



Annual Report
for the year ended 30 June 2022

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CORPORATE INFORMATION

ABN 94 616 200 312

Directors

Mr Charles William Thomas	Executive Chairman
Mr George Henderson	Non-Executive Director
Mr John Daniel Moore	Non-Executive Director

Company secretary

Mrs Anna MacKintosh

Registered and Principal Office

22 Townshend Road
Subiaco WA 6008

Telephone: 08 9388 0051
Website: www.marqueeresources.com.au

Share register

Automic Pty Ltd
Level 5, 191 St. George's Terrace
Perth WA 6000

Solicitors

AGH Law
Level 1, 50 Kings Park Road
West Perth WA 6005

Bankers

NAB
100 St. Georges Terrace
Perth WA 6000

Auditors

BDO Audit (WA) Pty Ltd
Level 9
Mia Yellagonga Tower 2
5 Spring Street
Perth WA 6000

Securities Exchange Listing

Marquee Resources Limited shares are listed on the Australian Securities Exchange (ASX: MQR)

DIRECTOR'S REPORT

Your directors present their report together with the financial statements of the Group consisting of Marquee Resources Limited ("the Company") and the entities it controlled for the financial year ended 30 June 2022. In order to comply with the provisions of the Corporations Act 2001, the Directors' report as follows:

Directors

The names of directors who held office during or since the end of the year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Mr Charles Thomas B.Com (Executive Chairman)

Experience and expertise	Mr Thomas holds a Bachelor of Commerce from UWA majoring in Corporate Finance. Mr Thomas is an Executive Director of GTT Ventures Pty Ltd a boutique corporate advisory firm based in Australia. Mr Thomas has worked in the financial service industry for more than 17 years and has extensive experience in capital markets as well as the structuring of corporate transactions. Mr Thomas has significant experience sitting on numerous ASX boards spanning the mining, resources and technology space.
Other current directorships	Non-executive director Chase Mining Corporation Limited (ASX.CML) Non-executive Chairman of Viking Mines Ltd (ASX.VKA) Non-executive Chairman of High-Tech Metals Ltd (ASX.HTM)
Former listed directorships in last 3 years	Non-executive director of Viking Mines Ltd (ASX.VKA)

Mr George Henderson (Non-Executive Director)

Experience and expertise	Mr Henderson is a corporate lawyer with AGH Law. George primarily works in mergers and acquisitions, capital raisings and regulatory compliance, and has particular experience in the resources sector. George graduated from the University of Western Australia with degrees in Law and Commerce (Corporate Finance and Financial Accounting).
Other current directorships	Nil
Former listed directorships in last 3 years	Nil

Mr John Daniel Moore (Non-Executive Director)

Experience and expertise	Mr Moore (BEcon/LLB) was formally the CEO of Centenario Lithium. He has extensive experience in equity capital markets since 2004, previously with Wilson HTM and Morgan Stanley, focused on emerging companies.
Other current directorships	Resource & Energy Group Ltd (ASX.REZ)
Former listed directorships in last 3 years	Non-executive Director iCollege (ASX:ICT) Non-executive director Koch Metals Ltd

Company Secretary

Anna MacKintosh B.Commerce (UWA) CPA

Anna MacKintosh has over 30 years' commercial experience including 11 years with BHP, 10 years with AFSL holder Kirke Securities Ltd as Compliance Manager, Finance Manager and Responsible Executive. Since then Mrs MacKintosh has been the Company Secretary/CFO for listed entity Kalia Limited (formerly GB Energy Ltd) (ASX: KLH), Financial Controller for Force Commodities (ASX: 4CE) and previously XTV Networks Ltd (ASX: XTV), Applabs Technologies Ltd (ASX: ALA), TAO Commodities Ltd (ASX.TAO) and Prominence Energy Ltd (ASX.PRM). She is also currently Company Secretary of Omnia Metals Group Ltd (ASX.OM1) and Global Oil & Gas Limited Ltd (ASX.GLV).

DIRECTORS' REPORT continued

Interests in the shares and options of the Company and related bodies corporate

The following relevant interests in shares and options of the Company or a related body corporate were held by the directors as at the date of this report.

Directors	Number of fully paid ordinary shares	Number of options over ordinary shares	Performance Rights
Mr Charles Thomas	1,368,580	17,850,000	Nil
Mr George Henderson	143,580	2,500,000	Nil
Mr John Daniel Moore	Nil	2,500,000	Nil

There are no unpaid amounts on the shares issued.

The Company currently has the following unlisted options as at the date of this report:

30.525 million with an exercise price \$0.08 and expiry 30 June 2023.

11 million with an exercise price of \$0.16 and expiry 30 June 2023.

22.275 million with an exercise price of 12 cents and expiry 30 November 2022.

14.5 management incentive options with an exercise price \$0.16 cents and expiry 30/6/2025.

Dividends

No dividends have been paid or declared since the start of the financial year and the directors do not recommend the payment of a dividend in respect of the financial year.

DIRECTORS' REPORT continued

Principal Activities

Marquee Resources is a mineral explorer that has interests in the West Spargoville gold/nickel/lithium Project (Western Australia), Clayton Valley Lithium Project (100%, Nevada, USA), Redlings REE Project (100%, Western Australia), Mt Clement Project (100%, Western Australia), Werner Lake Cobalt Project (30%, Canada), Lone Star Project in Washington State USA and Kibby Basin Project in Nevada USA.

West Spargoville Project (Lithium, Gold & Nickel Project)

The West Spargoville Project is located 20km SW of Kambalda, at the northern end of the Widgiemooltha Greenstone Belt and in the core of the Southern Yilgarn Lithium Belt, an area that is well known for spodumene deposits including the Bald Hill Mine, Mt Marion Mine, Buldania Project and Essential Metals Pioneer Dome Project. The world-class Earl Grey deposit and the Mt Cattlin Mine are located further west and south respectively.

During the June 2022 quarter, the Company received results from a 93-hole, 5470m aircore drilling program which has confirmed the presence of highly fractionated, LCT-type pegmatites as the source of surficial geochemical anomalism. Aircore drilling was completed in the eastern portion of the tenure, where the depth of weathering extends up to 60m deep, with elevated lithium-cesium-tantalum values in weathered material associated with elevated pathfinder elements (Table 1). A large geochemical halo (90th percentile Li > 64ppm), extending over 2 kilometres and up to 300m wide, has been identified from the aircore drilling with the bedrock source now being targeted in the follow-up reverse-circulation (RC) drilling.

Table 1: Best assay result from aircore drilling. Note: median values (ppm) as follows Be = 0.96, Cs = 0.6, Li = 34.7, Nb = 7.2, Rb = 6.7, Sn = 1.5, Ta = 0.57

<i>Hole_ID</i>	<i>mFrom</i>	<i>mTo</i>	<i>Be_ppm</i>	<i>Cs_ppm</i>	<i>Li_ppm</i>	<i>Nb_ppm</i>	<i>Rb_ppm</i>	<i>Sn_ppm</i>	<i>Ta_ppm</i>
<i>MQAC80</i>	44	48	8.04	97.5	69.7	65.7	1060	75.2	35.4
<i>MQAC80</i>	48	52	10.4	295	102	24.8	1300	36.8	14.4
<i>MQAC80</i>	52	56	16.1	313	119	26	1290	41	20.9
<i>MQAC80</i>	56	57	23.3	169	63.3	58.9	1370	65.7	42.5

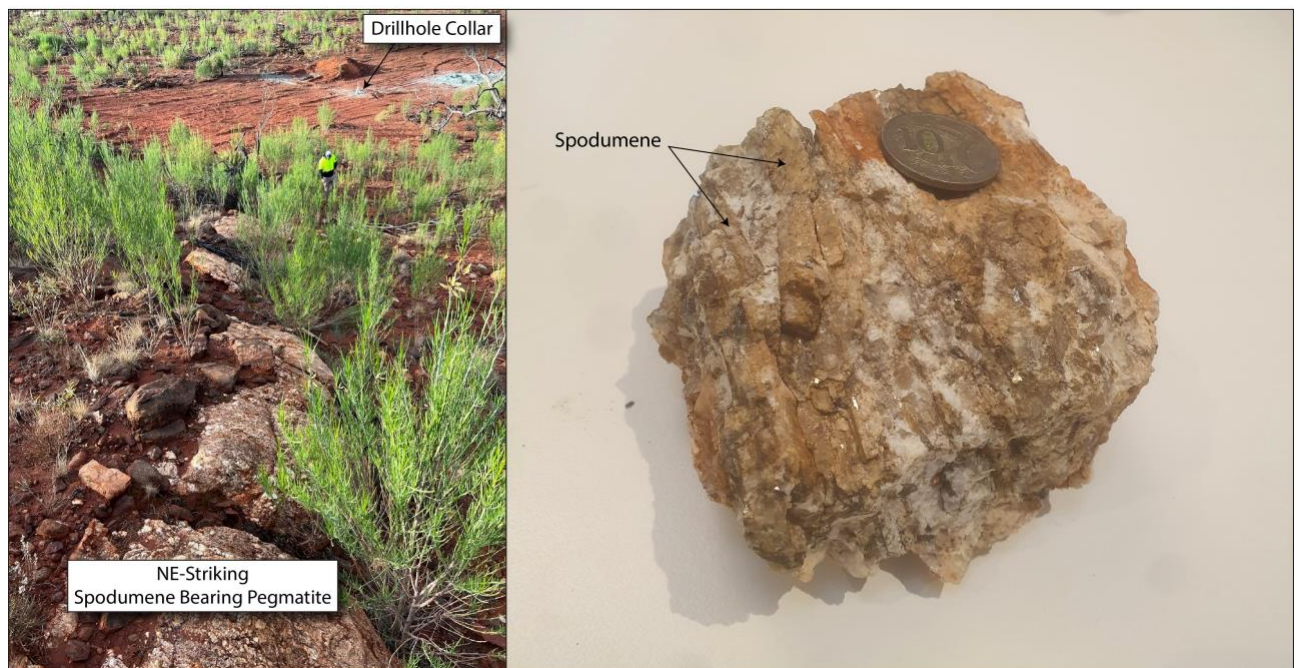


Figure 1: LEFT – Outcropping, spodumene bearing pegmatite. RIGHT – Grab sample collected from outcrop with abundant, elongate spodumene crystals.

DIRECTORS' REPORT continued

Sample ID	Easting	Northing	Comments
MQRK101	353023	6523929	• Outcropping quartz-plagioclase-muscovite pegmatite dyke • Spodumene (~10 – 15%) • Dipping ~80° to 320°

In relation to the disclosure of visual mineralisation the Company cautions that visual estimates of spodumene abundance should never be considered a proxy or substitute for laboratory analysis. Laboratory assay results are required to determine the widths and the grade of visual mineralisation reported in preliminary geological logging. The Company will update the market when laboratory analytical results become available.

During the June 2022 quarter, Reverse-circulation (RC) drilling begun to test multiple geochemical anomalies detected during the auger program (Refer: MQR ASX Release 21st April 2022). The first drillholes of the program targeted an interpreted dyke swarm, in the vicinity of recently mapped outcropping, spodumene-bearing pegmatite dyke. Pegmatitic dykes have been intersected of varying thickness with assays at the lab for analysis. The initial results were released in September 2022 (Refer ASX Announcement dated 13 September 2022) with further results to be released throughout the remainder of 2022.

Partnership with Mineral Resources Limited at the West Spargoville Project

During the June 2022 quarter MQR entered into a binding term sheet with Mineral Resources Limited (ASX:MIN) to explore for and develop lithium deposits in a joint venture across the west Spargoville Project in Western Australia, comprising E15/1743 and E15/1781.

Key Terms:

- MQR and MinRes entered into a legally binding term sheet for a Farm-in and Joint Venture agreement at the West Spargoville Project in Western Australia.
- The Agreement was conditional on MinRes completing due diligence on the Project within 5 weeks. Subsequent to the June 2022 quarter, the due diligence was completed and as such MinRes was satisfied with their enquiries. The term sheet is now binding on both MQR and Mineral Resources Ltd.
- MinRes has the right to acquire an initial 25% legal and beneficial interest in the lithium rights (**Initial Farm-in Interest**) by funding all exploration and development activities and completing a feasibility study for the Project, including a JORC compliant resource (**Initial Farm-in Obligation**) within 24 months (**Initial Farm-in Period**).
- In performing the Initial Farm-in Obligation, MinRes will fund at least \$1,000,000 of exploration and development activities on the Tenements by 31 December 2022; and the \$500,000 cost to exercise the Fyfehill Option.
- Marquee will be responsible for managing the implementation of the exploration and development activities on the Tenements during the Initial Farm-in Period

(Processing Farm-in)

If MinRes elects to proceed with the Processing Farm-in, it has the right to acquire an additional 45% legal and beneficial interest in the lithium rights by funding the Project until the point of a final investment decision on a mine development for the Project (**FID**). MinRes will provide complete mine to port services to the JV including mining design, construction and operation of a processing plant, on-site power generation, haulage of product to nominated port facilities, marketing of product and shipment of product to purchasers.

(Mine Gate Sale Farm-in).

If MinRes elects to proceed with the Mine Gate Sale Farm-in, it has the right to acquire an additional 26% legal and beneficial interest in the lithium rights by funding the Project until the development, construction and commissioning of a mine and related facilities. MinRes will build, own and operate all plant, equipment and infrastructure for the mining operations and buy lithium bearing ore from the JV for a mine gate sale price to be established on commercially competitive and industry standard terms.

Redlings Rare Earth Project

During the 2022 financial year, results from auger sampling completed at the Redlings Rare-Earth Element Project were reported (See ASX Release 26 April 2022). Results have identified significant and widespread zones of surficial rare-earth element ("REE") anomalism related to the intrusion of REE-bearing carbonatitic dykes.

DIRECTORS' REPORT continued

1,292 auger holes were completed over previously untested areas with results highlighting the potential to identify additional REE-bearing dykes, or a 'dyke swarm' over the broader Project area. Further mapping, auger geochemistry and drilling is being planned to further understand the potential of the Project to host an economic REE mineral resource.

At Redlings, REE mineralisation is related to carbonatitic intrusions or dykes and associated fenitic alteration, which are elevated in REE compared to background. Economic mineralisation intersected in RC drilling was constrained to the laterite profile where supergene REE enrichment of the underlying carbonatite has occurred, not dissimilar to the mineralisation style encountered at the Mount Weld (LYC) and Yangibana (HAS) deposits. The potential for REE-bearing dykes to host economic fresh-rock mineralisation requires further assessment, however early results suggest there is the potential to define economic supergene REE mineralisation (0-20m vertical depth). Individual REE bearing dykes are often part of a larger dyke swarm and the Company will continue to identify additional REE-bearing dykes by systematically testing numerous, analogous geophysical targets.

Table 2: Results (>1,000 ppm) from the Redlings auger program. All results reported in parts per million (ppm).

East	299017	297521	297383	299402	299342	297420	297181	297302	297199	300218	297438	301182
North	6791842	6794113	6793630	6794658	6794624	6792356	6792350	6792354	6794139	6791852	6792350	6791353
La₂O₃	849.1	928.9	422.2	392.9	334.2	331.9	401.1	315.5	204.1	214.6	213.4	246.3
CeO₂	1376	756.7	570.0	367.3	474.2	529.4	340.3	445.9	694.0	630.2	571.2	515.9
Pr₂O₃	136.9	139.3	70.3	68.0	61.9	61.1	70.6	59.7	35.2	31.5	39.8	45.4
Nd₂O₃	380.2	428.1	207.6	203.0	178.5	177.3	213.5	180.8	102.8	95.8	122.5	124.8
Sm₂O₃	49.4	55.7	26.4	29.5	27.1	21.3	27.9	22.7	13.8	14.6	17.9	17.6
Eu₂O₃	3.67	7.53	3.84	3.73	3.31	2.78	4.04	3.28	1.81	2.18	2.56	2.36
Gd₂O₃	33.5	45.4	18.4	25.4	21.0	13.6	19.8	16.6	8.23	10.8	13.7	11.8
Tb₂O₃	4.13	6.43	2.37	3.92	3.35	1.70	2.65	2.14	1.14	1.78	1.89	1.68
Dy₂O₃	19.3	37.9	11.5	24.9	20.0	8.02	14.1	11.3	5.85	9.38	10.1	8.67
Ho₂O₃	3.32	7.88	2.04	5.41	3.79	1.56	2.67	2.16	1.12	1.79	1.98	1.57
Er₂O₃	8.2	24.6	5.66	16.8	11.2	4.13	7.40	5.93	2.97	4.69	5.65	4.29
Tm₂O₃	0.88	3.52	0.72	2.40	1.62	0.55	1.07	0.85	0.40	0.73	0.78	0.57
Yb₂O₃	5.84	20.8	4.63	14.1	9.77	3.15	6.74	5.35	2.60	4.55	4.58	3.37
Lu₂O₃	0.77	3.13	0.64	2.07	1.32	0.50	0.89	0.78	0.35	0.64	0.68	0.51
Y₂O₃	90.7	299.7	62.5	196.8	115.3	48.8	68.3	64.3	28.2	50.5	60.6	39.2
TREO	2928	2720	1390	1331	1246	1192	1161	1121	1094	1063	1054	1012

DIRECTORS' REPORT continued

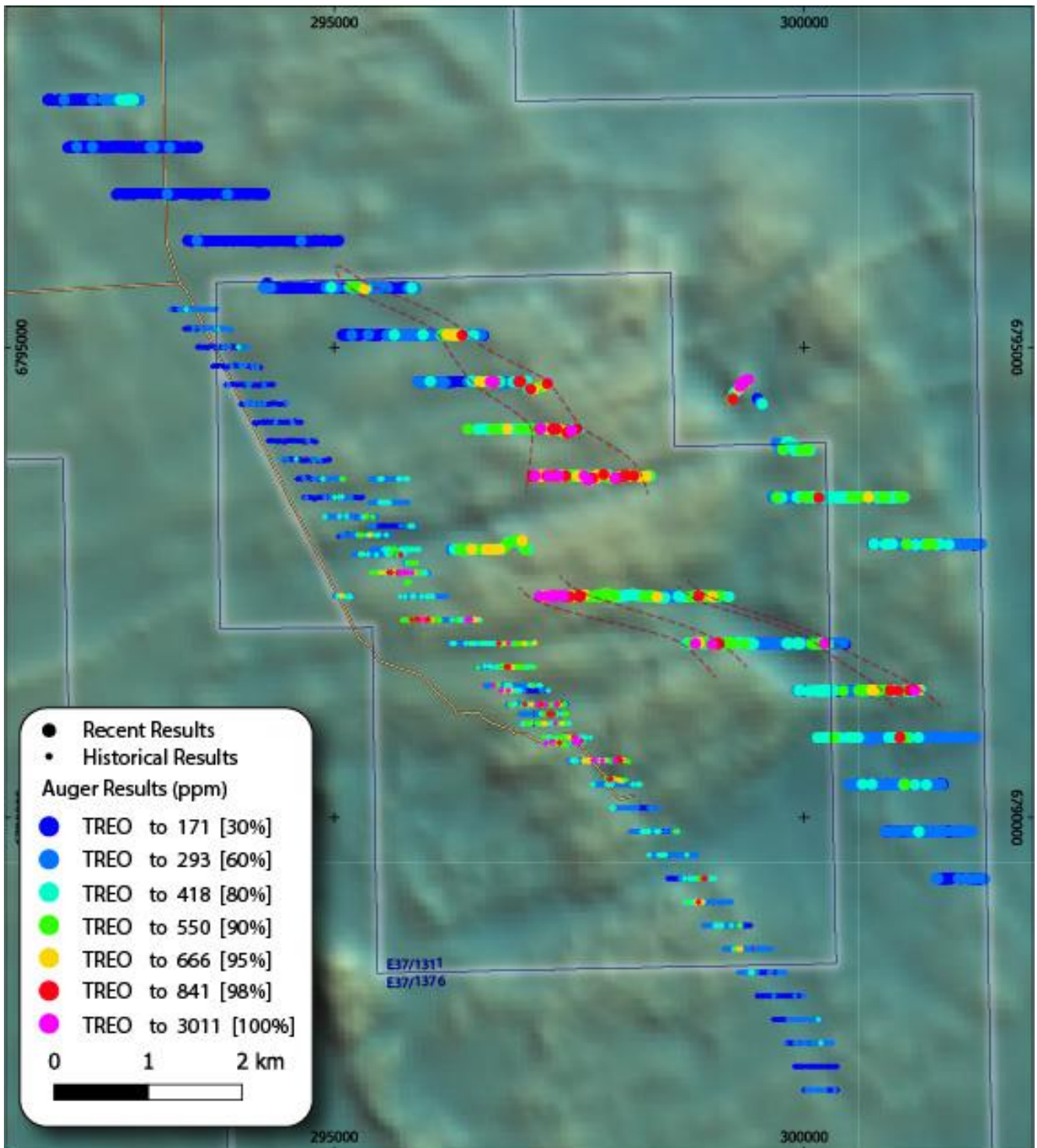


Figure 2- Redlings auger geochemistry results.

Lone Star and Kibby Project USA (earn in up to 80%)

In early November 2021 MQR increased its exposure to the future metals sector by entering into earn-in agreements to acquire two significant North American projects, The Kibby Basin Lithium Project and The Lone Star Copper-Gold Project.

The Company has entered into binding agreements with Belmont Resources Inc. (**Belmont Resources**) pursuant to which the Company may acquire up to an 80% interest in each of the Kibby Basin Lithium Project (**Kibby Project**) and Lone Star Copper-Gold Project (**Lone Star Project**).

DIRECTORS' REPORT continued

The Kibby Basin Lithium Project is a highly prospective asset located within a 60km radius of North America's only producing Lithium mine, owned by the world's largest Lithium producer, Albemarle. The Kibby Project contains potentially favourable conditions for the development of lithium-rich brines and has similar features as Clayton Valley which hosts Albemarle's Silver Peak Lithium mine.

This Kibby Basin Project is a fully permitted and drill-ready project that significantly adds to and is complimentary to Marquee's own existing Clayton Valley Lithium Project and both will be the subject of aggressive Lithium exploration campaigns to be embarked on by the company.

The Lone Star Property and deposit is located in Ferry County, Washington, USA. It is adjacent to Golden Dawn Minerals Inc. Lexington Property on the British Columbia side of the Canada - United States border where Golden Dawn is actively developing the Lexington-Grenoble deposit. Exploration across the Lone Star property to date includes 252 diamond and percussion drill holes for a total of 23,702 metres of drilling.

The 234-hectare Lone Star copper-gold Project is centred on an area 40 kilometres north north-west of Republic, Washington and adjacent to the Canada-USA border. The property is 12 kilometres west south-west of Grand Forks, British Columbia and 12 kilometres south-east of Greenwood, British Columbia, Canada. The claims are currently only accessible from the USA side although in the mid 1970's an active haul road linked the Lone Star deposit north to the Phoenix Mine in Canada.

Kibby Basin Lithium Project

Marquee Resources Limited announced in March 2022 that they hired Drill NV Inc, based in Reno Nevada, as their drill contractor for the planned 3,000 metre drill campaign at the Kibby Basin Lithium Project in Nevada ("Kibby" or "Project"). The 2022 Kibby drill program commenced in May and is planned to test the highly conductive geophysical anomaly and potential lithium enriched aquifer at the Kibby Basin Lithium Project.

The Kibby Basin Lithium Project is a highly prospective asset located within a 60km radius of North America's only producing Lithium mine, owned by the world's largest Lithium producer, Albemarle. The Kibby Basin Project contains potentially favourable conditions for the development of lithium-rich brines and has similar features as Clayton Valley which hosts Albemarle Silver Peak Lithium mine.

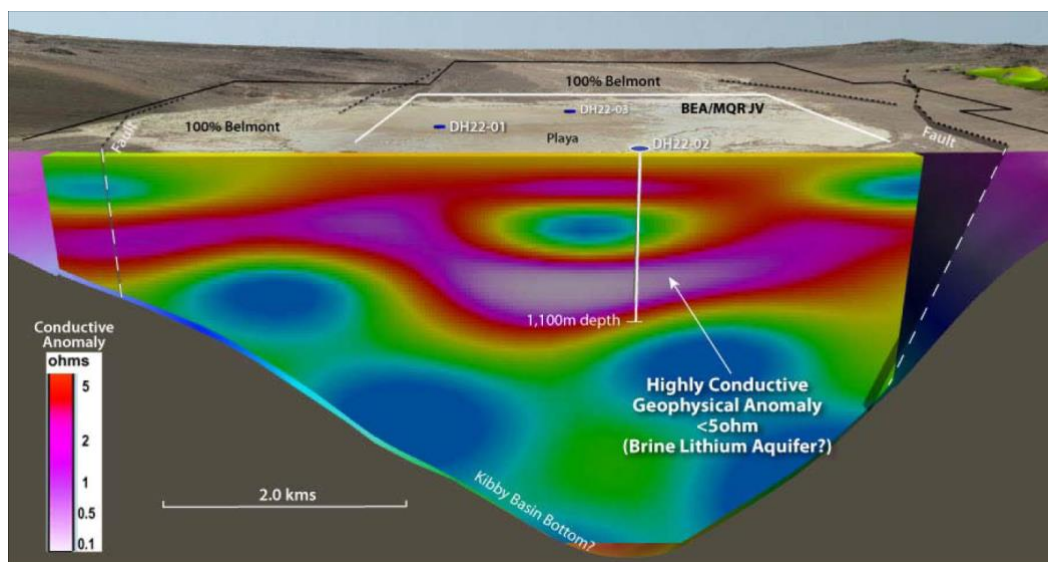
This Kibby Basin Project is a fully permitted and drill-ready project that significantly adds to and is complimentary to Marquee's own existing Clayton Valley Lithium Project which will also be the subject of a Lithium exploration campaign to be embarked on by the company.

The Company believes the Kibby Basin Lithium Project fits the criteria for a potentially Large-Scale Lithium Project and is also located within a 50km radius of ASX-listed Ioneer Ltd's (ASX: INR) flagship Rhyolite Ridge Lithium-Boron Project which has recently been Joint Ventured with Sibanye Stillwater Limited ("Sibanye-Stillwater") to develop the project, with Sibanye-Stillwater contributing US\$490 million for a 50% interest in the Joint Venture.

Adding further excitement to the 2,560 acres (~10sqkm) project is the fact the Project is fully permitted for water extraction for brine processing and production of lithium compounds - a very scarce commodity in the immediate area and will prove extremely valuable should exploration success lead to lithium production.

The company is buoyed by the 7.4km long structure identified in the Kibby Valley with characteristics interpreted to be akin to major structures bounding the south side of Clayton Valley, that forms a pull-apart drop-down closed basin within a 700sqkm drainage catch basin.

Figure 3- Kibby Basin Section and Proposed Drill Holes



DIRECTORS' REPORT continued

The Three-hole (~3,000m) programme is now expected to be completed by November 2022. Although the time delay has been frustrating and hugely time consuming, the overall potential of the Project remains unchanged.

MQR01 (~1,000m) and MQR02 (~1,000m) will test the large conductive anomaly at depth. MQR03 (~1,000m) will focus on infilling between MQR01 & MQR02 to determine if any brine volume estimation exists.

The potential deposit type is a continental, mineral-enriched brine aquifer within a hydrographically closed basin (endorheic basin). Continental brines are the primary source for lithium products worldwide. Bradley and others (2013) noted that "all producing lithium brine deposits share several first-order characteristics: (1) arid climate; (2) closed basin containing a playa or salar; (3) tectonically driven subsidence; (4) associated igneous or geothermal activity; (5) suitable lithium source-rocks; (6) one or more adequate aquifers; and (7) sufficient time to concentrate a brine."

The Project target is a potential lithium enriched aquifer at an estimated 800-1,000 metre depth. It is at this depth, Albermarle, who owns the only producing lithium mine in North America which is located in Clayton Valley has been successfully extracting lithium brines.

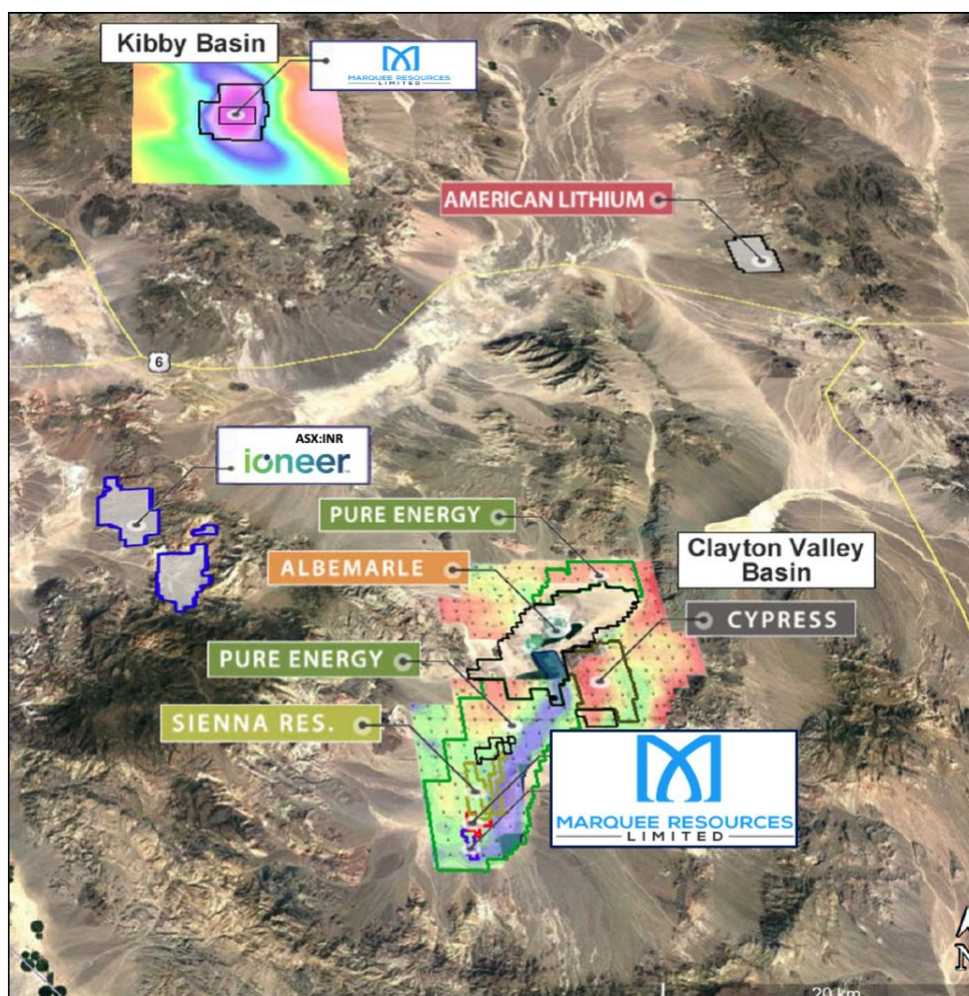


Figure 4 -The Kibby Basin Lithium Project is located within a 50km radius of ASX listed Ioneer's Ltd's (ASX:INR) flagship Rhyolite Lithium-Boron Project and 60km north of North America's only producing Lithium mine, Silver Peak, in Clayton Valley.

DIRECTORS' REPORT continued

Lone Star Copper-Gold Project Drilling Program

The Phase 1 drilling program at the Lone Star Project has recently completed which included 46 diamond drillholes for 7,888m. Final results were released in August 2022 and are provided in the table below.

The Lone Star deposit is interpreted to have elements of structural and stratigraphic control with an overprinting porphyry copper system. Structurally stacked 'tectonic' lenses of east dipping, closely spaced, overlapping en echelon zones of VMS-style massive sulphide have been structurally emplaced during thrusting over the basal serpentinite unit.

At least eight individual zones have been interpreted and these zones range from 1-18 metres thick. Porphyry and hydrothermal fluids utilised the pre-existing structural architecture to deposit copper-gold mineralisation subsequent to the earlier thrusting event.

The mineralised sub-vertical dykes/zones are estimated to be approx. 20-40m wide, extend laterally for tens to hundreds of metres, and are vertically extensive. Identification of the mineralised dykes opens up the possibility of defining significant additional mineralisation outside the flat-lying, structurally remobilised base metal mineralisation that has been historically identified.

Now that the Phase1 drilling program has been completed, the Company's focus now turns to completion of a maiden resource estimate. The phase 1 drill program was designed to satisfy three key objectives:

- Validate the historical drill hole database and resource model;
- Deliver a JORC compliant mineral resource estimate; and
- Test for extensions to the historical resource.

Mining Plus Pty Ltd have continued resource modelling studies and has recently completed a site visit as the Company pushes towards delivering a 2012 JORC-compliant resource. The maiden JORC compliant resources is expected to be released to the market in late October.

Significant Intercepts from the Lone Star drilling Program

Hole_ID	From (m)	To (m)	Interval (m)	Cu (%)	Au (g/t)	Ag (g/t)
LS21-001	41.5	50.3	9.1	0.6	0.2	3.2
LS21-001	54.9	61.2	6.9	1.2	0.8	12.9
LS21-001	65.8	110.0	44.2	1.3	0.2	4.6
inc.	65.8	88.7	19.8	2.4	0.5	6.7
LS21-001	115.8	138.7	19.1	0.4	NSR	NSR
LS21-001	140.4	162.5	22.1	1.2	0.3	2.2
inc.	140.4	162.5	8.5	2.1	0.8	2.4
LS21-001	198.7	200.9	4.7	0.8	0.3	1.0
LS21-002	46.9	60.8	15.5	3.7	1.8	23.0
inc.	56.7	59.3	2.6	18.5	10.4	106.0
LS21-002	95.1	101.1	6.0	0.4	NSR	2.5
LS21-002	120.7	176.1	53.6	0.8	0.4	2.0
inc.	167.6	176.1	7.6	2.1	1.4	6.2
LS21-002	193.8	194.7	0.9	3.8	1.2	4.0
LS21-002	199.3	200.5	1.2	3.0	1.9	4.0
LS21-002	202.0	203.6	1.6	0.9	1.0	2.0
LS21-003	72.4	77.4	5.0	3.5	1.1	17.5
LS21-003	125.6	147.9	22.3	0.8	0.4	NSR
inc.	133.8	143.3	9.5	1.1	0.5	5.6

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LS21-003	155.2	211.0	55.8	0.6	NSR	NSR
inc.	165.9	175.1	9.2	1.0	0.3	NSR
LS21-004	7.0	14.6	7.6	1.2	0.3	NSR
LS21-005	42.98	49.83	6.9	0.4	0.2	2.1
LS21-005	84.1	92.1	7.9	1.1	0.2	4.7
LS21-006	99.7	111.6	11.9	1.0	2.0	3.3
inc.	108.5	110.1	1.6	2.1	11.7	7.0
LS21-007	107.9	125.6	17.7	1.6	2.8	5.9
inc.	112.2	116.3	4.1	5.3	1.5	16.8
inc.	117.4	122.3	4.9	0.5	7.9	2.6
LS21-008	5.5	23.2	17.7	0.6	0.3	NSR
LS21-009	6.4	46.0	39.6	0.4	NSR	NSR
LS21-009	63.4	70.7	7.3	0.5	0.4	NSR
LS21-010	7.8	43.9	37.9	1.0	0.4	4.5
inc.	21.0	33.2	12.2	2.0	1.1	8.8
LS21-010	59.2	80.5	21.3	0.6	NSR	3.3
LS21-010	127.1	138.4	11.3	0.4	NSR	3.2
LS21-011	108.8	111.9	3.1	2.6	1.0	8.6
LS21-011	119.5	127.7	8.2	1.3	1.0	4.7
LS21-012	50.3	50.9	0.6	2.4	1.4	8.0
LS21-013	87.8	96.0	8.2	0.4	0.2	0.5
Hole_ID	From (m)	To (m)	Interval (m)	Cu (%)	Au (g/t)	Ag (g/t)
LS21-014	3.1	10.4	7.3	0.4	0.2	2.5
LS21-015	16.5	71.6	55.2	0.9	0.5	4.5
LS21-016	12.8	162.2	149.4	0.7	0.2	1.3
inc.	45.1	49.4	4.3	1.1	0.2	7.4
inc.	108.8	113.4	4.6	3.1	1.3	11.7
inc.	127.1	136.3	9.2	1.0	0.2	4.7
LS21-016	169.8	171.3	1.5	1.1	0.3	NSR
LS21-016	178.3	182.6	4.3	0.7	0.5	NSR
LS21-017	80.2	96.9	16.8	0.4	0.4	2.7
LS21-017	112.8	116.4	3.7	1.8	0.8	4.4
LS21-017	142.3	174.4	32.0	0.5	0.2	1.4
LS21-018	NSR					
LS21-019	NSR					
LS21-020	5.2	18.3	13.1	0.7	0.4	1.6
LS21-020	106.4	114.0	7.6	0.4	0.2	NSR
LS21-021	6.1	13.4	7.3	2.1	0.7	19.1
LS21-021	39.0	41.8	2.8	1.2	1.3	3.5

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LS21-021	53.6	104.6	50.9	0.5	0.1	0.9
inc	53.6	71.9	18.3	0.7	0.1	1.7
LS21-021	120.7	150.3	29.6	0.8	0.1	3.7
LS21-022	41.2	76.2	35.1	0.8	0.3	5.6
inc	54.9	59.4	4.6	2.1	0.8	22.6
LS21-022	97.5	177.4	79.9	0.6	0.4	2.1
inc	151.2	158.8	7.6	1.3	2.8	11.8
LS21-022	181.7	193.1	11.4	0.5	0.3	1.9
LS21-023	138.7	163.1	24.4	0.6	0.3	2.7
LS21-023	179.8	198.1	18.3	0.5	0.4	0.9
LS21-024	50.3	75.6	25.3	0.7	0.2	1.4
LS21-024	110.0	178.0	64.3	0.4	0.1	2.8
LS21-025	140.5	198.7	58.2	0.6	0.3	2.2
inc.	174.4	181.1	5.2	1.6	0.9	2.4
LS21-026	82.6	84.7	2.1	0.7	0.2	1.3
LS21-026	116.1	121.9	5.8	0.5	0.1	2.2
LS21-026	139.9	184.1	44.2	0.4	0.2	1.0
LS21-027	111.6	122.2	10.7	2.4	1.0	5.5
inc.	117.0	122.2	5.2	4.1	1.9	9.5
LS21-027	151.8	200.6	48.8	0.5	0.2	0.9
LS21-027	215.8	237.1	21.3	0.4	0.7	NSR
inc.	226.0	232.3	6.3	0.8	2.3	0.8
LS21-028	NSR					
LS21-029	33.2	42.7	9.5	0.8	0.3	1.2
Hole_ID	From (m)	To (m)	Interval (m)	Cu (%)	Au (g/t)	Ag (g/t)
LS21-030	25.6	56.1	30.5	0.9	0.5	2.2
inc.	40.5	53.6	13.1	1.5	0.7	2.7
LS21-031	32.9	40.5	7.6	0.6	0.7	2.0
LS21-031	51.5	55.2	3.7	0.9	0.2	1.1
LS21-031	57.3	63.4	6.1	1.4	0.3	1.0
LS21-031	157.6	181.4	23.8	0.7	0.4	1.2
inc.	159.1	170.1	11.0	1.0	0.6	1.7
LS21-032	102.1	102.4	1.5	2.8	14.8	25.0
LS21-032	133.2	160.0	26.8	0.4	0.3	3.3
LS21-033	NSR					
LS21-034	42.4	55.2	12.8	0.6	0.3	NSR
LS21-035	NSR					
LS21-036	137.2	195.1	57.9	0.7	0.3	0.3
inc.	179.8	195.1	15.2	1.7	0.7	1.7

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LS21-037	192.0	214.9	22.9	0.2	0.1	NSR
LS21-037	223.1	243.5	18.9	1.7	0.8	1.0
inc.	232.3	241.7	8.2	3.2	1.6	2.9
LS21-037	253.3	259.7	7.3	0.8	0.6	1.0
LS21-038	64.9	110.3	45.4	0.6	0.5	0.5
inc.	94.8	102.6	7.8	1.3	1.3	3.2
LS21-039	134.1	217.0	70.7	0.7	0.4	2.8
inc.	148.7	152.1	3.4	4.3	14.9	29.5
LS21-039	230.7	240.2	9.5	1.3	0.9	4.3
LS21-040	Not Drilled					
LS21-041	55.2	60.4	5.2	0.7	0.3	4.9
LS21-041	132.9	139.9	7.0	0.5	0.4	1.7
LS21-041	179.5	187.2	7.6	1.0	0.9	1.3
LS21-042	Not Drilled					
LS21-043	5.2	18.0	12.8	0.7	0.6	2.3
LS21-044	NSR					
LS21-045	NSR					
LS21-046	17.4	27.3	9.9	1.3	0.9	2.0
LS21-047	20.7	25.9	5.2	0.5	0.2	NSR
LS21-048	NSR					
LS21-049	285.1	297.5	12.3	1.6	0.7	3.7

Clayton Valley Lithium Project (USA 100%)

Marquee Resources Limited provided the highly encouraging results from a completed ground gravity survey at the Clayton Valley Lithium Project, Nevada, USA during the 2022 financial year (See ASX Release 23 May 2022).

Results from the gravity survey identify a northeast trending channel on the eastern edge of the Clayton Valley that is interpreted to be prospective for brine and clay hosted lithium.

The Company completed an initial drill program (refer ASX release 26 November 2017) that confirmed the presence of lithium brine and a lithium hosting horizon on the Western side of the property. These results, coupled with the gravity results presented this quarter, has proven that the lithium potential extends further east than previously considered.

The project is approximately 3.5 hours from Tesla's Gigafactory Number 1, a large lithium-ion battery factory that sits on a gravity high interpreted to represent a graben (uplifted basin sediments), associated with normal faulting adjacent to Pure Energy Minerals (TSXV:PE) current mineral resource.

Drilling on these highly prospective Clayton Valley targets is planned to begin in Q4-2022 and will test the high-priority targets generated from the gravity survey.

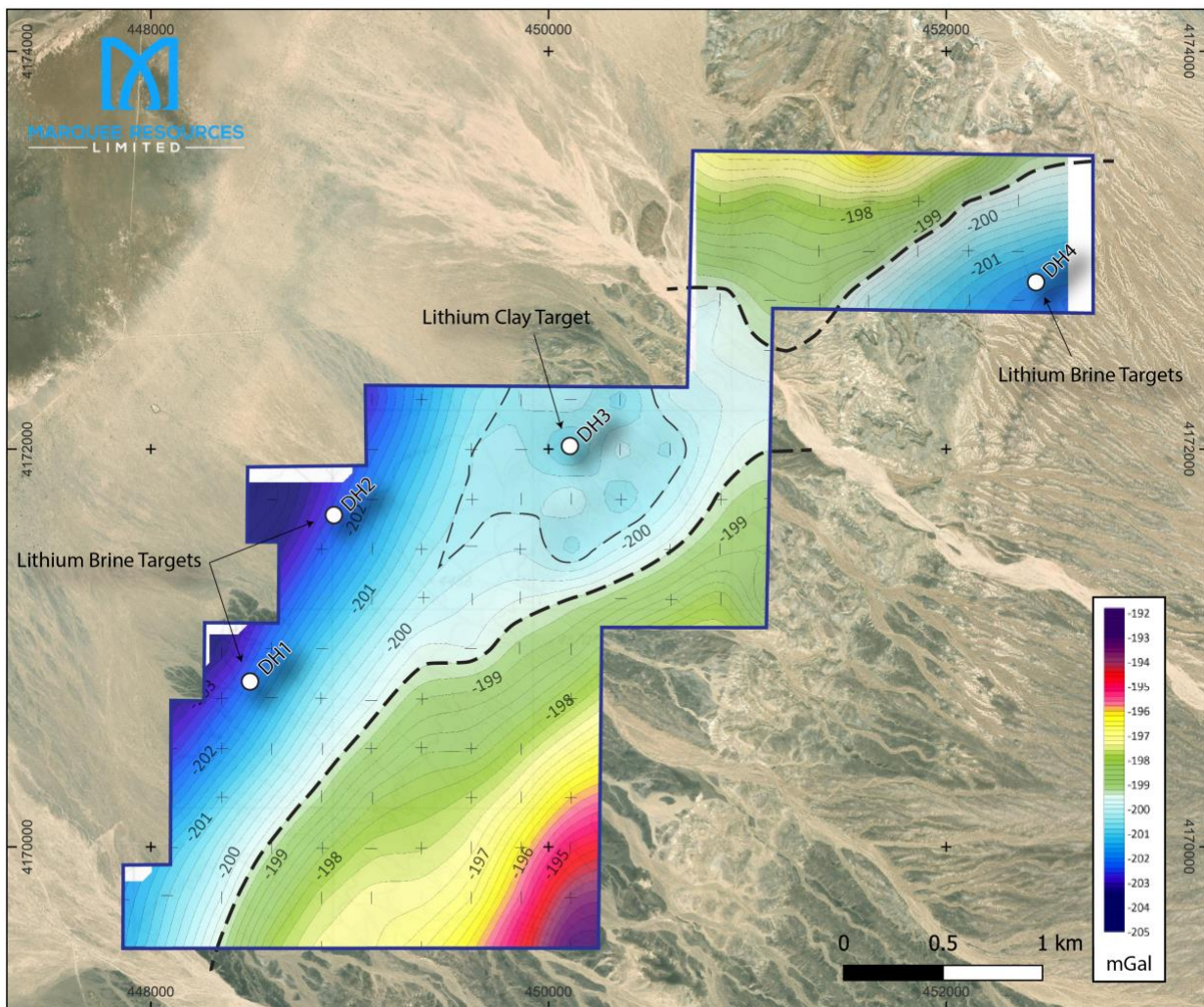
DIRECTORS' REPORT continued

Figure 5 - Bouguer Gravity image of the Clayton Valley Project with planned drillhole locations.

The Project covers an area of approx. 12km² of claims in a region that is endowed in both lithium-rich clays and brines. The Project is situated in the southern portion of the Clayton Valley Basin, proximal to the Silver Peak lithium mine which is currently the only producing lithium mine in North America – owned by the world's largest lithium producer, Albermarle. Clayton Valley is located 60km south of Marquee's Kibby Basin Lithium Project and 10km east of ASX-listed Ioneer Ltd (ASX: INR) flagship Rhyolite Ridge Lithium-Boron Project which has recently been joint ventured with Sibayne Stillwater Ltd.

Mt Clement Project

The Mt Clement Project consists of exploration license E08/3214 and E08/3301. The Mt Clement Deposit is situated in the middle of the tenement package and numerous other historical gold and base metal mines and prospects surrounding the tenure. The Project consists of 360 square kilometers of tenure prospective for syngenetic gold-antimony mineralisation, a poorly understood and underexplored mineralisation style in the Ashburton Basin. This Project represents a genuine greenfields opportunity in one of Australia's most unexplored regions.

Werner Lake Cobalt Project (Canada 30%)

The Company did not conduct any on ground exploration work on the project during the quarter however the JV parties continue to explore the best way to unlock value from this cobalt project.

DIRECTORS' REPORT continued

Competent person Statement

The information in this report which relates to Exploration Results is based on information compiled by Dr. James Warren, a Competent Person who is a member of the Australian Institute of Geoscientists. Dr. Warren is the Chief Technical Officer of Marquee Resources Limited. Dr. Warren has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves". Dr. Warren consents to the inclusion in this report of the matters based on the information in the form and context in which it appears.

New Project Opportunities

Marquee continues to review several complimentary projects that would be a strategic fit for the Company and would add substantial value for shareholders.

Significant changes in the state of affairs.

There was no significant changes to the state of affairs of the Company.

Significant events after reporting date

Subsequent to the year end Marquee Resources Limited announced that on completion of the due diligence process, the binding term sheet with Mineral Resources Limited (as announced to the ASX on 02 June 2022 and amended on 04 July 2022) had become binding. The Key terms of the agreement are outlined below.

Key Terms:

- MQR and MinRes have entered into a legally binding term sheet for a Farm-in and Joint Venture agreement at the West Spargoville Project in Western Australia.
- MinRes has the right to acquire an initial 25% legal and beneficial interest in the lithium rights (**Initial Farm-in Interest**) by funding all exploration and development activities and completing a feasibility study for the Project, including a JORC compliant resource (**Initial Farm-in Obligation**) within 24 months (**Initial Farm-in Period**).
- In performing the Initial Farm-in Obligation, MinRes will fund: at least \$1,000,000 of exploration and development activities on the Tenements by 31 December 2022; and the \$500,000 cost to exercise the Fyfehill Option.
- Marquee will be responsible for managing the implementation of the exploration and development activities on the Tenements during the Initial Farm-in Period

(Processing Farm-in)

If MinRes elects to proceed with the Processing Farm-in, it has the right to acquire an additional 45% legal and beneficial interest in the lithium rights by funding the Project until the point of a final investment decision on a mine development for the Project (**FID**). MinRes will provide complete mine to port services to the JV including: mining design, construction and operation of a processing plant, on-site power generation, haulage of product to nominated port facilities marketing of product and shipment of product to purchasers.

(Mine Gate Sale Farm-in).

If MinRes elects to proceed with Mine Gate, it has the right to acquire an additional 26% legal and beneficial interest in the lithium rights by funding the Project until the development, construction and commissioning of a mine and related facilities. MinRes will build, own and operate all plant, equipment and infrastructure for the mining operations and buy lithium bearing ore from the JV for a mine gate sale price to be established on commercially competitive and industry standard terms.

DIRECTORS' REPORT continued**Environmental regulation**

In the course of its normal exploration activities, the Group adheres to environmental regulations imposed on it by the various regulatory authorities, particularly those regulations relating to ground disturbance and the protection of rare and endangered flora and fauna. The Group has complied with all material environmental requirements during the financial year. The Board believes that the Group has adequate systems in place for the management of its environmental requirements and is not aware of any breach of these environmental requirements as they apply to the Group.

Indemnification and insurance of Directors and Officers

The Company has agreed to indemnify all the directors of the Company for any liabilities to another person (other than the Company or related body corporate) that may arise from their position as directors of the Company and its controlled entities, except where the liability arises out of conduct involving a lack of good faith.

DIRECTORS' REPORT continued

Remuneration report (Audited)

This report, which forms part of the directors' report, outlines the remuneration arrangements in place for the key management personnel ("KMP") of Marquee Resources Limited for the financial year ended 30 June 2022. The information provided in this remuneration report has been audited as required by Section 308(3C) of the Corporations Act 2001.

The remuneration report details the remuneration arrangements for KMP who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company and the Group, directly or indirectly, including any director (whether executive or otherwise) of the parent Company.

Key Management Personnel

Directors

Mr Charles Thomas	Executive Chairman
Mr George Henderson	Non-Executive Director
Mr John Daniel Moore	Non-Executive Director

Remuneration philosophy

The performance of the Company depends upon the quality of the directors and executives. The Board has the authority and responsibility for planning, directing and controlling the activities of the company and the Group, including directors of the company and of the senior management. Compensation levels for directors and senior management of the Group are competitively set to attract and retain appropriately qualified and experienced directors and executives.

Remuneration levels are not dependent upon any performance criteria as the Company and the Group are not generating a profit.

Remuneration committee

The Board of Directors of the Company is responsible for determining and reviewing compensation arrangements for the directors and the executive team.

The Board assesses the appropriateness of the nature and amount of remuneration of directors and executives on a periodic basis by reference to relevant employment market conditions with an overall objective of ensuring maximum stakeholder benefit from the retention of a high-quality Board and executive team.

Remuneration structure

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

Non-executive director remuneration

The Board seeks to set aggregate remuneration at a level that provides the Company with the ability to attract and retain directors of the highest calibre, whilst incurring a cost that is acceptable to shareholders.

The ASX Listing Rules specify that the aggregate remuneration of non-executive directors shall be determined from time to time by a general meeting. The aggregate level (\$250,000) was set at the time of the company's incorporation and has not changed since.

The amount of aggregate remuneration sought to be approved by shareholders and the manner in which it is apportioned amongst directors is reviewed annually. The Board considers advice from external shareholders as well as the fees paid to non-executive directors of comparable companies when undertaking the annual review process.

The remuneration of non-executive directors for the year ended 30 June 2022 is detailed in page 21 of this report.

Executive director remuneration

Remuneration consists of fixed remuneration and share based payments detailed in the remuneration table.

Fixed Remuneration

Fixed remuneration is reviewed annually by the Board of Directors. The process consists of a review of relevant comparative remuneration in the market and internally and, where appropriate, external advice on policies and practices.

DIRECTORS' REPORT continued

Remuneration report (Audited) continued

Use of Remuneration Consultants

The Committee has access to external, independent advice where necessary. No consultants were engaged during the reporting year.

The remuneration of the Company Directors and executives is detailed in page 21 of this report.

Voting of shareholders at last year's annual general meeting

The Company received 99.39% of "Yes" votes on its remuneration report for the 2021 financial year. The Company did not receive any specific feedback at the AGM or throughout the year on its remuneration practices.

Share based payment arrangements

Options

On 14 June 2022 shareholders meeting, approval was obtained to grant 11.5 million Incentive Options to Directors under the Employee Securities Incentive Plan. These options have an exercise price of 16 cents and expiry date 30 June 2025

Each share option converts into one ordinary share of the Company on exercise. No amounts were paid to the Company by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights. Options may be exercised at any time from the date of vesting to the date of expiry.

The options vested immediately upon grant and are based on share price performance. This issue seeks to align the efforts of Directors in seeking to achieve growth of the Share Price and in the creation of Shareholder value.

Performance Rights

There are no Performance Rights on issue.

Employment /Director Contracts

Charles Thomas –Executive Chairman

The key employment terms of Mr. Thomas's service contract are:

- Executive Director fee of \$240,000 per annum plus statutory superannuation and approved employment expenses.
- Termination Notice 6 months by either party.

George Henderson – Non-Executive Director

The key employment terms of Mr Henderson's contract are:

- Director's fee of \$36,000 per annum plus statutory superannuation and approved employment expenses
- No termination benefits.

John Daniel Moore – Non-executive Director

The key employment terms of Mr Moore's contract are:

- Director's fee of \$36,000 per annum plus statutory superannuation and approved employment expenses
- No termination benefits.

DIRECTORS' REPORT continued

Remuneration report (Audited) continued

Key Management Personnel remuneration for the year ended 30 June 2022 and year ended 30 June 2021

30 June 2022	Short-term employment benefits		Post-employment benefit	Equity Share based payments	Total	Remuneration consisting of Options	
	Salary & fees	Bonus	Superannuation				%
	\$		\$		\$		
<u>Directors</u>							
C Thomas	202,500	-	20,250	257,922	480,672		54
G Henderson	36,000	-	3,600	68,779	108,379		63
D Moore	36,000	-	3,600	68,779	108,379		63
Total	274,500	-	27,450	395,480	697,430		57

30 June 2021	Short-term employment benefits		Post-employment benefit	Equity Share based payments	Total	Remuneration consisting of Options	
	Salary & fees	Bonus	Superannuation				%
	\$		\$		\$		
<u>Directors</u>							
C Thomas (i)	175,000	-	16,625	261,250	452,875		58
G Henderson	36,000	-	3,420	20,900	60,320		35
D Moore	36,000	-	3,420	20,900	60,320		35
Total	247,000	-	23,465	303,050	573,515		53

(i) The amount paid includes a payout of Annual Leave entitlement totalling \$25,000 plus \$2,375 superannuation.

No member of key management personnel appointed during the year received a payment as part of his or her consideration for agreeing to hold the position.

Bonuses

No bonuses were granted during the year.

DIRECTORS' REPORT continued

Remuneration report (Audited) continued

Options

Options issued to Directors/Management during the 2022 financial year were issued under an Employee Securities Incentive Plan and were approved by shareholders on 14 June 2022 for Series 6 Options. These options vest immediately.

The following share-based payment arrangements were in place during the financial year:

Series	Number	Grant date	Expiry date	Exercise price	Fair value at grant date
<u>Directors</u>					
1. Options issued 1/9/2020	7,250,000	28/8/2020	30/6/2023	\$0.08	\$0.0418
6. Options issued 28/6/2022	11,500,000	14/6/2022	30/6/2025	\$0.16	\$0.0343

The fair value of the unlisted options was determined using the Black Scholes Method. Inputs used to determine the valuation were:

Series 1	Series 6
Number of Options: 8,000,000	Number of Options: 11,500,000
Share Price: \$0.064	Share Price: \$0.072
Exercise Price: \$0.08	Exercise Price: \$0.16
Expected Volatility: 120%	Expected Volatility: 100%
Expiry date (years): 2.8	Expiry date (years): 3
Expected dividend yield: nil	Expected dividend yield: nil
Risk free rate: 0.27%	Risk free rate: 3.29%
Total fair value: \$334,677	Total fair value: \$395,480

Shareholdings of Key Management Personnel

	Balance at beginning of year	Granted as remuneration	On Exercise of Options	Net Change Other	Balance at end of year
30 June 2022	Number	Number	Number	Number	Number
<u>Directors</u>					
Mr Charles Thomas	1,000,000	-	-	368,580	1,368,580
Mr George Henderson	10,000	-	-	133,580	143,580
Mr Daniel Moore	-	-	-	-	-

All equity transactions with key management have been entered into under terms and conditions no more favourable than those the Group would have adopted if dealing at arm's length.

Option holdings of Directors

	Balance at beginning of year	Granted as remuneration	Options exercised	Net Change Other	Balance at end of year	Percentage vested
30 June 2022	Number	Number (ii)	Number	Number (i)	Number	
<u>Directors</u>						
Charles Thomas	6,250,000	7,500,000	-	4,100,000	17,850,000	100%
Mr George Henderson	500,000	2,000,000	-	-	2,500,000	100%
Mr Daniel Moore	500,000	2,000,000	-	-	2,500,000	100%

(i) Allocated via GTT Ventures option remuneration fee

(ii) Unlisted options granted and approved by shareholders at the shareholders meeting held on 14 June 2022

DIRECTORS' REPORT continued

Remuneration report (Audited) continued

Performance Rights holdings of Directors

Nil

Other transactions with Key Management Personnel

Further payments to GTT Ventures Pty Ltd and 19808283 Pty Ltd (a company of which Charles Thomas is a Director and shareholder) included the following:

- Corporate Advisory Fees amounting to \$126,000 (ex GST) pursuant to a corporate consultancy agreement.
- Capital Raising fees \$483,370 relating to placements conducted in August 2021 and April 2022, Facilitation fees for Option Conversion \$145,058, and the Convertible Loan fee \$205,000 conducted in November 2021.
- 3.75 million unlisted options (exercise price \$0.12, expiry 30 Nov 2022) were issued to GTT Ventures Pty Ltd for corporate advisory services. These were valued at \$0.03689 per option totalling \$138,337.
- Facilitation fees in relation to the Lone Star and Kibby earn-in agreements - 3,374,095 shares (valued \$251,897) and 10 million options valued \$609,000.
- A sub lease for the rental of the office premises in Subiaco is in place with 19808283 Pty Ltd. Total rent paid to 30 June 2022 is \$36,000 (ex GST).

Payments to AGH Legal for legal services (a legal firm of which George Henderson is a Partner and shareholder) amounted to \$89,557 (ex GST).

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

Loans to Key Management Personnel

There are no loans to key management personnel.

Statutory performance indicators

We aim to align our executive remuneration to our strategic and business objectives and the creation of shareholder wealth. The table below shows measures of the Group's financial performance over the last five years by the Corporations Act 2001. These are not necessarily consistent with measures used in determining variable amounts of remuneration to be awarded to KMPs. As a consequence, there may not always be a direct correlation between the statutory key performance measures and the variable remuneration awarded.

Statutory key performance indicators of the group over the last five years

	2022	2021	2020	2019	2018
Loss for the year attributable to owners of Marquee Resources Ltd (\$'000)	(3,067)	(2,742)	(1,717)	(4,078)	(3,734)
Basic loss per share cents ⁽ⁱ⁾	(1.529)	(2.586)	(2.845)	(9.543)	(13.074)
Dividend payments	0	0	0	0	0
Dividend payout ratio	n/a	n/a	n/a	n/a	n/a
Increase/(decrease) in share price (%)	49%	30%	(66%)	(64%)	97%

End of Audited Remuneration Report.

DIRECTORS' REPORT continued

Directors' Meetings

The Directors regularly conduct teleconferences on all matters of business and approve transactions/management decisions via Circulating Resolutions regularly on a as is required basis.

The number of meetings of directors (including meetings of committees of directors) held during the year and the number of meetings attended by each director were as follows:

	<u>Director's meetings</u>
Number of meetings held:	5
Number of meetings attended:	
Mr Charles Thomas	5
Mr George Henderson	5
Mr Daniel Moore	5

Proceedings on behalf of the Company

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

Auditor's Independence and Non-Audit Services

Section 307C of the Corporations Act 2001 requires our auditors, BDO Audit (WA) Pty Ltd, to provide the directors of the Company with an Independence Declaration in relation to the audit of the financial report. This Independence Declaration is set out on page 26 and forms part of this directors' report for the year ended 30 June 2022.

Non-Audit Services

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the company are important.

Details of the amounts paid or payable to the auditor for audit and non-audit services provided during the year are set out below.

The board of Directors has considered the position and is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The directors are satisfied that the provision of non-audit services by the auditor, as set out below did not compromise the auditor's independence requirements of the Corporations act 2001 for the following reasons:

- All non-audit services have been reviewed by the Board to ensure they do not impact the impartiality and objectivity of the auditor.
- None of the services undermine the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants*.

During the year the following fees were paid or payable for non-audit services provided by the auditor of the parent entity, its related practises and non-related audit firms:

Auditors of the Group – BDO and related network firms	2022 \$	2021 \$
<i>Auditor of the parent entity</i>		
Audit or review of the financial statements	48,756	38,285
	48,756	38,285
<i>Taxation and other advisory services</i>		
Taxation	7,210	12,500
Total services provided by BDO	55,966	50,785

DIRECTORS' REPORT continued

Signed in accordance with a resolution of the directors.
Dated: 30 September 2022

A handwritten signature in black ink that reads "Charles Thomas". The signature is written in a cursive style with a large initial 'C'.

Charles Thomas
Executive Chairman



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DECLARATION OF INDEPENDENCE BY PHILLIP MURDOCH TO THE DIRECTORS OF MARQUEE
RESOURCES LIMITED

As lead auditor of Marquee Resources 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 Marquee Resources Limited and the entities it controlled during the period.

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

Phillip Murdoch
Director

BDO Audit (WA) Pty Ltd
Perth
30 September 2022

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

	Notes	2022 \$	2021 \$
Continuing operations			
Interest income	2	1,546	1,038
ATO cashflow boost		-	23,787
Other Income	7	27,767	-
Administrative expenses	2	(662,403)	(433,429)
Staff expenses		(690,243)	(519,289)
Depreciation expense		(6,882)	(5,125)
Amortisation of right of use assets		(32,454)	(32,518)
Exploration impairment	8	(1,386,604)	(989,801)
Share based payment	14a	(527,399)	(423,699)
Finance Cost		(4,971)	(2,770)
Change in fair value of financial assets		189,485	-
Unrealised currency movement		24,218	-
Loss before income tax expense		(3,067,939)	(2,381,805)
Income tax benefit	3	-	-
Loss after income tax for the year from continuing operations		(3,067,939)	(2,381,805)
Other comprehensive income, net of income tax			
Loss from discontinued operations	7	-	(360,153)
Loss for the year		(3,067,939)	(2,741,959)
Items that may be reclassified subsequently to profit or loss			
Exchange differences arising on translation of foreign operations		168,083	104,964
Other comprehensive loss for the year, net of tax		168,083	104,964
Total comprehensive loss for the year attributable to owners of the parent		(2,899,856)	(2,636,995)
 Basic loss per share from continuing operations attributable to the members of Marquee Resources Ltd (cents per share)	5	(1.529)	(2.586)
Basic loss per share for the year attributable to the members of Marquee Resources Ltd (cents per share) for continuing operations	5	(1.529)	(2.246)
Diluted loss per share for the year attributable to the members of Marquee Resources Ltd (cents per share) for continuing operations	5	(1.273)	-

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

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

	Notes	2022 \$	2021 \$
Assets			
Current assets			
Cash and cash equivalents	6	9,182,210	1,233,817
Trade and other receivables		194,066	37,348
Prepayments		38,647	8,812
Asset held for sale (Centenario)	7	-	659,644
Total current assets		9,414,923	1,939,621
Non-current assets			
Property, plant and equipment		30,357	18,394
Right of use Asset		57,310	56,065
Deferred exploration and evaluation expenditure	8	10,701,500	3,528,723
Investment in Belmont Resources Inc.	9	665,219	-
Total non-current assets		11,454,385	3,603,182
Total assets		20,868,309	5,542,804
Liabilities			
Current liabilities			
Trade and other payables	10	644,738	108,356
Accruals		370,831	22,000
Lease liability		33,095	31,284
Total current liabilities		1,048,664	161,640
Non-current liabilities			
Lease Liability		26,381	25,522
Total Non-current liabilities		26,381	25,522
Total Liabilities		1,075,045	187,162
Net assets		19,794,264	5,355,642
Equity			
Issued capital	11	30,656,534	14,661,637
Reserves	12	6,002,989	4,491,327
Accumulated losses	13	(16,865,260)	(13,797,322)
Total equity		19,794,264	5,355,642

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2022

Notes	Issued capital \$	Option reserve \$	Equity based payment reserve \$	Foreign currency translation reserve \$	Accumulated Losses \$	Total equity \$
Balance at 1 July 2021	14,661,637	1,978,340	2,548,000	(35,013)	(13,797,322)	5,355,642
Loss for the year	-	-	-	-	(3,067,939)	(3,067,939)
Exchange differences arising on translation of foreign operations	-	-	-	168,083	-	168,083
Total comprehensive loss for the year	-	-	-	168,083	(3,067,939)	(2,899,856)
<i>Transactions with owners in their capacity as owner</i>						
Issue of Shares	17,128,653	-	-	-	-	17,128,653
Issue of Options	-	1,343,579	-	-	-	1,343,579
Capital Raising Costs	(1,133,755)	-	-	-	-	(1,133,755)
Balance at 30 June 2022	30,656,534	3,321,919	2,548,000	133,070	(16,865,261)	19,794,264
Balance at 1 July 2020	12,438,405	1,471,000	2,548,000	(139,977)	(11,055,364)	5,262,063
Loss for the year	-	-	-	-	(2,741,959)	(2,741,959)
Exchange differences arising on translation of foreign operations	-	-	-	104,964	-	104,964
Total comprehensive loss for the year	-	-	-	104,964	(2,741,959)	(2,636,995)
<i>Transactions with owners in their capacity as owner</i>						
Issue of Shares	2,454,028	-	-	-	-	2,454,028
Issue of Options	-	507,340	-	-	-	507,340
Capital Raising Costs	(230,796)	-	-	-	-	(230,796)
Balance at 30 June 2021	14,661,637	1,978,340	2,548,000	(35,013)	(13,797,322)	5,355,642

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

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

	Notes	2022 \$	2021 \$
Cash flows from operating activities			
Payments to suppliers and employees		(1,465,219)	(986,706)
Interest received		1,547	1,038
ATO cashflow boost		-	23,787
Net cash outflows from operating activities	6	(1,463,672)	(961,880)
Cash flows from investing activities			
Exploration and evaluation expenditure		(6,425,167)	(716,793)
Cash Call Centenario – Lithium Power International		-	(66,506)
Sale of Centenario		687,412	-
Payment to acquire financial assets		(451,516)	-
Payment for plant and equipment		(18,843)	(10,634)
Net cash outflows from investing activities		(6,208,116)	(793,932)
Cash flows from financing activities			
Proceeds from issue of shares		16,554,006	2,454,028
Payments for share issue costs		(897,825)	(147,155)
Repayment of lease		(36,000)	(36,000)
Net cash inflows from financing activities		15,620,181	2,270,873
Net increase in cash and cash equivalents		7,948,393	515,060
Cash and cash equivalents at the beginning of the year		1,233,817	718,757
Cash and cash equivalents at the end of the year	6	9,182,210	1,233,817

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

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

This General-Purpose Financial Report has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board (including Australian Interpretations) and the *Corporations Act 2001*. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

Historical Cost Convention

The financial report has been prepared under the historical cost convention, as modified by revaluations to fair value for certain classes of assets as described in the accounting policies.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 1e.

Functional and presentation currency

The functional currency of the Group is measured using the currency of the primary economic environment in which the entity operates (United States and Canada), however the financial statements are presented in Australian dollars, which is the economic environment that the parent operates.

(b) Adoption of new and revised standards

The Group has adopted all of the new and revised standards and interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for an accounting period that begins on or after 1 July 2021.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted. The following Accounting Standards and Interpretations are most relevant to the consolidated entity:

Accounting Standards Issued Not Yet Effective

The following new/amended accounting standards and interpretations have been issued but are not mandatory for financial years ended 30 June 2022. They have not been adopted in preparing the financial statements for the year ended 30 June 2022 and are expected to impact the entity in the period of initial application. In all cases the entity intends to apply these standards from application date as indicated in the table below.

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Adoption of new and revised standards (continued)

Standards Likely to Have a Financial Impact – All entities

AASB reference	Title and Affected Standard(s)	Nature of Change	Application Date	Impact on Initial Applications
AASB 2021-2 (issued March 2021)	Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates	Introduces a definition of 'accounting estimate' i.e. monetary amounts in financial statements that are subject to estimation uncertainty, such as estimating expected credit losses for receivables, or estimating the fair value of an item recognised in the financial statements at fair value. Accounting estimates are developed using measurement techniques and inputs. Measurement techniques comprise estimation techniques (such as used to determine expected credit losses or value in use) and valuation techniques (such as the income approach to determine fair value). The amendments clarify that a change in an estimate occurs when there is either a change in a measurement technique or a change in an input.	Annual reporting periods on after 1 January 2023	There will be no impact on the financial statements when these amendments are first adopted because they apply prospectively to changes in accounting estimates that occur on or after the beginning of the first annual reporting period to which these amendments apply, i.e. annual periods beginning on or after 1 July 2023.

Standards Likely to Have A Disclosure Impact Only – all entities

AASB reference	Title and Affected Standard(s)	Nature of Change	Application Date	Impact on Initial Applications
AASB 2021-2 (issued March 2021)	Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates	Only 'material' accounting policy information must be disclosed in the financial statements, i.e. if it relates to material transactions, other events or conditions and: -The entity has changed its accounting policy during the period -There are one or more accounting policy options in Accounting Standards -The accounting policy was developed applying the hierarchy in AASB 108 because there is no specific IFRS dealing with the transaction -Significant judgement was required in applying the accounting policy -The accounting is complex, e.g. more than one IFRS applies to the transaction.	Annual reporting periods on after 1 January 2023	Disclosure impact only

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES cont.

(c) Statement of compliance

The financial report was authorised for issue by the directors on 30 September 2022. The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS).

The financial statements comprise the consolidated financial statements of the Group. For the purposes of preparing the consolidated financial statements, the Company is a for-profit entity.

(d) Basis of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Marquee Resources Limited ('Company' or 'parent entity') as at 30 June 2022 and the results of all subsidiaries for the period then ended. Marquee Resources Limited and its subsidiaries are referred to in these financial statements as the 'consolidated entity'.

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

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity 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 consolidated entity.

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

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the consolidated entity. Losses incurred by the consolidated entity are attributed to the non-controlling interest in full, even if that results in a deficit balance.

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

(e) Critical accounting estimates and judgements

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

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

Investments in associate

Associates are those entities over which the Group is able to exert significant influence but which are not subsidiaries. A holding of 20% or more of the voting power will indicate significant influence. They are accounted for using the equity method. The carrying amount of the investment in associates is increased or decreased to recognise the group's share of the profit or loss and other comprehensive income of the associate, adjusted where necessary to ensure consistency with the accounting policies of the group.

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Asset Acquisition

When an asset acquisition does not constitute a business combination, the assets and liabilities are assigned a carrying amount based on their relative fair values in an asset purchase transaction and no deferred tax will arise in relation to the acquired assets and assumed liabilities as the initial recognition exemption for deferred tax under AASB 112 applies. No goodwill will arise on the acquisition and transaction costs of the acquisition will be included in the capitalised cost of the asset. Asset's acquired during the period were exploration expenditure.

Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using a Black and Scholes model. For equity instruments with market based vesting conditions, a Barrier 1 Valuation model is used.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the consolidated entity's estimate of equity instruments that will eventually vest. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

Deferred exploration and evaluation

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

Impairment of exploration expenditure

The Group assesses impairment at each reporting date by evaluating conditions specific to the Group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. When assessing impairment of exploration and evaluation assets, the carrying amount of exploration and evaluation is compared to its recoverable amount. The estimated recoverable amount is used to determine the extent of the impairment loss (if any).

As at 30 June 2022 the Directors reviewed the Group's exploration portfolio for indicators of impairment. As a result of this review, the Board made that decision that impairment of exploration expenditure was required in the current year's accounts. Refer to Note 8.

Asset held for Sale

Non-current assets held for sale and disposal groups Are classified as held for sale when:

- They are available for immediate sale;
- Management is committed to a plan to sell;
- It is unlikely that significant changes to the plan will be made or that the plan will be withdrawn;
- An active programme to locate a Buyer has been initiated;
- The asset or disposal group is being marketed at a reasonable price in relation to its fair value; and
- A sale is expected to complete within 12 months from the date of classification.

Non-current assets and disposal groups classified as held for sale are measured at the lower of:

- Their carrying amount immediately prior to being classified as held for sale in accordance with the group's accounting policy; and
- Fair value less costs of disposal.

Following their classification as held for sale, non-current assets are not depreciated. The results of operations disposed during the year are included in the consolidated statement of comprehensive income up to the date of disposal.

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

A discontinued operation is a component of the group's business that represents a separate major line of business or geographical area of operations or is a subsidiary acquired exclusively with a view to resale, that has been disposed of, has been abandoned or that meets the criteria to be classified as held for sale.

Discontinued operations are presented in the consolidated statement of comprehensive income as a single line which comprises the profit or loss of the discontinued operation along with the gain or loss of the re-measurement to fair value less costs.

Impairment of non-financial assets

The consolidated entity assesses impairment of non-financial 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.

Fair Value Measurement

The Group is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being: Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date; Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and Level 3: Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

(f) Revenue recognition

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

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of revenue can be reliably measured. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

(g) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of Marquee Resources Limited.

(h) Foreign currency translation

The functional currency of the Group is measured using the currency of the primary economic environment in which the entity operates (United States and Canada), however the financial statements are presented in Australian dollars, which is the economic environment in which the parent operates.

Transactions in foreign currencies are initially recorded in the functional currency by applying the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the reporting date.

All exchange differences in the consolidated financial report are taken to profit or loss with the exception of differences on foreign currency borrowings that provide a hedge against a net investment in a foreign entity. These are taken directly to equity until the disposal of the net investment, at which time they are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

As at the reporting date the assets and liabilities of this subsidiary are translated into the presentation currency of Marquee Resources Limited at the rate of exchange ruling at the reporting date and income and expense items are translated at the

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

average exchange rate for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used.

The exchange differences arising on the translation are taken directly to a separate component of equity, being recognised in the foreign currency translation reserve.

On disposal of a foreign entity, the deferred cumulative amount recognised in equity relating to that particular foreign operation is recognised in profit or loss.

In addition, in relation to the partial disposal of a subsidiary that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates or jointly controlled entities that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Goodwill and fair value adjustments on identifiable assets and liabilities acquired arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in equity.

(i) Income tax

The income tax expense or benefit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary difference and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Deferred income tax is provided on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except:

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

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the deductible temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Unrecognised deferred income tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

(j) Goods and Services taxes

Revenues, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position. Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

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

(k) Impairment of non-financial assets

Non-financial assets are reviewed 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.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

(l) Cash and cash equivalents

Cash comprises cash at bank and in hand. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

(m) Trade and other receivables

Trade receivables are measured on initial recognition at fair value and are subsequently measured at amortised cost using the effective interest rate method, less any allowance for impairment. Trade receivables are generally due for settlement within periods ranging from 15 days to 30 days. The Group has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. Other receivables are recognised at amortised cost less an allowance for expected credit loss.

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

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(n) Property, plant and equipment

Plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses. Such cost includes the cost of replacing parts that are eligible for capitalisation when the cost of replacing the parts is incurred. Similarly, when each major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement only if it is eligible for capitalisation.

Depreciation is calculated on a straight-line basis over the estimated useful life of the assets as follows:

Plant and equipment	3 years
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The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end.

Impairment

The carrying values of plant and equipment are reviewed for impairment at each reporting date, with recoverable amount being estimated when events or changes in circumstances indicate that the carrying value may be impaired.

The recoverable amount of plant and equipment is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For an asset that does not generate largely independent cash inflows, recoverable amount is determined for the cash-generating unit to which the asset belongs, unless the asset's value in use can be estimated to approximate fair value.

An impairment exists when the carrying value of an asset or cash-generating units exceeds its estimated recoverable amount. The asset or cash-generating unit is then written down to its recoverable amount.

For plant and equipment, impairment losses are recognised in the Statement of Profit or Loss and Other Comprehensive Income in the cost of sales line item.

Derecognition and disposal

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

(o) Trade and other payables

Trade payables and other payables are carried at amortised cost and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. Trade and other payables are presented as current liabilities unless payment is not due within 12 months.

(p) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

When the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the Statement of Profit or Loss and Other Comprehensive Income net of any reimbursement.

Provisions are measured at the present value or management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability.

When discounting is used, the increase in the provision due to the passage of time is recognised as an interest expense.

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(r) Share-based payment transactions

Equity settled transactions

Equity-settled transactions are awards of shares, or options over shares, that are provided to Directors. The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Barrier 1 Valuation model or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the consolidated entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions. Refer to Note 14 for further information.

The cost of these equity-settled transactions with employees 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 using a Black-Scholes model.

In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of Marquee Resources Limited (market conditions) if applicable.

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

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the Group's best estimate of the number of equity instruments that will ultimately vest. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. The Statement of Profit or Loss and Other Comprehensive Income charge or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is only conditional upon a market condition.

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 employee, as measured at the date of modification.

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

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of earnings per share. Refer Note 5.

(s) Issued capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a new business are not included in the cost of acquisition as part of the purchase consideration.

(t) Loss per share

Basic loss per share is calculated as net loss attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted loss per share is calculated as net loss attributable to members of the parent, adjusted for:

- costs of servicing equity (other than dividends) and preference share dividends;
- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares; divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(u) Exploration and evaluation expenditure

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

- the rights to tenure of the area of interest are current; and
- at least one of the following conditions is also met:
 - the exploration and evaluation expenditures are expected to be recouped through successful development and exploration of the area of interest, or alternatively, by its sale; or
 - exploration and evaluation activities in the area of interest have not at the reporting date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

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

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

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

(v) Parent entity financial information

The financial information for the parent entity, Marquee Resources Limited, disclosed in Note 18 has been prepared on the same basis as the consolidated financial statements, except as set out below.

Investments in subsidiaries

Investments in subsidiaries are accounted for at cost in the parent entity's financial statements.

(w) Employee Benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave, when it is probable that settlement will be required and they are capable of being measured reliably.

Liabilities recognised in respect of short-term employee benefits, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement. Liabilities recognised in respect of long term employee benefits are measured as the present value of the estimated future cash outflows to be made by the consolidated entity in respect of services provided by employees up to reporting date.

(x) Investment in Associate

Associates are entities over which the consolidated entity has significant influence but not control or joint control. Investments in associates are accounted for using the equity method. Under the equity method, the share of the profits or losses of the associate is recognised in profit or loss and the share of the movements in equity is recognised in other comprehensive income. Investments in associates are carried in the statement of financial position at cost plus post-acquisition changes in the consolidated entity's share of net assets of the associate. Goodwill relating to the associate is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment. Dividends received or receivable from associates reduce the carrying amount of the investment. After application of the equity method, the company determines whether it is necessary to recognise any additional impairment loss with respect to the company's net investment in the associate.

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The company's share of the associate post-acquisition profits or losses is recognised in the statement of profit or loss and other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the consolidated entity's share of losses in an associate equals or exceeds its interest in the associate, including any unsecured long-term receivables, the consolidated entity does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

The consolidated entity discontinues the use of the equity method upon the loss of significant influence over the associate and recognises any retained investment at its fair value. Any difference between the associate's carrying amount, fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

(y) Financial Assets

Fair value measurement

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

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

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

Investments in equity instruments are categorised as financial assets at fair value through profit or loss.

When these financial assets are recognised initially, they are measured at fair value. At each reporting date, gains or losses on these financial assets are recognised in profit or loss using Level 1 inputs of unadjusted quoted prices in active markets at the measurement date.

Financial assets are recognised and derecognised on settlement date where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the time-frame established by the market concerned. They are initially measured at fair value, net of transaction costs, except for those financial assets classified as fair value through profit or loss, which are initially measured at fair value. Transaction costs of financial assets carried at fair value through profit or loss.

The Group classifies its financial assets as either financial assets at fair value through profit or loss ("FVPL"), fair value through other comprehensive income ("FVOCI") or at amortised cost. The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For investments in equity instruments, the classification depends on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at FVPL or FVOCI.

The Group's derivative financial instruments are recognised at FVPL. For assets measured at FVPL, gains and losses will be recorded in statement of profit or loss. Assets in this category are subsequently measured at fair value. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists. Refer to Note 9 for additional details.

(z) Convertible Note Policy AASB 132

Convertible Notes were issued by the group during the period. The component of the convertible note that exhibits characteristics of a liability is recognised as a liability in the statement of financial position, net of transaction costs.

On the issue of the convertible notes the fair value of the liability component is determined using a market rate for an equivalent non-convertible bond and this amount is carried as a non-current liability on the amortised cost basis until extinguished on conversion or redemption. The increase in the liability due to the passage of time is recognised as a finance cost. The remainder of the proceeds are allocated to the conversion option that is recognised and included in shareholders equity as a convertible note reserve, net of transaction costs. The carrying amount of the conversion option is not remeasured in the subsequent years. The corresponding interest on convertible notes is expensed to profit or loss.

These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

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

NOTE 2: OTHER INCOME AND EXPENSES

	2022 \$	2021 \$
<i>Other Income</i>		
Interest income	1,546	1,038
ATO cashflow Boost	-	23,787
Profit on sale of Centenario (Refer Note 7)	27,768	-
	29,314	24,825

	2022 \$	2021 \$
<i>Administrative Expenses</i>		
Legal Fees	59,997	40,727
Consultancy Fees	153,866	136,512
Travel & Accommodation	6,631	3,747
ASX/ASIC fees	85,806	42,276
Investor Relations	81,838	15,066
Share Registry Fees	47,687	18,009
Insurance	50,093	47,514
Other	176,485	129,578
Total administrative expenses	662,403	433,429

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

NOTE 3: INCOME TAX

Income tax recognised in profit or loss

The major components of tax expense are:

	2022	2021
	\$	\$
Current tax expense/(income)	-	-
Deferred tax expense/(income) relating to the origination and reversal of temporary differences	-	-
	-	-

The prima facie income tax benefit on pre-tax accounting loss from operations reconciles to the income tax benefit in the financial statements as follows:

	2022	2021
	\$	\$
Loss before tax from continuing operations	(2,976,160)	(2,381,505)
Loss before tax from discontinued operations	-	(360,153)
Accounting loss before income tax	(2,976,160)	(2,741,959)
Income tax benefit calculated at 25% (2020: 30%)	(744,040)	(822,588)
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income:		
Non-deductible expenditure/(Non-assessable income)	121,127	421,378
Difference in overseas tax rates		
Effect of unused tax losses/temporary differences not recognised as deferred tax assets	622,913	351,209
Income tax benefit reported in the consolidated statement of comprehensive income	-	-
Income tax attributable to discontinued operations	-	-

The tax rate used in the above reconciliation is the corporate tax rate of 30% payable by Australian corporate entities on taxable profits under Australian tax law.

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items:

	2022	2021
	\$	\$
Tax losses – revenue	1,562,466	1,204,337
Tax losses – capital	-	-
Leases	542	222
Deductible temporary differences	352,646	77,329
	1,888,654	1,281,888
Off-set of deferred tax liabilities	(665,735)	(206,046)
Net unrecognised deferred tax assets	1,222,919	1,075,842

The deductible temporary differences and tax losses do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Group can utilise the benefits thereof.

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

NOTE 4: SEGMENT REPORTING

AASB 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the Chief Operating Decision Maker in order to allocate resources to the segment and to assess its performance.

The Group's operating segments have been determined with reference to the monthly management accounts used by the Chief Operating Decision maker to make decisions regarding the Group's operations and allocation of working capital. Due to the size and nature of the Group, the Board as a whole has been determined as the Chief Operating Decision Maker. Information reported to the Group's Board of Directors for the purposes of resource allocation and assessment of performance is more specifically focused on the exploration and development of mineral resource projects. The Group's reportable segments under AASB8 are therefore as follows:

- Exploration and evaluation - USA
- Exploration and evaluation - Canada
- Exploration and evaluation - Australia
- Exploration and evaluation - Argentina
- Other sector

Exploration and evaluation – Nevada refers to the Clayton Valley Project Exploration licenses (EL's) held in Nevada USA. The Group holds a 100% interest in these licences through Sovereign Gold Nevada Inc, a wholly owned subsidiary of Marquee Resources Limited. During the December 2021 half two projects have been added to this segment, the Lone Star and Kibby projects located in the US.

Exploration and evaluation – Canada refers to the 30% interest in the Werner Lake project in Canada.

Exploration and evaluation – Argentina refers to the 30% interest via its 100% subsidiary Centenario Lithium Ltd, a Lithium exploration project in the Centenario-Ratones, an area of the Andes in the north-west of Argentina. Subsequent to the sale of Centenario, this segment within the current period, is no longer in place.

Exploration and evaluation – Australia refers to Redlings, West Spargoville and Mt Clement Projects in Western Australia. The other sector relates to head office operations, including cash management. Information regarding these segments is presented below. The accounting policies of the reportable segments are the same as the Group's accounting policies

Segment information

The following table presents revenue and profit information and certain asset and liability information regarding business segments for the period ended 30 June 2022 and 30 June 2021

30 June 2022	Exploration and evaluation - USA	Exploration and evaluation - Canada	Exploration and evaluation - Australia	Exploration and evaluation - Argentina	Other	Consolidated
	\$	\$	\$	\$	\$	\$
Segment revenue	-	-	-	27,767	1,547	29,314
Segment results	-	(1,386,996) ⁽ⁱ⁾	-	(1,135)	(1,678,260)	(3,067,939)
Segment assets	7,386,791	1,111,033	2,992,814	-	9,378,671	20,869,309
Segment Liabilities	-	-	-	-	1,075,045	1,075,045

(i) Includes impairment relating to Werner Lake of \$1,386,996

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

NOTE 4: SEGMENT REPORTING cont.

30 June 2021	Exploration and evaluation - USA	Exploration and evaluation - Canada	Exploration and evaluation - Australia	Exploration and evaluation - Argentina	Other	Consolidated
	\$	\$	\$	\$	\$	\$
Segment revenue	-	-	-	-	24,825	24,825
Segment results	(82)	(990,211)	-	(360,153)	(1,391,513)	(2,741,959)
Segment assets	955,873	1,742,329	949,067	659,644	1,235,891	5,542,804
Segment Liabilities	-	-	-	-	187,162	187,162

NOTE 5: LOSS PER SHARE

	2022 Cents per share	2021 Cents per share
<i>Basic loss per share</i>		
Loss from continuing operations attributable to the members of Marquee Resources Ltd	(1,529)	(2,586)
Loss attributable to the owners of Marquee Resources Limited	(1,529)	(2,246)

	2022 Cents per share	2021 Cents per share
<i>Diluted loss per share</i>		
Loss from continuing operations attributable to the members of Marquee Resources Ltd	(1,273)	(2,586)
Loss attributable to the owners of Marquee Resources Limited	(1,273)	(2,246)

Basic loss and diluted loss per share

The earnings and weighted average number of ordinary shares used in the calculation of basic and diluted loss per share is as follows:

	2022 \$	2021 \$
Loss from continuing operations	(3,067,939)	(2,741,959)
Loss for the year attributable to the owners of Marquee Resources Limited	(3,067,939)	(2,381,805)

	2022 Number	2021 Number
Weighted average number of ordinary shares for Basic earnings per share	200,655,540	106,038,595
Diluted earnings per share	240,979,146	106,038,595

The Company's potential ordinary shares, being its 8 cent options have been included in the diluted loss per share calculation. The remaining 25.5 million 16 cent options and 22.275 million 12 cent options are not considered dilutive.

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

NOTE 6: CASH AND CASH EQUIVALENTS

	2022	2021
	\$	\$
Cash at bank and on hand	9,182,210	1,233,817

Cash at bank earns interest at floating rates based on daily bank deposit rates.

Reconciliation of loss for the year to net cash flows from operating activities

	2022	2021
	\$	\$
Loss for the period	(3,067,939)	(2,741,959)
Depreciation and amortisation	39,336	37,643
Unrealised currency movement	(24,218)	
Change in fair value of financial assets	(189,485)	
Other non-cash items	(18,723)	(40,640)
Exploration impairment	1,386,604	989,801
Share based payments	527,399	423,699
Loss from discontinued operations	-	360,153
(Increase)/decrease in assets:		
Trade and other receivables	(156,718)	2,157
Other current assets	(29,835)	(8,812)
Increase/(decrease) in liabilities:		
Trade and other payables	69,908	16,078
Net cash used in operating activities	(1,463,672)	(961,880)

Non-cash investing and financing activities

	2022	2021
	\$	\$
Issue of 8 cent Options Lone Star and Kibby Projects	609,000	
Issue of shares Lone Star and Kibby Projects	545,897	
Issue of shares Chief technical Officer	28,750	
Issue of 12 cent options Convertible Note management fee (offset to equity)	138,338	
Issue of 10 million broker options -Lead manager Services (offset to equity)	97,593	
Issue of options to Directors/Staff (Refer to Note 14)	498,649	423,699
Issue of 2 million Broker Options (offset to equity)	-	83,641
	1,918,227	507,340

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

NOTE 7: ASSET HELD FOR SALE (CENTENARIO)

	30 June 2022	30 June 2021
	\$	\$
Opening Exploration Asset – held for sale	659,644	-
Sale proceeds	(687,412)	-
Profit on sale	27,768	-
Opening Investment in Associate	-	770,491
Cash Call	-	65,789
Miscellaneous expenses	-	717
Foreign exchange movement during the year	-	182,800
Impairment expense	-	(310,078)
Loss for the period (30% share)	-	(50,075)
Closing balance Investment in Associate	-	659,644
Transfer Investment in Associate to Asset held for sale	-	(659,644)
Closing Balance - Investment in Associate (i)	-	-
Closing balance - Exploration Asset – held for sale	-	659,644

The sale of Centenario was completed in November 2021 (Refer ASX Announcement dated 24 Nov 2021)

NOTE 8: DEFERRED EXPLORATION AND EVALUATION EXPENDITURE

	2022	2021
	\$	\$
Costs carried forward in respect of:		
<i>Exploration and evaluation phase – at cost</i>		
Balance at beginning of year	3,528,723	3,866,967
Assets acquired (i)	1,582,181	205,890
Exploration expenditure incurred	6,810,790	521,221
Foreign Exchange	166,409	(75,555)
Impaired exploration expenditure (ii)	(1,386,604)	(989,801)
Total exploration and evaluation expenditure	10,701,500	3,528,723

(i) Acquisitions include:

West Spargoville extension option fee \$100,000.

A total of \$1,482,181 relates to the acquisition costs of Lone Star and Kibby projects under Earn-in Agreement with Belmont Resources Inc. This includes cash payment of \$219,106 and two million shares valued at \$230,000 to Belmont Resources Inc. plus facilitation fees paid in the form of 10 million options plus 705,000 shares to GTT Ventures or their nominees valued \$690,075.

In April 2022, a further cash payment of \$108,178 was paid for consideration of condition 2 and 3 Lone Star Project. Further to this 1 million MQR shares (valued \$64,000) were issued to Belmont Resources (satisfaction of condition 3) bringing the interest in the Lone Star Project to 50%. A further 2,669,095 MQR shares were issued in facilitation fees (valued \$170,822).

Pursuant to the agreement for the acquisition of the Kibby Project the Company can acquire up to an 80% interest in the Kibby Project over a 15-month earn-in period (commencing on 1 November 2021) for maximum consideration comprising:

- up to C\$100,000 (Canadian Dollars) cash consideration;
- up to C\$2,500,000 expenditure on the Kibby Project; and
- the issue of up to 3,000,000 ordinary shares in the Company.

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

NOTE 8: DEFERRED EXPLORATION AND EVALUATION EXPENDITURE (continued)

In line with relevant accounting standards, the Company has treated the acquisition of Lone Star and Kibby Projects as asset acquisitions and share-based payment transactions under AASB 2 *Share-Based Payments*. The value of these transactions are measured by value of the consideration paid and value of the shares determined by the share price on the date they were issued. Acquisition related costs with regards to the acquisition are capitalised

Pursuant to the agreement for the acquisition of the Lone Star Project, the Company can acquire up to an 80% interest in the Lone Star Project over a 24-month earn-in period (commencing on 1 November 2021) for maximum consideration comprising:

- up to C\$250,000 cash consideration;
- up to C\$2,550,000 expenditure on the Lone Star Project; and
- the issue of up to 3,000,000 Shares.

The interest in the Kibby Project at balance date is 10%

(ii) The Board undertook a review of all Exploration and Evaluation assets and agreed that the value of Werner Lake project should be impaired by \$1,386,604 (2021: \$989,801).

The exploration assets satisfy AASB 6 and remain as exploration assets in the statement of financial position. The recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation phases is dependent upon the successful development and commercial exploitation or sale of the respective areas.

NOTE 9: FINANCIAL ASSETS

On 18 March 2022, the company participated in a placement by Belmont Resources Inc, a Canadian Company listed with Toronto Stock Exchange. The Company subscribed to 6 million shares at an issue price of CAD 7 cents per share for a total of CAD 420,000 which equated to AUD 451,516. The Company in addition received 6 million warrants with an exercise price of CAD 10 cents up to 18 March 2023 and 15 cents up to 18 March 2024.

Derivative Financial Instruments	2022 \$	2021 \$
Opening Balance	-	-
Acquisition of shares (CAD 7 cents per share)	451,516	-
Change in fair value (share price CAD 8 cents per share)	64,502	-
Change in fair value (exchange rate movement)	24,218	-
Grant of 6 million warrants	124,983	-
Closing Balance	665,219	-

NOTE 10: TRADE AND OTHER PAYABLES (CURRENT)

	2022 \$	2021 \$
Trade payables (i)	513,128	43,983
Credit Card	14,919	14,954
Payroll provisions/payable	116,692	49,419
	644,738	108,356

(i) Trade payables are non-interest bearing and are normally settled on 30-day terms. Information regarding the interest rate, foreign exchange and liquidity risk exposure is set out in Note 15.

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

NOTE 11: ISSUED CAPITAL

	Number	2022 \$	Number	2021 \$
Ordinary shares issued and fully paid	315,617,580	30,656,534	119,910,102	14,661,637
Total	315,617,580	30,656,534	119,910,102	14,661,637

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held.

On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Movement in ordinary shares on issue

	2022		2021	
	Number	\$	Number	\$
Balance at beginning of year	119,910,102	14,661,637	63,610,102	12,438,405
Placement (i)	29,750,000	1,487,500		
Option exercise @ 8 cents per share	15,750,000	1,260,000		
Conversion Convertible Note (ii)	37,500,000	3,000,000		
Vendor and facilitation shares (iii)	2,705,000	311,075		
Technical Officer shares (iv)	250,000	28,750		
Exercise of options (v) (Jan to April 2022)	12,737,500	1,025,500		
Placement (vi) April 2022	54,338,144	5,705,505		
Option exercise (Jan to April 2022) (vii)	912,500	75,500		
Share Purchase Plan (May 2022) (viii)	38,095,239	4,000,000		
Lone Star earn in shares and facilitation shares (ix)	3,669,095	234,822		
Placement July/Sep 2020	-	-	40,000,000	1,600,027
Option exercise	-	-	1,300,000	104,000
Placement Feb 2021	-	-	15,000,000	750,000
Capital Raising Costs	-	(1,133,755)	-	(230,796)
Balance at end of year	315,617,580	30,656,534	119,910,102	14,661,637

(i) Placement in August 2021 at 5 cents per share.

(ii) On 5 November 2021 Marquee Resources Ltd entered into binding loan commitments for \$3,000,000 via convertible loan agreements. No interest was payable on the loan and the conversion to shares was subject to shareholder approval. Approval was obtained 30 November 2021 and the loan was automatically deemed to be converted into fully paid ordinary shares at a conversion price of \$0.08 per share, together with free attaching options on the basis of 1 option for every 2 shares, exercisable at \$0.12 each and expiring 30 November 2022. The converted shares and free attaching options were issued 6 December 2021.

(iii) 2 million ordinary shares were issued to Belmont Resources Inc as consideration to the earn-in agreement relating to the Lone Star and Kibby projects in the US. There was a further issue of 705,000 shares as facilitation fee for the acquisition.

(iv) Issue of 250,000 shares to the Chief Technical Officer.

(v) Conversion of 12,575,000 options to shares at 8 cents per option and 162,500 options at 12 cents per option.

(vi) Placement at 10.5 cents per share.

(vii) Conversion of 850,000 options at 8 cents and 62,500 options at 12 cents.

(viii) Share Purchase Plan issue of shares at 10.5 cents per share.

(ix) Issue of 1 million MQR shares to Belmont Resources pursuant to the Earn-in Agreement on the Lone Star Project, and a further 2,669,095 shares as facilitation fee to GTT in relation to the transaction (June 2022).

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

NOTE 11: ISSUED CAPITAL (continued)

Listed Options	2022		2021	
	Number	\$	Number	\$
Balance at beginning of year	-	1,471,000	8,000,000	1,471,000
Expired Options Sep 2020	-	-	(8,000,000)	-
Balance at end of year	-	1,471,000	-	1,471,000

Unlisted Options	2022		2021	
	Number	\$	Number	\$
Balance at beginning of year	50,700,000	507,340	-	-
Free attaching options Convertible Loan Participants 18,750,000, and Lead Manager Options 3,750,000 (12 cents exercise price expiry 30 Nov 2022)	22,500,000	138,338	-	-
10 million 8 cents option issued pursuant to the Belmont Resources Earn-In Agreement as Facilitation fee	10,000,000	609,000	-	-
10 million 16 cent options issued in lieu of Lead Management Services of Placement conducted April 2022	10,000,000	97,592	-	-
Placement – issue of free attaching options	-	-	40,000,000	-
Broker options in relation to Placement	-	-	2,000,000	83,641
Management Options	14,500,000	498,649	8,000,000	334,566
Exercise of Options	(29,400,000)	-	(1,300,000)	-
Options to Technical Officer Class A	-	-	1,000,000	49,219
Options to Technical Officer Class B	-	-	1,000,000	39,914
Balance at end of year	78,300,000	3,321,919	50,700,000	507,340

Performance Rights

The Company during the 2018 financial year granted 8 million Performance Rights to Directors and Company Secretary. The movement in Performance Rights in the current financial year were as follows with the Rights expiring 8 June 2021:

	2022		2021	
	Number	\$	Number	\$
Balance at beginning of year	-	2,548,000	7,000,000	2,548,000
Expired Performance Rights (i)	-	-	(7,000,000)	-
Balance at end of year	-	2,548,000	-	2,548,000

(i) Performance Rights expired 8 June 2021

NOTE 12: RESERVES

Movements in reserves were as follows:

	Option premium reserve	Equity based payment reserve	Foreign currency translation reserve	Total
2022	\$	\$	\$	\$
Balance at beginning of year	1,978,340	2,548,000	(35,013)	4,491,327
Equity based payment (options)	1,343,579	-	-	1,343,579
Currency translation differences	-	-	168,083	168,083
Balance at end of year	3,321,919	2,548,000	133,070	6,002,989

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

NOTE 12: RESERVES (continued)

Movements in reserves were as follows:

	Option premium reserve	Equity based payment reserve	Foreign currency translation reserve	Total
2021	\$	\$	\$	\$
Balance at beginning of year	1,471,000	2,548,000	(139,977)	3,879,023
Equity based payment (options)	507,340	-	-	507,340
Currency translation differences	-	-	104,964	104,964
Balance at end of year	1,978,340	2,548,000	(35,013)	4,491,327

Nature and purpose of reserves

Equity based payment and option premium reserve

The share based payment reserve is used to record the value of equity benefits provided to employees and directors as part of their remuneration. The option premium reserve arises on the grant of share options for consideration.

Foreign currency translation reserve

Exchange differences relating to the translation from the functional currencies of the Group's foreign controlled entities into Australian dollars are brought to account by entries made directly to the foreign currency translation reserve.

NOTE 13: ACCUMULATED LOSSES

Accumulated Losses

Movements in accumulated losses were as follows:

	2022 \$	2021 \$
Balance at beginning of year	(13,797,322)	(11,055,364)
Net loss for the year	(3,067,939)	(2,741,959)
Balance at end of year	(16,865,261)	(13,797,322)

NOTE 14: SHARE BASED PAYMENTS

14.a Expenses arising from share based payments

There were expenses arising from share based payments transactions recognised during the year as follows:

	June 2022 \$	June 2021 \$
Equity		
12 cent Options (series 5) issued to consultant in lieu of fees, (offset to equity)(i)	138,337	
16 cent Options (series 7) issued to consultant in lieu of fees (offset to equity) (ii)	97,593	
Series 1 Options issued to consultants in lieu of fees, offset to equity	-	83,641
Total share-based payment - equity	235,930	83,641

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

NOTE 14: SHARE BASED PAYMENTS (continued)

	June 2022	June 2021
Asset		
Issue of shares-acquisition Lone Star and Kibby projects (assets acquired) (iii)	230,000	-
Issue of shares as facilitation fee for Lone star and Kibby projects (asset) (iv)	81,075	-
Issue of shares acquisition Lone Star 50% interest (asset) (v)	64,000	-
Issue of shares as facilitation fee for Lone star projects (asset) (vi)	170,822	-
Issue of options as facilitation fee for Lone Star and Kibby Projects (asset) (vii)	609,000	-
Total Share based payment - asset	1,154,897	-
Expense		
Issue of shares to technical Officer (expense) (viii)	28,750	-
Series 6 Options to Management (ix)	498,649	-
Series 1 Options issued to Directors and officers of the Company	-	334,566
Series 1 and 2 Options issued to Technical officer	-	89,133
Total Share based payment - expense	527,399	423,699

(i) Issue of 3.75 million 12 cent options to GTT Ventures Pty Ltd or nominees as fees for management of the Convertible loan Agreements (valued at \$0.03689 per option) See Note 13b also.

(ii) Issue of 10 million broker options for Lead manager Services of placement.

(iii) Issue of 2 million shares to Belmont Inc as consideration as part of the Earn-in Agreement for the Lone Star and Kibby projects (valued at 11.5 cents per share).

(iv) Issue of 705,000 shares as facilitation fees (valued at 11.5 cents per share) for the Earn-in agreement with Belmont Resources Inc to GTT Ventures or nominees. C Thomas is a director and shareholder of GTT Ventures Pty Ltd.

(v) Issue of 1 million share to Belmont Inc as consideration as part of the Earn-in agreement Lone Star project to earn 50% (valued at 6.4 per cents per share).

(vi) Issue of 2,669,095 shares as facilitation fees (valued at 6.4 cents per share) pursuant to Earn-In agreement with Belmont Resources Inc to GTT Ventures or nominees. C Thomas is a director and shareholder of GTT Ventures Pty Ltd.

(vii) Issue of 10 million options to GTT Ventures Pty Ltd or nominee as facilitation fees for the Earn-in agreement with Belmont Resources Inc. The options have an exercise price of 8 cents and are valued at \$0.0609 per option.

(viii) Issue of 250,000 ordinary shares to the technical officer Dr James Warren (valued at 11.5 cents per share).

(ix) Grant of 14.5 million Management Incentive Options exercise price \$0.16 expiry 14/6/2025 (\$0.03439 per option).

14.b New Options issued during the period

The following share-based payment arrangements were put place during the 2022 financial year:

Series	Number	Grant date	Expiry date	Exercise price	Fair value at grant date
4.Options issued 6/12/2021	10,000,000	30/11/2021	30/6/2023	\$0.08	\$0.0609
5. Options issued 6/12/2021	3,750,000	30/11/2021	30/11/2022	\$0.12	\$0.03689
6. Options issued 28/6/2022	14,500,000	14/6/2022	30/6/2025	\$0.16	\$0.03439
7. Options issued 28/6/2022	10,000,000	14/6/2022	30/6/2023	\$0.16	\$0.0098

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

14.b New Options issued during the period (continued)

The fair value of the unlisted options was determined using the Black Scholes Method. Inputs used to determine the valuation were:

Series 4	Series 5	Series 6
Number of Options: 10,000,000	Number of Options: 3,750,000	Number of Options: 14,500,000
Grant date: 30 Nov 2021	Grant Date: 30 Nov 2021	Grant Date: 14 Jun 2022
Share Price: \$0.12	Share Price: \$0.12	Share Price: \$0.072
Exercise Price: \$0.08	Exercise Price: \$0.12	Exercise Price: \$0.16
Expected Volatility: 79%	Expected Volatility: 79%	Expected Volatility: 100%
Expiry date (years): 1.6	Expiry date (years): 1	Expiry date (years): 3
Expected dividend yield: nil	Expected dividend yield: nil	Expected dividend yield: nil
Risk free rate: 0.01%	Risk free rate: 0.01%	Risk free rate: 3.29%
Total fair value: \$609,000	Total fair value: \$138,337	Total fair value: \$498,649

Series 7
Number of Options: 10,000,000
Grant Date: 14 Jun 2022
Share Price: \$0.072
Exercise Price: \$0.16
Expected Volatility: 100%
Expiry date (years): 1
Expected dividend yield: nil
Risk free rate: 3.29%
Total fair value: \$97,593

Option Reserve	2022 \$	2021 \$
Opening Balance	1,978,340	1,471,000
Options 10 million (8 cent) Lone Star & Kibby Projects	609,000	
Options 3.75 million (12 cent) Consultant Convertible Note fee	138,337	
Grant of 14.5 million management Options (16 cents)	498,649	
Options issued to Directors (7,250,000 @ \$0.04182)	-	303,200
Options issued to Company sec and Executive Assistant (750,000 @ \$0.04182)	-	31,366
Options issued to Technical Officer (1 million Class A @\$0.0492 and 1 million Class B @ \$0.0399)	-	89,133
Options 10 million (16 cent) issued to brokers	97,593	83,641
Option reserve closing balance	3,321,919	1,978,340

There are a total of 78.3 million options on issue as at 30 June 2022 with an average exercise price of 11.7 cents and average remaining life of 14.5 months.

NOTE 15: FINANCIAL INSTRUMENTS

Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Group consists of cash and cash equivalents (no debt) and equity attributable to equity holders of the parent, comprising issued capital, reserves and retained earnings.

None of the Group's entities are subject to externally imposed capital requirements.

Operating cash flows are used to maintain and expand operations, as well as to make routine expenditures such as tax, and general administrative outgoings.

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

NOTE 15: FINANCIAL INSTRUMENTS (continued)

Categories of financial instruments

	2022 \$	2021 \$
<u>Financial assets</u>		
Cash and cash equivalents	9,182,210	1,233,817
Receivables	194,066	37,348
Investment in Belmont Resources Inc non-current	665,219	-
<u>Financial and lease liabilities</u>		
Trade and other payables	550,046	80,938
Lease Liabilities	22,522	56,806

Financial risk management objectives

The Group is exposed to market risk (including currency risk, fair value interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk.

Market risk

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates, commodity prices and exchange rates.

There has been no change to the Group's exposure to market risks or the manner in which it manages and measures the risk from the previous period.

Liquidity Risk

Management monitors rolling forecasts of the Group's cash reserves on the basis of expected cash flows. The Group's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to pay debts as and when they become due and payable.

	Weighted average interest rate	1 year or less \$	Between 1 and 2 years \$	Between 2 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
Non-interest bearing						
Trade and other payables	-	550,046	-	-	-	550,046
	-	550,046	-	-	-	550,046
Interest-bearing – fixed rate						
Lease Liability	7.00%	22,522	-	-	-	22,522
Credit Card	18.5%	14,919	-	-	-	14,919
Total non-derivatives		37,441	-	-	-	37,441

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

NOTE 15: FINANCIAL INSTRUMENTS (continued)

Foreign Exchange Risk

The consolidated group operates internationally and is exposed to foreign exchange risk arising from various currency exposures. Foreign exchange risk arises from future commitments, assets and liabilities that are denominated in a currency that is not the functional currency of the relevant group company. The consolidated group's borrowings and deposits are largely denominated in US dollars. Currently there are no foreign exchange hedge programmes in place. However, the consolidated group treasury function manages the purchase of foreign currency to meet operational requirements.

As at 30 June 2022 the consolidated group's net exposure to foreign exchange risk was as follows:

	Currency	2022 \$000s	2021 \$000s
Functional currency of individual entity: AUD			
Net Foreign Currency Financial Assets			
Cash & cash equivalents	CAD	103	103

The effect of a 10% strengthening of the CAD against the AUD at the reporting date on the CAD-denominated assets carried within the AUD functional currency entity would, all other variables held constant, have resulted in an increase in post-tax loss for the year and decrease of net assets of AUD 10,545 (2021: 10,090).

Interest rate risk management

The Group's exposures to interest rates on financial assets and financial liabilities are confined to variable interest rates on its cash holdings of \$9,182,210 at reporting date.

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group only transacts with entities that are rated the equivalent of investment grade and above. This information is supplied by independent rating agencies where available and, if not available, the Group uses publicly available financial information and its own trading record to rate its major customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the risk management committee annually.

The Group does not have any significant credit risk exposure to any single counterparty or any Group of counterparties having similar characteristics. The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

The carrying amount of financial assets recorded in the financial statements, net of any allowance for losses, represents the Group's maximum exposure to credit risk without taking account of the value of any collateral obtained.

Fair Values

Fair value hierarchy

The following details the consolidated entity's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: Unobservable inputs for the asset or liability

Derivative financial instruments as included within Note 9 have been valued using quoted market rates. This valuation technique maximises the use of observable market data where it is available and relies as little as possible on entity specific estimates.

The carrying amount of the Group's financial assets and liabilities approximates their carrying amounts at reporting date.

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

NOTE 16: COMMITMENTS AND CONTINGENCIES

a) USA minerals exploration program

As at 30 June 2022, Sovereign Gold Nevada Inc (100% subsidiary of Marquee Resources) held Exploration licences in Nevada USA. The annual financial commitment is as follows;

Licence	Annual Commitment
106 Claims Nevada	\$32,671 (USD 22,507)
	\$32,671

b) Canada minerals exploration program

Project	Annual Commitment
Werner Lake Project	CAD 4,961

c) Redlings, West Spargoville and Mt. Clement minerals exploration program

Project	Annual Commitment
Redlings Project	\$ 8,914 annual rent \$66,000 minimum spend
West Spargoville Project	\$5,932 annual rent \$49,000 minimum spend
Mt Clement Project	\$ 10,121 annual rent \$71,000 minimum spend (part estimated)

d) Contingent Liability

Deferred Consideration

- the company has an obligation under the Share Sale Deed with unrelated party **vendors of the project** to issue 35,000,000 fully paid MQR shares or \$175,000 upon confirmation of JORC Code compliant inferred lithium carbonate resource of at least 300,000 tonnes on the Clayton Valley Claims. The Company considers this target is still unlikely and therefore this deferred consideration has not been reflected in the financial statements.
- the company has a deferred consideration under the share purchase agreement to the sellers of **Canadian CO27 Pty Ltd** of a 1.5% net royalty smelter on Werner Lake. The Company considers this target is still unlikely and therefore this deferred consideration has not been reflected in the financial statements.
- the company has a deferred consideration under the Project Agreement - Werner Lake with **GEMC** whereby a 2% net smelter royalty on the Project is payable to the previous owner. The Company considers this target is still unlikely and therefore this deferred consideration has not been reflected in the financial statements.
- The company successfully completed the acquisition of 100% of the issued capital of Centenario Lithium Ltd on the 5th September 2019. Deferred consideration included Class A Performance Rights having a value of A\$1,000,000 which will vest and convert to a share upon the delineation of JORC-compliant Resource of 250,000 tonnes of lithium across the Tenements. In addition, Class B performance Rights having a value of A\$1,000,000 which will vest and convert to a share upon delineation of JORC-compliant Resource of 500,000 tonnes of lithium across the tenements. These deferred Performance Rights expired 5 September 2021 unvested.

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

NOTE 17: RELATED PARTY DISCLOSURE

The consolidated financial statements include the financial statements of Marquee Resources Limited and the subsidiaries listed in the following table. Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

		2022	2021
	Country of incorporation	%	%
Parent Entity			
Marquee Resources Limited	Australia		
Subsidiaries			
Sovereign Gold Nevada Inc (held 100% by Marquee Resources Nevada Pty Ltd)	USA	100	100
Marquee Resources Nevada Pty Ltd ⁽ⁱ⁾	Australia	100	100
Canadian CO27 Pty Ltd ⁽ⁱⁱ⁾	Australia	100	100
Marquee Resources Canada Ltd	Canada	100	100
Centenario Lithium Limited ⁽ⁱⁱⁱ⁾	Australia	0	100
Lithium Power International Holdings (Argentina) ⁽ⁱⁱⁱ⁾	Australia	0	30
Lithium Power S.A ⁽ⁱⁱⁱ⁾	Argentina	0	30

Marquee Resources Limited is the ultimate Australian parent entity and ultimate parent of the Group.

- (i) Marquee Resource Nevada Pty Ltd was incorporated to hold the 100% shares in Sovereign Gold Nevada Inc. No transactions or activities have occurred in Marquee Resources Nevada Pty Ltd during the current financial period.
- (ii) Marquee Resources acquired 100% of the issued capital of Canadian CO27 Pty Ltd, the party that holds Project Agreements at Werner Lake.
- (iii) Marquee Resources completed the acquisition of 100% of the issued capital of Centenario Lithium Ltd. This company holds 30% of the issued capital of Lithium Power International Holdings (Argentina) Pty Ltd. This holding company holds 100% of the issued capital of Lithium Power S.A (incorporated in Argentina) and the holder of the seven tenements in Centenario Salar Argentina. Centenario Lithium Limited was disposed in the current financial year. See Note 7

Key Management Personnel Remuneration

Transactions with Key Management Personnel

Key management personnel remuneration has been included in the Remuneration Report section of the Directors' Report. Total remuneration paid to key management personnel is as follows:

	2022	2021
	\$	\$
Remuneration type		
Short- term employee benefits	274,500	247,000
Post-employment benefits	27,450	23,465
Share based payments	395,480	303,050
Total	697,430	573,515

Further payments to GTT Ventures Pty Ltd and 19808283 Pty Ltd (a company of which Charles Thomas is a Director and shareholder) included the following:

- Corporate Advisory Fees amounting to \$126,000 (ex GST) pursuant to a corporate consultancy agreement.
- Capital Raising fees \$483,370 relating to placements conducted in August 2021 and April 2022, Facilitation fees for Option Conversion \$145,058, and the Convertible Loan fee \$205,000 conducted in November 2021.
- 3.75 million unlisted options (exercise price \$0.12, expiry 30 Nov 2022) were issued to GTT Ventures Pty Ltd for corporate advisory services These were value at \$0.03689 per option totalling \$138,337.
- Facilitation fees in relation to the Lone Star and Kibby earn-in agreements - 3,374,095 shares (valued \$251,897) and 10 million options valued \$609,000.
- A sub lease for the rental of the office premises in Subiaco is in place with 19808383 Pty Ltd. Total rent paid to 30 June 2022 is \$36,000 (ex GST).

Payments to AGH Legal for legal services (a legal firm of which George Henderson is a Partner and shareholder) amounted to \$89,557 (ex GST).

All transaction were made on normal commercial terms and conditions and made at market rates.

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

NOTE 17: RELATED PARTY DISCLOSURE continued

Loans to Key Management Personnel

There were no loans to Key Management Personnel.

Other transactions and balances with Key Management Personnel

Nil

NOTE 18: PARENT ENTITY DISCLOSURES

Financial position

	2022 \$	2021 \$
Assets		
Current assets	9,291,005	1,160,116
Non-current assets	13,959,002	4,382,508
Total assets	23,250,006	5,542,624
Liabilities		
Current liabilities	1,048,664	161,460
Non-current liabilities	26,381	25,522
Total liabilities	1,075,045	186,982
Net Assets	22,174,961	5,355,642
Equity		
Issued capital	30,656,534	14,661,637
Reserves		
• Option premium reserve	3,321,919	1,978,340
• Equity settled employee benefits	2,548,000	2,548,000
Accumulated losses	(14,351,492)	(13,832,335)
Total equity	22,174,961	5,355,642

Financial performance

	2022 \$	2021 \$
Loss for the period	(1,020,163)	(2,381,313)
Other comprehensive loss	-	-
Total comprehensive loss	(1,020,163)	(2,381,313)

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

Marquee Resources Limited has not entered into any deed of cross guarantee with its wholly-owned subsidiaries during the year ended 30 June 2022.

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

NOTE 19: EVENTS AFTER THE REPORTING PERIOD

Subsequent to the year end, Marquee Resources Limited announced that on completion of the due diligence process, the binding term sheet with Mineral Resources Limited (as announced to the ASX on 02 June 2022 and amended on 04 July 2022) had become binding. The Key terms of the agreement are outlined below.

Key Terms:

- MQR and MinRes have entered into a legally binding term sheet for a Farm-in and Joint Venture agreement at the West Spargoville Project in Western Australia.
- MinRes has the right to acquire an initial 25% legal and beneficial interest in the lithium rights (**Initial Farm-in Interest**) by funding all exploration and development activities and completing a feasibility study for the Project, including a JORC compliant resource (**Initial Farm-in Obligation**) within 24 months (**Initial Farm-in Period**).
- In performing the Initial Farm-in Obligation, MinRes will fund: at least \$1,000,000 of exploration and development activities on the Tenements by 31 December 2022; and the \$500,000 cost to exercise the Fyfehill Option.
- Marquee will be responsible for managing the implementation of the exploration and development activities on the Tenements during the Initial Farm-in Period

(Processing Farm-in)

If MinRes elects to proceed with the Processing Farm-in, it has the right to acquire an additional 45% legal and beneficial interest in the lithium rights by funding the Project until the point of a final investment decision on a mine development for the Project (**FID**). MinRes will provide complete mine to port services to the JV including: mining; design, construction and operation of a processing plant; on-site power generation; haulage of product to nominated port facilities; marketing of product and shipment of product to purchasers.

(Mine Gate Sale Farm-in).

If MinRes elects to proceed with the Mine Gate Farm-in, it has the right to acquire an additional 26% legal and beneficial interest in the lithium rights by funding the Project until the development, construction and commissioning of a mine and related facilities. MinRes will build, own and operate all plant, equipment and infrastructure for the mining operations and buy lithium bearing ore from the JV for a mine gate sale price to be established on commercially competitive and industry standard terms.

No other matter or circumstance has arisen since 30 June 2022 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

NOTE 20: AUDITOR'S REMUNERATION

The auditor of Marquee Resources Limited is BDO Audit (WA) Pty Ltd. The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Group are important.

During the year the following fees were paid or payable for services provided by the auditor of the parent entity, its related practices and non-related audit firms:

Auditors of the Group – BDO and related network firms	2022	2021
	\$	\$
<i>Auditor of the parent entity</i>		
Audit or review of the financial statements	48,756	38,285
	48,756	38,285
<i>Taxation and other advisory services</i>		
Taxation	7,210	12,500
Total services provided by BDO	55,966	50,785

DIRECTORS' DECLARATION

1. In the opinion of the directors of Marquee Resources Limited (the 'Company'):
 - a. the accompanying financial statements and notes are 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 performance for the year then ended; and
 - ii. complying with Australian Accounting Standards, the Corporations Regulations 2001, professional reporting requirements and other mandatory requirements.
 - b. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
 - c. the financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.
2. This declaration has been made after receiving the declarations required to be made to the directors in accordance with Section 295A of the Corporations Act 2001 for the financial year ended 30 June 2022.

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



Charles Thomas
Executive Chairman

Dated: 30 September 2022

INDEPENDENT AUDITOR'S REPORT

To the members of Marquee Resources Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Marquee Resources 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 the Group, is in accordance with the *Corporations Act 2001*, including:

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

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We 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.

Key audit matters

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

Recoverability of deferred exploration and evaluation expenditure

<i>Key audit matter</i>	<i>How the matter was addressed in our audit</i>
Note 8 of the financial report discloses the carrying value of the Group's capitalised exploration and evaluation expenditure assets. As the carrying value of the capitalised exploration and evaluation expenditure represents a significant asset of the Group, we considered it necessary to assess whether any facts or circumstances exist to suggest that the carrying amount of this asset may exceed its recoverable amount. Judgement is applied in determining the treatment of exploration expenditure in accordance with Australian Accounting Standard AASB 6 Exploration for and Evaluation of Mineral Resources. In particular: • Whether the conditions for capitalisation are satisfied; • Which elements of exploration and evaluation expenditures qualify for recognition; • Recognition and valuation of purchase consideration for tenement acquisitions; and Whether facts and circumstances indicate that the exploration and expenditure assets should be tested for impairment.	Our procedures included, but were not limited to: • Obtaining a schedule of the areas of interest held by the Group and assessing whether the rights to tenure of those areas of interest remained current at balance date; • Considering the status of the ongoing exploration programmes in the respective areas of interest by holding discussions with management, and reviewing the Group's exploration budgets, ASX announcements and director's minutes; • Considering whether any such areas of interest had reached a stage where a reasonable assessment of economically recoverable reserves existed; • Verifying, on a sample basis, evaluation expenditure capitalised during the year for compliance with the recognition and measurement criteria of AASB 6; • Considering whether any facts or circumstances existed to suggest impairment testing was required; • Reviewing the basis of impairment recorded by management and the methodology used to determine the fair value for compliance with the relevant accounting standards; and • We also assessed the adequacy of the related disclosures in Note 1(e), Note 1(u) and Note 8 to the financial report.



Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2022, but does not include the financial report and the auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of 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 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:

https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf

This description forms part of our auditor's report.



Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 19 to 23 of the directors' report for the year ended 30 June 2022.

In our opinion, the Remuneration Report of Marquee Resources Limited, for the year ended 30 June 2022, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

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

BDO Audit (WA) Pty Ltd

A handwritten signature in black ink, appearing to read 'P. Murdoch', is written over a horizontal line. Above the signature, the letters 'BDO' are handwritten in a small, light font.

Phillip Murdoch

Director

Perth

30 September 2022

ADDITIONAL SECURITIES EXCHANGE INFORMATION**ASX additional information as at 20 September 2022****Number of holders of equity securities**Ordinary share capital

315,617,580 fully paid ordinary shares are held by 3,259 individual shareholders.

All issued ordinary shares carry one vote per share.

Options

30.525 million unlisted options exercise price \$0.08 expiry 30/06/2023

11 million unlisted options exercise price \$0.16 expiry 30/06/2023

22.275 million unlisted options exercise price \$0.12 expiry 30/11/2022

14.5 million unlisted options exercise price \$0.16 expiry 30/06/2025

Distribution of holders of equity securities

	Number of holders (shares)	Fully paid ordinary shares
1 – 1,000	70	8,023
1,001 – 5,000	345	1,390,618
5,001 – 10,000	559	4,515,339
10,001 – 100,000	1,718	68,362,844
100,001 and over	567	241,340,756
	3,259	315,617,580

Holding less than a
marketable parcel

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Distribution of holders of unlisted options

	Number of holders	Unlisted Options
1 – 1,000	-	
1,001 – 5,000	-	
5,001 – 10,000	-	
10,001 – 100,000	30	2,062,500
100,001 and over	72	76,237,500
	102	78,300,000

Substantial shareholders**Ordinary shareholders****Fully paid ordinary shares**

	% held	Number
HSBC Custody Nominees (Australia) Limited	7.88	24,859,941

Twenty largest holders of quoted equity securities

		Fully paid ordinary shares	
		Number	Percentage
Ordinary shareholders			
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	1	24,859,941	7.88%
CITICORP NOMINEES PTY LIMITED	2	9,426,636	2.99%
MS CHUNYAN NIU	3	6,347,545	2.01%
TANGO88 PTY LTD	4	4,500,000	1.43%
<TANGO88 A/C>			
MR NICOLAS STOTT	5	3,483,556	1.10%
BNP PARIBAS NOMINEES PTY LTD	6	3,086,236	0.98%
<IB AU NOMS RETAILCLIENT DRP>			
MR DAVID JOHN HARRISON	7	2,800,000	0.89%
<J & D HARRISON FAMILY A/C>			
BNP PARIBAS NOMINEES PTY LTD HUB24 CUSTODIAL SERV LTD	8	2,657,756	0.84%
<DRP A/C>			
MR MARX LIN	9	2,633,580	0.83%
SUPERHERO SECURITIES LIMITED	10	2,425,900	0.77%
<CLIENT A/C>			
SIMWISE DEVELOPMENTS PTY LTD	11	2,385,714	0.76%
ALISSA BELLA PTY LTD	12	2,366,666	0.75%
<THE C&A TASSONE SF NO 2 A/C>			
MR BLAIR HUGH TOWNSEND	13	2,250,000	0.71%
MR SIMON WILLIAM TRITTON	14	2,000,000	0.63%
<INVESTMENT A/C>			
BLTS CAPITAL PTY LTD	14	2,000,000	0.63%
<ERKES A/C>			
MRS YING XIONG	15	1,999,019	0.63%
MR ARUN KUMAR NATARAJAN	16	1,652,482	0.52%
MR NATHAN VADALA	17	1,600,000	0.51%
L H SCAMATON PROPERTY CORPORATION PTY LTD	18	1,514,071	0.48%
< THE RAINBOW FAMILY A/C>			
MR DANIEL JAMES RUTHERFORD	19	1,462,766	0.46%
BOOMSLANG CAPITAL PTY LTD	20	1,428,571	0.45%
		82,880,439	0.77%

Company Secretary

Mrs Anna MacKintosh

On-market buy-back

Currently there is no on-market buy-back of the Company's securities

Registered and principal office22 Townshend Road
Subiaco WA 6008**Share registry**Automic Registry
Level 5, 191 St. George's Tce
Perth WA 6000

TENEMENT SCHEDULE

As at 30 June 2022

Tenements held by Marquee Resources and subsidiary companies.

TENEMENT	LOCATION	NAME	INTEREST
CVE 1	Nevada USA	Clayton Valley	100%
CVE 3-4	Nevada USA	Clayton Valley	100%
CVE 8-17	Nevada USA	Clayton Valley	100%
CVE19-75	Nevada USA	Clayton Valley	100%
CVE 81-82	Nevada USA	Clayton Valley	100%
CVE 84	Nevada USA	Clayton Valley	100%
CVE 86-102	Nevada USA	Clayton Valley	100%
CVE 119-126	Nevada USA	Clayton Valley	100%
CVE 143 – 150	Nevada USA	Clayton Valley	100%
KRL 98381-83	Kenora, Ontario	Werner Lake	30%
9385-87, 19096/97	Kenora, Ontario	Werner Lake	30%
19107-12	Kenora, Ontario	Werner Lake	30%
29054/55, 29058-76	Kenora, Ontario	Werner Lake	30%
30055 -58, 31229	Kenora, Ontario	Werner Lake	30%
31373/74, 31823-28	Kenora, Ontario	Werner Lake	30%
33170-72, 33175-96	Kenora, Ontario	Werner Lake	30%
33198 -212, 33240	Kenora, Ontario	Werner Lake	30%
33270/1, 33280-84	Kenora, Ontario	Werner Lake	30%
33328-33, 33416	Kenora, Ontario	Werner Lake	30%
33419, 33421-23	Kenora, Ontario	Werner Lake	30%
36272, 33173-4	Kenora, Ontario	Werner Lake	30%
10661	Kenora, Ontario	Werner Lake	30%
12128	Kenora, Ontario	Werner Lake	30%
12246 -12247	Kenora, Ontario	Werner Lake	30%
12501	Kenora, Ontario	Werner Lake	30%
13150 - 13151	Kenora, Ontario	Werner Lake	30%
13283 - 13284	Kenora, Ontario	Werner Lake	30%
13292	Kenora, Ontario	Werner Lake	30%
E37/1311	W. Australia	Redlings	100%
E37/1376	W. Australia	Redlings	100%
E08/3214	W. Australia	Mount Clement	100%
E08/3301	W.Australia	Mount Clement	100%
E15/1781	W. Australia	Spargoville	100%
NV101387026	NV,USA	Kibby Basin	10%
NV101387027	NV,USA	Kibby Basin	10%
NV101387028	NV,USA	Kibby Basin	10%

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NV101387029	NV,USA	Kibby Basin	10%
NV101388219	NV,USA	Kibby Basin	10%
NV101388218	NV,USA	Kibby Basin	10%
NV101388217	NV,USA	Kibby Basin	10%
NV101387030	NV,USA	Kibby Basin	10%
NV101388220	NV,USA	Kibby Basin	10%
NV101388221	NV,USA	Kibby Basin	10%
NV101388222	NV,USA	Kibby Basin	10%
NV101388223	NV,USA	Kibby Basin	10%
NV101388224	NV,USA	Kibby Basin	10%
NV101388225	NV,USA	Kibby Basin	10%
NV101388226	NV,USA	Kibby Basin	10%
NV101388227	NV,USA	Kibby Basin	10%
349	WA,USA	Lone Star	50%
349	WA,USA	Washington	50%
679	WA,USA	Sunset	50%
679	WA,USA	Sunrise	50%
607	WA,USA	Prytis	50%
670	WA,USA	Helen	50%
531	WA,USA	Shone No.2	50%
1031	WA,USA	Shawnee (aka Shonee)	50%
1031	WA,USA	Pauline	50%
1031	WA,USA	Carter	50%
1031	WA,USA	Arthur Jr.	50%
1031	WA,USA	Houck	50%
1031	WA,USA	Walter	50%
1031	WA,USA	Primrose Fraction	50%
1031	WA,USA	Black Diamond	50%
1031	WA,USA	Snowstorm	50%
1031	WA,USA	Motherlode	50%
Total Number of Claims	427		