ASX
BMM

2023 Annual Report

Balkan
Mining and Minerals Limited

balkanmin.com
ABN 67 646 716 681

Corporate Directory

Directors

Mr Sean Murray
Non-Executive Chairman

Mr Ross Cotton
Managing Director

Mr Karl Simich
Non-Executive Director

Mr Luke Martino
Non-Executive Director

Company Secretary

Mr Harry Spindler

Bankers

Commonwealth Bank of Australia Level 14C, 300 Murray Street PERTH WA 6000

Share Registry

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Australian Legal Advisers

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Registered Office

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Auditor

PKF Perth
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Securities Exchange Listing

ASX Limited
20 Bridge Street
SYDNEY, NEW SOUTH WALES
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Contents

DIRECTORS' REPORT

The Directors' present their report together with the financial report of Balkan Mining & Minerals Limited (**BMM**, **Balkan** or the **Company**) (ASX: BMM) and its controlled entities (the **Group**, or **Consolidated Entity**) for financial year ending 30 June 2023.

BMM is a limited liability company that is incorporated in Australia. All amounts are presented in Australian Dollars (AU$), unless noted otherwise.

Directors

The names and the particulars of the Directors who held office during or since the end of the financial year and until the date of this report are disclosed below.

Name	Status	Appointment/ Resignation
Mr Sean Murray	Non-Executive Chairman	Appointed on 12 July 2021
Mr Ross Cotton	Managing Director	Appointed on 18 December 2020
Mr Luke Martino	Non-Executive Director	Appointed on 18 December 2020
Mr Karl Simich	Non-Executive Director	Appointed on 13 February 2023

Principal activities

BMM is a mineral exploration company which is presently focused on the exploration of EV metals such as lithium and borates in Canada and the Balkans region of Serbia.

Significant changes in state of affairs

In the opinion of the Directors, there were no significant changes in the state of affairs of the Group which have not been disclosed elsewhere in the Annual Report.

Operating & financial review

The Group made a loss for the year ended 30 June 2023 of $4,983,401 (2022: loss of $3,078,739). As at 30 June 2023, the Group had cash and cash equivalents of $2,121,586 (2022: $3,615,646) and net assets of $3,597,127 (2022; $5,346,713).

Dividends paid or recommended

There were no dividends paid or recommended during the financial year ended 30 June 2023 (2022: Nil).

Review of Operations

BMM is an ASX listed company focused on the early-stage exploration through to development of lithium and associated battery minerals in Canada and the Balkan region. The Company's Projects comprise Gorge, Tango, Arrel and Barbara (Ontario Lithium) exploration projects in Ontario, Corvette North and Corvette Northwest exploration projects (Quebec Lithium) and the Rekovac, Dobrinja, Pranjani Lithium-Borate projects located within the Republic of Serbia.

During the year ended 30 June 2023, the Company secured a portfolio of highly prospective projects in a world-class lithium jurisdiction in the Georgia Lake pegmatite district, Thunder Bay North Mining District of Ontario, Canada and staked two projects in the emerging lithium district of James Bay in Quebec, Canada. The Ontario assets within the Georgia Lake region are located within the Quetico Subprovince of the Superior Province, bounded by the granite-greenstone Wabigoon Subprovince to the north and Wawa Subprovince to the south. Pegmatites in the wider Georgia Lake region are intimately associated with granite intrusions, often within a few hundred feet of the contact zone. The host rocks of spodumene pegmatites are metasediments, typically metasandstone described as muscovite schist with observed bedding. Various stages of metamorphism are present, including migmatisation imparting a gneissic texture. The Company's Quebec assets include rock types of the La Grande Greenstone Belt are dominated by amphibolite facies, mafic to ultramafic metavolcanic and intermediate to mafic paragneiss units.

The Company is focused on advancing a strategy of building a Canadian lithium supply for North America by becoming a leading lithium and associated battery minerals exploration company by developing a strategic portfolio and continuing its disciplined campaigns across its projects.

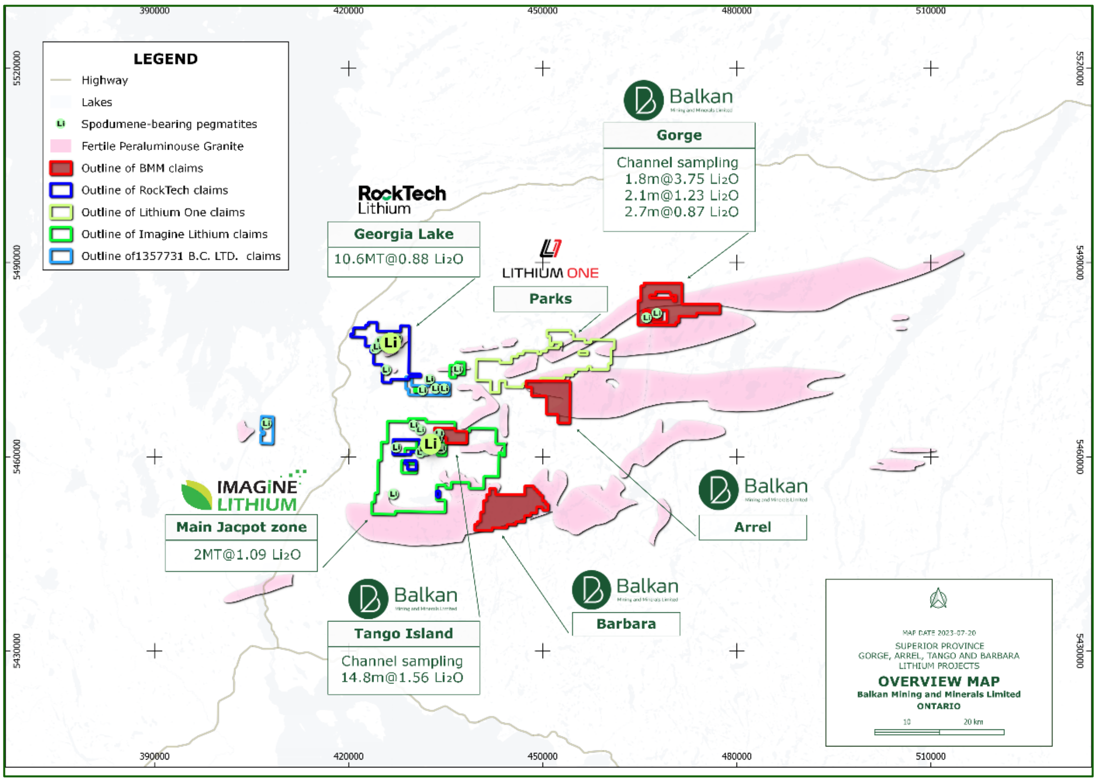

Figure 1 – BMM's Ontario Projects Location Map

Canadian Projects
Lithium, Ontario & Quebec

During the first half of the period, the Company secured an exclusive option to acquire up to 100% of the Gorge Lithium exploration project located in the Georgia Lake Area, Thunder Bay North Mining District of Ontario, Canada (the "Gorge Lithium Project").

This project is located approximately 215km to the northeast of the City of Thunder Bay, comprising of 12 active multi-cell claims covering a total area of approximately 43 km^2. The project area is accessible by bituminised highways and dirt roads from Thunder Bay, proximate to railway networks with an international airport located at Thunder Bay. The Port of Thunder Bay is a major facility that ships several commodities and general cargo via the Great Lakes.

The tenements comprising the Gorge Project are part of the larger Georgia Lake pegmatite district, which is known to host late-stage pegmatite mineralised deposit types that contain rare elements, including lithium, beryllium, tantalum, niobium, and tin, including Rock Tech Lithium Inc's (TSXV: RCK) Georgia Lake project and Imagine Lithium Inc's (TSX.V ILI) Jackpot Lithium project.

Due Diligence fieldwork at the Gorge Project, completed during the September Quarter identified exceptional rock samples up to 6.8% Li_2O. During the Company's due diligence program, conducted by CSA Global, 5 rock samples were collected as part of the fieldwork and sent to ActLabs in Toronto for analysis. Four of these 5 samples included Li_2O values above 3.78%, with the 2 highest results returned at 5.75% and 6.80%.

During the period, the Company completed a channel sampling program testing lithium-bearing spodumene mineralisation. In total, five channels were taken from Koshman totalling 14.01m (CH-001-22 to CH-005-22) and two from Nelson totalling 7.22m (CH-006-22 to CH-007-22) pegmatite dykes. High-grade lithium assays from channel samples taken at the Koshman and Nelson pegmatite showings, included 1.8m @ 3.75% Li2O from a single Nelson spodumene-bearing pegmatite dyke, confirming the significant potential of the Gorge Project. The best result from the Koshman channel sampling returned 2.1m of 1.23% Li2O, including 1.1m @ 2.2% Li2O. During the program at the Koshman area, the Company identified a new area of evolved surface pegmatite dyke and extended the historically known dykes.

Additionally, the Company completed systematic soil sampling and reconnaissance mapping programs. A total of 651 samples were systematically collected from focused 25mx50m and wider 100mx100m offset grid patterns covering an area of $5km^2$. Samples were collected from "B" horizon using hand auger, with assay results received post year end, returning strong anomalous Lithium (Li), Cesium (Cs), and Tantalum (Ta) identifying two trends totalling approximately 2.6km strike prospective for lithium-bearing pegmatites.

Subsequent to period end, in the later part of the September 2023, the Company commenced its phase 1 drill program at the Gorge Project.

Details of the Company's three year earn-in requirements with respect to this project can be found in note 14.

Figure 2 – Mechanical stripping underway at Nelson occurrence, Gorge Project

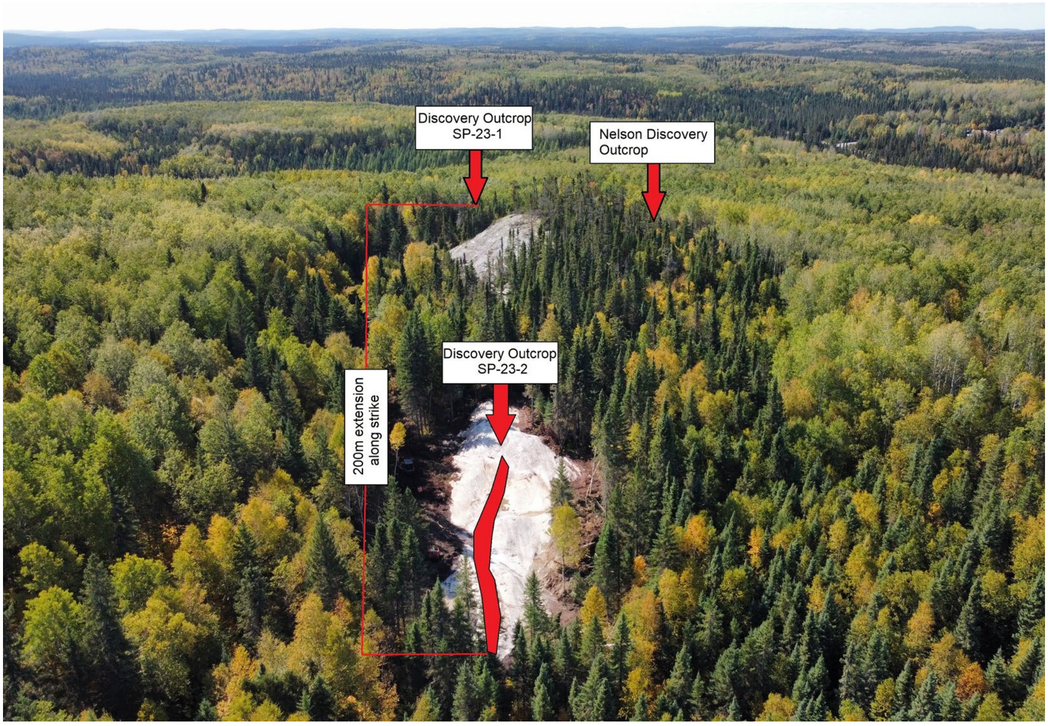

Figure 3 – Aerial view of Nelson occurrence, Gorge Project

During the period, a channel sampling program carried out by the Company confirmed the presence of lithium mineralisation across the Tango lithium exploration project's pegmatite exposure with the highest value returned up to 3.4% Li_2O, averaging 1.49 % Li_2O. Additionally, the program verified historical data from the Ontario Lithium Company carried out at the Island Showing pegmatite between 1955 and 1957. In total, 24 samples were collected from two mechanically cut channel samples over 17m.

Details of the Company's three year option requirements with respect to this project can be found in note 14.

During the period, the Company commenced a reconnaissance mapping and sampling program on its 100% owned Arrel and Barbara projects. This maiden fieldwork programme has been designed to verify the presence of pegmatites and lay the foundations for developing a more extensive exploration campaign, which will be executed later in the year.

In late December, the Company staked its Corvette North and Corvette Northwest Projects, covering ~22km^2 and situated in the emerging lithium district of James Bay in Quebec.

Serbian Projects
Lithium & Borate

The Company's Serbian projects cover three Neogene aged sedimentary basins in the north-west trending portion of the Vadar Zone, forming part of the Vardar-Izmir-Ankara Suture, which stretches from Iran to Bosnia and host to numerous lithium and borate deposits, of which several lithium-boron deposits have been identified and are focused on exploration in recent years, mainly within Serbia.

BMM updated the market on its Serbian operations in September. The Company deferred its planned drilling program at its Rekovac project due to events that were reported by an international mining operator in Serbia and inflammatory social media posts with regards to the Company's operations. The Company continues to engage with relevant stakeholders with regards to BMM's Serbian activities and continues to monitor the situation impacting the Serbian mining sector.

Business Development

Consistent with the Company's objectives, further strategic opportunities were reviewed during the period, and as previously mentioned and noted above, several strategic transactions were completed.

Further value accretive opportunities in Lithium and associated critical minerals have continued to be assessed in both Canada and the Balkans in-line with the Company's strategic objectives. Regardless of monthly market and commodity fluctuations, Balkan Mining continues to believe that the long-term outlook for these minerals, especially in the US and European markets, remains strong.

Corporate Activity

Management and Director Changes

During the reporting period, the Company strengthened its management team with the appointment of key representatives. This included the appointment of Mr Karl Simich who join the Company's Board as a Director in February 2023.

Environmental, Social and Governance ("ESG")

Over the period, BMM has acknowledged ESG as an important factor to all stakeholders in the company. We see ESG as an important consideration, therefore engaged Parvate Collective to create a baseline of our current ESG position. Baselining against the World Economic Forum (WEF) – the most commonly used criteria for ESG metrics – BMM have set a goal of continuous improvement alongside our company goals and policies for the coming year and beyond. We are committed to shareholder value and see ESG as a positive in the long-term success of the company.

Capital Raising

In conjunction with the Gorge Lithium Project Transaction, and as approved by Shareholders on 23 September 2022, on 6 October 2022, the Company completed a capital raising of $1.5 million (before costs) to be used towards funding of the acquisition of the Gorge Lithium Project, exploration expenditure on the Gorge Lithium Project, exploration on the Company's existing projects and for general working capital purposes. The capital raising was undertaken via an issue of 10,000,000 shares at an issue price of 15 cents each to sophisticated and professional investors, with each of the Company's cornerstone investors, Sandfire Resources Limited (ASX: SFR) and EV Resources Limited (ASX: EVR) participating in the capital raising.

Secondly, in conjunction with the Tango Project transaction, the Company completed a capital raising of $400k (before costs) to be used toward funding the acquisition of the Tango Lithium Project, exploration expenditure on the Tango Lithium Project, exploration on the Company's existing projects and for general working capital purposes. This capital raising was undertaken via an issue of 1,333,333 shares at an issue price of 30 cents each to sophisticated and professional investors.

Frankfurt Stock Exchange Listing

Balkan Mining and Minerals Ltd dual listed on the Frankfurt Stock Exchange ("FSE") under the code "7JL" during the period.

The Frankfurt listing enlarges the Company's investor reach and increases its exposure to European investor markets.

Business Risks

The Group, as an exploration company, faces inherent risks in its activities which may materially affect its operations. Key risks identified which the Group are exposed to include:

- tenement and title
- exploration funding
- project exploration risk
- heritage risk
- environmental and social sustainability risks
- exposure to regulatory environment in foreign jurisdictions
- foreign currency fluctuations

Future capital requirements
As inherent for all exploration companies, the Company will likely require further financing in the future. Any additional equity financing may be dilutive to Shareholders, may be undertaken at lower prices than the current market price or may involve restrictive covenants which limit the Company's operations and business strategy. Debt financing, if available, may involve restrictions on financing and operating activities.

Although the Directors believe that additional capital can be obtained, no assurances can be made that appropriate capital or funding, if and when needed, will be available on terms favourable to the Company or at all. If the Company is unable to obtain additional financing as needed, the Company may be required to reduce the scope of its activities, which could have a material adverse effect on the Company's activities and could affect the Company's ability to continue as a going concern.

Exploration and operations
The mineral exploration licences comprising the Projects are at various stages of exploration, and prospective investors should understand that mineral exploration and development are high-risk undertakings. There can be no assurance that future exploration of these exploration licences, or any other mineral licences that may be acquired in the future, will result in the discovery of an economic resource. Even if an apparently viable resource is identified, there is no guarantee that it can be economically exploited.

Tenure
Mining and exploration tenements are subject to periodic renewal. There is no guarantee that current or future tenements or future applications for production tenements will be approved. Tenements are subject to the applicable mining acts and regulations of the relevant jurisdiction. The renewal of the term of a granted tenement is also subject to the discretion of the relevant Minister. Renewal or conversion conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the tenements comprising the Company's projects. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company. Irrespective of the Company's compliance with the conditions of the tenements, and applicable mining acts and regulations, there is no guarantee that applications for forfeiture or cancellation will not be made against the tenements. If any application for forfeiture or objection to the grant of an exemption is lodged, the Company may be required to defend such applications or objections and incur significant costs.

Contractual risk
The Company's interests in the Gorge and Tango Projects are subject to the Company earning interests in these projects under the respective acquisition agreements (refer to note 14). The ability of the Company to achieve its stated objectives will depend on the performance by the parties of their obligations under these agreements, including the Company complying with its obligation to spend minimum expenditure commitments in qualified time periods, fulfilling its acquisition, earn-in and joint venture obligations and commitments (refer to note 14 for further details). The consideration payable by the Company under the Gorge and Tango Agreement is payable on the Company meeting specified time milestones. Should the Company not proceed with the subsequent expenditure obligations, this is a risk that the Company's interest in these projects will be reduced to nil in accordance with the acquisition terms.

Annual Mineral Resources Statement

As at 30 June 2023, the Group does not have any Mineral Resources Estimates.

The Company's Projects do not have defined Mineral Resources or Ore Reserves. The Projects are early stage "greenfields" exploration projects covering regions that are considered prospective for lithium and borate minerals. There has been insufficient exploration works at the Company's Projects to define a Mineral Resource or Ore Reserve.

Compliance Statement

This Annual Report contains information extracted from ASX Market announcements dated 25 May 2021, 4 July 2022, 27 September 2022, 28 September 2022, 29 September 2023, 31 October 2022, 8 November 2022, 14 November 2022, 22 November 2022, 9 December 2022, 16 December 2022, 19 December 2022, 31 January 2023, 9 March 2023, 15 March 2023, 28 April 2023, 19 May 2023, 25 May 2023, 13 June 2023, 6 July 2023, 19 July 2023, 31 July 2023 and 21 September 2023 and reported in accordance with the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" ("2012 JORC Code") and available for viewing at balkamin.com. Balkan Mining & Minerals Limited confirms that it is not aware of any new information or data that materially effects the information included in the original ASX market announcement.

Significant events after reporting date

Subsequent to the financial period end the following key events have occurred:

(a) In August 2023, the Company received firm commitments to raise $1,484,977 for the issue of 8,647,059 new fully paid ordinary shares at an offer price of $0.17 per New Share ("Placement"). On 22 August 2023, the Company completed the raise of $1,314,977 through the issue of 7,735,160 fully paid ordinary shares. As announced, Director Karl Simich has subscribed for 1,000,000 new shares to raise and additional $170,000, which will be subject to shareholder approval at the Company's 2023 annual general meeting.

(b) In August 2023, the Company engaged Shaw and Partners Limited to act as Sole Lead Manager to the abovementioned Placement. Shaw and Partners received a fee of 6% of gross amount raised under the capital raising and the Company has agreed to issue 3,000,000 unlisted new options with an exercise price of $0.30 each and expiry date of 3 years from the date of issue of the options ("Lead Manager Options"). The issue of the Lead Manager Options is subject to shareholder approval at the Company's 2023 annual general meeting.

(c) On 31 August 2023, 500,000 performance rights, 250,000 options (exe $1.00, exp 31 Aug 2023) and 250,000 options (exe $0.75, exp 31 Aug 2023) lapsed in accordance with their terms and conditions.

(d) On 21 September 2023 the Company announced the commencement of its maiden drilling program at the Gorge Lithium Project located in Ontario, Canada.

Other than operational results as detailed in the review of operations, there are no other significant matters subsequent to year end.

Information on Directors

Mr Sean Murray	Non-Executive Chairman (appointed on 12 July 2021)
Experience	Mr Murray has an Honours degree in modern languages and a post graduate Master's degree in Business Management and Economics from the Manchester Business School, part of the University of Manchester Institute of Science and Technology, in the United Kingdom. Mr Murray has more than 40 years' experience worldwide in the chemicals and mining industries, including non-ferrous metals and minerals and industrial minerals. His successful executive management career includes senior roles with Australian Mining and Smelting (CRA), Pasminco Europe and Pasminco Inc and Rio Tinto plc where he became Managing Director of Borax Europe and then Deputy Chief Executive, Rio Tinto Borax in the 1990s and early 2000s. Mr Murray has also served on the boards of Rio Tinto operating companies either as president or as an executive director in the USA (California), Argentina, France, Germany, Holland, Spain and Italy. He has been a Vice-President of the European Zinc Institute (The Hague), and an Industry Advisor on non-ferrous metals and minerals to the UK government at the International Lead Zinc Study Group, (United Nations). He was a Vice-President of the Industrial Minerals Association and President of the European Borates Association in Brussels where he became involved in Public Relations and Sustainable Development. Since 2005, Mr Murray has provided consulting services on marketing, planning and strategy to the industrial minerals sector in Europe, Australia and the Americas and has held non-executive directorships on the boards of AIM and ASX listed copper, gold, tungsten, potash and fluorspar companies including, Fluormin plc (formerly LSE:FLOR and Potash Minerals Ltd (formerly (ASX:POK)). He was a senior partner in a New York based LLP developing minerals businesses in the former Soviet Union. Mr Murray is fluent in a number of European languages including German and Spanish. Mr Murray has British and Irish citizenship and lives in Surrey in the United Kingdom. The Board considers that Mr Murray is an independent Director.
Interest in Shares and Options	nil ordinary fully paid shares 500,000 options nil performance rights
Special Responsibilities	Member of the Audit & Risk Committee, Chair of the Remuneration Committee and member of the Nomination Committee
Directorships held in other listed entities	Previously Non-executive Director of Fluromin plc (LSE) and Potash Minerals Ltd (ASX)

Ross Cotton	Managing Director (appointed on 18 December 2020)
Experience	Mr Ross Cotton has over 15 years of experience in the securities and mining industries and has been instrumental in both the financing and management of mining and resource companies globally. Mr Cottons' experience in investment banking and equity capital markets has provided him with detailed experience in corporate transaction management and execution. In these roles, Mr Cotton has been integral in the recapitalisation and restructuring of companies, including managing of initial public offerings and reverse takeovers. In addition to a number of managerial roles with ASX listed companies, Mr Cotton has also provided corporate advisory services to listed companies on strategy, acquisitions as well as financing via both debt and equity for a number of years.

Ross Cotton	Managing Director (continued)
Experience	Mr Cotton currently manages a private mining strategy and finance consulting business and utilises his networks established in investment banking, mining and management to provide solutions for the effective implementation of business strategies and management solutions. The Board does not consider Mr Cotton to be an independent Director.
Interest in Shares and Options	609,068 ordinary fully paid shares 1,750,000 options 4,200,000 performance rights
Special Responsibilities	-
Directorships held in other listed entities	Non-executive Chairman of White Cliff Minerals Limited (ASX: WCN), previous Non-Executive director of Lithium Universe Limited (ASX LU7) (resigned 1 Sept 2023).

Luke Martino	Non-Executive Director (appointed on 18 December 2020)
Experience	Mr Martino holds a Bachelor of Commerce (BCom) is a Fellow of the Institute of Chartered Accountant Australia and New Zealand (FCA) and a member of the Institute of Company Directors (FAICD). His area of expertise includes corporate finance and business growth consulting advice to the mining and resources sector and a wide range of other industries. Mr Martino is Non-Executive Chairman of EV Resources and was a Director of Pan Asia Corporation Ltd and was a Non-Executive Director of Skin Elements Limited. The Board does not consider Mr Martino to be an independent Director.
Interest in Shares and Options	nil ordinary fully paid shares 500,000 options nil performance rights
Special Responsibilities	Member of the Audit & Risk Committee, member of the Remuneration Committee and member of the Nomination Committee
Directorships held in other listed entities	Non-executive Chairman of EV Resources Limited (ASX: EVR)

Karl Simich	Non-Executive Director (appointed 13 February 2023)
Experience	Mr Simich has more than three decades of experience with publicly listed mining and exploration companies (see below) and brings a wealth of strategic and corporate knowledge, including in exploration, resource development, mine financing, development, operations and M&A across multiple jurisdictions. As a Director of Balkan Mining, Mr Simich provides input and advice on strategy, corporate and business development and stakeholder relations. Mr Simich has 36 years' experience with publicly listed mining and exploration companies on the ASX, TSX and LSE, most recently as the founder, Managing Director and CEO of Sandfire Resources (ASX: SFR) between 2006 and September 2022. During this time, he guided Sandfire through the discovery, financing, development and successful 10-year operation of the highly profitable DeGrussa Copper Operations in Western Australia. He also oversaw the implementation of Sandfire's international expansion strategy to become a globally significant copper miner, including the US$1.865 billion acquisition of the MATSA copper operations in Spain. At the end of his tenure, Sandfire had mining operations and development projects spanning three continents.

Karl Simich	Non-Executive Director (Continued)
Experience	Throughout his career, Mr Simich has overseen the financing and development more than 10 mines in Australia, New Zealand and Africa, including base, precious and industrial metals spanning small to large-scale open pit, underground and alluvial operations. Prior to his role with Sandfire, Mr Simich held senior leadership positions with Churchill Resources, Union Gold Mining, Macraes Mining (now Oceania Gold), Kimberley Diamonds, Namakwa Diamonds and Blina Diamonds. The Board does not consider Mr Simich to be an independent Director.
Interest in Shares and Options	nil ordinary fully paid shares nil options 5,800,000 performance rights Mr Simich also hold an interest in a LTI Performance Bonus. Please refer to note 16 of the financial statements for further details.
Special Responsibilities	Chair of the Audit & Risk Committee, member of the Remuneration Committee and member of the Nomination Committee

Information on Company Secretary

Harry Spindler	
	Mr. Spindler is an experienced corporate professional with a broad range of corporate governance and capital markets experience, having held various company secretary positions and been involved with several public company listings, merger and acquisition transactions and capital raisings for ASX-listed companies across a diverse range of industries over the past 25 years. Harry is a member of the institute of Chartered Accountants Australia and New Zealand and a member of the Financial Services Institute of Australia. Mr Spindler began his career in corporate recovery and restructuring at one of Australia's leading independent financial advisory and restructuring providers Ferrier Hodgson (now KPMG) and has for the past 11 years worked for corporate advisory firm, through which he has advised a number of clients in a range of industries, as well as held positions as company secretary for a number of ASX-listed companies, including Sino Gas & Energy Holdings Ltd (ASX: SEH; ASX 300), an Australian energy company focused on developing gas assets in China. Mr Spindler is also Company Secretary of Equinox Resources Limited, Battery Age Minerals Limited, Critical Resources Limited and Hazer Group Ltd.

Directors Meetings & Committee Meetings

The following table sets out the number of Directors' and Committee meetings held during the financial year and the number of meetings attended by each Director (while they were a Director or committee member) of the Company.

	Director's Meetings		Audit & Risk Committee Meetings		Nomination & Remuneration Committee Meetings	
	Eligible to attend	Attended	Eligible to attend	Attended	Eligible to attend	Attended
Sean Murray	6	6	2	2	1	1
Ross Cotton	6	6	-	-	-	-
Luke Martino	6	6	2	2	1	1
Karl Simich	3	3	1	1	1	1

Members of the Audit & Risk and Nomination & Remuneration committees as at the date of this report are noted in the table below.

Audit & Risk Committee	Remuneration Committee	Nomination Committee
Karl Simich (Chair)	Sean Murray (chair)	Sean Murray (Chair)
Luke Martino	Luke Martino	Luke Martino
Sean Murray	Karl Simich	Karl Simich

Share Options

At the date of this report, the un-issued ordinary shares of Balkan Mining & Minerals Limited under option are as follows:

Issue Date	Expiry Date	Exercise Price	Number of shares under option
06/07/2021	06/06/2024	$0.50	3,500,000
06/10/2022	06/10/2025	$0.30	2,000,000
			5,500,000

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

Movement in Options

During the year ended 30 June 2023, 2,000,000 options have been issued, nil lapsed or been exercised. Since 30 June 2023, no options have been issued, 500,000 have lapsed and nil have been exercised. Additionally, the Company has agreed to issue Shaw and Partners 3,000,000 unlisted options with an exercise price of $0.30 each and expiry date of 3 years from the date of issue, subject to shareholder approval at the Company's 2023 annual general meeting pursuant to ASX Listing Rule 7.1.

Performance Rights ("PR")

At the date of this report, the performance rights issued of Balkan Mining & Minerals Limited are as follows:

Issue Date	Expiry Date	Performance Condition	Number of performance rights
06/07/2021	06/07/2024	(a)	800,000
06/07/2021	06/07/2024	(b)	800,000
13/02/2023	13/02/2026	(c)	3,000,000
13/02/2023	13/02/2026	(d)	1,800,000
13/02/2023	13/02/2026	(e)	4,000,000
			10,400,000

Movement in PRs

During the year ended 30 June 2023, 8,800,000 PR's were issued to directors of the Group, nil have been exercise or lapsed during the year. Since 30 June 2023, 500,000 performance rights lapsed in accordance with their terms and conditions.

The issue of the Performance Rights is to appropriately incentivise directors, employees and consultants of the Group and to assist the Company in retaining their services and expertise in a manner which does not unduly impact on cash reserves. Each Performance Right will vest into one Share subject to the achievement of the following performance milestones:

(a) Absolute shareholder return: Performance Rights to be convertible into shares, subject to satisfaction of the Company achieving a VWAP of Shares of at least $1.20, calculated over 20 consecutive trading days on which the Company's Shares have traded;

(b) Absolute shareholder return: Performance Rights to be convertible into shares, subject to satisfaction of the Company achieving a VWAP of Shares of at least $1.80, calculated over 20 consecutive trading days on which the Company's Shares have traded;

(c) Absolute shareholder return: Performance Rights to be convertible into shares, subject to the satisfaction of the Company achieving a market capitalisation of no less than $40,000,000;

(d) Absolute shareholder return: Performance Rights to be convertible into shares, subject to the satisfaction of the Company achieving a market capitalisation of no less than $80,000,000; and

(e) Operational: Performance Rights to be convertible into shares, subject to the Company achieving the successful return of a "commercial lithium drilling intersection". A commercial drilling intersection is defined to be an ore grade and width discovery metric of 4 meters (a standard underground continuous mining width) of mineralisation in the form of lithium mineral containing +1.0% Li_2O.

Likely Future Developments

The Company's strategy is to increase shareholder value by maximising the value of its exploration assets in Canada and Serbia, and over time diversification of its asset portfolio.

The Group intends to continue to undertake appropriate exploration and evaluation activities sufficient to maintain tenure of its exploration licences, as well as, determine the technical prospectively of the projects, until such time that informed decisions can be made in order to commercially exploit or relinquish them.

Indemnifying Officers

During the financial year, the Company paid a premium in respect of a contract insuring the Directors of the Company (as named above), the company secretary, and all executive officers of the Company and of any related body corporate against a liability incurred as such by a Director, secretary or executive officer 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.

The Company has not otherwise, during or since the financial period, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the Company or of any related body corporate against a liability incurred as such by an officer or auditor.

Environmental Regulations

The Company's operations are not regulated by any significant environmental regulation under the Law of the Commonwealth or of a State or Territory of Australia. However, the group's operations in Canada and the Republic of Serbia are subject to environmental regulations under the Canadian and Serbian laws. The group has a policy of complying with its environmental performance obligations and at the date of this report, it is not aware of any breach of such regulations.

Proceedings on behalf of the Company

No person has applied for leave of Court to bring proceedings on behalf of the Group or intervene in any proceedings to which the Group is a party for the purpose of taking responsibility on behalf of the Group for all or any part of those proceedings. The Group was not a party to any such proceedings during the year.

Auditor

PKF Perth are the Company's Auditor and continue in office in accordance with section 327 of the Corporations Act 2001.

Non-Audit Services

No non-audit services were provided during the financial year ended 30 June 2023 (2022: Nil).

Corporate Governance Statement

The Company's Corporate Governance Statement can be found on the Company's website at the following URL: www.balkanmin.com/corporate-governance/.

REMUNERATION REPORT (AUDITED)

This remuneration report, which forms part of the directors' report, sets out information about the remuneration of the Company's directors and key management personnel for the financial period ended 30 June 2023. The key management personnel of the Company include the Directors and other officers of the Company. For the purposes of this report "key management personnel" are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company.

The information provided in this remuneration report has been audited in accordance with section 300A of the Corporations Act 2001.

Remuneration Policy

The Company's guiding principles for remuneration strategy used throughout 2023 recognises that:

- Remuneration must be strongly linked to Company performance;
- Remuneration must be competitive to enable the Company to attract and retain quality individuals who are capable and motivated to deliver results for shareholders;
- Remuneration must provide significant incentive to deliver superior performance against the Company's strategy and key business goals;
- Remuneration must be fair and competitive with both peers and competitor employers; and
- Remuneration must be transparent to shareholders.

The nature and amount of remuneration for the non-executive Directors and executives depends on the nature of the role and market rates for the position, with the assistance of external surveys and reports, and taking into account the experience and qualifications of each individual. The Board ensures that the remuneration of key management personnel is competitive and reasonable. Fees and payments to the non-executive Directors reflect the demands which are made on, and the responsibilities of the Directors. Director's fees and payments are reviewed annually by the Board.

In undertaking a review of the performance of both directors and executives, consideration is given to the respective performance of the person during the review period; however, there are no prescribed performance measures or hurdles connected with the level of remuneration.

The Company's Remuneration Committee has responsibility and oversight for making recommendations to the Board regarding remuneration for directors and employees.

The Company will continue to monitor its remuneration framework against market benchmarks and ensure that the linkages between remuneration and company performance remain strong.

Key Developments

During the year ended 30 June 2023, the Company maintained focus on improving the alignment of KMP incentive-based compensation with shareholder value through refinement of performance measures incorporated into KMP sign-on remuneration packages. This incentive was supported with the adoption of the Company’s updated Performance Rights and Option Plan in November 2022 (following shareholder approval). This plan was adopted to:

- establish a method by which directors or employees of the Company (Eligible Persons) could participate in the future growth and profitability of the Company;
- provide an incentive and reward for Eligible Persons for their contributions to the Company; and
- attract and retain a high standard of managerial and technical personnel for the benefit of the Company.

Given the current size, nature and risks of the Company, having the ability to offer incentive options and performance rights is useful to attract and retain directors and executives. The grant of such options or rights is at the discretion of the Board and subject, as appropriate, to shareholder approval. The Board believes participation in the Company’s Performance Rights and Options Plan (incentive scheme) motivates key management and executives with the long-term interests of shareholders. Please refer to further in this report for details on awards made under this plan during the year.

Obtaining and considering shareholder feedback on remuneration strategies is a core focus of the Nomination & Remuneration Committee’s.

2022 Remuneration Report Vote

At the Company’s 2022 Annual General Meeting, the Company’s Remuneration Report received a vote in favour of 100.0%. Feedback on the Remuneration Report was not received during the 2022 Annual General Meeting.

Engagement of Remuneration Consultants

During the financial year, the Company did not engage any remuneration consultants to review the Key Management Personnel remuneration for the year ended 30 June 2023.

Securities Trading Policy

The trading of BMM’s securities by directors, key management personnel, their associates and employees of the Company is subject to, and conditional upon, compliance with the Company’s Securities Trading Policy (“Securities Trading Policy”). The Company’s security trading policy applies to trading in all Company securities, which includes:

- Company securities (such as shares);
- any other securities issued by the Company, such as options;
- derivatives and other financial products issued or created over or in respect of Company securities; and
- securities of any other company or entity that may be affected by inside information.

The securities trading policy details acceptable and unacceptable times for trading in Company Securities including detailing potential civil and criminal penalties for misuse of “inside information”.

Any Director, executive or key management personnel wishing to trade in the Company’s securities must consult the Chairman and Company Secretary to gain approval to trade and ensure that trading restrictions are not in force. The Directors are responsible for disclosure to the market of all transactions or contracts involving the Company’s shares.

Directors' Remuneration

Directors are remunerated by way of fixed fees and the award of performance based Long Term Incentives (LTI) through the award of PRs or options under the Company's Performance Rights and Option Plan, as approved by Shareholders where required.

Director remuneration is reviewed periodically. Fees paid to directors are determined with reference to:

- the nature of the role, responsibilities and time commitment, including membership of board committees;
- the personal performance, skills and experience of the individual;
- the individual's overall contribution to the success of the business;
- industry benchmarking data and market conditions; and
- the need to attract a diverse and well-balanced group of individuals with relevant experience and knowledge.

Fixed fees for directors are as follows:

- Executive director: $300,000
- Chairman £36,000
- Non-executive directors $50,000 to $75,000

The Non-Executive Directors' fees are approved by the Board within the aggregate approved by the shareholders at a general meeting. The fee pool currently stands at $500,000.

The Company does not provide retirement benefits, however directors may salary sacrifice an element of their total remuneration to superannuation. In addition, the Board seeks shareholder approval for any options that may be issued to directors.

The amount of aggregate remuneration and the manner in which it is apportioned amongst directors is reviewed periodically. Shareholder approval is sought where there is a proposed change in the total remuneration paid to non-executive directors, together with the award of securities to directors.

The Board considers the Company's particular circumstances as well as the fees paid to executive and non-executive directors of comparable companies when undertaking the review process and determining the nature and amount of key management remuneration.

Details of the Remuneration

The Key Management Personnel of Balkan Mining & Minerals Limited includes the Directors of the Company.

The following tables show details of the remuneration received by the key management personnel of the group for the current financial period.

					Share-based payments			Total	Equity based remuneration
		Short Term Salary & Fees $	Post-Employment Superannuation $	Other/ Bonus $	Incentive Options LTI $	Performance Rights LTI $	Performanc e Bonus LTI $	$	%
Sean Murray[1]	2023	65,234	-	-	-	-	-	65,234	-
(Non-Executive Chairman)	2022	65,434	-	-	42,976	-	-	108,410	40%
Ross Cotton[2]	2023	272,500	-	-	-	191,536	-	464,036	41%
(Managing Director)	2022	240,000	-	-	150,414	116,851	-	507,265	53%
Luke Martino[3]	2023	50,000	-	-	-	-	-	50,000	-
(Non-Executive Director)	2022	48,521	-	-	42,976	-	-	91,497	47%
Karl Simich[4]	2023	56,696	-	-	-	301,225	30,250	388,171	85%
(Non-Executive Director)	2022	-	-	-	-	-	-	-	-
Milos Bosnjakovic[5]	2023	-	-	-	-	-	-	-	-
(Non-Executive Director)	2022	42,139	-	-	42,976	-	-	85,115	50%
Harry Spindler[6]	2023	162,000	-	-	-	14,387	-	176,387	8%
(CFO & Company Secretary)	2022	94,500	-	-	21,488	39,950	-	154,938	39%
Total	**2023**	**606,430**	**-**	**-**	**-**	**507,148**	**30,250**	**1,143,828**	**47%**
	2022	**490,594**	**-**	**-**	**300,830**	**155,801**	**-**	**947,225**	**48%**

1. Appointed 12 July 2021. Director fees are payable in pounds.
2. Fees paid to Skyflake Investments Pty Ltd. Appointed 18 December 2020.
3. Fees paid to Indian Ocean Consulting Group Pty Ltd. Appointed 18 December 2020.
4. Appointed 13 February 2023. Director fees are paid to Resource Development Company Pty Ltd.
5. Appointed 12 July 2021. Resigned 18 May 2022.
6. Appointed Company Secretary 18 December 2020. Mr Spindler joined the Company as Chief Financial Officer 1 December 2021.

Services Agreements

Remuneration and other terms of employment for the Executive Directors and other executives are formalised in service agreements. Provisions of the agreements relating to remuneration in place at 30 June 2023 are set out below.

Ross Cotton, Executive Director

- Term of agreement: 1 January 2025
- Notice/termination period: without cause 6 months, material change to engagement 1 month

Karl Simich, Non-Executive Director

- Term of agreement: ongoing
- Advisor fees: Strategic advisory services fees $75,000 per annum
- Notice/termination period: 1 month

Harry Spindler, CFO and Company Secretary

- Term of agreement: 1 December 2021 ongoing
- Notice/termination period: company without cause 6 months, consultant without cause 3 months

There were no other service agreements in place with KMP for the period ended 30 June 2023.

Share-based payments

During the financial year ended 30 June 2023, the Company issued 8,800,000 PR's to KMP together with additional LTI performance bonus, nil PR's were converted or lapsed. During the financial year ended 30 June 2022, as part of the Company's listing prospectus, the Company did issue 3,500,000 options and 2,400,000 PR's to KMP.

KMP Performance Rights

During the financial period ended 30 June 2023, as approved by shareholders in February 2023, the Company issued 8,800,000 PRs to KMP as detailed below:

Details	Performance Milestone	Issue date	Performance Period End / Expiry date	No. issued
R Cotton	(c)	13/02/2023	13/02/2026	1,000,000
	(d)	13/02/2023	13/02/2026	1,000,000
	(e)	13/02/2023	13/02/2026	1,000,000
K Simich	(c)	13/02/2023	13/02/2026	2,000,000
	(d)	13/02/2023	13/02/2026	800,000
	(e)	13/02/2023	13/02/2026	3,000,000

Performance Milestones:

(a) Absolute shareholder return: Performance Rights to be convertible into shares, subject to the satisfaction of the Company achieving a market capitalisation of no less than $40,000,000;

(b) Absolute shareholder return: Performance Rights to be convertible into shares, subject to the satisfaction of the Company achieving a market capitalisation of no less than $80,000,000; and

(c) Operational: Performance Rights to be convertible into shares, subject to the Company achieving the successful return of a "commercial lithium drilling intersection". A commercial drilling intersection is defined to be an ore grade and width discovery metric of 4 meters (a standard underground continuous mining width) of mineralisation in the form of lithium mineral containing +1.0% Li_2O.

During the financial year ended 30 June 2023, nil performance rights held by KMP were exercised and converted into ordinary fully paid shares and nil lapsed.

KMP Incentive Options

During the financial year ended 30 June 2023, nil options were issued to KMP and no options were exercised or have lapsed.

KMP LTI Performance Bonus

During the financial year ended 30 June 2023, the Company has agreed the below LTI Performance Bonus for director, Karl Simich.

In the event the Company achieves a market capitalisation of AUD$80,000,000 before 13 February 2026, (Achievement), Mr Simich (or his nominees) will be entitled to a performance bonus to the value of 2,200,000 fully paid ordinary shares of the Company as at the date of the Achievement (LTI Performance Bonus). The LTI Performance Bonus is payable by the Company to Mr Simich (or his nominees) in cash or (subject to Shareholder approval) by the issuing of the shares. The Company must seek Shareholder approval by calling a Shareholder meeting no later than 40 days following the Achievement date. In the absence of Shareholder approval within the 40-day time period, the Company must pay the Performance Bonus in cash. Should the Company not achieve the Achievement within the relevant period, this Performance Bonus shall lapse.

Loans to Key Management Personnel

There were no loans to Key Management Personnel during the year ended 30 June 2023 (2022: Nil).

Other Related Party Transactions

Purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Please refer to Note 19 for further details.

Historical Information

The table below sets out summary information about the Group's earnings and performance for the period since the Company's incorporation (18 December 2020) to 30 June 2023.

	2021	2022	2023
Revenue ($)	-	-	-
Net loss after tax ($)	443,581	3,078,739	4,983,401
Dividends ($)	-	-	-
Basic loss per share ($ cents)	0.14	0.07	0.09
Diluted loss per share ($ cents)	0.14	0.07	0.09
Share price at the start of the year (A$)*	n.a	0.200*	0.165
Share price at the end of the year (A$)*	n.a	0.165	0.2025

* The Company's securities were officially quoted on the ASX on 14 July 2021.

KMP Holdings

The Board considers it important that the directors and senior management hold BMM shares to encourage the behaviours of long-term owners.

As at 30 June 2023, KMP held ordinary shares, options and PRs as listed below:

Director	Balance at the start of the period			Granted as Remuneration during the period			Exercise during the period			Other changes during the period			Balance at the end of the period		
	Shares	Options	PRs	Shares	Options	PRs	Shares	Options	PRs	Shares	Options	PRs	Shares	Options	PRs
S Murray	-	500,000	-	-	-	-	-	-	-	-	-	-	-	500,000	-
R Cotton	600,000	1,750,000	1,200,000	-	-	3,000,000	-	-	-	9,068	-	-	609,068	1,750,000	4,200,000
L Martino	-	500,000	-	-	-	-	-	-	-	-	-	-	-	500,000	-
K Simich	-	-	-	-	-	5,800,000	-	-	-				-	-	5,800,000
H Spindler	250,000	250,000	400,000	-	-	-	-	-	-	-	-	-	250,000	250,000	400,000
Total	**850,000**	**3,500,000[1]**	**1,600,000[1]**	**-**	**-**	**8,800,000**	**-**	**-**	**-**	**9,068**	**-**	**-**	**859,068**	**3,000,000**	**10,400,000**

1. These Options, Performance Rights and Shares are subject to escrow restrictions until 14 July 2023.
2. Appointed 13 February 2023.

REMUNERATION REPORT (END)

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

Ross Cotton

Managing Director

28 September 2023

Directors' Declaration

In the Director’s opinion:

1. The consolidated financial statements and notes set out on pages 25 to 55 are in accordance with the Corporations Act 2001, including:

   a) complying with Australian Accounting Standards and Corporations Regulations 2001;

   b) giving a true and fair view, the consolidated entity’s financial position as at 30 June 2023 and of its performance for the year ended on that date; and

   c) complying with International Financial Reporting Standards as disclosed in Note 1; and

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

3. This declaration has been made after receiving the declaration required to be made to the directors in accordance with Section 295A of the Corporations Act 2001 for the financial year ended 30 June 2023.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Directors by:

Ross Cotton

Managing Director

28 September 2023

Advisory • Audit
Business Solutions

AUDITOR'S INDEPENDENCE DECLARATION

TO THE DIRECTORS OF BALKAN MINING AND MINERALS LIMITED

In relation to our audit of the financial report of Balkan Mining and Minerals Limited for the year ended 30 June 2023, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 or any applicable code of professional conduct.

PKF Perth

PKF PERTH

SIMON FERMANIS
PARTNER

28 SEPTEMBER 2023
WEST PERTH,
WESTERN AUSTRALIA

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Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2023

	Note	2023 $	2022 $
Other income		447	718
Consulting & professional fees	3	(385,083)	(697,980)
Depreciation and amortisation		(18,823)	(13,518)
Marketing and investor relations		(148,708)	(107,957)
Compliance and regulatory expenses		(167,368)	(204,471)
Exploration and evaluation expenses not capitalised		(578,134)	(301,412)
Impairment of assets	9	(1,977,054)	-
Employee benefits expenses		(650,327)	(586,295)
Other expenses		(607,204)	(481,608)
Share based payments	16	(451,147)	(686,216)
Loss before income tax expense		(4,983,401)	(3,078,739)
Income tax expense	4	-	-
Loss for the period		**(4,983,401)**	**(3,078,739)**
Other comprehensive income:			
Items which may be subsequently reclassified to profit or loss			
Exchange differences on translating foreign operations		86,115	(6,587)
Total other comprehensive income for the period		86,115	(6,587)
Total Comprehensive loss for the period		**(4,897,286)**	**(3,085,326)**
Total loss for the period attributable to:			
Members of the parent entity		(4,983,401)	(3,078,739)
		(4,983,401)	**(3,078,739)**
Total comprehensive loss for the period attributable to:			
Members of the parent entity		(4,897,286)	(3,085,326)
		(4,897,286)	**(3,085,326)**

Loss per share for loss attributable to the ordinary equity holders of the Company:

	Note	$	$
Basic and diluted loss per share	5	0.09	0.07

The consolidated statement of profit or loss and other comprehensive income is to be read in conjunction with the notes to and forming part of the consolidated financial report.

	Note	2023 $	2022 $
Current Assets			
Cash and cash equivalents	7	2,121,586	3,615,646
Trade and other receivables	8	141,248	12,534
Prepayments		81,052	59,277
Other current assets		615	1,937
Total Current Assets		2,344,501	3,689,395
Non-Current Assets			
Plant and equipment		101,321	59,444
Exploration and evaluation asset	9	1,544,903	1,704,219
Right of use asset		73,808	26,047
Total Non-Current Assets		1,720,032	1,789,710
Total Assets		**4,064,533**	**5,479,105**
Current Liabilities			
Trade and other payables	11	380,391	84,012
Provision for employee entitlements		9,014	21,538
Current lease liability		62,512	20,320
Total Current Liabilities		451,917	125,580
Non-Current Liabilities			
Non-current Lease liability		15,489	6,812
Total Non-Current Liabilities		15,489	6,812
Total Liabilities		**467,406**	**132,392**
Net Assets		**3,597,127**	**5,346,713**
Equity			
Issued capital	12	10,582,991	8,292,437
Reserves	13	1,519,857	576,596
Accumulated losses	17	(8,505,721)	(3,522,320)
Total Equity		**3,597,127**	**5,346,713**

The consolidated statement of financial position is to be read in conjunction with the notes to and forming part of the consolidated financial report.

Consolidated Statement of Changes in Equity
For the Year Ended 30 June 2023

CONSOLIDATED ENTITY	Note	Issued Capital $	Share Based Payment Reserves $	Foreign Currency Reserve $	Accumulated Losses $	Total $
Balance at 1 July 2021		**1,443,557**	**-**	**(3,833)**	**(443,581)**	**996,143**
Loss for the period	17	-	-	-	(3,078,739)	(3,078,739)
Other comprehensive income		-	-	(6,587)	-	(6,587)
Total Comprehensive loss for the period		-		(6,587)	(3,078,739)	(3,085,326)
Transactions with owners, recognised directly in equity						
Issue of shares	12	7,148,750	-	-	-	7,148,750
Share based payments	13	-	686,216	-	-	686,216
Conversion of shares from performance rights	12	99,200	(99,200)	-	-	-
Capital Raising Costs	12	(399,070)	-	-	-	(399,070)
Balance at 30 June 2022		**8,292,437**	**587,016**	**(10,420)**	**(3,522,320)**	**5,346,713**
Balance at 1 July 2022		**8,292,437**	**587,016**	**(10,420)**	**(3,522,320)**	**5,346,713**
Loss for the period	17	-	-	-	(4,983,401)	(4,983,401)
Other comprehensive income		-	-	86,115	-	86,115
Total Comprehensive loss for the period		-		86,115	(4,983,401)	(4,897,286)
Transactions with owners, recognised directly in equity						
Issue of shares	12	2,813,204	-	-	-	2,813,204
Share based payments	13	-	857,146	-	-	857,146
Capital Raising Costs	12	(522,650)	-	-	-	(522,650)
Balance at 30 June 2023		**10,582,991**	**1,444,162**	**75,695**	**(8,505,721)**	**3,597,127**

The consolidated statement of changes in equity is to be read in conjunction with the notes to and forming part of the consolidated interim financial report

Consolidated Statement of Cash Flows

For the Year Ended 30 June 2023

	Note	2023 $	2022 $
Cash Flows from Operating Activities			
Payments to suppliers and employees		(1,998,522)	(1,317,937)
Payments for exploration expenditures		(416,158)	(310,868)
Other income		-	718
Interest paid		(5,011)	(7,919)
Net cash (used in) operating activities	21	**(2,419,691)**	**(1,636,006)**
Cash Flows from Investing Activities			
Payments for plant and equipment		(45,957)	(65,874)
Payments for exploration and evaluation		(838,182)	(193,440)
Payments for other non-current assets		(49,000)	-
Net cash (used in) investing activities		**(933,139)**	**(259,314)**
Cash Flows from Financing Activities			
Proceeds from issue of shares		1,900,000	6,500,000
Transaction costs related to issues of securities		(116,651)	(562,179)
Repayment of borrowings		-	(429,695)
Proceeds from borrowings		-	39,515
Net cash provided by/(used in) financing activities		**1,783,349**	**(5,547,642)**
Net (decrease)/increase in cash and cash equivalents		**(1,569,481)**	**3,652,322**
Cash and cash equivalents at the beginning of the financial period		3,615,646	1,152
Foreign exchange		75,422	(37,827)
Cash and cash equivalents at the end of the financial period	7	**2,121,587**	**3,615,646**

The consolidated statement of cash flows is to be read in conjunction with the notes to and forming part of the consolidated financial report

1. Statement of Significant Accounting Policies

(a) Reporting Entity

Balkan Mining & Minerals Limited (the ”Company”, “BMM”) is a listed public company, incorporated and domiciled in Australia. The company is a for-profit entity for the purpose of preparing financial statements. The consolidated financial report of the Company as at and for the year ended 30 June 2023 comprises the Company and its controlled entities (together referred to as the “Group”).

The financial report was authorised for issue by the Directors on 28 September 2023.

(b) Statement of Compliance

The financial report is a general purpose financial report prepared in accordance with the requirements of the Corporations Act 2001, applicable accounting standards including Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board (‘AASB’). Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards.

(c) Basics of preparation

The financial report has been prepared on an accruals basis and is based on historical cost, modified, where applicable, by the measurement at fair value of selected non-current assets, financials assets and financial liabilities. Cost is based on the fair value of the consideration given in exchange for assets.

The Company is domiciled in Australia and all amounts are presented in Australian dollars, unless otherwise noted. The financial report has been prepared on a going concern basis.

Going Concern Basis of Preparation

The financial report has been prepared on the basis of going concern which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. Whilst acknowledging the inherent uncertainties of progressing to profitable mining operations and managing working capital requirements, the Directors consider this to be appropriate. For the year ended 30 June 2023 the Group recorded a loss of $4,983,401 (2022; loss of $3,078,739), a net working capital surplus at 30 June 2023 of $1,892,584 (2022: surplus $3,563,815) and had net cash outflows from operating activities of $2,419,691 (2022: $1,636,006).

The Directors are mindful of the Company’s working capital requirements and cognisant of its developed capital management program that will provide funding to maximise the potential of its current asset portfolio and provide a strong base for increasing shareholder value. The ability of the Company and the Group to continue to pay its debts as and when they fall due is dependent upon the Company successfully raising additional share capital and ultimately developing its mineral properties. As referred to in note 23, in late August 2023, the Company successfully completed a capital raising of $1.48 million consistent with the Company’s capital management program.

The accounts have been prepared on the basis that the Company can meet its commitments as and when they fall due and can therefore continue normal business activities, and the realisation of assets and liabilities in the ordinary course of business. The Directors believe that they will continue to be successful in securing additional funds through equity issues as and when the need to raise working capital arises. However, there exists uncertainty that may cast doubt about the Group’s ability to continue as a going concern and whether it can realise its assets and discharge its liabilities in the normal course of business. The financial report does not include any adjustments in relation to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the Group not continue as going concern.

(d) Principles of Consolidation

The Group financial statements consolidate those of the Parent Company and all of its subsidiaries as of 30 June 2023. The Parent controls a subsidiary if it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. All subsidiaries have a reporting date of 30 June.

All transactions and balances between Group companies are eliminated on consolidation in full. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from group perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Profit or loss and other comprehensive income of subsidiaries acquired or disposed of during the year are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable.

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's profit or loss and net assets that is not held by the Group. The Group attributes total comprehensive income or loss of subsidiaries between the owners of the parent and the non-controlling interests based on their respective ownership interests.

(e) Income Tax

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting period. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well unused tax losses.

Current and deferred income tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at the end of the reporting period. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

(f) Plant & Equipment

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

The cost of fixed assets constructed within the consolidated entity includes the cost of materials, direct labor, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future consolidated benefits associated with the item will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets including building and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line basis over their useful lives to the consolidated entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Office Furniture	5%-50%
Office Equipment	12.5% - 40%

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

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

(g) Leases

Lease policy - With the exception of leases with terms of less than 12 months and leases relating to low-value assets, right-of-use assets and lease liabilities are recognised in relation to all leases. The lease liabilities are recognised at the present value of the lease payments that are remaining to be paid and include, where applicable, any payments applicable under extension options expected to be exercised. The right-of-use assets are initially recognised as the amount of the initial lease liability adjusted for any lease payments made at or before commencement, lease incentives received, initial direct costs incurred, and an estimate of costs of dismantling, removing or restoring the asset that are required to be incurred under the terms of the lease. The right-of-use asset is then depreciated on a straight-line basis over the term of the lease.

(h) Financial Instruments

Recognition and derecognition

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument.

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

Classification and measurement

i. Financial assets

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

Financial assets, other than those designated and effective as hedging instruments accounted for at amortised cost or fair value through profit or loss (FTVPL).

Financial assets are measured at amortised cost if the objective of the financial asset is to hold and collect its contractual cash flows and contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding. After initial recognition, these are measured using the effective interest method.

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorized at fair value through profit and loss. Further, irrespective of business model financial assets whose contractual cash flows are not solely payments of principal and interests are accounted for a FTVPL.

ii. Financial liabilities

The Group's financial liabilities include trade and other payables and derivative financial instruments.

Financial liabilities are initially measured at fair value, and where applicable, adjusted for transaction costs unless the Group designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognized in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments).

(i) Derivative financial instruments

Derivative financial instruments are accounted for at fair value through profit and loss (FTVPL) except for derivatives designated as hedging instruments in cash flow hedge relationships, which require a specific accounting treatment. To qualify for hedge accounting, the hedging relationship must meet the following requirements:

- There is an economic relationship between the hedged item and the hedging instrument
- The effect of credit risk does not dominate the value changes that result from that economic relationship
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the entity actually hedges and the quantity of the hedging instrument that the entity actually uses to hedge that quantity of hedged item.

(j) Impairment of Non-Financial Assets

At each reporting date, the group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the Statement of profit or loss and other comprehensive income.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

Where it is not possible to estimate the recoverable amount of an individual asset, the group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(k) Exploration and evaluation

Exploration and evaluation expenditures in relation to each separate area of interest are recognised as an exploration and evaluation asset in the year in which they are incurred where the following conditions are satisfied:

i. the rights to tenure of the area of interest are current; and

ii. at least one of the following conditions is also met:

   a. the exploration and evaluation expenditures are expected to be recouped through successful development and exploration of the area of interest, or alternatively, by its sale; or

   b. exploration and evaluation activities in the area of interest have not at the reporting date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest is continuing.

Exploration and evaluation assets are initially measured at cost and include acquisition of rights to explore, studies, exploratory drilling, trenching and sampling and associated activities and an allocation of depreciation and amortised of assets used in exploration and evaluation activities. General and administrative costs are only included in the measurement of exploration and evaluation costs where they are related directly to operational activities in a particular area of interest.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The recoverable amount of the exploration and evaluation asset (for the cash generating unit(s) to which it has been allocated being no larger than the relevant area of interest) is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

Where a decision has been made to proceed with development in respect of a particular area of interest, the relevant exploration and evaluation asset is tested for impairment and the balance is then reclassified to development.

(l) Foreign Currency Transactions and Balances

Functional and presentation currency

The functional currency of each of the group’s entities is measured using the currency of the primary consolidated environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity’s functional and presentation currency.

Transaction and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in profit or loss, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity; otherwise the exchange difference is recognised in profit or loss.

Group companies

The financial results and position of foreign operations whose functional currency is different from the group's presentation currency are translated as follows:

- Assets and liabilities are translated at year-end exchange rates prevailing at that reporting date;
- Income and expenses are translated at average exchange rates for the period; and
- Retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations are transferred directly to the group's foreign currency translation reserve in the statement of financial position. These differences are recognised in profit or loss in the period in which the operation is disposed.

(m) Employee Entitlements

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to reporting date. Employee benefits that are expected to be settled wholly within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

(n) Cash

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of one month or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

(o) Revenue

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

All revenue is stated net of the amount of goods and services tax (GST).

(p) Trade and Other Creditors

These amounts represent liabilities for goods and services provided to the Consolidated Entity prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

(q) Contributed Equity

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

(r) Earnings Per Share

- Basic earnings per share: Basic earnings per share are determined by dividing the net loss attributable to equity holders of the Company, by the weighted average number of ordinary shares outstanding during the 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.

(s) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

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

(t) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(u) Critical Accounting Estimates and Judgements

The application of accounting policies requires the use of judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical knowledge and experience, best available information and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions are recognised in the period in which the estimate is revised if it affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The critical accounting estimates and judgements applicable to this financial report are as follows:

Exploration and evaluation expenditure

The Group capitalises expenditure relating to exploration and evaluation where it is considered likely to be recovered or where the activities have not reached a stage which permits a reasonable assessment of the existence of reserves. While there are certain areas of interest from which no reserves have been extracted, the directors are of the continued belief that such expenditure should not be written off since feasibility studies in such areas have not yet concluded.

Factors that could impact the future recoverability include the level of reserves and resources, future technological changes, costs of drilling and production, production rates, future legal changes and changes to 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.

Acquisition of subsidiaries

The acquisition of subsidiaries that do not constitute a business as defined by AASB 3 Business Combinations are accounted for as an acquisition of an asset. In making these assessments, judgement is applied with regards to whether inputs, processes and outputs are associated with these acquisitions.

Share-based payment transactions:

The Group measures the cost of equity-settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using appropriate valuation models, which incorporate various estimates and assumptions (Note 16).

The Group measures the cost of cash-settled share-based payments at fair value at the grant date using appropriate valuation models taking into account the terms and conditions upon which the instruments were granted.

Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of Balkan Mining & Minerals Limited. The Group's sole operating segment is consistent with the presentation in these consolidated financial statements.

Recovery of deferred tax assets

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

(v) Equity-settled compensation

Share-based payments to employees and directors are measured at the fair value of the instruments issued. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The corresponding amount is recorded to reserves. The fair value of share-based payments is determined using the appropriate pricing model. The number of shares, options and performance rights expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognised for services received as consideration for the equity instruments granted is based on the number of equity instruments that eventually vest.

(w) New, revised or amending Accounting Standards and Interpretations adopted

Australian Accounting Standards

New Accounting Standards and Interpretations not yet mandatory or early adopted

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

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

2. Financial Risk Management Policies

The group's principal financial instruments comprise mainly of deposits with banks, receivable and payables.

The Group manages its exposure to key financial risks, including interest rate and currency risk in accordance with the Group's financial risk management policy. The objective of the policy is to support the delivery of the Group's financial targets whilst protecting future financial security.

Primary responsibility for identification and control of financial risks rests with the Board. The Board reviews and agrees policies for managing each of the risks identified below.

a. Treasury Risk Management

Due to the size of the group, responsibility for identification and control of financial risks rests with the Board of Directors. This includes the use of hedging derivative instruments, credit risk policies and future cash flow requirements. The level of activity during the financial year did not warrant using derivative financial instruments such as foreign exchange contracts and interest rate swaps to hedge certain risk exposures.

b. Financial Risk Exposures and Management

The group's activities expose it to financial risks, market risk (including currency risk, fair value interest rate risk), credit risk, liquidity risk and cash flow interest rate risk. The level of activity during the financial year did not warrant using derivative financial instruments such as foreign exchange contracts and interest rate swaps to hedge certain risk exposures. Where relevant and appropriate, the Company will avail itself of appropriate hedging instruments in future financial years.

c. Foreign Exchange Risk

Foreign exchange risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the entity's functional currency.

As a result of operations in Canada and Serbia, the Group's statement of financial position can be affected by movements in the CAD/AUD, RSD/AUD and EUR/AUD exchange rates. The Group also has transaction currency exposure. Such exposure arises from purchases by an operating entity in currencies other than the functional currency.

The following table details the Group's exposure at the reporting date to foreign exchange risk arising from recognized assets or liabilities denominated in currencies other than the functional currency to which they relate.

Year ended 30 June 2023	**2023 RSD**	**2023 CAD**	**2022 RSD**	**2022 CAD**
Cash and cash equivalents	2,568	226	33,463	-
Trade and other receivables	1,869	83,448	2,011	-
Trade and other payables	(8,364)	(158,784)	(28,082)	-
Overall net exposure	**(3,927)**	**(75,110)**	**7,392**	**-**
+/- 10% in foreign exchange rates	392	7,511	739	-

d. Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at reporting date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The group did not have any material credit risk exposure to any single debtor or group of debtors at reporting date.

e. Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash to fund the group's activities. The directors regularly monitor the Company's cash position and on an on-going basis consider a number of strategic initiatives to ensure that adequate funding continues to be available.

The table below reflects all contractually fixed pay-offs and receivables for settlement, repayments and interest resulting from recognised financial assets and liabilities. The undiscounted cash flows for the respective upcoming fiscal years are presented. Cash flows for financial assets and liabilities without fixed amount or timing are based on the conditions existing at 30 June 2023.

Maturity analysis of financial assets and liability based on management's expectation

The risk implied from the values shown in the table below, reflects a balanced view of cash inflows and outflows. Trade payables and other financial liabilities mainly originate from the financing of the day to day operations of the group. These assets are considered in the group's overall liquidity risk.

Year ended 30 June 2023	≤ 6 months $	6-12 months $	1-5 years $	> 5 years $	Total $
Consolidated financial assets					
Cash and cash equivalents	2,121,586	-	-	-	2,121,586
Trade and other receivables	92,248	49,000	-	-	141,248
	2,213,834	**49,000**	**-**	**-**	**2,262,834**
Consolidated financial liabilities at amortised cost					
Trade and other payables	380,391	-	-	-	380,391
Lease liability	62,512	15,488	-	-	78,000
	442,903	**15,488**	**-**	**-**	**458,391**

Year ended 30 June 2022	≤ 6 months $	6-12 months $	1-5 years $	> 5 years $	Total $
Consolidated financial assets					
Cash and cash equivalents	3,615,646	-	-	-	3,615,646
Trade and other receivables	12,534	-	-	-	12,534
	3,628,180	**-**	**-**	**-**	**3,628,180**
Consolidated financial liabilities at amortised cost					
Trade and other payables	84,010	-	-	-	84,010
	84,010	**-**	**-**	**-**	**84,010**

f. Interest Rate Risk

From time to time the Group has significant interest bearing assets, but they are as results of the timing of equity raisings and capital expenditure rather than a reliance on interest income. The interest rate risk arises on the rise and fall of interest rates. The Group's income and operating cash flows are not expected to be materially exposed to changes in market interest rates in the future and the expose to interest rates is limited to the cash and cash equivalents balances.

At reporting date, the group had the following mix of financial assets and liabilities exposed to variable interest rate risk that are not designated in cash flow hedges:

	2023 $	2022 $
Financial Assets		
Cash and cash equivalents	2,121,586	3,615,646
Net exposure	**2,121,586**	**3,615,646**

The following sensitivity analysis is based on the interest rate risk exposures in existence at the reporting date.

At 30 June 2023, if interest rates had moved, as illustrated in the table below, with all other variables held constant, post tax profit and equity would have been affected as follows:

Judgments of reasonably possible movements:	Post Tax Profit Higher/(Lower)		Equity Higher/(Lower)	
	2023 $	2022 $	2023 $	2022 $
Consolidated				
+/- 1% in interest rates	28,686	18,084	28,686	18,084

The movements in profit are due to higher/lower interest costs from variable rate cash balances. The movements are reasonable with reference to the historical interest rate fluctuations.

f. Price Risk

The Group's exposure to commodity and equity securities price risk is minimal at present.

g. Net Fair Values

Due to short term nature of the receivables and payables the carrying value approximates the fair value.

3. Consulting and Professional fees

	Consolidated entity 2023 $	Consolidated entity 2022 $
Legal fees	148,621	111,004
Consulting fees	69,119	86,976
Corporate advisory fees	167,343	500,000
	385,083	**697,980**

4. Income Tax Expense

	Consolidated entity 2023 $	Consolidated entity 2022 $
(a) Income tax expense / (benefit)		
Current tax	-	-
Deferred tax	-	-
Income tax expense	-	-
(b) Amounts recognized directly in equity		
Current tax	-	-
Deferred tax	-	-
Income tax expense	-	-
	-	-

Income Tax Expense (continued)	2023 $	2022 $
(c) Reconciliation of income tax expense to prima facie tax payable		
Profit/(loss) from ordinary activities before income tax expense	(4,983,401)	(3,078,739)
Prima facie tax benefit on loss from ordinary activities before income tax at 25% (2022: 30%)	(1,245,850)	(923,622)
Tax effect of amounts which are non-deductible (taxable) in calculating taxable income:		
- non-deductible expenses relating to foreign projects	632,822	839,564
- temporary differences and tax losses not recognized	613,028	84,058
Income tax expense / (benefit)	-	-
(d) Deferred tax assets/(liability)		
Tax losses	800,712	187,684
Net deferred tax assets not recognised	800,712	187,684

The net deferred tax balances are not recognised since it is not probable at the reporting date that future taxable profits will be available to utilise deductible temporary differences and losses.

5. Loss per Share

	Consolidated entity 2023 $	Consolidated entity 2022 $
Loss attributable to ordinary equity holders	(4,897,286)	(3,085,326)
Losses used to calculate basic and diluted EPS	(4,897,286)	(3,085,326)
Weighted average number of ordinary shares outstanding during the period used in calculating basic EPS	55,130,165	45,243,288
Weighted average number of ordinary shares outstanding during the period used in calculating diluted EPS	55,130,165	45,243,288

Anti-dilutive options and rights have not been used in the EPS calculation. As at 30 June 2023, there were 6,000,000 options and 10,900,000 performance rights on issue.

6. Auditor's Remuneration

	Consolidated entity 2023	Consolidated entity 2022
Remuneration of PKF Perth for:	$	$
Auditing or reviewing of financial reports	59,950	38,500
Preparation of limited assurance report	-	-
	59,950	**38,500**

7. Cash and Cash Equivalents

	Consolidated entity 2023 $	Consolidated entity 2022 $
Cash at bank and on hand	2,121,586	3,615,646
	2,121,586	**3,615,646**

8. Current Trade and other Receivables

	Consolidated entity 2023 $	Consolidated entity 2022 $
Other receivables	49,000	-
Receivables – GST/HST	92,248	12,534
	141,248	**12,534**

There are no balances within trade and other receivables that are impaired and are past due. It is expected these balances will be received when due.

The Group has no significant concentration of credit risk with respect to any single counter party or group of counter party. The class of assets described as trade and other receivables is considered to be the main source of credit risk related to the Group.

9. Exploration and evaluation assets

	Consolidated entity 2023 $	Consolidated entity 2022 $
Opening balance	1,704,219	1,502,693
Asset acquisition [1]	1,026,045	-
Exploration capitalized	740,840	222,466
Provision for impairment [2]	(1,977,054)	-
Unrealised FX movement	50,853	(20,940)
Closing balance	**1,544,903**	**1,704,219**

1. Refer to Note 14 for details regarding the project acquisitions completed during the year ended 30 June 2023.

2 The Company's assessment of the carrying amount for the Group's exploration expenditures was made after considering prevailing market conditions together with previous expenditures, exploration success and work carried out on the Company's projects with focus on high value opportunities ahead. In light of successful exploration results and the accelerated exploration and evaluation of the Company's Canadian Project and the associated capital requirements, in combination with the recent events in Serbia which has lead to the deferral of the Company's proposed drilling Serbian campaign, the Company at this stage as a matter of prudence has, in line with accounting treatments and purposes, recognized a provision for impairment relating to its Serbian projects during the period. However, the Company still believes the Serbian projects have high prospectivity and will be progressing activities aimed at seeking a pathway in the future to undertake exploration on the projects.

10. Controlled Entities

The Consolidated Entity incorporates the assets, liabilities and results of the following companies:

		Percentage Interest	
	Country of Incorporation	**2023**	**2022**
Centralist Pty Ltd	Australia	100%	100%
Balkan Istraživanja d.o.o	Republic of Serbia	100%	100%
Balkan Tango Inc	Canada	100%	-
Balkan Mining Canada Inc	Canada	100%	-

11. Trade and Other Payables

	Consolidated entity 2023 $	Consolidated entity 2022 $
Unsecured liabilities		
Trade payables	380,391	84,012
	380,391	**84,012**

All amounts are short-term and the carrying values are considered to approximate fair value.

12. Contributed equity

	Note	Consolidated entity 2023 $	Consolidated entity 2022 $
61,072,014 (30 June 2022: 46,050,000) Fully paid ordinary shares	(a)	10,582,991	8,292,437
a) Ordinary Shares			
At beginning of the reporting period		8,292,437	1,443,557
Issue of shares – capital raising		1,900,000	6,500,000
Issue of shares – acquisition of projects		854,204	-
Issue of shares – consulting services		59,000	648,750
Issue of shares – conversion of performance rights		-	99,200
Capital raising costs		(522,650)	(399,070)
At reporting date		**10,582,991**	**8,292,437**

(a) Ordinary Shares (continued)	2023 $ No. Shares	2022 $ No. Shares
At the beginning of reporting period	46,050,000	10,000,000
Issue of shares – capital raising	11,333,333	32,500,000
Issue of shares – acquisition of projects	3,658,681	
Issue of shares – consulting services	30,000	2,750,000
Issue of shares – conversion of performance rights	-	800,000
At the end of reporting period	**61,072,014**	**46,050,000**

Ordinary shares have no par value and participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held. Every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

b) Capital management

Management controls the capital of the group in order to maintain a good debt to equity ratio, provide the shareholders with adequate returns and ensure that the group can fund its operations and continue as a going concern.

The group's debt and capital include ordinary share capital and financial liabilities, supported by financial assets.

There are no externally imposed capital requirements.

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

	Consolidated entity 2023 $	**Consolidated entity 2022 $**
Total borrowings	-	-
Less cash and cash equivalents	(2,121,586)	(3,615,646)
Net debt	(2,121,586)	(3,615,646)
Total equity	10,582,991	8,292,438
Total capital	**8,461,405**	**4,676,791**

13. Reserves

	Consolidated entity 2023 $	**Consolidated entity 2022 $**
Reserves		
Foreign currency reserve	75,695	(10,420)
Option reserve 6,000,000 (30 June 2022: 4,000,000)	850,164	420,209
Performance right reserve 10,900,000 (30 June 2022: 2,100,000)	563,749	166,807
Performance bonus reserve (30 June 2022: Nil)	30,249	-
	1,519,857	**576,596**

a) Foreign Currency Reserve	**2023 $**	**2022 $**
At the beginning of reporting period	(10,420)	(3,883)
Movement	86,115	(6,537)
At the end of reporting period	**75,695**	**(10,420)**

b) Share Based Payment Reserves		
Option Reserve	**$**	**$**
At beginning of the reporting period	420,209	-
Issue of options	406,000	349,131
Options expense	23,955	71,078
At the end of reporting period	**850,164**	**420,209**
	No. of options	**No. of options**
At beginning of the reporting period	4,000,000	-
Issue of options	2,000,000	4,000,000
At the end of reporting period	**6,000,000**	**4,000,000**

b) Share Based Payment Reserves (continued)		
Performance Right Reserve	**$**	**$**
At beginning of the reporting period	166,807	-
Performance rights expense	396,942	266,007
Conversion of performance rights	-	(99,200)
At the end of reporting period	**563,749**	**166,807**
	No. of performance rights	**No. of performance rights**
At beginning of the reporting period	2,100,000	-
Issue of performance rights	8,800,000	2,900,000
Conversion of performance rights	-	(800,000)
At the end of reporting period	**10,900,000**	**2,100,000**

c) Share Based Payment Reserves (continued)		
Performance Bonus Reserve	**$**	**$**
At beginning of the reporting period	-	-
Performance bonus expense	30,249	-
At the end of reporting period	**30,249**	**-**

Employee performance rights & options plan

The Company has adopted a Performance Rights and Option Plan to (a) establish a method by which directors or employees of the Company (Eligible Persons) can participate in the future growth and profitability of the Company; (b) provide an incentive and reward for Eligible Persons for their contributions to the Company; and (c) attract and retain a high standard of managerial and technical personnel for the benefit of the Company.

Each PR is exercisable for one ordinary share at nil consideration, upon satisfaction of certain performance hurdles set in the Performance Rights and Options Plan (refer to Note 16 for details).

During the year ended 30 June 2023 8,800,000 PRs were issued (2022: 2,900,000), nil PRs were exercised (2022: 800,000) and Nil PRs lapsed (2022: nil).

14. Asset Acquisitions

The acquisitions were not accounted for as a business combination as the assets acquired did not meet the definition of a business as per AASB 3 Business Combinations at the date of the acquisition. Namely, the assets do not constitute an integrated set of activities, and assets that are capable of providing goods to customers, generating investment income, or generating other income from ordinary activities at the time of the acquisitions.

For asset acquisitions settled via share-based payment arrangements, the Group measures the cost of the asset at the fair value of the asset acquired, or if this cannot be determined, at the fair value of the equity instruments. Consideration settled via issue of shares has been accounted under AASB 2 Share-based Payment. Given the nature of the assets acquired, the fair value of the assets were unable to be determined and the transactions were recorded at the fair value of the equity instruments granted at acquisition date. Deferred consideration attributable to the transactions has been deemed to be not probable hence recognised at nil at acquisition date.

Gorge Lithium Project, Canada

During the period, the Company entered into a binding agreement with Ombabika Group Inc. (a company incorporated under the laws of Canada and an unrelated party of the Company) to acquire 100% of the Gorge lithium Project (Transaction).

Under the Transaction, the Company has the option to acquire 100% in the Gorge Lithium Project via a staged earn-in acquisition over a period of up to 3.5 years (defined below) (each a Stage) and by satisfying the following conditions (Stage Conditions):

(a) Acquisition of 25% interest: The Group will acquire an initial 25% interest in the Project (Initial Interest) by: (i) making a cash payment of $50,000 to Ombabika within 5 days of execution of the formal option and earn-in agreement (Agreement Signing Date); (ii) funding $100,000 to complete an initial field work program focusing on high grade dykes within six months of the Agreement Signing Date; and (iii) issuing $50,000 worth of Shares to Ombabika, with the number of Shares based on the volume weighted average price (VWAP) of Shares, calculated over the 10 trading days before the date of issue of the Shares, subject to a floor price of $0.15 (Floor Price) (such that a maximum of 333,333 Shares may be issued), (together, Stage 1).

(b) Acquisition of 50% interest: The Group will acquire a further 25% interest in the Project (such that it holds a 50% interest) (50% Interest) by: (i) making a cash payment of $60,000 on or before the date that is 12 months after the Group earns the Initial Interest; (ii) funding exploration works of at least $250,000 on or before the date that is 12 months after the Group earns the Initial Interest; and (iii) issuing $100,000 worth of Shares to Ombabika, based on the VWAP of Shares, calculated over the 10 trading days before the date of issue of the Shares, subject to the Floor Price (such that a maximum of 666,667 Shares may be issued), (together, Stage 2).

(c) Acquisition of 75% interest: The Group will acquire a further 25% interest in the Project (such that it holds a 75% interest) (75% Interest) by: (i) making a cash payment of $75,000 on or before the date that is 12 months after the Group earns the 50% Interest; (ii) funding exploration works totalling of at least $300,000 on or before the date that is 12 months after the Group earns the 50% Interest; and (iii) issuing $100,000 worth of Shares to Ombabika, based on the VWAP of Shares, calculated over the 10 trading days before the date of issue of the Shares, subject to the Floor Price (such that a maximum of 666,667 Shares may be issued), (together, Stage 3).

(d) Acquisition of 100% interest: The Group will acquire a further 25% interest in the Project (such that it holds an 100% interest) by: (i) making a cash payment of $100,000 on or before the date that is 12 months after the Group earns the 75% Interest; (ii) funding exploration works totalling of at least $500,000 on or before the date that is 12 months after the Group earns the 75% Interest; and (iii) issuing $150,000 worth of Shares to Ombabika, based on the VWAP of Shares, calculated over the 10 trading days before the date of issue of the Shares, subject to the Floor Price (such that a maximum of 1,000,000 Shares may be issued), (together, Stage 4)

As of 30 June 2023, the Group had completed stage 1 cash payment of $50,000 and issue of $50,000 worth of shares to Ombabika.

Notwithstanding any other provisions of the Transaction, the Group can elect, at any time and at its sole and absolute discretion, to accelerate the Transaction and satisfy all of the Stage Conditions at one time with the effect that the Company will acquire an 100% interest in the Project in one stage.

Further, the Group can elect to withdraw from the Transaction at any time and at its sole and absolute discretion. If the Group elects to withdraw from the Transaction or does not satisfy the Stage Conditions in full, the Group will not retain any interest in the Project (and any interest acquired or deemed to have been acquired will be transferred back to Ombabika), any funds paid to Ombabika or expended on the Project pursuant to the Stage Conditions will not be refunded to the Company and any Shares issued to Ombabika pursuant to the Stage Conditions shall be retained by Ombabika and not subject to forfeiture or cancellation by the Company for any reason.

Upon the Group acquiring a 100% interest in the Gorge Lithium Project, Ombabika will be granted a 2% net smelter royalty on all lithium production from the Project. The Group will have the right, but not the obligation, to repurchase back 1% of the NSR for $1,000,000.

Details of the acquisition are as follows:

	Consolidated entity 2023 $
Purchase consideration	
Share issue consideration	50,000
Cash consideration	50,000
Total purchase consideration	**100,000**
Assets acquired	
Exploration and evaluation	100,000
Total assets acquired	**100,000**

Tango Lithium Project, Canada

During the period, the Company entered into an exclusive option agreement with Exiro Minerals Corp ("Exiro") (an entity incorporated in Canada) pursuant to the Company's exclusive 3 year option agreement to acquire 100% interest in the Tango Lithium Project on following key terms and conditions:

(a) The Group completing the following cash payments and share issuance of:

(i) CAD$50,000 cash and CAD$100,000 in shares of BMM;

(ii) CAD$25,000 cash and CAD$75,000 in shares of BMM on or before the 1st anniversary;

(iii) CAD$30,000 cash and CAD$90,000 in shares of BMM on or before the 2nd anniversary;

(iv) CAD$35,000 cash and CAD$105,000 in shares of BMM on or before the 3rd anniversary;

(BMM Shares to be priced at 20 day volume weighted average closing share price).

(b) Exiro retains a 2% net smelter return royalty; and

(c) should the Group elect not to proceed with the transaction during the period, and cash payments and share issuances are not paid by the stipulated dates, the Company's right to earn an interest in the Project will be extinguished and the Agreements will be terminated. Upon such termination, Exiro will be entitled to retain any cash and shares it has received prior to the date of termination. The Group also commits to returning the Property to Exiro in good standing for a minimum of 12 months from the date of lapse of the Option.

As of 30 June 2023, the Company had completed initial cash payment of $54,957 (CAD50,000) and issue of $114,204 (CAD100,000) worth of shares to Exiro.

Details of the acquisition are as follows:

	Consolidated entity
	2023
Purchase consideration	**$**
Share issue consideration	114,204
Cash consideration	54,957
Total purchase consideration	**169,161**
Assets acquired	
Exploration and evaluation	169,161
Total assets acquired	**169,161**

Arrel Lithium Project, Canada

During the period, the Company acquired the Arrel Project in Ontario, Canada. In consideration for acquiring the claims, the Company agreed to a cash payment of CAD$54,000 and granting a 1.5% net smelter royalty to the vendors.

Details of the acquisition are as follows:

	Consolidated entity
	2023
Purchase consideration	**$**
Cash consideration	59,347
Total purchase consideration	**59,347**
Assets acquired	
Exploration and evaluation	59,347
Total assets acquired	**59,347**

Barbara Lithium Project, Canada

During the period, the Company acquired the Barbara Project in Ontario, Canada. In consideration for acquiring the claims, the Company issued 3,000,000 fully paid shares in the Company and agreed to granting a 1.5% net smelter royalty to the vendors.

Details of the acquisition are as follows:

	Consolidated entity 2023 $
Purchase consideration	
Share issue consideration	690,000
Total purchase consideration	**690,000**
Assets acquired	
Exploration and evaluation	690,000
Total assets acquired	**690,000**

Corvette North and Corvette Northwest

In December 2022, the Company announced that it had directly staked two new projects, Corvette North, and Corvette Northwest, in emerging lithium district of James Bay in Quebec, Canada, for $7,537.

15. Key Management Personnel Disclosures

Aggregate Compensation	Consolidated entity 2023 $	Consolidated entity 2022 $
Short term employee benefits	606,430	490,594
Share-based payments	537,398	456,631
	1,143,828	**947,226**

16. Share-based Compensation

	Consolidated entity 2023 $	Consolidated entity 2022 $
Options expense	23,955	420,209
Lead manager options[1]	406,000	-
Performance rights expense	396,942	166,807
Performance rights converted to shares	-	99,200
LTI performance bonus expense	30,250	-
Acquisition of assets [2]	854,204	-
Consulting services [3]	59,000	648,750

1. Included in capital raising costs (Note 12a)
2. Refer to note 14.
3. In October 2022, the Company issued $50,000 worth of shares (130,378 shares at an issue price of $0.384 per share) to the Company's advisor for introductory services provided to the Company in respect of the acquisition of the Gorge Lithium Project.

In December 2022, the Company issued $9,000 worth of shares (30,000 shares at an issue price of $0.30 per share) for corporate consulting services provided to the Company.

In July 2021, the Company completed its ASX listing and closed the Offers made under its Prospectus dated 25 May 2021. As a result, in July 2021, the Company issued $500,000 worth of Shares (2,500,000 shares at issue price of $0.20 per share) to the Company's Corporate Advisor for corporate advisory services provided to the Company. These shares were subject to ASX escrow provisions until 14 July 2023.

In November 2021, the Company issued $148,750 worth of shares (250,000 shares at issue price of $0.595 per share) to corporate advisors, Pasala Exploration and Mining d.o.o.

Movement and valuation of options

The movements in options during the financial year ended 30 June 2023 are as follows:

	2023		2022	
	No.	Weighted average grant date fair value $	No.	Weighted average grant date fair value $
Outstanding at the beginning of the period	4,000,000	0.110	-	-
Granted during the period	2,000,000	0.203	4,000,000	0.110
Exercised during the period	-	-	-	-
Outstanding at the end of the period	**6,000,000**	**0.142**	**4,000,000**	**0.110**
Exercisable at the end of the period	6,000,000	0.142	4,000,000	0.110

The following table details the number and weighted average grant fair value at grant date of options outstanding at the period end.

Grant date	Exercise price	Expiry date	No.	Weighted average grant date fair value$
06/07/2021	$0.50	06/07/2024	3,500,000	$0.0860
30/08/2021	$0.75	31/08/2023	250,000	$0.3089
30/08/2021	$1.00	31/08/2023	250,000	$0.2645
06/10/2022	$0.30	06/10/2025	2,000,000	$0.2030
			6,000,000	**$0.1417**

Options Valuation

The fair value of the services received in return for options granted are measured by reference to the fair value of the options granted or the service provided. The fair value of the services is recognised as an expense on a straight-line basis over the vesting period.

In determining the fair value of options granted during the year ended 30 June 2023, the Company has applied Black-Scholes models, using the following inputs:

Valuation date	06/10/2022	Expiry Date	06/10/2025
No issued	2,000,000	Expected volatility	100%
Share price	$0.32	Risk free rate	3.34%
Exercise price	$0.30	Dividend yield	-

Movement and valuation of performance rights

The movements in performance rights during the year ended 30 June 2023 are as follows:

	2023		2022	
	No.	Weighted average grant date fair value $	No.	Weighted average grant date fair value $
Outstanding at the beginning of the period	2,100,000	0.208	-	-
Granted during the period	8,800,000	0.409	2,900,000	0.185
Exercised during the period	-	-	(800,000)	0.124
Outstanding at the end of the period	**10,900,000**	**0.330**	**2,100,000**	**0.208**
Exercisable at the end of the period	-	-	-	-

The following table details the number and weighted average grant fair value at grant date of performance rights outstanding at the period end.

Grant date	Expiry date	Performance Hurdle	No.	Weighted average grant date fair value$
06/07/2021	06/07/2024	(a)	800,000	0.118
06/07/2021	06/07/2024	(b)	800,000	0.098
30/08/2021	31/08/2023	(c)	500,000	0.530
13/02/2023	13/02/2026	(d)	3,000,000	0.401
13/02/2023	13/02/2026	(e)	1,800,000	0.341
13/02/2023	13/02/2026	(f)	4,000,000	0.445
			10,900,000	**$0.330**

The performance hurdles are summarised below:

(a) Absolute shareholder return: Performance Rights to be convertible into shares, subject to satisfaction of the Company achieving a VWAP of Shares of at least $1.20, calculated over 20 consecutive trading days on which the Company's Shares have traded;

(b) Absolute shareholder return: Performance Rights to be convertible into shares, subject to satisfaction of the Company achieving a VWAP of Shares of at least $1.80, calculated over 20 consecutive trading days on which the Company's Shares have traded;

(c) Operational: Performance Rights to be converted into shares, upon the successful return of a Commercial Drilling Intersection, on or before 31 August 2023, and one year of continued employment from the date these Performance Rights are issued.

A Commercial Drilling Intersection is defined to be an ore grade and width discovery metric of 4 meters (a standard underground continuous mining width) of mineralisation in the form of either borate mineralisation containing +25% B_2O_3 or lithium – boron mineral containing +0.8% Li_2O and +12.5% B_2O_3.

(d) Absolute shareholder return: Performance Rights to be convertible into shares, subject to the satisfaction of the Company achieving a market capitalisation of no less than $40,000,000;

(e) Absolute shareholder return: Performance Rights to be convertible into shares, subject to the satisfaction of the Company achieving a market capitalisation of no less than $80,000,000; and

(f) Operational: Performance Rights to be convertible into shares, subject to the Company achieving the successful return of a "commercial lithium drilling intersection". A commercial drilling intersection is defined to be an ore grade and width discovery metric of 4 meters (a standard underground continuous mining width) of mineralisation in the form of lithium mineral containing +1.0% Li_2O.

Performance Rights Valuation

The fair value of the services received in return for PRs granted are measured by reference to the fair value of the PRs granted. The fair value of the services is recognised as an expense on a straight-line basis over the vesting period and is determined by multiplying the fair value per PR by the number of PRs expected to vest.

The probability of achieving market performance conditions is incorporated into the determination of the fair value per PR. No adjustment is made to the expense for PRs that fail to meet the market condition. The number of PRs expected to vest based on achievement of operational conditions, are adjusted over the vesting period in determining the expense to be recognised in the consolidated income statement. In order to convert PRs, the holders are required to be continually engaged with the Group at the time of achieving the performance hurdles.

In determining the fair value of PRs granted during the year ended 30 June 2023, the Company has applied a barrier up-and-in Trinomial pricing model with a Parisian barrier adjustment, Binomial option pricing and Monte Carlo Simulation models, used an exercise price of nil and a dividend yield of nil. Other inputs in relation PRs are:

Valuation date	13/02/2023	13/02/2023	13/02/2023
No issued	3,000,000	1,800,000	4,000,000
Share price	$0.445	$0.445	$0.445
Expiry Date	13/02/2026	13/02/2026	13/02/2026
Expected volatility	110%	110%	110%
Risk free rate	3.455%	3.455%	3.455%
Vesting Condition	(d)	(e)	(f)

Movement and valuation of LTI Performance Bonus

The Company has agreed the below LTI Performance Bonus for director, Karl Simich.

In the event the Company achieves a market capitalisation of AUD$80,000,000 before 13 February 2026, (Achievement), Mr Simich (or his nominees) will be entitled to a performance bonus to the value of 2,200,000 fully paid ordinary shares of the Company as at the date of the Achievement (LTI Performance Bonus). The LTI Performance Bonus is payable by the Company to Mr Simich (or his nominees) in cash or (subject to Shareholder approval) by the issuing of the shares. The Company has the option to seek Shareholder approval by calling a Shareholder meeting no later than 40 days following the Achievement date. In the absence of Shareholder approval within the 40-day time period, the Company must pay the Performance Bonus in cash. Should the Company not achieve the Achievement within the relevant period, this Performance Bonus shall lapse.

LTI Performance Bonus Valuation

The fair value of the services received in return for LTI Performance Bonus granted are measured by reference to the fair value of the LTI Performance Bonus shares granted. The fair value of the services is recognised as an expense on a straight-line basis over the vesting period and is determined by multiplying the fair value per LTI Performance Bonus by the number expected to vest.

The probability of achieving market performance conditions is incorporated into the determination of the fair value per LTI Performance Bonus. No adjustment is made to the expense for PRs that fail to meet the market condition.

In determining the fair value of LTI Performance Bonus granted during the year ended 30 June 2023, the Company has applied a barrier up-and-in Trinomial pricing model with a Parisian barrier adjustment, used an exercise price of nil and a dividend yield of nil, with other inputs including:

Valuation date:	13/02/2023	Expected volatility:	110%
No issued:	2,200,000	Risk free rate:	3.455%
Share price:	$0.445	Vesting Condition:	See above
Expiry Date:	13/02/2026		

17. Accumulated Losses

	Consolidated entity 2023 $	Consolidated entity 2022 $
Accumulated losses at the beginning of the financial year.	3,522,320	443,581
Loss during the current year	4,983,401	3,078,739
Accumulated losses at the end of the financial year	**8,505,721**	**3,522,320**

18. Segment Information

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (the chief operating decision makers) in assessing performance and in determining the allocation of resources.

The Group's reportable segments have been identified around geographical areas and regulatory environments. The following table presents revenue and result information and certain asset and liability information regarding the relevant segments for the year ended 30 June 2023 for the consolidated entity.

Segment Information	**Serbia**	**Canada**	**Total**
Year to 30 June 2023	**$**	**$**	**$**
Segment Results			
Other income	73	-	73
Supplier, consulting, investor relations and other expenses	(449,463)	(869)	(450,332)
Impairment provision	(1,977,054)	-	(1,977,054)
Employee benefit expenses	(24,798)	-	(24,798)
Segment result	(2,451,242)	(869)	(2,452,111)
Corporate expenses, net of other income			(2,531,290)
Total			(4,983,401)
Segment assets and liabilities – at 30 June 2023			
Cash at bank, trade & other receivables	4,448	83,448	87,896
Segment other assets	1,045	-	1,045
Segment property, plant & equipment	78,469	-	78,469
Segment exploration assets	-	1,544,903	1,544,903
Segment liabilities	(8,365)	(158,784)	(167,149)
Segment total	75,597	1,469,567	1,545,164
Corporate assets			2,352,221
Corporate liabilities			(300,258)
Total			3,597,127

Segment Information	Serbia	Canada	Total
Year to 30 June 2022	**$**	**$**	**$**
Segment Results			
Other income	718	-	718
Supplier, consulting, investor relations and other expenses	(223,277)	-	(223,277)
Employee benefit expenses	(32,633)	-	(32,633)
Segment result	(255,192)	-	(255,192)
Corporate expenses			(2,823,547)
Total			(3,078,739)
Segment assets and liabilities – at 30 June 2022			
Cash at bank, trade & other receivables	35,484	-	35,484
Segment other assets	7,165	-	7,165
Segment property, plant & equipment	53,929	-	53,929
Segment exploration assets	1,704,219	-	1,704,219
Segment liabilities	(28,082)	-	(28,082)
Segment total	1,772,715	-	1,772,715
Corporate assets			3,678,308
Corporate liabilities			(104,310)
Total			5,346,713

19. Related Party Transactions

Directors and key management personnel

Disclosures relating to directors and key management personnel are set out in Directors' Report.

Other related party transactions

Purchases from and sales to related parties are made on terms equivalent to those that prevail in arm's length transactions. During the year ended 30 June 2023, there was no other related party transactions (30 June 2022, $117,401).

20. Contingent Assets and Liabilities

As at the date of this report there are no claims or contingent liabilities that are expected to materially impact, either individually or in aggregate the company's financial position or results from operations, other than as set out above.

21. Cash Flow Information

Reconciliation of Loss after Income Tax to Net Cash Outflow from Operating Activities

	Consolidated entity 2023 $	Consolidated entity 2022 $
Loss after income tax	(4,983,401)	(3,078,739)
Adjustment for non-cash items		
Foreign loss	10,695	31,240
Depreciation & amortisation	9,508	12,285

Impairment provision	1,977,054	-
Share based payments	460,147	1,334,966
Increase/(decrease) in:		
(Decrease) in GST receivables	(18,462)	9,727
(Decrease) in other receivables	-	180
(Decrease) in other current assets	901	13,738
(Decrease)/ increase in trade and other payables	123,867	(224,842)
(Decrease)/ increase in financing activities	-	265,439
Net cash outflow from operating activities	**(2,419,691)**	**(1,636,006)**

22. Parent Entity Disclosures

Parent Entity	**2023 $**	**2022 $**
Assets		
Current assets	2,255,989	3,651,973
Non-current assets	1,547,377	2,051,386
Total Assets	**3,803,366**	**5,703,359**
Liabilities		
Current liabilities	284,769	97,952
Non-current liabilities	15,488	6,358
Total Liabilities	**300,257**	**104,310**
Net Assets/(Liabilities)	**3,503,109**	**5,599,049**
Equity		
Issued capital	10,582,991	8,292,438
Reserves	1,444,163	587,016
Accumulated losses	(8,524,045)	(3,280,404)
Total Equity	**3,503,109**	**5,599,049**
Financial Performance		
Loss for the year	(5,243,641)	(2,823,547)
Other comprehensive income	-	-
Total comprehensive Loss	**(5,243,641)**	**(2,823,547)**

23. Subsequent Events

Subsequent to year end the following key events have occurred:

(a) In August 2023, the Company received firm commitments to raise $1,484,977 for the issue of 8,647,059 new fully paid ordinary shares at an offer price of $0.17 per New Share ("Placement"). On 22 August 2023, the Company completed the raise of $1,314,977 through the issue of 7,735,160 fully paid ordinary shares. As announced, Director Karl Simich has subscribed for 1,000,000 new shares to raise and additional $170,000, which will be subject to shareholder approval at the Company's 2023 annual general meeting.

(b) In August 2023, the Company engaged Shaw and Partners Limited to act as Sole Lead Manager to the abovementioned Placement. Shaw and Partners received a fee of 6% of gross amount raised under the capital raising and the Company has agreed to issue 3,000,000 unlisted new options with an exercise price of $0.30 each and expiry date of 3 years from the date of issue of the options ("Lead Manager Options"). The issue of the Lead Manager Options is subject to shareholder approval at the Company's 2023 annual general meeting.

(c) On 31 August 2023, 500,000 performance rights, 250,000 options (exe $1.00, exp 31 Aug 2023) and 250,000 options (exe $0.75, exp 31 Aug 2023) lapsed in accordance with their terms and conditions.

(d) On 21 September 2023, the Company announced the commencement of its maiden drilling program at the Gorge Lithium Project located in Ontario, Canada.

Other than operational results as detailed in the review of operations, there are no other significant matters subsequent to year end.

24. Contractual Commitments

	Consolidated entity 2023 $	Consolidated entity 2022 $
Exploration expenditure commitments:		
No longer than 1 year	217,267	629,117
Longer than 1 year and not longer than 5 years	852,177	448,245
	1,069,444	**1,077,362**

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF BALKAN MINING AND MINERALS LIMITED

Report on the Financial Report

Opinion

We have audited the accompanying financial report of Balkan Mining and Minerals Limited (the "Company"), which comprises the consolidated statement of financial position as at 30 June 2023, 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, notes comprising a summary of significant accounting policies and other explanatory information, and the Directors' Declaration of the Company and the consolidated entity comprising the Company and the entities it controlled at the year's end or from time to time during the financial year.

In our opinion the accompanying financial report of Balkan Mining and Minerals Limited is in accordance with the *Corporations Act 2001*, including:

i) Giving a true and fair view of the consolidated entity's financial position as at 30 June 2023 and of its performance for the year ended on that date; and

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

Independence

We are independent of the consolidated entity in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Material Uncertainty Related to Going Concern

Without modifying our opinion, we draw attention to Note 1 in the financial report, which indicates that the consolidated entity has incurred a loss of $4,983,401 (2022: $3,078,739) and a net operating cash outflows of $2,419,691 (2022: $1,636,006) for the year ended 30 June 2023. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the consolidated entity's ability to continue as a going concern and therefore, the consolidated entity may be unable to realise its assets and discharge its liabilities in the normal course of business.

The financial report of the consolidated entity does not include any adjustments in relation to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the consolidated entity not continue as going concern.

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Key Audit Matter

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for 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. In addition to the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined the matter described below to be the key audit matter to be communicated in our report.

Carrying value of Capitalised Exploration Expenditure

Why significant	How our audit addressed the key audit matter

As at 30 June 2023 the carrying value of Exploration and Evaluation assets is $1,544,903 (2022: $1,704,219), as disclosed in Note 9. The impairment of exploration and evaluation assets amounted to $1,977,054 (2022: NIL).
 	
The consolidated entity's accounting policy in respect of exploration and evaluation expenditure is outlined in Note 1. Estimates and judgments in relation to capitalised exploration and evaluation expenditure is also detailed at Note 1.
 	
Significant judgement is required:
 	
• In determining whether facts and circumstances indicate that the exploration and evaluation expenditure should be tested for impairment in accordance with Australian Accounting Standard AASB 6 Exploration for and Evaluation of Mineral Resources ("AASB 6"); and;
• In determining the treatment of exploration and evaluation expenditure in accordance with AASB 6, and the consolidated entity's accounting policy. In particular:
  ○ whether the particular areas of interest meet the recognition conditions for an asset; and
  ○ which elements of exploration and evaluation expenditures qualify for capitalisation for each area of interest.
	Our work included, but was not limited to, the following procedures:
	
	• Conducting a detailed review of management's assessment of impairment trigger events prepared in accordance with AASB 6 including:
	  ○ assessing whether the rights to tenure of the areas of interest remained current at reporting date as well as confirming that rights to tenure are expected to be renewed for tenements that will expire in the near future;
	  ○ holding discussions with the Directors and management as to the status of ongoing exploration programmes for the areas of interest, as well as assessing if there was evidence that a decision had been made to discontinue activities in any specific areas of interest; and
	  ○ obtaining evidence of the consolidated entity's future intention, reviewing planned expenditure and related work programmes.
	• Considering whether exploration activities for the areas of interest had reached a stage where a reasonable assessment of economically recoverable reserves existed;
	• Testing, on a sample basis, exploration and evaluation expenditure incurred during the year for compliance with *AASB 6 – Exploration for and Evaluation of Mineral Resources* and the consolidated entity's accounting policy; and
	• Assessing the appropriateness of the related disclosures in Notes 1 and 9.
	• Determining the impairment expense.

Share based payments.

Why significant	How our audit addressed the key audit matter

For the year ended 30 June 2023 the value of share-based payments totalled $857,146 (2022: $686,216), as disclosed in Note 16 $451,147 (2022: $686,216) has been recognised in the statement of profit or loss and other comprehensive income and the balance $399,999 (2022: NIL) has been recognised within equity as capital raising costs.
 	
The consolidated entity's accounting judgement and estimates in respect of share-based payments is outlined in Note 1. We consider this to be a key audit matter due to significant judgement required in relation to:
 	
• The valuation method used in the model; and
• The assumptions and inputs used within the model.
	Our work included, but was not limited to, the following procedures:
	
	• Reviewed the independent expert's valuations of options issued, including:
	    ○ ensuring the independence of the independent expert;
	    ○ assessing the credentials of the independent expert;
	    ○ assessing the appropriateness of the valuation method used; and
	    ○ assessing the reasonableness of the assumptions and inputs used within the valuation model.
	• Reviewed Board meeting minutes and ASX announcements as well as enquired of relevant personnel to ensure all share-based payments had been recognised;
	• Assessed the allocation and recognition to ensure reasonable; and
	• Assessed the appropriateness of the related disclosures in Note 1 and 16.

Other Information

The Directors are responsible for the other information. The other information comprises the information included in the consolidated entity's annual report for the year ended 30 June 2023, but does not include the financial report and our auditor's report thereon.

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

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

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

Responsibilities of Directors' for the Financial Report

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

In preparing the financial report, the Directors are responsible for assessing the consolidated entity'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 consolidated entity or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in 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 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 consolidated entity'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 consolidated entity'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 consolidated entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the consolidated entity to express an opinion on the group financial report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated 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

We have audited the Remuneration Report included in the Directors' Report for the year ended 30 June 2023.

In our opinion, the Remuneration Report of Balkan Mining and Minerals Limited for the year ended 30 June 2023, 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.

PKF Perth

PKF PERTH

SIMON FERMANIS
AUDIT PARTNER

28 September 2023
WEST PERTH,
WESTERN AUSTRALIA

CORPORATE GOVERNANCE STATEMENT

The Board of Balkan Mining & Minerals Limited are committed to achieving and demonstrating the highest standards of corporate governance. As such, the Company has adopted what it believes to be appropriate corporate governance policies and practices having regard to its size and the nature of its activities.

The Board has adopted the ASX Corporate Governance Principles and Recommendations which are complemented by the Company's core principles of honesty and integrity. The corporate governance policies and practices adopted by the Board are outlined in the Corporate Governance section of the Company's website www.Balkanmin.com.au/corporate-governance/.

BMM has reviewed its corporate governance practices against the Corporate Governance Principles and Recommendations (4th edition) published by the ASX Corporate Governance Council.

The 2023 corporate governance statement is dated 28 September 2023 and reflects the corporate governance practices in place throughout the 2023 financial period.

The 2023 corporate governance statement was approved by the Board on 28 September 2023. A description of the Company's current corporate government practices is set out in the Company's corporate governance statement which can be viewed on the Company's website.

The Company has also lodged an Appendix 4G with this Annual Report.

ADDITIONAL INFORMATION

Additional information required by Australian Securities Exchange Limited and not shown elsewhere in this Annual Report is as follows. The information is as at 15 September 2023.

NUMBER OF HOLDERS OF EQUITY SECURITIES

ORDINARY SHAREHOLDERS

There are 68,807,174 fully paid ordinary shares on issue, held by 849 shareholders.

TWENTY LARGEST SHAREHOLDERS

	Fully Paid Ordinary Shares	
Ordinary Shareholders	Number	Percentage
Sandfire Resources Ltd	11,520,000	16.74
EV Resources Ltd	10,000,000	14.53
Mr Bilal Ahmad	5,955,000	8.65
1361707 B C Ltd	3,000,000	4.36
Mr Sufian Ahmad <Sixty Two Capital A/C>	2,640,000	3.84
Clayton Capital Pty Ltd	2,500,000	3.63
JGM Property Investments Pty Ltd	2,107,802	3.06
Keyrate Enterprises Pty Ltd	1,224,090	1.78
Moutier Pty Ltd	1,200,000	1.74
Clear Elm Pty Ltd <Selby Family A/C>	974,192	1.42
Ms Chunyan Niu	730,390	1.06
Parkrange Nominees Pty Ltd	647,060	0.94
Skyflake Investments Pty Ltd <Skyflake A/C>	600,000	0.87
Ddpevcic (WA) Pty Ltd <Dominic Family A/C>	562,500	0.82
Kobala Investments Pty Ltd <Fernando Edward Family A/C>	550,000	0.80
Eurovest Pty Ltd	532,067	0.77
S Davis Superannuation Pty Ltd <Stephen Davis Super Fund A/C>	515,000	0.75
Spear Holdings 2 Pty Ltd	500,000	0.73
Mr Insaf Mohamed Liyaul Fouz	490,000	0.72
Ms Pharoth San + Mr Kaden San <Pksan Superfund A/C>	472,529	0.69
	46,720,630	**67.9**

VOTING RIGHTS

Each member entitled to vote may vote in person or by proxy or by attorney and on a show of hands. Every person who is a member or a representative or a proxy of a member shall have one vote and on a poll every member present in person or by proxy or attorney or other authorised representative shall have one vote for each share held.

HOLDERS OF NON-MARKETABLE PARCELS

There are 220 shareholders who hold less than a marketable parcel of shares.

DISTRIBUTION OF SHARE HOLDERS

		Number of Holders	Number of Shares
1 to	1,000	77	39,890
1,001 to	5,000	295	753,588
5,001 to	10,000	142	1,174,464
10,001 to	100,000	262	9,748,922
100,001 and over		73	57,090,310
		849	**68,807,174**

SUBSTANTIAL SHAREHOLDERS

As at report date, the following shareholders are recorded in the Register as a Substantial Shareholders:

Name	No. of Shares
Sandfire Resources Limited	12,200,000
EV Resources Limited	10,000,000
Bilal Ahmad	6,159,000

SHARE BUY-BACKS

There is no current on-market buy-back scheme.

OPTIONS

As at 15 September 2023 the Company had 3,500,000 unlisted options on issue with an exercise price of $0.50 and an expiry date of 6 July 2024 and 2,000,000 unlisted options on issue with an exercise price of $0.30 and an expiry date of 6 October 2025.

Unlisted options do not carry any voting rights.

DISTRIBUTION OF OPTION HOLDERS

$0.50, expiry 06/07/2024 unlisted options

		Number of Holders	Number of Options
1 to	1,000	-	-
1,001 to	5,000	-	-
5,001 to	10,000	-	-
10,001 to	100,000	-	-
100,001 and over		5	3,500,000
		5	**3,500,000**

Holders of greater than 20% or more of these unlisted options are as follows:

- Skyflake Investments Pty Ltd <Skyflake A/C> 1,750,000

$0.30, expiry 06/10/2025 unlisted options

These unlisted options are held by the Company’s Corporate Advisor, 62 Capital Pty Ltd.

PERFORMANCE RIGHTS

As at 15 September 2023 the Company had a total of 10,400,000 Performance Rights on issue. Performance Rights do not carry any voting rights.

DISTRIBUTION OF PERFORMANCE RIGHTS HOLDERS

		Number of Holders	Number of Performance Rights
1 to	1,000	-	-
1,001 to	5,000	-	-
5,001 to	10,000	-	-
10,001 to	100,000	-	-
100,001 and over		3	10,400,000
		3	**10,400,000**

Conversion of Performance Rights into Shares is dependent upon the achievement the following performance milestones:

(a) 800,000 Performance Rights to be convertible into shares, subject to satisfaction of the Company achieving a VWAP of Shares of at least $1.20, calculated over 20 consecutive trading days on which the Company's Shares have traded;

(b) 800,000 Performance Rights to be convertible into shares, subject to satisfaction of the Company achieving a VWAP of Shares of at least $1.80, calculated over 20 consecutive trading days on which the Company's Shares have traded;

(c) 3,000,000 Performance Rights to be convertible into shares, subject to the satisfaction of the Company achieving a market capitalisation of no less than $40,000,000;

(d) 1,800,000 Performance Rights to be convertible into shares, subject to the satisfaction of the Company achieving a market capitalisation of no less than $80,000,000; and

(e) 4,000,000 Performance Rights to be convertible into shares, subject to the Company achieving the successful return of a "commercial lithium drilling intersection". A commercial drilling intersection is defined to be an ore grade and width discovery metric of 4 meters (a standard underground continuous mining width) of mineralisation in the form of lithium mineral containing +1.0% Li_2O.

Holders of greater than 20% or more of these unlisted options are as follows:

-	Resource Development Company Pty Ltd	5,800,000
-	Skyflake Investments Pty Ltd <Skyflake A/C>	4,200,000

The Performance Rights may be exercised (unless expired or lapsed) if the Performance Criteria have been met within the Performance Period or in limited other circumstances as set out in the Rules.

OTHER INFORMATION

Balkan Mining & Minerals Limited, incorporated and domiciled in Australia, is a public listed Company limited by shares.

Balkan Mining and Minerals Ltd has used its cash and assets in a form readily convertible to cash that it held at the time of listing, in a way consistent with its stated business objectives.

Additional Information for Listed Companies

SCHEDULE OF TENEMENTS

	Tenement ID	Anniversary Date	Indirect Interest *
Canadian Projects			
Arrel	752866 to 752871	24/10/24	100%
Barbara	729134 to 729174, 729180 to 729212, 729217 to 729294, 729309 to 729368	29/05/24	100%
Corvette Northwest	2700709 to 2700732	13/12/25	100%
Corvette North	2700733 to 2700750	13/12/25	100%
Serbia projects			
Rekovac			
- Rekovac	2224	5/11/23	100%
- Ursule	2429	18/3/24	100%
- Siokovac	2430	22/3/24	100%
Pranjani	2427	22/3/24	100%
Dobrinje	2428	22/3/24	100%

* As announced, the Company satisfied the conditions precedent to the transaction with Ombabika Group Inc and commenced its first work program at the Gorge Project in Canada. Under the transaction, the Company has the option to acquire 100% in the Gorge Project via four equal 25% interested staged earn-in acquisition, over a period of 3.5 years by satisfying agreed staged consideration payments and satisfying staged project spending requirements. Please refer to Notice of General Meeting dated 22 August 2022 for further details. The Gorge Project tenements include claim numbers 547101, 570582, 618053, 618074, 636770, 722323 & 722324 (31/03/25, 23/1/24, 7/11/23, 7/11/23, 12/2/24, 7/11/23, 7/11/23). During the Quarter, the parties added additional claim numbers 750117, 750118, 750119, 750120 & 750121 to the project area (27/9/24).

** As originally announced on 31 October 2022, the Company acquired the exclusive option to acquire 100% of the Tango Lithium exploration project in Canada. Pursuant to the exclusive option agreement, the Company has a 3 year option to purchase 100% interest in the Tango Project by satisfying agreed staged consideration payments. Should BMM elect not to proceed with this transaction during the period, the Company's right to earn an interest in the project will be extinguished. The Tango Project tenements include claim numbers 563300 through to 563329 and 563331 through to 563341 (3/11/23).

Balkan
Mining and Minerals Limited

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