



CASTILE
RESOURCES LTD

ABN: 93 124 314 085

ANNUAL REPORT

For the Year Ended 30 June 2021

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CORPORATE DIRECTORY

DIRECTORS

Peter Cook	Non-Executive Chairman
Mark Hepburn	Managing Director
John Braham	Non-Executive Director
Jake Russell	Non-Executive Director

SECRETARY

Sebastian Andre

REGISTERED & BUSINESS OFFICE

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AUDITORS

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283 Rokeby Road
Subiaco WA 6008

BANKERS

National Australia Bank
100 St Georges Terrace
Perth WA 6000

LEGAL ADVISER

Price Sierakowski Corporate
Level 24, 44 St Georges Terrace
Perth WA 6000

STOCK EXCHANGE LISTING

Australian Securities Exchange
ASX Code: CST

Dear Shareholders

It is my pleasure to present you the annual report for Castile Resources Limited for the year ending 30 June 2021.

My involvement with the groups assets span more than 11 years and I think they are outstanding and capable of spawning the next series of new mines for the Northern Territory. It was great to see the re-start of exploration and development activities at Rover 1 and the preparations for other exploration in the tenure commence.

True to form the exploration at Rover 1 has continued to deliver outstanding polymetallic intrcepts, especially the copper and gold components which are the main economic minerals.

Baseline studies also advanced and await the end of the current field seasons results to be incorporated into a revised resource model and mining plan. Metallurgical studies have now identified five economic mineral streams with Cobalt, Bismuth and ground magnetite as a heavy media density modifying industrial showing great promise.

Our teams on the ground in Tennant Creek and in our head office have done a magnificent job this year to keep things rolling to plan amongst the Covid related issues.

I look forward to the ensuing year with great anticipation that we can move Rover 1 from exploration to development and our continued exploration plans can continue to unlock the huge potential we hold in the Rover Field.

Subsequent to year end we are back on the ground in late August and drilling in September, 2021.

I thank our shareholders for their support during the year. I also express our gratitude to many service providers that support our operations and make Castile a truly great Company. The transition process from an explorer to a developer and producer can sometimes be a thankless task, but your Company is well onto this path and the fruits could be exponential. We are determined to reward your loyalty and support.

Yours Sincerely



Peter Cook
Non-Executive Chairman

28 September 2021

On behalf of the Directors and Staff of Castile Resources Limited we would like to thank our shareholders for their ongoing support in the second year of the Company's operations. The 2020 drilling season completed 3,873m from August through to December 2020 and the ongoing 2021 field season commenced in March 2021 has provided Castile with the opportunity to drill for a full season starting in early April 2021 on our wholly owned Rover Mineral Field assets near Tennant Creek in the Northern Territory.

A comprehensive resource definition program is underway at our flagship asset, the Rover-1 Prospect, which is an outstanding IOCG (iron oxide copper gold) deposit reminiscent of the rich, historical high grade mines of the surrounding Tennant Creek area. This season has also provided the opportunity to begin the exploration and evaluation of the regional targets contained within our portfolio. All of these targets are within the wider Rover Mineral Field and fit into the Company's "hub and spoke" strategy which will target additional mineral inventory within a truckable distance from our initial planned development at Rover 1.

The Company has had the opportunity to add a significant amount of data to our ongoing development studies on the Rover 1 Prospect in addition to the enormous amount of work completed by the previous owners including over 85,000m of drilling and other metallurgical and baseline studies. Rover 1 has a significant endowment of copper, gold and associated metals that aggregate into a high value project. Metallurgy studies have displayed the potential addition of by-products such as cobalt, bismuth and high grade magnetite which can be used as a Density Modifying Industrial Mineral. The addition of these by-products means additional revenue streams can be added to the modelling for the mining studies.

The Castile Resources COVID-19 Business Management Plan remains a priority to protect our employees and the wider community from the health risks of the pandemic. Castile is educating and supporting our employees where requested on decisions regarding their choices on the vaccinations made available by the Health Authorities of the Federal and State Government.

The Central Land Council and the Northern Territory (NT) Government continue to be extremely supportive of our activities and continue to encourage investment in the state in accordance with their Territory Economic Reconstruction Commission Report. The Commission has advised the NT Government to "roll out the red carpet" for private investment to drive economic growth. The mining industry is considered to be a major component of the Federal and NT Government plan to lead the Northern Territory out of the economic ramifications of the pandemic.

We maintain our aim to drive value for Castile shareholders with a "People First" approach. If we take care of our people and we have the very best people strategy, making decisions and executing the operations we will have a far greater chance of successfully developing our assets.

I would like to thank our employees and our Board of Directors for their tremendous ongoing support during these challenging times and I look forward to us delivering on the abundant potential within the Castile Resources portfolio.

Sincerely,



Mark Hepburn
Managing Director

28 September 2021

Your Directors submit the financial report of the Company for the year ended 30 June 2021.

DIRECTORS

The names of Directors who held office during or since the end of the year:

Name	Title
Peter Cook	Non-Executive Chairman
Mark Hepburn	Managing Director
John Braham	Independent Non-Executive Director
Jake Russell	Independent Non-Executive Director

COMPANY SECRETARY

Name	Title
Sebastian Andre	Company Secretary (appointed 11 December 2020)
Ben Secrett	Company Secretary (resigned 11 December 2020)

PRINCIPAL ACTIVITIES

The principal activity of the Company is minerals exploration and project development.

REVIEW OF RESULTS

The loss after tax for the year ended 30 June 2021 was \$1,055,870 (2020: loss of \$139,966).

The earnings of the Company for the past 3 years are summarised below:

	30 June 2021	30 June 2020	30 June 2019
	\$	\$	\$
Revenue	78,747	53,891	-
EBITDA	(1,357,593)	(350,685)	(2,433,986)
EBIT	(1,500,460)	(397,657)	(2,454,270)
Loss after income tax	(1,055,870)	(139,966)	(704,798)

The factors that are considered to affect total shareholders return are summarised below:

	30 June 2021	30 June 2020	30 June 2019
	\$	\$	\$
Share price at financial year end	0.22	0.16	N/A

CORPORATE

During the year the Company's corporate activities comprised of executing a less than marketable parcel share sale facility and appointing a new Company Secretary.

A marketable parcel of shares is defined in the ASX Listing Rules as a parcel of shares that has a market value of not less than \$500. Based on the closing price on ASX of Castile shares of \$0.27 on the Facility's record date of 28 August 2020, a less than a marketable parcel of Castile shares was 1,851 Castile shares or fewer. As at the record date, there were 4,191 holdings of Castile shares of less than a marketable parcel (from a total of 6,123 holdings), totalling 2,044,884 Castile shares and constituting approximately 1.02% of the 199,710,121 total Castile shares on issue.

The Facility gave shareholders the option to retain their shares and as a result the final number of Castile shares sold under the Facility was 1,536,812 Castile shares for total proceeds of \$599,356.68. The number of Castile shareholders who participated in the share sale facility was 3,387. The share sale facility reduced the number of Castile shareholders to approximately 2,800 and will reduce the administrative costs of managing Castile's share register.

On 11 December 2020 Castile announced that Mr Sebastian Andre had assumed the role of Castile Resources Company Secretary replacing Mr Ben Secrett.

Mr Andre has previously acted as an adviser at the ASX and holds qualifications in accounting, finance and corporate governance and is a member of the Governance Institute of Australia.

OPERATIONAL REVIEW

ROVER PROJECT

Castile was extremely pleased to commence its first drilling program at Rover 1 in August 2020 after some initial access delays in relation the Covid Pandemic. Our Tennant Creek staff and contractors had completed road works and refurbished the camp for the drilling crews. The drilling rig was mobilised to site and drilling began on 22nd August 2020. Assays from Hole 20CRD001 (received in early October 2020) delivered the best so-far intercept from Rover 1:

30.4m (TW 27.8m) @ 35.6g/t Au, 1.46% Cu, 0.18% Bi, 0.09% Co and 3.31g/t from 506.5m*.

A follow up holes into the main IOCG body continued to display wide sections of high grade mineralisation. The Company also used the opportunity to drill two wildcat proximal targets which were unsuccessful in achieving economic grade mineralisation before the wet-season closed access in early December 2020.

The 2021 field season opened in early April with further resource definition drilling at Rover 1. These holes had the objective to provide additional data for the resource/reserve update to be included the Pre-Feasibility Study due later in the year. The drilling results through to June 30 2021 have been extremely pleasing with multiple intersections of broad, high grade gold and copper mineralisation being reported to the ASX. These assays results continue to open and extend areas of known mineralisation at Rover 1 and Castile anticipates these will enhance our mining studies as we continue to accumulate data on the deposit.

The various supplementary technical and baseline studies required for the Rover 1 Pre-Feasibility Study (PFS) continued during the year. Expert consultants, Mining One were appointed as our Geotechnical Consultants. Metallurgical test work continued under the guidance of METS as they assess the fresh core from the current program. Northern Territory based EcOz continue to progress our environmental studies required to enable our Notice of Intent to Mine application to be lodged with the Northern Territory Government. Our interaction with all levels of Government continues as the Northern Territory establishes portfolio responsibilities after the Territory election in late August which was won by the incumbent Labor Party. The NT Government has commenced its post-COVID stimulus strategy and is keen to support Castile Resources given our importance to the business community in the Tennant Creek township and wider Barkly region.

The Territory Economic Reconstruction Commission provided its final report to the Chief Minister of the Northern Territory on 30 November 2020. The report highlighted the extremely important role of the mining industry in the NT's economic recovery. In particular, the report encouraged government support for the exploration industry to drive future discoveries and developments in the state. Castile is working with all levels of NT Government and the relevant government departments as we progress the Rover 1 Deposit.

Castile's regional strategy at Rover is to develop a central processing facility near the advanced Rover 1 deposit and then add further sources of ore for the processing plant through exploration of the nearby surrounding targets within the Castile tenement package. Preliminary maintenance works and road repairs were completed towards the end of June 2021 to allow access for the drill rig to begin drill hole clean outs to prepare for Downhole Electromagnetic (DHEM) surveys at Explorer 108, Explorer 142 and Rover 3.

DHEM is ideally suited for detecting near hole anomalies associated with the conductive massive sulphide mineralisation being targeted at Explorer 108, Explorer 142 and Rover 3. Previous explorers have completed geophysical surveys of this type, however, the latest technology in downhole probes enables an enhanced application and power to the surveys

Other Rover Mineral Field Geology Works

Castile has remained active from a technical perspective, with a focus on the examination of datasets from the newly acquired ex. Adelaide Resources tenure.

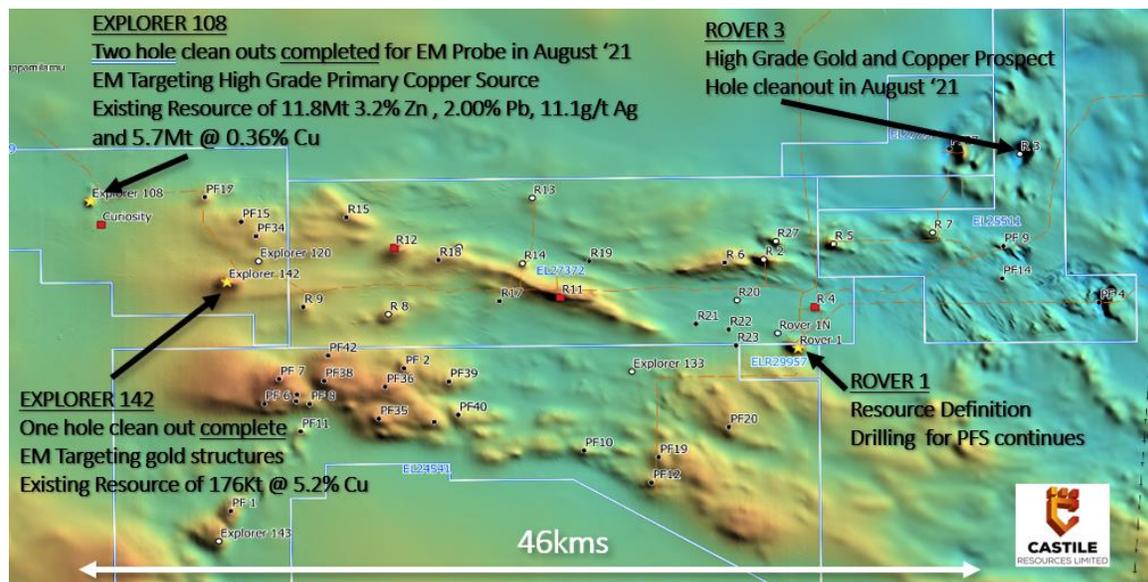
Castile engaged expert industry geophysical consultants, Newexco, to undertake a review of the newly aggregated geophysical datasets available over the expanded Rover field. This work included the merging and re-gridding of magnetic and gravity datasets with select 3D inversion models to aid targeting.

A review of historic DHEM surveys completed at Explorer 108 and Explorer 142 in 2008 and 2009 has revealed several proximal anomalies that remain untested by drilling. The anomalies are long wavelength, late-time features as would be expected from large, distal massive sulphide bodies. Castile is encouraged by these results which increase the scope for exploration activities at these two deposits. The quality of data is not yet sufficient to derive a vector to source, but is nonetheless highly encouraging. Castile intends to revisit these holes and re-survey with modern instruments and refined loop designs as part of its work program during the year.

WARUMPI PROJECT

The Company's tenement package also includes the Warumpi Project which is a highly prospective grass-roots exploration project located approximately 300 km west of Alice Springs and approximately 500 km southwest of the Rover Project. Activities at Warumpi were limited for the year due to Narive Title access constraints.

Subsequent to June 30 2021 drilling in the Rover 1 Resource Definition drilling program has continued with work now completed on the Jupiter section of the deposit. As of September 2021 the drilling rig had begun work on the Jupiter Deeps area of the deposit with Explorer 108, Explorer 142 and Rover 3 ready for DHEM surveys.



HEALTH AND SAFETY AND COVID-19 IMPACTS

Castile's COVID-19 Business Management Plan was submitted and fully approved by the NT Government. The Company returned to on-ground activities, including drilling, in August 2020 under the regulations and procedures of the COVID-19 Business Management Plan and no COVID-19 cases were reported by employees or contractors during activities associated with Castile's operations. The document and protocols have been upgraded when appropriate given the evolving nature of the pandemic through 2021.

As some of our employees are WA based, the border controls at times complicated our ability to freely operate and manage our activity in the Northern Territory as we would have expected. However, our staff and contractors have found ways to make this work and Castile has actively sought ways to improve safety, transport times and efficiencies for our employees that fly in and out from site.

Subsequent the June 30 2021 year, all permanent Castile staff in the Northern Territory and in the Perth office are now fully vaccinated. Castile will continue to encourage incoming employees and contractors to vaccinate to keep colleagues and the wider community as safe as possible, particularly while travelling.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

The COVID-19 pandemic delayed drilling during the 2020 calendar year field season. Since August 2020 drilling activities have resumed as normal. Other than the developments reported here and elsewhere in this report there were no significant changes in the state of affairs of the Company during the financial year ended 30 June 2021.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

There are no likely developments of which the Directors are aware other than that disclosed in this report which could be expected to significantly affect the results of the Company's operations in subsequent financial periods not otherwise disclosed in the 'Principal activities' and 'Review of operations' or the 'Significant events after the balance date' sections of the Directors' report.

The Directors' note that subsequent to the end of the financial year the Company has commenced on-ground exploration activities, including commencing the Rover 1 Gold Project drilling program.

Competent Person Statement

The information contained in this announcement was previously disclosed to the market ("Announcements"). Castile is not aware of any new information or data that materially affects the information in the Announcements.

The Mineral Resources contained in this announcement were first disclosed in the prospectus dated 3 December 2019 and released on the ASX market announcements platform on 12 February 2020 ("Prospectus"). Castile is not aware of any new information or data that materially affects the Mineral Resources included in these announcements. All material assumptions and technical parameters underpinning the estimates in the Prospectus continue to apply and have not materially changed.

DIRECTORS' QUALIFICATIONS AND EXPERIENCE

The Directors' qualifications and experience are set out below.

Current Directors

Director	Details
Peter Cook	
Qualifications	BSc (Applied Geology), MSc (Min. Econ), WASM, MAusIMM
Position	Non-Executive Chairman
Appointment Date	7 June 2011
Resignation Date	N/A
Length of Service	10 years
Biography	Mr Cook has over 35 years experience in the fields of exploration, project, operational and corporate management of mining companies.
Committee Memberships	Member of Board in its capacity as Audit and Risk Management Committee Member of Board in its capacity as Nomination and Remuneration Committee
Other Current Directorships	Westgold Resources Limited – Non-Executive Chairman Breaker Resources NL – Non Executive Chairman Titan Minerals Ltd – Non Executive Chairman
Former ASX Listed Directorships	Nelson Resources Limited
Mark Hepburn	
Qualifications	B.Econ. & Fin, AICD
Position	Managing Director
Appointment Date	29 November 2019
Resignation Date	N/A
Length of Service	1 year 7 months
Biography	Mr Hepburn has significant experience in the management and corporate development of public companies, their interaction with small, institutional investors and their servicing through communication, promotion and management. Mark brings substantial market aptitude and the critical combination of the risk aspects of exploration and development, with the intricacies of capital markets.
Committee Memberships	N/A
Other Current Directorships	Firefinch Limited – Non-Executive Director
Former ASX Listed Directorships	Sihayo Resources Limited

John Braham	
Qualifications	
Position	Non-Executive Director (Independent)
Appointment Date	29 November 2019
Resignation Date	N/A
Length of Service	1 year 7 months
Biography	Mr Braham is an experienced Mining Finance and Investment professional having a 24 year career with Macquarie Bank until 2017. For the last 11 years of his service he was an Executive Director of Macquarie's Global Mining and Finance Division. Mr Braham has vast experience in the provision of debt and equity to mining, exploration and development companies, worldwide. Mr Braham brings Castile a set of finance and corporate skills to greatly assist with its future financing and development needs.
Committee Memberships	Member of Board in its capacity as Audit and Risk Management Committee Member of Board in its capacity as Nomination and Remuneration Committee
Other Current Directorships	Equus Mining Limited
Former ASX Listed Directorships	None
Jake Russell	
Qualifications	B.Sc. (Hons) MAIG
Position	Non-Executive Director (Independent)
Appointment Date	28 November 2019
Resignation Date	N/A
Length of Service	1 year 7 months
Biography	Mr Russell is a geologist with 20+ years of experience in exploration, mining, resource development and management. He is currently the General Manager – Technical Services of Westgold Resources Limited and prior to its demerger from Metals X Limited, he was the Group Chief Geologist of Metals X Limited. Mr Russell brings Castile a second to none knowledge of the assets of Castile and a high degree of technical expertise in their exploration, resource development and exploitation.
Committee Memberships	Member of Board in its capacity as Audit and Risk Management Committee Member of Board in its capacity as Nomination and Remuneration Committee
Other Current Directorships	None
Former ASX Listed Directorships	None

COMPANY SECRETARY

Current Company Secretary

Company Secretary	Details
Sebastian Andre	
Qualifications	BCom, BA, GradDip AppCorpGov
Position	Company Secretary
Appointment Date	11 December 2020
Resignation Date	N/A
Biography	Mr Andre is a Chartered Secretary with over 10 years of experience in corporate advisory, governance and risk services. He has previously acted as an adviser at the ASX and has a thorough understanding of the ASX Listing Rules, specialising in providing advice to companies and their boards in respect to capital raisings, IPOs, backdoor listings, corporate compliance and governance matters. Mr Andre holds qualifications in accounting, finance, and corporate governance and is a member of the Governance Institute of Australia.

Former Company Secretary

Company Secretary	Details
Ben Secrett	
Qualifications	BEC, JD, GradDip AppCorpGov
Position	Company Secretary
Appointment Date	29 November 2019
Resignation Date	11 December 2020
Biography	Mr Secrett has over 10 years' experience providing corporate advisory, legal, risk and governance services to Australian and foreign listed and unlisted entities, having worked as a corporate lawyer and a Principal Adviser in ASX Listings Compliance. Ben has a comprehensive knowledge of the Corporations Act, ASX listing rules, the JORC Code and the Petroleum Resource Management System, and extensive experience in IPOs and capital raisings, backdoor listings, transaction structuring, and corporate governance and compliance.

MEETINGS OF DIRECTORS

The number of meetings held during the year and the number of meetings attended by each Director was as follows:

	Board	Audit & Risk Committee	Nomination Committee	Remuneration Committee
Number of Meetings Held	6	N/A	N/A	N/A
Number of Meetings Attended:				
Peter Cook	6	N/A	N/A	N/A
Mark Hepburn	6	N/A	N/A	N/A
John Braham	6	N/A	N/A	N/A
Jake Russell	6	N/A	N/A	N/A

The Company does not have an Audit, Remuneration or Nomination Committee with the full Board carrying out the functions that would otherwise be dealt with by such Committees. All Directors were eligible to attend all Board Meetings held when they were in office.

SHARE OPTIONS

As at the date of this report:

No. Options	Exercise Price	Expiry Date	Listed / Unlisted
2,000,000	\$0.25	26-Nov-22	Unlisted
1,000,000	\$0.313	21-Dec-23	Unlisted
600,000	\$Nil	21-Dec-24	Unlisted

SHARES ISSUED AS A RESULT OF THE EXERCISE OF OPTIONS

No shares as a result of the exercise of the options were issued as at the date of this report.

REMUNERATION REPORT

Introduction

The Directors present the Remuneration Report for the Company for the year ended 30 June 2021. This Remuneration Report forms part of the Directors' Report in accordance with the requirements of the Corporations Act 2001 and its regulations. For the purposes of this report, Key Management Personnel ("KMP") of the Company are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

The current Directors of the Company are considered to be the Key Management Personnel of the Company, being:

Name	Appointment Date
Peter Cook	7 June 2011
Mark Hepburn	29 November 2019
John Braham	29 November 2019
Jake Russell	28 November 2019

Remuneration Policy

The remuneration policy of the Company has been designed to align KMP objectives with Shareholders' interests and business objectives by providing a fixed remuneration component and offering specific long-term incentives based on key performance areas affecting the Company's financial results. The Board believes that the remuneration policy is appropriate and effective in its ability to attract and retain the best KMP to run and manage the Company, as well as create goal congruence between Directors, Executives and Shareholders.

Executive Directors and Key Management Personnel

The Board's policy for determining the nature and amount of remuneration for Executive Directors and Key Management Personnel of the Company was in place for the year ended 30 June 2021. The Board is responsible for evaluating the performance of the Company's senior executives in accordance with the Company's Board Performance Evaluation Policy. The Chair is responsible for evaluating the performance of the Company's Managing Director in accordance with the Company's Board Performance Evaluation Policy. During the financial year an evaluation of the performance of the Board and its members was not formally carried out. However, a general review of the Board and executives occurs on an on-going basis to ensure that structures suitable to the Company's status as a listed entity are in place.

Non-Executive Directors

The Board's policy is to remunerate Non-Executive Directors based on market practices, duties and accountability, and not to award options or performance rights to Non-Executive Directors. Independent external advice is sought when required. The fees paid to Non-Executive Directors will be reviewed annually. The maximum aggregate amount of fees that can be paid to Non-Executive Directors is subject to approval by Shareholders at the Annual General Meeting ("AGM"). The maximum aggregate amount of fees payable has been set at \$300,000pa.

Use of Remuneration Consultants

To ensure the Remuneration Committee (of which the function is performed by the Board as a whole at this stage) is fully informed when making remuneration decisions, it may seek external remuneration advice. The Board did not engage external remuneration advice in 2021.

Remuneration Report Approval at FY2021 AGM

The remuneration report for the year ended 30 June 2021 will be put to shareholders for approval at the Company's AGM which will be held during November 2021. The remuneration report for the year ended 30 June 2020 was approved by shareholders with 99.85% support votes at the AGM held on 26 November 2020.

Details of Remuneration

Details of remuneration of the Directors and KMP of the Company (as defined by AASB 124 Related Party Disclosures) and specified executives are set out below:

	Year	Fixed				STI	LTI	Total	Proportion of Remuneration		
		Salary fees and leave \$	Other Fees \$	Super-annuation \$	Share Based Payments \$	Incentive Payments \$	Fair value of Share Options (equity settled) \$	\$	Fixed %	STI %	LTI %
Executive and Non-Executive Directors											
Peter Cook	2021	80,000	-	-	-	-	-	80,000	100%	-	-
	2020	20,000	-	-	-	-	-	20,000	100%	-	-
Mark Hepburn	2021	300,000	-	28,500	272,240	-	-	600,740	100%	-	-
	2020	112,500	103,200	10,687	64,599 ¹	-	-	290,986	100%	-	-
John Braham	2021	54,795	-	5,205	-	-	-	60,000	100%	-	-
	2020	13,699	-	1,301	-	-	-	15,000	100%	-	-
Jake Russell	2021	57,397	-	2,603	-	-	-	60,000	100%	-	-
	2020	13,699	-	1,301	-	-	-	15,000	100%	-	-
Johannes Norregaard ²	2021	-	-	-	-	-	-	-	-	-	-
	2020	-	-	-	-	-	-	-	-	-	-
Total Remuneration	2021	492,192	-	36,308	272,240	-	-	800,740	100%	-	-
	2020	159,898	103,200	13,289	64,599	-	-	340,986	100%	-	-

¹ On 26 November 2019 the Company granted 2,000,000 unlisted \$0.25 options expiring 26 November 2022 to a related party of Mark Hepburn as part of his remuneration, valued at \$230,000.

² Resigned 29 November 2019.

Service Agreements

The Company has entered into an employment agreement with Mark Hepburn on the following material terms:

- Position: Managing Director.
- Commencement Date: 29 November 2019.
- Term: Until agreement is validly terminated.
- Notice period: Either party may terminate the agreement without cause by providing the other party with no less than 3 months' notice in writing, or by payment of the Company to Mark Hepburn of 3 months' salary in lieu of such notice, as the case may be. The Company may terminate the agreement by summary notice to Mr Hepburn with cause in circumstances considered standard for agreements of this nature in Australia, including serious or persistent breaches of the agreement, grave misconduct or wilful neglect in the discharge of his duties under the agreement.
- Salary: Upon the Company listing on the Official List, Mr Hepburn received a salary of \$300,000 per annum (exclusive of statutory superannuation). Mark Hepburn has also been issued 1,600,000 options
- Expenses: The Company will reimburse Mark Hepburn for all reasonable expenses incurred by him in the performance of his duties in connection with the Company.
- Leave: The agreement otherwise contains leave entitlements, termination and confidentiality provisions and general provisions considered standard for an agreement of this nature.

The Company has entered into agreements with its Non-Executive Directors. Remuneration has been agreed as follows:

Director	Annual Remuneration inclusive of Superannuation
Peter Cook	\$80,000
John Braham	\$60,000
Jake Russell	\$60,000
Total	\$200,000

Cash Bonuses included in Remuneration

There were no cash bonuses issued during the year ended 30 June 2021.

Share Based Payments Granted as Compensation

The options were granted as compensation during the year ended 30 June 2021 are detailed on the following page.

DIRECTORS' INTERESTS AND BENEFITS

The movement during the reporting year in the number of ordinary shares of the Company and the number of options over ordinary shares of the Company held directly, indirectly or beneficially, by each Director or key management personnel, including their personally-related entities is as follows:

Director	No. Shares Held at 30 June 2021	No. Shares Held at Date of this Report	No. Options Held at 30 June 2021	No. Options Held at Date of this Report
Peter Cook				
Directly	3,377,783	3,377,783	-	-
Indirectly	7,017,334	7,017,334	-	-
Mark Hepburn				
Directly	-	-	-	-
Indirectly	1,310,000	1,310,000	3,600,000	3,600,000
John Braham				
Directly	275,911	275,911	-	-
Indirectly	-	-	-	-
Jake Russell				
Directly	-	-	-	-
Indirectly	-	-	-	-
Total	11,981,028	11,981,028	3,600,000	3,600,000

The following table sets out the details of unlisted share option movements during the year ended 30 June 2021:

	Balance at 30 June 2020	Granted	Exercised	Net Other Change	Balance at 30 June 2021	Vested and Unexercised at 30 June 2021
Executive and Non-Executive Directors						
Peter Cook	-	-	-	-	-	-
Mark Hepburn	2,000,000	1,600,000	-	-	3,600,000	1,000,000
John Braham	-	-	-	-	-	-
Jake Russell	-	-	-	-	-	-
Total	2,000,000	1,600,000	-	-	3,600,000	1,000,000

Loans to Director and and their related parties

No loans have been made to any Director or any related parties during the year ended 30 June 2021.

Other transactions with related parties

During the reporting year, there were no related party transactions other than the remuneration and option grants as detailed in the report.

End of Audited Remuneration Report.

DIVIDENDS

No dividends were paid during the year and no recommendation is made as to payment of dividends.

CORPORATE GOVERNANCE STATEMENT

The Company and its Board of Directors are committed to achieving and demonstrating high standards of corporate governance. The Company has adopted (where suitable for its circumstances) the Corporate Governance Principles and Recommendations (Fourth Edition) published by the ASX Corporate Governance Council. The Company has reviewed its corporate governance practices against the Fourth Edition for the financial year ended 30 June 2021.

The Company's 2021 Corporate Governance Statement reflects its corporate governance practices for the financial year ended 30 June 2021 and was approved by the Board. The Company's 2021 Corporate Governance Statement and Corporate Governance Plan are available on its website at www.castile.com.au.

ECONOMIC, ENVIRONMENTAL AND SOCIAL SUSTAINABILITY RISKS

The Company is an explorer and developer of polyetallic metals and is subject to risks that the commodity price fluctuations could render its exploration activities ineffective. Fortunately commodity prices have risen during the year and the commodities explored for are in strong demand in international markets. The Company remains in a strong financial position to achieve its exploration and development objectives.

The December 2019 prospectus disclosed the risks that may have a material impact on its financial performance and the market price for its shares. This disclosure included possible material exposure to a decline in economic conditions and the general economic outlook. The Company recognises that the COVID-19 pandemic has and may continue to have a negative impact on the Australian and global economies, and has and may continue to have a negative impact on the Company's ability to conduct operations given government imposed travel restrictions.

The Company's exposure to environmental risk relates to its operation of exploration and future mining in the area of its major prospects and ensuring its activities have no material impact on the environment where they occur. In 2012, an Environmental Study was conducted over the Rover 1 area which concluded that no rare, endangered or vulnerable species were found, however there were several threatened species known to exist in the greater region. The Company is subject to significant environmental monitoring requirements in respect of its exploration activities and the Directors confirm they are unaware of any breaches of these.

The Company at times requires approvals, consents and permits from the Traditional Owners of the country on which the Company's projects are located) and the NT Government in respect of tenure and to conduct operations. The Company values its relationship with the Traditional Owners and the local community, and is implementing a number of social and community programs to maintain and develop these relationships, and ensure continued engagement between all parties.

INDEMNITY AND INSURANCE OF DIRECTORS AND OFFICERS

The Company has indemnified, to the extent permitted by law, the Directors and officers of the Company against any liability incurred by a Director or officer in or arising out of the conduct of the business of the Company or in or arising out of the discharge of that officer's duties. No amount was paid pursuant to these indemnities during the financial year, nor subsequently to the date of this Annual Report.

During the financial year the Company paid, as permitted by law, a premium in respect of a contract to insure the Directors and officers of the Company against a liability (including legal costs) incurred by a Director or officer in or arising out of the conduct of the business of the Company or in or arising out of the discharge of that officer's duties. Under the terms of that contract, the details of the nature and extent of the liabilities insured against and the amount of premiums paid are confidential.

INDEMNITY AND INSURANCE OF AUDITOR

The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor. During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings. No proceedings have been brought or intervened in on behalf of the Company pursuant to section 236 with leave of the Court under section 237 of the Corporations Act 2001.

NON-AUDIT SERVICES

Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in Note 5 to the financial statements. The Directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Directors are of the opinion that the services as disclosed in Note 5 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:

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

AUDITOR'S DECLARATION OF INDEPENDENCE

The auditor's independence declaration for the year ended 30 June 2021 has been received and is included within the financial statements.

AUDITOR

Hall Chadwick WA Audit Pty Ltd (formerly Bentleys Audit & Corporate (WA) Pty Ltd) continues in office in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of Directors, pursuant to section 298(2) of the Corporation Act 2001 and is signed for and on behalf of the Directors.



Peter Cook
Non-Executive Chairman

28 September 2021

To the Board of Directors

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

As lead audit partner for the audit of the financial statements of Castile Resources Ltd for the financial year ended 30 June 2021, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

Yours Faithfully,



HALL CHADWICK WA AUDIT PTY LTD



DOUG BELL CA
Partner

Dated this 28th day of September 2021

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2021**



	Note	30 June 2021 \$	30 June 2020 \$
Revenue	3	78,747	53,891
Accounting fees		(116,540)	(53,308)
Compliance fees		(218,794)	(119,875)
Consultancy fees		-	(47,710)
Depreciation: other assets	10	(94,736)	(32,136)
Depreciation: right of use assets	11	(48,131)	(14,836)
Directors' remuneration		(410,462)	(163,687)
Exploration expenditure written off	12	(11,531)	(20,584)
Insurance expense		(62,567)	(35,707)
Interest expense: lease liability		(5,130)	(1,909)
IT expenses		(55,195)	(24,236)
Legal fees		(9,842)	(18)
Loan forgiveness	14	-	250,114
Marketing expense		(20,002)	(13,910)
Occupancy expenses		(40,936)	(10,571)
Other expenses		(81,652)	(56,239)
Share based payments expense	17	(272,240)	(64,599)
Staff expenses		(129,827)	(20,497)
Travel expenses		(6,752)	(23,749)
Profit/(loss) before tax		(1,505,590)	(399,566)
Income tax benefit/(expense)	4	449,720	259,600
Net profit/(loss) for the year from operations		(1,055,870)	(139,966)
Other comprehensive income		-	-
Total comprehensive profit/(loss) for the year		(1,055,870)	(139,966)
Basic and diluted profit/(loss) per share (cents)	6	(0.5)	(0.1)

The accompanying notes form part of these financial statements.

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2021**



	Note	30 June 2021 \$	30 June 2020 \$
ASSETS			
Current Assets			
Cash and cash equivalents	7	11,220,091	17,210,016
Trade and other receivables	8	240,522	31,316
Other assets	9	35,037	27,775
Total Current Assets		11,495,650	17,269,107
Non-Current Assets			
Other assets	9	447,647	447,647
Property, plant and equipment	10	669,442	315,867
Right of use assets	11	114,725	162,856
Exploration and evaluation assets	12	22,315,452	17,435,858
Total Non-Current Assets		23,547,266	18,362,228
Total Assets		35,042,916	35,631,335
LIABILITIES			
Current Liabilities			
Trade and other payables	13	807,643	178,465
Borrowings	14	1,406	2,689
Lease liabilities		46,642	46,391
Employee obligations	15	90,514	28,060
Total Current Liabilities		946,205	255,605
Non-Current Liabilities			
Lease liabilities		75,962	118,634
Deferred tax liability	4	3,024,621	3,394,235
Total Non-Current Liabilities		3,100,583	3,512,869
Total Liabilities		4,046,788	3,768,474
Net Assets		30,996,128	31,862,861
EQUITY			
Contributed equity	16	18,861,969	18,945,072
Reserves	17	336,839	64,599
Retained earnings		11,797,320	12,853,190
Total Equity		30,996,128	31,862,861

The accompanying notes form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY
 FOR THE YEAR ENDED 30 JUNE 2021**

	Contributed Equity \$	Share Based Payments Reserve \$	Retained Earnings \$	Total \$
Balance at 1 July 2020	18,945,072	64,599	12,853,190	31,862,861
Equity issues	-	-	-	-
Equity issue expenses (tax adjusted)	(83,103)	-	-	(83,103)
Share based payments	-	272,240	-	272,240
Profit/(loss) for the year	-	-	(1,055,870)	(1,055,870)
Other comprehensive income	-	-	-	-
Total comprehensive profit/(loss) for the year	-	-	(1,055,870)	(1,055,870)
Balance at 30 June 2021	18,861,969	336,839	11,797,320	30,996,128
Balance at 1 July 2019	2	-	12,993,156	12,993,158
Equity issues	19,968,861	-	-	-
Equity issue expenses (tax adjusted)	(1,023,791)	-	-	(1,023,791)
Share based payments	-	64,599	-	64,599
Profit/(loss) for the year	-	-	(139,966)	(139,966)
Other comprehensive income	-	-	-	-
Total comprehensive profit/(loss) for the year	-	-	(139,966)	(139,966)
Balance at 30 June 2020	18,945,072	64,599	12,853,190	31,862,861

The accompanying notes form part of these financial statements.

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2021**



	Note	30 June 2021 \$	30 June 2020 \$
Cash flows from operating activities			
Payments to suppliers and employees		(1,340,993)	(164,741)
Interest received		76,116	46,579
Interest paid: leases		(5,130)	(1,909)
Payments for tenement and other deposits		-	(384,305)
Net cash used in operating activities	18	<u>(1,270,007)</u>	<u>(504,376)</u>
Cash flows from investing activities			
Payments for property, plant and equipment		(448,311)	(141,037)
Payment for exploration and evaluation assets		(4,236,906)	(515,638)
Payments for tenement acquisitions	12	-	(682,180)
Net cash used in investing activities		<u>(4,673,217)</u>	<u>(1,338,855)</u>
Cash flows from financing activities			
Proceeds from equity issues		-	19,968,861
Payment for costs of equity issues		(2,997)	(1,347,093)
Proceeds from borrowings		-	1,156,008
Repayment of borrowings		(43,704)	(729,003)
Net cash (used in)/provided from financing activities		<u>(46,701)</u>	<u>19,048,773</u>
Net increase/(decrease) in cash held		(5,989,925)	17,205,542
Cash and cash equivalents at beginning of the year		<u>17,210,016</u>	4,474
Cash and cash equivalents at year end	7	<u><u>11,220,091</u></u>	<u>17,210,016</u>

The accompanying notes form part of these financial statements.

1. Corporate information

This annual report covers Castile Resources Limited (the “Company”), a company incorporated in Australia for the year ended 30 June 2021. The presentation currency of the Company is Australian Dollars (“\$”). A description of the Company’s operations is included in the review and results of operations in the Directors’ Report. The Directors’ Report is not part of the financial statements. The Company is a for-profit entity and limited by shares incorporated in Australia whose shares are traded under the ASX code “CST”. The financial statements were authorised for issue on 28 September 2021 by the Directors. The Directors have the power to amend and reissue the financial statements. The principal accounting policies adopted in the preparation of the financial statements are set out below.

2. Accounting policies

a. Basis of preparation

The general purpose financial statements of the Company have been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board. Compliance with Australian Accounting Standards results in full compliance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). The financial report has also been prepared on a historical cost base. It is recommended that the annual financial report be considered together with any public announcements made by the Company up to the issue date of this report, which the Company has made in accordance with its continuous disclosure obligations arising under the *Corporations Act 2001*. The financial statements have been prepared on an accruals basis and is based on historical costs, modified where applicable, by the measurement at fair value of financial assets and financial liabilities.

b. Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification. An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current. A liability is classified as current when: it is either expected to be settled in normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current. Deferred tax assets and liabilities are always classified as non-current.

c. Comparatives

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

2. Accounting policies (continued)

d. Significant management judgement in applying accounting policies and estimate uncertainty

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results. Information about significant judgements, estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expense is provided below.

i. Exploration and evaluation expenditure

Exploration and evaluation costs have been capitalised and are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. Key judgements are applied in considering the costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised.

ii. Leases – incremental borrowing rate

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the Company estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

iii. Share based payment transactions

The Company 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 of the options issued are determined by using the Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

e. Accounting Standards that are mandatorily effective for the current reporting year

The Company has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for an accounting period that begins on or after 1 July 2020. New and revised Standards and amendments thereof and Interpretations effective for the current year that are relevant to the Company include:

- AASB 2018-6 Amendments to Australian Accounting Standards – Definition of a Business
- AASB 2018-7 Amendments to Australian Accounting Standards – Definition of Material
- AASB 2019-1 Amendments to Australian Accounting Standards – References to the Conceptual Framework
- AASB 2019-3 Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform
- AASB 2019-5 Amendments to Australian Accounting Standards – Disclosure of the Effect of New FRS Standards Not Yet Issued in Australia.

The Directors have determined that there is no material impact of the new and revised Standards and Interpretations on the Company and, therefore, no material change is necessary to Company accounting policies.

f. Standards and Interpretations on issue not yet adopted

At the date of authorisation of the financial statements, the Company has not applied the new and revised Australian Accounting Standards, Interpretations and amendments that have been issued but are not yet effective. Based on a preliminary review of the standards and amendments, the Directors do not anticipate a material change to the Company's accounting policies, however further analysis will be performed when the relevant standards are effective.

	30 June 2021 \$	30 June 2020 \$
3. Revenue		
Interest revenue	78,747	53,891
	78,747	53,891

Accounting policy:

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

4. Income tax benefit/(expense)

a. Major components of income tax expense:

Statement of profit or loss and other comprehensive income: current income tax benefit	-	-
Deferred income tax – relating to origination and reversal of temporary differences in current year	449,720	259,600
Income tax benefit/(expense)	449,720	259,600

b. A reconciliation of income tax benefit and the product of accounting loss before income tax multiplied by the Company's applicable income tax rate is as follows:

Profit/(loss) before tax	(1,505,590)	(399,566)
At statutory income tax rate of 30% (2020: 30%)	451,677	119,870
Non-deductible expenses (non-assessable income)	(82,967)	59,117
Adjustments in respect of previous year	5	(213)
Capital raising costs	81,005	80,826
	449,720	259,600

4. *Income tax benefit/(expense) (continued)*

c. Deferred income tax relates to the following:

	Statement of Financial Position		Statement of Profit or Loss and Other Comprehensive Income	
	30 June 2021 \$	30 June 2020 \$	30 June 2021 \$	30 June 2020 \$
<u>Deferred tax liabilities</u>				
Trade and other receivables	(30)	(2,193)	2,163	(2,193)
Other assets	(10,511)	(8,333)	(2,179)	(8,333)
Exploration and evaluation assets	(5,651,503)	(4,110,053)	(1,541,450)	(310,750)
Property, plant and equipment	(168,232)	(57,672)	(110,559)	(15,351)
Gross deferred tax liabilities	<u>(5,830,276)</u>	<u>(4,178,251)</u>		
<u>Deferred tax assets</u>				
Trade and other payables	17,352	4,680	12,672	4,680
Employee obligations	27,154	8,418	18,736	8,418
Right of use assets	2,363	651	1,712	651
Business related costs – profit/loss	900	1,200	(300)	1,200
Business related cost - equity	243,196	323,302	-	-
Tax losses	2,514,690	445,765	2,068,925	581,278
Gross deferred tax assets	<u>2,805,655</u>	<u>784,016</u>		
Net deferred tax liabilities	<u>(3,024,621)</u>	<u>(3,394,235)</u>		
Deferred income tax benefit/(expense)			<u>449,720</u>	<u>259,600</u>

d. Unrecognised losses

At 30 June 2021, there were no unrecognised losses for the Company (2020: Nil).

Accounting policy:

Income taxes

Current income 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 at the reporting date in the countries where the Company operates and generates taxable income. Current income tax relating to items recognised directly in other comprehensive income or equity is recognised in other comprehensive income or equity and not in profit or loss.

4. *Income tax benefit/(expense) (continued)*

Management periodically evaluates positions taken in the tax returns with respect to situations where applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax is provided for using the full liability balance sheet approach. The tax rates and tax laws used to compute the amount of deferred tax assets and liabilities are those that are enacted or substantively enacted at the reporting date in the countries where the Company operates and generates taxable profits.

Deferred tax liabilities are recognised for all taxable temporary differences except to the extent that the deferred tax liability arises from:

- the initial recognition of goodwill;
- 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 tax loss); and
- taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures when the timing of the reversal of the temporary differences can be controlled by the Company and it is probable that the temporary differences will not reverse in the foreseeable future.

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

- the deferred 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 tax loss); and
- the deductible temporary difference is associated with investments in subsidiaries, associates and interests in joint ventures and it is not probable that the temporary difference will reverse in the foreseeable future.

The carrying amount of deferred 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 tax asset to be utilised. Unrecognised deferred tax assets and deferred tax liabilities are reassessed at each reporting date and are recognised to the extent that they satisfy the requirements for recognition. 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 deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity. Income taxes relating to transactions recognised outside profit and loss (for example, directly in other comprehensive income or directly in equity) are also recognised outside profit and loss.

4. Income tax benefit/(expense) (continued)

Other taxes

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

- when the GST incurred on purchase of goods or 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 amounts of GST recoverable from, or payable to, the taxation authority.

	30 June 2021	30 June 2020
	\$	\$
5. Auditor's remuneration		
Audit of the financial statements	37,726	37,998
Investigating accountant's report for prospectus	-	34,758
	37,726	72,756

	30 June 2021	30 June 2020
6. Earnings per share		
Basic and diluted profit/(loss) per share (cents per share)	(0.5)c	(0.1)c
Net profit/(loss) attributable to ordinary shareholders (\$)	\$(1,055,870)	\$(139,966)
	Shares	Shares
Weighted average number of ordinary shares used in the calculation of basic and diluted earnings per share	199,710,121	98,793,366

6. Earnings per share (continued)

Accounting policy:

Basic earnings per share is calculated as net profit 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 earnings per share is calculated as net profit attributable to members of the parent adjusted for:

- cost 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; and
- other non-discriminatory 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.

	30 June 2021	30 June 2020
	\$	\$
7. Cash and cash equivalents		
Cash at bank	11,220,091	2,210,016
Term deposits	-	15,000,000
	11,220,091	17,210,016

Accounting policy:

Cash and cash equivalents in the statement of financial position comprise cash at bank and in hand and shortterm deposits that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

8. Trade and other receivables

Accrued interest revenue	103	7,311
Deposits	80,893	-
GST receivable	159,526	24,005
	240,522	31,316

Trade and other receivables are non-interest bearing and are generally receivable within 3 months. The net carrying value of trade and other receivables is considered a reasonable approximation of fair value.

8. Trade and other receivables (continued)

Accounting policy:

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate method, less any impairment losses. This category generally applies to trade and other receivables. Trade and other receivables are generally due for settlement within no more than 30 days from the date of recognition. Due to their current nature, the carrying amount of trade and other receivables approximates fair value. The carrying amount of trade and other receivables is reduced through the use of an allowance account and the loss is recognised in the profit or loss.

	30 June 2021	30 June 2020
	\$	\$
9. Other assets		
<u>Current</u>		
Prepaid expenses	35,037	27,775
	<u>35,037</u>	<u>27,775</u>
<u>Non-Current</u>		
Tenement and other deposits	447,647	447,647
	<u>447,647</u>	<u>447,647</u>
10. Plant and equipment		
Opening written down value at beginning of year	315,867	206,966
Additions	448,311	141,037
Disposals	-	(70,473)
Accumulated depreciation on disposals	-	70,473
Depreciation	(94,736)	(32,136)
	<u>669,442</u>	<u>315,867</u>
Closing written down value at end of year	<u>669,442</u>	<u>315,867</u>

10. Plant and equipment (continued)

Accounting policy:

Property, plant and equipment is stated at historical cost less accumulated depreciation and any impairment in value. Depreciation is calculated on a straight-line basis over the estimated useful life of the asset, or where appropriate, over the estimated life of the mine. Major depreciation periods are:

- Mine specific plant and equipment is depreciated using – the shorter of life of mine and useful life. Useful life ranges from 2 to 25 years.
- Buildings – the shorter of life of mine and useful life. Useful life ranges from 5 to 40 years.
- Office plant and equipment is depreciated at 20% per annum for computers, office machines and other office equipment and furniture.

Impairment

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount.

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. 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 item) is included in the profit and loss in the year the item is derecognised.

	30 June 2021	30 June 2020
	\$	\$
11. Right of use assets		
Balance at beginning of year ³	162,856	-
AASB 16 lease recognition	-	177,692
Depreciation	(48,131)	(14,836)
Balance at end of year	114,725	162,856

³ The office & car parking lease agreement commenced on 1 March 2020 for a term of 2 years and an option to extend for 2 years. The discount rate (incremental borrowing rate) applied is 3.53%. The photocopier lease agreement commenced on 25 May 2020 for a term of 3 years. The discount rate (incremental borrowing rate) applied is 3.53%.

11. Right of use assets (continued)

Accounting policy:

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset. Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

	30 June 2021	30 June 2020
	\$	\$
12. Exploration and evaluation assets		
Balance at beginning of year	17,435,858	15,981,491
Acquisition of tenements ⁴	-	682,180
Exploration and evaluation expenditure incurred during the year	4,891,125	792,771
Write-off	(11,531)	(20,584)
	<hr/>	<hr/>
Balance at end of year	22,315,452	17,435,858
	<hr/> <hr/>	<hr/> <hr/>

The recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation phases is dependent on the successful development and commercial exploitation or sale of the respective areas.

⁴ During the prior period the Company acquired the tenements adjacent to the Rover 1 project for a consideration of \$650,000 with associated stamp duty costs of \$32,180.

12. Exploration and evaluation assets (continued)

Accounting policy:

Expenditure on acquisition, exploration and evaluation relating to an area of interest is carried forward at cost where rights to tenure of the area of interest are current and:

- it is expected that expenditure will be recouped through successful development and exploitation of the area of interest or alternatively by its sale; and/or
- exploration and evaluation activities are continuing in an area of interest but at reporting date have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. Where uncertainty exists as to the future viability of certain areas, the value of the area of interest is written off to the profit and loss or provided against.

Impairment

The carrying value of capitalised exploration and evaluation expenditure is assessed for impairment on a regular basis or whenever impairment indicators are present. When information becomes available suggesting that the recovery of expenditure which had previously been capitalised is unlikely or that the Company no longer holds tenure, the relevant capitalised amount is written off to the profit or loss in the period when the new information becomes available.

	30 June 2021	30 June 2020
	\$	\$
13. Trade and other payables		
Accrued expenses	288,835	41,306
Employee payables	153,379	71,600
Trade payables ⁵	365,429	65,559
	807,643	178,465

Accounting policy:

Trade and other payables amounts represent liabilities for goods and services provided to the entity prior to the end of the year and which are unpaid. The amounts are unsecured and are usually paid within 30 days of invoice.

⁵ Trade payables are non-interest bearing and are normally settled on 30 day terms. All amounts are short-term. The net carrying value of trade payables is considered a reasonable approximation of fair value.

	30 June 2021	30 June 2020
	\$	\$
14. Borrowings		
Westgold Resources Limited balance payable at date of de-merger ⁶	-	250,114
Loan forgiveness	-	(250,114)
Other	1,406	2,689
	1,406	2,689
15. Employee obligations		
Annual leave provision	90,514	28,060
	90,514	28,060

Accounting policy:

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits.

⁶ The loan is unsecured, non-interest bearing and has no terms for repayment. On de-merger, as at 3 December 2019 Westgold agreed to forgive the balance of the loan on that date of \$250,114.

	30 June 2021		30 June 2020	
	No.	\$	No.	\$
16. Contributed equity				
Balance at beginning of year	199,710,121	18,945,072	2	2
Capital re-organisation ⁷	-	-	99,865,814	-
IPO equity issue	-	-	99,844,305	19,968,861
Equity issue expenses (tax adjusted)	-	(83,103)	-	(1,023,791)
Balance at end of year	199,710,121	18,861,969	199,710,121	18,945,072

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

Accounting policy:

Issued and paid up capital is recognised at the fair value of the consideration received by the Company. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction in the proceeds received.

	30 June 2021	30 June 2020
	\$	\$
17. Reserves		
<u>Share based payments reserve</u>		
Balance at beginning of year	64,599	-
Options granted ⁸	272,240	64,599
Balance at end of year	336,839	64,599

⁷ During the prior period the Company was a wholly owned subsidiary of Westgold Resources Ltd ("Westgold") until 3 December 2019. On that date the Company was spun-out of Westgold by way of an in-specie distribution of the Company's shares to Westgold shareholders on the basis of 1 share for every 4 Westgold shares held by a Westgold shareholder on the in-specie record date. Accordingly the Company's 2 shares were split into 99,865,816 shares on 3 December 2019. On 3 December 2019 the Company issued a prospectus dated 3 December 2019 to raise up to \$19,968,861 before costs by way of a non-renounceable pro-rata entitlement offer of 1 new share for every 1 share held on the entitlement offer record date, and lodged an application for admission to the official list of ASX on 4 December 2019. The Company was admitted to the official list on 12 February 2020.

17. Reserves (continued)

⁸The reserve is used to record the value of equity benefits to employees and Directors. Variables used to calculate the option valuations are as follows:

Inputs	Short Term Director Options (T1)	Short Term Director Options (T2)	Long Term Director Incentive Options (T1)	Long Term Director Incentive Options (T2)	Long Term Director Incentive Options (T3)	Long Term Director Incentive Options (T4)
Performance Condition	N/A	N/A	The Company having a market capitalisation in excess of \$100 million.	The Company having a market capitalisation in excess of \$200 million.	The Company completing a bankable feasibility study and commencing mining activity in accordance with the BFS.	The Company completing the sale/s of the first 5,000 ounces or equivalent of gold from the newly constructed mining operation.
Performance Condition Satisfied?	N/A	N/A	No	No	No	No
Number of options	500,000	500,000	150,000	150,000	150,000	150,000
Exercise price	\$0.313	\$0.313	\$Nil	\$Nil	\$Nil	\$Nil
Expiry date	21-Dec-23	21-Dec-23	21-Dec-24	21-Dec-24	21-Dec-24	21-Dec-24
Grant date	26-Nov-20	26-Nov-20	26-Nov-20	26-Nov-20	26-Nov-20	26-Nov-20
Vesting date	21-Dec-21	21-Dec-22	29-Nov-21	29-Nov-21	29-Nov-21	29-Nov-21
Share price at grant date	\$0.29	\$0.29	\$0.29	\$0.29	\$0.29	\$0.29
Risk free interest rate	0.09%	0.09%	0.21%	0.21%	-%	-%
Volatility	108%	108%	108%	108%	-%	-%
Option value	\$0.0984	\$0.0984	\$0.24	\$0.24	\$0.24	\$0.24

17. *Reserves (continued)*

The following table illustrates the number and weighted average exercise prices of and movements in share options issued during the year:

	30 June 2021		30 June 2020	
	Number	Weighted Average Exercise Price \$	Number	Weighted Average Exercise Price \$
Outstanding at beginning of year	2,000,000	\$0.25	-	-
Granted during the year	1,600,000	\$0.1956	2,000,000	\$0.25
Forefeited during the year	-	-	-	-
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Outstanding at end of year	3,600,000	\$0.2258	2,000,000	\$0.25
Exercisable at end of year	3,600,000	\$0.2258	2,000,000	\$0.25

No share options were exercised during the year (2020: Nil). The share options at the end of the year had an exercise price of \$0.2258 and a weighted average remaining contractual life of 2.05 years.

Accounting policy:

The Company 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 the Black-Scholes model taking into account the terms and conditions upon which the instruments were granted.

	30 June 2021	30 June 2020
	\$	\$
18. <i>Reconciliation of cashflows from operating activities</i>		
Profit/(loss)	(1,055,870)	(139,966)
Depreciation	142,867	46,972
Exploration expenditure written off	11,531	20,584
Income tax benefit/(expense)	(449,720)	259,600
Loan forgiveness	-	(250,114)
Share based payments	272,240	64,599
Change in trade & other receivables	(209,206)	(31,294)
Change in other assets	(7,262)	(412,080)
Change in trade & other payables	(37,041)	(90,737)
Change in employee obligations	62,454	28,060
	(1,270,007)	(504,376)

19. *Operating segments*

The Company has determined operating segments based on the information provided to the Board of Directors. The Company operates predominantly in one business segment being the exploration for minerals in one geographic segment, being Australia.

Accounting policy:

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), whose operating results are regularly reviewed by management to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available. This includes start-up operations which are yet to earn revenues. Management will also consider other factors in determining operating segments such as the existence of a line manager and the level of segment information presented to the board of directors. Operating segments have been identified based on the information provided by management to the Board of Directors. The Company aggregates two or more operating segments when they have similar economic characteristics. Operating segments that meet the quantitative criteria as prescribed by AASB 8 are reported separately.

However, an operating segment that does not meet the quantitative criteria is still reported separately where information about the segment would be useful to users of the financial statements. Information about other business activities and operating segments that are below the quantitative criteria are combined and disclosed in a separate category for “all other segments”.

20. *Events after the end of the reporting year*

There are no matters or circumstances have arisen since the end of the year which will significantly affect, or may significantly affect, the state of affairs or operations of the reporting entity in future financial years other than the operational aspects noted in the Directors’ Report.

	30 June 2021	30 June 2020
	\$	\$
21. Related party transactions		
a. KMP compensation		
Short-term employee benefits	492,192	263,098
Post-employment benefits	36,308	13,289
Share based payments	272,240	64,599
Total	800,740	340,986

b. Transactions with related parties

During the reporting year, there were the following related party transactions:

- During the year a total of \$13,654 (2020: \$653,779) plus GST was paid to Westgold Resourced Limited (former parent entity) in relation to reimbursement of costs.

22. *Financial risk management*

The Company's principal financial instruments comprise receivables, payables, cash and cash equivalents, deposits and borrowings. The Company manages its capital to ensure that entities in the Company 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 Company's overall strategy remains unchanged from 2019. The capital structure of the Company consists of cash and cash equivalents and equity attributable to equity holders of the parent, comprising issued capital, reserves and retained earnings. None of the Company'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, dividends and general administrative outgoings. Gearing levels are reviewed by the Board on a regular basis in line with its target gearing ratio, the cost of capital and the risks associated with each class of capital.

Risk exposures and responses

The Company manages its exposure to key financial risks in accordance with the Company's financial risk management policy. The objective of the policy is to support the delivery of the Company's financial targets while protecting future financial security. The main risks arising from the Company's financial instruments are interest rate risk, credit risk, equity price risk and liquidity risk. The Company uses different methods to measure and manage different types of risks to which it is exposed. These include monitoring levels of exposure to interest rate, foreign exchange risk and assessments of market forecasts for interest rate, foreign exchange and commodity prices. Ageing analysis and monitoring of receivables are undertaken to manage credit risk, liquidity risk is monitored through the development of future rolling cash flow forecasts. The Board reviews and agrees policies for managing each of these risks as summarised below. Primary responsibility for identification and control of financial risks rests with the Board. The Board reviews and agrees policies for managing each of the risks identified below, including for interest rate risk, credit allowances and cash flow forecast projections.

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed below.

a. Interest rate risk

The Company's exposure to risks of changes in market interest rates relate to the Company's interest-bearing liabilities and cash balances. Therefore, the Company does not have any variable interest rate risk on its debt. The Company constantly analyses its interest rate exposure. Within this analysis, consideration is given to potential renewals of existing positions, alternative financing positions and the mix of fixed and variable interest rates. There is no significant exposure to changes in market interest rates at the reporting date.

22. Financial risk management (continued)

At the reporting date the Company's exposure to interest rate risk for classes of financial assets and financial liabilities is set out below:

	Variable interest \$	Fixed interest \$
30 June 2021		
<u>Financial assets</u>		
Cash and cash equivalents	11,206,205	-
Total	11,206,206	-
<u>Financial liabilities</u>		
Lease liabilities	-	122,604
Total	-	122,604
30 June 2020		
<u>Financial assets</u>		
Cash and cash equivalents	2,210,016	15,000,000
Total	2,210,016	15,000,000
<u>Financial liabilities</u>		
Lease liabilities	-	165,025
Total	-	165,025

The following table illustrates the estimated sensitivity to a 1.0% increase and decrease to interest rate movements.

Impact on pre-tax profit/(loss)	\$
30 June 2021	
Interest rates + 1.0%	(5)
Interest rates – 1.0%	5
30 June 2020	
Interest rates + 1.0%	(172,100)
Interest rates – 1.0%	172,100

22. Financial risk management (continued)

b. Credit risk

Credit risk arises from the financial assets of the Company, which comprises cash and cash equivalents, trade and other receivables and other financial assets held as security and loans. Cash and cash equivalents are held with National Australia Bank, which is an Australian Bank with an AA- credit rating (Standard & Poor's). The Company's exposure to credit risk arises from potential default of the counter party, with the maximum exposure equal to the carrying amount of the financial assets (as outlined in each applicable note). The Company does not hold any credit derivatives to offset its credit exposure. The Company trades only with recognised, creditworthy third parties and as such collateral is not requested nor is it the Company's policy to securitise its trade and other receivables. Receivable balances are monitored on an ongoing basis with the result that the Company does not have a significant exposure to bad debts. Significant concentrations of credit risk are in relation to cash and cash equivalents with Australian banks.

c. Liquidity risk

Liquidity risk arises from the financial liabilities of the Company and the subsequent ability to meet the obligations to repay the financial liabilities as and when they fall due. The table below reflects all contractually fixed payables for settlement, repayment and interest resulting from recognised financial liabilities as of 30 June 2021.

Cash flows for financial liabilities without fixed amount or timing are based on the conditions existing as 30 June 2021 and 30 June 2020. The remaining contractual maturities of the Company's financial liabilities are:

	30 June 2021	30 June 2020
	\$	\$
<6 months	23,321	23,195
6-12 months	23,321	23,195
1-5 years	75,962	118,635
>5 years	-	-

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

The risk implied from the values shown in the table below reflects a balanced view of cash inflows and outflows. Trade payables and other financial liabilities mainly originate from the financing of assets used in our ongoing operations such as property, plant, equipment and investments of working capital e.g. inventories and trade receivables. To monitor existing financial assets and liabilities, as well as to enable effective controlling of future risks, management monitors its Company's expected settlement of financial assets and liabilities on an ongoing basis.

22. *Financial risk management (continued)*

Details	<6 months \$	6-12 months \$	1-5 Years \$	>5 Years \$	Total \$
30 June 2021					
<u>Financial assets</u>					
Trade and other receivables	240,522	-	-	-	240,522
Total	240,522	-	-	-	240,522
<u>Financial liabilities</u>					
Trade and other payables	807,643	-	-	-	807,643
Lease liabilities	24,670	21,972	75,962	-	122,604
Total	832,313	21,972	75,962	-	930,247
30 June 2020					
<u>Financial assets</u>					
Trade and other receivables	30,795	521	-	-	31,316
Total	30,795	521	-	-	31,316
<u>Financial liabilities</u>					
Trade and other payables	173,465	5,000	-	-	178,465
Lease liabilities	23,196	23,195	118,634	-	165,025
Total	196,661	28,195	118,634	-	343,490

Accounting policy:

Financial instruments - initial recognition and subsequent measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

Financial assets are classified at initial recognition, and subsequently measured at amortised cost, or fair value through profit or loss or fair value through OCI. The classification of financial assets at initial recognition that are debt instruments depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. In order for a financial asset to be classified and measured at amortised cost, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Trade receivable that do not contain a significant financing component or for which the Company has applied the practical expedient for contracts that have a maturity of one year or less, are measured at the transaction price determined under AASB 15. The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

22. Financial risk management (continued)

Subsequent measurement

For purposes of subsequent measurement, the Company's financial assets are classified in these categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)

The Company's financial assets at amortised cost include cash, short-term deposits, and trade and other receivables. The Company measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows, and
- 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

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Interest received is recognised as part of other income in the Statement of Comprehensive Income. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets at fair value through profit or loss

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, i.e., where they fail the SPPI test. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets with cash flows that do not pass the SPPI test are required to be classified, and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch. Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

Impairment of financial assets

The Company recognises an allowance for ECLs for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original EIR. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms. ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL).

22. *Financial risk management (continued)*

For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL). For trade receivables, the Company applies the simplified approach in calculating ECLs, as permitted by AASB 9. Therefore, the Company does not track changes in credit risk, but instead, recognises a loss allowance based on the financial asset's lifetime ECL at each reporting date.

For any other financial assets carried at amortised cost (which are due in more than 12 months), the ECL is based on the 12-month ECL. The 12-month ECL is the proportion of lifetime ECLs that results from default events on a financial instrument that are possible within 12 months after the reporting date. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment including forward-looking information. The Company considers a financial asset in default when contractual payments are 90 days past due.

However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows and usually occurs when past due for more than one year and not subject to enforcement activity. At each reporting date, the Company assesses whether financial assets carried at amortised cost are creditimpaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, and payables as appropriate. All financial liabilities are recognised initially at fair value and, in the case of trade and other payables, net of directly attributable transaction costs.

Subsequent measurement

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the statement of profit or loss and other comprehensive income.

22. Financial risk management (continued)

After initial recognition, trade and other payables are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the statement of comprehensive income when the liabilities are derecognised, as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of comprehensive income.

23. Commitments and contingencies

	30 June 2021	30 June 2020
	\$	\$
Committed expenditure for the Company comprises:		
<1 year	385,126	358,344
1-5 years	2,703,189	740,817
>5 years	-	-
	3,088,315	1,099,161

The Company's contingent liabilities are:

- Pursuant to the Deed of Assignment and Assumption – Rover Royalty and Tenement Transfer Agreement, the Company granted a perpetual royalty, payable by the Company at a rate of 1.5% where gold is not the product; and as outlined in the table below where the product is gold:

Average Spot Price per Ounce	Cumulative Gold Production (Ounces): <500,000	Cumulative Gold Production (Ounces): >500,000
> \$600	1.50%	1.75%
\$601 to \$700	1.75%	2.00%
>\$700	2.00%	2.50%

The Company has bank guarantees totalling \$366,100 as at 30 June 2021.

The Directors of the Company declare that:

In the Directors' opinion, the financial statements and notes are in accordance with the *Corporations Act 2001* and:

- comply with Australian Accounting Standards;
- are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board, as stated in Note 2 to the financial statements; and
- give a true and fair view of the Company's financial position as at 30 June 2021 and of the performance for the year ended 30 June 2021;

In the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

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

On behalf of the Directors



Peter Cook
Non-Executive Chairman

28 September 2021

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CASTILE RESOURCES LTD

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Castile Resources Ltd (“the Company”), which comprises the statement of financial position as at 30 June 2021, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors’ declaration.

In our opinion:

- a. the accompanying financial report of the Company is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the Company’s financial position as at 30 June 2021 and of its financial performance for the year then ended; and
 - (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.
- b. the financial report also complies with International Financial Reporting Standards as disclosed in Note 2(a).

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement. 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 Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board’s *APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We 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.

Key Audit Matter	How our audit addressed the Key Audit Matter
Exploration and Evaluation Assets (Refer to Note 12)	
<p>The Company has capitalised exploration and evaluation assets of \$22,315,452 as at 30 June 2021.</p> <p>Exploration and evaluation assets is a key audit matter due to:</p> <ul style="list-style-type: none"> • The significance of the balance to the Company's financial position. • The level of judgement required in evaluating management's application of the requirements of AASB 6 <i>Exploration for and Evaluation of Mineral Resources</i> ("AASB 6"). AASB 6 is an industry specific accounting standard requiring the application of significant judgements, estimates and industry knowledge. This includes specific requirements for expenditure to be capitalised as an asset and subsequent requirements which must be complied with for capitalised expenditure to continue to be carried as an asset. • The assessment of impairment of exploration and evaluation expenditure requires judgement. 	<p>Our procedures included, amongst others:</p> <ul style="list-style-type: none"> • Assessing management's determination of its areas of interest for consistency with the definition in AASB 6. This involved analysing the tenements in which the Company holds an interest and the exploration programs planned for those tenements. • For each area of interest, we assessed the Company's rights to tenure by corroborating to government registries and evaluating agreements in place with other parties as applicable. • We considered the activities in each area of interest to date and assessed the planned future activities for each area of interest by evaluating budgets. • Substantiated a sample of expenditure by agreeing to supporting documentation. • We assessed each area of interest for one or more of the following circumstances that may indicate impairment of the capitalised expenditure: <ul style="list-style-type: none"> ○ the licenses for the right to explore expiring in the near future or are not expected to be renewed; ○ substantive expenditure for further exploration in the specific area is neither budgeted or planned ○ decision or intent by the Company to discontinue activities in the specific area of interest due to lack of commercially viable quantities of resources; and

Key Audit Matter	How our audit addressed the Key Audit Matter
	<ul style="list-style-type: none"> ○ data indicating that, although a development in the specific area is likely to proceed, the carrying amount of the exploration asset is unlikely to be recovered in full from successful development or sale. ● Examined the disclosures made in the financial report.

Other Information

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

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

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

If, based on the work we have performed, 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 Note 2(a), the directors also state in accordance with Australian Accounting Standard *AASB 101 Presentation of Financial Statements*, that the financial report complies with International Financial Reporting Standards.

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2021. The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with s 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.

Auditor's Opinion

In our opinion, the Remuneration Report of the Company, for the year ended 30 June 2021, complies with section 300A of the *Corporations Act 2001*.



HALL CHADWICK WA AUDIT PTY LTD



DOUG BELL CA
Partner

Dated this 28th day of September 2021

As at 1 September 2021

Issued Securities

	Listed on ASX	Unlisted	Total
Fully paid ordinary shares	199,710,121	-	199,710,121
\$0.25 unlisted options expiring 26 November 2022	-	2,000,000	2,000,000
\$0.313 unlisted options expiring 21 December 2023		1,000,000	1,000,000
\$Nil unlisted options expiring 21 December 2024		600,000	600,000
Total	199,710,121	3,600,000	203,310,121

Distribution of Listed Ordinary Fully Paid Shares

Spread of Holdings	Number of Holders	Number of Units	% of Total Issued Capital
1 - 1,000	387	127,156	0.06
1,001 - 5,000	941	2,763,144	1.38
5,001 - 10,000	436	3,404,803	1.70
10,001 - 100,000	778	28,455,687	14.25
100,001 - and over	174	164,959,331	82.60
Rounding			0.01
Total	2,716	199,710,121	100.00%

The number of holders holding less than marketable parcels: 701.

Top 20 Listed Ordinary Fully Paid Shareholders

Rank	Shareholder	Shares Held	% Issued Capital
1.	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	32,807,922	16.43
2.	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	13,108,148	6.56
3.	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED <GSCO CUSTOMERS A/C>	12,263,912	6.14
4.	CITICORP NOMINEES PTY LIMITED	10,989,980	5.50
5.	THE TRUST COMPANY (AUSTRALIA) LIMITED <MOF A/C>	7,500,000	3.76
6.	MR RAM SHANKER KANGATHARAN	6,431,960	3.22
7.	AJAVA HOLDINGS PTY LTD	5,517,168	2.76
8.	NO BULL HEALTH PTY LTD	4,953,978	2.48
9.	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	4,036,313	2.02
10.	NERONA PTE LTD	3,832,938	1.92
11.	PETER GERARD COOK	3,377,783	1.69
12.	BNP PARIBAS NOMS PTY LTD <DRP>	3,239,718	1.62
13.	CS THIRD NOMINEES PTY LIMITED <HSBC CUST NOM AU LTD 13 A/C>	3,128,672	1.57
14.	NEWBALL PTY LIMITED	3,100,000	1.55
15.	PHH PTY LIMITED	2,810,000	1.41
16.	ALL-STATES FINANCE PTY LIMITED	2,250,000	1.13
17.	MR ADAM ANDREW MACDOUGALL	1,510,000	0.76
18.	HYLEC CONTROLS PTY LTD	1,500,000	0.75
19.	MR MARK STEVEN HEPBURN + MRS AMANDA JANE HEPBURN <HEPBURN SUPERFUND A/C>	1,310,000	0.66
20.	BARGOLD HOLDINGS PTY LTD <MOIR SUPER FUND A/C>	1,300,000	0.65
Total		124,968,492	62.57%

Distribution of Unlisted Options

Spread of Holdings	Number of Holders	Number of Units	% of Total Issued Capital
1 - 1,000	-	-	-
1,001 - 5,000	-	-	-
5,001 - 10,000	-	-	-
10,001 - 100,000	-	-	-
100,001 - and over	1	3,600,000	100%
Total	1	3,600,000	100%

The Company has the following substantial shareholders listed in its register as at 1 September 2021:

Rank	Shareholder	Shares Held	% Issued Capital
1.	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	32,807,922	16.43
2.	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	13,108,148	6.56
3.	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED <GSCO CUSTOMERS A/C>	12,263,912	6.14
4.	CITICORP NOMINEES PTY LIMITED	10,989,980	5.50

Ordinary Shares Voting Rights - Subject to any rights or restrictions for the time being attached to any class or classes of Shares, at general meetings of Shareholders or classes of Shareholders:

- each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for the Share, but in respect of partly paid Shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

Unquoted Equity Securities

Class	Number of Holders	Name	Number of Securities
\$0.25 unlisted options expiring 26 November 2022	1	MH Cornerstone Pty Ltd <The Mulligan Family A/C>	2,000,000
\$0.313 unlisted options expiring 21 December 2023	1	MH Cornerstone Pty Ltd <The Mulligan Family A/C>	1,000,000
\$Nil unlisted options expiring 21 December 2024	1	MH Cornerstone Pty Ltd <The Mulligan Family A/C>	600,000

The Company has the following restricted securities on issue as at the date of this report:

Security Type	Number of Securities Escrowed	Escrow Duration	Escrow Date
\$0.25 unlisted options expiring 26 November 2022	2,000,000	24 months from date of commencement of official quotation	14 February 2022

Use of Funds

Between the date of listing on ASX and the date of this report the Company has used the cash and assets in a form readily convertible to cash that it had at the time of admission in a way consistent with its business objectives and as set out in the Prospectus dated 3 December 2019.

Other

The Company is not currently conducting an on-market buy-back. There are no issues of securities approved for the purposes of item 7 of section 611 of the Corporations Act which have not yet been completed. No securities were purchased on-market during the reporting period in respect of an employee incentive scheme.

Schedule of Exploration Tenements

Tenement	Project	Location	Interest
EL 24541	Rover	Northern Territory	100%
EL 25511	Rover	Northern Territory	100%
EL 27039	Rover	Northern Territory	100%
EL 27292	Rover	Northern Territory	100%
EL 27372	Rover	Northern Territory	100%
ELR 29957	Rover	Northern Territory	100%
ELR 29958	Rover	Northern Territory	100%
EL 10397	Warumpi	Northern Territory	100%
EL 29747	Warumpi	Northern Territory	100%
EL 31794	Warumpi	Northern Territory	100%

Mineral Resources Annual Review

There are no changes to the Company's mineral resources estimates as a result of its annual review. The mineral resources estimates for the Rover Project (Rover 1, Explorer 108 and Explorer 142) are detailed below.

Project	Gold			Silver			Copper			Bismuth			Cobalt			Lead			Zinc		
	kt	Grade (g/t)	koz Au	kt	Grade (g/t)	koz Ag	kt	Grade	kt Co	kt	Grade	kt Bi	kt	Grade	kt Co	kt	Grade	kt Pb	kt	Grade	kt Zn
Indicated																					
Explorer 108				8,438	14.32	3,886	5,689	0.36%	20.3							8,438	2.05%	172.8	8,438	3.41%	288.1
Explorer 142																					
Rover 1	3,618	1.49	173	3,618	2.13	248	3,618	1.06%	38.3	3,618	0.17%	6.2	3,618	0.05%	1.8						
Subtotal	3,618	1.49	173	12,056	10.66	4,134	9,307	0.63%	58.7	3,618	0.17%	6.2	3,618	0.05%	1.8	8,438	2.05%	172.8	8,438	3.41%	288.1
Inferred																					
Explorer 108				3,430	3.32	366										3,430	1.88%	64.3	3,430	2.81%	96.5
Explorer 142	176	0.21	1				176	5.21%	9.2												
Rover 1	3,282	2.02	213	3,282	2.00	211	3,282	1.36%	44.6	3,282	0.10%	3.3	3,282	0.07%	2.3						
Subtotal	4,458	1.93	214	6,712	2.67	577	3,458	1.56%	53.8	3,282	0.10%	3.3	3,282	0.07%	2.3	3,430	1.88%	64.3	3,430	2.81%	96.5
Total																					
Explorer 108				11,868	3.32	4,252	5,689	0.36%	20.3							11,868	2.00%	237.2	11,868	3.24%	384.6
Explorer 142	176	0.21	1				176	5.21%	9.2												
Rover 1	6,900	1.74	386	6,900	2.07	459	6,900	1.20%	83.0	6,900	0.14%	9.4	6,900	0.06%	4.1						
GRAND TOTAL	7,076	1.70	388	18,768	7.81	4,710	12,765	0.88%	112.5	6,900	0.14%	9.4	6,900	0.06%	4.1	11,868	2.00%	237.2	11,868	3.24%	384.6

There are no changes to the Company's mineral resources holdings in the period between its annual review or mineral resources and its end of financial year balance date.

The mineral resource estimates and exploration results contained in this report were previously announced to the ASX on 12 February 2020 in the Company's prospectus dated 3 December 2019. The Company confirms that it is not aware of any new information or data that materially affects the information included

ADDITIONAL INFORMATION FOR PUBLIC LISTED COMPANIES continued

in the original market announcements or this presentation, and that all material assumptions and technical parameters underpinning the mineral resource estimates continue to apply and havenot materially changed.

This annual mineral resources statement is based on, and fairly represents, information and supporting documentation prepared and compiled by Mr Jake Russell BSc (Hons) MAIG who has sufficient experience which is relevant to the styles of mineralisation, thetypes of deposit under consideration and to the activities which he is undertaking to qualify as a Competent Person as defined in the 2012 Editions of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC 2012)”. Mr Russell consents to the inclusion in this report of the matters based on this information in the form and context in which it appears. Mr Russell is a Director of Castile Resources Limited and is eligible to and may participate in any short-term and long-term incentive plans of the Company as disclosed in its annual reports and disclosure documents. The annual review statement is approved by Mr Russell.

Governance Arrangements

The Company stores all primary geological data in a database management system located on a secure SQL server. As new data is acquired it passes through a validation system designed to pick up any significant errors before the information is loaded into the master database.

Geological interpretation of any given deposit is carried out using a systematic approach to ensure that the resultant estimated mineral resource figure is both sufficiently constrained, and representative of the expected sub-surface conditions. In all aspects of resource estimation the factual and interpreted geology are used to guide the development of the interpretation. Geological matrixes are established to assist with interpretation and construction of the estimation domains.

All modelling and estimation work undertaken by the Company is carried out in three dimensions using appropriate software. After validating the drillhole data to be used in the estimation, interpretation of the orebody is undertaken in sectional and / or plan view to create the outline strings which form the basis of the three-dimensional orebody wireframe. Wireframing is then carried out using a combination of automated stitching algorithms and manual triangulation to create an accurate three-dimensional representation of the sub-surface mineralised body.

Drillhole intersections within the mineralised body are defined, these intersections are then used to flag the appropriate sections of the drillhole database tables for compositing purposes. Drillholes are subsequently composited to allow for grade estimation.

Once the sample data has been composited, a statistical analysis is undertaken to assist with determining estimation search parameters, top-cuts etc. Variographic analysis of individual domains is undertaken to assist with determining appropriate search parameters, which are then incorporated with observed geological and geometrical features to determine the most appropriate search parameters.

An empty block model is then created for the area of interest. This model contains attributes set at background values for the various elements of interest as well as density, and various estimation parameters that are subsequently used to assist in resource categorisation. The block sizes used in the model will vary depending on orebody geometry, minimum mining units, estimation parameters and levels of informing data available.

Grade estimation is then undertaken, using estimation techniques appropriate to the domain being estimated. Both by-product and deleterious elements are estimated at the time of primary grade estimation if required. Estimation results are validated against primary input data, previous estimates and mining output (if available).

A resource is then depleted for mining voids (if required), and subsequently classified in line with JORC guidelines utilising a combination of estimation derived parameters and geological / mining knowledge. This approach considers all relevant factors and reflects the Competent Person's view of the deposit.

The cut off grades used for the reporting of the mineral resource estimates have been selected based on the style of mineralisation, depth from surface of the mineralisation and the most probable extraction technique.

ADDITIONAL INFORMATION FOR PUBLIC LISTED COMPANIES continued

Resource estimates are peer reviewed by the corporate technical team prior to reporting, and where appropriate external consultants are engaged to provide additional technical review.

All currently reported mineral resources estimates are considered robust, and representative on both a global and local scale. No ore reserves are currently reported by the Company.