

CODRUS



minerals

# ANNUAL REPORT

30 JUNE 2022

**Codrus Minerals Limited**

ABN 17 600 818 157

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## Corporate Directory

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### Directors

Andrew Radonjic  
Shannan Bamforth  
Jamie Byrde

### Company Secretary

Jamie Byrde

### Principal & Registered Office

Level 3, 24 Outram Street  
WEST PERTH WA 6005  
Telephone: (08) 6424 9017  
Facsimile: (08) 6500 9982

### Lawyers

Steinepreis Paganin  
Lawyers & Consultants  
Level 4, 16 Milligan Street  
Perth WA 6000 Australia

### Share Registry

Automic Group  
Level 5, 191 St Georges Terrace  
Perth WA 6000

### Auditors

Stantons  
Level 2  
40 Kings Park Road  
WEST PERTH WA 6005

### Bankers

Australia and New Zealand Banking  
Group  
464 Hay Street  
SUBIACO WA 6008

### Stock Exchange Listing

Australian Securities Exchange  
(Home Exchange: Perth, Western  
Australia)  
Code: CDR

### Website Address

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

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## Chairman's Letter to Shareholders

Dear fellow shareholders,

On behalf of the Directors of Codrus Minerals Limited ("Company" or "Codrus"), I present to shareholders the annual report for the year ended 30 June 2022.

Whilst the macro-economic environment has had its challenges over the last year, with global markets being impacted by inflationary concerns and the lingering impacts of the COVID-19 pandemic and the Ukraine war, Codrus continues to focus on its strategy as a mineral exploration company, committed to exploration within world class mineral provinces.

The Board recently announced on 25 August 2022 a 2 for 1 Loyalty Option Entitlement Issue for eligible shareholders with a record date of 31 August 2022. The Loyalty Option Entitlement Issue is a reward to our shareholder base for their continuing support of Codrus and to share in the outstanding growth potential of the company. The options will be listed on the ASX and will be exercisable at \$0.125 per share with a two-year expiry date and we have encouraged our shareholders to take up the offer at a nominal price of \$0.001 per option.

During the year the company completed 5,300 metres of reverse circulation drilling and increased the strike extent of mineralisation to over 900m at the Red Gate Gold Project and also completed nearly 1,500 metres of diamond drilling at the Company's wholly owned Silver Swan South Project. The Middle Creek project continues to show exciting potential with the recent completion of the trenching program identifying numerous high calibre gold anomalies in an area with several established gold mines.

The Bull Run Project in Oregon is at the forefront of our strategy, with drill permitting well underway and we look forward to commencing drilling in Oregon once the permitting process is finalised. The opportunity to test our targets at Bull Run is highly motivating.

The team are constantly reviewing projects for their potential to determine if they are suitable for Codrus and its medium to longer term growth. We will continue to focus on our operating efficiency and costs management as our Managing Director and the team continue to plan exploration programs on our existing portfolio to drive them up the value curve.

I would like to take this opportunity to thank all employees, contractors and consultants who have contributed to the company in the first year since listing in June 2021 and finally, I thank you, our shareholders, for your continued support while we continue to deliver on our exploration and corporate strategy over the next 12 months.

A handwritten signature in black ink, appearing to read "Andrew Radonjic", with a long, sweeping underline.

**Andrew Radonjic**  
**Non-Executive Chairman**



The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of Codrus Minerals Limited (referred to hereafter as the 'Company' or 'Parent Entity', or 'Codrus') and the entities it controlled at the end of, or during, the year ended 30 June 2022.

### **1. Directors**

The following persons were Directors of Codrus Minerals Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Mr Andrew Radonjic  
Mr Shannan Bamforth  
Mr Jamie Byrde

### **2. Principal Activities**

The principal activity of the Group during the year was mineral exploration. There were no significant changes in the nature of the Group's principal activities during the year.

### **3. Group Financial Overview**

#### *Profit and Loss*

The loss attributable to owners of the Group after providing for income tax amounted to \$4,095,108 (2021: \$6,439,547).

#### *Financial Position*

The Group had \$4,060,645 in cash and cash equivalents as at 30 June 2022 (2021: \$7,440,779).

### **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 to the date of this report.

### **5. Significant Changes in the State of Affairs**

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

- The Company issued 2,600,000 performance rights to employees, subject to relevant milestones being achieved. Expiry date 23 July 2026.
- The Company issued 4,500,000 performance rights to consultants, subject to relevant milestones being achieved. Expiry date 3 December 2026.

## 6. Review of Operations

### INTRODUCTION

#### WESTERN AUSTRALIAN PROJECTS

The Company has three (3) projects in Western Australia. The Red Gate and Silver Swan South projects are located in the Kalgoorlie region and the Middle Creek Project is located near Nullagine in the Pilbara (*Figure 1*).

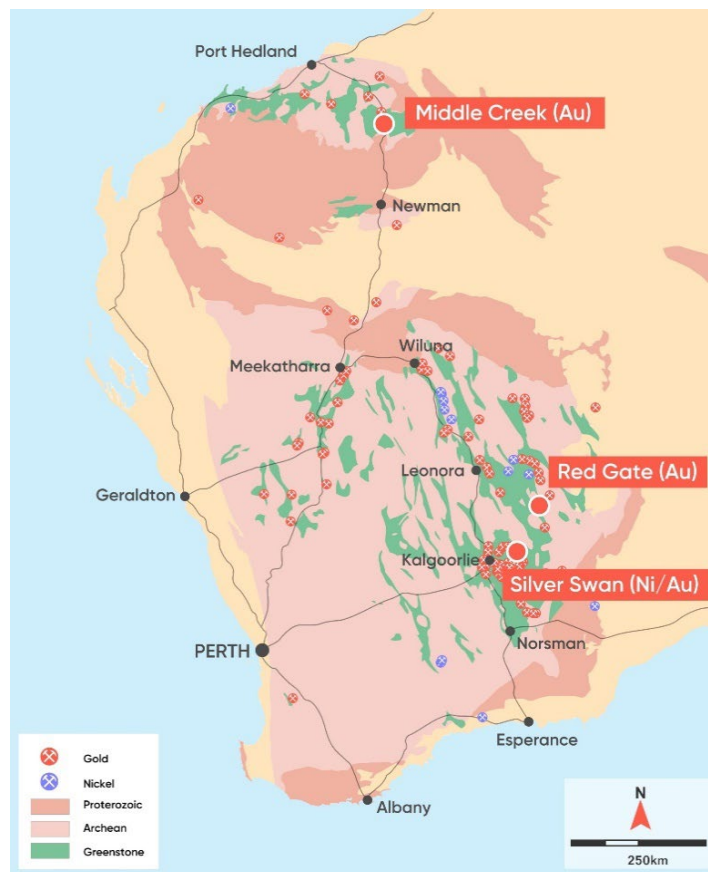


Figure 1 | Silver Swan South, Red Gate and Middle Creek project locations in Western Australia.

#### **RED GATE PROJECT**

The **Red Gate Project** (100% interest) is a gold project located approximately 140km north of Kalgoorlie and comprises one granted Exploration Licence covering a total area of 86.8km<sup>2</sup> (*Figure 2*).

The project has had historic exploration by both Blackstone Minerals (ASX: BSX) and previous tenement holders. Historic work predominantly focused on the Porphyry North prospect – including RAB, AC and RC drilling targeting gold. On a more regional note, there have been numerous airborne and ground geophysical surveys.

## 6. Review of Operations (continued)

The mineralisation encountered in this historical work shows a strong relationship between the alteration, pyrite and gold. A Gradient Array Induced Polarisation (GAIP) survey was completed by previous owners (Sons of Gwalia) and showed a positive correlation between chargeability and mineralisation.

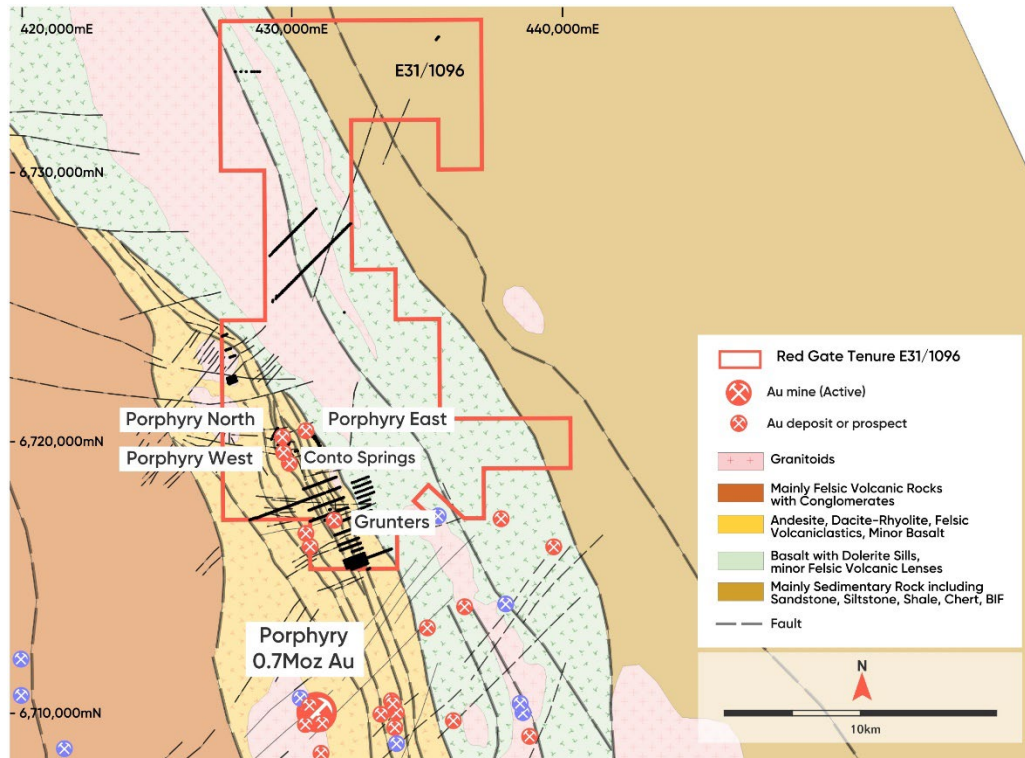


Figure 2 | The Red Gate Project Tenements and prospects on interpreted geology

### Activities during the year:

- Excellent results returned from the maiden 2,980m Reverse Circulation (RC) drilling program at the Red Gate Gold Project in the Edjudina Mining District of WA, including:
  - 23m at 3.82g/t Au from 14m down-hole in hole RGRC002, including:
    - 5m at 14.29g/t Au from 27m
  - 1m at 5.75g/t Au from 15m down-hole in hole RGRC003
  - 24m at 1.04g/t from 42m down-hole in hole RGRC003
  - 1m at 21.35g/t from 80m down-hole in hole RGRC011  
(Note all widths are down-hole width, true width not known)
- Detailed drone magnetic surveying commenced to evaluate any potential structural controls;

## 6. Review of Operations (continued)

- A follow-up program of 2,350m of RC drilling at the Red Gate Gold Project extended the strike of mineralisation to over 800m, Results included:

### Porphyry West:

- 10m @ 1.19g/t from 52m down-hole in RGRC029 including:
  - 1m @ 5.51g/t from 58m
- 10m @ 1.4g/t from 66m down-hole in RGRC029
- 1m @ 2.01g/t from 133m down-hole in RGRC030
- 4m @ 1.08g/t from 149m down-hole in RGRC030
- 8m @ 0.95g/t from 4m down-hole in RGRC042\*

### Porphyry North:

- 14m @ 1.06g/t from 18m down-hole in RGRC035 including:
  - 2m @ 3.97g/t from 18m
- 1m @ 9.24g/t from 37m down-hole in RGRC035
- 1m @ 2.83g/t from 41m down-hole in RGRC039
- 4m @ 2.55g/t from 110m down-hole in RGRC040\*
- 1m @ 3.06g/t from 47m down-hole in RGRC033
- 3m @ 3.26g/t from 64m down-hole in RGRC033 including:
  - 1m @ 8.21g/t from 66m
- 8m @ 1.11g/t from 12m down-hole in RGRC034\*
- 1m @ 2.74g/t from 70m down-hole in RGRC043

*(Note all widths are down-hole width, true width not known, holes denoted with \* are 4m composite samples)*

- Drilling demonstrates that Red Gate hosts both broad zones of high-grade and lower grade mineralisation.

## SILVER SWAN SOUTH PROJECT

The **Silver Swan South Project (100% interest)** is a gold and nickel project located approximately 40km north-east of Kalgoorlie that is comprised of seven (7) granted tenements covering a total area of 45.2km<sup>2</sup>.

The Silver Swan South Project lies approximately 10km north-east of the Kanowna Belle Gold Mine, operated by Northern Star Resources Limited, and lies along the structural trend of the Fitzroy Fault (the primary control on mineralisation at Kanowna Belle).

The project has had historic exploration by numerous previous tenement holders, including Blackstone Minerals (ASX: BSX). Historic work that supports gold and nickel exploration targeting at the project includes rotary air blast (RAB), air-core (AC) and Reverse Circulation (RC) drilling and several airborne and ground geophysical surveys.

## 6. Review of Operations (continued)

A significant portion of the historical work is interpreted to have not effectively tested the geological opportunity due to not penetrating into bedrock as a result of the presence of thick surficial cover.

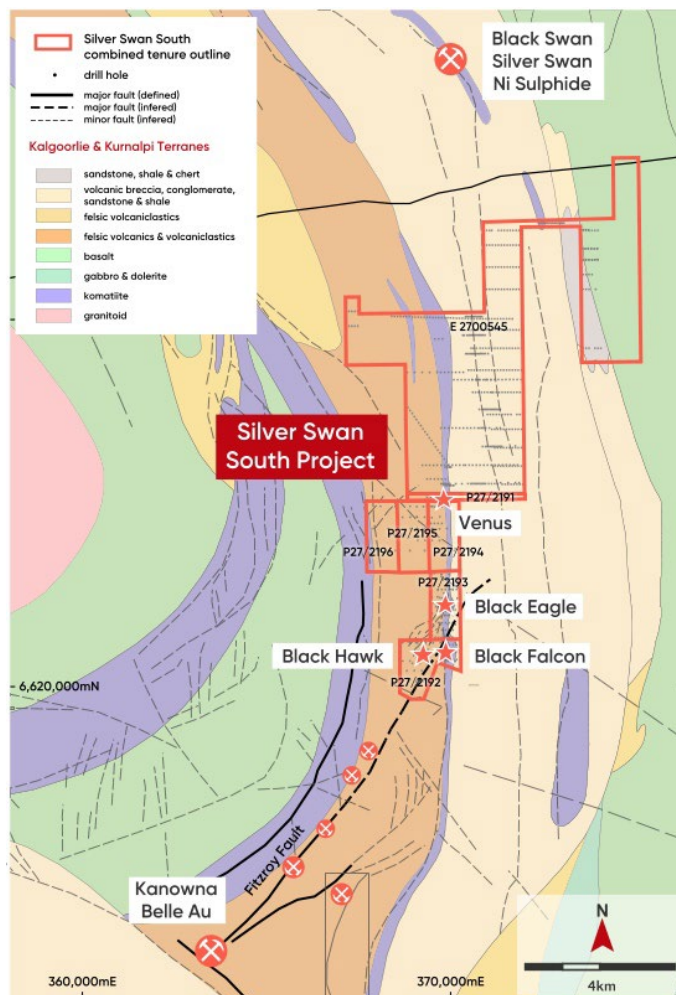


Figure 3 | Silver Swan South Project location

### Activities during the year:

- Completed the maiden 4 hole Diamond Drilling program at the Silver Swan South Project totalling 1,464m. The program successfully delineated the prospective stratigraphy with trace gold mineralisation and some elevated multi- elements data identified.
- Further analysis and review concluded that detailed magnetics in discrete parts of the Project could aid further targeting. A drone magnetic survey was completed during the year.
- The results of the survey will complement and further articulate an update in the structural interpretation of the Project, helping to inform future drill targeting.

## 6. Review of Operations (continued)

### MIDDLE CREEK PROJECT

The **Middle Creek Project** (95% to 100% interest) is a gold project located approximately 185km north of Newman and 10km east of the small township of Nullagine in the East Pilbara Region (*Figure 4*). The project comprises 21 granted licences covering a total area of 37.4km<sup>2</sup>.

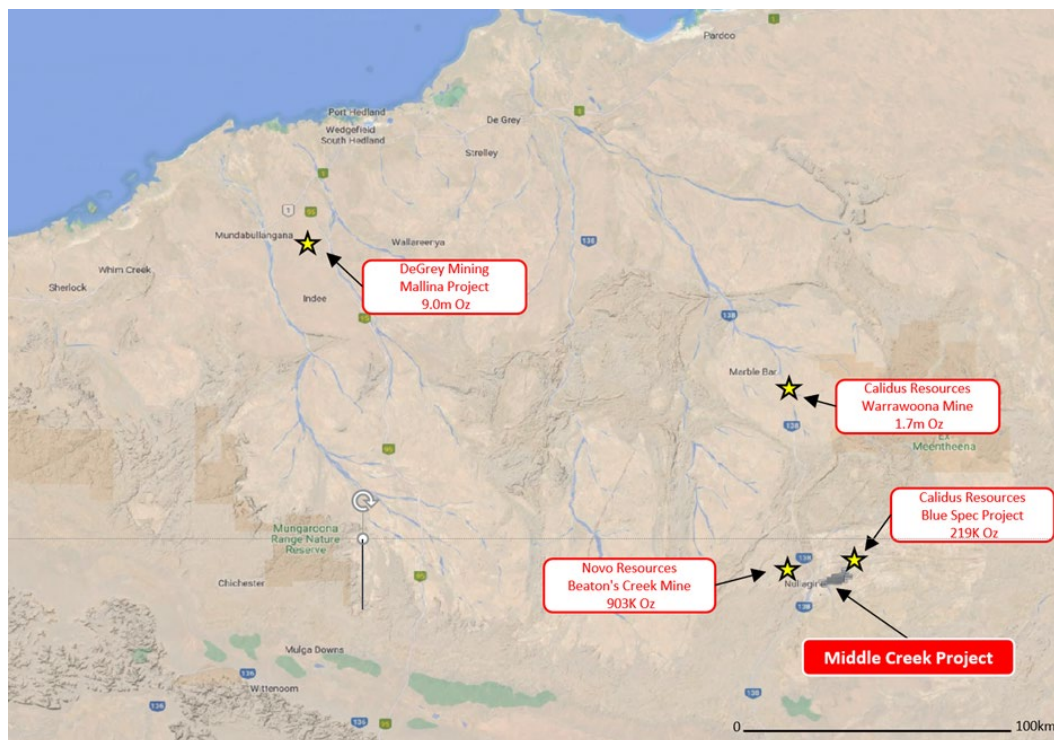


Figure 4 | The Middle Creek Project and significant regional gold projects.

#### Activities during the year:

- Infill soil sampling identified robust anomalous zones of gold mineralisation.
- Following this, the Group received Program of Work, and Cultural Heritage approvals for the commencement of exploration trenching to facilitate geological mapping and sampling to enable drill targeting at the project.
- A project-wide review of the geochemical sampling was completed which informed a program of surface trenching which was completed during the year. The trenching focused on the Major, Rangi, Dolores, Horse, Boris and Spud geochemical anomalies across the tenements.
- Nine of the eleven trenches have been mapped and sampled, with assays awaited. The mapping has provided geological context and the assays are expected to assist in planning the next phase of work.
- During a regional review, several key areas were highlighted in the Nullagine Mining Centre which the Company believes are prospective for gold mineralisation. As a result of this, the Company applied for 12 new tenements during the year, with seven of the tenements being contiguous to the west of the current land-holding and five to the south of the current land-holding (*Figure 5*).
- Once these tenements are granted, soil sampling will be completed as a priority to identify anomalous trends for follow-up work.

6. Review of Operations (continued)

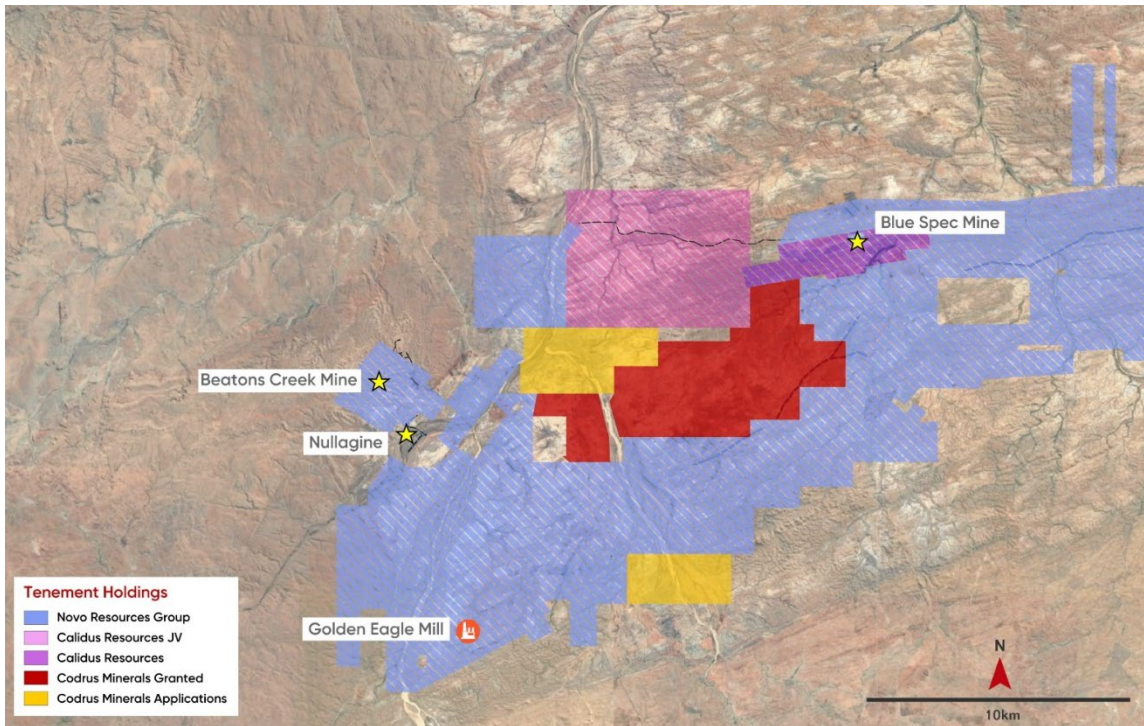


Figure 5 | Middle Creek Project land tenure

**AMERICAN PROJECT**

**Bull Run Project (Oregon, USA)**

The **Bull Run Project** is located in Baker County, eastern Oregon, USA, approximately 5 miles south of the town of Unity, and has been intermittently mined for vein gold since around 1929 (Figure 6). Codrus has an option over the 11 lode mining claims held by Young and Mount View Farms. Additionally, the Company has a 100% interest in an additional 79 lode mining claims surrounding the Young and Mt View Farms claims in the option area.

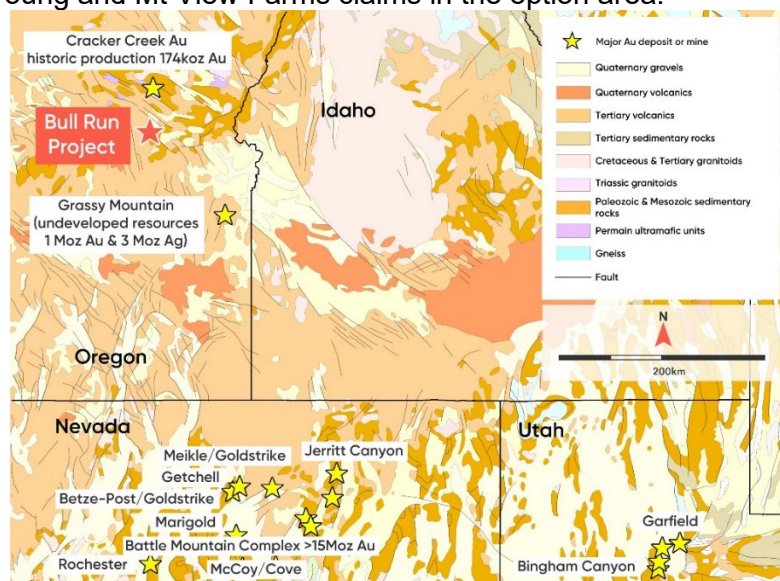


Figure 6 | Location of the Bull Run Project in Oregon USA

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## 6. Review of Operations (continued)

The Bull Run Project hosts gold and base metal mineralisation in north-east trending en-echelon veins, stockwork-type vein filling and disseminations between major veins within older equigranular biotite-quartz diorite and later felsic porphyritic intrusions (*Figure 6*). Low-grade mineralisation is also observed within the serpentinite.

### Activities during the year:

- An additional 12 mineral claims were pegged at the Bull Run Project (U.S.A.) with soil sampling in this location identifying the new Koski mineralised zone (*Figure 7*).
- A 3D direct current induced polarization geophysical survey was completed during the year. Dias Geophysical was contracted to conduct a low-noise deep 3D DCIP (Direct Current resistivity and Induced Polarisation) survey over an area of 5.75km<sup>2</sup> (*Figure 8*). The survey is expected to resolve chargeability and resistivity anomalies to a depth of 400m.
- Dias Geophysical are to deliver multi-scale, multi-azimuth datasets and 3D models of the chargeability and resistivity in the area. They will also attempt to image and map the sub-surface characteristics associated with the sulphide-rich quartz vein system.
- The results from the 3D DCIP IP survey, once received, will be integrated with the current geological knowledge to inform a drilling program. Preliminary drill permitting continued with the US Forest Service and will continue with a dedicated consultant in-country supporting the Company's permitting applications.
- The Group also completed modern surveying of the existing accessible underground workings. This surveying will allow for more accurate drill planning and assist in establishing the precise location of historical underground sampling.
- The Company will be collecting the following additional datasets:
  - UAV (drone) photography to assist drill planning and environmental management; and
  - UAV (drone) magnetics surveying.

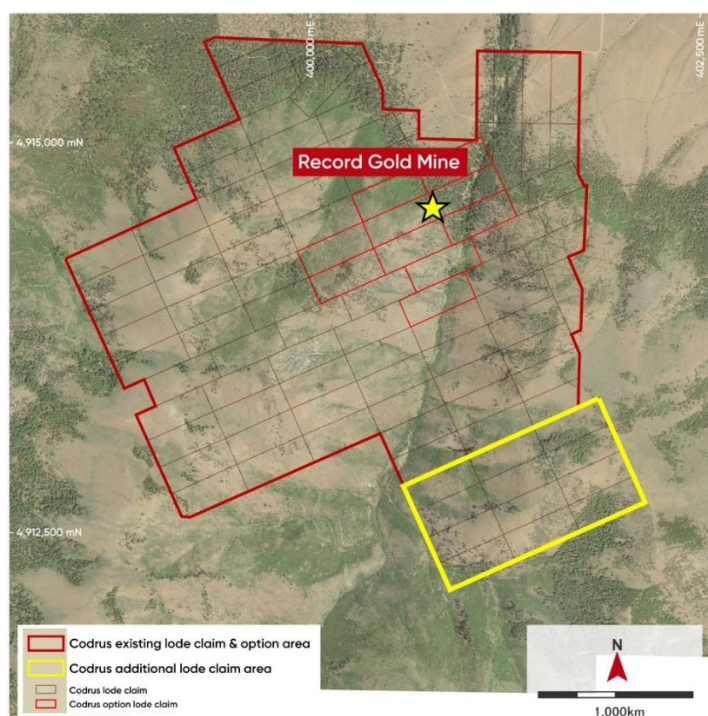


Figure 7 | The Bull Run Project claims showing the new mineral claims in yellow

## 6. Review of Operations (continued)

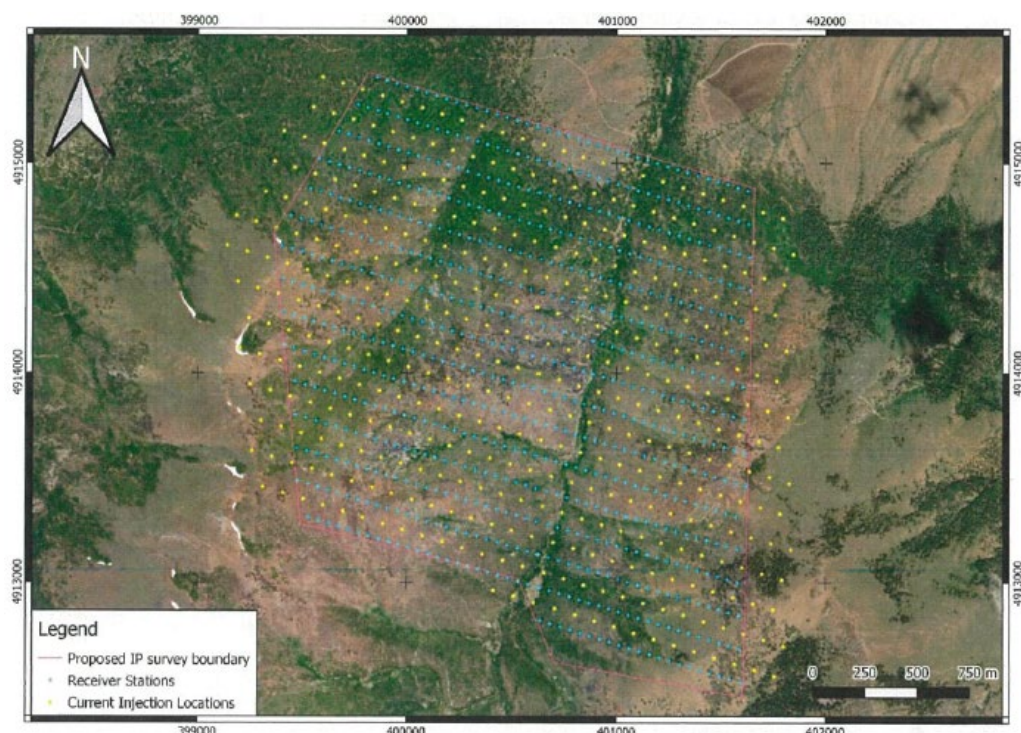


Figure 8 | Location and configuration of the 3D DCIP survey. Cyan dots are receiver stations and yellow dots are current injection stations.

## 7. Matters Subsequent to the End of the Financial Year

On 25 August 2022, the Company announced that a non-renounceable entitlement issue of options will be offered to eligible shareholders on the basis of one (1) New Option for every two (2) shares held by eligible shareholders at an issue price of \$0.001 per Loyalty Option. The purpose of the entitlement offer is to recognise the support and loyalty the Company has received from its shareholders to date. The entitlement offer will also serve to help maintain shareholder loyalty for eligible shareholders who have purchased shares since the Company's shares commenced quotation on the ASX on 21 June 2021.

Apart from the above, there were no other matter or circumstance has arisen since 30 June 2022 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

## 8. Likely Developments and Expected Results of Operations

Information on likely developments in the operations of the Group and the expected results of operations have not been included in this report because the directors believe it would be likely to result in unreasonable prejudice to the Group.

## 9. Information on Directors and Company Secretary

<b>Mr Andrew Radonjic</b>	Non-Executive Chairman – <i>appointed 1 August 2017</i>	
Qualifications	BAppSc (Mining Geology), MSc (Mineral Economics), MAusIMM	
Experience	Mr Radonjic is a geologist and mineral economist with over 35 years of experience in mining and exploration, with a specific focus on gold and nickel, and was instrumental in three significant gold discoveries north of Kalgoorlie. As the Executive Director of Venture Minerals Limited, he co-led the discovery of the Mount Lindsay Tin-Tungsten-Magnetite deposits. Mr Radonjic was a Founding Director of Blackstone Minerals Limited and is currently the Managing Director of Venture Minerals Limited.	
Interest in Securities	Fully Paid Ordinary Shares	350,000
	Unlisted Options	2,000,000
Other Directorships	Venture Minerals Limited (since 12 May 2006) Fin Resources Limited (since 14 May 2018; Resigned 30 November 2021) Blackstone Minerals Limited (since 30 August 2016; Resigned 12 November 2021)	
<b>Mr Shannan Bamforth</b>	Managing Director – <i>appointed 29 March 2021</i>	
Qualifications	BSc (Geology)	
Experience	Mr Bamforth is a geologist with over 25 years' experience in the resources industry with a focus on base metals and gold. He has worked in exploration, operations and corporate roles in Australia, Africa, China and Indonesia. Prior to joining Codrus Minerals Limited, Mr Bamforth held various senior positions with a variety of companies including Sandfire Resources Limited, Regent Pacific Group, St Barbara Mines, AngloGold Ashanti, and Acacia Resources. He is a member of The Australian Institute of Mining and Metallurgy.	
Interest in Securities	Fully Paid Ordinary Shares	473,732
	Unlisted Options	2,000,000
	Performance Rights	5,000,000
Other Directorships	Nil.	



**9. Information on Directors and Company Secretary (continued)**

**Mr Jamie Byrde** Non-Executive Director – *appointed 1 January 2021*  
Qualifications BComm, CA  
Experience Mr Byrde is a Chartered Accountant with over 16 years' experience in corporate advisory, public and private company management since commencing his career with Big four and mid-tier Chartered Accounting Firms positions. Mr Byrde specialises in Financial Management, ASX and ASIC compliance and Corporate Governance of mineral and resource focused public companies. Mr Byrde is also currently Company Secretary for Blackstone Minerals Limited and Venture Minerals Limited.

Interest in Securities	Fully Paid Ordinary Shares	200,000
	Unlisted Options	2,000,000

Other Directorships	Nil.
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**Company Secretary**

Mr Jamie Byrde was appointed as the Company Secretary on 1 August 2017.

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## 10. Remuneration Report (audited)

The Directors of Codrus Minerals Limited are pleased to present your Company's 2022 remuneration report which sets out remuneration information for the Non-Executive Directors, Executive Directors and other key management personnel ("KMP").

The following sections are included with this report:

- A. Directors and key management personnel disclosed in this report
- B. Remuneration governance
- C. Use of remuneration consultants
- D. Executive remuneration policy and framework
- E. Group Performance, Shareholder Wealth and Executive Remuneration
- F. Non-Executive Director remuneration policy
- G. 2021 Annual General Meeting
- H. Details of remuneration
- I. Details of share-based payments and bonuses
- J. Service Agreements
- K. Equity instruments held by key management personnel
- L. Loans to key management personnel
- M. Other transactions with key management personnel

### A. Directors and key management personnel disclosed in this report

Non-Executive Directors

Mr A Radonjic

Non-Executive Chairman (Appointed 1 August 2017)

Mr J Byrde

Non-Executive Director (Appointed 1 January 2021 &  
Company Secretary (Appointed 1 August 2017)

Executive Director

Mr S Bamforth

Managing Director (Appointed 29 March 2021)

All of the key management personnel held their positions during the year ended 30 June 2022 and up to the date of this report unless otherwise disclosed.

### B. Remuneration governance

The Company has established a Remuneration Committee under a formal charter. The Remuneration Committee comprises of three Directors. Due to the current size of the Company, it is more efficient and effective for the functions to be undertaken by the Board.

The Remuneration Committee is responsible for reviewing and recommending the remuneration arrangements for the Executive and Non-Executive Directors and KMP each year in accordance with the Company's remuneration policy approved by the Board. This includes an annual remuneration review and performance appraisal for the Executive Directors and other executives, including their base salary, short-term incentives ("STI") and long-term incentives ("LTI"), bonuses, superannuation, termination payments and service contracts.

Further information relating to the role of the Remuneration Committee can be found within the Corporate Governance Report on the Company's website, refer to <https://codrusminerals.com.au/corporate-governance/>

**10. Remuneration Report (audited) (continued)**

**C. Use of remuneration consultants**

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

**D. Executive remuneration policy and framework**

The remuneration policy of Codrus has been designed to align executives' objectives with shareholder and business objectives by providing both fixed and discretionary remuneration components which are assessed on an annual basis in line with market rates. By providing components of remuneration that are indirectly linked to share price appreciation (in the form of options), executive, business and shareholder objectives are indirectly aligned. The Board of Codrus believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best directors to run and manage the Company, as well as create goal congruence between Directors and Shareholders.

In determining competitive remuneration rates, the Board reviews local and international trends among comparative companies and industry generally. It examines terms and conditions for employee incentive schemes, benefit plans and share plans. Independent data is sourced to ensure that the company's remuneration levels fall within the 50th to 75th percentile of companies in a similar industry group and with a similar market capitalisation. These ongoing reviews are performed to confirm that executive remuneration is in line with market practice and is reasonable in the context of Australian executive reward practices.

The Board also ensures that the mix of executive compensation between fixed, variable, long-term, short-term and cash versus equity is appropriate. The Company endeavours to reduce cash expenditure by providing a greater proportion of compensation in the form of equity instruments. This allows cash-flows to be directed towards exploration programs with a view to improving the quality of our projects.

**E. Group Performance, Shareholder Wealth and Executive Remuneration**

The remuneration policy has been tailored to increase goal congruence between shareholders directors and executives. This has been achieved by the issue of performance rights to directors, executives and other key management personnel, at the discretion of the Board of Directors. The performance rights are issued under the Employee Incentive Scheme and based on a mixture of short, medium and long-term incentive rights. This structure rewards executives for both short-term and long-term shareholder wealth development.

**F. Non-executive Director remuneration policy**

The Board policy is to remunerate Non-Executive Directors at market rates for comparable companies for time, commitment and responsibilities. Fees for Non-Executive Directors are not linked to the performance of the group.

In determining competitive remuneration rates, the Board reviews local and international trends among comparative companies and industry generally.

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## 10. Remuneration Report (audited) (continued)

### F. Non-executive Director remuneration policy (continued)

Typically, Codrus will compare Non-Executive Remuneration to companies with similar market capitalisations in the exploration and resource development business group. These ongoing reviews are performed to confirm that non-executive remuneration is in line with market practice and is reasonable in the context of Australian executive reward practices. Further to ongoing reviews, the maximum aggregate amount of fees that can be paid to non-executive directors is \$500,000. There are no planned changes to this limit requiring approval by shareholders at the Annual General Meeting.

### G. 2021 Annual General Meeting

The Company received more than 99.97% of "Yes" votes on its remuneration report for the 2021 financial year. The Company did not receive any specific feedback at the AGM throughout the year on its remuneration practices.

### H. Details of Remuneration

Details of the remuneration of the Directors and key management personnel of the group of Codrus are set out in the following table for the year ending 30 June 2022. There have been no changes to the below named key management personnel since the end of the reporting year unless otherwise noted.

	Short Term Benefits						Total
	Cash Salary & Fees	Consulting Fees	Accrued Annual Leave	Other Amounts	Super-annuation	Non-Cash Long Term Incentives <sup>E</sup>	
	\$	\$	\$	\$	\$	\$	\$
<b>2022</b>							
<i>Non-Executive Directors</i>							
Mr A Radonjic <sup>A</sup>	40,000	-	-	6,605	4,000	-	50,605
Mr J Byrde <sup>B</sup>	60,000	-	-	6,605	6,000	-	72,605
<i>Executive Directors</i>							
Mr S Bamforth <sup>D</sup>	260,000	-	25,212	6,605	26,000	362,329	680,146
<b>Total Remuneration</b>	<b>360,000</b>	<b>-</b>	<b>25,212</b>	<b>19,815</b>	<b>36,000</b>	<b>362,329</b>	<b>803,356</b>
<b>2021</b>							
<i>Non-Executive Directors</i>							
Mr A Radonjic <sup>A</sup>	1,538	-	-	5,950	146	178,032	185,666
Mr J Byrde <sup>B</sup>	2,308	-	-	5,950	219	178,032	186,509
Mr S Owen <sup>C</sup>	-	-	-	-	-	-	-
<i>Executive Directors</i>							
Mr S Bamforth <sup>D</sup>	63,000	-	-	5,950	5,985	215,018	289,953
<b>Total Remuneration</b>	<b>66,846</b>	<b>-</b>	<b>-</b>	<b>17,850</b>	<b>6,350</b>	<b>571,082</b>	<b>662,128</b>

A Mr Radonjic was appointed on 1 August 2017

B Mr Byrde was appointed on 1 January 2021.

C Mr Owen was appointed 1 January 2021 and resigned on 29 March 2021. He was not paid in his capacity as a director during this time.

D Mr Bamforth was appointed on 29 March 2021.

E The fair value of the options is calculated at the date of grant using a Black-Scholes model and fair value of performance rights was calculated at the date of grant using market values and rate of probabilities of vesting conditions. Refer to Note 22 for further details of options issued during the June 2022 financial year.

## 10. Remuneration Report (audited) (continued)

### I. Details of Share Based Payments and Bonuses

There were no bonuses or compensation shares issued or paid during the year (2021: Nil).

Options are issued to directors, executives and other key management personnel of Codrus as part of their remuneration. The options are issued based on performance criteria set by the Board to increase goal congruence between executives, directors, other key management personnel and shareholders.

Further details of options issued to Directors and key management personnel are as follows:

	Granted No.	Options Granted as Part of Remuneration \$	Total Remuneration Represented by Options	Exercised No.	Other changes No.	Lapsed No.
<b>2022</b>						
<i>Non-Executive Directors</i>						
Mr A Radonjic <sup>A</sup>	-	-	-	-	-	-
Mr J Byrde <sup>B</sup>	-	-	-	-	-	-
<i>Executive Director</i>						
Mr S Bamforth <sup>D</sup>	-	-	-	-	-	-
<b>2021</b>						
<i>Non-Executive Directors</i>						
Mr A Radonjic <sup>A</sup>	2,000,000	178,032	95.9%	-	-	-
Mr J Byrde <sup>B</sup>	2,000,000	178,032	95.5%	-	-	-
Mr S Owen <sup>C</sup>	-	-	-	-	-	-
<i>Executive Director</i>						
Mr S Bamforth <sup>D</sup>	2,000,000	178,032	61.4%	-	-	-

A Mr Radonjic was appointed on 1 August 2017.

B Mr Byrde was appointed on 1 January 2021.

C Mr Owen was appointed 1 January 2021 and resigned on 29 March 2021. He was not paid in his capacity as a director during this time.

D Mr Bamforth was appointed on 29 March 2021.

## 10. Remuneration Report (audited) (continued)

### I. Details of Share Based Payments and Bonuses (continued)

Further details of performance rights issued to Directors and key management personnel are as follows:

	Granted No.	Performance Rights Granted as Part of Remuneration <sup>E</sup> \$	Total Remuneration Represented Performance Rights <sup>E</sup>	Exercised No.	Other changes No.	Lapsed No.
<b>2022</b>						
Non-Executive Directors						
Mr A Radonjic <sup>A</sup>	-	-	-	-	-	-
Mr J Byrde <sup>B</sup>	-	-	-	-	-	-
Executive Director						
Mr S Bamforth <sup>D</sup>	-	362,329 <sup>E</sup>	53.3%	-	-	-
<b>2021</b>						
Non-Executive Directors						
Mr A Radonjic <sup>A</sup>	-	-	-	-	-	-
Mr J Byrde <sup>B</sup>	-	-	-	-	-	-
Mr S Owen <sup>C</sup>	-	-	-	-	-	-
Executive Director						
Mr S Bamforth <sup>D</sup>	5,000,000 <sup>E</sup>	36,986 <sup>E</sup>	12.8%	-	-	-

A Mr Radonjic was appointed on 1 August 2017.

B Mr Byrde was appointed on 1 January 2021.

C Mr Owen was appointed 1 January 2021 and resigned on 29 March 2021. He was not paid in his capacity as a director during this time.

D Mr Bamforth was appointed on 29 March 2021.

E Consists of 5,000,000 performance rights issued to Mr Bamforth in prior year in 3 Tranches. During the year-ended 30 June 2022, \$362,329 (2021: \$36,986) was recognised in relation to performance rights issued to Mr Bamforth. Refer to Note 13 for details on the terms of the performance rights issued.

### J. Service Agreements

Name	Term of Agreement	Base salary (per Agreement)	Termination benefit
Mr S Bamforth Managing Director	No fixed term	\$260,000 plus superannuation	3 months base salary payable on termination
Mr A Radonjic Non-Executive Director	No fixed term	\$40,000 plus superannuation	No termination benefits
Mr J Byrde Non-Executive Director	No fixed term	\$40,000 plus superannuation	No termination benefits
Company Secretary	No fixed term	\$20,000 plus superannuation	3 months base salary payable on termination

## 10. Remuneration Report (audited) (continued)

### K. Equity instruments held by key management personnel

The tables below show the number of:

- (i) options and performance rights over ordinary shares in the Company;
- (ii) shares held in the Company that were held during the year by key management personnel of the group, including their close family members and entities related to them.

There were no shares granted during the reporting year as compensation.

#### (iii) Option holdings

	Balance at start of the year or on appointment	Granted as remuneration	Exercised	Other changes	Balance at end of the year	Vested and exercisable
<b>30 June 2022</b>						
Mr A Radonjic <sup>A</sup>	2,000,000	-	-	-	2,000,000	-
Mr J Byrde <sup>B</sup>	2,000,000	-	-	-	2,000,000	-
Mr S Bamforth <sup>D</sup>	2,000,000	-	-	-	2,000,000	-
<b>30 June 2021</b>						
Mr A Radonjic <sup>A</sup>	-	2,000,000	-	-	2,000,000	-
Mr J Byrde <sup>B</sup>	-	2,000,000	-	-	2,000,000	-
Mr S Owen <sup>C</sup>	-	-	-	-	-	-
Mr S Bamforth <sup>D</sup>	-	2,000,000	-	-	2,000,000	-

A Mr Radonjic was appointed on 1 August 2017.

B Mr Byrde was appointed on 1 January 2021.

C Mr Owen was appointed 1 January 2021 and resigned on 29 March 2021.

D Mr Bamforth was appointed on 29 March 2021.

#### (iv) Performance Rights

	Balance at start of the year or on appointment	Granted as remuneration	Exercised	Other changes	Balance at end of the year	Vested and exercisable
<b>30 June 2022</b>						
Mr A Radonjic <sup>A</sup>	-	-	-	-	-	-
Mr J Byrde <sup>B</sup>	-	-	-	-	-	-
Mr S Bamforth <sup>D</sup>	5,000,000	-	-	-	5,000,000	-
<b>30 June 2021</b>						
Mr A Radonjic <sup>A</sup>	-	-	-	-	-	-
Mr J Byrde <sup>B</sup>	-	-	-	-	-	-
Mr S Owen <sup>C</sup>	-	-	-	-	-	-
Mr S Bamforth <sup>D</sup>	-	5,000,000	-	-	5,000,000	-

A Mr Radonjic was appointed on 1 August 2017.

B Mr Byrde was appointed on 1 January 2021.

C Mr Owen was appointed 1 January 2021 and resigned on 29 March 2021.

D Mr Bamforth was appointed on 29 March 2021.

## 10. Remuneration Report (audited) (continued)

### K. Equity instruments held by key management personnel (continued)

#### (v) Share holdings

The number of shares in the Company held during the financial year by each Director of Codrus and other key management personnel of the group, including their personally related parties, are set out below. There were no shares granted during the year as compensation.

	Balance at the start of the year or on appointment	Received on exercise of options and performance shares	Other changes	Balance at the end of the year
<b>30 June 2022</b>				
Mr A Radonjic <sup>A</sup>	250,000	-	100,000	350,000
Mr J Byrde <sup>B</sup>	100,000	-	100,000	200,000
Mr S Bamforth <sup>D</sup>	250,000	-	223,732	473,732
<b>30 June 2021</b>				
Mr A Radonjic <sup>A</sup>	-	-	250,000 <sup>E</sup>	250,000
Mr J Byrde <sup>B</sup>	-	-	100,000 <sup>E</sup>	100,000
Mr S Owen <sup>C</sup>	-	-	-	-
Mr S Bamforth <sup>D</sup>	-	-	250,000 <sup>E</sup>	250,000

A Mr Radonjic was appointed on 1 August 2017.

B Mr Byrde was appointed on 1 January 2021.

C Mr Owen was appointed 1 January 2021 and resigned on 29 March 2021.

D Mr Bamforth was appointed on 29 March 2021

E Shares issued through participation in the initial public offering.

### L. Loans to key management personnel

There were no loans made to Directors and other key management personnel of the group, including their close family members.

### M. Other transactions with key management personnel

Mr Radonjic is a Director of Venture Minerals Limited and was a Non-Executive Director of Blackstone Minerals Limited which shares either office and/or administration service costs on normal commercial terms and conditions. Mr Radonjic resigned as Non-Executive Director of Blackstone Minerals Limited on 12 November 2021.

Aggregate amounts of each of the above types of other transactions with key management personnel of Codrus:

	2022 \$	2021 \$
(i) <i>Recharges to KMP related entities</i>		
Loan forgiveness by Blackstone Minerals Limited	-	2,116,018
(ii) <i>Purchases from KMP related entities</i>		
Shared office costs and other supplier services on arms' length terms:		
Recharges from Blackstone Minerals Limited	53,802	160,359
Recharges from Venture Minerals Limited	54,745	-

**End of remuneration report**

## 11. Shares under Option

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

Date options granted	Expiry Date	Exercise Price	Number under Option
17 June 2021	17 June 2024	\$0.30	6,000,000
17 June 2021	17 June 2023	\$0.30	6,000,000
			12,000,000

Date rights granted	Expiry Date	Exercise Price	Number under Rights
17 June 2021	17 June 2026	N/A	5,000,000
23 July 2021	23 July 2026	N/A	2,600,000
3 December 2021	3 December 2026	N/A	4,500,000
			12,100,000

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

## 12. Insurance of Officers

During the financial year, Codrus paid a premium of \$19,815 (2021: \$17,850) 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. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

## 13. Meetings of Directors

The number of Directors' meetings (including committees) held during the year that each Director who held office during the financial year were eligible to attend and the number of meetings attended by each Director are:

Director	Full meetings of Directors		Remuneration Committee meetings	
	Number Eligible to Attend	Meetings Attended	Number Eligible to Attend	Meetings Attended
Mr A Radonjic	4	4	-	-
Mr J Byrde	4	4	-	-
Mr S Bamforth	4	4	-	-

The Company does not have a formally constituted audit committee as the Board considers that the Company's size and type of operation do not warrant such a committee as all members of the Board are involved in audit agenda items and discussions thereon.

#### 14. Environmental Regulation

The Group's activities are subject to the relevant environmental protection legislation (Commonwealth and State) in relation to its exploration activities. The group believes that sound environmental practice is not only a management obligation but the responsibility of every employee and contractor.

No fines were imposed and no prosecutions were instituted by a regulatory body during the year in relation to Environmental Regulations.

#### 15. Proceedings on behalf of the Company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of these proceedings. The Company was not a party to any such proceedings during the year.

#### 16. Auditor's Independence Declaration & Non-Assurance Services

The lead auditor's independence declaration for the year ended 30 June 2022 has been received and can be found on page 23 of the Directors' report.

There was no engagement of non-audit services provided to the Company during or since the end of the financial year.

The Auditor's audit remuneration is disclosed in Note 5.

Signed in accordance with a resolution of the Board of Directors.



**Shannan Bamforth**  
Managing Director

Perth, Western Australia, 16 September 2022

#### Competent Persons Statement

The information in this report that relates to Exploration Results and Exploration Targets is based on information compiled by Mr Shannan Bamforth who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Bamforth is a permanent employee of Codrus Minerals and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Bamforth consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

#### No New Information or Data

This annual report contains references to Exploration Results and Exploration Targets, all of which have been cross referenced to previous market announcements made by the Company. The Company confirms that it is not aware of any new information or data that materially effects the information in the said announcement. In the case of estimates of Mineral Resources all assumptions and technical parameters underpinning the estimates have not materially changed.



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16 September 2022

The Directors  
Codrus Minerals Limited  
Level 3, 24 Outram Street  
WEST PERTH WA 6005

Dear Sirs

**RE: CODRUS MINERALS 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 Codrus Minerals Limited.

As Audit Director for the audit of the financial statements of Codrus Minerals 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 LIMITED**  
**(An Authorised Audit Company)**

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

**Martin Michalik**  
**Director**



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## General information

The financial statements cover Codrus Minerals Limited as a consolidated entity consisting of Codrus Minerals Limited and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is Codrus Minerals Limited's functional and presentation currency.

Codrus Minerals Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered office	Principal place of business
Suite 3, Level 3, 24 Outram Street, West Perth 6005	Suite 3, Level 3, 24 Outram Street, West Perth 6005

A description of the nature of the Group's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 16 September 2022. The directors have the power to amend and reissue the financial statements.

For the Year Ended 30 June 2022	Notes	Consolidated	
		30 June 2022	30 June 2021
		\$	\$
Revenue from continuing operations		-	-
Other income	3	1,087	-
Administrative costs	4(a)	(267,072)	(24,289)
Consultancy expenses	4(b)	(70,758)	(55,398)
Employee benefits expense	4(c)	(321,957)	(79,355)
Share based payment expenses	13, 22	(735,115)	(983,101)
Occupancy expenses		(28,833)	-
Compliance and regulatory expenses	4(d)	(69,902)	(18,057)
Insurance expenses		(38,469)	(2,502)
Exploration expenditure	9	(2,556,013)	(392,863)
Depreciation expense	4(e)	(5,884)	-
Finance and Interest Costs		(2,192)	-
Mineral Rights Acquired	9	-	(7,000,000)
Debt Forgiven		-	2,116,018
<b>Profit/(Loss) before income tax</b>		<b>(4,095,108)</b>	<b>(6,439,547)</b>
Income tax (expense)/benefit	6	-	-
<b>Profit/(Loss) for the year attributable to owners</b>		<b>(4,095,108)</b>	<b>(6,439,547)</b>
<b>Other comprehensive income:</b>			
<i>Items that may be reclassified to profit or loss</i>			
Effect of changes in foreign exchange rates on translation of foreign operations		-	-
<i>Total - Items that may be reclassified to profit or loss</i>		-	-
<i>Items that will not be classified to profit or loss</i>		-	-
<b>Total comprehensive Profit/(Loss) attributable to owners</b>		<b>(4,095,108)</b>	<b>(6,439,547)</b>
<b>Earnings per share for Profit/(Loss) attributable to the owners</b>			
Basic and Diluted profit/(loss) per share (cents per share)	16	(5.5)	(232.7)

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	Consolidated 2022 \$	2021 \$
<b>Current Assets</b>			
Cash and cash equivalents	7	4,060,645	7,440,779
Trade and other receivables	8(a)	51,625	61,407
Prepayments	8(b)	68,109	27,527
<b>Total Current Assets</b>		<b>4,180,379</b>	<b>7,529,713</b>
<b>Non-Current Assets</b>			
Property, plant and equipment	4(e)	34,374	
Exploration and evaluation expenditure	9	-	-
<b>Total Non-Current Assets</b>		<b>34,374</b>	<b>-</b>
<b>Total Assets</b>		<b>4,214,753</b>	<b>7,529,713</b>
<b>Current Liabilities</b>			
Trade and other payables	10	251,542	271,950
Provisions	11	50,061	6,077
<b>Total Current Liabilities</b>		<b>301,603</b>	<b>278,027</b>
<b>Non-Current Liabilities</b>			
Trade and other liabilities	10	-	-
		-	-
<b>Total Liabilities</b>		<b>301,603</b>	<b>278,027</b>
<b>Net Assets/(Liabilities)</b>		<b>3,913,150</b>	<b>7,251,686</b>
<b>Equity</b>			
Issued capital	12	14,467,686	14,446,229
Reserves	14	1,718,216	983,101
Accumulated losses		(12,272,752)	(8,177,644)
<b>Total Equity/(Deficiency)</b>		<b>3,913,150</b>	<b>7,251,686</b>

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	Accumulated Losses	Foreign Currency Reserve	Option Reserve	Total
	\$	\$	\$	\$	\$
Balance at 1 July 2020	1	(1,738,097)	-	-	(1,738,096)
Total comprehensive income for the year:					
Loss after income tax expense for the year	-	(6,439,547)	-	-	(6,439,547)
	-	<b>(6,439,547)</b>	-	-	<b>(6,439,547)</b>
Transactions with owners in their capacity as owners:					
Contributions of equity (net of transaction costs)	14,446,228	-	-	-	14,446,228
Equity settled share based payment transactions	-	-	-	983,101	983,101
Conversion of share based payments	-	-	-	-	-
<b>Balance at 30 June 2021</b>	<b>14,446,229</b>	<b>(8,177,644)</b>	<b>-</b>	<b>983,101</b>	<b>7,251,686</b>
Balance at 1 July 2021	14,446,229	(8,177,644)	-	983,101	7,251,686
Total comprehensive income for the year:					
Loss after income tax expense for the year	-	(4,095,108)	-	-	(4,095,108)
	-	<b>(4,095,108)</b>	-	-	<b>(4,095,108)</b>
Transactions with owners in their capacity as owners:					
Transaction costs	21,457 <sup>1</sup>	-	-	-	21,457
Equity settled share based payment transactions	-	-	-	735,115	735,115
<b>Balance at 30 June 2022</b>	<b>14,467,686</b>	<b>(12,272,752)</b>	<b>-</b>	<b>1,718,216</b>	<b>3,913,150</b>

<sup>1</sup> The increase in the issued capital was as a result of credit note received in relation to the share issue costs previously charged.

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

## Consolidated Statement of Cash Flows



For the Year Ended 30 June 2022	Notes	Consolidated	
		30 June 2022	30 June 2021
		\$	\$
<b>Cash Flows from Operating Activities</b>			
Payments to suppliers and employees		(806,407)	(9,276)
Interest received		1,087	-
Other income		-	-
Payments for exploration and evaluation		(2,556,013)	-
<b>Net cash (outflow) from operating activities</b>	17	<b>(3,361,333)</b>	<b>(9,276)</b>
<b>Cash Flows from Investing Activities</b>			
Purchase of property, plant and equipment		(40,258)	-
<b>Net cash (outflow) from investing activities</b>		<b>(40,258)</b>	-
<b>Cash Flows from Financing Activities</b>			
Proceeds from issue of shares and other equity securities		-	8,000,000
Share issue transaction costs		21,457 <sup>1</sup>	(549,945)
<b>Net cash inflow from financing activities</b>		<b>21,457</b>	<b>7,450,055</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(3,380,134)</b>	<b>7,440,779</b>
Cash and cash equivalents at the start of the year		7,440,779	-
<b>Cash and cash equivalents at the end of the year</b>	7	<b>4,060,645</b>	<b>7,440,779</b>

<sup>1</sup> This relates to credit note received in relation to the share issue costs previously charged.

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.

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## 1. Summary of Significant Accounting Policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

### (a) Basis of Preparation

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').

#### (i) Compliance with IFRS

The consolidated financial statements of Codrus Minerals Limited also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

#### (ii) Historical cost convention

The 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, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

#### (iii) Critical Accounting Estimates and Judgements

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

### (b) Principles of Consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Codrus Minerals Limited as at 30 June 2022 and the results of all subsidiaries for the year then ended. Codrus Minerals Limited and its subsidiaries together are referred to in these financial statements as the 'Group'.

#### (i) Subsidiaries

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.



**1. Summary of Significant Accounting Policies (continued)**  
**(b) Principles of Consolidation (continued)**

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

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

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) Segment reporting**

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

**(d) Foreign currency translation**

**(i) Functional and presentation currency**

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Australian dollars, which is Codrus Minerals Limited's and its subsidiaries functional and presentation currency.

**(ii) Transactions and balances**

Foreign currency transactions are translated into the functional currency 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 of monetary assets and liabilities denominated in foreign currencies at period end exchange rates are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges, qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Translation differences on financial assets and liabilities carried at fair value are reported as part of the fair value gain or loss. Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets such as equities classified as available for sale financial assets are included in the fair value reserve in equity.



## 1. Summary of Significant Accounting Policies (continued)

### (d) Foreign currency translation (continued)

#### (iii) Group companies

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet
- Income and expenses for the statement of comprehensive income are translated at average exchange rates, and
- All resulting exchange differences are recognised in other comprehensive income.

### (e) Revenue recognition

Revenue is recognised where performance obligations are satisfied being when control upon good or services underlying the performance obligations is transferred to the customer.

#### (i) Interest income

Interest income is recognised as the interest accrues (using the effective interest method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument) to the net carrying amount of the financial asset.

#### (ii) Other income

Revenue from other income, rendering goods and services is measured at the fair value of consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities when control of the asset is transferred to the customer or services rendered.

### (f) Income tax

The income tax expense or benefit for the period is the tax payable on the current period's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability.

No deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.



**1. Summary of Significant Accounting Policies (continued)**

**(f) Incomes taxes (continued)**

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

**(g) Impairment of assets**

At each reporting date, the Group assesses whether there is any indication that an asset may be impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date or more frequently if events or changes in circumstances indicate that they might be impaired.

**(h) Cash and cash equivalents**

For the purposes of presentation of the statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, 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, and bank overdrafts.

**(i) Trade and other receivables**

Trade and other receivables include amounts due from customers for goods and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets. Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

**(j) Exploration and evaluation expenditure**

The exploration and evaluation expenditure accounting policy is to expense acquired minerals rights, tenement acquisition costs and exploration expenditure as incurred.

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## 1. Summary of Significant Accounting Policies (continued)

### (k) Property, plant and equipment

All property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of profit or loss and comprehensive income during the financial period in which they are incurred.

Depreciation on assets is calculated using the diminishing value method to allocate their cost, net of their residual values, over their estimated useful lives, as follows:

Motor vehicles 40.0%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of comprehensive income.

### (l) 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).

## 1. Summary of Significant Accounting Policies (continued)

### (I) Financial Instruments (continued)

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.

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.

## 1. Summary of Significant Accounting Policies (continued)

### (l) Financial Instruments (continued)

#### 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.

#### Fair value measurement hierarchy

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

The fair value of assets and liabilities classified as level 3 is determined by the use of valuation models. These include discounted cash flow analysis or the use of observable inputs that require significant adjustments based on unobservable inputs.

#### 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.

#### Impairment

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Group applies the simplified approach permitted by AASB 9 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

### (m) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted.

## 1. Summary of Significant Accounting Policies (continued)

### (n) Employee benefits

#### (i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date are recognised in respect of employee's services up to the end of the reporting period and are measured at the amounts expected to be paid when liabilities are settled. The liability for annual leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as other payables.

#### (ii) Other long-term employee benefit obligations

The liability for long service leave and annual leave, which is not expected to be settled within 12 months after the end of the period in which the employees render the related service, is recognised in the provision for employee benefits and 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 expected 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 government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur.

#### (iii) Share-based payments

The company 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 transactions'). There is currently an Employee Incentive Scheme (IOS), which provides benefits to directors and senior executives. 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 using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of shares of Codrus Minerals Limited ('market conditions'). The number of shares expected to vest is estimated based on the non-market vesting conditions and the probability the option will be exercised.

### (o) Contributed equity

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



## 1. Summary of Significant Accounting Policies (continued)

### (p) Earnings per share

#### (i) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the company excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial period, adjusted for bonus elements in ordinary shares issued during the period.

#### (ii) 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 tax effect of interest and other financing costs associated with the dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

### (q) Goods and services tax ('GST')

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

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

### (r) 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.

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

**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;
- 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.

(s) **New accounting standards and interpretations 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.

**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.

**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).

**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 impact of the initial application is not yet known and not been early adopted.



## 2. Critical accounting estimates and judgements

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

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates and judgements may differ from the related actual results and may have a significant effect on the carrying amount of assets and liabilities within the next financial year and on the amounts recognised in the financial statements. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

- (i) **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 Group based on known information. Other than as addressed Events Subsequent to Reporting Date note, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the Group unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.
- (ii) **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 internal valuation using a Black-Scholes option pricing model, using the assumption detailed in Note 22.
- (iii) **Deferred Taxation**  
The potential deferred tax assets arising from tax losses and temporary differences have not been recognised as an asset because the recovery of the tax losses is not yet considered probably by the management (Note 6).
- (iv) **Intercompany loan**  
The management assesses the recoverability of intercompany loans and where recoverability is not certain, provision is made. All intercompany loans have been eliminated on consolidation.

Notes	Consolidated	
	30 June 2022	30 June 2021
	\$	\$
<b>3. Other income</b>		
Interest received	1,087	-
Other income	1,087	-
<b>4. Expenses</b>		
Loss before income tax includes the following specific expenses:		
(a) Administrative costs:		
Legal fees	8,167	6,363
Investor relations	137,989	6,545
Other administration costs	120,916	11,381
Total administration cost	267,072	24,289
(b) Consultancy Expenses		
Consultancy expense	70,758	55,398
Total consultancy expense	70,758	55,398
(c) Employment benefits expense		
Salary and wages expense	73,454	66,846
Directors' fees	96,154	-
Defined contribution superannuation expense	73,220	6,350
Other employee benefits expense	79,129	6,159
Total employee benefits expense	321,957	79,355
(d) Compliance and Regulatory Expenses		
Compliance and Regulatory expenses	69,902	18,057
Total compliance and regulatory expenses	69,902	18,057
(e) Depreciation expense <sup>1</sup>	5,884	-
<b>5. Auditor's Remuneration</b>		
Remuneration of the auditor of the Group		
Auditing or reviewing the financial statements	33,092	10,000
Other non-assurance services	-	-
Total auditor's remuneration	33,092	10,000

<sup>1</sup> The Company acquired a Motor Vehicle (at cost) of \$36,352 (30 June 2021: Nil) and Computers (at cost) of \$3,906 (30 June 2021: Nil) during the year. Accumulated depreciation and depreciation charged during the year amounted to \$5,884 (30 June 2021: Nil), resulting in Net Book Value of \$34,374 as at 30 June 2022. (30 June 2021: Nil)

	Consolidated	
	30 June 2022	30 June 2021
	\$	\$
<b>6. Income Tax Expense</b>		
(a) Income tax expense		
Current tax	-	-
Deferred tax	-	-
Total income tax (expense)/benefit	-	-
Deferred income tax expense included in income tax expense comprises:		
(Increase) in deferred tax assets	-	-
Increase in deferred tax liabilities	-	-
	-	-
(b) Numerical reconciliation of income tax expense to prima facie tax payable		
Profit/(Loss) from continuing operations before income tax expense	(4,095,108)	(6,439,547)
Tax expense/(benefit) at the tax rate of 25% (2021: 26%)	(1,023,777)	(1,674,282)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Share based payments	183,779	255,606
Other non-deductible amounts	8,753	1,820,000
Prior year adjustments	-	-
Non-assessable income	-	(550,165)
Unrecognised tax losses	831,245	148,841
Income tax expense	-	-
(c) Deferred tax assets		
Tax losses	-	-
Employee benefits	-	-
Other accruals	-	-
Total deferred tax assets	-	-
Set-off deferred tax liabilities (Note 6(d))	-	-
Net deferred tax assets	-	-
(d) Deferred tax liabilities		
Fair Value of Assets recognised on Business Combination	-	-
Other	-	-
Total deferred tax liabilities	-	-
Set-off deferred tax assets (Note 6(c))	-	-
Net deferred tax liabilities	-	-
(e) Tax losses		
Unused tax losses for which no DTA has been recognized	3,897,444	572,465
Potential tax benefit at 25% (2021: 25%)	974,361	143,116
(f) Unrecognised temporary differences		
Unrecognised deferred tax asset relating to capital raising costs	319,389	110,754
Potential tax benefit at 25% (2021: 25%)	79,847	27,689

	Consolidated 2022 \$	2021 \$
<b>7. Cash &amp; Cash Equivalents</b>		
(a) Cash & cash equivalents		
Cash at bank and in hand	4,060,645	7,440,779
Deposits at call	-	-
Total cash and cash equivalents	<u>4,060,645</u>	<u>7,440,779</u>
(b) Cash at bank and on hand		
Cash on hand is non-interest bearing. Cash at bank bears interest rates between 1.05% and 1.35% (2021: 0.00% and 0.00%). This amount includes \$40,000 (2021: Nil) being placed as deposit for credit card facility.		
(c) Deposits at call		
Deposits at call are bearing interest rates of nil. (2021: Nil)		
<b>8. Trade, Other Receivables and Prepayments</b>		
<b>Current</b>		
(a) Other receivables	<u>51,625</u>	<u>61,407</u>
(b) Prepayments	<u>68,109</u>	<u>27,527</u>
Past due and impaired receivables		
As at 30 June 2022, there were no other receivables that were past due or impaired. (2021: Nil)		
Effective interest rates and credit risk		
Information concerning effective interest rates and credit risk of both current and non-current trade and other receivables is set out in Note 15.		

	Consolidated 2022 \$	2021 \$
<b>9. Exploration &amp; Evaluation Expenditure</b>		
(a) Non-current		
Opening balance	-	-
Mineral Rights Acquired	-	7,000,000
Exploration and acquisition expenditure at cost	2,556,013	392,863
Exploration assets expensed to profit and loss	<u>(2,556,013)</u>	<u>(7,392,863)</u>
Total non-current exploration and evaluation expenditure	<u>-</u>	<u>-</u>
The group's exploration properties may be subjected to claim(s) under native title, or contain sacred sites, or sites of significance to Aboriginal people for Australian Assets and First Nations People for its United States Assets. As a result, exploration properties or areas within the tenements may be subject to exploration restrictions, mining restrictions and/or claims for compensation. At this time, it is not possible to quantify whether such claims exist, or the quantum of such claims.		
<b>Acquisition of Exploration Assets – 30 June 2021</b>		
The minerals rights acquired that were expensed represents the exploration tenements acquired from Blackstone Minerals Limited (ASX: BSX) as part of the spin-out of Codrus Minerals Limited. The acquisition costs consist of 35,000,000 shares issued to Blackstone Minerals Limited for an issue price of \$0.20 per share for a total value of \$7,000,000, which were expensed in accordance with the Company's accounting policy denoted under Note 1(j).		

	Consolidated 2022 \$	2021 \$
<b>10. Trade &amp; Other Payables</b>		
<b>Current</b>		
Trade and Other Payables	227,855	261,950
Accruals	23,687	10,000
Total current trade & other payables	251,542	271,950
There are no payables that are considered past due as at 30 June 2022 (2021: Nil).		
<b>11. Provisions</b>		
<b>Current</b>		
Employee entitlements	50,061	6,077
Total current provisions	50,061	6,077

	Consolidated		Consolidated	
	2022	2022	2021	2021
	Shares	\$	Shares	\$
<b>12. Issued Capital</b>				
(a) Issued and unissued share capital				
Ordinary shares – fully paid	75,000,004	14,467,686	75,000,004	14,446,229
Total issued and unissued share capital	75,000,004	14,467,686	75,000,004	14,446,229
(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.				
On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.				
(c) Options				
Information relating to options including details of options issued, exercised and lapsed during the financial period and options outstanding at the end of the financial period, is set out in Note 13.				
(d) Performance Rights				
Information relating to performance rights including details of rights issued, exercised and lapsed during the financial period and performance rights outstanding at the end of the financial period, is set out in Note 13.				

	Date	Number of Shares	Issue Price	Total
			\$	\$
<b>12. Contributed Equity (continued)</b>				
(e) Movements in issued capital				
<b>Opening Balance 1 July 2020</b>		<b>4</b>		<b>1</b>
Acquisition of Minerals Rights	16 June 2021	35,000,000	0.20	7,000,000
Initial Public Offering	17 June 2021	40,000,000	0.20	8,000,000
Less: Transaction costs				(553,772)
<b>Closing Balance at 30 June 2021</b>		<b>75,000,004</b>		<b>14,446,229</b>
<b>Opening Balance 1 July 2021</b>		<b>75,000,004</b>		<b>14,446,229</b>
Less: Transaction costs		-		21,457 <sup>1</sup>
<b>Closing Balance at 30 June 2022</b>		<b>75,000,004</b>		<b>14,467,686</b>

<sup>1</sup> Transaction costs are positive due to refund of overpayment of previous issue costs from prior year.

Expiry date	Exercise price	Balance at start of year	Granted during the year	Issued/ (Exercised) during the year	Cancelled/ lapsed during the year	Balance at end of the year
<b>13. Issued Share Options and Performance Rights</b>						
(a) 2022 unlisted share option details						
17 June 2024	30 cents	6,000,000	-	-	-	6,000,000
17 June 2023	30 cents	6,000,000	-	-	-	6,000,000
		<b>12,000,000</b>	-	-	-	<b>12,000,000</b>
Weighted average exercise price		\$0.30				\$0.30
2021 unlisted share option details						
17 June 2024	30 cents	-	6,000,000	-	-	6,000,000
17 June 2023	30 cents	-	6,000,000	-	-	6,000,000
		-	<b>12,000,000</b>	-	-	<b>12,000,000</b>
Weighted average exercise price		-	\$0.30			\$0.30

## 13. Issued Share Options and Performance Rights (continued)

Class of Rights	Expiry date	Balance at start of year	Granted during the year	Issued/ (Exercise d) during the year	Cancell ed/ lapsed during the year	Balance at end of the year
<b>(b) Performance Rights Details 2022</b>						
Class A	17 June 2026	1,500,000	-	-	-	1,500,000
Class B	17 June 2026	2,000,000	-	-	-	2,000,000
Class C	17 June 2026	1,500,000	-	-	-	1,500,000
Tranche A	23 Jul 26 & 3 Dec 26	-	2,450,000	-	-	2,450,000
Tranche B	23 Jul 26 & 3 Dec 26	-	3,000,000	-	-	3,000,000
Tranche C	23 Jul 26 & 3 Dec 26	-	1,650,000	-	-	1,650,000
		5,000,000	7,100,000	-	-	12,100,000
<b>Performance Rights Details 2021</b>						
Class A	17 June 2026	-	1,500,000	-	-	1,500,000
Class B	17 June 2026	-	2,000,000	-	-	2,000,000
Class C	17 June 2026	-	1,500,000	-	-	1,500,000
		-	5,000,000	-	-	5,000,000

During the year, the Company issued 7,100,000 performance rights were issued to employees and consultants on the following terms.

Class of Performance Rights	Milestone	Expiry Date	Number of Performance Rights
<b>Tranche A Performance Rights</b>	a) The Company's shares achieving a volume weighted average price per share of \$0.40 or more calculated over any 20 consecutive trading days which trades in the shares are recorded on ASX; and	23 Jul 26 & 3 Dec 26 (Tranche A)	2,450,000 (Tranche A)
	b) the holder completing 12 months of continuous employment as the Managing Director of the Company		
<b>Tranche B Performance Rights</b>	a) The Company achieving, in respect of any of the mining tenements or projects it holds an interest in at the issue date of the Performance Rights or acquires at any date in the future, a drill result greater than or equal to: <ul style="list-style-type: none"> <li>(i) a 30, gram x metre Gold intersection (with a minimum cut off grade of 0.2 g/t Au); or</li> <li>(ii) a 10, % x metre Nickel intersection (with a minimum cut off grade of 0.2 %/t Ni); or</li> </ul>	23 Jul 26 & 3 Dec 26 (Tranche B)	3,000,000 (Tranche B)

Class of Performance Rights	Milestone	Expiry Date	Number of Performance Rights
	<p>(iii) a 18, % x metre Copper intersection (with a minimum cut off grade of 0.3 %/t Cu), with the intersection being signed off by an independent geologist (the intersection is calculated by multiplying the grade of the metal (g/t or %) by the intercept width (m's)); and</p> <p>b) the holder completing 24 months of continuous employment as the Managing Director of the Company.</p>		
<b>Tranche C Performance Rights</b>	<p>The Company achieving a JORC compliant inferred mineral resource estimate of either:</p> <p>a) 500,000 ounces of Gold, with a minimum cut off grade of 0.2g/t Au; or</p> <p>b) 50,000 tonnes of Nickel, with a minimum cut off grade of 0.2% Ni; or</p> <p>c) 90,000 tonnes of Copper, with a minimum cut off grade of 0.3% Cu,</p> <p>in respect of any of the mining tenements or projects it holds an interest in at the issue date of the Performance rights or acquires at any date in the future, as signed off by an independent geologist.</p>	23 Jul 26 & 3 Dec 26 (Tranche C)	1,650,000 (Tranche C)

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	Consolidated 2022 \$	2021 \$
<b>14. Reserves</b>		
(a) Unlisted option reserve		
Opening balance	946,115	-
Share based payments expense – Profit and Loss	-	946,115
Total unlisted option reserve	946,115	946,115
<p>The unlisted option reserve records items recognised on valuation of director, employee and contractor 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 Note 22.</p>		
(b) Performance Rights Reserve		
Opening balance	36,986	-
Issue of Performance Rights to Managing Director, consultants and employees	735,115	36,986
Closing Balance	772,101	36,986
<p>The performance rights reserve records items recognised on valuations of vendor performance rights. Information relating to performance shares issued at the end of the financial period, is set out in Note 22(d)</p>		
(c) Total Option Reserve		
Unlisted Option Reserve	946,115	946,115
Performance Shares Reserve	772,101	36,986
Closing Balance	1,718,216	983,101
(d) Total reserves		
Option Premium Reserve (Note 22)	1,718,216	983,101
Foreign Currency Translation Reserve	-	-
Closing Balance	1,718,216	983,101

## 15. Financial Instruments, Risk Management Objectives and Policies

The Group's risk management framework is supported by the Board and management. The Board is responsible for approving and reviewing the Group's risk management strategy and policy. Management is responsible for monitoring that appropriate processes and controls are in place to effectively and efficiently manage risk.

The Group has exposure to the following risks:

- Market risk
- Liquidity risk

### (a) Market risk

Market risk is the risk that changes in market prices, such as commodity prices will affect the Group's potential 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 return. There were no changes in the Group's market risk management policies from previous years.

## 15. Financial Instruments, Risk Management Objectives and Policies (continued)

### (b) Group sensitivity analysis

The entity's main interest rate risk arises from cash and cash equivalents with variable and fixed interest rates. At 30 June 2022, the Group had \$4,060,645 (2021: \$7,440,779) of cash and cash equivalents and any exposure to changes in interest rate risk is unlikely considered to be material.

### (c) Liquidity risk

The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Due to the dynamic nature of the underlying businesses, the Group aims at ensuring flexibility in its liquidity profile by maintaining the ability to undertake capital raisings. Funds in excess of short term operational cash requirements are generally only invested in short term bank bills.

The following tables detail the Group's contractual maturity for its financial liabilities:

	Carrying Amount	Contractual Cash Flows	Less than 1 year	2-5 years	>5 years
<b>For the year ending 30 June 2022</b>					
Trade and other Payables	251,542	251,542	251,542	-	-
<b>For the year ending 30 June 2021</b>					
Trade and other Payables	271,950	271,950	271,950	-	-

### (d) Net fair value

The carrying value and net fair values of financial assets and liabilities at balance date are:

	2022 Carrying Amount \$	Net fair Value \$
<b>15. Financial Instruments, Risk Management Objectives and Policies</b>		
Financial assets		
Cash and cash equivalents	4,060,645	4,060,645
Trade & other receivables – current	51,625	51,625
	<u>4,112,270</u>	<u>4,112,270</u>
Financial Liabilities		
Trade and other payables – current	251,542	251,542
	<u>251,542</u>	<u>251,542</u>

	2021 Carrying Amount \$	Net fair Value \$
<b>15. Financial Instruments, Risk Management Objectives and Policies (continued)</b>		
Financial assets		
Cash and cash equivalents	7,440,779	7,440,779
Trade & other receivables - current	61,407	61,407
Trade & other receivables - non-current	-	-
	7,502,186	7,502,186
Financial Liabilities		
Trade and other payables - current	271,950	271,950
Trade and other payables – non-current	-	-
	271,950	271,950

	Consolidated 2022 \$	2021 \$
<b>16. Earnings per Share</b>		
(a) Profit/(Loss) used in the calculation of basic EPS	(4,095,108)	(6,439,547)
(b) Weighted average number of ordinary shares ('WANOS') WANOS used in the calculation of basic earnings per share:	75,000,004	2,767,127
(c) Profit/(Loss) per share (in cents)	(5.5)	(232.7)
(d) Diluted loss per share is considered to be the same as the basic loss per share, as the potential ordinary shares on issue are anti-dilutive and have not been applied in calculating dilutive loss per share.		

	Consolidated 2022 \$	2021 \$
<b>17. Cash Flow Information</b>		
(a) Reconciliation of cash flows from operating activities with loss from ordinary activities after income tax:		
Profit/(Loss) from ordinary activities after income tax	(4,095,108)	(6,439,547)
Share based payments	735,115	983,101
Depreciation	5,884	-
Exploration write off	-	392,863
Minerals rights acquired	-	7,000,000
Debt forgiven	-	(2,116,018)
Other	-	1,232
Changes in assets and liabilities:		
Increase in operating receivables & prepayments	(30,800)	(88,934)
Decrease in operating trade and other payables	(20,408)	251,950
Increase in employee provisions	43,984	6,077
Net cash (used in) or outflow from Operating Activities	(3,361,333)	(9,276)
(b) Non-cash investing and financing activities		
During the 30 June 2022 and 30 June 2021 financial year, there were no non-cash financing and investing activities.		

		Consolidated	
		2022	2021
		\$	\$
<b>18. Commitments and Contingencies</b>			
(a) Exploration commitments			
Not longer than one year		337,974	347,974
Longer than one year, but not longer than five years		774,614	836,784
Longer than five years		-	-
		<u>1,112,588</u>	<u>1,184,758</u>
<p>In order to maintain rights of tenure to mining tenements subject to these agreements, the group would have the above discretionary exploration expenditure requirements up until expiry of leases. These obligations, which are subject to renegotiation upon expiry of the leases, are not provided for in the financial statements and are payable per the above maturities. If the company decides to relinquish certain leases and/or does not meet these obligations, assets recognised in the statement of financial position may require review to determine the appropriateness of carrying values. The sale, transfer or farm-out of exploration rights to third parties will reduce or extinguish these obligations.</p>			
(b) Contingencies			
<p>On 29<sup>th</sup> of January 2019, the company entered into an agreement to acquire tenements in Oregon, United States known as the Record Mine, for an option fee of US\$20,000 payable on agreement, with an option fee payable annually on 1 February each year for four years for US\$25,000 per year (included in exploration commitments per 18 (a)). After the fourth year the purchase price is contingent upon the option being exercised for a total payment of US\$1 million dollars.</p>			
<p>Owners shall retain Net Smelter Royalty (NSR) equal to 1.5% and shall be payable to the current owner of the Record mine in Oregon USA.</p>			
<p>There are no further commitments or contingent liabilities.</p>			

## 19. Events Occurring After Balance Date

On 25 August 2022, the Company announced that a non-renounceable entitlement issue of options will be offered to eligible shareholders on the basis of one (1) New Option for every two (2) shares held by eligible shareholders at an issue price of \$0.001 per Loyalty Option. The purpose of the entitlement offer is to recognise the support and loyalty the Company has received from its shareholders to date. The entitlement offer will also serve to help maintain shareholder loyalty for eligible shareholders who have purchased shares since the Company's shares commenced quotation on the ASX on 21 June 2021.

Apart from the above, there were no other matter or circumstance has arisen since 30 June 2022 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

## 20. Segment Information

### (a) Description of segments

Management has determined the operating segments based on the reports reviewed by the chief operating decision maker that are used to make strategic decisions. For the purposes of segment reporting the chief operating decision maker has been determined as the board of directors. The board monitors the entity primarily from a geographical perspective, and has identified three operating segments, being exploration for mineral reserves Australia, the United States and the corporate/head office function.

**20. Segment Information (continued)**

- (b) Segment information provided to the board of directors  
The segment information provided to the board of directors for the reportable segments for the year ended 30 June 2022 is as follows:

	Australia \$	United States \$	Corporate \$	Total \$
<b>For the year ending 30 June 2022</b>				
Interest income			1,087	1,087
Exploration expenditure	(1,932,139)	(623,874)	-	(2,556,013)
<b>Total segment (loss) before income tax</b>	<b>(1,932,139)</b>	<b>(624,051)</b>	<b>(1,538,918)</b>	<b>(4,095,108)</b>
Total segment assets 2022	-	-	4,214,753	4,214,753
Total segment liabilities 2022	(87,649)	-	(213,954)	(301,603)
<b>For the year ending 30 June 2021</b>				
Exploration expenditure written off	(345,571)	(47,292)	-	(392,863)
Minerals Rights Acquired	(7,000,000)	-	-	(7,000,000)
Debt Forgiven	2,068,413	47,605	-	2,116,018
<b>Total segment (loss) before income tax</b>	<b>(5,277,158)</b>	<b>-</b>	<b>(1,162,389)</b>	<b>(6,439,547)</b>
Total segment assets 2021	-	-	7,529,713	7,529,713
Total segment liabilities 2021	-	-	(278,027)	(278,027)

**(c) Measurement of segment information**

All information presented in part (b) above is measured in a manner consistent with that in the financial statements.

**(d) Segment revenue**

No inter-segment sales occurred during the current period. The entity is domiciled in Australia. No revenue was derived from external customers in countries other than the country of domicile. There were no revenues derived from Australian financial institutions during the year.

**(e) Reconciliation of segment information**

Total segment revenue, total segment profit/(loss) before income tax, total segment assets and total segment liabilities as presented in part (b) above, equal total entity revenue, total entity profit/(loss) before income tax, total entity assets and total entity liabilities respectively, as reported within the financial statements.

**21. Related Party Transactions****(a) Parent entity**

Codrus Minerals Limited is the parent entity.

**(b) Subsidiaries**

Interests in subsidiaries are set out in note 23.

**21. Related Party Transactions (continued)****(c) Key management personnel compensation**

	Consolidated 2022 \$	2021 \$
Key Management Personnel Compensation		
Short-term employee benefits	405,027	84,696
Post-employment benefits	36,000	6,350
Share-based payments	362,329	571,082
Total key management personnel compensation	803,356	662,128

**(d) Transactions with other related parties**

The following transactions occurred with related parties:

	Consolidated 2022 \$	2021 \$
(i) Recharges to KMP related entities		
Loan forgiveness by Blackstone Minerals Limited	-	2,116,018
(ii) Purchases from KMP related entities		
Rent of office building and shared office costs		
Recharges from Blackstone Minerals Limited	53,802	160,359
Recharges from Venture Minerals Limited	54,745	-

Details of remuneration disclosures are included in the Remuneration Report on pages 14 to 20.

**(e) Terms and conditions of related party transactions**

Transactions between related parties are on commercial terms and conditions, no more favourable than those available to other parties unless otherwise stated.

**22. Share Based Payments****(a) Fair value of listed options granted**

There were no listed options on issue (2021: Nil).

**(b) Fair value of unlisted options granted to Directors****30 June 2022**

There were no unlisted options being granted or issued to Directors during the year (2021: \$534,096).

**30 June 2021**

The Company issued 6,000,000 unlisted options to Directors vesting on the date of issue. The weighted average fair value of the 6,000,000 options granted in the current period was 8.9016 cents per option. The fair value of \$534,096 was recognised during the year.



## 22. Share Based Payments (continued)

### (b) Fair value of unlisted options granted to Directors

#### 30 June 2021

The price was calculated by using the Black-Scholes Option Pricing Model applying the following inputs.

- Weighted average exercise price of \$0.30;
- Weighted average life of the option (years) of 3;
- Weighted average underlying share price of \$0.20;
- Expected share price volatility of 85%;
- Weighted average risk-free interest rate of 0.20%.

Volatility is calculated based on historical share price history of the company and used as the basis for determining expected share price volatility as it assumed that this is indicative of future tender, which may not eventuate. The life of the options is agreed upon by the Board to ensure long term goal congruence between Directors, Management and Shareholders.

### (c) Fair value of performance options granted to Corporate Advisors

#### 30 June 2022

There were no performance options being granted or issued during the year.

#### 30 June 2021

The Company issued 6,000,000 unlisted options to Corporate Advisors with an exercise price of \$0.30 expiring 17 June 2023. The value of the options recognised was \$412,019.

The price was calculated by using the Black-Scholes Option Pricing Model applying the following inputs.

- Weighted average exercise price of \$0.30;
- Weighted average life of the option (years) of 2;
- Weighted average underlying share price of \$0.20;
- Expected share price volatility of 85%;
- Weighted average risk-free interest rate of 0.075%.

### (d) Fair value of performance rights granted Managing Directors, Employees and Consultants

#### 30 June 2022

The Company issued 7,100,000 performance rights to employee and consultants subject to various performance conditions (Refer to Note 13(b)). The share based payment expenses recognised during the year was \$735,115.

#### 30 June 2021

The Company issued 5,000,000 performance rights to the Managing Director subject to various performance conditions (Refer to Note 13 (b)). The share based payment expense recognised during the year was \$36,986.

**22. Share Based Payments (continued)**

	30 June 2022	30 June 2021
	\$	\$
<b>Share based payments expense</b>		
Options issued to Directors	-	534,096
Options issued to Corporate Advisors	-	412,019
Performance Rights issued to Directors	-	36,986
Performance Rights issued to Employees and Consultants	735,115	-
<b>Total Share based payments expense</b>	<b>735,115</b>	<b>983,101</b>

**23. Subsidiaries**

The consolidated financial statements incorporate the assets, liabilities and results of the following wholly owned subsidiaries in accordance with the accounting policy described in Note 1:

Name of entity	Country of incorporation	Class of Shares	Equity Holding <sup>A</sup>	
			2022 %	2021 %
Black Eagle LLC	Oregon, US	Ordinary	100	100

<sup>A</sup> The proportion of ownership interest is equal to the proportion of voting power held.

	Parent 2022	2021
	\$	\$
<b>24. Parent Entity Information</b>		
(a) Assets		
Current assets	4,180,379	7,529,713
Non-current assets	34,374	193,318
Total assets	<u>4,214,753</u>	<u>7,723,031</u>
(b) Liabilities		
Current liabilities	301,599	278,026
Non-current liabilities	-	-
Total liabilities	<u>301,599</u>	<u>278,026</u>
(c) Equity		
Issued Capital	14,467,686	14,446,229
Reserves	1,718,216	983,101
Accumulated losses	(12,272,748)	(7,984,325)
Total equity	<u>3,913,154</u>	<u>7,445,005</u>
(d) Total Comprehensive loss for the year		
Profit/(Loss) for the period after income tax	(4,288,423)	(6,391,942)
Other comprehensive income for the year	-	-
Total comprehensive loss for the year	<u>(4,288,423)</u>	<u>(6,391,942)</u>
(e) The parent entity had no capital commitments for property, plant and equipment as at 30 June 2022 and 30 June 2021. Other commitments are disclosed in Note 18.		
(f) The parent entity had no contingent liabilities as at 30 June 2022 and 30 June 2021, other than as disclosed in Note 18.		

**In the Directors' opinion**

- (a) the financial statements and notes set out on pages 24 to 54 are in accordance with the *Corporations Act 2001*, including:
  - (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
  - (ii) giving a true and fair view of the Group's financial position as at 30 June 2022 and of its performance for the period ended on that date; and
- (b) there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable; and
- (c) the audited remuneration disclosures set out on pages 14 to 20 of the directors' report comply with section 300A of the *Corporations Act 2001*; and
- (d) the financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.

The directors have been given the declarations by the chief executive officer and chief financial officer required by section 295A of the *Corporations Act 2001*.

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

A handwritten signature in blue ink, appearing to read "S. Bamforth".

**Shannan Bamforth**  
**Managing Director**

Perth, Western Australia, 16 September 2022

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF  
CODRUS MINERALS LIMITED****Report on the Audit of the Financial Report****OPINION**

We have audited the financial report of Codrus Minerals Limited ("the Company") and its subsidiaries ("Group"), which comprises the consolidated statement of financial position as at 30 June 2022, the consolidated statement of 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.

**KEY AUDIT MATTERS**

We have defined the following matter to be the key audit matter 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. This matter was 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 this matter.

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**Share based payments**

**(refer to Note 1(n)(iii), Note 13, and Note 22 of the financial statements)**

As referred to in Note 22 to the consolidated financial statements, the Company awarded 7,100,000 performance rights to employees and consultants comprising 4,500,000 performance rights to consultants and 2,600,000 to employees.

The awards vest subject to the achievement of certain vesting conditions. The Company valued the performance rights based on the share price at grant date and estimated likelihood of performance milestones being achieved over the vesting period for each tranche of awards. None of the award granted during the year have vested at the reporting date.

The Company has performed calculations to record the related share-based payment expense of \$735,115 in the consolidated statement of profit or loss and other comprehensive income.

Due to the complex nature of the transactions and estimates used in determining the valuation of the share-based payment arrangement and vesting expense, we consider the Company's calculation of the share-based payment expense to be a key audit matter.

In determining the fair value of the awards, the Company used assumptions in respect of future market and economic conditions as well as estimates of achievement of certain exploration targets.

Inter alia, our audit procedures included the following:

- i. Verifying the inputs and examining the assumptions used in the Company's valuation of performance rights;
- ii. Challenging management's assumptions in relation to the likelihood of achieving the performance conditions;
- iii. Assessing the fair value of the calculation through re-performance using appropriate inputs; and
- iv. Assessing the accuracy of the share-based payments expense and the adequacy of disclosures made by the Company in the financial report.

**OTHER INFORMATION**

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 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 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.



**Stantons**

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 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 20 of the directors' report for the year ended 30 June 2022.

In our opinion, the Remuneration Report of Codrus Minerals 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*

**Martin Michalik**  
Director

West Perth, Western Australia  
16 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://codrusminerals.com.au/corporate-governance/>

### Distribution of equity securities

Analysis of numbers of equity security holders by size of holding as at 15 September 2022 were as follows:

Holding	Number of Shareholders Fully Paid Ordinary Shares
1- 1,000	9
1,001 - 5,000	36
5,001 - 10,000	85
10,001 - 100,000	270
100,001 and over	95
	495

Holders of less than a marketable parcel: 55

### Substantial Shareholders

The names of the substantial shareholders as at 15 September 2022:

Shareholder	Number
Blackstone Minerals Limited	35,000,004

### Voting Rights - Ordinary Shares

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.

### Restricted Securities

- There are 35,000,004 ordinary shares subject to a 24 month escrow to 17 June 2023.
- In addition, the Company issued 6,000,000 options to Brokers with an exercise price of \$0.30 escrowed for 24 months. Expiry date 17 June 2023.
- In addition, the Company issued 6,000,000 options to Directors with an exercise price of \$0.30 escrowed for 24 months. Expiry date 17 June 2024.
- In addition, the Company issued 5,000,000 performance rights to Managing Director escrowed for 24 months. Expiry date 17 June 2026.



**Unquoted Securities**

	Exercise price	Vesting conditions	Expiry date	Number of options	Number of holders
Director options	\$0.30	Nil	17 June 2024	6,000,000	3
Lead Manager Options	\$0.30	Nil	17 June 2023	6,000,000	11
Managing Director Performance Rights	N/A	Class A, Class B, Class C	17 June 2026	5,000,000	1
Performance Rights – Consultants and Employees	N/A	Tranche A, Tranche B, Tranche C	23 July 2026	7,100,000	19

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Equity security holders

The names of the twenty largest ordinary fully paid shareholders as at 15 September 2022 are as follows:

Position	Shareholder	Number	% Held of Issued Ordinary Capital
1	BLACKSTONE MINERALS LIMITED	35,000,004	46.67%
2	MR HAMISH HALLIDAY	1,650,000	2.20%
3	CHIFLEY PORTFOLIOS PTY LTD <DAVID HANNON RETIREMENT FUND>	995,000	1.33%
4	MR SIMON ANDREW TESTER	992,874	1.32%
5	MR PHILIP JOHN CAWOOD	900,000	1.20%
6	PISTACHIO PTY LTD<THE PECAN SUPERANNUATION A/C>	800,000	1.07%
6	SJ CAPITAL PTY LTD	800,000	1.07%
7	OKAVANGO INVESTMENTS PTY LTD<STRAHORN INVESTMENT A/C>	700,000	0.93%
8	BALLANCE PTY LTD<CROCKETT SUPER FUND A/C>	650,000	0.87%
9	MR LUKE CUNNINGHAM	600,001	0.80%
10	MR ABDULLAH SIDDIQUI	514,486	0.69%
11	MRS NINA KRASKOVSKAYA	500,000	0.67%
11	VALUI PTY LTD<FORTIS SUPER FUND A/C>	500,000	0.67%
11	J & J BANDY NOMINEES PTY LTD<BANDY P/F A/C>	500,000	0.67%
11	J & J BANDY NOMINEES PTY LTD<J & J BANDY SUPER FUND A/C>	500,000	0.67%
11	MR NICHOLAS STUART BEATON DUNCAN	500,000	0.67%
11	MRS KIM ELIZABETH LOVE	500,000	0.67%
11	SEVENTY THREE PTY LTD<KING SUPER FUND NO 3 A/C>	500,000	0.67%
12	BNP PARIBAS NOMINEES PTY LTD<IB AU NOMS RETAILCLIENT DRP>	497,670	0.66%
13	MRS HELEN BETH TESTER	463,959	0.62%
14	AUKERA CAPITAL PTY LTD<AUKERA DISCRETIONARY A/C>	450,000	0.60%
15	MRS TRA THU LE	442,845	0.59%
16	MR ROBIN DESMOND ASHTON	440,187	0.59%
17	BNP PARIBAS NOMS PTY LTD <DRP>	351,298	0.47%
18	APPOLO PTY LTD	350,000	0.47%
18	AYERS CAPITAL PTY LTD	350,000	0.47%
19	MR SHANNAN THOMAS BAMFORTH	340,000	0.45%
20	SUNLORA PTY LTD<THE THREE FISH SUPER A/C>	300,000	0.40%
20	AUKERA CAPITAL PTY LTD<AUKERA DISCRETIONARY A/C>	300,000	0.40%
20	MS MELANIE WARD<THE BLUE MANATEE A/C>	300,000	0.40%
		<b>51,688,324</b>	<b>68.92%</b>

## Schedule of Tenements

As at 15 September 2022

Project	Location	Tenement	Interest
Bull Run (Record Mine)	Oregon, USA	OR152073, OR152074	0% <sup>1</sup>
	Oregon, USA	OR152076, OR152077	0% <sup>1</sup>
	Oregon, USA	OR152078, OR152627	0% <sup>1</sup>
	Oregon, USA	OR17242 – OR17246	0% <sup>1</sup>
	Oregon, USA	OR176469 – OR176514	100%
	Oregon, USA	OR178405 – OR178437	100%
	Oregon, USA	OR105272173 – OR105272184	100%
Silver Swan South	Western Australia	P27/2191 – P27/2196	100%
	Western Australia	E27/545	100%
Red Gate	Western Australia	E31/1096	100%
Middle Creek	Western Australia	P46/1900 - P46/1912	95%
	Western Australia	P46/1914 - P46/1920	95%
	Western Australia	P46/1924	100%
	Western Australia	P46/2091 – P46/2095	Under application
	Western Australia	E46/1428, E46/1429, E46/1431	Under application
Waladdi Soak	Western Australia	P46/2046 – P46/2052	Under application
		E27/682, E27/684, E27/685, E29/1176	Under application

### Key

E: Exploration Licence

P Prospecting Licence

Note 1: Held under an option agreement to acquire 100% of the Record Mine.