options issued
KARL FRANCIS JUPP	3,000,000	60.00
SIMON PETER ELEY	1,000,000	20.00
NATHAN LAWRENCE CAMMERMAN	1,000,000	20.00

Voting rights

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

Ordinary shares

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

Other than the ordinary shares and options, there are no other classes of equity securities.

Restricted securities

Class	Number of shares
WSRAG	16,982,199

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Tenements

Description	Tenement number	Interest owned %
GIDGEE SOUTH	E 57/1055	100.00
GIDGEE SOUTH - BIRRIGRIN	M 57/352	100.00
GIDGEE SOUTH - CARBINE BORE	P 57/1363	100.00
GIDGEE SOUTH - CARBINE BORE	P 57/1368	100.00
GIDGEE NORTH	E 53/1920	100.00
GIDGEE NORTH - SE BORE	E 51/2044 - PENDING GRANT	-
WINJANGOO	E 58/536	100.00
COOLALOO	E 59/2329	100.00
COOLALOO - MURRAWALLA HILL	E 59/2509	100.00
OPALINE WELL	E 45/4997	100.00
MT FINNERTY	E16/505 - RMS FARMIN-IN/JV	100.00
PARKER DOME	E 77/2424 - RMS FARMIN/JV	100.00