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RIEDEL

R E S O U R C E S

RIEDEL RESOURCES LIMITED
ABN: 91 143 042 022

ANNUAL REPORT FOR THE YEAR ENDED
30 JUNE 2022

Non-Executive Chairperson

Michael Bohm

Non-Executive Directors

Grant Mooney

Scott Cuomo

Jason Pater

Company Secretary

Susan Field

Principal and Registered Office

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Telephone: +61 8 9226 0085

Auditors

Stantons

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West Perth WA 6005

Share Registry

Computershare Investor Service Pty Ltd

Level 11, 172 St Georges Terrace

Perth WA 6000

Bankers

National Australia Bank

50 St Georges Terrace

Perth WA 6000

Australia and New Zealand Banking Group Limited

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Perth WA 6000

Solicitors

Hamilton Locke

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Stock Exchange Listing

Australian Securities Exchange

ASX Code: RIE

Website Address

www.riedelresources.com.au

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DIRECTORS' REPORT

The Directors of Riedel Resources Limited ("Riedel" or the "Company") submit herewith the consolidated financial statements of the Company and its controlled entities ("Riedel"), ("Group") or ("Consolidated Entity") for the year ended 30 June 2022 in order to comply with the provisions of the Corporations Act 2001.

1. Directors

The following persons were Directors of Riedel Resources Limited during the whole of the financial year and up to the date of the report unless otherwise stated:

Mr Michael Bohm	Non-Executive Chairperson (appointed 11 December 2020)
Mr Grant Mooney	Non-Executive Director (appointed 31 October 2018)
Mr Scott Cuomo	Non-Executive Director (appointed 26 July 2017)
Mr Jason Pater	Non-Executive Director (appointed 1 February 2021)

2. Principal Activities

The principal activity of the Group during the year was mineral exploration.

3. Operating Results

The net loss of the Group for the financial year ended 30 June 2022 after providing for income tax amounted to \$725,091 (2021: \$3,464,342).

4. Dividends Paid or Recommended

The directors do not recommend the payment of a dividend and no amount has been paid or declared by way of a dividend up to the date of this report.

5. Financial Position

The consolidated entity has \$1,370,816 in cash and cash equivalents as at 30 June 2022 (30 June 2021: \$2,723,188).

Kingman Project

On 23 October 2020 Riedel entered into a binding agreement with Flagstaff Minerals Limited ("Flagstaff") to acquire up to 80% equity interest in Flagstaff Minerals (USA) Inc ('Flagstaff USA') (a wholly owned subsidiary of Flagstaff) by meeting three earn in stages ('Term Sheet'), or ('Transaction'). As the Transaction represented a change of scale of activities under the ASX Listing Rules shareholder approval was required and subsequently obtained on 30 November 2020. (*Refer ASX Announcement made on 11 December 2020*).

Background

Flagstaff USA has the sole and exclusive right to acquire a 100% interest in 70 mining claims (which form part of the Kingman Project) (Kingman Option Claims) via a binding option agreement with IAM Mining LLC (a Limited Liability Company) (IAM Mining) (Flagstaff Option Agreement).

The Terms Sheet sets out the terms and conditions on which Riedel may acquire up to an 80% equity interest in Flagstaff USA (Earn-In or Acquisition).

DIRECTORS' REPORT

5. Financial Position (continued)

Initial Exploration Expenditure – Stage 1 (“Stage 1”)

Riedel must expend a total of AUD\$5,000,000 on the Kingman Project within 3 years from the Stage 1 Commencement Date, being 11 December 2023 to obtain a 51% equity interest in Flagstaff USA (Stage 1 Earn-In).

To complete Stage 1 Riedel is then required to issue 100,000,000 shares at a deemed issue price of \$0.055 per RIE Share to obtain a 51% equity interest in Flagstaff USA.

If Riedel withdraws before completing the Stage 1 Earn-In, subject to Riedel incurring at least AUD\$1,500,000 of expenditure on the Kingman Project within 12-months from the Stage 1 Commencement Date, Riedel shall obtain a 15% equity interest in Flagstaff USA.

Earn-In – Stage 2 (“Stage 2”)

Riedel must expend a further AUD\$5,000,000 on the Kingman Project (Stage 2 Expenditure Condition) within 3 years from the Stage 2 Commencement Date in order to earn a further 19% equity interest in Flagstaff USA (i.e. Riedel will obtain a 70% equity interest) (Stage 2 Earn-In)..

Stage 3 (“Stage 3”)

Within 30 days of satisfying the Stage 2 Expenditure Condition, Riedel may acquire an additional 10% equity interest in Flagstaff USA (i.e. Riedel will obtain an 80% equity interest in Flagstaff USA in total) by payment to Flagstaff Minerals (or its nominee(s)) of AUD\$3,000,000 cash.

Joint Venture

Following completion of the relevant earn-in phase, Flagstaff Minerals and Riedel will contribute to expenditure on the Kingman Project in proportion to each party's respective equity interest in Flagstaff USA from time to time.

Vendor Payments

Pursuant to the Flagstaff Option Agreement, the following payments are required to be made to IAM Mining by Flagstaff USA in order for Flagstaff USA to maintain its right to acquire 100% of the Kingman Option Claims (together, the Option Payments):

1. USD 200,000 payable by February 2021 (paid);
2. USD 300,000 payable by February 2022; (paid) and
3. USD 400,000 payable by February 2023.

Under the terms sheet, Riedel shall be responsible for the Option Payments (which shall count towards eligible expenditure in relation to any stage of the relevant earn-in).

At 30 June 2022 had spent \$3,310,800 representing approximately 66% of the minimum spend by required to be met by 11 December 2023.

Refer additional detail at note 8.

6. Business Strategies and Prospects for the Forthcoming Year

The results of drilling during the 2022 financial year will be analysed and a decision made on the scope of further works.

DIRECTORS' REPORT

6. Business Strategies and Prospects for the Forthcoming Year (continued)

Material business risks that may impact the results of future operations include further exploration results, future commodity prices and on-going funding as agreed to between Riedel and the Group.

7. Significant Changes in the State of Affairs

The following significant changes in the state of affairs of the consolidated entity occurred during the financial year:

- On 1 September 2021, following shareholder approval received at General Meeting of Shareholders held on 26 August 2021, the Company issued 4,000,000 fully paid ordinary shares at an issue price of \$0.015 each to participating directors or their nominee to raise \$60,000 prior to issue costs. Share application monies totalling \$60,000 were received in prior period and were classified and included as other payables in 2021 financial year.
- On 28 February 2022, the Company issued 71,000,000 fully paid ordinary shares at an issue price of \$0.01 to sophisticated investors raising \$710,000 prior to issue costs.
- On 20 April 2022, following shareholder approval received at General Meeting of Shareholders held on 8 April 2022, the Company issued 9,000,000 fully paid ordinary shares at an issue price of \$0.01 each to participating directors or their nominee to raise \$90,000 prior to issue costs.
- On 20 April 2022, following shareholder approval received at General Meeting of Shareholders held on 8 April 2022, the Company issued 25,000,000 fully paid ordinary shares at an issue price of \$0.01 each to Flagstaff Minerals Limited to raise \$250,000 prior to issue costs.

8. Post Balance Date Events

There have not been any events that have arisen between 30 June 2022 and the date of this report or any other item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to materially affect the operations of the Group, the results of those operations or the state of affairs of the Group, in subsequent financial years.

9. Review of Operations

Exploration

Kingman Gold-Silver Project

Riedel continue to carry out exploration activities on its Kingman Project in Arizona, where it can earn up to an 80% interest.

During the period July through December 2021, Riedel completed a 48-hole (4,190m) RC drilling program focussing on the Tintic target. Assay results from the program included further high-grade mineralisation:

- **5.3m @ 18.1 g/t gold & 24 g/t silver** from 23.6m
- **1.5m @ 35.6 g/t gold & 42 g/t silver** from 30.5m
- **2.3m @ 9.49 g/t gold & 55 g/t silver** from 13.7m
- **0.8m @ 18.3 g/t gold** from 41.5m
- **6.9m @ 3.1 g/t gold** from 25.9m
- **2.3m @ 3.43 g/t gold & 24 g/t silver** from 13.7m

DIRECTORS' REPORT

9. Review of Operations

Exploration (continued)

- **4.6m @ 12.43 g/t Au** from 45m
- **6.9m @ 2.84 g/t Au & 82 g/t Ag** from 18.3m
- **2.3m @ 5.40 g/t Au & 125 g/t Ag** from 77m

During the period January through June 2022, Riedel completed a follow-up 37-hole (2,286m) RC drilling program again focussing on the Tintic target. Assay results from that program again confirmed high grade gold and silver mineralisation at Tintic:

- **3.8m @ 18.1 g/t Au and 201 g/t Ag** from 85.3m (2022-CHL-075D)
incl – **1.5m @ 38 g/t Au and 482g/t Ag** from 85.3m
- **1.5m @ 17.6 g/t Au and 17 g/t Ag** from 26.7m (2022-CHL-098)
- **incl – 0.8m @ 25.8 g/t Au and 26 g/t Ag from 26.7m**
- **1.5m @ 5.75 g/t Au and 12 g/t Ag** from 106.7m (2022-CHL-103)
incl – **0.8m @ 9.27 g/t Au** from 106.7m
- **3m @ 3.44 g/t Au and 18 g/t Ag** from 16.8m (2022-CHL-095)
incl - **0.8m @ 12.73 g/t Au, 30 g/t Ag and 3.5% Pb** from 16.8m
- **2.3m @ 3.04 g/t Au and 47 g/t Ag** from 24.4m (2022-CHL-095)
incl – **0.8m @ 7.04 g/t Au, 102 g/t Ag and 2.5% Pb** from 22.9m
- **10.7m @ 2.98 g/t Au and 50 g/t Ag** from 92.2m (2022-CHL-071D)
incl – **1.5m @ 16.1 g/t Au, 191g/t Ag and 4.2% Pb** from 93.7m
- **8.4m @ 2.58 g/t Au and 29 g/t Ag** from 12.2m (2022-CHL-080B)
incl – **1.5m @ 7.15 g/t Au, 93 g/t Ag and 3.4% Pb** from 13m
- **2.3m @ 5.17 g/t Au and 85 g/t Ag** from 29.7m (2022-CHL-048A)
incl – **0.8m @ 13.70 g/t Au, 196 g/t Ag and 11% Pb** from 31.2m
- **1.5m @ 27.5 g/t Au and 37 g/t Ag** from 13.7m (2022-CHL-008B)
incl – **0.8m @ 53.3 g/t Au and 63 g/t Ag** from 13.7m;
- **3.0m @ 5.05 g/t Au and 58 g/t Ag** from 27.4m (2022-CHL-096)
incl – **1.5m @ 9.37g/t Au, 112g/t Ag, 2.4% Pb and 2.2% Zn** from 27.4m

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DIRECTORS' REPORT

9. Review of Operations (continued)

Exploration (continued)



Figure 1 - Drilling at Tintic - with Mineral Park copper-moly mine to the south-east (Mineral Park owned by others)

As previously noted, the gold and silver mineralisation at Tintic appears to be contained within shallow flat dipping veins which comprise of varying amounts of quartz, clay and sulphide mineralisation. There is also continued indication of a stacked lode/sill complex.

The following illustrate some of the results achieved from the drill programs carried out at Tintic:

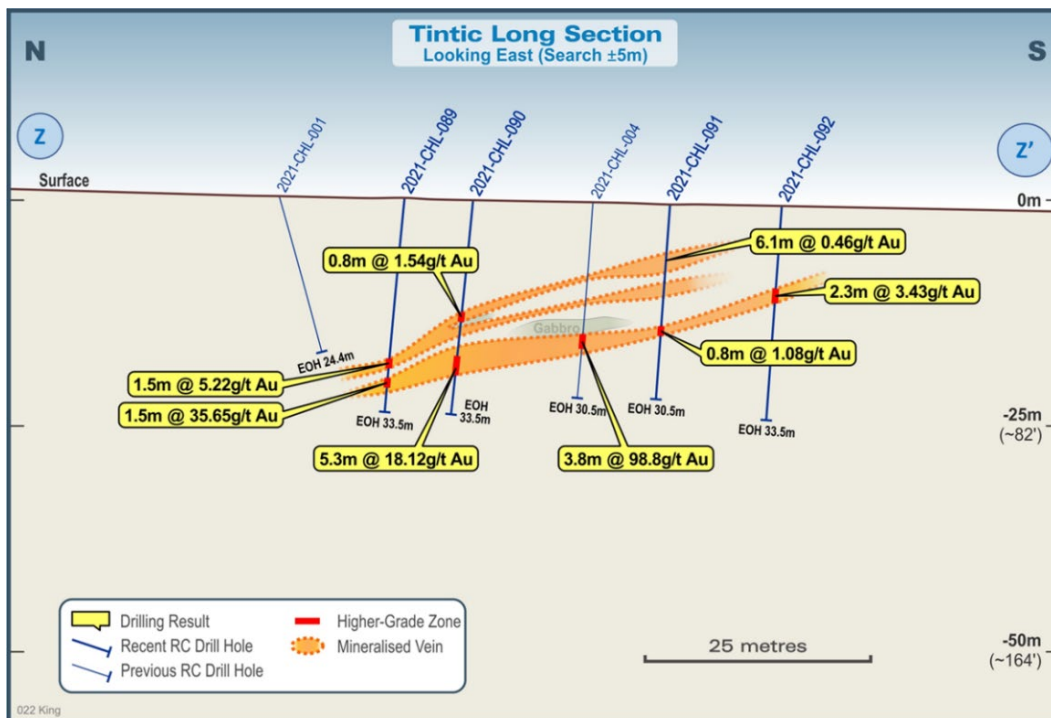


Figure 2 – Tintic Long Section Z-Z'

DIRECTORS' REPORT

9. Review of Operations (continued)

Exploration (continued)

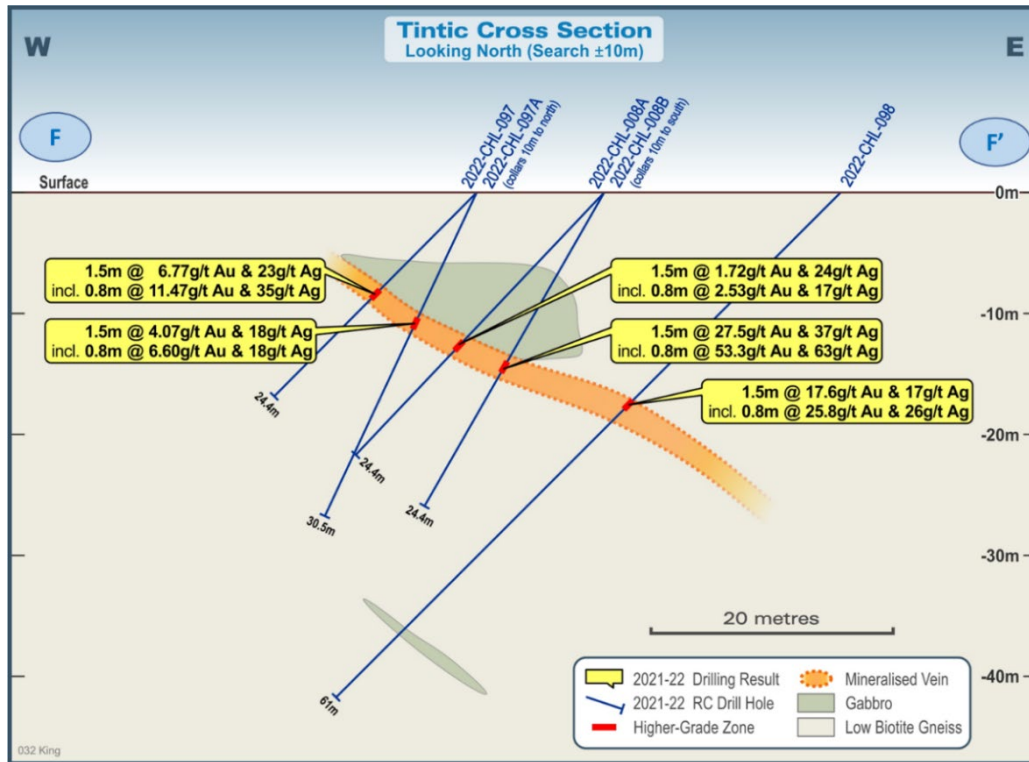


Figure 3 – Tintic Cross Section F-F'

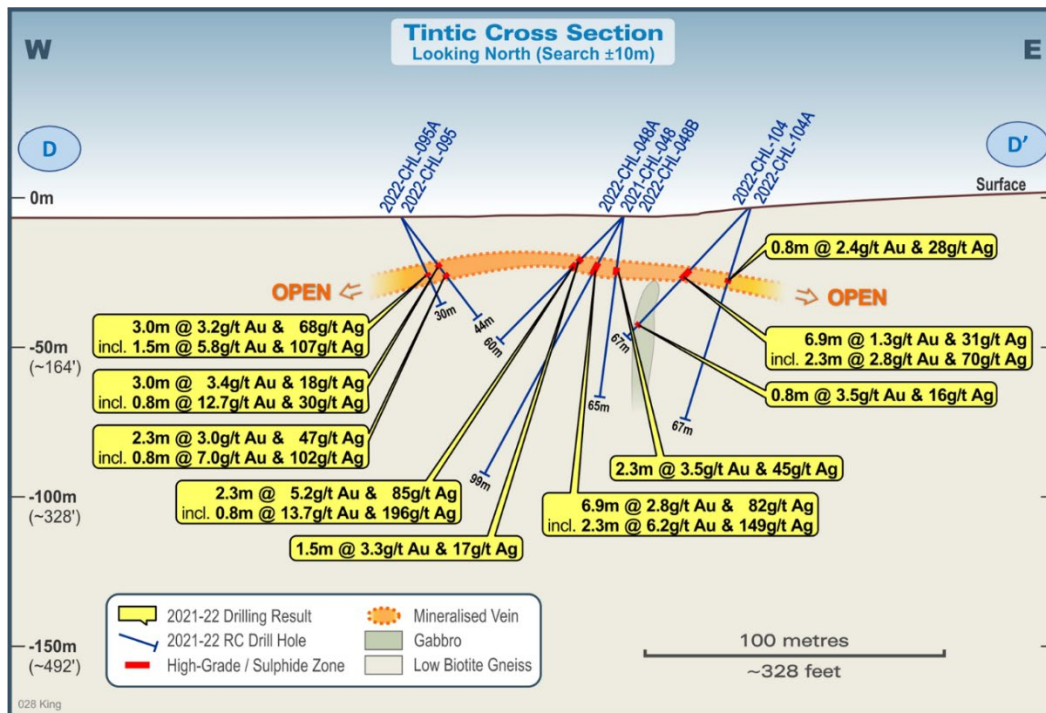


Figure 4 – Tintic Cross Section D-D'

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DIRECTORS' REPORT

9. Review of Operations (continued)

Exploration (continued)

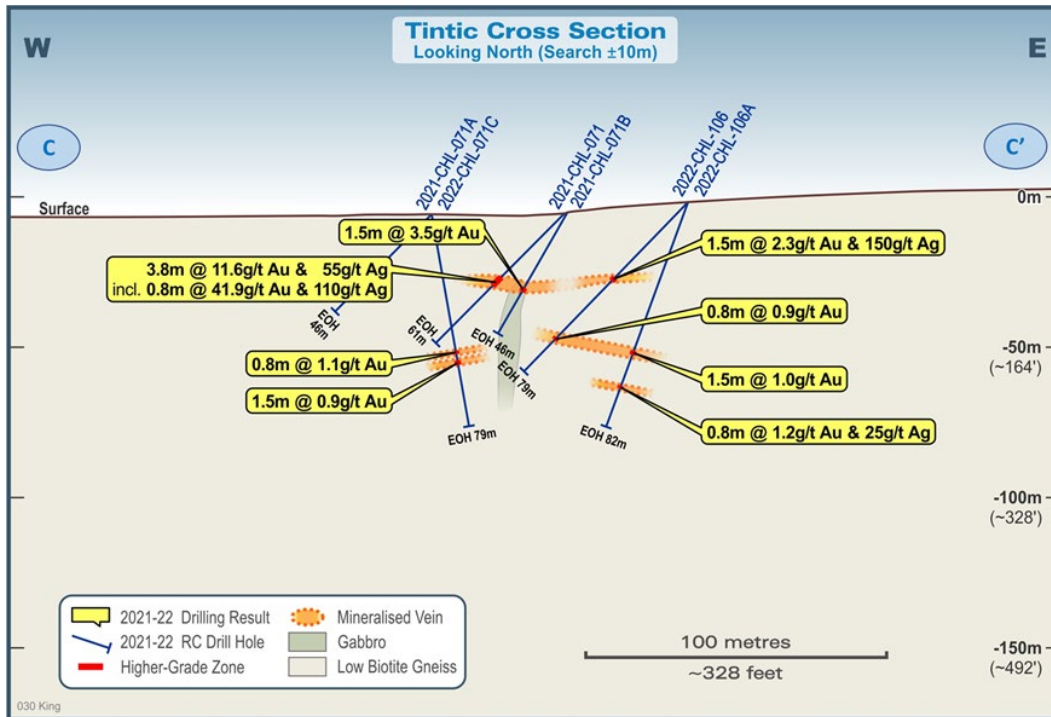


Figure 5 – Tintic Cross Section C-C'

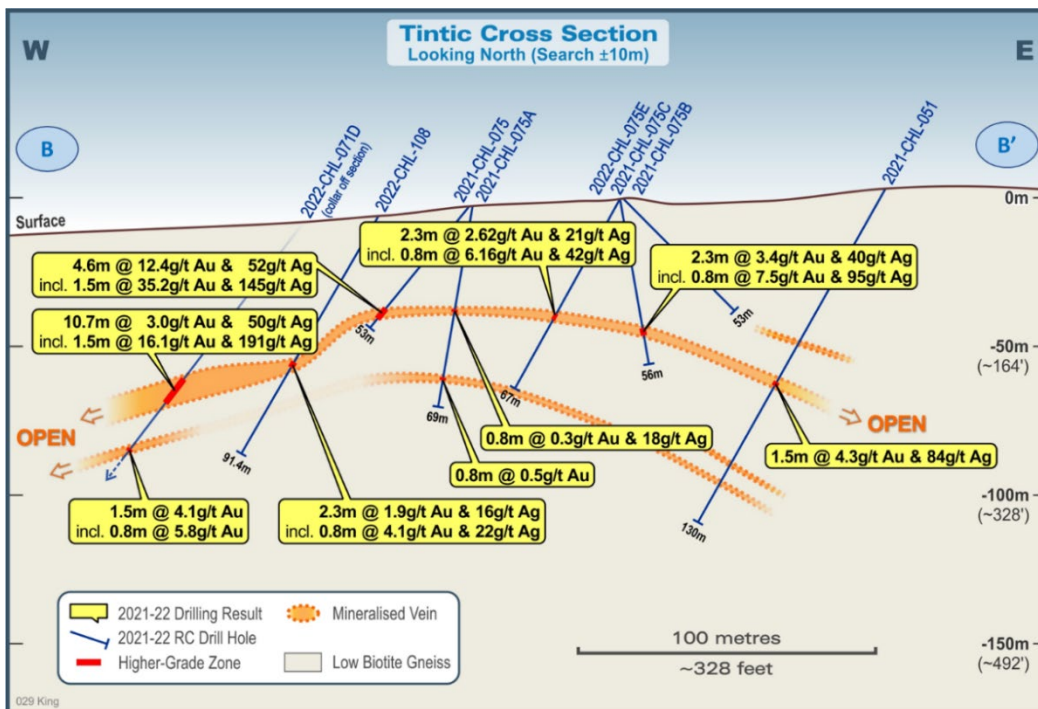


Figure 6 – Tintic Cross Section B-B'

DIRECTORS' REPORT

9. Review of Operations (continued)

Exploration (continued)

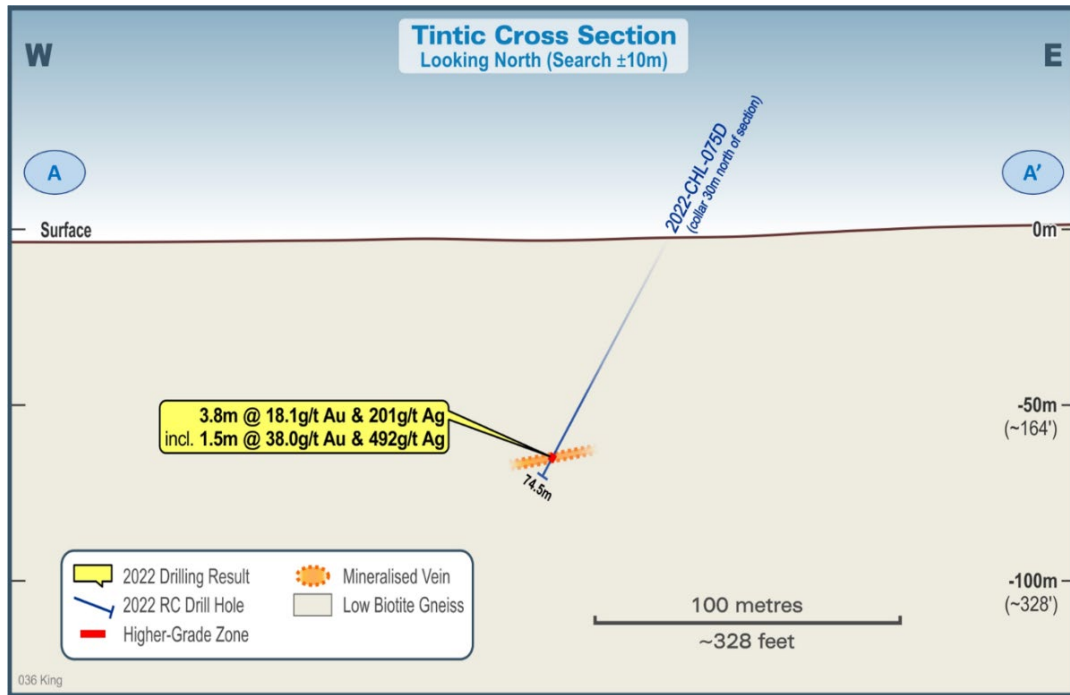


Figure 7 - Tintic Cross Section A-A' (illustrating potential for mineralisation to extend to the south/south-west)

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DIRECTORS' REPORT

9. Review of Operations (continued)

Exploration (continued)

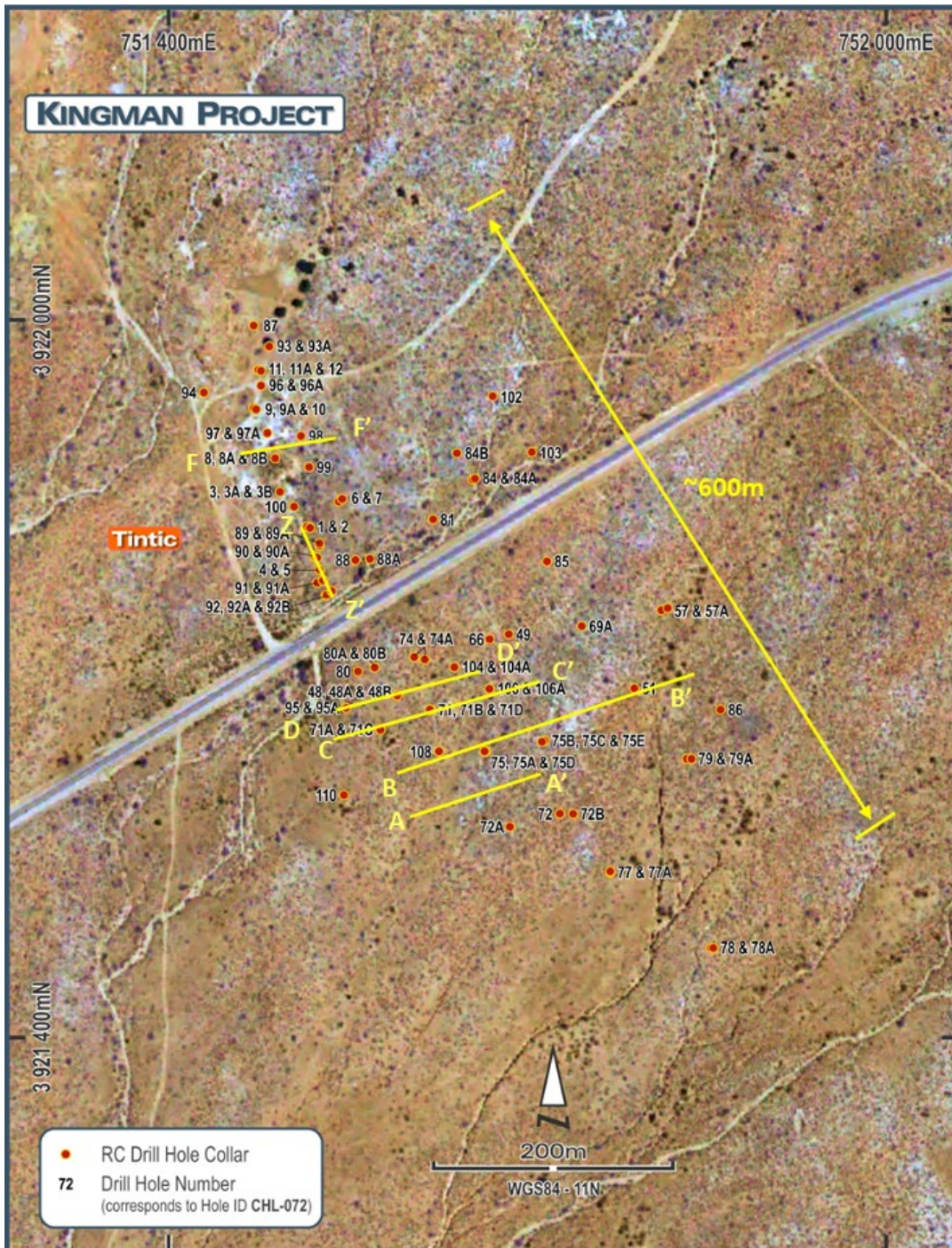


Figure 8 – RC hole collar locations at Tintic area showing location of section lines reported herein

Given the shallow depths and high-grade nature of the gold-silver mineralisation at Tintic, the Company is looking at opportunities to advance the project toward a future development decision.

DIRECTORS' REPORT

9. Review of Operations (continued)

Exploration (continued)

Marymia Gold Copper Project

Joint venture manager Norwest Minerals Limited (84.3%) have base metal intercepts in aircore drilling at Marymia East. Previous drilling intersected near surface lead, zinc and nickel along a 1km strike near the Jenkins fault; a well-known structure in the region known to host several base metal projects including the DeGrussa copper-gold project ~75kms to the southwest.

Historical exploration drilling at Marymia East has been abundant and dense, particularly over the exposed Baumgarten Greenstone Belts (BGB) with several moderate gold prospects identified (Figure 9). However, much of the historical RAB drilling at Marymia East is very shallow and potentially ineffective as the drill holes may not have penetrated the silcrete cap that is pervasive in areas of Proterozoic cover. Historical RAB holes drilled across the BGB project area have an average depth of only 25m yet the silcrete has been logged by Norwest at depths of up to 70 metres. Also, most RAB drill samples were only analysed for gold. As a result, many of the prospective areas across the southern BGB remain prospective for base-metals or other commodities due to sampling above the silcrete cap and testing only for gold.

Norwest is reviewing the entire Marymia East dataset with the aim of identifying drill targets for precious metals, base metals, REE and lithium potential.

Corporate

Riedel raised a total of \$1,110,000 during the year as follows:

- \$60,000 at an issue price of \$0.015 per share in September 2021, noting that the share application monies were received and held in trust during the prior year (refer 7. At page 3);
- \$710,000 at an issue price of \$0.01 in February 2022; and
- \$340,000 at \$0.01 per share in April 2022.

The funds raised were predominantly used to undertake drilling programs at the Kingman Gold Project in Arizona.

10. Likely Developments and Expected Results of Operations

The results from recent drill programs are being reviewed and a decision on further exploration works will be undertaken.

11. Environmental Regulation

The Group's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

The Flagstaff operations are regulated by the laws of Arizona.

DIRECTORS' REPORT

12. Information on Directors, Officers and Company Secretary

Michael Bohm	Non-Executive Chairperson (Appointed 11 December 2020)
Qualifications	B.AppSc (Mining Eng.), MAusIMM and MAICD
Experience	<p>Mr Bohm is a qualified mining professional with significant corporate and operations experience. He has had extensive minerals industry experience in Australia, South East Asia, Africa, Chile, Canada and Europe. A graduate of WA School of Mines, Mr Bohm has worked as a mining engineer, mine manager, study manager, project manager, project director and managing director and has been directly involved in a number of new mine developments.</p> <p>Mr Bohm currently serves as a Director of a number of ASX-listed companies and sits on their Audit & Risk Committees and Chairs their Remuneration Committees. Prior to this, he has held a number of directorships including those with Ramelius Resources Limited, Perseus Mining Limited, Argyle Diamonds Mines, Sally Malay Mining Limited and Ashton Mining of Canada.</p>
Directorships of other listed companies	<p>Mincor Resources Limited</p> <p>Cygnus Gold Limited</p>
Interest in Shares	<p>110,000,000 Fully Paid Ordinary Shares</p> <p>The above holding includes an indirect holding of 85,000,000 shares which are held by Flagstaff Minerals Limited of which Mr Bohm is a director and his spouse holds a 21% interest in Flagstaff Minerals Limited.</p>
Interest in Options	<p>70,000,000 Unlisted Options expiring 14 December 2023, Exercise Price \$0.0125</p> <p>The above holding includes an indirect holding of 60,000,000 options which are held by Flagstaff Minerals Limited of which Mr Bohm is a director and his spouse holds a 21% interest in Flagstaff Minerals Limited.</p>
Scott Cuomo	Non-executive Director
Experience	<p>Mr Cuomo is an experienced non-executive director and a successful businessman. His career spans over 25 years and is a Director with Oracle Capital, a boutique Corporate Advisory firm that undertakes assignments on behalf of family offices, private clients, and ASX listed companies.</p> <p>He offers valuable experience in strategic planning, risk management and the structuring of corporate transactions.</p>
Directorships of other listed companies	Nil
Interest in Shares	9,636,364 Fully Paid Ordinary Shares
Interest in Options	20,000,000 Unlisted Options expiring 14 December 2023, Exercise Price \$0.0125.

DIRECTORS' REPORT

12. Information on Directors, Officers and Company Secretary (continued)

Grant Mooney **Non-Executive Director** **(appointed 31 October 2018, previously Non-Executive Chairperson until 11 December 2020)**

Qualifications

B.Bus, CA

Experience

Mr Mooney is the principal of Perth-based corporate advisory firm Mooney & Partners, specialising in corporate compliance administration to public companies. Mr Mooney has gained extensive experience in the areas of corporate and project management since commencing Mooney & Partners in 1999. His experience extends to advice on capital raisings, mergers and acquisitions and corporate governance.

Currently, Mr Mooney serves as a Director to several ASX listed companies across a variety of industries including technology and resources. He is a Director of Gibb River Diamonds Limited, appointed 14 October 2008, Accelerate Resources Limited, appointed 1 July 2017, Talga Group Limited, appointed 20 February 2014, Carnegie Clean Energy Limited, appointed 19 February 2008, Aurora Labs Limited appointed 25 March 2020 and SRJ Technologies Limited appointed 2 June 2020. He was formerly a director of Greenstone Resources Limited (formerly Barra Resources Limited) (appointed 29 November 2002 and resigning on 18 August 2021).

Mr Mooney is a member of Chartered Accountants Australia & New Zealand.

Directorships of other listed companies

Carnegie Clean Energy Limited
 Gibb River Diamonds Limited
 Accelerate Resources Limited
 Talga Group Limited
 Aurora Labs Limited
 SRJ Technologies Limited

Interest in Shares

7,074,790 Fully Paid Ordinary Shares

Interest in Options

25,000,000 Unlisted Options expiring 14 December 2023, Exercise Price \$0.0125

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DIRECTORS' REPORT

13. Audited Remuneration Report

The Directors are pleased to present your Company's 2022 remuneration report which sets out remuneration information for Riedel Resources Limited's non-executive directors, executive directors and other key management personnel.

The remuneration report is set out under the following headings:

- A. Directors and key management personnel disclosed in this report;
- B. Remuneration governance;
- C. Use of remuneration consultants;
- D. Non-Executive remuneration policy and framework;
- E. Voting and comments made at the Company's 2021 Annual General Meeting;
- F. Details of remuneration;
- G. Details of share based compensation and bonuses;
- H. Service agreements;
- I. Equity instruments held by key management personnel;
- J. Loans to key management personnel;
- K. Other transaction with key management personnel.

A. Directors and key management personnel disclosed in this report

This report details the nature and amount of remuneration for all key management personnel of Riedel Resources Limited and its subsidiaries. The information provided within this remuneration report has been audited as required by section 308(C) of the Corporations Act 2001. The individuals included in this report are:

Non-Executive Directors

Mr M Bohm	Non-Executive Chairperson (appointed 11 December 2020)
Mr G Mooney	Non-Executive Director (appointed 31 October 2018, previously Non-Executive Chairperson, stepping down on 11 December 2020)
Mr S Cuomo	Non-Executive Director (appointed 26 July 2017)
Mr J Pater	Non-Executive Director (appointed 1 February 2021)

Other Key Management Personnel

Ms S Field	Company Secretary (appointed 1 July 2021)
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B. Remuneration governance

Remuneration Philosophy

The performance of the Company depends upon the quality of the directors and executives. The philosophy of the Company in determining remuneration levels is to:

- set competitive remuneration packages to attract and retain high calibre employees;
- link executive rewards to shareholder value creation; and
- establish appropriate, demanding performance hurdles for variable executive remuneration.

DIRECTORS' REPORT

13 Audited Remuneration Report (continued)

B. Remuneration governance; (continued)

Remuneration Committee

The Remuneration Committee, the role and duties of which are undertaken by the Board, establishes human resources and compensation policies and practices for the Directors (executive and non-executive) and senior executives, including retirement termination policies and practices, Company share schemes and other incentive schemes, Company superannuation arrangements and remuneration arrangements.

C. Use of remuneration consultants

The Company has not engaged or contracted remuneration consultants during the financial year.

D. Non-Executive remuneration policy and framework

The remuneration policy of the Company has been designed to align director and executive objectives with shareholder and business objectives by providing a fixed remuneration component which is assessed on an annual basis in line with market rates and offering specific long-term incentives based on key performance areas affecting the Group's financial results. The Board of the Company believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best directors and executives to run and manage the Group.

The Board's policy for determining the nature and amount of remuneration for Board members and senior executives of the Group is as follows:

The remuneration policy, setting the terms and conditions for the executive directors and other senior executives (if any), was developed by the Board. All executives are to receive a base salary (which is based on factors such as length of service and experience) and superannuation. The Board reviews executive packages as required by reference to the Group's performance, executive performance and comparable information from industry sectors and other listed companies in similar industries.

The Board may exercise discretion in relation to approving incentives, bonuses and options. The policy is to attract the highest calibre of executives and reward them for performance that results in long-term growth in shareholder wealth.

The directors receive a superannuation guarantee contribution required by the government, which was 10.0% for the year ended 30 June 2022, and do not receive any other retirement benefits. Note that effective 1 July 2022 the super guarantee rate has risen to 10.5% and will be effective from the 2023 financial year. All remuneration paid to directors and executives is valued at the cost to the Company and expensed. Options are valued using the Black-Scholes or Binomial Option Pricing models.

The Board policy is to remunerate non-executive directors at market rates for comparable companies for time, commitment and responsibilities. The Board determines payments to the non-executive directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate fees that can be paid to non-executive directors is \$250,000 per annum. Amendments to this amount are subject to approval by shareholders at the Annual General Meeting.

DIRECTORS' REPORT

13 Audited Remuneration Report (continued)

D. Non-Executive remuneration policy and framework (continued)

Fees for non-executive directors will not be linked to the performance of the Group. However, to align directors' interests with shareholder interests, the directors are encouraged to hold shares in the Company and are able to participate in the Employee Incentive Option Scheme.

The Board ensures that executive reward satisfies the following key criteria for good reward governance practices:

- Competitiveness
- Acceptability to shareholders
- Performance linkage
- Capital management

Directors' fees

A director may be paid fees or other amounts as the directors determine where a director performs special duties or otherwise performs services outside the scope of the ordinary duties of a director. A director may also be reimbursed for out of pocket expenses incurred as a result of their directorship or any special duties.

Bonuses

No bonuses were given to key management personnel during the 2021 or 2022 financial years.

Performance based remuneration

The Company may offer eligible Directors and Key Executives participation in a Company Performance Rights Plan and/or Incentive Option Scheme. This is in addition to cash remuneration.

Company performance, shareholder wealth and director's and executive's remuneration

The remuneration policy has been tailored to increase goal congruence between shareholders and directors and executives. Currently, this is facilitated through the issue of options or Performance Rights to eligible directors and executives to encourage the alignment of personal and shareholder interests. The Company believes the policy will be effective in increasing shareholder wealth. For details of directors and executives interests in options and performance rights at year end, refer below for details.

All directors are entitled to participate in the Performance Rights Plan and/or Incentive Option Scheme.

E. Voting and comments made at the Company's 2021 Annual General Meeting

The Company received 100% of "Yes" votes on its remuneration report for the 2021 financial year (2020: 99.39%). The Company did not receive any specific feedback at the AGM or throughout the year on its remuneration practices.

DIRECTORS' REPORT

13 Audited Remuneration Report (continued)

F. Details of remuneration

The remuneration of the Key Management Personnel of Riedel Resources Limited for the year ended 30 June 2022 are set out in Table 1 (for the year ending 30 June 2021 in Table 2) below. There have been no changes to the below named key management personnel since the end of the reporting period unless noted.

Table 1	Short Term Benefits				Post	Securities	Total
	Cash Salary & Fees	Incentives	Consulting Fees	Other Amounts ⁽ⁱⁱⁱ⁾	Employment Super-annuation	Options	
Mr M Bohm ⁽ⁱ⁾	50,000	-	96,000	4,510	5,000	-	155,510
Mr G Mooney	40,000	-	-	4,510	4,000	-	48,510
Mr S Cuomo	40,000	-	-	4,510	4,000	-	48,510
Mr J Pater	39,996	-	-	4,510	-	-	44,506
Ms S Field ⁽ⁱⁱ⁾	-	-	-	4,510	-	-	4,510
Total Remuneration	169,996	-	96,000	22,550	13,000	-	301,546

⁽ⁱ⁾ The Company paid \$96,000 to Cerbat Hills Pty Ltd, a company which Mr Michael Bohm is a director, for technical consulting services provided during the year.

⁽ⁱⁱ⁾ Mr S Field was appointed as Company Secretary on 1 July 2022.

⁽ⁱⁱⁱ⁾ This amount relates to insurance premium paid by the Company for Directors and Officer Insurance cover.

Table 2	Short Term Benefits				Post	Securities	Total
	Cash Salary & Fees	Incentives	Consulting Fees	Other Amounts ^(v)	Employment Super-annuation	Options	
Mr M Bohm ^{(i) (iii)}	27,823	-	61,000	2,102	2,643	-	93,568
Mr G Mooney ^{(iii) (vi)}	35,833	20,000	42,000	3,696	5,304	462,500	569,333
Mr S Cuomo ^(vi)	35,833	20,000	-	3,696	5,304	370,000	434,833
Mr J Pater ^(iv)	13,178	-	-	1,596	-	-	14,774
Mr A Sutherland ^{(v) (vi)}	15,000	20,000	-	3,201	-	-	38,201
Total Remuneration	127,667	60,000	103,000	14,291	13,251	832,500	1,150,709

⁽ⁱ⁾ Mr M Bohm was appointed as Non-Executive Chairperson on 11 December 2020.

⁽ⁱⁱ⁾ The Company paid \$61,000 to Cerbat Hills Pty Ltd, a company which Mr Michael Bohm is a director, for technical consulting services provided during the year.

⁽ⁱⁱⁱ⁾ The Company paid \$42,000 to Mooney Partners Pty Ltd, a company which Mr Mooney is a director, which comprised of \$36,000 being for corporate and company secretarial services and \$6,000 being for rental of office space provided during the year.

^(iv) Mr J Pater was appointed as Non-Executive Director on 1 February 2021.

^(v) Mr A Sutherland resigned as Non-Executive Director on 11 December 2020.

^(vi) On 1 October 2019, the Board approved in advance the payment of \$20,000 for consultancy services associated and conditional upon with the acquisition of a new project. Following the completion of the transaction with Flagstaff Minerals Limited approved by shareholders on 30 November 2020, this payment was made to Mr G Mooney, Mr S Cuomo and former director Mr A Sutherland.

^(vii) This amount relates to insurance premium paid by the Company for Directors and Officer Insurance cover.

DIRECTORS' REPORT

13 Audited Remuneration Report (continued)

G Details of share-based compensation and bonuses;

Options are issued to directors and executives as part of their remuneration. The options are not always issued based on performance criteria and in the instances, they are not, they are issued to the majority of directors and executives of Riedel Resources Limited to increase goal congruence between executives, directors and shareholders.

2022

There were no options issued during the 2022 financial year.

2021

During the prior year a total of 150,000,000 options were issued to directors and vendors which were approved by shareholders at the Annual General Meeting of shareholders held on 30 November 2020, included in these approvals was 45,000,000 options issued to directors as set out in the following table. The Options issued were issued for no consideration and have an exercise price of \$0.0125 with an expiry date of 14 December 2023.

	Granted	Fair Value at Grant Date	Total Remuneration Represented by Options	Exercised	Other Changed	Lapsed
2021	Number	\$	%	Number	Number	Number
Mr M Bohm ¹	-	-	-	-	-	-
Mr G Mooney	25,000,000	462,500	81.23	-	-	-
Mr S Cuomo	20,000,000	370,000	85.09	-	-	-
Mr J Pater ²	-	-	-	-	-	-
Mr A Sutherland ³	-	-	-	-	-	-

¹ Mr Bohm was appointed as Non-Executive Chairperson on 11 December 2020.

² Mr Pater was appointed as Non-Executive Director on 1 February 2021.

³ Mr Sutherland resigned as Non-Executive Director on 11 December 2020.

H. Service agreements

Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

Name	Michael Bohm (appointed 11 December 2020)
Title	Non-Executive Chairperson
Agreement commenced	11 December 2020
Term of agreement	Initial 3 years (subject to re-election every 3 years from 11 December 2020)
Details	Director's fees of \$50,000 per annum plus superannuation

DIRECTORS' REPORT

13 Audited Remuneration Report (continued)

H. Service agreements (continued)

Name	Grant Mooney (appointed 31 October 2018)
Title	Non-Executive Director, formerly Non-Executive Chairperson, stepping down from this role effective 11 December 2020
Agreement commenced	31 October 2018
Term of agreement	<ul style="list-style-type: none"> Initial 3 years <i>(subject to re-election every 3 years from 31 October 2018)</i>
Details	<ul style="list-style-type: none"> From 31 October 2018 Director's fees of \$30,000 per annum plus superannuation From 1 December 2020 Director's fees increased to \$40,000 per annum plus superannuation

Name	Scott Cuomo (appointed 26 July 2017)
Title	Non-Executive Director
Agreement commenced	26 July 2017
Term of agreement	<ul style="list-style-type: none"> Initial 3 years, renewed for a further 3 years from 26 July 2020 <i>(subject to re-election every 3 years from 26 July 2017)</i>
Details	<ul style="list-style-type: none"> From 26 July 2017 Director's fees of \$30,000 per annum plus superannuation From 1 December 2020 Director's fees increased to \$40,000 per annum plus superannuation

Name	Jason Pater (appointed 1 February 2021)
Title	Non-Executive Director
Agreement commenced	1 February 2021
	<i>(subject to re-election every 3 years from 1 February 2021)</i>
Term of agreement	<ul style="list-style-type: none"> Initial 3 years
Details	<ul style="list-style-type: none"> From 1 February 2021 Director's fees of \$40,000 per annum plus superannuation (if applicable)

DIRECTORS' REPORT

13 Audited Remuneration Report (continued)

I. Equity instruments held by key management personnel

Ordinary Shares	Balance at the start of the year / on appointment	Received on exercise of options	Other changes	Balance at the end of the year
2022	Number	Number	Number	Number
Mr M Bohm ¹	80,000,000	-	30,000,000	110,000,000
Mr G Mooney	5,074,790	-	2,000,000	7,074,790
Mr S Cuomo	3,636,364	-	6,000,000	9,636,364
Mr J Pater ²	56,242,424	-	-	56,242,424
Ms S Field	300,000	-	-	300,000
Total	145,253,578	-	38,000,000	183,253,578

¹ Included in the Shares held by Mr Bohm are 85,000,000 shares held in the name of Flagstaff Minerals Limited a company of which Mr Bohm is a director and his spouse holds a 21% interest in Flagstaff Minerals Limited.

² The Shares held by Mr Pater are held in the name of Southern Cross Capital Pty Ltd, a company of which Mr Pater is a director.

Ordinary Shares	Balance at the start of the year / on appointment	Received on exercise of options	Other changes	Balance at the end of the year
2021	Number	Number	Number	Number
Mr M Bohm ^{1, 4}	80,000,000	-	-	80,000,000
Mr G Mooney	1,438,427	-	3,636,363	5,074,790
Mr S Cuomo	-	-	3,636,364	3,636,364
Mr J Pater ^{2, 5}	-	-	56,242,424	56,242,424
Mr A Sutherland ³	1,959,596	-	(1,959,596)	-
Total	83,398,023	-	61,555,555	144,953,578

¹ Mr Bohm was appointed as Non-Executive Chairperson on 11 December 2020.

² Mr Pater was appointed as Non-Executive Director on 1 February 2021.

³ Mr Sutherland resigned as Non-Executive Director on 11 December 2020 and the other changes reflect the shares he held at the time of his resignation.

⁴ Included in the Shares held by Mr Bohm are 60,000,000 shares held in the name of Flagstaff Minerals Limited a company of which Mr Bohm is a director and his spouse holds a 22% interest in Flagstaff Minerals Limited.

⁵ The Shares held by Mr Pater are held in the name of Southern Cross Capital Pty Ltd, a company of which Mr Pater is a director.

DIRECTORS' REPORT

13 Audited Remuneration Report (continued)

I. Equity instruments held by key management personnel (continued)

Unlisted Options	Balance at the start of the year / on appointment	Received on exercise of options	Other changes	Balance at the end of the year
	Number	Number	Number	Number
2022				
Mr M Bohm ¹	70,000,000	-	-	70,000,000
Mr G Mooney	25,000,000	-	-	25,000,000
Mr S Cuomo ²	25,000,000	-	(5,000,000)	20,000,000
Mr J Pater	-	-	-	-
Ms S Field	-	-	-	-
Total	120,000,000	-	(5,000,000)	115,000,000

¹ Included in the Options held by Mr Bohm are 60,000,000 Options held in the name of Flagstaff Minerals Limited a company of which Mr Bohm is a director and his spouse holds a 21% interest in Flagstaff Minerals Limited.

² Unlisted options with exercise price of \$0.11 and expiry date of 23 November 2021 held by Mr Cuomo lapsed unexercised.

Unlisted Options	Balance at the start of the year / on appointment	Received on exercise of options	Other changes	Balance at the end of the year
	Number	Number	Number	Number
2021				
Mr M Bohm ^{1 4}	70,000,000	-	-	70,000,000
Mr G Mooney	-	-	25,000,000	25,000,000
Mr S Cuomo	5,000,000	-	20,000,000	25,000,000
Mr J Pater ²	-	-	-	-
Mr A Sutherland ³	5,000,000	-	(5,000,000)	-
Total	80,000,000	-	40,000,000	120,000,000

¹ Mr Bohm was appointed as Non-Executive Chairperson on 11 December 2020.

² Mr Pater was appointed as Non-Executive Director on 1 February 2021.

³ Mr Sutherland resigned as Non-Executive Director on 11 December 2020.

⁴ Included in the Options held by Mr Bohm are 60,000,000 Options held in the name of Flagstaff Minerals Limited a company of which Mr Bohm is a director and his spouse holds a 22% interest in Flagstaff Minerals Limited.

DIRECTORS' REPORT

13 Audited Remuneration Report (continued)

J. Loans to key management personnel

There were no loans made to directors of Riedel Resources Limited and other key management personnel of the Group, including their close family members or entities related to them.

K. Other transaction with key management personnel

The following transactions occurred with related parties during the financial year:

1. The Company paid \$6,000 (2021: \$6,000) to Mooney & Partners, a company associated with Mr Mooney, for the rental of office space, the rental lease is settled on a monthly basis. In the prior year, the Company paid \$36,000 for the provision of corporate and company secretarial services.

As at 30 June 2022, there was no outstanding balance (2021: \$3,000 outstanding balance).

2. The Company paid \$96,000 (2021: \$61,000) to Cerbat Hills Pty Ltd, a company which Mr Michael Bohm is a director, for technical consulting services provided during the year.

As at 30 June 2022, an accrual of \$8,000 (2021: \$80,000) was provided for June services yet to be invoiced.

Outstanding balances at year-end are unsecured, interest free and settlement occurs in cash. The outstanding balances outstanding at the reporting date in relation to transactions with related parties total \$8,000 (2021: \$11,000) and are disclosed above.

End of Remuneration Report

DIRECTORS' REPORT

14. Shares under Options

Unissued ordinary shares of Riedel Resources Limited under option at the date of this report are as follows:

Date Options Granted	Expiry Date	Exercise Price	Number under Option
14 Dec 20	14 Dec 23	\$0.0125	150,000,000

No option holder has any right under the options to participate in any other share issue of the Company or any other entity.

15. Proceedings on behalf of the Company

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

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

16. Meetings of Directors

During the financial year, 2 (two) meetings of directors were held. The number of meetings attended by each director during the year is stated below:

Director	Directors Meetings	
	Number Eligible to Attend	Meetings Attended
Mr M Bohm	2	2
Mr G Mooney	2	2
Mr S Cuomo	2	2
Mr J Pater	2	2

17. Insurance of Officers

Riedel Resources has paid a premium of \$22,550 for the full financial year (2021: \$14,291) to insure the directors and secretary of the Company and its controlled entities. The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of entities in the group, and any other payments arising from liabilities incurred by the officers in connection with such proceedings. This does not include such liabilities that arise from conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else or to cause detriment to the company.

The Group has not, during or since the financial year, in respect of any person who is or has been an officer of the Company:

- Indemnified or made any relevant agreement for the indemnifying against a liability, including costs and expenses in successfully defending legal proceedings; or
- Paid or agreed to pay a premium in respect of a contract insuring against a liability for the costs or expenses to defend legal proceedings.

DIRECTORS' REPORT

18. Non Audit services

No non audit services have been provided by the auditor of the Group, Stantons during the financial year.

19. Auditors Independence Declaration

The auditor's independence declaration for the year ended 30 June 2022 has been received and is included in the financial report on page 26.

Signed in accordance with a resolution of the Board of Directors



Michael Bohm

Non-Executive Director

Date: 6 September 2022

Competent Person Statement

Information in this release that relates to Exploration Results is based on information compiled by Mr Sean Whiteford, who is a qualified geologist, a member of the Australian Institute of Mining and Metallurgy, and a consultant to Riedel Resources Limited. Mr Whiteford has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Whiteford consents to the inclusion in this release of the matters based on his information in the form and context in which it appears. Mr Whiteford is not a shareholder of the Company.

Forward Looking Statements

This release includes forward looking statements. Often, but not always, forward looking statements can generally be identified by the use of forward looking words such as "may", "will", "expect", "intend", "plan", "estimate", "anticipate", "continue", and "guidance", or other similar words and may include, without limitation statements regarding plans, strategies and objectives of management, anticipated production or construction commencement dates and expected costs or production output.

Forward looking statements inherently involve known and unknown risks, uncertainties and other factors that may cause the company's actual results, performance and achievements to differ materially from any future results, performance or achievements. Relevant factors may include, but are not limited to, changes in commodity prices, foreign exchange fluctuations and general economic conditions, increased costs and demand for production inputs, the speculative nature of exploration and project development, including the risks of obtaining necessary licences and permits and diminishing quantities or grades of resources or reserves, political and social risks, changes to the regulatory framework within which the company operates or may in the future operate, environmental conditions including extreme weather conditions, recruitment and retention of personnel, industrial relations issues and litigation.

Forward looking statements are based on the company and its management's good faith assumptions relating to the financial, market, regulatory and other relevant environments that will exist and affect the company's business and operations in the future. The company does not give any assurance that the assumptions on which forward looking statements are based will prove to be correct, or that the company's business or operations will not be affected in any material manner by these or other factors not foreseen or foreseeable by the company or management or beyond the company's control.

Although the company attempts to identify factors that would cause actual actions, events or results to differ materially from those disclosed in forward looking statements, there may be other factors that could cause actual results, performance, achievements or events not to be anticipated, estimated or intended, and many events are beyond the reasonable control of the company. Accordingly, readers are cautioned not to place undue reliance on forward looking statements.

Forward looking statements in this release are given as at the date of issue only. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rules, in providing this information the company does not undertake any obligation to publicly update or revise any of the forward looking statements or to advise of any change in events, conditions or circumstances on which any such statement is based.

New Information or Data

The company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcement.

Notes

¹ For full details of these Exploration results, refer to the said Announcement on the said date. Riedel is not aware of any new information of data that materially affects the information included in the announcement.

² For full details of these Exploration results, refer to the Norwest Minerals Limited ASX Announcement on the said date. Riedel is not aware of any new information of data that materially affects the information included in the announcement.



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6 September 2022

Board of Directors
Riedel Resources Limited
Suite 4, 6 Richardson Street,
WEST PERTH, WA 6005

Dear Directors

RE: RIEDEL RESOURCES LIMITED

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Riedel Resources Limited.

As Audit Director for the audit of the financial statements of Riedel Resources Limited for the year ended 30 June 2022, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Yours faithfully

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(An Authorised Audit Company)

A handwritten signature in blue ink, appearing to read "Martin Michalik".

Martin Michalik
Director



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Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2022

	NOTES	2022 \$	2021 \$
Interest revenue		432	405
Other revenue		8,891	-
Total revenue	2	9,323	405
Administration expenses		(66,575)	(87,608)
Compliance and regulatory expense		(106,357)	(98,510)
Consultancy expense		(212,182)	(152,754)
Occupancy expense		(6,000)	(8,500)
Insurance expense		(32,270)	(20,601)
Employee benefits expense		(208,329)	(200,919)
Share based payments	13	-	(2,775,000)
Impairment of exploration expenditure	8	(93,631)	(120,855)
VAT receivable written off		(9,070)	-
(Loss) before income tax expense		(725,091)	(3,464,342)
Income tax expense	4	-	-
(Loss) for the year		(725,091)	(3,464,342)
Other comprehensive loss			
<i>Items that may be reclassified subsequent to profit or loss</i>			
Exchange difference on translation of foreign operation		(8,473)	3,451
Total comprehensive (Loss) for the year		(733,564)	(3,460,891)
Basic and diluted (loss) per share (cents)	17	(0.07)	(0.53)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position

As At 30 June 2022

	NOTES	2022 \$	2021 \$ (As Restated Note 28)
Current Assets			
Cash and cash equivalents	6	1,370,816	2,723,188
Trade and other receivables	7	36,929	145,729
Total Current Assets		1,407,745	2,868,917
Non-Current Assets			
Exploration and evaluation expenditure	8	4,207,124	2,466,911
Total Non-Current Assets		4,207,124	2,466,911
Total Assets		5,614,869	5,335,828
Current Liabilities			
Trade and other payables	9	69,552	119,663
Total Current Liabilities		69,552	119,663
Total Liabilities		69,552	119,663
Net Assets		5,545,317	5,216,165
Equity			
Contributed equity	10	24,304,665	23,241,949
Share based payment reserve	12	2,809,800	2,809,800
Foreign currency translation reserve	14	(5,146)	3,327
Accumulated losses	15	(21,564,002)	(20,838,911)
Total Equity		5,545,317	5,216,165

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

Consolidated Statement of Changes in Equity

For the Year Ended 30 June 2022

	Issued Capital	Foreign Currency Translation Reserve	Share Based Payments Reserve	Accumulated Losses	Total
	\$	\$	\$	\$	\$
Balance at 1 July 2021	23,241,949	3,327	2,809,800	(20,838,911)	5,216,165
(Loss) for the year	-	-	-	(725,091)	(725,091)
Other comprehensive loss	-	(8,473)	-	-	(8,473)
Total comprehensive loss for the period	-	(8,473)	-	(725,091)	(733,564)
<i>Transactions with owner, recorded directly in equity</i>					
Contributions of equity (net of transaction costs)	1,062,716	-	-	-	1,062,716
	1,062,716	-	-	-	1,062,716
Balance at 30 June 2022	24,304,665	(5,146)	2,809,800	(21,564,002)	5,545,317
Balance at 1 July 2020	19,237,097	(124)	34,800	(17,374,569)	1,897,204
(Loss) for the year	-	-	-	(3,464,342)	(3,464,342)
Other comprehensive gain	-	3,451	-	-	3,451
Total comprehensive loss for the period	-	3,451	-	(3,464,342)	(3,460,891)
<i>Transactions with owner, recorded directly in equity</i>					
Contributions of equity (net of transaction costs)	4,004,852	-	-	-	4,004,852
Share based payments	-	-	2,775,000	-	2,775,000
	4,004,852	-	2,775,000	-	6,779,852
Balance at 30 June 2021	23,241,949	3,327	2,809,800	(20,838,911)	5,216,165

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

Consolidated Statement of Cash Flows

For the Year Ended 30 June 2022

	NOTES	2022 \$	2021 \$
Cash Flows from Operating Activities			
Interest received		432	401
Payments to suppliers and employees		(637,521)	(424,190)
Net cash used in operating activities	16	(637,089)	(423,789)
Cash Flows from Investing Activities			
Payment for exploration and evaluation		(1,728,682)	(1,476,956)
Net cash used in investing activities		(1,728,682)	(1,476,956)
Cash Flows from Financing Activities			
Proceeds from issued capital		1,050,000	3,875,015
Payments for share issue costs		(47,284)	(140,162)
Net cash provided by financing activities		1,002,716	3,734,853
Net cash (decrease)/ increase in cash and cash equivalents held		(1,363,055)	1,834,108
Cash and cash equivalents at the beginning of the year		2,723,188	885,629
Effects of foreign currency exchange		10,683	3,451
Cash and cash equivalents at the end of the year	6	1,370,816	2,723,188

Amounts relating to payments to suppliers and employees as set out above are inclusive of goods and services tax. The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

1. Summary of Significant Accounting Policies

Riedel Resources Limited (the "Company") is a listed public company limited by shares, incorporated and domiciled in Australia.

The consolidated financial statements of the Company as at and for the year ended 30 June 2022 comprise the Company and its subsidiaries (together referred to as the "Group" and collectively as "Group entities").

The Group primarily is involved in mining and exploration activity.

(a) Basis of preparation

The accounting policies set out below have been consistently applied to all years presented.

(i) Statement of Compliance

These general-purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

The consolidated financial statements were authorised for issue by the Board of Directors on 6 September 2022.

(ii) Historical cost convention

The consolidated financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

(iii) Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the Group only. Supplementary information about the parent entity is disclosed in note 27.

(iv) Going Concern

These consolidated financial statements have been prepared on a going concern basis which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the normal course of business. As at 30 June 2022 the Group had net assets of \$5,545,317 (2021: \$5,216,165) and reported a loss for the year of \$725,091 (2021: \$3,464,342) and had a net working capital of \$1,338,193 (2021: \$2,749,254).

Based on a cashflow forecast prepared by management, the ability of the Group to continue to pay its debts as and when they fall due is dependent on the Company successfully raising additional share capital and ultimately developing its mineral properties.

Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

1. Summary of Significant Accounting Policies (continued)

(a) Basis of preparation (continued)

(iv) Going Concern (continued)

The directors believe it is appropriate to prepare these financial statements on a going concern basis because:

- The directors have appropriate plans to raise additional funds as and when required. In light of the Group's current exploration projects, the directors believe that the additional capital can be raised in the market; and
- The directors have an appropriate plan to contain certain operating and exploration expenditure if required funding is not available.

These financial statements have been prepared on the basis that the Group can meet its commitments as and when they fall due and can therefore continue normal business activities, and the realisation of its assets and settlement of its liabilities can occur in the ordinary course of business.

In the event that the Group is unable to satisfy future funding requirements, a material uncertainty would arise that may cast significant doubt on the Group's ability to continue as a going concern with the result that the Group may be required to realise its assets at amounts different from those currently recognised, settle liabilities other than in the ordinary course of business and make provisions for costs which may arise as a result of cessation or curtailment of normal business operations.

(b) Principles of consolidation

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

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

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

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

Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

1. Summary of Significant Accounting Policies (continued)

(b) Principles of consolidation (continued)

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

(c) Operating segments

Operating segments are presented using the “management approach”, where the information presented is on the same basis as the internal reports provided to the directors. The directors are responsible for the allocation of resources to operating segments and assessing their performance.

(d) Foreign currency translation

The financial statements are presented in Australian dollars, which is Riedel Resources Limited's functional and presentation currency.

Foreign currency transactions

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign operations

The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rate at the date of the transaction, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

(e) Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

1. Summary of Significant Accounting Policies (continued)

(e) Critical accounting judgements, estimates and assumptions (continued)

Share Based Payment Transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by an independent external valuation using Black-Scholes model, using the assumptions detailed in Note 13.

Exploration and Evaluation Costs

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are carried forward in respect of an area that has not at reporting date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or relating to, the area of interest are continuing.

Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the consolidated entity based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the consolidated entity operates.

Impairment of Exploration and Evaluation Assets

The ultimate recoupment of the value of exploration and evaluation assets is dependent on the successful development and commercial exploitation, or alternatively, sale, of the exploration and evaluation assets.

Impairment tests are carried out on a regular basis to identify whether the asset carrying values exceed their recoverable amounts. There is significant estimation and judgement in determining the inputs and assumptions used in determining the recoverable amounts.

The key areas of judgement and estimation include:

- Recent exploration and evaluation results and resource estimates;
- Environmental issues that may impact on the underlying tenements; and
- Fundamental economic factors that have an impact on the operations and carrying values of assets and liabilities.

Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

1. Summary of Significant Accounting Policies (continued)

(f) Income tax expenses

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

Deferred tax is accounted for using the liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the statement of profit or loss and other comprehensive income except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

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

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

(g) Exploration and evaluation expenditure

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are carried forward only if they relate to an area of interest for which rights of tenure are current and in respect of which:

- such costs are expected to be recouped through successful development and exploitation or from sale of the area; or
- exploration and evaluation activities in the area have not, at reporting date, reached a stage which permit a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active operations in, or relating to, the area are continuing.

Accumulated costs in respect of areas of interest which are abandoned are written off in full against loss in the year in which the decision to abandon the area is made.

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.

The recoverability of the carrying amount of the exploration and development assets is dependent on the successful development and commercial exploitation or alternatively sale of the respective areas of interest.

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Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

1. Summary of Significant Accounting Policies (continued)

(h) Financial Instruments

Recognition, initial measurement and derecognition

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

Trade receivables are initially measured at the transaction price if the receivables do not contain a significant financing component in accordance with AASB 15.

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

Classification and subsequent measurement

Financial assets

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

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

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

Classifications are determined by both:

- The contractual cash flow characteristics of the financial assets; and
- The entities business model for managing the financial asset.

Financial assets at amortised cost

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

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

Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

1. Summary of Significant Accounting Policies (continued)

(h) Financial Instruments (continued)

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

Financial assets at fair value through other comprehensive income (Equity instruments)

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

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

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

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

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

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

Financial liabilities

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

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Group designated a financial liability at fair value through profit or loss. Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss.

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

Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

1. Summary of Significant Accounting Policies (continued)

(h) Fair value measurement

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

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

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

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

(i) 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 current when: it is 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 twelve 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 twelve months after the reporting period. All other assets are classified as non-current.

A liability is current when: it is expected to be settled in normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within twelve months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. All other liabilities are classified as non-current.

Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

1. Summary of Significant Accounting Policies (continued)

(j) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(k) Revenue recognition

The Group recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the Group is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Group: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Rendering of services

Revenue from a contract to provide services is recognised over time as the services are rendered based on either a fixed price or an hourly rate.

Interest

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.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

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Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

1. Summary of Significant Accounting Policies (continued)

(l) Goods and services tax

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

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

(m) Impairment

Financial Assets

The Group recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the Group's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit or loss.

Exploration and Evaluation Assets

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of the asset may exceed its recoverable amount at the reporting date.

Exploration and evaluation assets are tested for impairment in respect of cash generating units, which are no larger than the area of interest to which the assets relate.

Non-Financial Assets Other Than Exploration and Evaluation Assets

The carrying amounts of the Group's non-financial assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite lives or that are not yet available for use, the recoverable amount is estimated at each reporting date.

Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

1. Summary of Significant Accounting Policies (continued)

(n) Impairment (continued)

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

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the income statement. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units, then to reduce the carrying amount of the other assets in the unit on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss has been recognised.

(o) Joint operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. The Group has recognised its share of jointly held assets, liabilities, revenues and expenses of joint operations. These have been incorporated in the financial statements under the appropriate classifications.

(p) Trade and other payables

Liabilities for trade creditors and other amounts are carried at cost which is the fair value of consideration to be paid in the future for goods and services received, whether or not billed to the Group. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

(q) Share based payment transactions

The Group provides benefits to employees (including Directors) of the Group in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares ("equity-settled transaction").

The cost of these equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an independent external valuation using Black-Scholes, an option valuation model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the Group receives services that entitle the employees to receive payment.

Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

1. Summary of Significant Accounting Policies (continued)

(q) Share based payment transactions (continued)

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

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the number of awards that, in the opinion of the Directors of the Company, will ultimately vest. This opinion is formed based on the best available information at reporting date. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date.

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

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any increase in the value of the transaction as a result of the modification, as measured at the date of modification.

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

(r) Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Trade receivables are generally due for settlement within 30 days.

Other receivables are recognised at amortised cost, less any provision for impairment.

Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

1. Summary of Significant Accounting Policies (continued)

(s) Contributed equity

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options, or for the acquisition of a business, are included in the cost of the acquisition as part of the purchase consideration.

(t) Plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Office equipment	2 years
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Exploration equipment	5 years
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The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is recognised upon disposal or when there is no future economic benefit to the Group. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

(u) Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled within 12 months of the reporting date are recognised in current liabilities in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are recognized in non-current liabilities, provided there is an unconditional right to defer settlement of the liability. The liability is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expect future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

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Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

1. Summary of Significant Accounting Policies (continued)

(u) Employee benefits (continued)

Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

(v) Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit/loss attributable to the owners of Riedel Resources Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share

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

(w) Comparative figures

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

(x) New accounting standards and interpretations adopted by the Group

AASB 2021-3: Amendments to Australian Accounting Standards – COVID-19 Related Rent Concessions beyond 30 June 2021

The Group has applied AASB 2021-3: *Amendments to Australian Accounting Standards – COVID-19-Related Rent Concessions beyond 30 June 2021* this reporting period.

The amendment amends AASB 16 to extend by one year, the application of the practical expedient added to AASB 16 by AASB 2020-4: *Amendments to Australian Accounting Standards – COVID-19-Related Rent Concessions*. The practical expedient permits lessees not to assess whether rent concessions that occur as a direct consequence of the COVID-19 pandemic and meet specified conditions are lease modifications and instead, to account for those rent concessions as if they were not lease modifications. The amendment has not had a material impact on the Group's financial statements.

AASB 2020-8: Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform – Phase 2

The Group has applied AASB 2020-8 which amends various standards to help listed entities to provide financial statement users with useful information about the effects of the interest rate benchmark reform on those entities' financial statements. As a result of these amendments, an entity:

- will not have to derecognise or adjust the carrying amount of financial statements for changes required by the reform, but will instead update the effective interest rate to reflect the change to the alternative benchmark rate;

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Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

1. Summary of Significant Accounting Policies (continued)

(x) New accounting standards and interpretations adopted by the Group (continued)

AASB 2020-8: Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform – Phase 2 (continued)

- will not have to discontinue its hedge accounting solely because it makes changes required by the reform, if the hedge meets other hedge accounting criteria; and
- will be required to disclose information about new risks arising from the reform and how it manages the transition to alternative benchmark rates. The amendment has not had a material impact on the Group's financials.

(y) New and Amended Accounting Policies Not Yet Adopted by the Group

AASB 2020-1: Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current

The amendment amends AASB 101 to clarify whether a liability should be presented as current or non-current. The Group plans on adopting the amendment for the reporting period ending 30 June 2024. The amendment is not expected to have a material impact on the financial statements once adopted.

AASB 2020-3: Amendments to Australian Accounting Standards – Annual Improvements 2018-2020 and Other Amendments

AASB 2020-3: Amendments to Australian Accounting Standards – Annual Improvements 2018-2020 and Other Amendments is an omnibus standard that amends AASB 1, AASB 3, AASB 9, AASB 116, AASB 137 and AASB 141. The Group plans on adopting the amendment for the reporting period ending 30 June 2023. The impact of the initial application is not yet known.

AASB 2021-2: Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates

The amendment amends AASB 7, AASB 101, AASB 108, AASB 134 and AASB Practice Statement 2. These amendments arise from the issuance by the IASB of the following International Financial Reporting Standards: Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) and Definition of Accounting Estimates (Amendments to IAS 8).

The Group plans on adopting the amendment for the reporting period ending 30 June 2024. The impact of the initial application is not yet known.

AASB 2021-5: Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The amendment amends the initial recognition exemption in AASB 112: *Income Taxes* such that it is not applicable to leases and decommissioning obligations – transactions for which companies recognise both an asset and liability and that give rise to equal taxable and deductible temporary differences. The Group plans on adopting the amendment for the reporting period ending 30 June 2024. The impact of the initial application is not yet known.

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Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

2. Revenue

	2022 \$	2021 \$
<i>Revenue from continuing operations</i>		
Interest received	432	405
<i>Other income</i>		
Unrealised foreign exchange gain	8,891	-
	9,323	405

3. Expenses

	2022 \$	2021 \$
<i>Loss for the year includes the following expenses:</i>		
Superannuation – defined contribution	13,000	13,251
Impairment of exploration expenditure	93,631	120,850
	106,631	134,101

4. Income tax expense

	2022 \$	2021 \$
Income tax expense/(benefit):		
Current tax	-	-
Prior year under provision	-	-
Deferred tax	-	-
	-	-

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Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

4 Income tax expense (continued)

	2022 \$	2021 \$
The prima facie income tax expense/(benefit) on pre-tax accounting loss from operations reconciles to the income tax expense/ (benefit) in the financial statements as follows:		
Prima facie income tax benefit on profit/(loss) at 30%. (2021: 30%)	(217,527)	(1,041,735)
<i>Effect of lower foreign tax rates</i>	1,510	975
Add:		
Tax effect of:		
Other non-allowable items	10,454	13,103
Share based payment	-	832,500
Impairment of exploration expenditure	28,089	36,257
Impairment of assets	2,294	-
Revenue losses not recognised	203,740	180,726
Provisions and accruals	2,100	1,575
Superannuation payable	-	128
	246,677	1,064,289
Less:		
Tax effect of:		
Capital raising costs	(24,393)	(19,828)
Non-assessable income	(3,294)	-
Prepayments	(2,973)	(3,701)
	(30,660)	(23,529)
Income tax expense/(benefit)	-	-
The applicable average weighted tax rates are as follows:	0%	0%

The tax rate used in the above reconciliation is the corporate tax rate of 30% (2021: 30%) payable by Australian corporate entities on taxable profits under Australian tax law. The full company tax rate of 30% applies to all companies that are not eligible for the lower company tax rate.

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Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

4 Income tax expense (continued)

	2022 \$	2021 \$
<i>The following deferred tax balances have not been recognised:</i>		
Deferred Tax Assets:		
<i>At 30% (2021:30%)</i>		
Carry forward revenue losses	2,170,969	1,971,585
Capital raising cost	56,778	59,387
Provisions and accruals	6,000	4,028
	2,233,747	2,035,000

The tax benefits of the above Deferred Tax Assets will only be obtained if:

- (a) the Group derives future assessable income of a nature and of an amount sufficient to enable the benefits to be utilised;
- (b) the Group continues to comply with the conditions for deductibility imposed by law; and
- (c) no changes in income tax legislation adversely affect the Company in utilising the benefits.

	2022 \$	2021 \$
Deferred Tax Liabilities:		
<i>At 30% (2020:30%)</i>		
Prepayments	8,584	5,611
Exploration and evaluation expenditure	169,897	234,243
	178,481	239,854

The above Deferred Tax Liabilities have not been recognised as they have given rise to the carry forward revenue losses for which the Deferred Tax Asset has not been recognised.

5 Auditors remuneration

	2022 \$	2021 \$
<i>Remuneration of the auditor of the Group for:</i>		
Auditing or reviewing the financial report		
- Stantons	35,000	-
- PKF Perth	-	38,690
Other non-audit services	-	-
	35,000	38,690

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Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

6 Cash and cash equivalents

	2022	2021
	\$	\$
Cash on hand	312	312
Cash at bank	1,370,504	2,722,876
	<u>1,370,816</u>	<u>2,723,188</u>

7 Trade and other receivable

	2022	2021
	\$	\$
Prepayments	28,612	18,703
GST/VAT paid	8,317	8,029
Other debtors	-	118,997
	<u>36,929</u>	<u>145,729</u>

Included in other debtors in prior year was the amount of \$105,162 held by Flagstaff Minerals in trust on behalf of the Company. This amount was utilised and as a result capitalised as exploration and evaluation expenditure during the current year.

Refer to note 19 for further information on financial instruments

8 Exploration and evaluation expenditure

	2022	2021
	\$	\$
		<i>(As Restated Note 28)</i>
Gross capitalised exploration and evaluation expenditure	4,421,610	2,587,766
Less: Provision for impairment	(214,486)	(120,855)
Net amount	<u>4,207,124</u>	<u>2,466,911</u>
<i>Exploration and evaluation expenditure reconciliation</i>		
Opening balance	2,466,911	780,810
Exploration and evaluation activities funded on behalf of Flagstaff Minerals (US) Inc as earn-in contributions	(i) 1,833,844	1,476,956
Other consideration paid in accordance with the terms of earn-in agreement	(ii) -	330,000
Impairment	(93,631)	(120,855)
Closing balance	<u>4,207,124</u>	<u>2,466,911</u>

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Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

8 Exploration and evaluation expenditure (continued)

Kingman Project Earn-In

As announced to Australian Securities Exchange on 22 October 2020 (“Commencement Date”), the Company entered into an agreement to acquire up to an 80% interest in the shares of Flagstaff Minerals (USA) Inc (“Flagstaff:”) (“the Agreement”), an unlisted company incorporated in the United States which holds the rights to 100% of the Kingman Gold Silver Project, located in the north-west of Arizona.

During the year the Company has continued to focus on progressing the exploration and evaluation on the Kingsman Project to advance its option to acquire an interest in the project in accordance with the terms set out in the Agreement.

- (i) In accordance with Stage 1 of the Agreement – Initial Exploration Expenditure
- Riedel must expend AUD\$5,000,000 on the Kingman Project within 3 years from the Stage 1 Commencement Date, being 22 December 2023.
 - On meeting the \$5,000,000 spend and to allow Riedel to move to Stage 2, Riedel is then required to issue 100,000,000 shares at a deemed issue price of \$0.055 per RIE Share to obtain a 51% equity interest in Flagstaff USA.

In the event that Riedel withdraws before completing the Stage 1 Earn-In, subject to Riedel incurring at least AUD\$1,500,000 of expenditure on the Kingman Project within 12-months from the Stage 1 Commencement Date, Riedel shall obtain a 15% equity interest in Flagstaff USA.

As at 30 June 2022 the Company has contributed \$3,310,800 (June 2021: \$1,476,956)

- (ii) On 11 December 2020, the Company issued 60,000,000 fully paid ordinary shares to Flagstaff Minerals Limited at an issue price of \$0.0055, which were subject to voluntary escrow for 6 months, in accordance with the terms of the Agreement.

9 Trade and other payables

	2022 \$	2021 \$
Trade creditors	34,219	91,663
Accruals	35,333	28,000
	69,552	119,663

Trade creditors are unsecured and usually paid within 30 days of recognition.

Refer to note 19 for further information on financial instruments.

Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

10 Contributed equity

(a) Issued capital

	Notes	2022 Shares	2022 \$
Ordinary shares (fully paid)		1,071,707,062	25,455,624
Less: Cost of issue			(1,150,959)
Closing balance at 30 June 2022	(e)	<u>1,071,707,062</u>	<u>24,304,665</u>
		2021 Shares	2021 \$
Ordinary shares (fully paid)		962,707,062	24,345,624
Less: Cost of issue			(1,103,675)
Closing balance at 30 June 2021	(e)	<u>962,707,062</u>	<u>23,241,949</u>

(b) Ordinary shares

Ordinary shares participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held and in proportion to the amount paid up on the shares held. At shareholders meetings, each ordinary share is entitled to one vote in proportion to the paid-up amount of the share when a poll is called, otherwise each shareholder has one vote on a show of hands.

(c) Options

Information relating to options including details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the financial year, is set out in note 11.

(d) Capital management

Management controls the capital of the Group by monitoring performance against budget to provide the shareholders with adequate returns and ensure that the Group can fund its operations and continue as a going concern.

The Group's liabilities and capital includes ordinary share capital, options and financial liabilities, supported by financial assets.

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

There have been no changes in the strategy by management to control the capital of the Group since the prior year.

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Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

10 Contributed equity (continued)

(e) Movements in issued capital

	Date	Shares	Issue Price	Total (\$)
Opening balance 1 July 2020		418,069,699		19,237,097
Placement	11 Dec 20	363,636,363	\$0.0055	2,000,000
Flagstaff consideration shares	11 Dec 20	60,000,000	\$0.0055	330,000
Placement	10 Jun 21	121,000,000	\$0.0150	1,815,000
Placement under Prospectus dated 27 Nov 2020	15 Jun 21	1,000	\$0.0150	15
Less: Transaction costs				(140,163)
Closing balance 30 June 2021		962,707,062		23,241,949
	Date	Shares	Issue Price	Total (\$)
Opening balance 1 July 2021		962,707,062		23,241,949
Placement	1 Sep 21	4,000,000	\$0.015	60,000
Placement	28 Feb 22	71,000,000	\$0.010	710,000
Placement	20 Apr 22	34,000,000	\$0.010	340,000
Less: Transaction costs				(47,284)
Closing balance 30 June 2022		1,071,707,062		24,304,665

Placements completed during the year

- On 1 September 2021, following shareholder approval received at General Meeting of Shareholders held on 26 August 2021, the Company issued 4,000,000 fully paid ordinary shares at an issue price of \$0.015 per share to participating directors or their nominee to raise \$60,000 prior to issue costs. Share application monies totalling \$60,000 were received in prior year and were classified and included as other payables at year end.
- On 28 February 2022, the Company issued 71,000,000 fully paid ordinary shares at an issue price of \$0.01 per share to sophisticated and professional investors to raise \$710,000 prior to issue costs; and
- On 20 April 2022, following shareholder approval received at General Meeting of Shareholders held on 8 April 2022, the Company issued 34,000,000 fully paid ordinary shares at an issue price of \$0.01 per share to certain directors and related parties including Flagstaff Minerals Limited at \$0.01 per share in April 2022 to raise \$340,000 prior to issue costs.

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Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

11 Share options

	Exercise price	Balance at start of year	Granted during the year	Exercised during the year	Cancelled/lapsed during the year	Balance at end of the year
2022 unlisted option details						
23 Nov 21	11 cents	10,000,000	-	-	(10,000,000)	-
14 Dec 23	1.25 cents	150,000,000	-	-	-	150,000,000
Total		160,000,000	-	-	(10,000,000)	150,000,000
Weighted average exercise price		1.86 cents	-	-	11.0 cents	1.25 cents
2021 unlisted option details						
23 Nov 21	11 cents	10,000,000	-	-	-	10,000,000
14 Dec 23	1.25 cents	-	150,000,000	-	-	150,000,000
Total		10,000,000	150,000,000	-	-	160,000,000
Weighted average exercise price		11.0 cents	1.25 cents	-	-	1.86 cents

The weighted average remaining contractual life of options at the end of the financial year was 1.4 years (2021: 2.3 years).

12 Share based payment reserve

	2022 \$	2021 \$
Opening balance	2,809,800	34,800
Unlisted options issued	(i) -	2,775,000
Closing balance	2,809,800	2,809,800

(i) Refers to fair value of options issued in accordance with AASB 2 Share Based Payment.

The unlisted options reserve records items recognised on valuation of director, vendor and consultant share options. Information relating to options issued, exercised and lapsed during the financial year and options outstanding at the end of the financial year is set out in notes 11 and 13.

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Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

13 Share based payments

(a) Fair value of unlisted options granted

2022

There were no options issued during the year.

2021

The value of 150,000,000 options was calculated using Black-Scholes Option Price Model and totalled \$2,775,000. The values and inputs are as follows:

Underlying share price	\$0.0250	Share price volatility	100%
Exercise price	\$0.0125	Expiry date	14 Dec 2023
Risk free interest rate	0.10%	Value per option	\$0.0185

(b) Fair value of unlisted options granted

The fair value of listed options granted is calculated as the market value prevailing at the date on which the options are authorised for issue. No listed options were issued this year.

14 Foreign currency translation reserve

	2022 \$	2021 \$
Opening balance	3,327	(124)
Foreign currency (loss)/ gain	(8,473)	3,451
Closing balance	(5,146)	3,327

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries.

15 Accumulated losses

	2022 \$	2021 \$
Accumulated losses at the beginning of the year	(20,838,911)	(17,374,569)
Net (loss) for the year	(725,091)	(3,464,342)
Accumulated losses at the end of the year	(21,564,002)	(20,838,911)

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Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

16 Notes to the consolidated statement of cash flows

	2022 \$	2021 \$
<i>Reconciliation of cash flow from operating activities to (loss for the year)</i>		
(Loss) for the year	(725,091)	(3,464,342)
Add: non-cash items:		
Share based payments	-	2,775,000
Impairment of exploration expenditure	93,631	120,855
Unrealised foreign currency gain	(8,891)	-
VAT receivable written-off	9,070	-
<i>Changes in assets and liabilities:</i>		
Decrease/(increase) in trade and other receivables	(5,414)	108,842
Increase/(decrease) in trade and other payables	(394)	35,856
Net used in Operating Activities	<u>(637,089)</u>	<u>(423,789)</u>

Non-cash investing and financing activities

There were no other non-cash investing and financing activities, except the options issued detailed in notes 11 and 13.

17 Basic and diluted loss per share

	2022 Cents	2021 Cents
Basic and diluted loss per share	<u>(0.07)</u>	<u>(0.53)</u>
(Loss) from operations attributable to ordinary equity holders of Riedel Resources Limited used to calculate basic loss per share	<u>(725,091)</u>	<u>(3,464,342)</u>
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	<u>996,307,062</u>	<u>658,984,581</u>

The Company has not disclosed diluted earnings per share as the effect of potential ordinary shares is anti-dilutive.

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Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

18 Segment reporting

The Company has identified its operating segments based on the internal reports that are reviewed and used by the chief operating decision maker to make decisions about resources to be allocated to the segments and assess their performance.

Operating segments are identified by Management based on the mineral resource and exploration activities in Australia, United States and Spain. Discrete financial information about each project is reported to the chief operating decision maker on a regular basis.

The reportable segments are based on aggregated operating segments determined by the similarity of the economic characteristics, the nature of the activities and the regulatory environment in which those segments operate.

2022	Australia	United States	Spain	Unallocated	Total
	\$	\$	\$	\$	\$
Revenue	432	-	-	-	432
Net (loss)/ profit before tax	(704,421)	-	(21,029)	359	(725,091)
Reportable segment assets	1,961,370	3,640,799	12,700	-	5,614,869
Reportable segment liabilities	69,552	-	-	-	69,552
2021	Australia	United States	Spain	Unallocated	Total
	\$	\$	\$	\$	\$
Revenue	405	-	-	-	405
Net (loss)/ profit/ before tax	(3,445,118)	-	(19,497)	273	(3,464,342)
Reportable segment assets	3,325,276	1,806,956	203,596	-	5,335,828
Reportable segment liabilities	(121,398)	-	1,735	-	(119,663)

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Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

19 Financial instruments

The Group's principal financial instruments comprise cash and cash equivalents. The main purpose of the financial instruments is to earn the maximum amount of interest at a low risk to the Group. The Group also has other financial instruments such as trade and other debtors and trade and other creditors which arise directly from its operations. For the period under review, it has been the Group's policy not to trade in financial instruments

The main risks arising from the Group's financial instruments are interest rate risk, foreign exchange risk. The board reviews and agrees policies for managing each of these risks and they are summarised below:

(i) Interest Rate Risk

The Group is exposed to movements in market interest rates on cash and cash equivalents. The policy is to monitor the interest rate yield curve out to 180 days to ensure a balance is maintained between the liquidity of cash assets and the interest rate return. The Group does not have any other short or long term debt, and therefore this risk is minimal.

(ii) Foreign exchange risk

The Group undertakes certain transactions in foreign currencies, hence exposure to exchange rate fluctuations arise. Payments made by the Group are made at the prevailing exchange rate at the time of payment. Loans advanced from the ultimate holding Company to subsidiary companies are denominated in Australian dollars. The Group does not utilise derivative instruments to hedge the exchange rate risk.

(iii) Credit Risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted the policy of only dealing with credit worthy counterparties and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults.

The Group does not have any significant credit risk exposure to any single counterparty or any Group of counterparties having similar characteristics. The carrying amount of financial assets recorded in the financial statements, net of any provisions for losses, represents the Group's maximum exposure to credit risk.

Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

19 Financial instruments (continued)

(a) Exposure to credit risk

The carrying amount of the Group's financial assets represents the maximum credit exposure. The Group's maximum exposure to credit risk at the reporting date was:

	Carrying Amount 2022 \$	Carrying Amount 2021 \$
Financial assets		
Cash and cash equivalents	1,370,816	2,723,188
Other receivables	8,317	127,026
	1,379,133	2,050,214

(b) Exposure to credit risk

None of the Group's other receivables are past due hence no impairment were provided for.

(c) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group manages liquidity risk by maintaining adequate reserves by continuously monitoring forecast and actual cash flows. The Group does not have any external borrowings.

The Company does anticipate a need to raise additional capital in the next 12 months to meet forecasted operational and exploration activities.

The contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements are shown (e) below.

(d) Market risks

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments.

The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

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Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

19 Financial instruments (continued)

(e) Interest rate risks

The Group is exposed to interest rate risk (primarily on its cash and cash equivalents), which is the risk that a financial instrument's value will fluctuate as a result of changes in the market interest rates on interest-bearing financial instruments. The Group does not use derivatives to mitigate these exposures.

The Group adopts a policy of ensuring that as far as possible it maintains excess cash and cash equivalents at interest rates maturing over 30-180 day rolling periods.

Interest Rate Risk Exposure Analysis

	Weighted average effective interest rate	Floating interest rate	Within 1 year	Over 1 year	Non interest bearing	Total
2022						
Financial assets	%	\$	\$	\$	\$	\$
Cash and cash equivalents	0.03%	1,037,591	-	-	333,225	1,370,816
Trade and other receivables	0.00%	-	-	-	8,317	8,317
Total financial assets		1,037,591	-	-	341,542	1,379,133
Financial liabilities						
Trade and other payables	0.00%	-	-	-	69,552	69,552
Total financial liabilities		-	-	-	69,552	69,552

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Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

19 Financial instruments (continued)

(e) Interest rate risks (continued)

Interest Rate Risk Exposure Analysis

	Weighted average effective interest rate	Floating interest rate	Within 1 year	Over 1 year	Non interest bearing	Total
2021						
Financial assets	%	\$	\$	\$	\$	\$
Cash and cash equivalents	0.05%	1,865,073	-	-	858,115	2,723,188
Trade and other receivables	0.00%	-	-	-	127,026	127,026
Total financial assets		1,865,073	-	-	985,141	2,842,184
Financial liabilities						
Trade and other payables	0.00%	-	-	-	119,663	119,663
Total financial liabilities		-	-	-	119,663	119,663

(f) Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. The analysis is performed on the same basis for 2021.

	2022 \$	2021 \$
Change in profit		
Increase in interest rate by 1% (100 basis points)	10,375	18,651
Change in equity		
Increase in interest rate by 1% (100 basis points)	10,375	18,651
Increase in interest rate by 1% (100 basis points)	(10,375)	(18,651)

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Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

20 Commitments

On 2 October 2020, the Company announced its agreement to acquire up to 80% interest in Flagstaff Minerals (US) Inc, the owner of the Kingman Project. The following represents the Company's commitments for stage 1 of transaction, refer additional information at note 8.

	2022 \$	2021 \$
Within one year	1,721,392	1,974,948
After one year but not more than five years	114,668	1,548,097
More than five years	-	-
	1,836,060	3,523,045

The above commitments relate to planned expenditure to meet the Stage 1 requirements of the Flagstaff Transaction, refer note 8. Expenditure required to complete Stage 2 and/or 3 of the Transaction is discretionary and will be dependent upon the outcome of current drilling.

Once the next phase of drilling has been completed, the results will be analysed and a decision on further works will be undertaken.

21 Interests in controlled entities

The consolidated financial statements include the financial statements of Riedel Resources Limited and the subsidiaries listed in the following table:

Name	Country of incorporation	Equity interest (%)	
		2022	2021
AuDAX Minerals Pty Ltd	Australia	100	100
Riedel Resources (Spain) Pty Ltd	Australia	100	100

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

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Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

22 Related party disclosure

Terms and conditions of transactions with related parties

Sales to and purchases from related parties are made in arm's length transactions both at normal market prices and on normal commercial terms.

The following transactions occurred with related parties:

The following transactions occurred with related parties during the financial year:

1. The Company paid \$6,000 (2021: \$6,000) to Mooney & Partners, a company associated with Mr Mooney, for the rental of office space, the rental lease is settled on a monthly basis. In the prior year, the Company paid \$36,000 for the provision of corporate and company secretarial services.

As at 30 June 2022, there was no outstanding balance (2021: \$3,000 outstanding balance).

2. The Company paid \$96,000 (2021: \$61,000) to Cerbat Hills Pty Ltd, a company which Mr Michael Bohm is a director, for technical consulting services provided during the year.

As at 30 June 2022, an accrual of \$8,000 (2021: \$80,000) was provided for June services yet to be invoiced.

Outstanding balances at year-end are unsecured, interest free and settlement occurs in cash. The outstanding balances outstanding at the reporting date in relation to transactions with related parties total \$8,000 (2021: \$11,000) and are disclosed above.

23 Post Balance Date Events

There have not been any events that have arisen between 30 June 2022 and the date of this report or any other item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to materially affect the operations of the Group, the results of those operations or the state of affairs of the Group, in subsequent financial years.

24 Contingent assets and liabilities

The Company is not aware of any contingent assets or liabilities.

25 Dividends

No dividends were paid or declared during the year.

26 Fair value measurement

The carrying amounts of cash and cash equivalents, trade and other receivables and trade and other payables are assumed to be approximately the fair value due to their short-term nature.

Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

27 Parent entity disclosure

Financial Position

	2022 \$	2021 \$
Assets		
Current assets	1,395,008	2,662,397
Non-current assets	3,640,799	1,806,956
Total assets	5,035,807	4,469,353
Liabilities		
Current liabilities	69,446	118,998
Total liabilities	69,446	118,998
Net assets	4,966,361	4,350,355
Equity		
Contributed equity	24,304,665	23,241,949
Reserves	2,809,800	2,809,800
Accumulated losses	(22,148,104)	(21,701,394)
Total equity	4,966,361	4,350,355

Financial Performance

	2022 \$	2021 \$
(Loss) for the year	(446,710)	(3,323,796)
Total comprehensive (loss)	(446,710)	(3,323,796)

Commitments

For details see note 20.

Contingent liabilities / guarantees

The Company is not aware of any contingent liabilities or guarantees.

Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

28 Restatement

Where necessary, comparatives have been reclassified for consistency with the current year disclosure.

The following items have been reclassified within the Consolidated Statement of Financial Position:

	30 June 2021		
	As previously stated	Reclassification	As restated
	\$	\$	\$
Non-current assets:			
Financial assets	1,806,956	(1,806,956)	-
Exploration and evaluation expenditure	659,955	1,806,956	2,466,911
	2,466,911	-	2,466,911

During the year the Board re-assessed the classification and presentation of the prepaid acquisition costs associated with the option to acquire up to 80% of the Kingman Project and exploration and evaluation activities funded to be in line with the provisions of AASB 6, and as such was reclassified under "Exploration and Evaluation expenditure".

As per 30 June 2021 Annual Report Note 8, prepaid acquisition costs associated with the option to acquire shares in Flagstaff Minerals (US) Inc. which amounted to \$1,806,956 was classified and presented as financial asset.

During the year, the Board reassessed the classification and presentation of this prepaid acquisition cost as part of the exploration and evaluation activities as earn-in contributions to be in-line with provisions of AASB 6 "Exploration for and Evaluation of Mineral Resources" and as such was reclassified under "Exploration and Evaluation Expenditure". Refer to Note 8 to the consolidated financial statements.

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Directors' Declaration

The directors of the Company declare that:

1. The attached consolidated financial statements and notes are in accordance with the Corporations Act 2001:
 - (a) comply with Australian Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
 - (b) give a true and fair view of the Group's financial position as at 30 June 2022 and of its performance for the year ended on that date; and
 - (c) comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the consolidated financial statements.
2. In the directors' opinion there are reasonable grounds to believe that the Company and the Group will be able to pay its debts as and when they become due and payable.
3. The directors have been given the declarations required by section 295A of the Corporations Act 2001.

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



Michael Bohm
Non-Executive Chairman

Date: 6 September 2021

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
RIEDEL RESOURCES LIMITED****Report on the Audit of the Financial Report****Opinion**

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

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

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

Basis for Opinion

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

Material Uncertainty Related to Going Concern

Without modifying our audit opinion expressed above, attention is drawn to the following matter.

As referred in Note 1(a)(iv) to the consolidated financial statements, the consolidated financial statements have been prepared on a going concern basis.

The ability of the Company to continue as a going concern and meet its planned commitments is dependent upon the Company being successful in raising funds through the issue of share capital.

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In the event that the Company is not successful in raising further capital, a material uncertainty exists that the Company may not be able to meet its liabilities as and when they fall due, and the realisable value of the Company's current and non-current assets may be significantly less than book values.

The financial statements do not include any adjustment relating to the recoverability or classification of recorded asset amounts or to the amounts or classifications of liabilities that might be necessary should the Company not be able to continue as a going concern.

Key Audit Matters

We have determined the matters described below to be key audit matters to be communicated in our report.

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 Matters	How the matters were addressed in the audit
-------------------	---

Restatement of prior year balances

The consolidated financial statements of the Group for the year ended 30 June 2022 were audited by our firm for the first time.

During the audit, we performed procedures to gain an understanding of the nature of the Group's operations, including the associated processes and risks, its internal control system and the adopted accounting policies.

The procedures performed were aimed at determining the appropriateness of the opening balances of the consolidated financial statements for the year ended 30 June 2022.

As disclosed in Note 28 to the consolidated financial statements, the initial payments made associated with the option to acquire shares in Flagstaff Minerals (US) Inc. during the financial year ended 30 June 2021 of \$1,806,956 were accounted for as "Prepaid acquisition costs" under Note 8 Financial Assets in the prior year's consolidated financial statements.

During the financial year ended 30 June 2022, the Board re-assessed the classification and presentation of these prepaid acquisition costs.

The Board determined that the transaction is an asset acquisition and not a business combination in accordance with AASB 3 *Business Combinations*.

As a result, a restatement of the 30 June 2021 balances was performed to reflect these prepaid acquisition costs as exploration and evaluation expenditure in accordance with AASB 6

Inter alia, our audit procedures included the following:

- i. Assessing the compliance of the accounting policies applied by the Group with the relevant financial reporting standards, in particular with regard to determining if the transaction is an asset acquisition or a business combination in accordance with AASB 3 *Business Combination* and the recognition and measurement of exploration and evaluation expenditure in accordance with AASB 6 *Exploration for and Evaluation of Mineral Resources*;
- ii. Analysing the documentation and information obtained from management during the course of audit including the Group's right to tenure;
- iii. Discussing the issues with management leading to the recognition of the prior year restatement in accordance with AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*;
- iv. Analysing the appropriateness of adjustments to the opening balances recognised by the Group; and
- v. Evaluating the disclosures in the consolidated financial statements with respect to the restatement of the opening balances.

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Key Audit Matters
How the matters were addressed in the audit

Exploration for and Evaluation of Mineral Resources (Refer to Note 8 to the consolidated financial statements).

On the basis of the significance of the amount noted above, we have considered the restatement noted above to be a key audit matter.

Carrying Value of Exploration and Evaluation Assets

As at 30 June 2022, the carrying value of the Group's Exploration and Evaluation Expenditure totalled \$4,207,124, as disclosed in Note 8 to the consolidated financial statements.

The carrying value of the Exploration and Evaluation Assets is a key audit matter due to:

- The significance of the total balance (75% of total assets);
- The necessity to assess management's application of the requirements of the AASB 6, considering any indicators of impairment that may be present; and
- The assessment of significant judgements made by management in relation to the Exploration and Evaluation Expenditure.

Inter alia, our audit procedures included the following:

- i. Assessing the Group's right of tenure over exploration assets by corroborating the ownership of the relevant licences for mineral resources to government registries and relevant third-party documentation;
- ii. Examining the directors' assessment of the carrying value of the exploration and evaluation expenditure, ensuring the veracity of the data presented and that management has considered the effect of potential impairment indicators, commodity prices and the stage of the Group's projects against AASB 6;
- iii. Evaluating the Group's documents for consistency with the intentions for the continuation of exploration and evaluation activities in certain areas of interest and corroborated with enquiries of management. Inter alia, the documents we evaluated included:
 - Minutes of meetings of the board and management;
 - Announcements made by the Group to the Australian Securities Exchange; and
 - Cash flow forecasts; and
- iv. Ensuring appropriate disclosures are made in the consolidated financial statements.

Other Information

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



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

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

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

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

Auditor's Responsibilities for the Audit of the Financial Report

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

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report.

The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view 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 entity's internal control.

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.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

We 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 Group'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

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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.

We 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.

We obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the 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.

The Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements. 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 consolidated financial report of the current period and are therefore key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 14 to 22 of the directors' report for the year ended 30 June 2022.

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

Responsibilities

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

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(An Authorised Audit Company)

Stantons International Audit & Consulting Pty Ltd

A handwritten signature in blue ink that reads "Martin Michalik".

Martin Michalik
Director

West Perth, Western Australia
6 September 2022

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Additional shareholder information

Corporate Governance Statement

In accordance with ASX Listing Rule 4.10.3 the company's Corporate Governance Statement can be found on the company's website, refer to <https://www.riedelresources.com.au/corporate/corporate-governance>.

Shareholding

The distribution of members and their holdings of equity securities in the holding company as at 25 August 2022 were as follows:

Number Held as at 25 August 2022	Class of Equity Securities Fully Paid Ordinary Shares
1 - 1,000	36
1,001 - 5,000	8
5,001 - 10,000	38
10,001 - 100,000	330
100,001 and above	460
	872

Substantial Shareholding

The names of the substantial shareholders listed in the company's register as at 25 August 2022:

Shareholder	Percentage	Number
FLAGSTAFF MINERALS LIMITED	7.93	85,000,000
SATORI INTERNATIONAL PTY LTD <SATORI S/F A/C>	7.31	78,338,479
SOUTHERN CROSS CAPITAL PTY LTD	5.25	56,242,424

Voting Rights

In accordance with the holding company's Constitution, on a show of hands every member present in person or by proxy or attorney or duly authorised representative has one vote. On a poll, every member present in person or by proxy or attorney or duly authorised representative has one vote for every fully paid ordinary share held. And Option holders are not entitled to vote.

Options

	Exercise price	Expiry date	Number of options	Number of holders
Unlisted options	\$0.0125	14 December 2023	150,000,000	9

Additional shareholder information

Options (continued)

Number Held as at 24 September 202	Class of Equity Securities	
	Unlisted Options	
1- 1,000	-	-
1,001 - 5,000	-	-
5,001 - 10,000	-	-
10,001 - 100,000	-	-
100,001 and above	9	9
		9

Twenty Largest Shareholders

Shareholder	Number	% Held of Issued Ordinary Capital
FLAGSTAFF MINERALS LIMITED	85,000,000	7.93
SATORI INTERNATIONAL PTY LTD <SATORI S/F A/C>	78,338,479	7.31
SOUTHERN CROSS CAPITAL PTY LTD	56,242,424	5.25
SKIFFINGTON SUPER PTY LTD <THE MARK SKIFFINGTON S/F A/C>	50,000,000	4.67
FLOURISH SUPER PTY LTD <FLOURISH S/F A/C>	46,000,928	4.29
MR JAMES WALLACE HOPE <JWH A/C>	45,000,000	4.20
QUINLYNTON PTY LTD <PURSER SUPER FUND A/C>	27,000,000	2.52
CITICORP NOMINEES PTY LTD	20,348,765	1.90
CLJML INVESTMENTS PTY LTD <CLJML SUPERANNUATION FUND A/C>	20,000,000	1.87
JAWAF ENTERPRISES PTY LTD	19,000,000	1.77
HARDY ROAD INVESTMENTS PTY LTD	16,767,516	1.56
FLATHEAD DEVELOPMENTS PTY LTD <CP A/C>	16,727,268	1.56
STYLEPOINT INVESTMENTS PTY LTD <J & E WALLIS FAMILY A/C>	16,493,199	1.54
GOLD LEAF CORPORATE PTY LTD <GOLD LEAF CORPORATE A/C>	16,033,334	1.50
CYPRINE PTY LTD	14,000,000	1.31
ALMESH PTY LTD <SYMBA RETIREMENT FUND A/C>	13,714,607	1.28
MR JEFFREY JOHN MOORE + MRS JULIA ROSALIND MOORE <PRIVATE SUPER FUND A/C>	13,000,000	1.21
ROMAN ROAD HOLDINGS PTY LTD <ROMAN ROAD A/C>	10,000,000	0.93
SHAH NOMINEES PTY LTD <LOUIS CARSTEN S/F A/C>	10,000,000	0.93
PROVISTA HOLDINGS PTY LTD <MARVAL SUPER FUND A/C>	9,857,589	0.92
Totals: Top 21 holders of Ordinary Fully Paid Shares	593,381,698	55.37
Total remaining holders balance	478,325,364	44.63

Additional shareholder information

Unmarketable Parcels

There were 343 holders with less than a marketable parcel based on closing price of \$0.006.

Restricted Securities

There were no restricted securities

Company Secretary

Susan Field

On-Market Buy Back

The Company has not initiated an on-market buy back.

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Tenement Listing

8.

SCHEDULE OF MINING TENEMENTS AS AT 25 AUGUST 2022

Area of Interest	Tenement reference	Nature of interest	Interest
Australia			
Marymia	E52/2394	Direct	16%
Marymia	E52/2395	Direct	16%
West Yandal	M36/615	Royalty	0%
Porphyry	M31/157	Royalty	0%

MINERAL RESOURCE STATEMENT

At 30 June 2022, the Company does not have any mineral resource.