



ABN 37 118 341 736

# ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2022



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**BULLSEYE MINING LIMITED**  
**ABN 37 118 341 736**

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## Chairman's Letter



Dear Shareholder,

I am pleased to present the Company's Annual Financial Statements for the year ending 30 June 2022, during what has been a busy and eventful year for Bullseye.

On 7 December 2021, Bullseye and ASX listed Emerald Resources NL (ASX Code: EMR) (Emerald) announced a Bullseye Board Recommended conditional takeover offer of Bullseye by Emerald to acquire all of the issued shares in Bullseye. Under the Offer, Bullseye shareholders would receive 1 new Emerald share for every 3.43 Bullseye shares held. The Emerald bid valued Bullseye at approximately \$117 million or \$0.30 per share (on a non-diluted basis), based on Emerald's 30-day VWAP of \$1.032 as at 26 November 2021 (Emerald Offer). The Bullseye Board unanimously recommended the Emerald Offer in the absence of a superior proposal.

On 19 May 2022, Emerald announced it had gained control of Bullseye with a direct equity ownership in Bullseye of 50.56% and on 21 June 2022, the Emerald announced the Offer was closed, with Emerald having successfully acquired a direct equity ownership in Bullseye of 59.32%.

In June 2022, I joined the Board of Bullseye as Chairman, along with my fellow Emerald Director, Mr Mark Clements, who joined the Bullseye Board as a Non-Executive Director and Company Secretary.

Upon Emerald assuming control of Bullseye, the overall development strategy of Bullseye was reviewed, particularly in light of Emerald's strong and demonstrated track record of larger scale, stand-alone mine development. Bullseye, in conjunction with Emerald's experienced development and geological team formulated a large-scale 98,000 metre drilling program for the North Laverton Gold Project (NLGP), with a view to ultimately developing the NLGP as a stand-alone mine, with its own processing plant. This drilling programme commenced in July 2022, initially focussing on the Boundary through Bungarra mineralised zone. Once completed, this programme, combined with results from other recent drilling programmes will be used by Bullseye to estimate an updated JORC-compliant Mineral Resource at the NLGP and a maiden Ore Reserve.

Prior to Emerald obtaining control of Bullseye, mining operations at Bullseye's Bungarra deposit took place during the year via the Blue Cap Bullseye Joint Venture (BCBJV), with three toll processing campaigns completed and further drilling and development works undertaken on the Neptune deposit.

In May/June 2022, Bullseye commenced discussions with its joint venture partner, Blue Cap Mining, with a view to disbanding the BCBJV and for Bullseye to ultimately assume 100% control of the Bungarra deposit (including approx. 200kt of Bungarra gold ore stockpiles) and 100% control of the Neptune deposit. In September 2022, we announced that an agreement was reached in relation to cessation of the BCBJV.

The latest large-scale drilling programme, together with future exploration and development activities, ongoing feasibility works and ultimately mine development, will be funded via planned ongoing pro-rata Entitlement Offers to Bullseye shareholders, as required. Bullseye's largest shareholder, Emerald, has indicated their intention to take up their entitlements to fund the development of Bullseye and I encourage all Bullseye shareholders to participate.

In that regard, Bullseye intends to issue a prospectus shortly to undertake its first pro-rata non-renounceable Entitlement Offer to raise approximately \$6 million, at an issue price of \$0.29 per share.

The funds raised under the Entitlement Offer are intended to be used primarily for the following purposes:

- ongoing drilling program at the Company's North Laverton Gold Project;
- costs associated with the cessation of the Blue Cap Bullseye Joint Venture;
- costs associated with the continuing legal action involving Hong Kong Xinhe International Investment Company Limited, Au Xingao Pty Ltd, Messrs Cheng, as well as dealing with various complaints over the Company's tenements;
- repayment of short-term loans, general working capital and the costs of the Offer.

On behalf of the Board, I look forward to reporting back to you next year on the success of our exploration program, with an updated JORC compliant Resource and Reserve at the NLGP.

Yours faithfully,



Morgan Hart  
**Chairman**  
***Bullseye Mining Limited***

**BULLSEYE MINING LIMITED**  
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**DIRECTORS' REPORT**

Your directors present their report on the company for the financial year ended 30 June 2022.

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

Mr Morgan Cain Hart – Non Executive Director & Chairman (appointed 9 June 2022)  
Mr Peter Gerard Burns – Executive Director  
Mr Anthony Nelson Short – Non Executive Director (appointed 5 August 2021)  
Mr Mark Andrew Clements – Non Executive Director & Company Secretary (appointed 9 June 2022)  
Mr Peter Joseph Burns – Non Executive Director & Chairman (resigned 9 June 2022)  
Mr Ian Mackenzie Ladyman – Non Executive Director (appointed 5 August 2021 and resigned 9 June 2022)  
Ms Dariena Catherine Ann Mullan – Executive Director (terminated 30 June 2022)

**Morgan Cain Hart.** Non Executive Director (Chairman).  
(appointed 9 June 2022)

*Qualification*  
B.Sc Geology

*Experience*

Mr Hart is a Geologist and experienced Mining Executive. He is formerly an Executive Director COO of Regis Resources Ltd, responsible for the development of three gold mines in four years (Moolart Well, Garden Well and Rosemont). Prior to that, Mr Hart was Executive Director COO of Equigold NL, responsible for the development and construction of the Bonikro Gold Project in Ivory Coast West Africa along with the management of the operation of the Mount Rawdon and Kirkalocka gold mines in Australia. Mr Hart is the Managing Director of Bullseye's ultimate parent company, ASX Listed Emerald Resources NL.

At the date of this report, Morgan Hart held NIL fully paid ordinary shares in Bullseye Mining Limited.

**Peter Gerard Burns.** Executive Director.

*Qualification*  
B.Bus FAMI AIMM

*Experience*

Mr Burns holds a Bachelor of Business degree with a double major in Management and Marketing and is a Fellow of the Australian Marketing Institute and Member of the Australian Institute of Management. Mr Burns has over 22 years professional experience in the areas of Business Development, Marketing and Management in various roles, held at both state and national levels. Mr Burns has 9 years public company experience, fulfilling the roles of Marketing Manager, General Manager and Executive Director of an ASX listed company. Mr Burns has held the role of Executive Director of Bullseye for over 10 years and has played a key role in the identification, consolidation and successful development of the Company's flagship North Laverton Gold Project, incorporating the entire Dingo Range Greenstone Belt, which is proving to be a substantial asset for the Company. Mr Burns has no other directorships in any public companies.

At the date of this report, Peter G Burns held NIL fully paid ordinary shares in Bullseye Mining Limited.

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**DIRECTORS' REPORT** (continued)

**Anthony Nelson Short.** Non Executive Director.  
(appointed 5 August 2021)

*Qualification*

BPE (UWA), BCom (UWA), Grad Dip Fin (Curtin)

Mr Short is an experienced public company director with over 30 years in the hard rock mining and oil and gas sectors, both internationally and within Australia. Mr Short has an extensive history of working in the venture capital and private equity spaces, along with sound experience in corporate governance in both the public and private sector. Skilled in investor relations, analytical skills, asset management, management and corporate development. Mr Short is a proven business innovator, having been involved with the commercial delivery of cutting-edge proprietary mining technology developed in conjunction with AusIndustry and the University of Adelaide, South Australia. Mr Short is currently the Chairman of a private mining group that is currently operating the Frances Creek Iron Ore Mine in the Northern Territory which has developed proprietary 'World First' ore sorting technology, enabling low-grade Iron Ore to be beneficiated to Direct Shipping Ore (DSO).

At the date of this report, Anthony Nelson Short held NIL fully ordinary shares in Bullseye Mining Limited.

**Mark Clements.** Non Executive Director & Company Secretary.  
(appointed 9 June 2022)

*Qualification*

FCA FGIA B.Com MAICD

*Experience*

Mr Clements has extensive experience in corporate accounting and public company administration. He is Company Secretary for a number of diversified ASX listed companies and was previously Executive Chairman of MOD Resources Limited. Mr Clements previously worked for an international accounting firm. He is a Fellow of the Institute of Chartered Accountants in Australia, Fellow of the Governance Institute of Australia and a Member of the Australian Institute of Company Directors. He is company secretary for a number of diversified ASX listed companies and is non-executive director of Alterra Limited. Mr Clements is a Non-Executive Director and Company Secretary of Bullseye's ultimate parent company, ASX Listed Emerald Resources NL.

At the date of this report, Mark Clements held NIL fully paid ordinary shares in Bullseye Mining Limited.

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**DIRECTORS' REPORT** (continued)

**Peter Joseph Burns.** Non Executive Director (Chairman).  
(resigned 9 June 2022)

*Qualification*

Fellow of Chartered Management Institute (London).

*Experience*

Mr Burns is a Fellow of the Chartered Management Institute (London) and the founder and Chairman of Bullseye Mining Limited. He is an innovative entrepreneur and brings a strong network of international contacts and business development experience to the Company. Mr Burns commenced his career working in construction and civil engineering, and then owned and operated his own marketing company for 17 years. Since 1988, he has developed a successful career in prestige real estate sales and property development, whilst also progressing his passion, being the development of Bullseye. Mr Burns has over 14 years exploration mining experience. Mr Burns has no other directorships in any public companies.

At the date of this report, Peter J Burns held NIL fully paid ordinary shares in Bullseye Mining Limited and at the date of this report is not a Director of Bullseye.

**Ian Mackenzie Ladyman.** Non Executive Director.  
(appointed 5 August 2021 and resigned 9 June 2022)

*Qualification*

BASc (Mechanical Engineering), B.Eng.

*Experience*

Mr Ladyman is a highly experienced Specialist Mechanical Engineer, CEO and Director with over 35 years of experience in Mineral Processing and Project Management covering a broad commodity range, including gold, in Australia and overseas. Mr Ladyman the Founder and, for a period of 15 years, Co-owner, Principal and Director of Como Engineers Pty Ltd, a highly recognised and Award-Winning processing plant consulting group, specialising in the Design, Construction, Project Management, Commissioning & Operation of Mineral Processing Plants all over the world. Mr Ladyman was part of the process engineering review and infrastructure engineering support for the 1 Billion tonne Balmoral South Magnetite Project and worked on the team to raise AUD\$3Billion for the development of the Balmoral South Iron Ore Project. Mr Ladyman has unparalleled experience in mineral processing, and particularly Gold processing, having been directly involved in numerous Gold projects across Australia, Africa, Asia, Europe and South America. Mr Ladyman has no other directorships in any public company.

At the date of this report, Ian Ladyman held NIL fully ordinary shares in Bullseye Mining Limited and at the date of this report is not a Director of Bullseye.

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**DIRECTORS' REPORT** (continued)

**Dariena Catherine Ann Mullan.** Executive Director.  
(terminated 30 June 2022)

*Qualification*

B.Sc (Hons) in Geology from Trinity College Dublin

*Experience*

Ms Mullan holds a Bachelor of Science Degree in Geology (Hons) from Trinity College Dublin. Ms Mullan has over 14 years' experience specialising in Australian Gold and has delineated over 1 million ounces of JORC Gold Resources during that time. She spent 4 years as a project geologist with an Australian Securities Exchange Listed top 200 Gold company where she worked in mine and project geology at large scale projects, located in Southern Cross and Leonora, Western Australia. Ms Mullan was the project geologist for a A\$10 million drilling program delivering both life of mine resources and mineable reserves of 10,000oz gold every month. Ms Mullan has a strong background in field and underground mapping, igneous geochemistry and tectonic geomorphology. She has scheduled and coordinated over 100,000m of diamond core drilling and 70,000m of RC drilling. Ms Mullan has strong local knowledge of the geology in the Southern Cross and Leonora regions (where many of Bullseye's key assets are located). Ms Mullan has held the role of Executive Director and Principal Geologist of Bullseye for over 10 years. Ms Mullan has played an instrumental role in the successful exploration and development of Bullseye's mineral portfolio, particularly the Company's Flagship North Laverton Gold Project. Ms Mullan has no other directorships in any public companies.

At the date of this report, Dariena Mullan held NIL fully paid ordinary shares in Bullseye Mining Limited and at the date of this report Ms Mullan is not a Director of Bullseye.

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



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**DIRECTORS' REPORT** (continued)

**Share Options on Issue at the Date of this Report**

The Company has no share options on issue at the date of this report.

**Performance Rights on Issue at the Date of this Report**

The Company has no performance rights on issue at the date of this report and consequently there were no unissued ordinary shares of Bullseye Mining Limited under performance rights.

**Meetings of Directors**

The number of meetings of the company's Board of Directors ("the Board") held during the year ended 30 June 2022 and the number of meetings attended by each director were:

Director	Full board	
	Attended	Held <sup>^</sup>
Morgan Cain Hart	1	1
Peter Gerard Burns	21	22
Anthony Nelson Short	20	20
Mark Andrew Clements	1	1
Peter Joseph Burns	22	22
Ian Mackenzie Ladyman	20	20
Dariena Catherine Ann Mullan	19	22

<sup>^</sup>Held: represents the number of meetings held during the time the director held office.

**REVIEW OF OPERATIONS**

**Corporate**

The total loss for the year, with the inclusion of anomalous legal expenditure of \$5,330,339 was \$9,956,696 (2021: \$6,937,549).

**Board Appointments**

Commensurate with Emerald Resources NL obtaining control of Bullseye on 19 May 2022, Mr Morgan Hart and Mr Mark Clements were appointed to the Board of Bullseye on 9 June 2022, as Non Executive Chairman and Non Executive Director/Company Secretary respectively.

On 9 June 2022, Mr Peter J Burns and Mr Ian Ladyman resigned from their roles as Non Executive Chairman and Non Executive Director respectively and Ms Dariena Mullan ceased to be an Executive Director of Bullseye on 30 June 2022. The current Board composition of Bullseye is outlined at the beginning of this Directors Report.

**Changes in Equity**

During the financial year, the Company issued a total of 128,658,712 shares, via equity placements, conversion of debt into shares and various share based payments, ranging in issue price from \$0.20 to \$0.27 per share. The outlined share issues have funded all of the Company's corporate (including anomalous legal expenditure of \$5,330,339), exploration and operational activities throughout the year, as well as significantly reducing the Company's outstanding debt and borrowings.

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**DIRECTORS' REPORT** (continued)

**Restatement of Comparatives**

An error was discovered during the course of the reporting period whereby a share based payment made in FY22 related to prior periods which had been omitted in the financial statements for FY18 to FY21. The error resulted in the other expenses, other current liabilities and accumulated losses, across the four year period, being understated by \$1,657,084 (refer Note 3). Subsequent to year end the Board has engaged the Company's legal advisors to undertake an examination of the matter.

**Takeover Activity**

On 7 December 2021, Bullseye and Emerald announced a Bullseye Board Recommended conditional takeover offer of Bullseye by Emerald to acquire all of the issued shares in Bullseye. Under the Offer, Bullseye shareholders would receive 1 new Emerald share for every 3.43 Bullseye shares held. The Emerald bid valued Bullseye at approximately \$117 million or \$0.30 per share (on a non-diluted basis), based on Emerald's 30-day VWAP of \$1.032 as at 26 November 2021 (Emerald Offer). The Bullseye Board unanimously recommended the Emerald Offer in the absence of a superior proposal.

On 6 January 2022, Emerald declared that the Emerald Offer was free of all defeating conditions and that the Emerald Offer was unconditional at this point.

On 3 February 2022, Au Xingao Investment Pty Ltd (Xingao), an Australian subsidiary of Xinhua Zhongbao Co Ltd (SSE:600208) and a related entity of substantial Bullseye shareholder Hong Kong Xinhe International Investment Company Limited (Xinhe), announced its intention to make a conditional off-market takeover offer to acquire all the issued ordinary shares in Bullseye for \$0.31 cash per share, with the offer price potentially being increased to \$0.35 upon satisfaction of certain conditions (Xingao Offer).

Between January and April 2022, Xinhe and Xingao made numerous applications to the Australian Takeovers Panel (the Panel) in relation to grievances regarding the Emerald Offer and the affairs of Bullseye. Xinhe and Xingao's issues were ventilated before the Panel and orders made by the Panel were complied with by Bullseye and Emerald in giving further disclosure via supplementary target and bidder's statements and extending rights of withdrawal to Bullseye shareholders, who had already accepted the Emerald Offer, such that the Emerald Offer ultimately proceeded with the endorsement and imprimatur of the Panel.

On 19 May 2022, Emerald announced it had gained control of Bullseye with a direct equity ownership in Bullseye of 50.56%.

On 21 June 2022, the Emerald announced the Offer was closed, with Emerald having successfully acquired a direct equity ownership in Bullseye of 59.32%.

In August 2022, the Xingao Offer for Bullseye expired and was still subject to various defeating conditions, including Foreign Investment Review Board (FIRB) approval. Based on information publicly disclosed by Xingao, as at the close of the Xingao Offer, it had received acceptances for 0.6% of the issued shares in Bullseye (which acceptances have subsequently been unwound as the Xingao Offer did not proceed).

During the financial year, as a result of the takeover activity relating to Bullseye, as detailed above, the Company has released a substantial volume of information which was distributed to all Bullseye shareholders via the release of various Target's Statements and Supplementary Target's Statements. These documents are also hosted on the Company's website and can be referred to at: [www.bullseyemining.com.au](http://www.bullseyemining.com.au)

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**DIRECTORS' REPORT** (continued)

**Operations**

**Drilling and Development at North Laverton Gold Project (NLGP)**

Bullseye's North Laverton Gold Project, consisting of 34 exploration licences (including 4 applications) and 4 mining licences, controlling the entire Dingo Range greenstone belt which covers more than 800km<sup>2</sup> of tenure (*refer Figure 1*) and has the potential to host multiple standalone deposits or satellite deposits to supply additional ore to a central processing mill. It includes the Boundary, Neptune, Stirling, Hurleys and Bungarra Prospects over a 6.4km greenstone strike length (*refer Figure 2*). The Company has commenced a ~98,000m RC and diamond resource drill programme, following up existing significant results from drilling completed, to an average depth of ~120m.

**Neptune Gold Prospect**

In July 2022, the Company announced recent drilling results from Bullseye's Neptune Prospect which is a 430m south-eastern extension of the Boundary Prospect. A 23 collar (2,140m) resource definition programme was completed in early 2021. This was followed by an 84 collar (5,104m) mine definition RC programme in late 2021. In early 2022, a further 24 collar (4,005m) RC resource definition programme and 64 collar (3,092m) infill mine definition RC programme was completed. The significant results are reported below (*refer Bullseye's Second Supplementary Target's Statement for the Xingao Offer, dated 14 July 2022 and Emerald's ASX announcement dated 15 July 2022*).

**Neptune Resource Drilling**

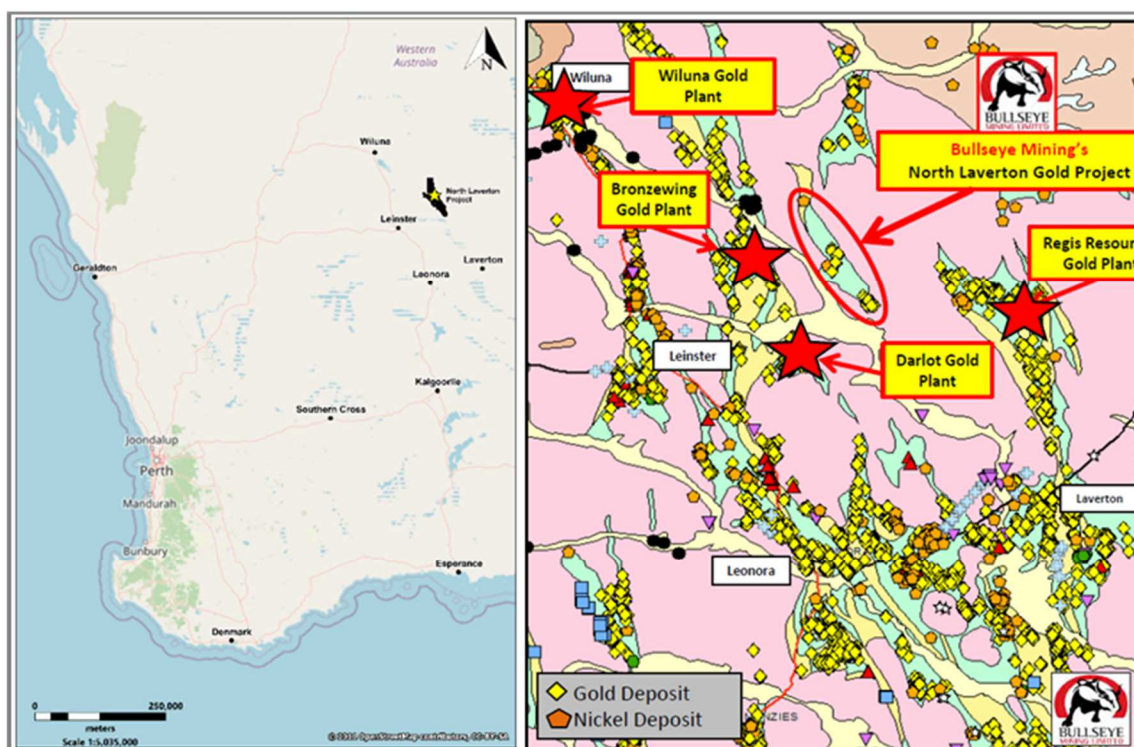
RC Resource Definition drilling was completed in 2021 and early 2022:

- **22m @ 4.87g/t from 17m (NPRD0056);**
- **9m @ 9.44g/t from 82m (NPRD0078);**
- **3m @ 20.55g/t from 70m (NPRD0065);**
- **9m @ 6.29g/t from 74m (NPRD0042);**
- **16m @ 3.07g/t from 26m (NPRD0053);**
- **16m @ 2.59g/t from 56m (NPRD0063);**
- **19m @ 2.11g/t from 45m (NPRD0051);**
- **10m @ 3.67g/t from 38m (NPRD0059);**
- **3m @ 12.11g/t from 69m (NPRD0051); and**
- **17m @ 2.12g/t from 77m (NPRD0086).**



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**DIRECTORS' REPORT (continued)**



**Figure 1 - Location of Bullseye's North Laverton Gold Project**

**Neptune Mine Definition Drilling 18m x 18m spacing**

Significant gold mineralisation from mine definition RC drill programme completed late 2021:

- 33m @ 3.82g/t from 37m (NPMD1019);
- 15m @ 6.60g/t from 67m (NPMD1007);
- 3m @ 29.85g/t from 45m (NPMD1026);
- 53m @ 1.45g/t from 12m (NPMD1034);
- 22m @ 2.54g/t from 16m (NPMD1052);
- 8m @ 6.91g/t from 37m (NPMD1065); and
- 17m @ 2.98g/t from 72m (NPMD1000).

**Neptune Infill Mine Definition Drilling 10m x 10m spacing**

Significant gold mineralisation from infill mine definition RC drill programme completed early 2022:

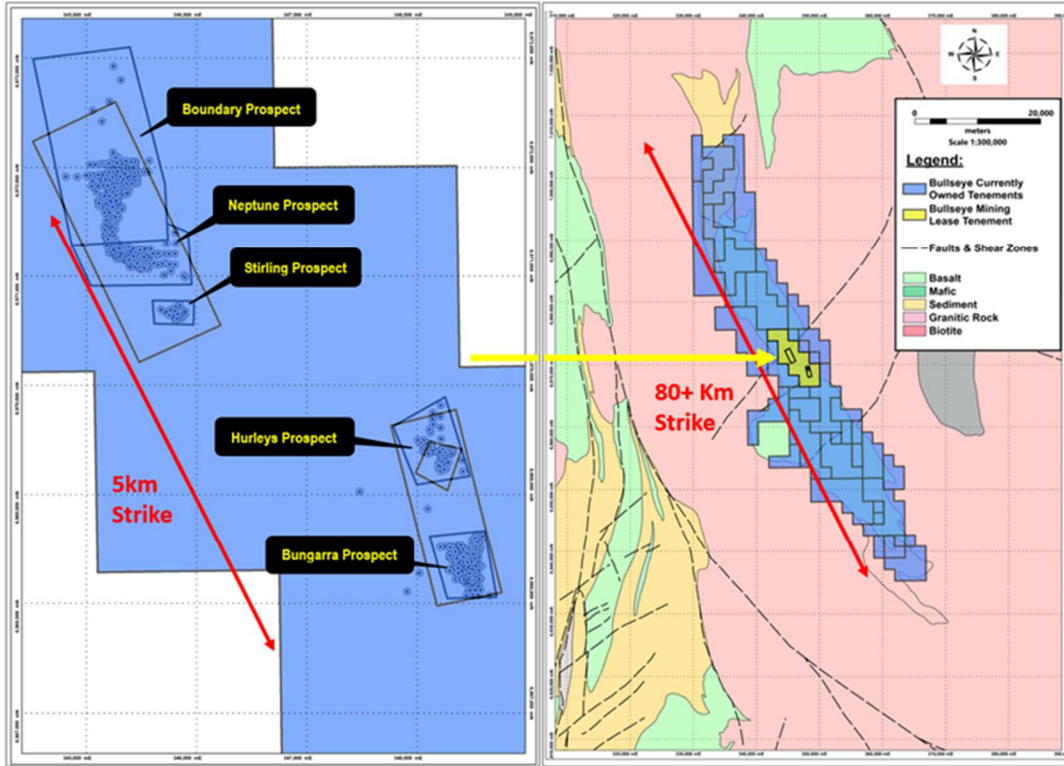
- |   |  |
|---|--|
| <ul style="list-style-type: none"> <li>• 25m @ 5.24g/t from 0m (NPGC0053);</li> <li>• 40m @ 2.98g/t from 14m (NPGC0025);</li> <li>• 6m @ 14.24g/t from 37m (NPGC0018);</li> <li>• 9m @ 9.36g/t from 7m (NPGC0045);</li> <li>• 21m @ 3.19g/t from 1m (NPGC0026);</li> <li>• 40m @ 1.67g/t from 11m (NPGC0032) (EOH);</li> <li>• 9m @ 7.19g/t from 52m (NPGC0014);</li> </ul> | <ul style="list-style-type: none"> <li>• 17m @ 3.7g/t from 2m (NPGC0047);</li> <li>• 20m @ 3.05g/t from 2m (NPGC0035);</li> <li>• 26m @ 2.17g/t from 53m (NPGC0012);</li> <li>• 23m @ 2.35g/t from 28m (NPGC0027);</li> <li>• 10m @ 5.11g/t from 11m (NPGC0039); and</li> <li>• 9m @ 5.54g/t from 17m (NPGC0048).</li> </ul> |
|---|--|

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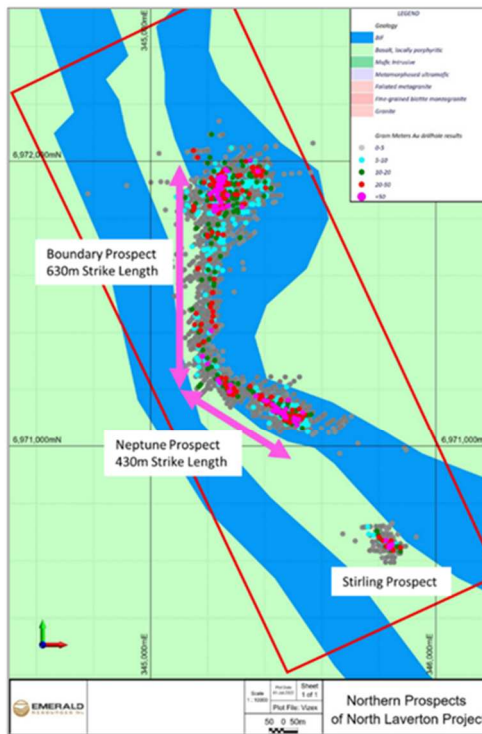
**DIRECTORS' REPORT (continued)**

**Boundary to Bungarra Prospects**

**North Laverton Gold Project Tenure Holding**



**Figure 2 - Known Gold Mineralisation Zones and North Laverton Tenure Holding**

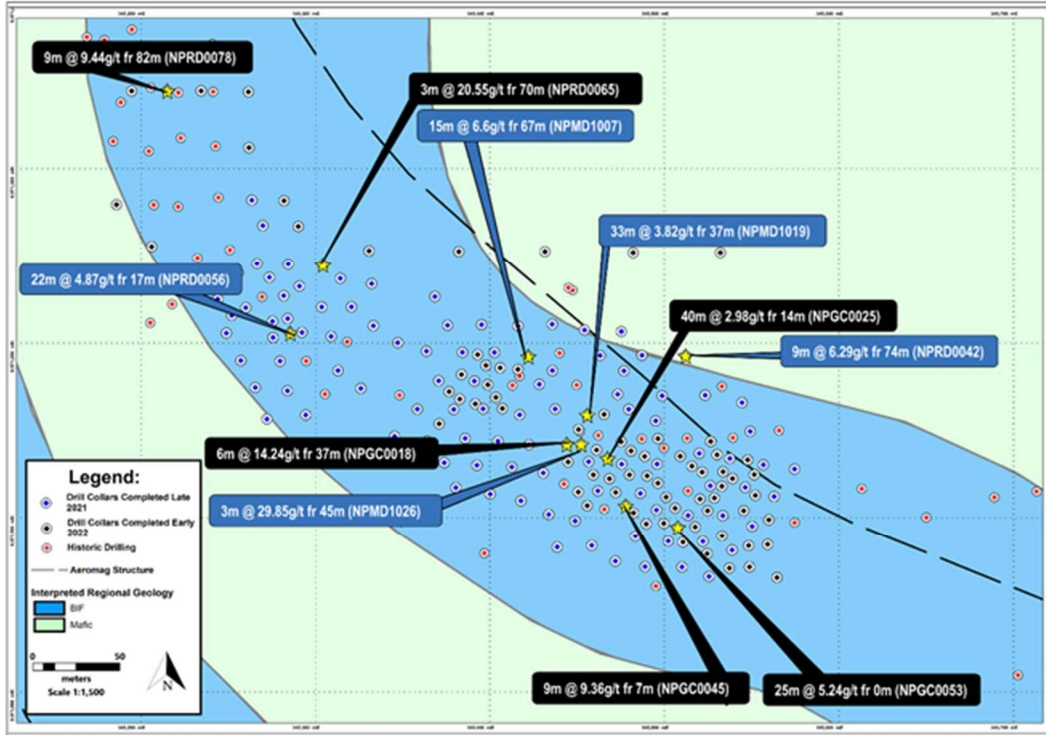


**Figure 3 – Au Gram x Metre Intercepts From Drilling Completed on Boundary, Neptune and Stirling Deposits**

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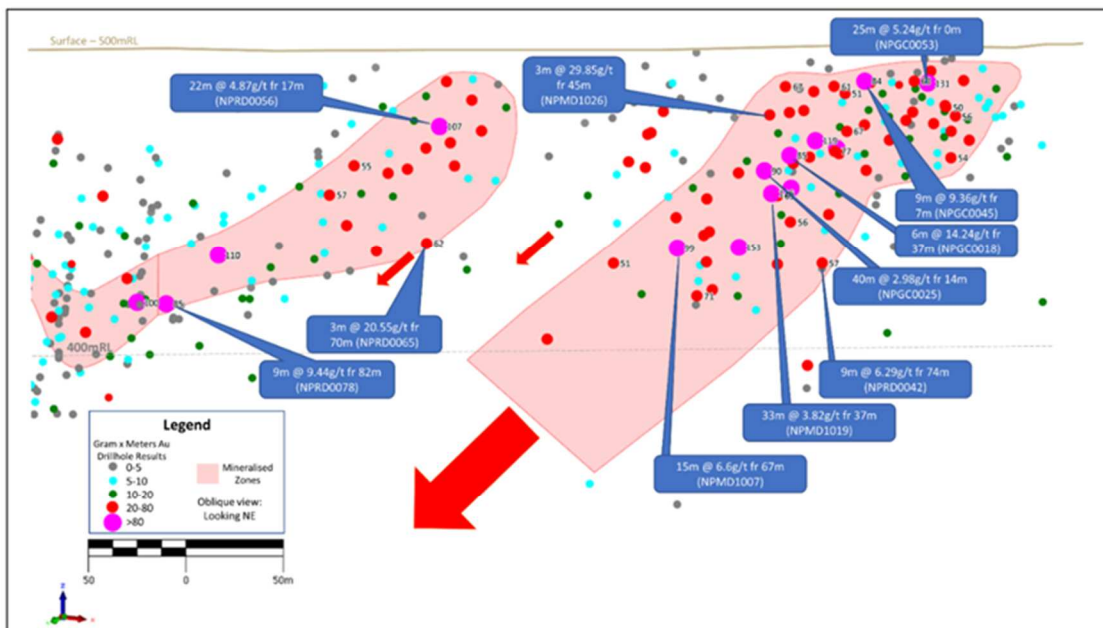
**DIRECTORS' REPORT** (continued)

The recent drilling on the Neptune Prospect continued to delineate high-grade, southeast trending mineralised structures extending 430m from the Boundary prospect (refer *Figures 3 and 4*).



**Figure 4 – Drill Collar Plan of Neptune Deposit Including Latest Significant Drill Intersections**

Drilling on the Neptune Prospect to date has only been tested to ~80m vertical depth (on average). It remains open at depth (refer *Figure 5*).

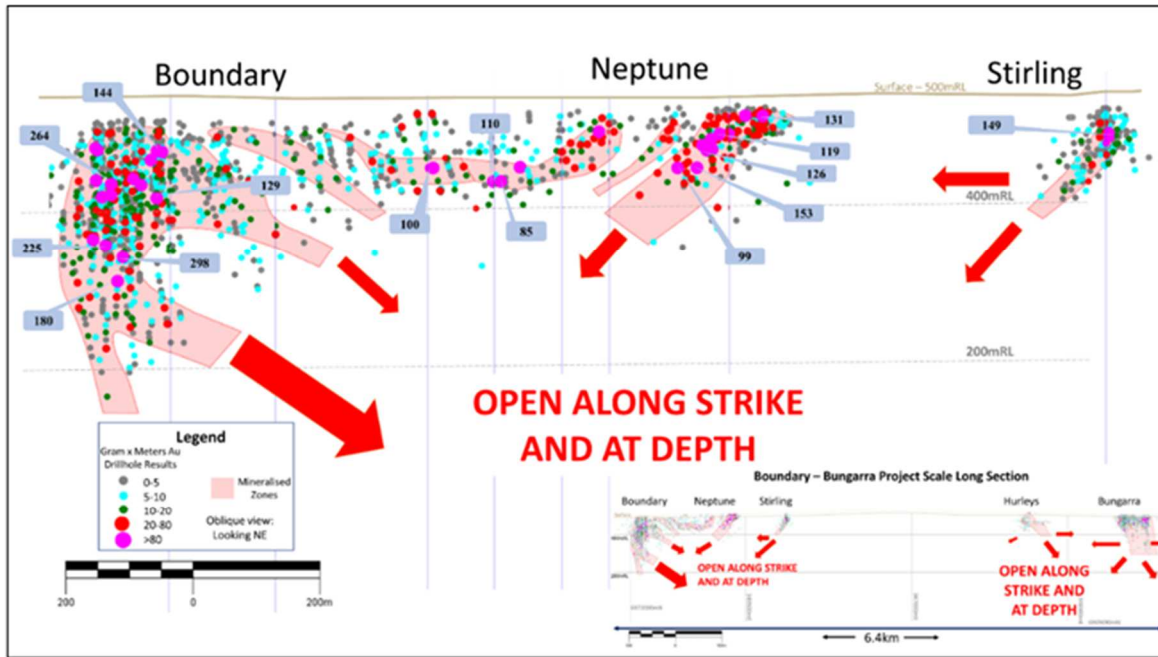


**Figure 5 - Long Section of Neptune Prospect with Au Gram x Metre Intercepts. The recent drill results are highlighted with drill intercept details (oblique section view has vertical exaggeration of approx. x1.5)**

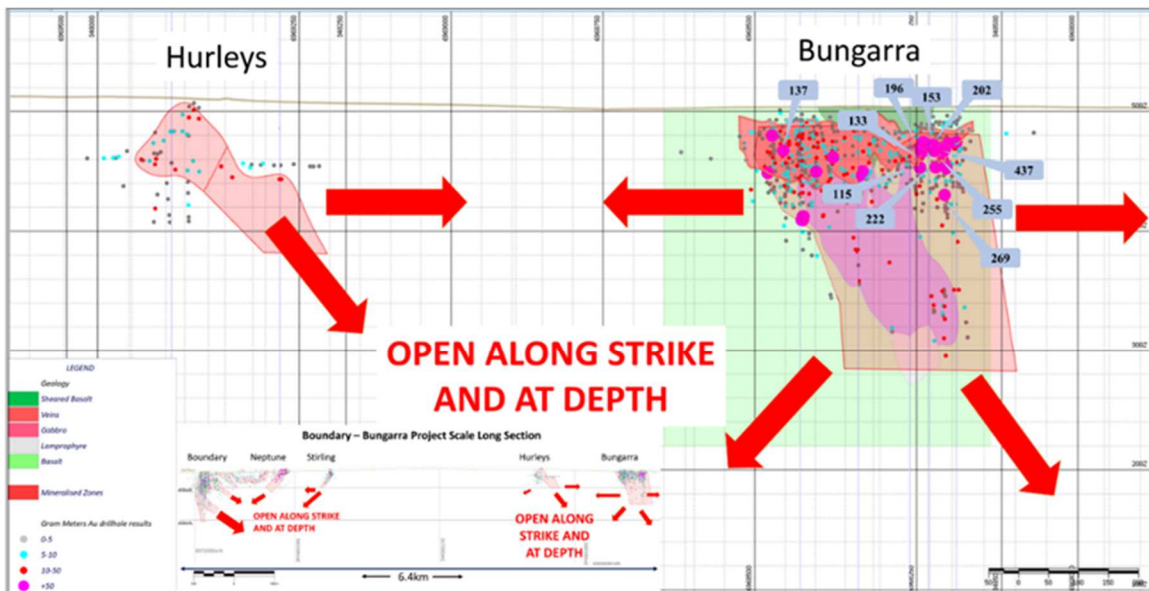
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**DIRECTORS' REPORT** (continued)

The regional long section (refer Figure 6 and 7) also highlights the potential for extensions of mineralisation both down-dip and along strike of all prospects. The interpreted corridor of mineralisation extends along the 6.4km strike length between the northern Boundary Prospect and the southern Bungarra Prospect.



**Figure 6 - Long Section of North Laverton Project with Au Gram x Metre Intercepts**



**Figure 7 - Long Section of North Laverton Project with Au Gram x Metre Intercepts**

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**DIRECTORS' REPORT** (continued)

**Blue Cap Bullseye Joint Venture**

On 5 November 2020, Bullseye entered into a Joint Venture arrangement with production partner Blue Cap Mining (70% Bullseye / 30% Blue Cap) to develop and mine Bullseye's Bungarra gold deposit, located within the NLGP (Blue Cap Bullseye Joint Venture – BCBJV).

Mining operations commenced at Bungarra in January 2021 and on 8 September 2021 Bullseye announced the pouring of its maiden gold bar from the Bungarra gold deposit. Via the BCBJV, a total of 3 gold processing campaigns were completed at the Wiluna Gold Processing Centre, with the third processing campaign completed in April/May 2022.

Over the course of the 3 processing campaigns, an average of 94.3% recovery was achieved at an average head grade of 3.32g/t, to produce a total of 20,365 recovered gold ounces at an AISC of \$1,780 per ounce (after development costs).

The BCBJV securityholders agreement provided that the shareholders of BCBJV may agree to extend the coverage of the joint venture to include the development of projects other than the Bungarra gold deposit. In November 2021, it was agreed to extend the scope of the BCBJV to also include the development of Bullseye's Neptune gold deposit, based on an open pit mining scenario, anticipated at that time to involve the extraction and processing, on a toll treatment basis, of a preliminary estimate of approximately 17,000 ounces of gold (subject to further drilling, development and optimisation works).

Via the BCBJV, from December 2021 to May 2022, drilling, development and optimisation works of approximately \$2m, were undertaken on the Neptune gold deposit, including: advancing relevant approvals, mine definition drilling, grade control drilling and mine planning.



**Figure 8 – Drilling and Development Works Undertaken at the Neptune Deposit**



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**DIRECTORS' REPORT** (continued)

Following completion of the third gold processing campaign in April/May 2022, the BCBJV was planning treatment of a fourth processing campaign of already mined Bungarra gold ore stockpiles, as well as further ore to be mined from the Bungarra deposit. In addition to the planned fourth processing campaign, the BCBJV was also advancing potential mining of the Neptune deposit on a planned toll treatment basis.

Upon Emerald assuming control of Bullseye, the overall development strategy of Bullseye was reviewed, particularly in light of Emerald's strong and demonstrated track record of larger scale, stand-alone mine development. Bullseye, in conjunction with Emerald's experienced development and geological team formulated a large-scale drilling program for the NLGP, with a view to ultimately developing the NLGP as a stand-alone mine, with its own processing plant.

In May/June 2022, Bullseye commenced discussions with Blue Cap with a view to disbanding the BCBJV and for Bullseye to ultimately assume 100% control of the Bungarra deposit (including approx. 200kt of Bungarra gold ore stockpiles) and 100% control of the Neptune deposit.

In September 2022, the Company announced that an agreement was reached between the BCBJV parties, in relation to cessation of the BCBJV (see 'Events Since the end of Financial Year' section of this report, for further details).

**Dingo Range Joint Venture**

Dingo Range Pty Ltd was incorporated on 9 March 2021 by Bullseye and joint venture partner Blue Cap, on the same terms and conditions as the BCBJV, with shareholding being 70% Bullseye and 30% Blue Cap (**Dingo Range Joint Venture - DRJV**). DRJV was incorporated to provide research and development (R&D) services for the BCBJV. Specific R&D works undertaken by DRJV are as follows:

- development of a processing solution for high clay and high viscosity ores identified in the oxide and transitional material available in the Dingo Range Greenstone Belt;
- drill and blast activities to provide an understanding of the metallurgical properties of the ores and provide direct composite material inputs into the core experiments;
- sample collection and preparation (grade control drilling) to provide samples as direct composite material inputs into the core experiments;
- background project research and ongoing investigation to provide background research to identify necessary information on historical and current data available for ore types and metallurgical test-work within the Dingo Range Greenstone Belt; and
- coordinating development of glycine-based processing techniques, to use glycine based lixiviant as an alternative to traditional sodium cyanide with the aim to create a cyanide-free leaching circuit which can produce similar or better gold recoveries from various clay ores and high viscosity ores and provide an environmentally superior processing solution.

In September 2022, the Company announced that an agreement was reached between the BCBJV parties, in relation to cessation of the DRJV (see 'Events Since the end of Financial Year' section of this report, for further details).

**Southern Cross Gold Project**

Exploration and development works have continued at Bullseye's Southern Cross Gold Project and in particular at the Hopes Hill Gold Mine. The Company is currently assessing a number of opportunities for the divestment of the Southern Cross Gold Project. Further updates will be provided to shareholders in due course, as and when terms for any divestment proposal materialise. These terms may also contemplate the provision of ongoing technical and development support for the project through access to the Bullseye and Emerald geological and operational teams.

**BULLSEYE MINING LIMITED**  
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**DIRECTORS' REPORT** (continued)

**Tenure**

During the year and subsequent to year end, Bullseye have 7 tenements that are under application and NIL tenements were relinquished. This resulted in the Company's tenement count during the year increasing to 64 tenements.

**Other Matters**

**Significant Changes in the State of Affairs**

Other than Emerald assuming control of Bullseye with a 59.32% shareholding and the Cessation of the BCBJV, there were no other significant changes in the Group's state of affairs during the financial year.

**Principal Activities**

The principal activity of the Group is mineral exploration, development and production in Western Australia.

**Likely Developments and Expected Results**

Likely developments in the operations of the group and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the group.

**Environmental Regulation**

The Company's operations are subject to various environmental laws and regulations under relevant government legislation. Full compliance with these laws and regulations is regarded as a minimum standard for all operations to achieve. Instances of environmental non-compliance are identified either by external compliance audits or inspections by relevant government authorities. There have been no known breaches of environmental laws and regulations by the Company during the financial year.

**Greenhouse Gas and Energy Data Reporting Requirements**

The Directors have considered compliance with the National Greenhouse and Energy Reporting Act 2007 which required entities to report annual greenhouse gas emissions and energy use. The directors have assessed that there are no current reporting requirements, but may be required to do so in the future.

**COVID-19**

The Company is currently reviewing and closely monitoring the Coronavirus 2019 (COVID-19) situation as it unfolds, ensuring compliance and cooperation with protocols and advice as and when issued by the Government. The Directors are reviewing business operations and strategies and assessing the impact on the Group. COVID-19 has had minimal impact on the Group but the Board will continue to assess the on-going impact.

**Dividends**

No dividends were paid during the year and no recommendation is made as to the dividends. The directors do not recommend the payment of a dividend.

**BULLSEYE MINING LIMITED**  
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**DIRECTORS' REPORT** (continued)

**Indemnity and Insurance of Officers**

The Company has entered into a Deed of Indemnity, Insurance and Access for all Directors (past and current) listed in this financial report that requires the Company to:

- (a) indemnify each Indemnified Person during their Office and after the cessation of that Office, in respect of certain claims made against that Indemnified Person in relation to the period of their Office to the extent allowable under the Corporations Act;
- (b) use its reasonable endeavours (subject to cost and availability) to maintain an insurance policy and pay the premiums of insurance as assessed at market rates for each Indemnified Person to the extent available under the Corporations Act, in respect of certain claims made against him or her in relation to the period of his or her Office (except to the extent such insurance cannot be procured at a reasonable cost or is otherwise unavailable to the Company) and to continue to pay those premiums for a period of up to seven years following the termination of their Office; and
- (c) provide each Indemnified Person with access, upon ceasing to hold Office and for a period of up to seven years following that cessation, to any Group Company records which are either prepared by or provided to the Indemnified Person during the Retention Period.

The Company has paid an insurance premium during the year in respect of liability for any past, present or future directors, secretary and officers of the Company. The insurance policy does not contain details of the premium paid in respect of individual officers of the Company.

The Company has not provided any insurance or indemnification for the Auditor of the Company.

**Events Since the End of the Financial Year**

**Further Drilling and Development Works at the NLGP**

Bullseye, in conjunction with Emerald's experienced development and geological team, formulated a 98,000m resource definition drilling programme which commenced in July 2022 to initially focus on the Boundary through Bungarra mineralised zone. Once completed, this programme combined with other recent drilling programmes undertaken at the NLGP will result in there being a total of approximately 150,000m of new drilling data and results available which can be used by Bullseye to estimate an updated JORC-compliant Mineral Resource at the NLGP and a maiden Ore Reserve estimate.

The latest large-scale drilling programme, together with future exploration and development activities to be undertaken by Bullseye, are being funded from Bullseye's existing cash reserves and future planned ongoing pro-rata entitlement offers to Bullseye shareholders, as required.

**BULLSEYE MINING LIMITED**  
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**DIRECTORS' REPORT** (continued)

**Latest drill results from Boundary and Neptune Prospects**

Latest results from Bullseye's RC resource exploration programme on the Boundary and Neptune Prospects, is as follows (refer Emerald ASX announcement dated 7 October 2022):

- 12m @ 4.94g/t from 62m including 1m @ 9.07g/t from 69m and 1m @ 42.9g/t from 72m (RC22NPT003);
- 15m @ 2.48g/t from 108m including 1m @ 7.39g/t from 116m and 2m @ 7.79g/t from 118m (RC22NPT004);
- 13m @ 2.54g/t from 76m including 1m @ 19.30g/t from 81m (RC22BDY001);
- 32m @ 0.92g/t from 92m (RC22NPT006);
- 7m @ 3.92g/t from 63m including 2m @ 9.28g/t from 63m and 1m @ 6.67g/t from 69m (RC22NPT005);
- 16m @ 1.51g/t from 97m including 1m @ 16.00g/t from 112m (RC22BDY001);
- 18m @ 0.83g/t from 146m (RC22NPT007); and
- 8m @ 1.48g/t from 121m (RC22NPT010).

**Cessation of the Xingao Offer**

In late August 2022, the Xingao Offer for Bullseye expired and was still subject to various defeating conditions, including Foreign Investment Review Board (FIRB) approval. Based on information publicly disclosed by Xingao, as at the close the Xingao Offer, it had received acceptances for 0.6% of the issued shares in Bullseye (which acceptances have subsequently been unwound as the Xingao Offer did not proceed).

**Cessation of the BCBJV**

Consistent with Bullseye's strategy to develop the NLGP as a stand-alone mine with an on-site gold processing plant, in September 2022, Bullseye reached agreement with Blue Cap Equities Pty Ltd ATF Blue Capital Trust No.2 (BCE) to acquire their 30% interest in the BCBJV and the DRJV.

Commensurate with the transaction, Bullseye will assume 100% ownership of all on-site Bungarra gold ore stockpiles and retain 100% rights to the Bungarra gold project and Neptune gold deposit – including approximately \$2m development works undertaken on the Neptune deposit by the BCBJV which Bullseye will get the full future benefit of, as and when the future production profile is determined.

Key terms of the agreement with BCE in relation to the BCBJV are, as follows:

- Bullseye to acquire BCE's 30% interest in the following:
  - i) the shares of Blue Cap Bullseye Joint Venture Pty Ltd;
  - ii) the units in Blue Cap Bullseye Joint Venture Trust; and
  - iii) the shares in Dingo Range Pty Ltd.
- Bullseye to contribute funds of circa \$2m to the BCBJV to pay, in full, loan and interest owing to BCE as per below:
  - i) 40% payable upon settlement; and
  - ii) 60% payable upon the earlier of; Bullseye completing a non-renounceable pro-rata entitlements issue or within 60 days.
- Upon payment of 40% of BCE loan, BCE to release all security over the BCBJV.
- Bullseye to contribute circa \$2m to payout all creditors and liabilities of the BCBJV (and all associated entities), as well as acquire certain BCE owned heavy machinery, infrastructure and on-site chattels.

**BULLSEYE MINING LIMITED**  
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**DIRECTORS' REPORT (continued)**

As part of a conservative approach, the assets of the BCBJV and development works undertaken, have been written down, however the Board is of the view that the current Bungarra ore stockpiles, the extensive development works on the Bungarra and Neptune deposits, as well as the resumption of 100% control of both the Bungarra and Neptune deposits, will yield significant future value to Bullseye, on the basis that the NLGP can be successfully developed in the future as a stand-alone mine with an on-site gold processing plant.

**Entitlements Offer**

In November 2022, Bullseye intends to issue a prospectus to undertake a pro-rata non-renounceable entitlement issue to raise approximately \$6 million at an issue price of \$0.29 per Share. Bullseye's largest shareholder, Emerald (59.32%) has indicated that it intends to take up its full entitlement under the entitlement offer.

**Short-Term Working Capital Loan**

In order to ensure Bullseye meets its working capital requirements (including ongoing drilling and development), until completion of the entitlements issue detailed above, Emerald has provided a short-term working capital loan facility to Bullseye. The loan facility is for up to \$3 million and can be drawn down by Bullseye, as required. The loan facility is unsecured, non-convertible and carries an interest rate of 12% per annum, to be capitalised and repaid on repayment. The loan facility will be repaid in full upon completion of the outlined entitlements issue.

**Working Capital Loans to Blue Cap Bullseye Joint Venture**

As of October 2022, the outstanding loan amount (including interest) repayable to BCE was \$2.1m. On 4 October 2022 Bullseye repaid an amount of \$838,000 in relation to the BCE loan, with the balance to be repaid in full in mid-November 2022, as per the terms of the BCBJV cessation Deed. A principal loan amount of \$2.5m remains outstanding from BCBJV to Bullseye.

**Legal Matters**

**Matter COR 159 of 2022 – Supreme Court of Western Australia**

This action was commenced by Xinhe and AXI on 25 August 2022, against Bullseye, Emerald and the five directors of Bullseye, at the time Emerald acquired control of Bullseye. ASIC has also been included as a defendant on the basis that the relief sought against the other defendants potentially affects ASIC. In these proceedings, Xinhe and AXI applies for relief from oppressive conduct of Bullseye's affairs since October 2020.

Bullseye will defend the claims in these proceedings. Until a statement of claim is served on Bullseye and the other defendants, it is difficult for Bullseye to understand the basis upon which the claims are brought or assess the relief claimed. Bullseye's position is that any grievances of any substance, which the plaintiffs have, in relation to the takeover bids by Emerald or AXI, were ventilated before the Takeovers Panel and orders made by the Panel were complied with by Bullseye and Emerald in giving further disclosure via supplementary target and bidder's statements and extending rights of withdrawal to Bullseye shareholders, who had already accepted Emerald's offer, such that the Emerald takeover bid ultimately proceeded with the endorsement and imprimatur of the Takeovers Panel.

**Matter COR 83 of 2020 – Supreme Court of Western Australia**

In July 2020, Hong Kong Xinhe International Investment Company Limited (Xinhe), a substantial shareholder in Bullseye, brought an action in the Supreme Court of Western Australia, COR 83 of 2020, against Bullseye and its three directors (one of whom still remains on the board) alleging that the affairs of Bullseye have been conducted in a manner which is oppressive to or unfairly discriminatory against Xinhe and contrary to the interests of shareholders as a whole. On 10 August 2021, Xinhe commenced fresh oppression proceedings against Bullseye and the three directors in order to litigate in one proceeding alleged grounds of oppression

which had arisen since the first proceedings were commenced. Xinhe seeks a number of orders to remedy the alleged oppressive conduct.

The trial of the proceedings commenced before his Honour Justice Marcus Solomon on 6 September 2021, and has continued across a number of blocks of trial dates. To date, the trial has run for 66 trial days, with the evidence of the parties having closed on 26 August 2022.

There are a further 10 trial days listed for 9 to 22 November 2022, for the presentation of closing oral submissions.

Xinhe's claims in the proceedings continue to be vigorously defended by Bullseye. The Board is of the view that with the takeover bid for Bullseye by ASX listed Emerald having been successfully completed, most of the relief sought by Xinhe in these oppression proceedings have become moot, save in relation to the costs of the proceeding, which will be in contest.

As described earlier, on 25 August 2022, Xinhe and its associate entity, Au Xingao Pty Ltd, (AXI) commenced new proceedings (matter COR 159 of 2022) against Bullseye, Emerald and the directors of Bullseye (at the time Emerald acquired control of Bullseye), seeking declaratory relief in respect of alleged contraventions of provisions of the *Corporations Act 2001* (Cth), including the oppressive conduct provisions in respect of Bullseye, and compensation or damages under various provisions of the Act. There is some overlap between the remedies claimed in COR 83 of 2020 and the remedies claimed in the new proceedings. As matters currently stand, there has been a bifurcation in COR 83 of 2020 between the merits of the action and the remedies claimed in it. At the first stage, the Court will hear closing submissions on the merits in COR 83 of 2020 in November 2022.

If the Court finds that any of the grounds of oppression pleaded in COR 83 of 2020 have been made out, based on the evidence presented to date, the action will then proceed to the second stage for determination of what remedies (if any) should be granted by the Court in respect of the grounds of oppression that it has found to have been established. The first question the Court would have to determine, if that stage was reached, would be whether the Court should proceed to determine relief in COR 83 of 2020 or await the outcome of the new proceedings.

If the Court decided to determine the question of relief in COR 83 of 2020 immediately, the parties would be likely to seek the leave of the Court to amend their pleadings, to raise matters which have transpired since December 2021 (mainly surrounding Emerald having acquired control of Bullseye and the circumstances in which that occurred). If leave was granted to amend their pleadings, the parties might be required to lead some further evidence in support of their amended pleadings. Such evidence is likely to be reasonably confined.

### **Recommended Judicial Mediation of Matter COR 83 of 2020**

Justice Solomon recommended that the parties to matter COR 83 of 2020 engage in a Supreme Court judicial mediation process between the dates of 15 to 22 September 2022. All parties agreed and attended the judicial mediation which was heard before his Honour Justice Kenneth Martin. No final outcome has yet been reached and the judicial mediation has been adjourned for further hearing.

### **Matter COR 159 of 2022 – Supreme Court of Western Australia**

This action was commenced by Xinhe and AXI on 25 August 2022, against Bullseye, Emerald and the five directors of Bullseye, at the time Emerald acquired control of Bullseye. ASIC has also been included as a defendant on the basis that the relief sought against the other defendants potentially affects ASIC.

In these proceedings, Xinhe and AXI applies for relief from oppressive conduct of Bullseye's affairs since October 2020.

Bullseye will defend the claims in these proceedings. Until a statement of claim is served on Bullseye and the other defendants, it is difficult for Bullseye to understand the basis upon which the claims are brought or assess the relief claimed. Bullseye's position is that any grievances of any substance, which the plaintiffs have, in relation to the takeover bids by Emerald or AXI, were ventilated before the Takeovers Panel and orders made by the Panel were complied with by Bullseye and Emerald in giving further disclosure via supplementary target and bidder's statements and extending rights of withdrawal to Bullseye shareholders, who had already accepted Emerald's offer, such that the Emerald takeover bid ultimately proceeded with the endorsement and imprimatur of the Takeovers Panel.

**BULLSEYE MINING LIMITED**  
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**DIRECTORS' REPORT** (continued)

Matter COR 159 of 2022 has been launched in the wake of an unsuccessful rival takeover bid for Bullseye by AXI, which expired in August 2022, whilst it was still subject to various defeating conditions, including Foreign Investment Review Board (FIRB) approval. Based on information publicly disclosed by AXI, as at the close of AXI's takeover offer, it had only received acceptances for 0.6% of the issued shares in Bullseye (which acceptances have now been unwound as the offer did not proceed).

Bullseye is disappointed by the actions of the Plaintiffs especially in light of the judicial mediation process being conducted in good faith. Bullseye views the commencement of matter COR 159 of 2022 as an opportunistic tactic by the Plaintiffs to attempt to advance their position in the judicial mediation and represents yet another example of a concerted series of actions by the Plaintiffs seeking to gain influence and control over the affairs of Bullseye.

**Matter CIV 1987 of 2020 – District Court of Western Australia**

Mr Sam Cheng has brought an action in the District Court of Western Australia, CIV 1987 of 2020, against Bullseye, alleging that Bullseye has breached a contract between Bullseye and Mr Cheng entered into around 9 October 2013, by failing or refusing to pay monthly consulting fees to Mr Cheng in the amount of \$580,000 during the period from June 2018 until May 2020. Bullseye denies that claim.

Bullseye has brought a counterclaim in CIV 1987 of 2020 against the following parties:

- (a) Sam Cheng;
- (b) Wu Qiyuan;
- (c) Xinhe;
- (d) Yiyang Qiu (Luke Huang);
- (e) Brett Clark;
- (f) Doonbeg Capital Pty Ltd;
- (g) Kevin Dundo; and
- (h) Red 5 Limited.

Bullseye seeks unliquidated damages against the above parties for conspiring to cause harm and injury to Bullseye.

The action is in the interlocutory stages of the Court process and is awaiting judgment to be delivered by the District Court concerning applications for security for costs issued against Bullseye by six of the defendants to the counterclaim.

Once the security for costs applications have been determined, Bullseye will advance its damages claim. As the matter progresses, it is expected to be elevated to the Supreme Court commensurate with the damages to be sought in the proceeding.

**Matter CIV 1989 of 2020 – District Court of Western Australia**

Mr Sam Cheng and Mr Eddy Cheng, as trustees of the NEZA Trust (**the Plaintiffs**) have brought another action in the District Court of Western Australia, CIV 1989 of 2020, against Bullseye, seeking payment of capital raising fees from Bullseye in the amount of \$366,000.

Bullseye has filed a defence and counterclaim in the proceedings, denying any amount is owing to the Plaintiffs, and claiming:

- (a) reimbursement of fees paid by Bullseye to the Plaintiffs in the sum of \$120,000; and
- (b) the transfer to Bullseye of 900,000 shares in Bullseye, or alternatively reimbursement of fees in the sum of \$117,000.

**BULLSEYE MINING LIMITED**  
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**DIRECTORS' REPORT** (continued)

The trial of the action commenced on 31 January 2022 and proceeded for four sitting days. On 4 February 2022, the trial was adjourned part-heard and four further trial days were heard in October 2022. The trial is now complete with judgement pending. This matter is not deemed material by Bullseye.

**Dispute with Inca Minerals Limited**

A dispute arose between Bullseye and Inca Minerals Limited (**Inca**) in March 2022, in relation to Nickel Rights on two of Bullseye's non-core tenements within Bullseye's North Laverton Gold Project. The parties have agreed to enter into a mediation process to resolve the matter with the mediation date set for 6 December 2022. This matter is not deemed material to Bullseye.

**Applications For Forfeiture and Objections to Exemption**

As disclosed in Bullseye's 2021 Annual Report, between the dates of 27 June 2019 through to 12 March 2020, Bullseye has received applications for forfeiture lodged against many of Bullseye's North Laverton Gold Project tenements and the Company's Southern Cross tenements. The applications for forfeiture have been lodged by the following parties against the following projects:

Project	Application for forfeiture
North Laverton Gold Project	<ul style="list-style-type: none"><li>• Zygmund Wolski; and</li><li>• Golden Soak Enterprises Pty Ltd (Michael Jay Williams).</li></ul>
Southern Cross Gold Project	<ul style="list-style-type: none"><li>• West Australian Prospectors Pty Ltd (Vernon Wesley Strange); and</li><li>• Zygmund Wolski.</li></ul>

18 applications for forfeiture have been lodged against Bullseye's mining tenements by Golden Soak Enterprises Pty Ltd (**Golden Soak**) and a total of 55 applications for forfeiture have collectively been lodged by West Australian Prospectors Pty Ltd (**WAP**) and Mr Zygmund Wolski (**Wolski**) against mining tenements held by Bullseye and its subsidiaries.

In addition to the above, 14 objections to exemption from expenditure applications have been lodged by WAP or Wolski against 17 mining tenements held by Bullseye and its subsidiaries. If any of the objections to exemption from expenditure applications are determined in favour of Bullseye, then any forfeiture applications in respect of those 17 tenements will fall away.

The objections to exemption applications lodged by WAP and Wolski were originally listed for a substantive hearing on 1 to 3 November 2022, however the substantive hearing dates have recently been re-listed to 28 February and 1-2 March 2023. Bullseye has agreed with both WAP and Wolski that any substantive hearing of the applications for forfeiture lodged by those parties will not be heard until after the applications for exemptions have been determined. Bullseye expects that any substantive hearings of the Wolski and WAP forfeiture applications will not occur until the second half of 2023.

Most of the Golden Soak applications for forfeiture are second in time to forfeiture applications lodged by either WAP or Wolski. On that basis, Golden Soak and Bullseye have agreed that the first in time applications for forfeiture should be heard first.

The Bullseye Board is of the view that the Plaints are opportunistic and without merit. Bullseye has engaged specialist legal counsel to assist in defending all outlined actions.



**BULLSEYE MINING LIMITED**  
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**DIRECTORS' REPORT** (continued)

The Auditors Independence Declaration can be found on page 24.

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

On behalf of the directors:

A handwritten signature in black ink, appearing to read 'P.G. Burns', with a long horizontal flourish extending to the right.

**Director:**  
Peter G Burns

Dated this 31<sup>st</sup> day of October 2022

## DECLARATION OF INDEPENDENCE BY NEIL SMITH TO THE DIRECTORS OF BULLSEYE MINING LIMITED

As lead auditor of Bullseye Mining Limited for the year ended 30 June 2022, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Bullseye Mining Limited and the entities it controlled during the period.



NEIL SMITH

Director

BDO Audit (WA) Pty Ltd

Perth

31 October 2022

**BULLSEYE MINING LIMITED**  
**ABN: 37 118 341 736**

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS  
AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2022**

	Note	Consolidated 30 June 2022 \$	Restated ** Consolidated 30 June 2021 \$
Revenue from continuing operations	4	1,226,961	102,312
Cost of sale		(147,180)	-
Accountancy expenses		(434,007)	(253,081)
Consultant fees		(664,212)	(129,457)
Depreciation and amortisation expenses	5	(75,569)	(84,715)
Employee benefits expenses	6	(1,588,631)	(834,101)
Write off of exploration and evaluation expenses*		(129,537)	(4,600)
Finance costs		(1,169,123)	(735,460)
Other expenses^	7	(6,975,398)	(4,998,447)
Loss before tax		(9,956,696)	(6,937,549)
Income tax expense	8	-	-
<b>Loss for the year after income tax expense</b>		<b>(9,956,696)</b>	<b>(6,937,549)</b>
Other comprehensive income		-	-
<b>Total comprehensive loss for the year Attributable to the owners of Bullseye Mining Ltd</b>		<b>(9,956,696)</b>	<b>(6,937,549)</b>
<b>(Loss) per share – cents per share</b>	<b>30</b>	<b>(2.567)</b>	<b>(2.247)</b>

^ Includes anomalous legal costs of \$5,330,339

\* The Company has identified no tenements that have been relinquished or not renewed during the financial year in accordance with Accounting Standard AASB 6.

\*\* Refer to Note 3 for details of restatement

The above Consolidated Statements of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

**BULLSEYE MINING LIMITED**  
**ABN 37 118 341 736**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2022**

	Note	Consolidated 2022 \$	Restated Consolidated 2021 \$	Restated Consolidated 1 Jul 2020 \$
<b>CURRENT ASSETS</b>				
Cash and cash equivalents	9	5,417,723	2,858,300	631,379
Trade and other receivables	10	240,667	24,251	60,846
Financial assets at amortised cost – JV	10	2,500,000	3,067,168	-
Asset held for sale	12	756,366	-	-
Other current assets	11	218,230	15,113	322,749
<b>TOTAL CURRENT ASSETS</b>		<u>9,132,986</u>	<u>5,964,832</u>	<u>1,014,974</u>
<b>NON-CURRENT ASSETS</b>				
Property, plant and equipment	12	250,042	906,477	301,756
Right-of-use-asset	13	-	47,246	93,918
Exploration and evaluation assets	14	15,605,486	14,576,909	16,620,447
Development expenditure	14	2,865,900	2,790,505	-
<b>TOTAL NON-CURRENT ASSETS</b>		<u>18,721,428</u>	<u>18,321,137</u>	<u>17,016,121</u>
<b>TOTAL ASSETS</b>		<u>27,854,414</u>	<u>24,285,969</u>	<u>18,031,095</u>
<b>CURRENT LIABILITIES</b>				
Trade and other payables	15	1,616,972	2,411,155	1,973,135
Borrowings	16	51,113	14,424,699	5,361,465
Lease Liabilities	17	-	51,332	46,467
Provisions	18	90,477	383,069	345,843
Other current liabilities	19	514,721	1,089,046	265,734
<b>TOTAL CURRENT LIABILITIES</b>		<u>2,273,283</u>	<u>18,359,301</u>	<u>7,992,644</u>
<b>NON-CURRENT LIABILITIES</b>				
Lease Liabilities		-	-	51,332
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>-</u>	<u>-</u>	<u>51,332</u>
<b>TOTAL LIABILITIES</b>		<u>2,273,283</u>	<u>18,359,301</u>	<u>8,043,976</u>
<b>NET ASSETS</b>		<u>25,581,131</u>	<u>5,926,668</u>	<u>9,987,119</u>
<b>EQUITY</b>				
Issued capital	20	64,329,388	35,413,363	33,926,533
Reserves	21	5,734,672	7,124,940	7,272,600
Accumulated losses	22	(44,482,929)	(36,611,635)	(31,212,014)
<b>TOTAL EQUITY</b>		<u>25,581,131</u>	<u>5,926,668</u>	<u>9,987,119</u>

Refer to Note 3 for details information on restatement of comparatives.

The above Consolidated Statements of Financial Position should be read in conjunction with the accompanying notes.

**BULLSEYE MINING LIMITED**  
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**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2022**

<b>30 June 2022 — Consolidated</b>	<b>Contributed Equity</b>	<b>Share Based Payment Reserve</b>	<b>(Accumulated Losses)</b>	<b>Total</b>
	\$	\$	\$	\$
<b>Balance at 1 July 2021 restated</b>	35,413,363	7,124,940	(36,611,635)	5,926,668
Loss for the year	-	-	(9,956,696)	(9,956,696)
<b>Total comprehensive (loss)</b>	-	-	(9,956,696)	(9,956,696)
Issue of shares	27,081,090	-	-	27,207,090
Share based payments	2,506,000	695,134	-	3,075,134
Exercised options	-	(2,085,402)	2,085,402	-
Transaction costs	(671,065)	-	-	(671,065)
<b>Balance at 30 June 2022</b>	<b>64,329,388</b>	<b>5,734,672</b>	<b>(44,482,929)</b>	<b>25,581,131</b>

<b>30 June 2021 — Consolidated</b>	<b>Contributed Equity</b>	<b>Share Based Payment Reserve</b>	<b>(Accumulated Losses)</b>	<b>Total</b>
	\$	\$	\$	\$
<b>Balance at 1 July 2020</b>	33,926,533	7,272,600	(30,039,930)	11,159,203
Adjustment for correction of error (note 3)	-	-	(1,172,084)	(1,172,084)
<b>Balance at 1 July 2020 restated</b>	33,926,533	7,272,600	(31,212,014)	9,987,119
Loss for the year	-	-	(6,937,549)	(6,937,549)
<b>Total comprehensive (loss)</b>	-	-	(6,937,549)	(6,937,549)
Issue of shares	2,544,260	-	-	2,544,260
Share based payments	-	1,390,268	-	1,390,268
Shares to be issued*	(884,343)	-	-	(884,343)
Expired options	-	(1,537,928)	1,537,928	-
Transaction costs	(173,087)	-	-	(173,087)
<b>Balance at 30 June 2021 restated</b>	<b>35,413,363</b>	<b>7,124,940</b>	<b>(36,611,635)</b>	<b>5,926,668</b>

\* In 2021, shares to be issued have been reclassified as current liabilities, pending the receipt of the executed application forms.

The above Consolidated Statements of Changes in Equity should be read in conjunction with the accompanying notes.

**BULLSEYE MINING LIMITED**  
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**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

	Note	Consolidated 30 June 2022 \$	Consolidated 30 June 2021 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Payments to suppliers and employees*		(8,360,099)	(4,288,154)
Interest received		14,607	3,715
Interest paid		(12,208)	(9,153)
Other income received		223,640	2,060
<b>Net cash (outflow) from operating activities</b>	<b>23</b>	<u>(8,134,060)</u>	<u>(4,291,532)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for plant and equipment		(2,254)	(337,550)
Payments for asset held for sale		(126,000)	-
Payments for exploration & evaluation costs		(983,450)	(554,371)
Payments for development exploration		(75,395)	(214,025)
Payment for investment in joint venture		(7,070)	-
Proceeds/(Payments) for financial assets at amortised cost – JV loan receivable		1,545,768	(2,980,083)
<b>Net cash Inflow / (outflow) from investing activities</b>		<u>351,599</u>	<u>(4,086,029)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from share issues (net of transaction costs)		26,302,549	2,211,123
(Payment)/proceeds from Borrowings		(15,272,403)	8,344,188
Repayment of lease liabilities		(51,332)	(47,329)
(Payment)/proceeds from funds received for shares not yet issued		(636,930)	96,500
<b>Net cash inflow from financing activities</b>		<u>10,341,884</u>	<u>10,604,482</u>
Net increase in cash & cash equivalents held		2,559,423	2,226,921
Cash & cash equivalents at beginning of year		2,858,300	631,379
Cash & cash equivalents at end of year	<b>9</b>	<u>5,417,723</u>	<u>2,858,300</u>

\* Includes anomalous legal expenses incurred of \$5,330,339.

The above Consolidated Statements of Cash Flows should be read in conjunction with the accompanying notes.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

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## **1. Statement of Significant Accounting Policies**

### **New or amended Accounting Standards and Interpretations adopted**

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

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

The adoption of these Accounting Standards or Interpretations did not have any significant impact on the performance or position of the consolidated entity.

The following Accounting Standards or Interpretations are most relevant to the consolidated entity:

#### *Conceptual Framework for Financial Reporting (Conceptual Framework)*

The consolidated entity has adopted the revised Conceptual Framework from 1 July 2021. The Conceptual Framework contains new definition and recognition criteria as well as new guidance on measurement that affects several Accounting Standards, but it has not had a material impact on the consolidated entity's financial statements.

#### *AASB 1060 General Purpose Financial Statements – Simplified Disclosures For-Profit and Not-for-Profit Tier 2 Entities*

The consolidated entity has adopted AASB 1060 from 1 July 2021. The standard provides a new Tier 2 reporting framework with simplified disclosures that are based on the requirements of IFRS for SMEs. As a result, there is increased disclosures in these financial statements for key management personnel, related parties, tax and financial instruments.

The financial report covers Bullseye Mining Limited as an individual entity as well as the consolidated entity consisting of Bullseye Mining Limited and its subsidiaries.

Bullseye Mining Limited is a company limited by shares, incorporated and domiciled in Australia.

The financial report of Bullseye Mining Limited also complies with all International Financial Reporting Standards (IFRS) in their entirety.

The following is a summary of the material accounting policies adopted by the company in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

### **Basis of Preparation**

These general purpose financial statements have been prepared in accordance with Accounting Standards, Simplified Disclosure issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001 appropriate for for-profit oriented entities.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
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**Reporting basis and conventions**

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

The financial statements are presented in Australian dollars which is the entity's functional and presentation currency.

**Right-of-use assets**

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The consolidated entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.



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## **Going Concern**

During the year the consolidated entity (also referred to as 'Company or Group') incurred a net loss (including anomalous legal expenditure of \$5,330,339) of \$9,956,696 (2021: \$6,937,549) and incurred net cash outflows from operating activities of \$8,134,060 (2021: \$4,291,532).

These conditions indicate the existence of a material uncertainty that may cast a significant doubt about the Group's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

The financial report has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

On 19 May 2022, ASX listed Emerald Resources NL (Emerald) successfully assumed control of Bullseye, having acquired a direct equity ownership in Bullseye of 59.32% via its takeover offer for Bullseye. The Emerald operational and corporate teams have a strong and enviable track record of large-scale gold mine development and delivery of significant value for shareholders. Emerald has a current market capitalisation of circa \$700m and has recently completed its first full year of gold production from its Okvau Gold Mine in Cambodia. Emerald has recently announced a FY22 Net Profit After Tax (NPAT) of \$46m.

As Bullseye's largest shareholder, Emerald has indicated its intention to take up their full entitlement in the Company's proposed pro-rata entitlement issue to fund the development of Bullseye.

The Directors have prepared a cash forecast for the relevant period from the date of sign off of these financial statements. The cash flow contains assumptions relating to:

- Cessation of the Bluecap Bullseye JV and Dingo Range JV as referred to in Note 29
- Continued management and settlement of legal matters referred to in Note 28
- Proposed Entitlement Offer referred to in Note 29
- Continued funding of exploration on the Company's tenements – refer Note 28(a)

Management believes that there are sufficient funds available to continue to meet the Group's working capital requirements as at the date of this report. The financial statements have been prepared on a going concern basis, which contemplates the continuity of normal business activity, the realisation of assets, settlement of liabilities through the normal course of business including the presumption that sufficient funds will be available to finance the operations of the Group.

Should the entity not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements. The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that might be necessary should the entity not continue as a going concern and meet its debts as and when they become due and payable.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

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**Principles of Consolidation**

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Bullseye Mining Limited ("company" or "parent company") as at 30 June 2022 and the results of all subsidiaries for the year then ended.

Bullseye Mining Limited and its subsidiaries together are referred to in this financial report as the Group or the consolidated entity.

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases. All controlled entities have a June financial year end.

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

On acquisition, the assets, liabilities and contingent liabilities of a subsidiary are measured at their fair values at the date of acquisition. Any excess of the cost of acquisition over the fair values of the identifiable net assets acquired is recognised as goodwill. If, after reassessment, the fair values of the identifiable net assets acquired exceeds the cost of acquisition, the deficiency is credited to profit and loss in the period of acquisition.

The consolidated financial statements include the information and results of each subsidiary from the date on which the company obtains control and until such time as the company ceases to control such entity. All intercompany balances and transactions between entities in the economic entity, including any unrealised profits or losses, have been eliminated on consolidation. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Accounting policies of subsidiaries are consistent with the policies adopted by the Group.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
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## **Earnings per Share**

### *Basic earnings per share*

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the group, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the 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 additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

## **Income Tax**

The charge for current income tax expenses is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using tax rates that have been enacted or are substantively enacted by the reporting date.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. 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 is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in profit or loss except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

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## **Property, Plant and Equipment**

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment losses.

### **Plant and equipment**

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

The cost of fixed assets constructed within the company includes the cost of materials, direct labour, 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 economic benefits associated with the item will flow to the company 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 company 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 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 or losses are included in profit or loss.

The depreciation rates are as follows:

Property improvements	2.5%
Plant and equipment	7.5% - 50%
Motor Vehicles	18.75% - 30%
Software	40%

## **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.

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**Financial Instruments** (continued)

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

**Classification and initial measurement of financial assets**

Financial assets are classified according to their business model and the characteristics of their contractual cash flows and are initially measured at fair value adjusting for transaction costs (where applicable).

**Subsequent measurement of financial assets**

For the purpose of subsequent measurement, financial assets, other than those designated and effective as hedging instruments, are classified into the following four categories:

- Financial assets at amortised cost
- Financial assets at fair value through profit or loss (FVTPL)
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Equity instruments at FVTOCI

**Financial assets at amortised cost**

Financial assets with contractual cash flows representing solely payments of principal and interest and held within a business model of 'hold to collect' contractual cash flows are accounted for at amortised cost using the effective interest method. The Group's trade and other receivables fall into this category of financial instruments.

**Impairment**

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

The Group considers a financial asset in default when contractual payments are 90 days overdue. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

The Group has determined that the application of AASB 9's requirements at transition 1 July 2018 did not result in a material adjustment.

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### **Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

### **Revenue**

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control over a service to a customer.

### **Interest**

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument.

Other revenue is measured at the fair value of the consideration received or receivable.

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

### **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.

### **Exploration and evaluation expenditure**

Expenditure on exploration and evaluation is accounted for in accordance with the 'area of interest' method. Exploration and evaluation expenditure is capitalised provided the rights to tenure of the area of interest is current and either:

- a) The exploration and evaluation activities are expected to be recouped through the successful development and exploitation of the area of interest or;
- b) Alternatively, by its sale; or exploration and evaluation activities in the area of interest have not at the reporting date reached a stage that permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or relevant to, the area of interest are continuing.

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**Exploration and evaluation expenditure (continued)**

***Impairment***

Exploration and evaluation assets are assessed for impairment if (i) sufficient data exists to determine technical feasibility and commercial viability, and (ii) facts and circumstances suggest that the carrying amount exceeds the recoverable amount.

The carrying amount of the assets are reviewed at each reporting date to determine whether there is any indication of impairment. Where such an indication exists, a formal assessment of recoverable amount is then made and where this is in excess of the carrying amount, the asset is written down to its recoverable amount.

Recoverable amount is the greater of fair value less costs to sell and value in use. Value in use is the present value of the future cash flows expected to be derived from the asset or cash generating unit. In estimating value in use, a pre-tax discount rate is used which reflects current market assessments of the time value of money and the risks specific to the asset. Any resulting impairment loss is recognised immediately in the statement of profit or loss and other comprehensive income.

Plainted tenements continue to have carrying values as the groups are confident that all complaints will be successfully defeated. The groups will continue to actively explore tenements to maximum their value.

**Development Expenditure**

Capitalised mining development costs include expenditures incurred to develop new ore bodies to define further mineralisation in existing ore bodies, to expand the capacity of a mine and to maintain production. Mining development also includes costs transferred from exploration and evaluation phase once production commences in the area of interest.

Amortisation of mining development is computed by the units of production basis over the estimated proved and probable reserves. Proved and probable mineral reserves reflect estimated quantities of economically recoverable reserves which can be recovered in the future from known mineral deposits. These reserves are amortised from the date on which production commences. The amortisation is calculated from recoverable proven and probable reserves and a predetermined percentage of the recoverable measured, indicated and inferred resource. This percentage is reviewed annually.

Restoration costs expected to be incurred are provided for as part of development phase that give rise to the need for restoration.

Development costs are deferred until production commences. When commercial production commences development expenditure is transferred to mine properties, at which time it is amortised on a unit of production basis based on ounces produced over the estimated resources in the area of interest.

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### **Contributed Equity**

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

Contributed equity includes cash received for shares that are yet to be allotted at the reporting date where the company has no discretion as to the method of settlement and the acquiring entity does not have a contractual right to demand cash from the company.

### **Trade and Other Receivables**

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 90 days.

The consolidated entity has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

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

### **Trade and Other Payables**

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid. The amounts are unsecured and are usually paid within 60 days of recognition.

### **Impairment of Assets**

Assets, other than exploration and evaluation expenditure, are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

### **Provisions**

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

Contributions are made to an employee superannuation fund and are charged as expenses when incurred.



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## **Borrowings**

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Borrowings are classified as current liabilities and non-current liabilities for right to defer settlement of the liability for at least 12 months or more after the reporting date.

## **Share Based Payments**

The cost of equity-settled transactions is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by an internal valuation using a Black-Scholes model.

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

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

## **Joint Ventures**

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Investments in joint ventures are accounted for using the equity method. Under the equity method, the share of the net profits or losses of the joint venture is recognised in profit or loss and the share of the movements in equity is recognised in other comprehensive income. Investments in joint ventures are carried in the statements of financial position at cost plus post acquisition changes in the consolidated entity's share of net assets of the joint venture. Goodwill relating to the joint venture is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment. Incomes earned from joint venture entities reduce the carrying amount of the investment.

The Group entered into a joint arrangement with Blue Capital Mining Pty Ltd atf Blue Capital (Blue Cap) No. 2 trust. The arrangement is structured through separate legal entities.

Blue Cap Bullseye Joint venture is structured as Blue Cap Bullseye Joint Venture Pty Ltd atf Blue Cap Bullseye Joint Venture Unit Trust. The Joint venture carries on the development and mining of the Bungarra Gold mine. Bullseye owns 70% of the shares of the company and units of the unit trust and Blue Cap owns 30% of the shares of the company and unit of the unit trust. The board has two directors, each representing one of the joint venturers, directors have equal voting rights. The arrangements have therefore been classified as a joint venture and are therefore accounted for using the equity method.

Dingo Range Pty Ltd was incorporated by the joint venturer parties to provide research and development services on behalf of the joint venture. Bullseye owns 70% of the company and Blue Cap owns 30% of the company. The board has two directors, each representing one of the joint venturers, directors have equal voting rights. The arrangements have therefore been classified as a joint venture and are therefore accounted for using the equity method.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
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**Critical Accounting Estimates and Judgements**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

**Contingent Liability**

Judgement is exercised in assessing the legal matters per note 28 and management deem it appropriate to disclose these matters as contingent liabilities in accordance with AASB 137.

**Joint Venture Loan receivable**

The recoverability of the loan receivable between Bullseye Mining Limited and BCBJV requires a degree of estimation and judgement. The recoverability of the loan is based on future development and mining of the area of interest.

**Income Taxes**

The Company is subject to income taxes in Australia. The Company estimates its tax liabilities based on the Company's understanding of the tax law. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred tax provisions in the period in which such determination is made. In addition, the Company has not recognised deferred tax assets relating to carried forward tax losses to the extent there are sufficient taxable temporary differences (deferred tax liabilities) relating to the same taxation authority and against which the unused tax losses can be utilised. However, utilisation of tax losses also depends on the ability of the entity to satisfy certain tests at the time the losses are recouped.

**Exploration and Evaluation of Assets**  
**Impairment of Assets (including Intangible Assets)**

*Key estimates – Exploration assets*

The Company assesses impairment at each reporting date by evaluating conditions specific to the Company that may lead to impairment of exploration assets. Where an impairment trigger exists, the recoverable amount of the asset is determined based on historical knowledge and best available current information.

*Impairment of non-financial assets other than goodwill and other indefinite life intangible assets*

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

*Exploration and evaluation costs*

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

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**Joint arrangements**

The consolidated entity holds a 70% interest in Blue Cap Bullseye Joint Venture Unit Trust and Dingo Range Pty Ltd. The partnership agreements require unanimous consent from all parties for all relevant activities. The two partners own the assets of the partnership as tenants in common and are jointly and severally liable for the liabilities incurred by the partnership. This entity is therefore classified as a joint operation and the consolidated entity recognises its direct right to the jointly held assets, liabilities, revenues and expenses as described in note 1.

**Going Concern**

The preparation of the financial statements has required significant judgements by the directors in assessing the application of the going concern assumption. Further details are disclosed on page 31.

**Interest in Joint Ventures**

The directors have applied judgement to determine that the company does not control the Blue Cap Bullseye Joint Venture and Dingo Range Joint Venture as both ventures are managed equally between Bullseye and Blue Cap.

**Lease liabilities**

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

## **2. Key Management Personnel Compensation**

**Names and positions held of the key management personnel in office at any time during the financial year are:**

<b>Key Management Person</b>	<b>Position</b>
<b>Directors</b>	
Morgan Cain Hart	Non-Executive Director & Chairman (appointed 9 June 2022)
Peter Gerard Burns	Executive Director
Anthony Nelson Short	Non-Executive Director (appointed 5 August 2021)
Mark Andrew Clements	Non-Executive Director & Company Secretary (appointed 9 June 2022)
Peter Joseph Burns	Non-Executive Director (resigned 9 June 2022)
Ian Mackenzie Ladyman	Non-Executive Director (appointed 5 August 2021 & resigned 9 June 2022)
Dariena Catherine Ann Mullan	Executive Director (terminated 30 June 2022)

Refer to separate disclosure of detailed section 202B Audited Schedule of Director's Remuneration.

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**2. Key Management Personnel Compensation (continued)**

**2022 – Key Management Personnel Compensation**

	Short-term employee benefits		Post-employment benefits		Termination Benefit	Total
	Salary & fees	other	Superannuation benefit	Other long-term benefit		
Morgan Cain Hart	*** -	-	-	-	-	-
Peter Gerard Burns	*345,455	^6,068	4,555	^^5,702	-	361,780
Anthony Nelson Short	206,500	-	-	-	-	206,500
Mark Andrew Clements	****3,666	-	-	-	-	3,666
Peter Joseph Burns	160,000	-	-	-	**22,500	182,500
Ian Mackenzie Ladyman	182,897	-	-	-	-	182,897
Dariena Catherine Ann Mullan	534,365	-	22,539	-	326,432	883,336
	<b>1,432,883</b>	<b>6,068</b>	<b>27,094</b>	<b>5,702</b>	<b>348,932</b>	<b>1,820,679</b>

\*Includes consultancy fee of \$300,000 paid.

^The short-term employee benefits include the use of a Bullseye Mining Limited vehicle during the financial year. Private use of the vehicle is minimal and has since ceased at the date of this report. As no logbook is maintained the benefit is calculated using a statutory formula provided by the Australian Taxation Office. The motor vehicle benefit calculated using the formula is \$6,068.

\*\*Represents company 3 months' notice period accrued but not paid during the financial year 1 July 2021 to 30 June 2022.

^^Represents leave entitlements accrued but not paid during the financial year 1 July 2021 to 30 June 2022.

\*\*\*Appointed 9 June 2022. Mr Hart is not drawing a salary or directors fee.

\*\*\*\*Represents company secretarial services provided for June 2022, accrued but not paid at 30 June 2022 financial year.

**2021 – Key Management Personnel Compensation**

	Short-term employee benefits		Post-employment benefits		Total
	Salary & fees	other	Superannuation benefit	Other long-term benefit	
Peter Gerard Burns	*345,653	^9,810	4,347	5,306	365,116
Peter Joseph Burns	90,000	-	-	-	90,000
Dariena Catherine Ann Mullan	328,194	**411	21,806	25,418	375,829
	<b>763,847</b>	<b>10,221</b>	<b>26,153</b>	<b>^^30,724</b>	<b>830,945</b>

\*Includes consultancy fee of \$300,000 paid.

^The short-term employee benefits include the use of a Bullseye Mining Limited vehicle during the financial year. The private use of the vehicle is minimal, however as no logbook is maintained, the benefit is calculated using a statutory formula provided by the Australian Taxation Office. The motor vehicle benefit calculated using the formula is \$9,783, the difference of \$27 represents the reimbursement of mobile phone expenses.

\*\*The benefit of \$411 represents a visa renewal expense.

^^Represents leave entitlements accrued but not paid during the financial year 1 July 2020 to 30 June 2021.

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**2022 – Option and Performance Right Holdings**

There were no options or performance rights held by Key Management Personnel during the year ending 30 June 2022.

**2021 - Option Holdings**

Number of options held by Key Management Personnel

Names	Balance 1/7/20	Number Granted*	Options exercised	Net Change Other	Balance 30/6/21	Total Vested 30/6/21	Total Exercisable 30/6/21
<i>Directors</i>							
Peter Joseph Burns	2,763,434	-	-	(2,763,434)	-	-	-
Peter Gerard Burns	5,000,000	-	-	(5,000,000)	-	-	-
Dariena Catherine Ann Mullan	5,000,000	-	-	(5,000,000)	-	-	-
<b>Total</b>	12,763,434	-	-	(12,763,434)	-	-	-

All Key Management Personnel options expired on 6 December 2020 unexercised.

There were no performance rights held by Key Management Personnel during the year ended 30 June 2021.

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**2022 - Shareholdings**

Number of shares held by Key Management Personnel

	Balance 1/7/21	Received as compensation	Options/Rights exercised	Net Change Other	Balance 30/6/22
<i>Directors</i>					
Peter Joseph Burns	12,746,565	-	-	(12,746,565)	-
Peter Gerard Burns	6,617,131	-	-	(6,617,131)	-
Dariena Catherine Ann Mullan	4,210,000	-	-	(4,210,000)	-
<b>Total</b>	<b>23,573,696</b>	<b>-</b>	<b>-</b>	<b>(23,573,696)</b>	<b>-</b>

The Directors accepted the Emerald Resources NL offer in accordance with their recommendation to all shareholders.

**2021 - Shareholdings**

Number of shares held by Key Management Personnel

	Balance 1/7/20	Received as compensation	Options/Rights exercised	Net Change Other	Balance 30/6/21
<i>Directors</i>					
Peter Joseph Burns	12,746,565	-	-	-	12,746,565
Peter Gerard Burns	6,617,131	-	-	-	6,617,131
Dariena Catherine Ann Mullan	4,210,000	-	-	-	4,210,000
<b>Total</b>	<b>23,573,696</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>23,573,696</b>

**Other transactions with key management personnel**

Please refer to note 25 which details other transactions with parties related to Key Management Personnel.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
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**3 Restatement of comparatives**

**Correction of error**

An error was discovered during the course of the reporting period whereby a share based payment made in FY22 related to prior periods which had been omitted in the financial statements for FY18 to FY21. The error resulted in the other expenses, other current liabilities and accumulated losses being understated, across the four year period, by \$1,657,084. Subsequent to year end the Board has engaged the Company's legal advisors to undertake an examination of the matter. Extract (being only those line items affected) are disclosed below.

**Statement of profit or loss and other comprehensive income**

<b>Extract</b>	<b>Consolidated 2021 \$ Reported</b>	<b>Consolidated \$ Adjustment</b>	<b>Consolidated 2021 \$ Restated</b>
<b>Expenses</b>			
Other expenses	(5,248,907)	(485,000)	(5,733,907)
<b>(Loss) for the year</b>	<u>(6,452,549)</u>	<u>(485,000)</u>	<u>(6,937,549)</u>
<b>Total comprehensive (loss) for the year</b>	<u>(6,452,549)</u>	<u>(485,000)</u>	<u>(6,937,549)</u>
<b>(Loss) per shares - cent per share</b>	(2.090)		(2.247)

**Statement of financial position**

<b>Extract</b>	<b>Consolidated 2021 \$ Reported</b>	<b>Consolidated \$ Adjustment</b>	<b>Consolidated 2021 \$ Restated</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payable	754,071	1,657,084	2,411,155
<b>TOTAL CURRENT LIABILITIES</b>	<u>16,702,217</u>	<u>1,657,084</u>	<u>18,359,301</u>
<b>TOTAL LIABILITIES</b>	16,702,217	1,657,084	18,359,301
<b>NET ASSETS</b>	7,583,752	(1,657,084)	5,926,668
<b>EQUITY</b>			
Accumulated losses	(34,954,551)	(1,657,084)	(36,611,635)
<b>TOTAL EQUITY</b>	<u>7,583,752</u>	<u>(1,657,084)</u>	<u>5,926,668</u>

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**3 Restatement of comparative (continued)**

<b>Extract</b>	<b>Consolidated 2020 \$ Reported</b>	<b>Consolidated \$ Adjustment</b>	<b>Consolidated 2020 \$ Restated</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payable	801,051	1,172,084	1,973,135
<b>TOTAL CURRENT LIABILITIES</b>	<u>6,820,560</u>	<u>1,172,084</u>	<u>7,992,644</u>
<b>TOTAL LIABILITIES</b>	<u>6,871,892</u>	<u>1,172,084</u>	<u>8,043,976</u>
<b>NET ASSETS</b>	11,159,203	(1,172,084)	9,987,119
<b>EQUITY</b>			
Accumulated losses	<u>(30,039,930)</u>	<u>(1,172,084)</u>	<u>(31,212,014)</u>
<b>TOTAL EQUITY</b>	<u>11,159,203</u>	<u>(1,172,084)</u>	<u>9,987,119</u>

**4 Revenue**

**Revenue from operating activities**

Sale of goods – recognised at point in time	147,180	-
Total revenue from operating activities	<u>147,180</u>	<u>-</u>

**Other revenue from:**

Other income received	86,575	11,512
Interest received	993,206	90,800
Total other revenue	<u>1,079,781</u>	<u>102,312</u>



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	<b>Consolidated 2022 \$</b>	<b>Consolidated 2021 \$</b>
<b>5 Depreciation and Amortisation Expenses</b>		
Depreciation of property, plant and equipment	28,323	37,181
Depreciation of right-of-use-asset	47,246	47,534
Total depreciation and amortisation expenses	75,569	84,715
<b>6 Employee Benefit Expenses</b>		
Salaries and wages	1,659,050	744,871
Director fees	132,705	-
Provision for annual leave	(230,050)	31,016
Provision for long service leave	(57,102)	5,209
Superannuation contribution	84,028	53,005
Total employee benefit expenses	1,588,631	834,101
Provision of annual leave and long service leave are negative due to payout of entitlements on cessation of employment.		
<b>7 Other Expenses</b>		
Auditors remuneration	138,415	78,935
Bookkeeping fees	70,055	69,498
Legal costs	5,330,339	2,776,540
Payroll tax	91,264	8,068
Share based payment (Refer Note 31)	1,178,050	1,875,268
Share of after tax losses in joint venture	-	7,140
Other expenses	167,275	182,998
Total other expenses	6,975,398	4,998,447

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	<b>Consolidated 2022 \$</b>	<b>Consolidated 2021 \$</b>
<b>8 Income Tax Expense</b>		
(a) The components of tax expense comprise:		
Income Tax Expense	-	-
Numerical reconciliation of income tax expense and the product of accounting profit/(loss) before income tax multiplied by the company's applicable income tax rate is as follows:		
Income (loss) before income tax	(9,956,696)	(6,937,549)
Expenditure not allowable for income tax purposes	5,338,035	4,627,156
Capital expenditure immediately deductible for income tax purposes and other deductible expenses	(1,149,120)	(730,138)
Tax losses	(5,767,781)	(3,040,531)
(Income tax benefit)/tax payable at 25% (2021: 26%)	(1,441,945)	(790,538)
Deferred tax benefits in relation to losses not brought to account	1,441,945	790,538
Income tax expense at 25% (2021: 26%)	-	-

The group has accumulated tax losses arising of \$40,764,591. The Company needs to pass the continuity of ownership or control test and same business test in order to utilise the tax losses carried forward.

**9 Cash and Cash Equivalents**

<b>Current</b>		
Cash at bank	5,417,221	2,857,798
Cash on Hand	502	502
	<u>5,417,723</u>	<u>2,858,300</u>

Please refer to note 27 which details financial risk management.

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	<b>Consolidated 2022 \$</b>	<b>Consolidated 2021 \$</b>
<b>10 Trade and other receivables</b>		
<b>Current</b>		
Deposit - rental bond	4,000	4,000
Other receivable <sup>^</sup>	31,630	10,395
GST receivable	<u>205,037</u>	<u>9,856</u>
	<u>240,667</u>	<u>24,251</u>
Financial assets at amortised cost – JV loan*	<u>2,500,000</u>	<u>3,067,168</u>
* Loans provided to the Blue Cap Bullseye Joint Venture have a 12 month term from the date of advance, an interest rate of 15% per annum and are secured by the Personal Property and a fixed charge over any Other Property of the Blue Cap/ Bullseye Joint Venture. Refer to Note 29 for details of cessation of joint venture post balance date.		
<b>11 Other current assets</b>		
<b>Current</b>		
<b>Prepayments</b>		
Insurance	13,436	10,600
Rent	4,794	4,513
Share based payment service fee paid in advance*	<u>200,000</u>	<u>-</u>
	<u>218,230</u>	<u>15,113</u>
*Consulting and advisory services provided and paid via share issue, at an issue price of \$0.23 per share, in accordance with terms of a 2 year agreement with an unrelated party for the period to 30 June 2023.		
<b>12 Property, Plant and Equipment</b>		
Capital work in Progress – Ball Mill – at cost <sup>^</sup>	-	630,366
Plant and equipment - at cost	591,636	589,381
Less: Accumulated depreciation	<u>(382,018)</u>	<u>(362,459)</u>
	<u>209,618</u>	<u>226,923</u>
<sup>^</sup> The Ball Mill is carried at cost and the asset is now held for sale. Refer below.		
Motor vehicles – at cost	298,893	298,893
Less: Accumulated depreciation	<u>(277,251)</u>	<u>(270,286)</u>
	<u>21,642</u>	<u>28,607</u>

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	<b>Consolidated 2022 \$</b>	<b>Consolidated 2021 \$</b>
<b>12 Property, Plant and Equipment (continued)</b>		
Furniture and fittings – at cost	13,081	13,081
Less: Accumulated depreciation	<u>(5,412)</u>	<u>(4,686)</u>
	<u>7,669</u>	<u>8,395</u>
Software – at cost	60,478	60,478
Less: Accumulated depreciation	<u>(60,270)</u>	<u>(59,646)</u>
	<u>208</u>	<u>832</u>
Leasehold improvements – at cost	17,194	17,194
Less: Accumulated depreciation	<u>(6,289)</u>	<u>(5,840)</u>
	<u>10,905</u>	<u>11,354</u>
Total Property, Plant and Equipment	<u>250,042</u>	<u>906,477</u>

<b>Consolidated</b>	Ball Mill	Plant & equipment	Motor vehicles	Furniture & fittings	Software	Leasehold improvements	Total
Balance at 1/07/21	630,366	226,923	28,607	8,395	832	11,354	906,477
Additions	-	2,254	-	-	-	-	2,254
Additions through business combinations	-	-	-	-	-	-	-
Classified as held for sale	(630,366)	-	-	-	-	-	(630,366)
Disposals	-	-	-	-	-	-	-
Depreciation expense	-	(19,559)	(6,965)	(726)	(624)	(449)	(28,323)
Balance at 30/6/22	<u>-</u>	<u>209,618</u>	<u>21,642</u>	<u>7,669</u>	<u>208</u>	<u>10,905</u>	<u>250,042</u>

**Asset held for sale**

Carrying amount at beginning of year	-	-
Capital work in progress - Ball Mill	630,366	-
Additions	<u>126,000</u>	-
Carrying amount at end of year.	<u>756,366</u>	-

**13 Right-of-use-asset**

Land and building – right-of-use	141,739	141,739
Less: Accumulated depreciation	<u>(141,739)</u>	<u>(94,493)</u>
	<u>-</u>	<u>47,246</u>

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	<b>Consolidated 2022 \$</b>	<b>Consolidated 2021 \$</b>
<b>14 Exploration and evaluation asset and development expenditure</b>		
Carrying amount at beginning of year net of impairment	14,576,909	16,620,447
Additions	1,158,114	751,567
Amounts impaired (exploration write-off)	(129,537)	(4,600)
Less transfer to development (refer below)	-	(2,790,505)
Carrying amount at end of year net of impairment	15,605,486	14,576,909
Carrying amount at beginning of year net of impairment	2,790,505	-
Additions	75,395	-
Development expenditure - Bungarra	-	2,790,505
Carrying amount at end of year net of impairment	2,865,900	2,790,505

The recoverability of the carrying amount of exploration assets is dependent on the successful development and commercial exploration or sale of the respective mining permits.

**15 Trade and other payables**

**Current**

Trade creditors	868,520	535,373
Other creditors	371,330	150,460
Accrued share base payment	-	*1,657,084
PAYG withholding	377,122	68,238
	1,616,972	2,411,155

\*8,285,420 shares at \$0.20 were payable in lieu of consulting services provided during the period 28 November 2017 to 30 June 2021. Refer to further details in Note 3.

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	<b>Consolidated 2022 \$</b>	<b>Consolidated 2021 \$</b>	
<b>16 Borrowings</b>			
<b>Current</b>			
NAB Business Mastercard	215	16	
Loan – unsecured	-	4,111,701	
Loan – secured	-	1,162,420	
Loan – convertible note	33,738	9,070,488	
Fee Funding	17,652	86,007	
Less unexpired interest charge	(492)	(5,933)	
	<u>51,113</u>	<u>14,424,699</u>	
	Loan - unsecured	Loan - secured	
At the beginning of reporting date - 1 July 2021	4,111,701	1,162,420	9,070,488
Reversal of accrued interest	-	-	(1,256)
Add Interest	161,027	61,097	583,424
Add capital raising costs	-	-	50,431
Proceeds received from borrowing	300,000	172,500	1,727,500
Less repayment of borrowing	(516,885)	-	(111,003)
Less redemption of convertible note	-	-	(11,285,846)
Less conversion of loan	(4,055,843)	(1,396,017)	-
At reporting date - 30 June 2022	<u>-</u>	<u>-</u>	<u>33,738</u>
	No of share issued	Issue price	
	15,599,396	\$0.26	4,055,843
	6,345,533	\$0.22	-
	26,558,684	\$0.23	-
	20,709,397	\$0.25	-
	<u>4,055,843</u>	<u>1,396,017</u>	<u>11,285,846</u>

Refer to further details in Note 20

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	<b>Consolidated 2022 \$</b>	<b>Consolidated 2021 \$</b>
<b>17 Lease Liabilities</b>		
<b>Current</b>		
Lease Liability	-	51,332
<b>18 Provisions</b>		
<b>Current</b>		
Superannuation contribution	1,488	6,928
Provision for annual leave	88,989	319,039
Provision for long service leave	-	57,102
	90,477	383,069
<b>19 Other current liabilities</b>		
<b>Current</b>		
Accrued wages	36,673	26,366
Funds from shares yet to be issued	-	820,793
Payroll tax payable	294,185	241,887
Other payables	183,863	-
	514,721	1,089,046

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**20 Issued capital**

Fully Paid Ordinary Shares	64,329,388	35,413,363
	Consolidated 2022	Consolidated 2022
<b>Fully Paid Ordinary Shares</b>	<b>No. of shares</b>	<b>\$ Value of</b>
At the beginning of reporting date — 1 July 2021	316,941,139	35,413,363
Shares issued during the year at issue price of \$0.20	12,977,529	2,595,506
Shares issued during the year on conversion of funds previously advanced at issue price of \$0.20	3,272,880	654,576
Shares issued during the year in lieu of capital raising services provided at issue price of \$0.20	861,391	172,278
Shares issued during the year in lieu of interest owed on funds advanced at issue price of \$0.20	1,535,112	307,023
Shares issued during the year in lieu of ball mill finders fee at issue price of \$0.20	630,000	126,000
Shares issued during the year in lieu of consulting and advisory services provided at issue price of \$0.20	9,700,000	1,940,000
Shares issued during the year in lieu of consulting and advisory services provided at issue price of \$0.23	1,913,043	440,000
Shares issued during the year on options exercise at issue price of \$0.23	26,086,956	6,000,000
Shares issued during the year on redemption of convertible notes at issue price of \$0.23 (refer to note 16)	26,558,684	6,108,497
Shares issued during the year in lieu of capital raising services provided at issue price of \$0.24	1,784,713	429,300
Shares issued during the year on redemption of convertible notes at issue price of \$0.25 (refer to note 16)	20,709,397	5,177,349
Shares issued during the year at issue price of \$0.27	645,356	174,246
Shares issued during the year in lieu of capital raising services provided at issue price of \$0.27	38,722	10,455
Shares issued during the year on conversion of loan facility at issue price of \$0.22 (refer to note 16)	6,345,533	1,396,017



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<b>20</b>	<b>Issued capital (continued)</b>	Consolidated 2022	Consolidated 2022
	<b>Fully Paid Ordinary Shares (continued)</b>	No. of shares	\$ Value of
	Shares issued during the year on conversion of loan facility at issue price of \$0.26 (refer to note 16)	15,599,396	4,055,843
	Less: Transaction costs arising on share issue — 30 June 2022	-	(671,065)
	At reporting date — 30 June 2022	445,599,851	64,329,388
		Consolidated 2021	Consolidated 2021
	<b>Fully Paid Ordinary Shares</b>	No. of shares	\$ Value of
	At the beginning of reporting date — 1 July 2020	305,071,223	33,926,533
	Shares issued during the year in lieu of capital raising costs at issue price of \$0.26	36,922	9,600
	Shares issued during the year at issue price of \$0.26	615,366	159,995
	Shares issued during the year at issue price of \$0.265	301,887	80,000
	Shares issued during the year in lieu of capital raising costs at issue price of \$0.20	302,256	60,451
	Shares issued during the year at issue price of \$0.20	5,037,606	1,007,521
	Shares issued during the year in lieu of capital raising costs at issue price of \$0.22	468,346	103,036
	Shares issued during the year at issue price of \$0.22	5,107,533	1,123,657
	Transfer funds from shares yet to be issued	-	(884,343)
	Less: Transaction costs arising on share issue — 30 June 2021	-	(173,087)
	At reporting date — 30 June 2021	316,941,139	35,413,363

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

	<b>Consolidated 2022</b>	<b>Consolidated 2021</b>
<b>21 Reserves</b>		
	No. of options	Value of options
<b>Share-based Payments Reserve</b>		
At the beginning of the reporting date – 1 July 2021	25,391,304	7,124,940
Options issued during the year (refer Note 31)	8,695,652	695,134
Options exercised during the year	<u>(26,086,956)</u>	<u>(2,085,402)</u>
At reporting date — 30 June 2022	<u>8,000,000</u>	<u>5,734,672</u>
At the beginning of the reporting date – 1 July 2020	25,763,434	7,272,600
Options issued during the year (refer Note 31)	17,391,304	1,390,268
Expired options during the year	<u>(17,763,434)</u>	<u>(1,537,928)</u>
At reporting date — 30 June 2021	<u>25,391,304</u>	<u>7,124,940</u>
<b>Nature and purpose of reserves</b>		
Share-base Payments Reserve		
The share-base payments reserve is used to recognise the fair value of options not yet exercised and performance rights not yet vested.		
<b>22 Accumulated losses</b>		
Accumulated losses at the beginning of the financial year	(36,611,635)	(31,212,014)
Transfer from Share Payments Reserve due to exercised options	2,085,402	1,537,928
(Loss) for the year attributable to members of the company	<u>(9,956,696)</u>	<u>(6,937,549)</u>
Accumulated losses at the end of the financial year	<u>(44,482,929)</u>	<u>(36,611,635)</u>

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	<b>Consolidated 2022 \$</b>	<b>Restated Consolidated 2021 \$</b>
<b>23 Cash Flow Information</b>		
<b>Reconciliation of net cash provided by operating activities to (loss) after income tax</b>		
Operating (loss) after income tax	(9,956,696)	(6,937,549)
<i>Adjustments for:</i>		
Depreciation	75,569	84,715
Loss on Sale of Assets	-	74
Share of after tax income (losses) in associates and joint ventures	-	7,140
Share based payment	1,178,050	1,875,268
Payroll Tax Rebate	-	17,500
Interest	180,494	647,041
Employee leave provisions	(287,152)	36,225
Write off of exploration expenditure	129,537	4,600
Decrease (increase) in other receivables	(21,912)	(10,139)
Decrease (increase) in prepaid expenses	(3,118)	3,210
(Decrease) increase in trade creditors and other payables	571,168	(19,617)
Net cash flows used in operating activities	(8,134,060)	(4,291,532)
<b>Non-cash investing and financing activities</b>		
Addition to right-of-use-assets	-	862
Shares issued under conversion of loan facilities	6,430,007	-
Shares issued under conversion of convertible notes	11,285,847	-
	17,715,854	862

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	Parent 2022 \$	Parent 2021 \$ Reported	Restatement (a)	Parent 2021 \$ Restated
<b>24 Parent Entity Disclosures</b>				
<b><u>Financial Position</u></b>				
<b>Asset</b>				
Current assets	9,597,646	6,419,273		6,419,273
Non-current asset	17,142,426	16,742,115		16,742,115
<b>Total assets</b>	<b>26,740,072</b>	<b>23,161,388</b>		<b>23,161,388</b>
<b>Liabilities</b>				
Current Liabilities	2,269,002	16,700,436	1,657,084	18,357,520
<b>Total Liabilities</b>	<b>2,269,002</b>	<b>16,700,436</b>		<b>18,357,520</b>
<b>Equity</b>				
Issued capital	63,147,597	34,231,572		34,231,572
Reserves	5,734,672	7,124,940		7,124,940
Accumulated losses	(44,411,199)	(34,895,560)	(1,657,084)	(36,552,644)
<b>Total equity</b>	<b>24,471,070</b>	<b>6,460,952</b>		<b>4,803,868</b>
<b><u>Financial Performance</u></b>				
Loss for the year	(9,943,956)	(6,436,523)	(485,000)	(6,921,523)
Other comprehensive income	-	-		-
<b>Total comprehensive loss</b>	<b>(9,943,956)</b>	<b>(6,436,523)</b>		<b>(6,921,523)</b>

Please refer to note 28 which details the parent entity commitments or contingent liabilities at reporting date.

Bullseye Mining Limited has provided a letter of financial support in relation to Bullseye Resources Limited.

(a) Refer to Note 3 for details of restatement.

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**25 Related Party Disclosures**

Bullseye Mining Ltd paid consulting fees to Grange Consulting & Investments a related party/entity of director Peter G Burns of \$300,000 (2021: \$300,000). Grange Consulting & Investments is a consulting entity whereby Peter G Burns provides services to Bullseye Mining in his capacity as Executive Director for Bullseye Mining Limited, Bullseye Resources Limited, Broken Hill Metals Pty Ltd and Goldwinner Corporation Pty Ltd. Peter G Burns has also provided services as Company Secretary for Bullseye Mining Limited, Bullseye Resources Limited, Broken Hill Metals Pty Ltd and Goldwinner Corporation Pty Ltd.

Bullseye Mining Ltd paid consulting fees, legal instruction and director fees to Fay Holdings Pty Ltd a related party/entity of Non-Executive Director Anthony N Short of \$206,500 (2021: \$nil). Fay Holdings Pty Ltd is a consulting entity whereby Anthony N Short provides services to Bullseye Mining in his capacity as Non-Executive Director for Bullseye Mining Limited.

Bullseye Mining Ltd paid consulting fees and Director fees to Nightwatch Investment Pty Ltd a related party/entity of Director Ian Mackenzie Ladyman of \$182,897 (2021: \$nil). Nightwatch Investment Pty Ltd is a consulting entity whereby Ian Mackenzie Ladyman provides services to Bullseye Mining in his capacity as Non-Executive Director for Bullseye Mining Limited. Mr Ladyman resigned as a Director of Bullseye on 9 June 2022.

Dariena Mullan provided the Company with a loan of \$200,000 on 7 April 2021. The loan was unsecured with no interest payable and repayable on demand. Between 6 and 8 September 2021, Ms Mullan provided the Company with a further loan of \$300,000. Prior to provision of this further loan, on 5 September 2021, it was approved by the independent non-executive Directors that a loan agreement be entered into with Ms Mullan, whereby the \$500,000 loan would accrue interest at a rate of 8% per annum from the date of receipt of funds, the unsecured loan, was repaid in full following a request on 7 December 2021 by Ms Mullan.

Darrell Mullan is a related party of Dariena Mullan and received remuneration of \$236,092 plus super (including termination payment, long service leave and other entitlements) in FY2022 (2021: \$120,000 plus super). Darrell Mullan fulfilled the role of Electrician and Site Supervisor.

Details relating to key management personnel including remuneration paid are included in Note 2.

A secured loan facility of \$2,500,000 was advanced to Blue Cap Bullseye Joint Venture Unit Trust (borrower) by the Company (lender) between 1 July 2022 to 10 December 2022 at the interest rate of 15% per annum. The due date for the repayment is 365 days from the date of each advance is received by the borrower. The Company has Lender security over the Collateral of all of the Borrower's present and after-acquired real and personal property and any other property over which the Borrower has power to grant a Security Interest, including all gold and gold bearing material mined from the Bungarra Tenement from time to time, any proceeds from the sale or disposal of such gold or gold bearing material (including gold or similar credits credited to a metals account with the Perth Mint or otherwise) and any other rights the borrower has in connection with the Bungarra Tenement. Refer to details in Note 29 regarding the cessation of the joint venture post balance date, including the expected recovery of the abovementioned loan.

There were no transactions with other related parties during the current financial year.

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**26 Subsidiaries**

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

Name of entity	Country of Incorporation	Class of shares	Entity holding 2022 %	2021 %
Bullseye Resources Limited*	Australia	Ordinary	100	100
Broken Hill Metals Pty Ltd	Australia	Ordinary	100	100
EGF Nickel Pty Ltd	Australia	Ordinary	100	100
Goldwinner Corporation Pty Ltd	Australia	Ordinary	100	100

\*Changed to Bullseye Resources Pty Ltd effective 30 September 2022

**Interest in joint ventures**

Interest in joint ventures are accounted for using the equity method. Information relating to joint ventures that are material to the consolidated entity are set out below:

Name of entity	Country of Incorporation	Class of shares	Entity holding 2022 %	2021 %
Blue Cap Bullseye Joint Venture Pty Ltd	Australia	Ordinary	70*	70
Dingo Range Pty Ltd	Australia	Ordinary	70*	70
Blue Cap Bullseye Joint Venture Unit Trust	Australia	Unit	70*	70

\* Bullseye owns 70% of the shares of the company and 70% units of the unit trust and Blue Cap owns 30% of the shares of the company and 30% units of the unit trust. The Blue Cap Bullseye Joint Venture Pty Ltd and Blue Cap Bullseye Joint Venture Unit Trust have been determined to be a stapled arrangement.

The boards of Blue Cap Bullseye Joint Venture and Dingo Range Joint Venture have two directors, each representing one of the joint venturers, with each director having equal voting rights. Blue Cap and Bullseye equally manage the joint ventures.

Mining operations commenced at Bungarra in January 2021 and on 8 September 2021 Bullseye announced the pouring of its maiden gold bar from the Bungarra gold deposit. Via the BCBJV, a total of 3 gold processing campaigns were completed at the Wiluna Gold Processing Centre, with the third processing campaign completed in April/May 2022.

Over the course of the 3 processing campaigns, an average of 94.3% recovery was achieved at an average head grade of 3.32g/t, to produce a total of 20,365 recovered gold ounces at an ASIC of \$1,780 per ounce (after development costs).

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The BCBJV securityholders agreement provided that the shareholders of BCBJV may agree to extend the coverage of the joint venture to include the development of projects other than the Bungarra gold deposit. In November 2021, it was agreed to extend the scope of the BCBJV to also include the development of Bullseye's Neptune gold deposit, based on an open pit mining scenario, anticipated at that time to involve the extraction and processing, on a toll treatment basis, of a preliminary estimate of approximately 17,000 ounces of gold (subject to further drilling, development and optimisation works).

Via the BCBJV, from December 2021 to May 2022, drilling, development and optimisation works of approximately \$2m were undertaken on the Neptune gold deposit, including: advancing relevant approvals, mine definition drilling, grade control drilling and mine planning.

Following completion of the third gold processing campaign in April/May 2022, the BCBJV was planning treatment of a fourth processing campaign of already mined Bungarra gold ore stockpiles, as well as further ore to be mined from the Bungarra deposit. In addition to the planned fourth processing campaign, the BCBJV was also advancing potential mining of the Neptune deposit on a planned toll treatment basis.

Upon Emerald assuming control of Bullseye, the overall development strategy of Bullseye was reviewed, particularly in light of Emerald's strong and demonstrated track record of larger scale, stand-alone mine development. Bullseye, in conjunction with Emerald's experienced development and geological team formulated a large-scale drilling program for the NLGP, with a view to ultimately developing the NLGP as a stand-alone mine, with its own processing plant.

In May/June 2022, Bullseye commenced discussions with Blue Cap with a view to disbanding the BCBJV and for Bullseye to ultimately assume 100% control of the Bungarra deposit (including approx. 200kt of Bungarra gold ore stockpiles) and 100% control of the Neptune deposit.

In September 2022, the Company announced an agreement was reached between the BCBJV parties, in relation to cessation of the BCBJV (see *'Events Since the end of Financial Year' section of this report, for further details*).

As part of a conservative approach, the assets of the BCBJV and development works undertaken, have been heavily written down, however the Board is of the view that the current Bungarra ore stockpiles, the extensive development works on the Bungarra and Neptune deposits, as well as the resumption of 100% control of both the Bungarra and Neptune deposits, will yield significant future value to Bullseye, on the basis that the NLGP can be successfully developed in the future as a stand-alone mine with an on-site gold processing plant.

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	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
<b>Interest in joint ventures</b>		
The Joint venture was formed on 21 October 2020.		
<b><u>Summarised statement of financial position</u></b>		
	<b>Blue Cap Bullseye Joint Venture Unit Trust</b>	
<b>Assets</b>		
Cash and cash equivalents	386,115	216,294
Trade and other receivables	871,708	10,100
Inventories	608,850	-
Financial asset at amortised cost – JV loan Dingo Range	2,269,064	-
Non-current (Development) assets	1,200,000	8,643,718
<b>Total assets</b>	<b>5,335,737</b>	<b>8,870,112</b>
<b>Liabilities</b>		
Trade and other payables	410,910	1,448,384
Provision	498,509	-
Other current liabilities	278,404	-
Borrowings - Blue Cap	2,500,000	4,045,656
Borrowings - Bullseye	2,500,000	3,067,168
Borrowings - Dingo Range	-	1,034,477
<b>Total liabilities</b>	<b>6,187,823</b>	<b>9,595,685</b>
<b>Net (liabilities)</b>	<b>(852,086)</b>	<b>(725,573)</b>
<b><u>Summarised statement of profit or loss and comprehensive income</u></b>		
Revenue from continuing operations	52,140,928	-
Interest received	1,625,280	-
Cost of sale	(42,333,304)	-
Accountancy expenses	(9,468)	(149)
Depreciation and amortisation expenses	(8,647,719)	-
Finance fees	(1,992,735)	(336,186)
Write off of exploration and evaluation expenses	(705,220)	-
Other expenses	(204,275)	(399,338)
<b>(Loss) before income tax</b>	<b>(126,513)</b>	<b>(735,673)</b>
Income tax expense	-	-
<b>(Loss) for the year</b>	<b>(126,513)</b>	<b>(735,673)</b>
Other comprehensive income	-	-
<b>Total comprehensive (loss) for the year</b>	<b>(126,513)</b>	<b>(735,673)</b>



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	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
<hr/>		
<b><u>Summarised statement of financial position</u></b>	<b>Blue Cap Bullseye Joint Venture Unit Trust</b>	
<b><u>Share of loss of joint venture accounted for using the equity method</u></b>		
Share of loss – joint ventures (70%)	(88,559)	(514,971)
<b><u>Non-current asset – investments accounted for using the equity method</u></b>		
Investment in joint ventures	-	-
<b>Reconciliation of the consolidated entity’s carry amount</b>		
Opening carrying amount	-	-
Initial investment	-	7,070
Share of loss after income tax	-	(7,070)
<b>Closing carrying amount</b>	-	-

**Interest in joint ventures**

The Joint venture company was formed on 9 March 2021.

	<b>Dingo Range Pty Ltd</b>	
<b><u>Summarised statement of financial position</u></b>		
<b>Assets</b>		
Cash and cash equivalents	153,776	15,104
Trade and other receivables	100	729,210
Financial asset at amortised cost – JV loan	-	1,034,476
Inventories	952,303	-
Non-current assets	-	7,244,203
<b>Total assets</b>	<b>1,106,179</b>	<b>9,022,993</b>
<b>Liabilities</b>		
Trade and other payables	1,178,887	7,863,052
Borrowings - Blue Cap	2,269,064	
Borrowings	415,791	1,281,670
<b>Total liabilities</b>	<b>3,863,742</b>	<b>9,144,721</b>
<b>Net (liabilities)</b>	<b>(2,757,563)</b>	<b>(121,728)</b>

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	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
<hr/>		
<b><u>Summarised statement of financial position</u></b>	<b>Dingo Range Pty Ltd</b>	
<b><u>Summarised statement of profit or loss and comprehensive income</u></b>		
Revenue from continuing operations	18,949,466	19,837
Cost of sale	(12,095,181)	-
Accountancy expenses	(11,029)	-
Consultant fees	(73,538)	(56,850)
Finance fees	(1,942,361)	(30,245)
Write off of exploration and evaluation expenses	(7,244,203)	-
Other expenses	(218,991)	(54,571)
<b>(Loss) before income tax</b>	<b>(2,635,836)</b>	<b>(121,829)</b>
Income tax expense	-	-
<b>(Loss) for the year</b>	<b>(2,635,836)</b>	<b>(121,829)</b>
Other comprehensive income	-	-
<b>Total comprehensive (loss) for the year</b>	<b>(2,635,836)</b>	<b>(121,829)</b>
<b><u>Share of loss of joint venture accounted for using the equity method</u></b>		
Share of loss – joint ventures (70%)	(1,845,084)	(85,280)
<b><u>Non-current asset – investments accounted for using the equity method</u></b>		
Investment in joint ventures	-	-
<b>Reconciliation of the consolidated entity's carry amount</b>		
Opening carrying amount	-	-
Initial investment	-	(70)
Share of loss after income tax	-	70
<b>Closing carrying amount</b>	<b>-</b>	<b>-</b>

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**27 Financial Instruments**

**Financial Risk Management**

The Group's financial instruments consists primarily of deposits with banks and accounts receivable and payable.

The Group does not have any derivative instruments at 30 June 2021 or 30 June 2022.

**Fair Value Estimation**

The fair values and net fair values of financial assets and financial liabilities are determined as follows:

The fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices;

The fair value of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis; and

Transaction costs are included in the determination of net fair value.

The Group did not have access to any undrawn borrowing facilities at either 30 June 2021 or 2022.

The directors consider that the carrying amount of financial assets and financial liabilities recorded in the financial statements approximates their fair values due to the short term nature of these assets and liabilities.

**Cash flow and fair value interest rate**

The Group's main interest rate risk arises from cash and short-term borrowings.

**Sensitivity**

At 30 June 2022, if interest rates had changed by +/- 100 basis points from the year-end rates with all other variables held constant, post tax loss for the year would have been \$541,772 lower/higher (2021: \$9,080 lower/higher) mainly as a result of higher/lower interest income from cash and cash equivalents.

**Interest Rate Risk**

The following table sets out the carrying amounts, by maturity, of the financial instruments exposed to interest rate risk.

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Year ended 30 June 2022 – Consolidated	Within 1 year \$	1 to 5 years \$	Over 5 years \$	Total \$	Weighted average effective interest rate %
<b><u>Financial Assets</u></b>					
<b><i>Floating interest rate</i></b>					
Cash & cash equivalents	5,417,723	-	-	5,417,723	0.10%
<b><i>Non-interest bearing</i></b>					
Trade & other receivables	240,667	-	-	240,667	
Other current assets	218,230	-	-	218,230	
Joint Venture Loan	2,500,000	-	-	2,500,000	15%
<b>Total financial assets</b>	<b>8,376,620</b>	<b>-</b>	<b>-</b>	<b>8,376,620</b>	
<b><u>Financial Liabilities</u></b>					
<b><i>Interest bearing</i></b>					
Borrowings	51,113	-	-	51,113	7.26%
<b><i>Non-interest bearing</i></b>					
Trade & other payables	1,616,972	-	-	1,616,972	
<b>Total financial liabilities</b>	<b>1,668,085</b>	<b>-</b>	<b>-</b>	<b>1,668,085</b>	

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Year ended 30 June 2021 – Consolidated	Within 1 year \$	1 to 5 years \$	Over 5 years \$	Total \$	Weighted average effective interest rate %
<b><u>Financial Assets</u></b>					
<b><i>Floating interest rate</i></b>					
Cash & cash equivalents	2,858,300	-	-	2,858,300	0.10%
<b><i>Non-interest bearing</i></b>					
Trade & other receivables	24,251	-	-	24,251	
Joint Venture Loan	3,067,168	-	-	3,067,168	
<b>Total financial assets</b>	<b>5,949,719</b>	<b>-</b>	<b>-</b>	<b>5,949,719</b>	
<b><u>Financial Liabilities</u></b>					
<b><i>Interest bearing</i></b>					
Borrowings	14,424,699	-	-	14,424,699	7.26%
Lease liability	51,332	-	-	51,332	10%
<b><i>Non-interest bearing</i></b>					
Trade & other payables	754,071	-	-	754,071	
Share based payments	1,657,084	-	-	1,657,084	
<b>Total financial liabilities</b>	<b>16,887,186</b>	<b>-</b>	<b>-</b>	<b>16,887,186</b>	

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**Liquidity Risk**

Prudent liquidity risk management implies maintaining sufficient cash. The Group manages liquidity risk by continuously monitoring forecast and actual cash flows. Surplus funds are generally only invested in instruments that are term deposits with banks.

**Credit Risk**

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions. For banks and financial institutions, only independently rated parties with minimum rating of 'A' are accepted. Otherwise, if there is no independent rating, the board assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on the internal or external rating in accordance with limits set by the Board.

The maximum exposure to credit risk, excluding the value of any collateral or other security, at reporting date to financial assets is the carrying amount, net of any provisions, as disclosed in the statement of financial position and notes to the financial statements.

There are no significant concentrations of credit risk within the Group at the reporting date.

The following table represents the Group's exposure to credit risk.

	<b>Consolidated 2022</b>	<b>Consolidated 2021</b>
	<b>\$</b>	<b>\$</b>
Cash & cash equivalents	5,417,723	2,858,300
Trade receivables (i)	240,667	24,251
Other receivables - Loan to JV	2,500,000	3,067,168
	<u>8,158,390</u>	<u>5,949,719</u>

(i) External entities with no credit rating and no history of default.

**Capital Management**

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

The Group monitors its working capital position against expenditure requirements to undertake its planned exploration and evaluation programme and maintain its ongoing corporate operations. Where required, the Group will sell assets, issue new securities, raise debt or modify its exploration and evaluation programme to ensure that the Group's working capital requirements are met.

The Company debt to equity ratio is 8.89%

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**28 Commitments and Contingencies**

**(a) Exploration Commitments**

In order to maintain current rights of tenure to exploration tenements, the Group is required to meet minimum expenditure requirements of the relevant regulatory bodies. Minimum expenditure requirements including permit rentals are detailed in the table below. These commitments are subject to renewal of the permits, renegotiation upon expiry of the exploration permit or when application for a mining permit is made. These commitments are not provided for in the financial statements.

Exploration commitments contracted for at reporting date but not recognised as liabilities are as follows:

	<b>Consolidated 2022</b>	<b>Consolidated 2021</b>
	<b>\$</b>	<b>\$</b>
<i>Exploration commitments</i>		
Within one year	2,286,885	197,840 <sup>^</sup>
After one year but no more than five years	5,039,732	5,379,983
More than five years	<u>5,964,001</u>	<u>6,485,490</u>
	<u>13,290,618</u>	<u>12,063,313</u>

<sup>^</sup>Minimum expenditure commitment reduced as a result of the Applications for Forfeiture against various tenements

**(b) Contingent Liabilities**

**Matter COR 83 of 2020 – Supreme Court of Western Australia**

In July 2020, Hong Kong Xinhe International Investment Company Limited (Xinhe), a substantial shareholder in Bullseye, brought an action in the Supreme Court of Western Australia, COR 83 of 2020, against Bullseye and its three directors (one of whom still remains on the board) alleging that the affairs of Bullseye have been conducted in a manner which is oppressive to or unfairly discriminatory against Xinhe and contrary to the interests of shareholders as a whole. On 10 August 2021, Xinhe commenced fresh oppression proceedings against Bullseye and the three directors in order to litigate in one proceeding alleged grounds of oppression which had arisen since the first proceedings were commenced. Xinhe seeks a number of orders to remedy the alleged oppressive conduct.

The trial of the proceedings commenced before his Honour Justice Marcus Solomon on 6 September 2021, and has continued across a number of blocks of trial dates. To date, the trial has run for 66 trial days, with the evidence of the parties having closed on 26 August 2022.

There are a further 10 trial days listed for 9 to 22 November 2022, for the presentation of closing oral submissions.

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**Contingent Liabilities** (continued)

Xinhe's claims in the proceedings continue to be vigorously defended by Bullseye. The Board is of the view that with the takeover bid for Bullseye by ASX listed Emerald having been successfully completed, most of the relief sought by Xinhe in these oppression proceedings have become moot, save in relation to the costs of the proceeding, which will be in contest.

As described below, on 25 August 2022, Xinhe and its associate entity, Au Xingao Pty Ltd, (AXI) commenced new proceedings (matter COR 159 of 2022) against Bullseye, Emerald and the directors of Bullseye (at the time Emerald acquired control of Bullseye), seeking declaratory relief in respect of alleged contraventions of provisions of the *Corporations Act 2001* (Cth), including the oppressive conduct provisions in respect of Bullseye, and compensation or damages under various provisions of the Act. There is some overlap between the remedies claimed in COR 83 of 2020 and the remedies claimed in the new proceedings. As matters currently stand, there has been a bifurcation in COR 83 of 2020 between the merits of the action and the remedies claimed in it. At the first stage, the Court will hear closing submissions on the merits in COR 83 of 2020 in November 2022.

If the Court finds that any of the grounds of oppression pleaded in COR 83 of 2020 have been made out, based on the evidence presented to date, the action will then proceed to the second stage for determination of what remedies (if any) should be granted by the Court in respect of the grounds of oppression that it has found to have been established. The first question the Court would have to determine, if that stage was reached, would be whether the Court should proceed to determine relief in COR 83 of 2020 or await the outcome of the new proceedings.

If the Court decided to determine the question of relief in COR 83 of 2020 immediately, the parties would be likely to seek the leave of the Court to amend their pleadings, to raise matters which have transpired since December 2021 (mainly surrounding Emerald having acquired control of Bullseye and the circumstances in which that occurred). If leave was granted to amend their pleadings, the parties might be required to lead some further evidence in support of their amended pleadings. Such evidence is likely to be reasonably confined.

**Recommended Judicial Mediation of Matter COR 83 of 2020**

Justice Solomon recommended that the parties to matter COR 83 of 2020 engage in a Supreme Court judicial mediation process between the dates of 15 to 22 September 2022. All parties agreed and attended the judicial mediation which was heard before his Honour Justice Kenneth Martin. No final outcome has yet been reached and the judicial mediation has been adjourned for further hearing.



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**Contingent Liabilities** (continued)

**Matter COR 159 of 2022 – Supreme Court of Western Australia**

This action was commenced by Xinhe and AXI on 25 August 2022, against Bullseye, Emerald and the five directors of Bullseye, at the time Emerald acquired control of Bullseye. ASIC has also been included as a defendant on the basis that the relief sought against the other defendants potentially affects ASIC.

In these proceedings, Xinhe and AXI applies for relief from oppressive conduct of Bullseye's affairs since October 2020.

Bullseye will defend the claims in these proceedings. Until a statement of claim is served on Bullseye and the other defendants, it is difficult for Bullseye to understand the basis upon which the claims are brought or assess the relief claimed. Bullseye's position is that any grievances of any substance, which the plaintiffs have, in relation to the takeover bids by Emerald or AXI, were ventilated before the Takeovers Panel and orders made by the Panel were complied with by Bullseye and Emerald in giving further disclosure via supplementary target and bidder's statements and extending rights of withdrawal to Bullseye shareholders, who had already accepted Emerald's offer, such that the Emerald takeover bid ultimately proceeded with the endorsement and imprimatur of the Takeovers Panel.

Matter COR 159 of 2022 has been launched in the wake of an unsuccessful rival takeover bid for Bullseye by AXI, which expired in August 2022, whilst it was still subject to various defeating conditions, including Foreign Investment Review Board (FIRB) approval. Based on information publicly disclosed by AXI, as at the close of AXI's takeover offer, it had only received acceptances for 0.6% of the issued shares in Bullseye (which acceptances have now been unwound as the offer did not proceed).

Bullseye is disappointed by the actions of the Plaintiffs especially in light of the judicial mediation process being conducted in good faith. Bullseye views the commencement of matter COR 159 of 2022 as an opportunistic tactic by the Plaintiffs to attempt to advance their position in the judicial mediation and represents yet another example of a concerted series of actions by the Plaintiffs seeking to gain influence and control over the affairs of Bullseye.

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**Contingent Liabilities** (continued)

**Matter CIV 1987 of 2020 – District Court of Western Australia**

Mr Sam Cheng has brought an action in the District Court of Western Australia, CIV 1987 of 2020, against Bullseye, alleging that Bullseye has breached a contract between Bullseye and Mr Cheng entered into around 9 October 2013, by failing or refusing to pay monthly consulting fees to Mr Cheng in the amount of \$580,000 during the period from June 2018 until May 2020. Bullseye denies that claim.

Bullseye has brought a counterclaim in CIV 1987 of 2020 against the following parties:

- (a) Sam Cheng
- (b) Wu Qiyuan;
- (c) Xinhe;
- (d) Yiyang Qiu (Luke Huang);
- (e) Brett Clark;
- (f) Doonbeg Capital Pty Ltd;
- (g) Kevin Dundo; and
- (h) Red 5 Limited.

Bullseye seeks unliquidated damages against the above parties for conspiring to cause harm and injury to Bullseye.

The action is in the interlocutory stages of the Court process and is awaiting judgment to be delivered by the District Court concerning applications for security for costs issued against Bullseye by six of the defendants to the counterclaim.

Once the security for costs applications have been determined, Bullseye will advance its damages claim. As the matter progresses, it is expected to be elevated to the Supreme Court commensurate with the damages to be sought in the proceeding.

**Matter CIV 1989 of 2020 – District Court of Western Australia**

Mr Sam Cheng and Mr Eddy Cheng, as trustees of the NEZA Trust (**the Plaintiffs**) have brought another action in the District Court of Western Australia, CIV 1989 of 2020, against Bullseye, seeking payment of capital raising fees from Bullseye in the amount of \$366,000.

Bullseye has filed a defence and counterclaim in the proceedings, denying any amount is owing to the Plaintiffs, and claiming:

- (a) reimbursement of fees paid by Bullseye to the Plaintiffs in the sum of \$120,000; and
- (b) the transfer to Bullseye of 900,000 shares in Bullseye, or alternatively reimbursement of fees in the sum of \$117,000.
- (c) The trial of the action commenced on 31 January 2022 and proceeded for four sitting days. On 4 February 2022, the trial was adjourned and four further trial days were heard in October 2022. The trial is now complete with judgement pending. This matter is not deemed material by Bullseye.

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**Contingent Liabilities** (continued)

**Dispute with Inca Minerals Limited**

A dispute arose between Bullseye and Inca Minerals Limited (Inca) in March 2022, in relation to Nickel Rights on two of Bullseye's non-core tenements within Bullseye's North Laverton Gold Project. The parties have agreed to enter into a mediation process to resolve the matter, with the mediation date set for 6 December 2022. This matter is not deemed material to Bullseye.

**Applications For Forfeiture and Objections to Exemption**

As disclosed in Bullseye's 2021 Annual Report, between the dates of 27 June 2019 through to 12 March 2020, Bullseye has received applications for forfeiture lodged against many of Bullseye's North Laverton Gold Project tenements and the Company's Southern Cross tenements. The applications for forfeiture have been lodged by the following parties against the following projects:

<b>Project</b>	<b>Application for forfeiture</b>
North Laverton Gold Project	<ul style="list-style-type: none"><li>• Zygmund Wolski; and</li><li>• Golden Soak Enterprises Pty Ltd (Michael Jay Williams).</li></ul>
Southern Cross Gold Project	<ul style="list-style-type: none"><li>• West Australian Prospectors Pty Ltd (Vernon Wesley Strange); and</li><li>• Zygmund Wolski.</li></ul>

18 applications for forfeiture have been lodged against Bullseye's mining tenements by Golden Soak Enterprises Pty Ltd (Golden Soak) and a total of 55 applications for forfeiture have collectively been lodged by West Australian Prospectors Pty Ltd (WAP) and Mr Zygmund Wolski (Wolski) against mining tenements held by Bullseye and its subsidiaries.

In addition to the above, 14 objections to exemption from expenditure applications have been lodged by WAP or Wolski against 17 mining tenements held by Bullseye and its subsidiaries. If any of the objections to exemption from expenditure applications are determined in favour of Bullseye, then any forfeiture applications in respect of those 17 tenements will fall away.

The objections to exemption applications lodged by WAP and Wolski were originally listed for a substantive hearing on 1 to 3 November 2022, however the substantive hearing dates have recently been re-listed to 28 February and 1-2 March 2023. Bullseye has agreed with both WAP and Wolski that any substantive hearing of the applications for forfeiture lodged by those parties will not be heard until after the applications for exemptions have been determined. Bullseye expects that any substantive hearings of the Wolski and WAP forfeiture applications will not occur until the second half of 2023.

Most of the Golden Soak applications for forfeiture are second in time to forfeiture applications lodged by either WAP or Wolski. On that basis, Golden Soak and Bullseye have agreed that the first in time applications for forfeiture should be heard first.

The Bullseye Board is of the view that the Plaints are opportunistic and without merit. Bullseye has engaged specialist legal counsel to assist in defending all outlined actions.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

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**Royalty**

A Net Smelter Royalty (NSR) of 1.5% is payable by Bullseye Mining Limited to Resolute (Treasury), relating to the Hopes Hill Gold Mine (M77/551). The NSR is only payable if the Hopes Hill Gold Mine is put back into production.

There are no other contingent liabilities.

**29 Events since the end of the financial year**

**Further Drilling and Development Works at the NLGP**

Bullseye, in conjunction with Emerald's experienced development and geological team, has formulated a ~98,000m resource definition drilling programme which commenced in July 2022 to initially focus on the Boundary through Bungarra mineralised zone. Once completed, this programme combined with other recent drilling programmes undertaken at the NLGP will result in there being a total of approximately 150,000m of new drilling data and results available which can be used by Bullseye to estimate an updated JORC compliant Mineral Resource at the NLGP and a maiden Ore Reserve estimate.

The latest large-scale drilling programme, together with future exploration and development activities to be undertaken by Bullseye, are being funded from Bullseye's existing cash reserves and future planned ongoing pro-rata entitlement offers to Bullseye shareholders, as required.

**Latest drill results from Boundary and Neptune Prospects**

Latest results from Bullseye's RC resource exploration programme on the Boundary and Neptune Prospects is as follows (*refer Emerald ASX announcement dated 7 October 2022*):

- **12m @ 4.94g/t from 62m including 1m @ 9.07g/t from 69m and 1m @ 42.9g/t from 72m (RC22NPT003);**
- **15m @ 2.48g/t from 108m including 1m @ 7.39g/t from 116m and 2m @ 7.79g/t from 118m (RC22NPT004);**
- **13m @ 2.54g/t from 76m including 1m @ 19.30g/t from 81m (RC22BDY001);**
- **32m @ 0.92g/t from 92m (RC22NPT006);**
- **7m @ 3.92g/t from 63m including 2m @ 9.28g/t from 63m and 1m @ 6.67g/t from 69m (RC22NPT005);**
- **16m @ 1.51g/t from 97m including 1m @ 16.00g/t from 112m (RC22BDY001);**
- **18m @ 0.83g/t from 146m (RC22NPT007); and**
- **8m @ 1.48g/t from 121m (RC22NPT010).**

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
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**Cessation of the Xingao Offer**

In late August 2022, the Xingao Offer for Bullseye expired and was still subject to various defeating conditions, including Foreign Investment Review Board (FIRB) approval. Based on information publicly disclosed by Xingao, as at the close the Xingao Offer, it had received acceptances for 0.6% of the issued shares in Bullseye (which acceptances have subsequently been unwound as the Xingao Offer did not proceed).

**Matter COR 159 of 2022 – Supreme Court of Western Australia**

This action was commenced by Xinhe and AXI on 25 August 2022, against Bullseye, Emerald and the five directors of Bullseye, at the time Emerald acquired control of Bullseye. ASIC has also been included as a defendant on the basis that the relief sought against the other defendants potentially affects ASIC. In these proceedings, Xinhe and AXI applies for relief from oppressive conduct of Bullseye's affairs since October 2020.

Bullseye will defend the claims in these proceedings. Until a statement of claim is served on Bullseye and the other defendants, it is difficult for Bullseye to understand the basis upon which the claims are brought or assess the relief claimed. Bullseye's position is that any grievances of any substance, which the plaintiffs have, in relation to the takeover bids by Emerald or AXI, were ventilated before the Takeovers Panel and orders made by the Panel were complied with by Bullseye and Emerald in giving further disclosure via supplementary target and bidder's statements and extending rights of withdrawal to Bullseye shareholders, who had already accepted Emerald's offer, such that the Emerald takeover bid ultimately proceeded with the endorsement and imprimatur of the Takeovers Panel.

**Cessation of the BCBJV**

Consistent with Bullseye's strategy to develop the NLGP as a stand-alone mine with an on-site gold processing plant, in September 2022, Bullseye reached agreement with Blue Cap Equities Pty Ltd ATF Blue Capital Trust No.2 (BCE) to acquire their 30% interest in the BCBJV and the DRJV.

Commensurate with the transaction, Bullseye will assume 100% ownership of all on-site Bungarra gold ore stockpiles and retain 100% rights to the Bungarra gold project and Neptune gold deposit – including approximately \$2m of development works undertaken on the Neptune deposit by the BCBJV which Bullseye will get the full future benefit of, as an when the future production profile is determined.

The Directors consider that the loan to the BCBJV is fully recoverable through the inherent value of assets acquired back from the joint venture and their ability to generate near term cash flows.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
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Key terms of the agreement with BCE in relation to the BCBJV are, as follows:

- Bullseye to acquire BCE's 30% interest in the following:
  - i) the shares of Blue Cap Bullseye Joint Venture Pty Ltd;
  - ii) the units in Blue Cap Bullseye Joint Venture Trust; and
  - iii) the shares in Dingo Range Pty Ltd.
  
- Bullseye to contribute funds of circa \$2m to the BCBJV to pay, in full, loan and interest owing to BCE as per below:
  - i) 40% payable upon settlement; and
  - ii) 60% payable upon the earlier of; Bullseye completing a non-renounceable pro-rata entitlements issue or within 60 days.
  
- Upon payment of 40% of BCE loan, BCE to release all security over the BCBJV.
  
- Bullseye to contribute circa \$2m to payout all creditors and liabilities of the BCBJV (and all associated entities), as well as acquire certain BCE owned heavy machinery, infrastructure and on-site chattels.

As part of a conservative approach, the assets of the BCBJV and developments works undertaken, have been written down, however the Board is of the view that the current Bungarra ore stockpiles, the extensive development works on the Bungarra and Neptune deposits, as well as the resumption of 100% control of both the Bungarra and Neptune deposits, will yield significant future value to Bullseye, on the basis that the NLGP can be successfully developed in the future as a stand-alone mine with an on-site gold processing plant.

#### **Entitlements Offer**

In November 2022, Bullseye intends to issue a prospectus to undertake a pro-rata non-renounceable entitlement issue to raise \$6 million at an issue price of \$0.29 per Share. Bullseye's largest shareholder, Emerald (59.32%) has indicated that it intends to take up its full entitlement under the entitlement offer.

#### **Short-Term Working Capital Loan**

In order to ensure Bullseye meets its working capital requirements (including ongoing drilling and development), until completion of the entitlements issue detailed above, Emerald has provided a short-term working capital loan facility to Bullseye. The loan facility is for up to \$3 million and can be drawn down by Bullseye, as required. The loan facility is unsecured, non-convertible and carries an interest rate of 12% per annum, to be capitalised and repaid on repayment. The loan facility will be repaid in full upon completion of the outlined entitlements issue.

#### **Working Capital Loans to Blue Cap Bullseye Joint Venture**

As of October 2022, the outstanding loan amount (including interest) repayable to BCE was \$2.1m. On 4 October 2022 Bullseye repaid an amount of \$838,000 in relation to the BCE loan, with the balance to be repaid in full in mid-November 2022, as per the terms of the BCBJV cessation Deed. A principal loan amount of \$2.5m remains outstanding from BCBJV to Bullseye.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**30 Earnings (Loss) Per Share**

	<b>Consolidated 2022 Cents</b>	<b>Consolidated 2021 Cents</b>
<b>(a) Basic earnings (loss) per share</b>		
Income (loss) from continuing operations attributable to the ordinary equity holders of the company	(2.567)	(2.247)
<b>(b) Diluted earnings (loss) per share</b>		
Income (loss) from continuing operations attributable to the ordinary equity holders of the company	(2.567)	(2.247)
	\$	\$
<b>(c) Reconciliation of earnings (loss) used in calculation loss per share</b>		
Income (loss) from continuing operations attributable to the ordinary equity holders of the company	(9,956,696)	(6,937,549)
Loss attributable to the ordinary equity holders of the company	(9,956,696)	(6,937,549)
	Number	Number
<b>(d) Weighted average number of shares used as the denominator</b>		
Weighted average number of ordinary shares used as the denominator in calculating basic earnings (loss) per share	387,818,557	308,739,041

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
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**31 Share Based Payments**

The following shares were issued as share based payments during the year ended 30 June 2022. All share issues are to unrelated third parties unless otherwise stated.

Number of Shares	Details	Value \$	Purpose
1,913,043	Fully paid ordinary shares at 23 cents each	\$440,000	In lieu of consulting and advisory services provided
9,700,000	Fully paid ordinary shares at 20 cents each	\$1,940,000	In lieu of consulting and advisory services provided
630,000	Fully paid ordinary shares at 20 cents each	\$126,000	In consideration for Ball Mill finders fee
1,535,112	Fully paid ordinary shares at 20 cents each	\$307,023	In lieu of interest owed on funds advanced
861,391	Fully paid ordinary shares at 20 cents each	\$172,278	In lieu of capital raising services provided
3,272,880	Fully paid ordinary shares at 20 cents each	\$654,576	On conversion of funds previously advanced
38,722	Fully paid ordinary shares at 27 cents each	\$10,455	In lieu of capital raising services provided
1,784,713	Fully paid ordinary shares at 24 cents each	\$429,300	In lieu of capital raising services provided
15,599,396	Fully paid ordinary shares at 26 cents each	\$4,055,843	On conversion of loan facilities (refer to note 16)
6,345,533	Fully paid ordinary shares at 22 cents each	\$1,396,017	On conversion of loan facility (refer to note 16)
26,558,684	Fully paid ordinary shares at 23 cents each	\$6,108,497	Redemption of funds provided by convertible note holders (refer to note 16)
20,709,397	Fully paid ordinary shares at 25 cents each	\$5,177,349	Redemption of funds provided by convertible note holders (refer to note 16)



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**FOR THE YEAR ENDED 30 JUNE 2022**

**31 Share Based Payments (continued)**

Grant date	Expiry date	Exercise price	Balance 1/7/21	Granted	Exercised	Expired/ forfeited/ other	Balance 30/6/22
7/5/2021	7/5/2022	\$0.23	2,000,000	-	(2,000,000)	-	-
28/6/2021	28/6/2022	\$0.23	2,000,000	-	(2,000,000)	-	-
7/7/2021	7/7/2022	\$0.23	-	2,000,000	(2,000,000)	-	-
Weighted average exercise price			\$0.23	\$0.23	\$0.23	\$0.00	\$0.00

Based on a Black Scholes model adopting a 90% volatility based on proxy companies in exploration using a 12 months life with an exercise price of \$0.23 per the terms the value as set and on various share prices.

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

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate
7/07/2021	7/07/2022	\$0.23	\$0.23	90%	0%	10%

Number of Options	Details	Value \$	Purpose
2,000,000*	Fully paid ordinary shares at 23 cents each	\$695,134	Loan funds to Blue Cap Bullseye Joint Venture provided by an unrelated party

At the date of this report, Bullseye Mining Limited has accounted for 6,000,000 (4,000,000 in 2021 & 2,000,000 in 2022) options issued to an unrelated third party for funding provided to Blue Cap Bullseye Joint Venture through Blue Capital Equities Pty Ltd.

\*The options were converted in accordance with the conversion formula of:  $2,000,000 / 0.23 = 8,695,652$  shares to be issued, for every 2,000,000 options on issue. A total of 6,000,000 options, were exercised on 3 December 2021. A total of 26,086,956 shares issued. Shares had a subscription price of \$0.23 per share.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**31 Share Based Payments (continued)**

The following shares were issued as share based payments during the year ended 30 June 2021.

Number of Shares	Details	Value \$	Purpose
468,346	Fully paid ordinary shares at 22 cents each	\$103,036.04	In lieu capital raising services provided
36,922	Fully paid ordinary shares at 26 cents each	\$9,599.71	In lieu of capital raising services provided
302,256	Fully paid ordinary shares at 20 cents each	\$60,451.28	In lieu of capital raising services provided

Number of Options	Details	Value \$	Purpose
4,000,000*	Fully paid ordinary shares at 23 cents each	\$1,390,268	Loan funds to Blue Cap Bullseye Joint Venture provided by an unrelated party

At the date of 2021 report, Bullseye Mining Limited had accounted for 4,000,000 options issued / to be issued to an unrelated third party for funding provided to Blue Cap Bullseye Joint Venture through Blue Capital Equities Pty Ltd. 2,000,000 of these options were still to be issued at the date of the 2020 report.

\*As per the option agreement, the options were subject to a conversion formula of:  $2,000,000 / 0.23 = 8,695,652$  shares to be issued, if exercised, for every 2,000,000 options on issue. Total of 4,000,000 options, which has a 12 month term, represents a total of 17,391,304 shares to be issued, if exercised, as per the conversion formula. Shares had a subscription price of \$0.23 per share.

There were no unlisted Performance rights issued as share based payments during the year ended 30 June 2021 and 30 June 2022.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
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**32 Auditors Remuneration**

Amounts received or due and receivable at 30 June 2022 by the auditors for:

Audit Services:

BDO Audit (WA) Pty Ltd for the audit of the financial report under the Corporations Act 2001 and Section 202B Audit requested by a shareholder:

\$77,220 (2021: \$51,530).

Other Service

On charge of legal fees \$61,195 (2021: \$27,577)

**33 Company Details – Bullseye Mining Limited**

*Registered Office*

Ground Floor

1110 Hay Street

West Perth WA 6005

*Principal Office*

Ground Floor

1110 Hay Street

West Perth WA 6005

**BULLSEYE MINING LIMITED**  
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**DIRECTORS' DECLARATION**

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 25 to 81, are in accordance with the Corporations Act 2001:
  - (a) comply with Australian Accounting Standards – Simplified Disclosures and the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
  - (b) give a true and fair view of the financial position as at 30 June 2022 and of the performance for the year ended on that date of the consolidated entity.
2. The consolidated entity has included in the notes to the financial statements an explicit and unreserved statement of compliance with International Financial Reporting Standards.
3. In the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

On behalf of the directors

**Director:**  
Peter G Burns



Dated this 31<sup>st</sup> day of October 2022

## INDEPENDENT AUDITOR'S REPORT

To the members of Bullseye Mining Limited

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of Bullseye Mining Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2022, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies and the directors' declaration.

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

- (i) Giving a true and fair view of the Group's financial position as at 30 June 2022 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards - Simplified Disclosures and the *Corporations Regulations 2001*.

#### Basis for opinion

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

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

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

#### Material uncertainty related to going concern

We draw attention to Note 1 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the group's ability to continue as a going concern and therefore the group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

#### Other information

The directors are responsible for the other information. The other information comprise the information in the Group's annual report for the year ended 30 June 2022, 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.

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 on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Simplified Disclosures 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 ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

#### Auditor's responsibilities for the audit of the Financial Report

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



A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

[http://www.auasb.gov.au/auditors\\_responsibilities/ar3.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar3.pdf)

This description forms part of our auditor's report.

BDO Audit (WA) Pty Ltd

A handwritten signature in black ink, appearing to read 'Neil Smith', is written over a small, faint BDO logo.

Neil Smith

Director

Perth

31 October 2022



[www.bullseyemining.com.au](http://www.bullseyemining.com.au)

