



ANNUAL REPORT
30 June 2022

www.coronaresources.com.au

CORPORATE DIRECTORY

DIRECTORS

M P Wright, B.Bus. (Chairman)

T M Allen

B J Hurley (MAusIMM)

COMPANY SECRETARY

M P Wright

SHARE REGISTRY

Automic Company

5/126 Phillip St

SYDNEY NSW 2000

Telephone: +61 2 9698 5414

AUSTRALIAN BUSINESS NUMBER

99 617 982 000

SHARE CAPITAL

44,357,943 ord. fully paid shares

MAJOR SHAREHOLDERS

Directors 58%

AUDITORS

Stantons

Level 2, 40 Kings Park Road

WEST PERTH WA 6005

SOLICITORS

Gilbert & Tobin

Level 16, Brookfield Place Tower

Perth WA 6000

BANKERS

Westpac Banking Corporation

109 St Georges Tce

PERTH WA 6000

REGISTERED OFFICE

703 Murray St

WEST PERTH WA 6005

POSTAL ADDRESS

PO Box 183

WEST PERTH WA 6872

CONTACT US

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CHAIRMAN'S ADDRESS

Dear Shareholders

I have pleasure in inviting you to attend our 2022 Annual General Meeting to be held at 11 am on 30 November 2022.

As previously advised, in 2020, the Company entered into a deal with Karora Resources Inc, ("Karora"), a medium cap Canadian listed TSX company, for the sale of all of Corona's mineral interests.

In February 2022, and pursuant to Milestone Payment 1 in that agreement, the Company received payment of \$1.5m in the form of 297,718 Karora shares. Corona was unable to sell these shares in the short term due to them being escrowed for a period of 6 months from the date of issue, pursuant to TSX requirements. A general decline in the value of gold company shares during 2022 has resulted in the value of these shares being written down in value at balance date by \$0.4m. This still leaves the Company in a very healthy position of having \$4m in cash and \$1.1 million of listed shares which are now saleable if we wish.

During the year, the Board assessed a number of exploration and mining projects, however none met our high standards sufficiently to warrant investment. That search continues.

Given the above, and being cognizant of some shareholders desire for a "liquidity event" for their shares, Corona considers that the best use of the Company's cash reserves in the short term is to institute a Share Buyback Scheme. Details of this Scheme are contained in the attached Notice of Meeting, and comprise an offer by the Company to purchase your shares for **7 CENTS per share**. Please note that the offer to buy back your shares is optional, and you are under no obligation to accept if you do not wish to do so.

As always, we encourage shareholders to keep up with our progress at www.coronaresources.com.au

I would like to thank fellow Directors Terry Allen and Brian Hurley for their work throughout the year.

I also thank shareholders for their continued support.



Michael Wright
Chairman

DIRECTORS' REPORT

Your Directors present their report on Corona Resources Ltd at the end of, or during, the year ended 30 June 2022.

The names and details of the Directors in office during the year and up to this report are:

| NAME / QUALIFICATIONS | SPECIAL RESPONSIBILITIES | SECURITIES HELD IN CO. SHARES | OPTIONS |
|--|--------------------------|-------------------------------|---------|
| <p>Michael P Wright</p> <p>Mr Wright has had over 30 years' experience in the resource sector in a corporate and financial capacity. He has formerly held directorships with a number of public companies in the resources sector. Mr Wright was eligible to attend and attended the one meeting of Directors that was held during the financial year. Mr Wright is also Company Secretary.</p> | CHAIRMAN | 2,206,422 | - |
| <p>Terrence M Allen</p> <p>Mr Allen has been extensively involved in exploration and management of listed mining companies since 1980. He has formerly held directorships with a number of public companies in the resources sector. Mr Allen was eligible to attend and attended the one meeting of Directors that was held during the financial year.</p> | NON-EXECUTIVE DIRECTOR | 23,370,887 | - |
| <p>Brian J Hurley</p> <p>Mr Hurley has over 40 years experience in senior management in the resource sector. Since retiring from Western Mining Corporation in 1990 where he was employed as General Manager - Nickel division, and Senior General Manager - WA, Mr Hurley has been a chairman and/or a Director of a number of junior mining and/or exploration companies. Mr Hurley was eligible to attend and attended the one meeting of Directors that was held during the financial year.</p> | NON-EXECUTIVE DIRECTOR | 30,001 | - |

Directors' interest in contracts

The Company is party to an office lease agreement with a company controlled by Non-Executive director T M Allen. The terms of the lease are comparable or better than those available for similar office space.

Other than the foregoing, at the date of this report, no Director holds an interest, whether directly or indirectly, in a contract or proposed contract with the Company or related corporation.

DIRECTORS' REPORT

Principal activities

The principal activities of the Company during the year were mineral exploration and investment. Other than as mentioned elsewhere in this Report, there were no significant changes in those activities during the year.

Result of operations

The net profit, after income tax, of the Company for the financial year was \$1,055,987 (2021: \$9,194,943) and was primarily the result non-cash revenue of \$1,500,000 arising from the receipt of 297,718 Canadian-listed Karora Resources Ltd shares, (2021: non-cash entry of 9,195,146 relating to the deconsolidation of former subsidiary Corona Minerals Pty Ltd upon its sale, share trading income of \$47,800), a non cash loss of \$386,046 relating to the write down of the market value of those shares at balance date. (2021: \$NIL). Administration expenses of \$64,244 (2021: \$61,491) were partially offset by interest income of \$6,277 (2021: \$10,945), dividends of \$NIL (2021: \$2,543)..

Dividends

No dividends were paid during the 2021/2022 year. The Directors have not recommended a dividend for the 2021/2022 year.

Significant changes in state of affairs

There were no significant changes in the state of affairs of the Company during the year other than as noted in this report and the financial statements.

Review of operations and likely developments

The Company continued to concentrate on evaluating mineral projects and alternative investments in Australia. During the year, the Company received 297,718 shares in Karora Resources Ltd, listed on the Canadian TSX exchange under the code KRR. These shares were escrowed from sale until after balance date of 30 June 2022.

In the opinion of the Directors, the operations of the Company for the financial year, likely developments in the operations of the Company and the expected results of those operations known at the date of this report have been covered generally herein and elsewhere in the Annual Report. The Company's future profitability or viability may be affected by various foreseen or unforeseen factors such as access to capital, civil unrest, movements in metal prices and exchange rates, government actions and policies, native title constraints, and changes in reserves and/or grades from that forecast.

The likely developments in the operations of the Company in subsequent financial years are that the Company will continue wherever possible to acquire and evaluate its holdings in an attempt to maximise their value.

Audit Committee

The Company does not have an Audit Committee as the size of the Board and the scope of activities does not at this stage warrant the formation of such a committee. Regular contact is made between the Board and its external auditors, and any audit matters requiring attention are discussed by the Board at the relevant meetings.

DIRECTORS' REPORT

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

Auditor's Independence Declaration

The auditor's independence declaration for the year ended 30 June 2022 has been received and can be found on page 40.

Directors' benefits

Other than as noted in "Directors interest in contracts", no Director of the Company has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by the Directors shown in the Company's accounts, or the fixed salary of a full time employee of the Company) by reason of a contract made by the Company with the Directors or with a firm of which the Director is a member, or with a company in which the Director has a substantial interest.

Non-Audit Services

During the year ended 30 June 2022, neither Stantons International or any of its associated entities provided any non-audit services to the Company.

Unissued shares under option / Shares issued during the year or since the end of the year

At balance date, and at the date of this Report, there were 44,357,943 ordinary fully paid shares on issue. There were no options outstanding at balance date or at the date of this report.

Environmental regulations

The Company's operations are regulated by the usual environmental regulations under Commonwealth and state law.

Indemnifying officers

The Company does not presently have insurance that covers the Directors and Executives against liability for costs that may be incurred in defending civil or criminal proceedings that may be brought against the Directors, in their capacity as a Director.

Indemnifying of auditors

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

Subsequent events

Since the end of the financial year, the Company is seeking approval from shareholders to conduct a share buyback from participating shareholders at 7 cents per share. Other than the foregoing, and as noted in Review of Operations above, since the end of the financial year, no matter or circumstances have arisen since the end of the financial year that have significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

DIRECTORS' REPORT

The report is signed in accordance with a resolution of the Directors.

A handwritten signature in black ink, appearing to read 'M. P. Wright', with a stylized flourish at the end.

Michael P Wright

Director

Dated this 22nd day of November 2022

CORPORATE GOVERNANCE STATEMENT

This statement outlines the main corporate governance practices that were in place throughout the 2021/2022 financial year.

BOARD OF DIRECTORS

The individual board members' capacities at the date of this statement are as follows:

M P Wright Chairman

T M Allen Non-Executive Director

B J Hurley Non-Executive Director

NOMINATION PRINCIPLES

The composition of the Board is determined using the following principles:

- The Board presently comprises three Directors. This number may be increased where it is felt additional expertise is required in specific areas, or when an outstanding candidate materialises
- The Board should comprise Directors with a broad range of expertise, both nationally and Internationally.

TERMS AND CONDITIONS RELATING TO APPOINTMENT AND RETIREMENT OF DIRECTORS

Directors are firstly appointed by the Board and subsequently ratified at the first shareholders meeting held after the Directors appointment. A Director is normally appointed for three years and needs to retire after three years but may seek re-election at a shareholders meeting. In effect, one third of the Directors retire each year and seek re-election.

PROCEDURES FOR ESTABLISHING AND REVIEWING COMPENSATION ARRANGEMENTS FOR DIRECTORS AND SENIOR EXECUTIVES

Currently, the full Board meets to discuss the issue of compensation to Directors, with each Director being absent during the determination of their respective compensation arrangements. The executive Directors meet to discuss the issue of compensation to senior executives.

PROCEDURES FOR NOMINATION OF EXTERNAL AUDITORS AND REVIEWING THEIR APPOINTMENT

The legal requirements for appointment of auditors, outlined in the Corporations Act 2001, are followed. The existing Auditor's three years but may seek re-election at a shareholders meeting. In effect, one third of the Directors retire each year and seek re-election. All necessary consents and resignation notices are required to be completed.

BUSINESS RISKS

Significant areas of concern are discussed at Board level. Where appropriate, senior executives and appropriate experts are invited to address Board meetings on the major risks facing the Company and to develop strategies to mitigate those risks.

CORPORATE GOVERNANCE STATEMENT

ETHICAL STANDARDS

The Board of Directors is committed to a policy of upholding the highest standards of ethical behaviour throughout the organisation.

THE ROLE OF THE SHAREHOLDERS

The Board aims to ensure that the shareholders are informed of all major developments affecting the Company's state of affairs. Information is communicated to shareholders via periodic reports, and the Company's website.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2022

| | NOTE | 2022 | 2021 |
|---|------|------------------|-----------|
| REVENUES | | \$ | \$ |
| Interest and other income | 2 | 1,506,277 | 61,288 |
| EXPENSES | | | |
| Administration and other expenses from ordinary activities | 3 | (450,289) | (61,491) |
| PROFIT BEFORE INCOME TAX | | 1,055,988 | (203) |
| Income Tax | 4 | - | - |
| PROFIT FROM CONTINUING OPERATIONS ATTRIBUTABLE TO MEMBERS OF CORONA RESOURCES | | 1,055,988 | (203) |
| Discontinuing Operations | 2a | - | 9,195,146 |
| TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE YEAR ATTRIBUTABLE TO MEMBERS OF CORONA RESOURCES | | 1,055,988 | 9,194,943 |
| Basic earnings per share from continuing operations (cents / share) | 16 | 2.38 | 0.00 |
| Diluted earnings per share from continuing operations (cents / share) | 16 | 2.38 | 0.00 |
| Basic earnings per share from discontinued operations (cents / share) | 16 | - | 20.73 |
| Diluted earnings per share from discontinued operations (cents / share) | 16 | - | 20.73 |

Notes to and forming part of the Statement of Profit or Loss and Other Comprehensive Income are attached.

STATEMENT OF FINANCIAL POSITION

As at 30 June 2022

| | NOTE | 2022 | 2021 |
|--|------|------------------|------------------|
| | | \$ | \$ |
| CURRENT ASSETS | | | |
| Cash and cash equivalents | 5 | 4,007,133 | 4,069,765 |
| Trade and other receivables | 6 | 3,513 | 2,847 |
| TOTAL CURRENT ASSETS | | 4,010,646 | 4,072,612 |
| NON-CURRENT ASSETS | | | |
| Financial assets at fair value through P&L | 8 | 1,113,954 | - |
| TOTAL NON-CURRENT ASSETS | | 1,113,954 | - |
| TOTAL ASSETS | | 5,124,600 | 4,072,612 |
| CURRENT LIABILITIES | | | |
| Trade and other payables | 9 | 6,000 | 10,000 |
| TOTAL CURRENT LIABILITIES | | 6,000 | 10,000 |
| TOTAL LIABILITIES | | 6,000 | 10,000 |
| NET ASSETS | | 5,118,600 | 4,062,612 |
| EQUITY | | | |
| Contributed equity | 10 | 6,426,175 | 6,426,175 |
| Reserves | 11 | 239,566 | 239,566 |
| Accumulated Losses | 12 | (1,547,141) | (2,603,129) |
| TOTAL EQUITY | | 5,118,600 | 4,062,612 |

Notes to and forming part of the Statement of Financial Position are attached.

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2022

| 2022 | Note | CONTRIBUTED EQUITY | ACCUMULATED LOSSES | SHARE BASED PAYMENT RESERVE | TOTAL EQUITY SURPLUS/ DEFICIENCY |
|--|------|-----------------------|-----------------------|-----------------------------------|---|
| | | \$ | \$ | \$ | \$ |
| Balance at 1 July 2021 | | 6,426,175 | (2,603,129) | 239,566 | 4,062,612 |
| Total comprehensive income (loss) for the year | | - | 1,055,988 | - | 1,055,988 |
| Balance at 30 June 2022 | | 6,426,175 | (1,547,141) | 239,566 | 5,118,600 |

| 2021 | Note | CONTRIBUTED EQUITY | ACCUMULATED LOSSES | SHARE BASED PAYMENT RESERVE | TOTAL EQUITY SURPLUS/ DEFICIENCY |
|--|------|-----------------------|-----------------------|-----------------------------------|---|
| | | \$ | \$ | \$ | \$ |
| Balance at 1 July 2020 | | 11,642,140 | (11,798,072) | 247,145 | 91,213 |
| Total comprehensive income (loss) for the year | | - | 3,971,399 | - | 3,971,399 |
| De-consolidation of Accounting Parent | | (5,215,965) | 5,223,544 | (7,579) | - |
| Balance at 30 June 2021 | | 6,426,175 | (2,603,129) | 239,566 | 4,062,612 |

Notes to and forming part of the Statement of Changes in Equity are attached.

STATEMENT OF CASH FLOWS

For the year ended 30 June 2022

| | Note | COMPANY 2022 | COMPANY 2021 |
|---|------|-------------------------|------------------|
| | | \$ | \$ |
| CASH FLOW FROM OPERATING ACTIVITIES | | | |
| Payment to suppliers and employees | | (68,324) | (63,523) |
| Interest and other income received | | 5,692 | 12,673 |
| Net cash (outflow) from operating activities | 5 | <u>(62,632)</u> | <u>(50,850)</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Consideration received for sale of controlled entity | | - | 4,000,000 |
| Purchase of listed shares | | - | (201,503) |
| Sale of listed shares | | - | 249,302 |
| Exploration and evaluation expenditure | | - | - |
| Net cash inflow from investment activities | | <u>-</u> | <u>4,047,799</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Cash re-classified from assets held for sale | | - | 72,154 |
| Proceeds from issue of shares | | - | - |
| Net cash inflow from financing activities | | <u>-</u> | <u>72,154</u> |
| NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS | | (62,632) | 4,069,103 |
| Cash and cash equivalents at beginning of financial year | | 4,069,765 | 662 |
| CASH & CASH EQUIVALENTS AT END OF FINANCIAL YEAR | 5 | <u>4,007,133</u> | <u>4,069,765</u> |

Notes to and forming part of the Statement of Cash Flows are attached.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2022

1. Summary of significant accounting policies

The Company has consistently applied the following accounting policies to all periods presented in the financial statements. The Company has considered the implications of new and amended Accounting Standards applicable for annual reporting periods beginning after 1 July 2021, but determined that their application to the financial statements is either not relevant or not material.

The principal accounting policies adopted in the preparation of the financial report are set below. These policies have been consistently applied to all the years presented, unless otherwise stated. Corona Resources Limited is a company limited by shares incorporated in Australia.

a. Basis of accounting

This general purpose financial report has been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRSs), other authorised pronouncements of the Australian Accounting Standards Board, including accounting Interpretations and the Corporations Act 2001.

b. Going concern

The financial report has been prepared on the going concern basis, which contemplates continuity of normal business activities and realisation of assets and settlement of liabilities in the ordinary course of business. The going concern of the Company is dependent upon it maintaining sufficient funds for its operations and commitments.

The Directors believe that it is reasonably foreseeable that the Company will continue as a going concern and that the financial report has been appropriately prepared on a going concern basis after consideration of the following factors:

- The ability of the Company to raise capital by the issue of additional shares under the Corporations Act 2001;
- The ability to curtail administration and operational cash outflows as required.

As of November 2022, the Company had approximately \$4,000,000 in the bank and \$1,000,000 of listed shares. The Company has sufficient funds to carry out its function.

c. Historical cost convention

These financial statements have been prepared under the historical cost convention, and where applicable, as modified by the revaluation of available-for-sale financial assets, and certain financial assets and liabilities at fair value through profit or loss.

d. Revenue from contracts with customers

Revenue is recognised when or as performance obligation in the contract with the customer has been satisfied, i.e., when the control of the goods or services underlying the particular performance obligation is transferred to the customer.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2022

Interest revenue 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.

e. Income tax

The charge for current income tax expense is based on the profit/loss for the year adjusted for any non-assessable or disallowed items. It is calculated using the tax rates that have been enacted or are substantially enacted by the balance sheet date. Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss. No deferred income tax will be recognised from the initial recognition. Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the Statement of Profit or Loss and Other Comprehensive Income except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

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

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

f. Plant and equipment

The cost of each item of plant and equipment is written off over its expected economic life. Each item's economic life has due regard both to its own physical life limitations and to present assessments of economically recoverable resources of the mine property at which the item is located, and is possible future variations in those assessments. Estimates of remaining useful lives are made on a regular basis for all assets, with annual reassessments for major items.

The total net carrying values of plant and equipment at each mine property are reviewed regularly and to the extent to which these values exceed their recoverable amounts, that excess is fully provided against in the financial year in which this is determined.

Mine properties

Mine properties represent the accumulation of all exploration, evaluation, and development expenditure incurred by or on behalf of the entity in relation to areas of interest in which mining of a mineral resource has commenced. When further development expenditure is incurred in respect of a mine property after the commencement of production, such expenditure is carried forward as part of the cost of that mine property only when substantial future economic benefits are thereby established, otherwise such expenditure is classified as part of the cost of production.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2022

Amortisation

Amortisation of costs are provided on the unit-of- production method, separate calculations being made where appropriate for each mineral resource. The unit-of-production basis results in an amortisation charge proportional to the depletion of the economically recoverable mineral resources (comprising both measured and indicated mineral resources). The net carrying value of each mine property is reviewed regularly and, to the extent to which this value exceeds its recoverable amount that excess is fully provided against in which this is determined.

g. Royalties and other mining imposts

Ad valorem royalties and other mining imposts are accrued and charged against earnings when the liability from production or sale of the mineral crystallises. Profit-based royalties are accrued on a basis which matches the annual royalty expense with the profits on which the royalties are assessed (after allowing for permanent differences).

h. Employee benefits

Provision is made for employee benefits accumulated as a result of employees rendering services up to the reporting date. These benefits include wages and salaries, annual leave, and long service leave.

Liabilities arising in respect of wages and salaries, annual leave and any other employee benefits expected to be settled within twelve months of the reporting date are measured at their nominal amounts based on remuneration rates which are expected to be paid when the liability is settled. All other employee benefit liabilities are measured at the present value of the estimated future cash outflow to be made in respect of services provided by employees up to the reporting date.

In determining the present value of future cash outflows, the market yield as at the reporting date on national government bonds, which have terms to maturity approximating the terms of the related liability, are used.

i. Share-based payments

The Company provides benefits to employees (including directors) of the Company in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares ('equity-settled transactions'). The cost of these equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an internal valuation using a Black-Scholes option pricing model.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award ('vesting date'). 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 number of options that, in the opinion of the directors of the company, will ultimately vest. This opinion is formed based on the best available information at balance date. 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

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2022

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

Where 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. The Company also enters into equity-settled transactions with suppliers and these are measured at the fair value of the goods and services provided.

j. Exploration, development and joint venture expenditure

Exploration, development and joint venture expenditure carried forward represents an accumulation of net costs incurred in relation to separate areas of interest for which rights of tenure are current and in respect of which:

- such costs are expected to be recouped through successful development and exploitation of the area or alternatively by its sale, or
- exploration and/or evaluation activities in the area have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to the areas are continuing.

Accumulated costs in respect of areas of interest, which are abandoned, are written off in the Statement of Comprehensive Income in the year in which the area is abandoned.

The net carrying value of each property is reviewed regularly and, to the extent to which this value exceeds its recoverable amount that excess is fully provided against in the financial year in which this is determined. All exploration expenditure incurred during the year has been written off.

k. Comparative figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year. Exchange differences arising on the translation of monetary items are recognised in the Statement of Comprehensive Income, except where deferred in equity as a qualifying cash flow or net investment hedge.

l. Foreign currency transactions and balances

Functional and presentation currency

The functional currency of company (where applicable) is measured using the currency of the primary economic environment which is Australia.

Transactions and balances

Foreign currency transactions (where applicable) are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2022

to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

m. Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents includes deposits at call which are readily convertible to cash on hand and which are used in the cash management function on a day-to-day basis, net of outstanding bank overdrafts.

n. Financial instruments

Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument. Financial instruments (except for trade receivables) are measured initially at fair value adjusted by transaction costs, except for those carried at 'fair value through profit or loss', in which case transaction costs are expensed to profit or loss. Where available, quoted prices in an active market are used to determine the fair value. In other circumstances, valuation techniques are adopted. Subsequent measurement of financial assets and financial liabilities are described below.

Classification and measurement

Financial assets

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

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

- amortised cost;
- fair value through other comprehensive income (FVOCI); and
- fair value through profit or loss (FVPL).

Classifications are determined by both:

- the contractual cash flow characteristics of the financial assets; and
- the Company's business model for managing the financial asset.

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet with the following conditions (and are not designated as FVPL);

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows; and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments. Financial assets at fair value through other comprehensive income (Equity instruments)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2022

The Company measures debt instruments at fair value through OCI if both of the following conditions are met:

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding; and
- the financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling the financial asset.

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI.

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under AASB 132 Financial Instruments: Presentation and are not held for trading.

Financial assets at fair value through profit or loss (FVPL)

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term.

Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss.

All interest-related charges and, if applicable, gains and losses arising on changes in fair value are recognised in profit or loss.

Impairment

The Company assesses on a forward-looking basis the expected credit loss associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Company applies the simplified approach permitted by AASB, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2022

o. Maintenance and repairs

Maintenance, repair costs and minor renewals are charged as expenses as incurred.

p. Earnings per share

Basic earnings per share

Basic EPS is calculated as the profit attributable to equity holders of the Company, excluding any costs of servicing equity other than ordinary shares, divided by the weighted average number of ordinary shares outstanding during the financial year, adjusted for any bonus elements in ordinary shares issued during the year.

Diluted earnings per share

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

q. Issued capital

Ordinary shares are classified as equity.

Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

r. Trade and other payables

Liabilities for trade creditors and other amounts are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the entity.

Payables to related parties are carried at the principal amount. Interest, when charged by the lender, is recognised as an expense on an accrual basis.

s. Goods and services tax (GST)

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

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

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2022

t. Impairment of assets

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

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

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

u. Leases

The Company as lessee

At inception of a contract, the Company assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the Company where the Company is a lessee. However all contracts that are classified as short-term leases (lease with remaining lease term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Initially the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Company uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options if lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2022

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset whichever is the shortest.

Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

The Company as lessor

The Company does not have any property which has been leased out, and therefore not applicable.

v. Adoption of new and revised accounting standards

The Company has adopted all new standards or interpretations. No standard or interpretation has had a material impact on the financial statements.

w. Other standards not yet applicable

There are no other standards that are not yet effective and that would be expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2022

| | 2022 | 2021 |
|---|------------------|--------------|
| | \$ | \$ |
| 2. Revenue and expenses from continuing operations | | |
| Interest received | 6,277 | 10,945 |
| Profit on sale of investments | - | 47,800 |
| Other revenues ¹ | 1,500,000 | 2,543 |
| Loss on financial asset held through P&L | (386,046) | - |
| Administrative expense | (64,243) | (61,491) |
| Total revenue and expenses from continuing operations | <u>1,055,988</u> | <u>(203)</u> |

¹ On 4 February 2022, the Company was issued with 297,718 shares in Canadian listed Karora Resources Inc, pursuant to the sale agreement with that company dated 11 May 2022, whereby a Milestone Payment 1 of \$1,500,000, was payable in Karora shares upon the commencement of gold production at the Spargos Reward Gold Project.

2a. Revenue and expenses from discontinuing operations

| | | |
|--|----------|------------------|
| Interest received | - | - |
| Administration expense | - | (2,588) |
| Exploration expenditure written-off | - | (750) |
| Gain on de-consolidation | - | 9,198,484 |
| Total revenue and expenses from discontinuing operations | <u>-</u> | <u>9,195,146</u> |

3. Administration and other expenses

Includes the following key expenditure items:

| | | |
|--|----------------|---------------|
| Legal Fees | - | 1,453 |
| Audit Fees | 13,640 | 17,102 |
| Loss on financial asset held through P&L | 386,046 | - |
| | <u>399,686</u> | <u>18,555</u> |

4. Income Tax

a. Income Tax benefit

| | |
|----------|----------|
| <u>-</u> | <u>-</u> |
|----------|----------|

b. Numerical reconciliation between tax benefit & pre-tax net loss

| | | |
|--|----------------|-------------|
| Profit (loss) from continuing operations before income tax | 1,055,988 | (203) |
| Income tax benefit calculated at 25% (2021: 26%) | <u>263,997</u> | <u>(53)</u> |

| | 2022 | 2021 |
|--|-----------|----------|
| | \$ | \$ |
| Tax effect on amounts which are not tax deductible (assessable): | | |
| Other adjustments | (1,147) | 72 |
| Capital gain | (375,000) | (12,428) |
| Unrealised movement in investments | 96,512 | - |
| Section 40-880 deduction – Other | (3,300) | (3,432) |
| Current year for which no deferred tax asset was recognized | 18,938 | 15,841 |
| Income tax benefit (expense) attributable to entity | <u>-</u> | <u>-</u> |

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2022

c. Unrecognised deferred tax assets

Net deferred tax assets (calculated at 25%; 2021: 25%) have not been recognized in respect of the following items:

Deferred Tax Assets

| | | |
|---|-----------|-----------|
| Tax Losses | 1,116,647 | 1,097,709 |
| Capital raising costs & 40-880 expenses | 3,300 | 3,300 |
| Provisions | - | - |
| Accrued Income | 350 | - |
| Accrued Expenses | 1,500 | 2,296 |
| | 1,121,797 | 1,103,305 |

Deferred Tax Liabilities

| | | |
|--|-----------|-----------|
| Unrecognised net deferred tax assets relating to the above temporary differences | 1,121,797 | 1,103,305 |
|--|-----------|-----------|

Estimated unused tax losses have not been recognised as a deferred tax asset as the future recovery of these losses is subject to the Company satisfying the requirements imposed by the relevant regulatory authorities.

The benefit of deferred tax assets not brought to account will only be brought to account if:

- Future assessable income is derived of a nature and of an amount sufficient to enable the benefit to be realised
- The conditions for deductibility imposed by the relevant tax legislation continue to be complied with and no changes in tax legislation adversely affect the Company in realising the benefit.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2022

5. Reconciliation of net cash provided by operating activities to net loss after income tax

| | 2022 | 2021 |
|--|------------------|------------------|
| | \$ | \$ |
| Net profit (loss) after income tax | 1,055,988 | (203) |
| Non-cash items: | | |
| Receipt of shares in listed company | (1,500,000) | - |
| Loss on revaluation of investment | 386,046 | - |
| Profit on sale of investment | - | (47,800) |
| Payables, accruals and provision increase (decrease) | (4,000) | - |
| Receivable decrease (increase) | (666) | (2,847) |
| Net cash (outflow) from operating activities | <u>(62,632)</u> | <u>(50,850)</u> |
| Cash and cash equivalents comprises: | | |
| Cash on hand | 3 | 3 |
| Cash at Bank | 6,775 | 7,445 |
| Cash on deposit | 4,000,355 | 4,062,317 |
| | <u>4,007,133</u> | <u>4,069,765</u> |

6. Trade and other receivables (current)

| | | |
|--------------------------|--------------|--------------|
| Other amounts receivable | <u>3,513</u> | <u>2,847</u> |
| | <u>3,513</u> | <u>2,847</u> |

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2022

7. Discontinued Operations

On 7 August 2020, the Company sold its 100% interest in Corona Minerals Pty Ltd to Avoca Resource Pty Ltd. Corona Minerals was the legal subsidiary but the accounting parent of Corona Resources Limited due to the reverse acquisition which occurred in 2017. This has led to a gain on disposal of the entity and a gain on reversal of the equity share and reserve of Corona Minerals Pty Ltd.

a. Financial Performance Information

| | Period ended 7 August 2020 | 2020 |
|---|-------------------------------|------------------|
| | \$ | \$ |
| Interest Income | - | 832 |
| Exploration Expenditure Written Off | (750) | (192,725) |
| Administration and other expenses | (2,588) | (28,518) |
| Corona Minerals Pty Ltd loss until date of deconsolidation | (3,338) | (220,411) |

b. Details of Deconsolidation

| | \$ | \$ |
|---|-----------|------------------|
| Consideration received for sale of Corona Minerals Pty Ltd | | 4,000,000 |
| <u>Analysis of extracted assets and liabilities of Corona Minerals Pty Ltd on date of deconsolidation</u> | | |
| Cash and cash equivalents | 28 | |
| Trade and other receivables | 25,035 | |
| Net Assets of Corona Minerals Pty Ltd at sale date | | (25,063) |
| Gain on sale of Corona Minerals Pty Ltd | | 3,974,937 |
| <u>Analysis of reversal of Corona Minerals Pty Ltd equity on deconsolidation</u> | | |
| Reversal of Share Capital | 5,215,968 | |
| Reversal of Reserves | 7,579 | |
| Reversal of Corona Minerals Pty Ltd equity | | 5,223,547 |
| Gain on deconsolidation | | 9,198,484 |
| Corona Minerals Pty Ltd loss until date of deconsolidation | | (3,338) |
| Gain from discontinued operations | | 9,195,146 |

| | 2022 | 2021 |
|--|------------------|------|
| | \$ | \$ |
| 8. Financial assets at fair value through P&L | | |
| 297,718 shares in Karora Resources Inc at market value | 1,113,954 | - |
| | - | - |
| | 1,113,954 | - |

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2022

9. Trade and other payables (current)

| | 2022 | 2021 |
|-------------------------------------|-------|--------|
| | \$ | \$ |
| <i>Includes the following items</i> | | |
| Trade creditors and accruals | 6,000 | 10,000 |
| | 6,000 | 10,000 |

Trade payables are non-interest bearing and are usually settled on 30-60 day terms unless extended credit has been agreed with the supplier.

| | 2022 | 2021 |
|--|-----------|-----------|
| | \$ | \$ |
| 10. Contributed Equity | | |
| Issued and paid up capital | | |
| 44,357,943 ordinary fully paid shares (2021: 44,357,943) | 6,426,175 | 6,426,175 |
| | 6,426,175 | 6,426,175 |

Movement in issued capital

| | 2022 | | 2021 | |
|---------------------------------------|------------------|-------------|------------------|-------------|
| | Number of Shares | Value \$ | Number of Shares | Value \$ |
| Opening Balance | 44,357,943 | 6,426,175 | 44,357,943 | 11,642,140 |
| De-consolidation of accounting parent | - | - | - | (5,215,965) |
| Closing Balance | 44,357,943 | 6,426,175 | 44,357,943 | 6,426,175 |

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2022

| | COMPANY 2022 \$ | COMPANY 2021 \$ |
|---------------------------------------|--------------------------------|--------------------------------|
| 11. Reserves | | |
| Share based payments reserve | <u>239,566</u> | 239,566 |
| Reserves Movement | | |
| Opening balance | 239,566 | 247,145 |
| De-consolidation of accounting parent | - | (7,579) |
| Closing balance | <u>239,566</u> | <u>239,566</u> |

Options

At balance date, there were nil options on issue (2021:NIL)

| | COMPANY 2022 \$ | COMPANY 2021 \$ |
|---|--------------------------------|--------------------------------|
| 12. Accumulated losses | | |
| Accumulated losses at the beginning of the year | (2,603,129) | (11,798,072) |
| De-consolidation of accounting parent | - | 5,223,544 |
| Net profit (loss) attributable to members of Corona Resources Ltd | 1,055,988 | (3,971,399) |
| Accumulated losses at the end of the year | <u>(1,547,141)</u> | <u>(2,603,129)</u> |

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2022

| | 2022 | 2021 |
|-------------------------------------|------|------|
| | \$ | \$ |
| 13. Key management personnel | | |
| Short-term benefits | - | - |
| Post-employment benefits | - | - |
| Total compensation paid | - | - |

| Key management personnel of Corona Resources Ltd (2022) | Short-term benefits | | | Post-employment benefits | | |
|---|---------------------|---------------------|---------|--------------------------|----------------|-------|
| | Name | Base Salary or Fees | Options | Director Fees | Superannuation | Total |
| | | \$ | \$ | \$ | \$ | \$ |
| DIRECTORS | | | | | | |
| M P Wright – Chairman | | - | - | - | - | - |
| T M Allen – Non-Executive Director | | - | - | - | - | - |
| B J Hurley – Non-Executive Director | | - | - | - | - | - |
| TOTAL | | - | - | - | - | - |

| Key management personnel of Corona Resources Ltd (2021) | Short-term benefits | | | Post-employment benefits | | |
|---|---------------------|---------------------|---------|--------------------------|----------------|-------|
| | Name | Base Salary or Fees | Options | Director Fees | Superannuation | Total |
| | | \$ | \$ | \$ | \$ | \$ |
| DIRECTORS | | | | | | |
| M P Wright – Chairman | | - | - | - | - | - |
| T M Allen – Non-Executive Director | | - | - | - | - | - |
| B J Hurley – Non-Executive Director | | - | - | - | - | - |
| TOTAL | | - | - | - | - | - |

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2022

13. Key management personnel (continued)

Number of Shares held by Key Management Personnel

| Directors | Balance 30-Jun-21 | Received as Remuneration | Options Exercised | Net Change Other | Balance 30-Jun-22 |
|--------------|----------------------|-----------------------------|----------------------|---------------------|----------------------|
| T M Allen | 23,370,887 | - | - | - | 23,370,887 |
| M P Wright | 2,206,422 | - | - | - | 2,206,422 |
| B J Hurley | 30,001 | - | - | - | 30,001 |
| TOTAL | 25,607,310 | - | - | - | 25,607,310 |

Number of Options held by Key Management Personnel

| Directors | Balance 30-Jun-21 | Options Granted | Options Exercised | Net Change Other | Balance 30-Jun-22 |
|--------------|----------------------|--------------------|----------------------|---------------------|----------------------|
| T M Allen | - | - | - | - | - |
| M P Wright | - | - | - | - | - |
| B J Hurley | - | - | - | - | - |
| TOTAL | - | - | - | - | - |

14. Remuneration of Auditors

The following total remuneration was received by auditors of the Company in respect of:

Auditing or reviewing the financial report
Other services

TOTAL

2022
\$

2021
\$

| | | |
|--------------|---------------|--------|
| | 13,640 | 13,102 |
| | - | - |
| TOTAL | 13,640 | 13,102 |

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2022

15. Related Party Transactions

- a) Corona Resources Ltd is party to an office lease agreement with a company controlled by Non-executive Director T M Allen. The terms of the lease are comparable or better than those available for similar office space. Total rent and outgoings paid during the year were \$29,271 (2021 \$22,708). The Company has assessed that there are no leases to be recognised in the balance sheet at the reporting date. The current lease of the Company is a short-term office lease. Renewal of this lease is dependent on business conditions at the time of renewal.
- b) Directors and Director-related entities held directly, indirectly or beneficially as at the reporting date:

| Corona Resources Ltd | 2022 | 2021 |
|--|----------------------|----------------------|
| Ordinary Shares | 25,607,310 | 25,607,310 |
| Options | - | - |
| 16. Earnings per share | 2022 | 2021 |
| | \$ | \$ |
| The following reflects the data used in the calculations of basic and diluted loss per share | | |
| Profit (loss) from continuing operations | 1,055,988 | (203) |
| Profit {loss} attributed to the ordinary equity holders of the Company used in calculating basic and diluted earnings per share | 1,055,988 | (203) |
| | No. of shares | No. of shares |
| Weighted average number of ordinary shares used as the denominator in the calculation of basic and diluted earnings per share respectively | 44,357,943 | 44,357,943 |
| Profit (loss) from discontinuing operations | - | 9,195,149 |
| Profit {loss} attributed to the ordinary equity holders of the Company used in calculating basic and diluted earnings per share | 1,055,988 | 9,195,149 |
| | No. of shares | No. of shares |
| Weighted average number of ordinary shares used as the denominator in the calculation of basic and diluted earnings per share respectively | 44,357,943 | 44,357,943 |

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2022

17. Interest in controlled entity

The Company had no subsidiaries or controlled entities at 30 June 2022, (2021: NIL).

18. Joint ventures

The Company had no interest in joint ventures at 30 June 2022, (2021: NIL).

19. Financial instruments

a) Net fair value of financial assets and liabilities

The net fair value of cash and cash equivalents and non-interest bearing monetary financial assets and financial liabilities of the Company approximates their carrying value.

The net fair value of other monetary financial assets and financial liabilities is based upon market prices where a market exists or by discounting the expected future cash flows by the current interest rates for assets and liabilities with similar risk profiles.

The average interest rate received by the Company on funds on deposit for the year was 0.18% (2021:0.32%).

b) Interest rate risk exposures

The Company had no significant exposure to interest rate risk, other than to the extent of the rate of interest received on cash deposits.

c) Credit risk exposures

The Company has no significant concentrations of credit risk. The maximum exposure to credit risk at balance date is the carrying amount of assets as disclosed in the Statement of Financial Position and related notes to the financial statements.

d) Foreign currency risk

The Company is not exposed to fluctuations in foreign currencies arising from exploration commitments in currencies other than the company's measurement currency.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2022

| 2022 | Floating Interest Rate | 1 year or less | Over 1-5 years | More than 5 years | Non-Interest Bearing | Total carrying value as per the Statement of Financial Position | Weighted average effective interest rate |
|------------------------------------|------------------------|----------------|----------------|-------------------|----------------------|---|--|
| | \$ | \$ | \$ | \$ | \$ | \$ | % |
| (i) Financial assets | | | | | | | |
| Cash | 4,000,355 | - | - | - | 6,778 | 4,007,133 | 0.18 |
| Trade & other receivables | - | - | - | - | 3,513 | 3,513 | - |
| Other financial assets | - | - | - | - | 1,113,954 | 1,113,954 | - |
| Total Financial assets | 4,000,355 | - | - | - | 1,124,245 | 5,124,600 | - |
| (ii) Financial Liabilities | | | | | | | |
| Trade and other payables | - | - | - | - | 6,000 | 6,000 | - |
| Borrowings | - | - | - | - | - | - | - |
| Total Financial Liabilities | - | - | - | - | 6,000 | 6,000 | - |

| Financial Instruments (2021) | Floating Interest Rate | 1 year or less | Over 1-5 years | More than 5 years | Non-Interest Bearing | Total carrying value as per the Statement of Financial Position | Weighted average effective interest rate |
|------------------------------------|------------------------|----------------|----------------|-------------------|----------------------|---|--|
| | \$ | \$ | \$ | \$ | \$ | \$ | % |
| (i) Financial assets | | | | | | | |
| Cash | 4,062,316 | - | - | - | 7,448 | 4,069,764 | 0.32 |
| Trade & other receivables | - | - | - | - | 2,847 | 2,847 | - |
| Other financial assets | - | - | - | - | - | - | - |
| Total Financial assets | 4,062,316 | - | - | - | 10,295 | 4,072,611 | - |
| (ii) Financial Liabilities | | | | | | | |
| Trade and other payables | - | - | - | - | 10,000 | 10,000 | - |
| Borrowings | - | - | - | - | - | - | - |
| Total Financial Liabilities | - | - | - | - | 10,000 | 10,000 | - |

20. Contingent liabilities and contingent assets

There are no material contingent liabilities or contingent assets of the Company at balance date.

21. Subsequent events

Since the end of the financial year, the Company is seeking approval from shareholders to conduct a share buyback from participating shareholders at 7 cents per share. No matter or circumstances have arisen since the end of the financial year that have significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2022

22. Operating Segments

The Company's main operations were evaluating minerals projects and other opportunities to deploy the Company's cash reserves. The Board reviews the informal Financial Statements which are prepared on the same basis as these financial statements.

The Company's operations are all based in one geographical segment, being Australia. The Company's operations may be in exploration phase so it has no products or services nor any major customers.

23. Commitments

The Company had no mineral interests at the end of the financial year. However should it do so in the future, in order to maintain current rights of tenure to exploration tenements, the Company is required to perform minimum exploration work to meet the minimum expenditure commitments as specified by the State Governments. These obligations are subject to renegotiations when application for a mining lease is made and at other times. The obligations will be met from normal working capital of the Company. The minimum exploration tenement commitments are reduced when the Company enters into a joint venture on the tenements or extinguished should the tenement be abandoned because the Directors decide that the project is not commercial.

The Company had no minimum obligations in pursuance of the terms and conditions of mining tenement licences in the forthcoming year. Whilst these obligations are capable of being varied from time to time, in order to maintain current rights of tenure to mining tenements, the Company may be required to outlay in future periods certain amounts if other tenements are acquired. These tenement obligations are expected to be fulfilled in the normal course of operations.

DIRECTORS' DECLARATION

For the year ended 30 June 2022

In the Directors' opinion:

- (1) The financial statements and notes set out in the preceding pages are in accordance with the Corporations Act 2001, including:
 - complying with Accounting Standards, the Corporations Act 2001 and other mandatory professional reporting requirements; and
 - giving a true and fair view of the Company's financial position as at 30 June 2022 and of its performance, as represented by the results of its operations, changes in equity and cash flows, for the financial year ended on that date; and
- (2) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable
- (3) The financial statements and the notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.

This declaration is made in accordance with the resolution of the Directors



M P Wright
Director

Dated this 22nd day of November 2022

AUDITOR'S REPORT

AUDITOR'S REPORT

AUDITOR'S REPORT

AUDITOR'S INDEPENDENCE DECLARATION