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Annual Report
for the Year Ended
30 June 2022

Cover Photo: Cascata Prospect - Altered amphibolite with epidote (green) and oxidised sulphide (rust colour).

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Ryberg field area



Looking east over Miki fjord



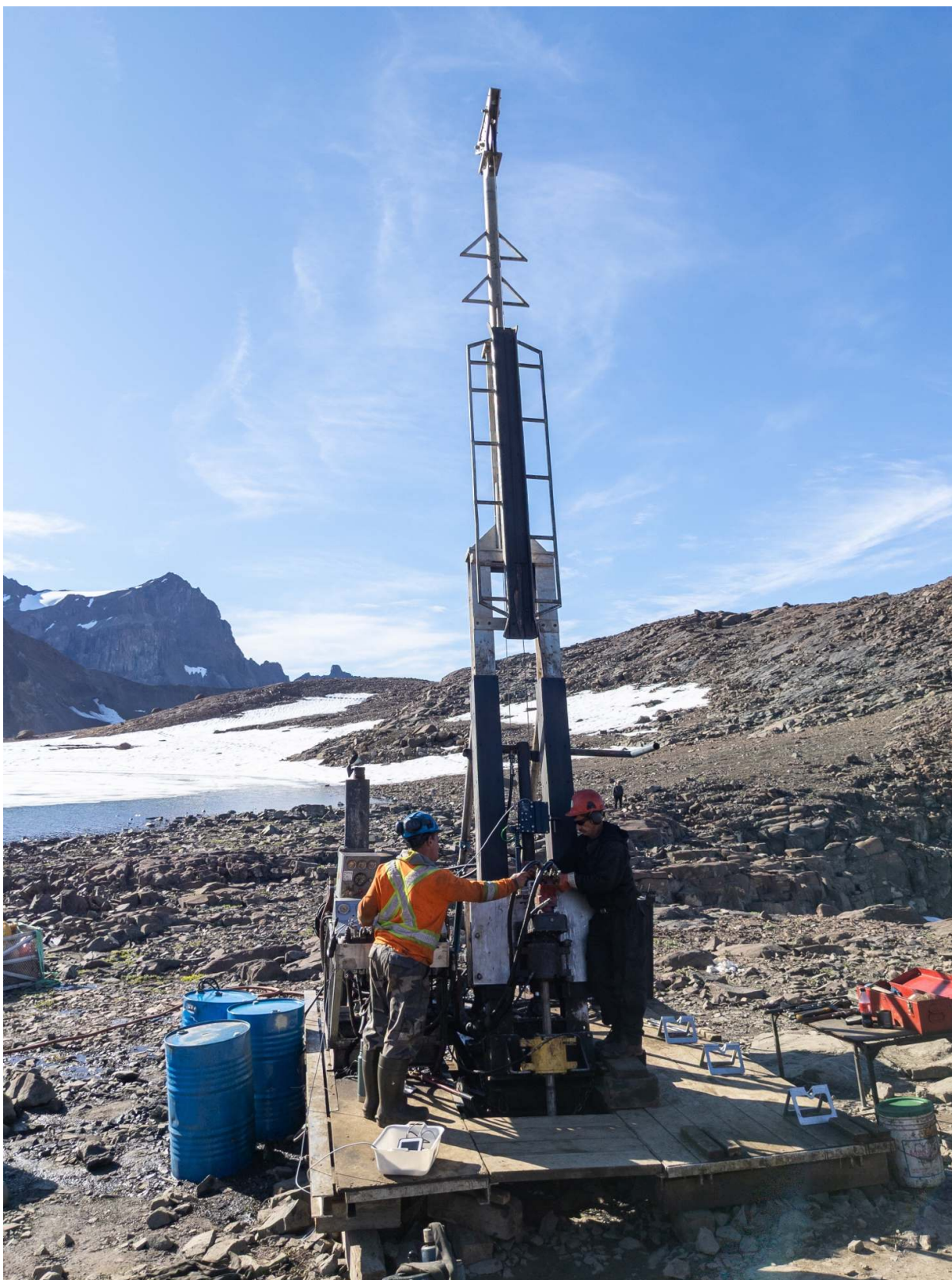
Höskuldur Jónsson, Operations Manager



Drill rig setup at Ryberg on MIDD010



Drill rig setup at Ryberg on SODD004



CADD003 at Ryberg in progress



Helicopter slinging supplies at drillhole CADD003, Ryberg

View west from Mt Thirsty



View west from Mt Thirsty



View north from Mt Thirsty

HIGHLIGHTS FOR THE YEAR TO 30 JUNE 2022

Mt Thirsty Polymetallic Project, Western Australia (CNJ: 50%)

- Geological review commenced at Mt Thirsty following recent discovery by Galileo Mining Ltd (ASX: GAL) only 200 metres from northern tenement boundary held by the MTJV.
- Prospective mineralised horizons on the GAL tenement interpreted to strike a further 1.5 km S-SW from the northern tenement boundary. Interpretations supported by lithology & geophysics.
- Program of Work application submitted for a 5,000-metre drill campaign.
- Consultants engaged to assess broader nickel sulphide and lithium-caesium-tantalum (LCT) pegmatite potential on the MTJV tenements.
- Subsequent to the end of the financial year, a technical review (incorporating CSA Global, MTJV technical staff and leading geophysicist Barry Dewet) was completed incorporating recommendations for RC and diamond drilling as well as further geophysics.
- A heritage survey was also successfully completed on the MTJV with minimal impact on proposed drill-hole locations.
- The first phase drilling is underway with a number of drill holes intersecting disseminated, matrix and semi massive sulphide mineralisation.

Ryberg Polymetallic Project, Greenland (CNJ: 100%)

- 14 drill-holes completed during 2021 field season, totalling 3,498 metres.
- Drilling occurred over three prospects. Nine holes at Miki, three at Sortekap, and two at Cascata.
- First ever regional geophysical survey conducted. Airborne methods acquired magnetic, radiometric and elevation data.
- Extensive geological review undertaken by Conico technical staff, incorporating newly acquired magnetic data.
- Subsequent to the end of the financial year eleven diamond drill holes were completed at the Ryberg project for a total of 2,771 metres.

Mestersvig Zn-Pb-Cu-Ag Project, Greenland (CNJ: 100%)

- Reconnaissance surface sampling completed on broader tenement area.
- Extensive geological review undertaken by Conico technical staff, incorporating historic, geophysical, and surface sample data.
- 2,112 metres of diamond drilling completed since the end of the financial year over the 2022 field season.

Corporate

- The Company undertook a placement to raise \$4.02 million (before expenses) in September 2021.
- A fully underwritten rights issue was completed in May 2022 raising \$2.49 million before expenses.
- Thomas Abraham-James appointed as a non-executive director to the Company.

CORPORATE DIRECTORY

DIRECTORS:

Guy T Le Page **B.A., B.Sc., B.App.Sc. (Hons), M.B.A., M.Fin.Plan., GradDipAppFin&Inv, F.FIN., MAusIMM** (Executive)
Gregory H Solomon **LLB** (Non-Executive Chairman)
Douglas H Solomon **B.Juris. LLB (Hons)** (Non-Executive)
James B Richardson **Dip, Fin Plan** (Non-Executive)
Thomas Abraham-James **B.Sc. (Hons)., FAusIMM(CP), FSEG, FGSL** (Non-Executive)

COMPANY SECRETARY:

Aaron P Gates **B.Com CA AGIA**

REGISTERED OFFICE:

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197 St Georges Terrace
Perth, Western Australia 6000
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Email: mailroom@conico.com.au
Website: www.conico.com.au

SOLICITORS:

Solomon Brothers
Level 15,
197 St Georges Terrace
Perth, Western Australia 6000

AUDITORS:

Nexia Perth Audit Services Pty Ltd
Level 3
88 William Street
Perth, Western Australia 6000

SHARE REGISTRY:

Advanced Share Registry Services
110 Stirling Highway
Nedlands, Western Australia 6009

STOCK EXCHANGE LISTING:

ASX Code: CNJ (ordinary shares) CNJO (listed options)
Quotation has been granted for all the ordinary shares of the company on all Member Exchanges of the Australian Securities Exchange Limited.

REVIEW OF OPERATIONS

AUSTRALIA

MT THIRSTY COBALT PROJECT

(50% Conico Ltd: 50% Greenstone Resources Ltd (operator) – Joint Venture)

The Mt Thirsty Joint Venture (MTJV) is located 16 kilometres northwest of Norseman, Western Australia (Figure 1).

The Project contains the Mt Thirsty cobalt-nickel oxide deposit with a JORC Resource of 26.9 Mt at 0.126% cobalt and 0.54% nickel¹. A Pre-Feasibility Study of the Project was completed and announced to the ASX on 20 February 2020.

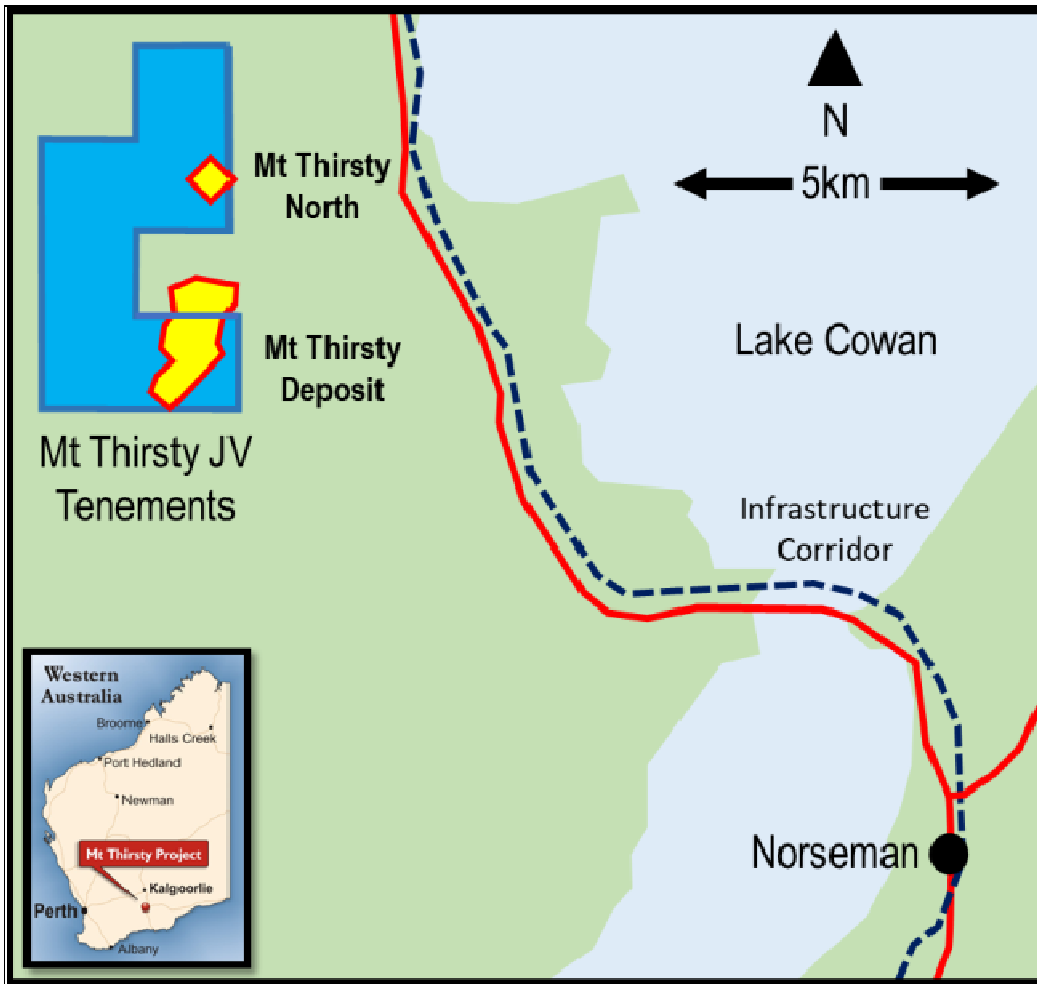


Figure 1: Location of the Mt Thirsty project

¹ ASX: CNJ 09/09/2019

The discovery of palladium-platinum-nickel-gold-copper mineralisation on the northern boundary of the MTJV tenement by Galileo Mining Ltd (ASX Announcement 11 May 2022), has highlighted the potential for the region to host platinum group element (PGE) mineralisation in ultramafic layered intrusions similar to the Platreef deposits of South Africa, which contains over 700 Mt of Resources. The initial 6-hole RC program by Galileo included a number of significant intercepts, including NRC266 with:

- 33 metres @ 2.05 g/t 4E (1.64 g/t Pd, 0.28 g/t Pt, 0.09 g/t Au, 0.05 g/t Rh), 0.32% Cu & 0.30% Ni from 144 m, including;
 - 6 metres @ 2.69 g/t 3E (2.21 g/t Pd, 0.37 g/t Pt, 0.11 g/t Au), 0.41% Cu & 0.36% Ni from 159 m; and
 - 1 metre @ 3.21 g/t 3E (2.66 g/t Pd, 0.41 g/t Pt, 0.14 g/t Au), 0.48% Cu & 0.46% Ni from 176 m.

Importantly for the MTJV, Galileo's recent discovery at Callisto is only 200 metres from the northern tenement boundary held by the MTJV with the extension of the prospective mineralised horizon onto MTJV tenure supported by geophysics & lithology (CNJ, ASX Announcement, 16 May 2022).

Despite extensive shallow drilling over the Mt Thirsty resource area, the prospective eastern margin remains largely untested (figure 2) with only 3.5% of all holes drilled at Mt Thirsty penetrating deeper than 100 metres, also noting Galileo's discovery hole was from 144 metres downhole. As such, an initial review indicates that a further 1.5 km of the prospective mineralised horizon may extend onto the MTJV tenure.

In addition to the untested PGE potential, the MTJV is undertaking a detailed geological review assessing the western margin of the Mt Thirsty licences for lithium.

Mineralisation at Callisto is associated with sulphides within ultramafic rocks of the Mount Thirsty Sill complex, and is confined to a 20-30 metre-thick horizon above a gently south-easterly-dipping sedimentary unit. This area immediately above the sedimentary horizon forms the principal target zone for the upcoming drill campaign.

While over 700 holes have historically been drilled overtop the prospective horizon, only four historical drill holes were drilled to depths greater than 100 metres and intersected the target horizon (Figure 3). However, given that cobalt-nickel mineralisation had historically been the focus at Mt Thirsty, the intervals from the four holes that intersected prospective horizon were unsampled for PGE's (Figure 3). Given the historical nature of this drilling, much of the drill core and remaining sample pulps have since been disposed of.

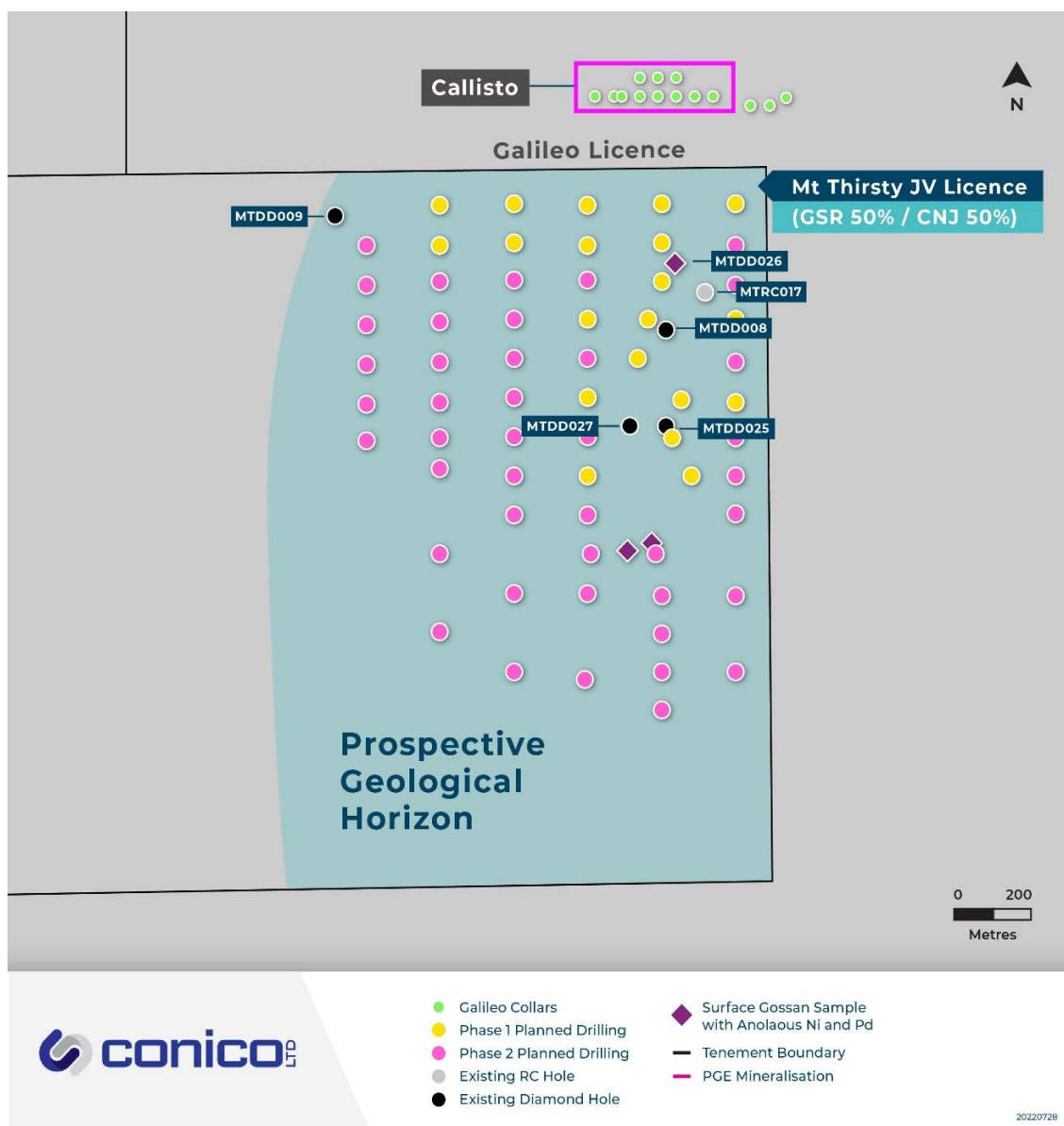


Figure 2: Plan view of planned drill-hole collars and prospective geological horizon.

Two success-dependent phases of RC and diamond drilling totalling 20,150 metres were planned to commence in the 2023 financial year (Figure 2). In addition to the untested PGE potential, the MTJV is undertaking a detailed geological review assessing the western margin of the Mt Thirsty licences for LCT potential, with historical drilling and mapping previously documenting pegmatites within the MTJV licence area. Importantly, 150 metres to the west of licences held by the MTJV is the Mt Thirsty pegmatite where Galileo previously reported a series of steeply dipping, north-south trending pegmatites. Six grab samples of micaceous (lepidolite) pegmatite were sampled by Galileo returning an average assay grade of 2.3% Li₂O, 1.87% Rb and 476 ppm Ta₂O₅.

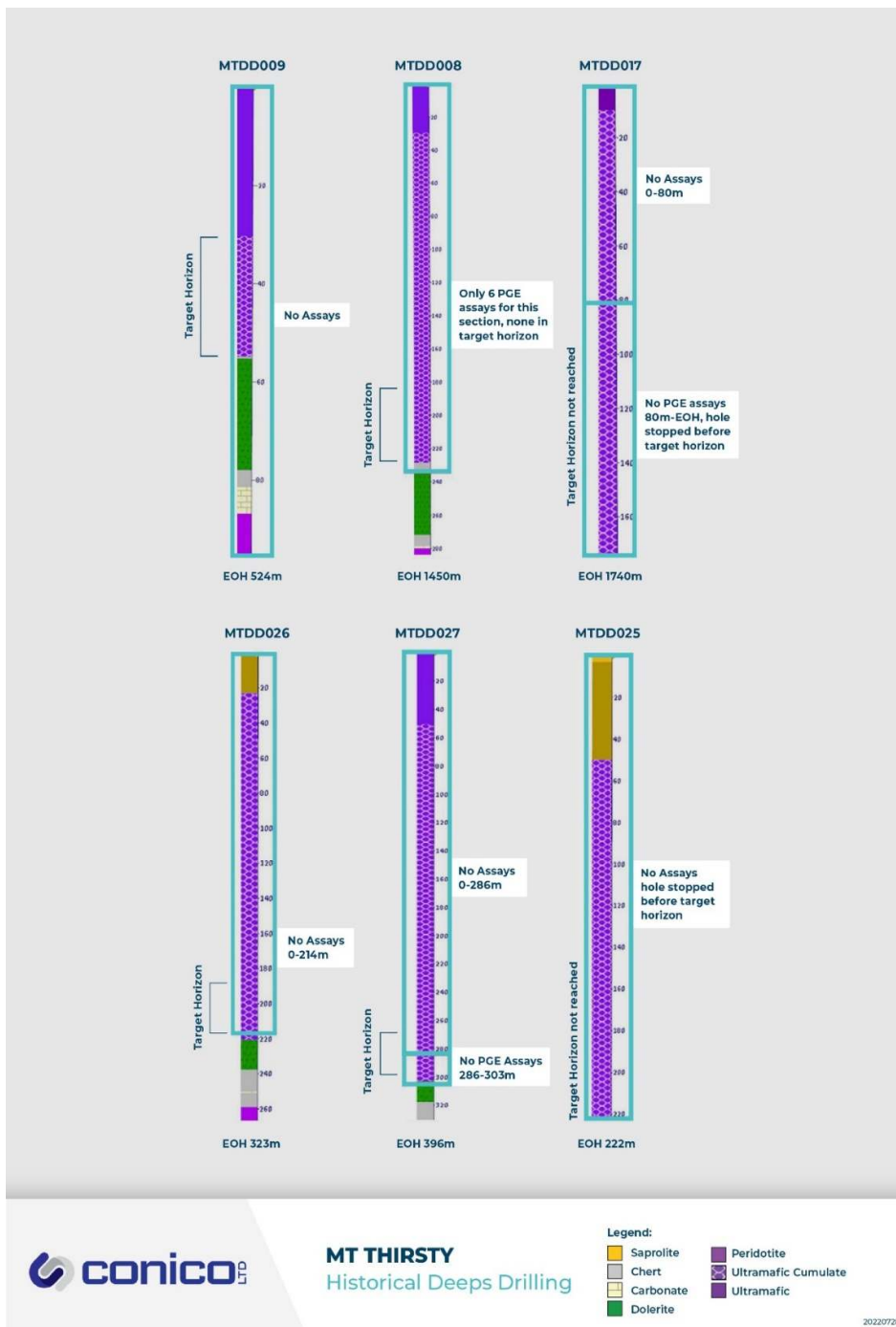


Figure 3: Historic deep drilling showing no PGE assaying within target horizon.

Subsequent to the end of the financial year, the technical review (incorporating CSA Global, MTJV technical staff and leading geophysicist Barry Dewet) was completed incorporating recommendations for RC and diamond drilling as well as further geophysics. A heritage survey was also undertaken on the MTJV with minimal impact on proposed drill-hole locations.

The first five drill-holes were completed, and the Company reported (CNJ, ASX Announcement 1st September 2022) semi-massive and/or heavily disseminated sulphides, including:

- MTRC003D: **127.3 m of disseminated sulphides** from 178.4 m, including
 - **37.1 m of heavily disseminated** from 268.6 m
- MTRC007D: **76.8 m of disseminated sulphides** from 227.0 m, including
 - **19.0 m of heavily disseminated** from 227.0 m
- MTRC009D: **51.6 m of disseminated sulphides** from 227.0 m, including
 - **34.3 m of heavily disseminated** from 232.0 m
- MTRC014D: **51.2 m of disseminated sulphides** from 208.0 m, including
 - **15.3 m of heavily disseminated** from 208.0 m
- MTJV001: 65.0 metres of disseminated sulphides from 190.0 m, including
 - **22.0 m of heavily disseminated** from 233.0 m

Cu & Ni sulphide species logged in core which are often associated with PGE mineralisation at Callisto with assays due in late September – early October 2022.

GREENLAND

OVERVIEW

The Company has two projects on the underexplored east coast of Greenland (Figure 4), held by its 100% owned subsidiary Longland Resources Ltd. The Ryberg Project is a greenfields exploration project for precious and base metal occurrences in a large igneous province, and Mestersvig which is a brownfields exploration project containing the historic Blyklippen zinc-lead mine and surrounding prospective geology.

Focus is on the east coast of Greenland due to its underexplored nature, and close proximity to Europe. Longland technical personnel have a combined 35 years' Greenland experience and reside in Europe.



Figure 4: Conico's Greenland Projects.

Mestersvig Project

Field activities for the 2021 field season at the Mestersvig project consisted of rock-chip sampling in the newly granted licence area to the south of the historic Blyklippen Mine, within the Werner Bjerger Alkaline Igneous Complex.

An extensive geological review was undertaken by Conico technical staff, leading to a far greater in-depth understanding of the geology of the area and target generation. A significant amount of data was extracted from historical geological maps, mine plans, drill logs, assays, surface samples, and geophysical surveys, leading to a proposed drill program of 24 diamond holes for 7500 metres, as well as vein outcrop validation and sampling.

Fuel was imported to site in preparation for the 2023 drill campaign.

BACKGROUND

Local geology is dominated by Carboniferous, Permian and Triassic sediments intruded by Palaeogene dolerite sills and dykes. The area is bordered by the Palaeogene Werner Bjerger alkaline igneous complex to the south, and a major regional fault to the west, beyond which sits the Caledonian fold belt. The Mestersvig graben is the most conspicuous feature of the project area, which occurs in a 15-20 km-long anticlinal fold structure amongst widespread faulting. The graben is 4 km wide and 12 km long, with the western graben fault being the host to the Blyklippen Mine that produced 545,000 tons of ore at 9.3% lead and 9.9% zinc between 1956-1962.

Mineralisation occurs as fault controlled epithermal lead-zinc veins with accessory silver and copper. Mineralisation is hosted within quartz veins that range in thickness from 2-50 m, from surface to unknown depth. Veins are mostly associated with the border faults of the Mestersvig graben, but also occur distally and are widespread throughout the project area. Ore minerals are typically massive sphalerite and galena, with minor chalcopyrite and barite.

The Sortebjerg Prospect (Figure 5, Figure 6) is situated approximately 13 km south of the Blyklippen mine and contains a mineralised vein that has been subject to historic drilling. It is interpreted to be the same mineralised western graben fault that hosts the Blyklippen mine, and contains similar zinc-lead-silver mineralisation, with the addition of copper.

Subsequent to the end of the financial year, ten diamond drill holes were completed at Mestersvig for a total of 2112 metres (ASX: CNJ announcement 19/09/2022).

Eight holes intercepted disseminated, heavily disseminated and/or matrix sulphides, including:

- BKDD003: **3.3 m of disseminated sulphides** from 205.0 m,
- BKDD004: **15.5 m of disseminated and heavily disseminated sulphides** from 211.5 m, and
- SBDD003: **4.5 m of matrix sulphides** from 134.1 m.
- SBDD005: **1.4 m of heavily disseminated sulphides** from 120.5 m.

Zn, Pb & Cu sulphides logged in core which is consistent with mineralisation at the historic Blyklippen Mine (within the licence area) and Sortebjerg Prospect. Copper, lead, zinc, and silver assays are expected to be returned over mid to late October 2022.

Prospective horizons remain open along strike, with a further 9 km of un-drilled strike on the Blyklippen-hosted vein, and a further 14 km of untested mineralised quartz vein-bearing faults throughout the project area.

Regional reconnaissance of the Nuldal Prospect was also successful in identifying additional Pb mineralisation in the form of massive galena, up to 1 m thick.

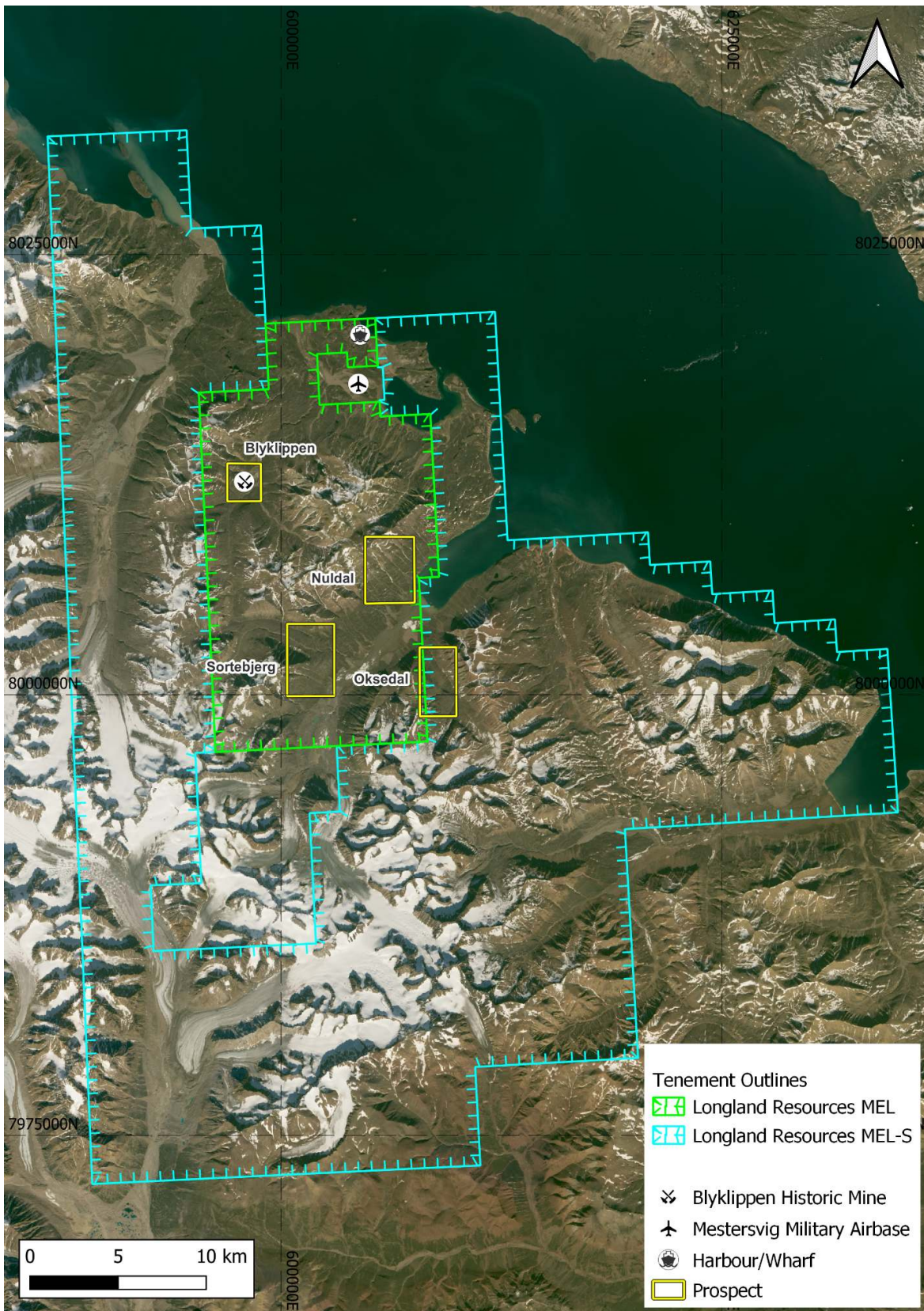


Figure 5: Map of the 100% owned Mestersvig tenement areas, showing prospect locations.

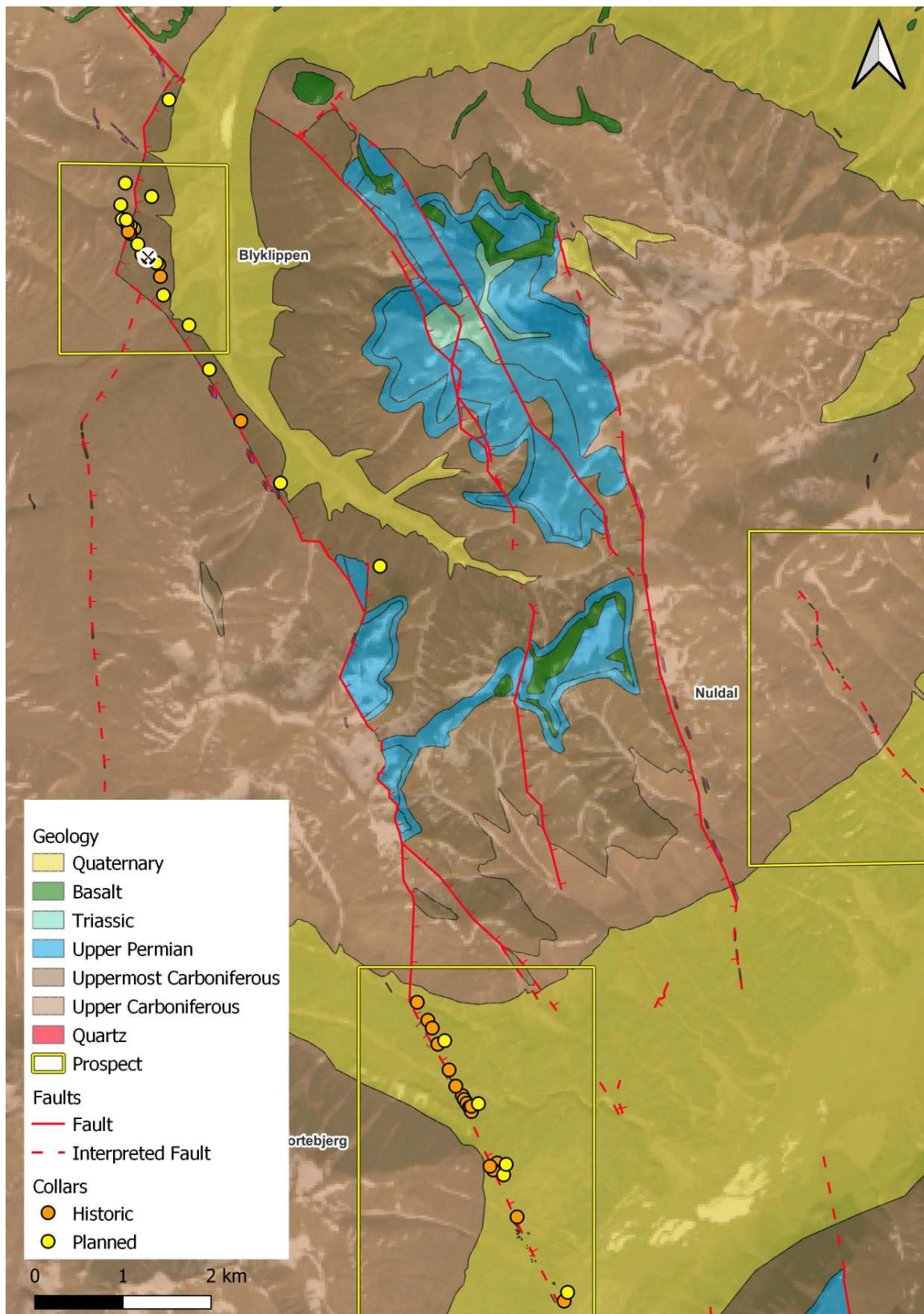


Figure 6: Geological map of Mestersvig area showing historic and planned drill collars.

Ryberg Project

Fourteen drill-holes over three prospects (Figure 8) were completed in total for the 2021 field season, as well as the first regional airborne geophysical magnetic survey (Figure 7). Subsequent to the end of the financial year, eleven diamond drill holes were completed at the Ryberg project for a total of 2771 metres (ASX Announcement 15/09/2022).

Sortekap Prospect

Three drill-holes were completed at Sortekap, with successful results. SODD001 intercepted multiple zones of stringer and vein sulphides containing nickel sulphides, hosted in ultramafic rocks. SODD003 intercepted vein-hosted orogenic gold, grading up to 42.81 g/t Au. The presence of mineralised veins lends strong support to further drilling targeting larger concentrations of sulphide melt. Significant intercepts included:

- SODD001: 11 m @ 0.12% Ni & 0.008% Co from 81 m &
 - 11 m @ 0.11% Ni & 0.007% Co from 129 m &
 - 8 m @ 0.11% Ni & 0.008% Co from 158 m &
 - 12 m @ 0.12% Ni & 0.009% Co from 169 m &
 - 28 m @ 0.18% Ni & 0.011% Co from 187 m &
 - Including 15 m @ 0.23% Ni & 0.013% Co from 195 m
 - 5 m @ 0.15% Ni & 0.007% Co from 221 m &
 - 3 m @ 0.17% Ni & 0.008% Co from 234 m
- SODD003: 1m @ 1.8g/t Au from 12 m
 - 1m @ 1.09g/t Au from 20 m &
 - 1m @ 1.82g/t Au from 22 m &
 - 1m @ 2.58g/t Au from 41 m &
 - 1m @ 42.81g/t Au from 63 m &
 - 1m @ 1.12g/t Au from 174 m &
 - 1m @ 1.39g/t Au from 179 m

The magnetic survey (figure 7) has identified the presence of a likely crustal scale deep seated fault located near Sortekap. A magnetic high is present at Sortekap and is coincident with mafic and ultramafic rocks that cover an area of 5 km².

Subsequent to the end of the financial year, three drill holes at the Sortekap prospect with two intersecting weakly disseminated and/or disseminated sulphides within a mafic dyke. Highlights included:

- SODD004: **4.2 m of disseminated sulphides** from 103.6 m & **15.8 m of disseminated sulphides** from 260.4 m.

Miki Prospect

Nine drill-holes were completed at Miki. The geophysical survey identified two extensive zones of high magnetism that coincide with known occurrences of ultramafic xenoliths (hosted within the Miki Dyke gabbro) and/or surface geochemical anomalies (from historic surface sampling). It is likely that the magnetic highs are represented by ultramafic material that has been transported to surface by the Miki Dyke during eruption. Assay results from 2021 drilling confirm that sulphides intercepted were dominantly unmineralised pyrrhotite and responsible for the electromagnetic conductors. The pyrrhotite is hosted in basement gneiss and is unrelated to the copper/nickel sulphides hosted in the Miki Dyke. It is concluded that the electromagnetic targets were a distraction, and that mineralisation of interest remains untested by drilling.

Subsequent to the end of the financial year, six drill holes completed at the Miki Prospect with five intersecting weakly disseminated and/or disseminated sulphide mineralisation, including:

- MIDD011: **17.7 m of disseminated sulphides** from 180.2 m
- MIDD013: **9.8 m of disseminated sulphides** from 38.0 m
- MIDD014: **17.7 m of disseminated sulphides** from 47.0 m.

Similar to Miki, copper sulphides at Sortekap were logged in core and occurred as weakly disseminated and/or disseminated sulphides within mafic dykes. Drilling concluded in early September with assays anticipated in October 2022.

Cascata Prospect

Two drill-holes were completed at Cascata. Drill-hole CADD001 intercepted two mineralised areas within the black shales at depths of ~150 m and 180 m, with sulphide mineralisation pervasively replacing black shale. These horizons show increased concentrations in tin, tungsten, copper, zinc, and lead. The geophysical survey over this area was the first to have ever been done and helped define the newly identified layered gabbro intrusion, referred to as the 'Aurora Layered Intrusion'.

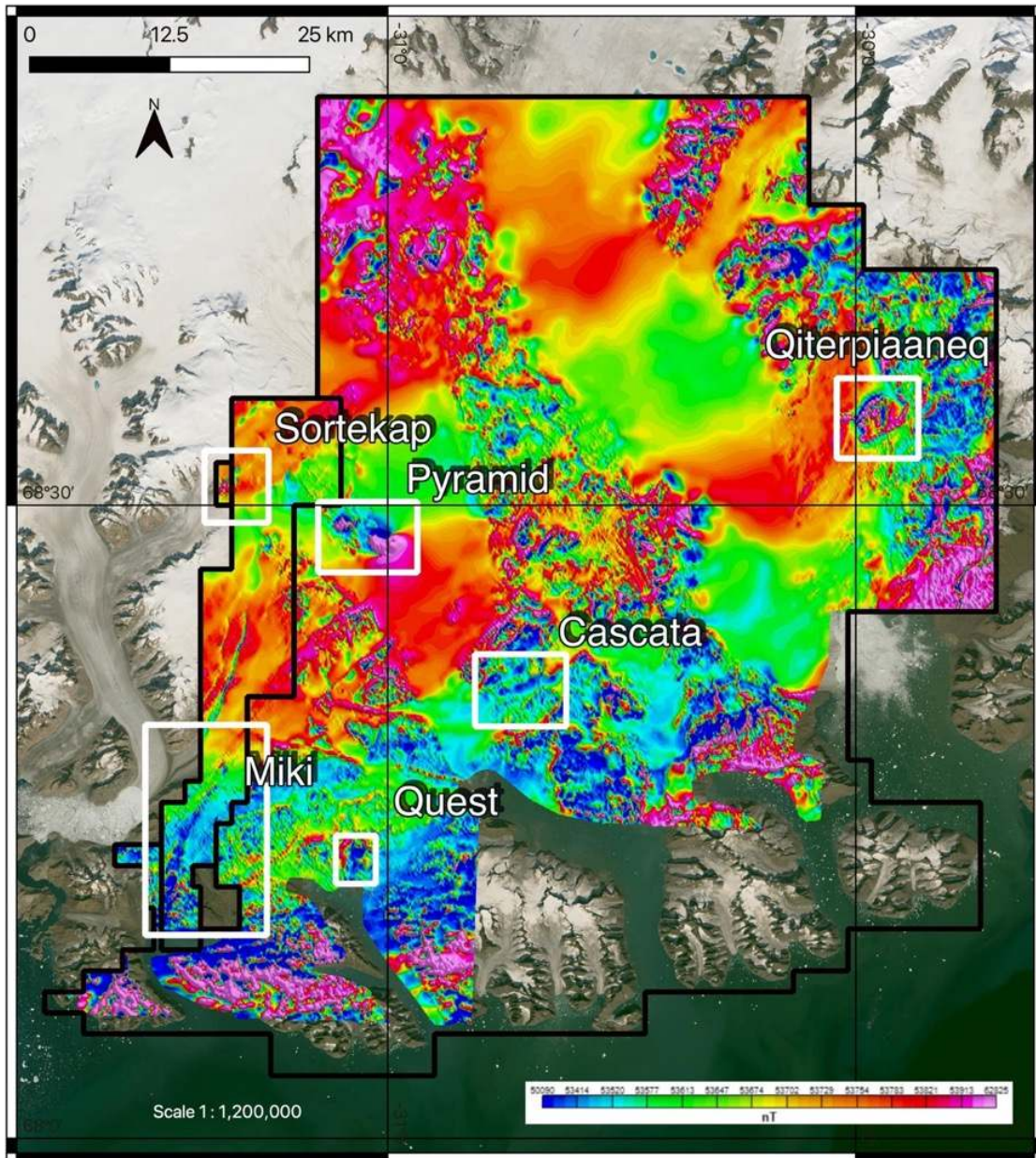


Figure 7: Prospects within the Ryberg Project area on top of Total Magnetic Intensity.

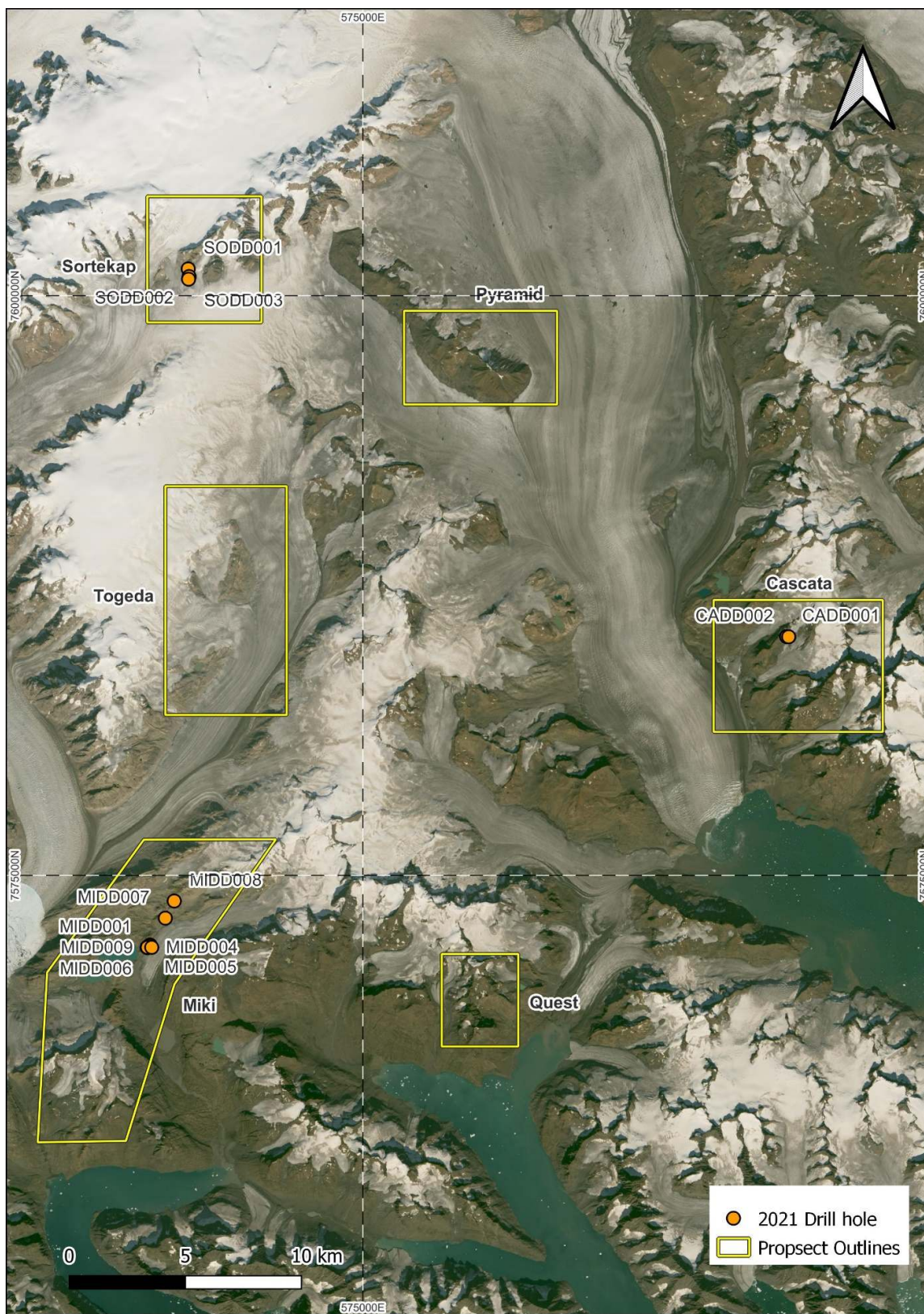


Figure 8: Satellite image map of 2021 field season drill hole collars at Ryberg.

BACKGROUND

The project area is located on the margin of the North Atlantic Large Igneous Province, a major Tertiary volcanic event related to hotspot magmatism and early rifting of the North Atlantic, which produced over 6.6 million cubic kilometres of continental flood basalts. Within the project area, erosion has exposed Cretaceous-Tertiary sediments in a downfaulted rift basin sitting unconformably on a Precambrian metamorphic basement. The metamorphic basement and the sedimentary sequence host sub-volcanic mafic sill- and dyke-complexes that formed local feeder system to the flood-basalt eruptions.

Conico believes the project area to have excellent exploration potential for magmatic sulphide-rich nickel-copper-PGE deposits related to mafic and ultramafic dike-sill complexes, and sulphide-poor PGE deposits related to large layered mafic and ultramafic intrusions.

CORPORATE

Board Appointment

On 1 June 2022 geologist Mr Thomas Abraham James retired from his role as Chief Executive Officer of Conico subsidiary Longland Resources and was appointed as a Non-Executive Director of the Company. Thomas's role includes engagement in ongoing promotion of the Company's activities in addition to monitoring field activities in Greenland alongside Executive Director Guy Le Page.

Capital Raisings

On 15 September 2021 the Company announced it had placed 67,000,000 Shares to Sophisticated Investors at an issue price of \$0.06 per Share, together with one for two free attaching options to acquire Shares at 10 cents each on or before 30 November 2024 to raise a total of \$4,020,000 (before expenses of the Placement).

On 25 May 2022 the Company announced the completion of a 1 for 6 fully underwritten, pro-rata non-renounceable rights offer at 1.3 cents per Share (together with one for two free attaching options – CNJO) made to shareholders of Conico raising a total of \$2,492,202 (before expenses of the Offer). Peloton Capital Pty Ltd fully underwrote the Offer.

Subsequent to the end of the financial year, the Company placed (CNJ, ASX Announcement 10 August 2022) 93,750,000 Shares to Sophisticated Investors at an issue price of \$0.032 per Share for a total of \$3,000,000 (before expenses of the Placement).

Disclaimer

The interpretations and conclusions reached in this report are based on current geological theory and the best evidence available to the authors at the time of writing. It is the nature of all scientific conclusions that they are founded on an assessment of probabilities and, however high these probabilities might be, they make no claim for complete certainty. Any economic decisions that might be taken based on interpretations or conclusions contained in this report will therefore carry an element of risk.

This report contains forward-looking statements that involve a number of risks and uncertainties. These forward-looking statements are expressed in good faith and believed to have a reasonable basis. These statements reflect current expectations, intentions or strategies regarding the future and assumptions based on currently available information. Should one or more of the risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary from the expectations, intentions and strategies described in this report. No obligation is assumed to update forward-looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

Competent Persons Statements

The information contained in this report relating to exploration results for the Greenland projects is based on information compiled or reviewed by Thomas Abraham-James, a full-time employee of Longland Resources Ltd. Mr. Abraham-James has a B.Sc. Hons (Geol) and is a Chartered Professional (CPGeo) and Fellow of the Australasian Institute of Mining and Metallurgy (FAusIMM). Mr. Abraham-James has sufficient experience of relevance to the styles of mineralisation and the types of deposit under consideration, and to the activities undertaken to qualify as a Competent Person as defined in the 2012 edition of the Joint Ore Reserve Committee (JORC) "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr. Abraham-James consents to the inclusion in this report of the matters based on information in the form and context in which it appears.

DIRECTORS' REPORT

The directors present their report together with the consolidated financial statements of the Group comprising Conico Ltd (the Company) and its controlled entities and the Group's interest in a joint venture for the financial year ended 30 June 2022.

Directors

The names of directors in office at any time during or since the end of the year are:

Gregory H Solomon

Guy T Le Page

Douglas H Solomon

James B Richardson

Thomas Abraham-James

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Company Secretary

The following person held the position of Company Secretary at the end of the financial year and at the date of this report:

Mr Aaron P Gates has worked for Conico Ltd for the past 14 years. He is a Chartered Accountant and Chartered Secretary, has completed a Bachelor of Commerce (Curtin University) with majors in accounting and business law and completed a Diploma of Corporate Governance. Prior to joining Conico he worked in public practice in audit and corporate finance roles.

Principal Activities

The principal activity of the Group during the financial year ended 30 June 2022 was mineral exploration.

Operating Results

The loss of the Group after providing for income tax amounted to \$940,166 (2021: \$995,140). Cash outflow from operating activities was \$817,980 (2021: \$596,820).

Dividends Paid or Recommended

No dividends were paid or declared for payment during the year.

Review of Mineral Exploration Operations

A review of the operations of the Group during the year ended 30 June 2022 is set out in the Review of Operations on Page 6.

Financial position

The net assets of the Group have increased by \$7,327,673 from 30 June 2021, to \$33,209,916 in 2022. This increase is largely due to the capital raisings completed during the year.

Significant Changes in State of Affairs

In the opinion of the directors, other than disclosed elsewhere in this report, there were no significant changes in the state of affairs of the Group that occurred during the year.

After Balance Date Events

On 16 August 2022, 93,750,000 shares were issued at \$0.032, raising \$3,000,000 before costs (6% placement fee and 15,000,000 options exercisable at 7 cents).

Between 5 July 2022 and 1 September 2022, 2,949,237 options were exercised raising \$111,680.

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

Future Developments, Prospects and Business Strategies

The Group proposes to continue with its exploration and evaluation program as detailed in the Review of Operations.

Environmental Issues

The Group is the subject of environmental regulation with respect to mining exploration and will comply fully with all requirements with respect to rehabilitation of exploration sites.

Information on Directors

Gregory H Solomon

Non-Executive Chairman

Qualifications

LLB

Experience

Appointed chairman March 2006. Board member since March 2006. A solicitor with more than 30 years of Australian and international experience in a wide range of areas including mining law, commercial negotiation (including mining and exploration joint ventures) and corporate law. He is a partner in the legal firm, Solomon Brothers and has previously held directorships of various public companies since 1984.

Interest in Shares and Options

44,881,024 Ordinary Shares, 3,205,788 CNJO Options

Directorships in other listed entities

Eden Innovations Ltd, Tasman Resources Ltd

Guy T Le Page

Executive

Qualifications

B.A., B.Sc., B.App.Sc. (Hons), M.B.A., M.Fin.Plan, GradDipAppFin&Inv, F.FIN., MAusIMM

Experience

Board member since 30 March 2006. Currently a corporate adviser specialising in resources. He is actively involved in a range of corporate initiatives from mergers and acquisitions, initial public offerings to valuations, consulting and corporate advisory roles. He previously spent 10 years as an exploration and mining geologist in Australia, Canada and the United States. His experience spans gold and base metal exploration and mining geology.

Interest in Shares and Options

29,793,200 Ordinary Shares, 571,270 CNJO Options

Directorships in other listed entities

Mt Ridley Mines Ltd, Tasman Resources Ltd

Douglas H Solomon

Non-Executive

Qualifications

BJuris LLB (Hons)

Experience

Board member since 30 March 2006. A Barrister and Solicitor with more than 30 years' experience in the areas of mining, corporate, commercial and property law. He is a partner in the legal firm, Solomon Brothers.

Interest in Shares and Options

45,194,974 Ordinary Shares, 3,228,213 CNJO Options

Directorships in other listed entities

Eden Innovations Ltd, Tasman Resources Ltd

James B Richardson

Non-Executive

Qualifications

Dip, Fin. Plan.

Experience

Board member since 11 November 2008. Currently a corporate advisor where he has been actively involved in a range of corporate activities. He has also been employed as a specialist business development executive in some of the more successful national financial services organisations. Additionally, he has extensive experience in evaluating investment opportunities, structuring projects and negotiating financial transactions to meet the expectations of the investment market.

Interest in Shares and Options

48,416,668 Ordinary Shares, 3,458,334 CNJO Options

Directorships in other listed entities

None

Thomas Abraham-James

Non-Executive

Qualifications

B.Sc., FGS, FSEG, CGeol, EurGeol

Experience

Board member since 1 June 2022. Thomas has spent much time looking for porphyry and epithermal systems for gold and base-metals including eight years with Rio Tinto in Turkey and southeast Europe followed by six years in Mongolia with Ivanhoe Mines during the period of the Ouy Tolgoi discovery. He also spent several years with Nautilus Minerals based in Brisbane sorting out the geology of the Solwara 1 seafloor massive sulphide (SMS) deposit led to its final drilling.

Interest in Shares and Options

28,843,795 Ordinary Shares, 5,000,000 4 cent ESOP Options

Directorships in other listed entities

None

Remuneration Report (Audited)

This report details the nature and amount of remuneration for each director of Conico Ltd, and for the executives receiving the highest remuneration.

Remuneration Policy

The remuneration policy of Conico Ltd has been designed to align director and executive objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific long-term incentives based on key performance areas affecting the company's financial results. The board believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best executives and directors to run and manage the company, as well as create goal congruence between directors, executives and shareholders.

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

All executives receive a base salary (which is based on factors such as length of service and experience), superannuation, fringe benefits and options. Executives are also entitled to participate in the employee share and option arrangements. All Australian directors and executives receive superannuation and do not receive any other retirement benefits.

All remuneration paid to directors and executives is valued at the cost to the company and expensed. Options are valued using the Black-Scholes methodology or an appropriate market-based pricing valuation methodology. The board policy is to remunerate non-executive directors at market rates for time, commitment, and responsibilities. The Group does not have a policy on directors hedging their shares.

The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders. Fees for non-executive directors are not linked to the performance of the company. However, to align directors' interests with shareholder interests, the directors are encouraged to hold shares in the company.

Details of Remuneration for Year Ended 30 June 2022

The remuneration for each director and each of the executive officers of the Group during the year was as follows:

Key Management Person	Short-term Benefits			Post-employment benefits	Other long-term benefits	Termination Benefits	Share-based payments		Total
	Salary and Fees	Cash bonus	Non-cash benefit	Superannuation	Other	Other	Equity	Options	
	\$	\$	\$	\$	\$	\$	\$	\$	\$
2022									
Gregory H Solomon	60,000	-	-	5,700	-	-	-	-	65,700
Douglas H Solomon	36,000	-	-	3,420	-	-	-	-	39,420
Guy T Le Page	48,000	-	-	4,800	-	-	-	-	52,800
James B Richardson	36,000	-	-	3,600	-	-	-	-	39,600
Thomas Abraham-James (ii)	200,639	25,000	4,676	-	-	-	-	-	230,315
Aaron P Gates(i)	-	-	-	-	-	-	-	-	-
	<u>380,639</u>	<u>25,000</u>	<u>4,676</u>	<u>17,520</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>427,835</u>
2021									
Gregory H Solomon	60,000	-	-	5,700	-	-	-	-	65,700
Douglas H Solomon	36,000	-	-	3,420	-	-	-	-	39,420
Guy T Le Page	45,000	-	-	4,275	-	-	-	-	49,275
James B Richardson	36,000	-	-	3,420	-	-	-	-	39,420
Thomas Abraham-James (ii)	136,784	-	2,301	-	-	-	-	87,500	226,585
Aaron P Gates(i)	-	-	-	-	-	-	-	6,700	6,700
	<u>313,784</u>	<u>-</u>	<u>2,301</u>	<u>16,815</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>94,200</u>	<u>427,100</u>

(i) - Mr Gates is remunerated by Princebrook Pty Ltd (a company in which Mr Gregory Solomon and Mr Douglas Solomon have an interest) under the Management Services agreement with the Company. During the year the Company paid \$144,000 (2021: \$144,000) to Princebrook Pty Ltd for management services. The Management Services Agreement may be terminated by giving not less than three months' written notice. In 2021 Mr Gates received 500,000 options exercisable at \$0.022 and expiring 21 September 2023.

(ii) - On June 2022 Mr Abraham-James became a Non-Executive director of Conico Ltd, resigning as CEO of Longland Resources Ltd. In 2021 Mr Abraham-James received 5,000,000 options exercisable at \$0.04 and expiring 30 September 2024.

Number of Options Held by Key Management Personnel

	Balance 1.7.2021	Granted as Compen- sation	Options Exer- cised	Net Change Other*	Balance 30.6.2022	Total Vested 30.6.2022	Total Exer- cisable 30.6.2022	Total Unexer- cisable 30.6.2022
Gregory H Solomon	-	-	-	3,205,788	3,205,788	3,205,788	3,205,788	-
Douglas H Solomon	-	-	-	3,228,213	3,228,213	3,228,213	3,228,213	-
Guy T Le Page	-	-	-	571,270	571,270	571,270	571,270	-
James B Richardson	-	-	-	3,458,334	3,458,334	3,458,334	3,458,334	-
Thomas Abraham-James	5,000,000	-	-	-	5,000,000	5,000,000	5,000,000	-
Aaron P Gates	700,000	-	-	775,000	1,475,000	1,475,000	1,475,000	-
Total	5,700,000	-	-	11,238,605	16,938,605	16,938,605	16,938,605	-

*Net Change Other refers to options that have been purchased, sold, lapsed or issued during the year.

Number of Shares Held by Key Management Personnel

	Balance 30.6.2021	Received as Compen- sation	Options Exercised	Net Change Other*	Balance 30.6.2022
Gregory H Solomon	38,469,448	-	-	6,411,576	44,881,024
Douglas H Solomon	38,738,548	-	-	6,456,426	45,194,974
Guy T Le Page	26,800,661	-	-	2,992,539	29,793,200
James B Richardson	38,750,000	-	-	9,666,668	48,416,668
Thomas Abraham-James	33,328,941	-	-	(4,485,146)	28,843,795
Aaron P Gates	1,300,000	-	-	2,250,000	3,550,000
Total	177,387,598	-	-	23,292,063	200,679,661

*Net Change Other refers to shares purchased, sold or other movements.

<End of Remuneration Report>

Directors Meetings

During the financial year, seven meetings of directors were held. Attendances by each director were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Gregory H Solomon	4	4
Douglas H Solomon	4	4
Guy T Le Page	3	3
James B Richardson	3	3
Thomas Abraham-James	0	0

Indemnifying Officers

The company has arranged for an insurance policy to insure the directors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director of the company, other than conduct involving a wilful breach of duty in relation to the company. The total premium payable was approximately \$28,485.

Proceedings on Behalf of Group

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

Options

At the date of this report, the unissued ordinary shares of Conico Ltd under option are as follows:

Grant Date	Date of Expiry	Exercise Price	Number under Option
6 May 2022	3 May 2023	\$0.016	1,000,000
22 September 2020	21 September 2023	\$0.022	1,000,000
Various	31 December 2026	\$0.026	209,027,092
24 November 2020	24 November 2023	\$0.04	8,500,000
15 January 2021	15 January 2024	\$0.04	2,300,000
19 May 2021	30 September 2024	\$0.04	10,000,000
Various	20 January 2024	\$0.07	60,496,307
22 September 2021	30 November 2024	\$0.10	33,500,000
			<hr/>
			325,823,399

During the year ended 30 June 2022, no ordinary shares of Conico Ltd were issued on the exercise of options granted under the Conico Ltd Employee Share Option Plan. No shares have been issued since in terms of the plan.

No person entitled to exercise the options had or has any right by virtue of the option to participate in any share issue of any other body corporate.

Non-audit Services

The board of directors is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The directors are satisfied that the services disclosed below did not compromise the external auditor's independence for the following reasons:

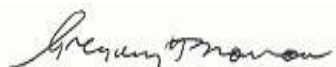
- all non-audit services are reviewed and approved prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- the nature of the services provided does not compromise the general principles relating to auditor independence in accordance with APES 110: Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board.

No fees for non-audit services were paid/payable to the external auditors during the year ended 30 June 2022.

Auditor's Independence Declaration

The auditor's independence declaration for the year ended 30 June 2022 has been received and can be found on page 128.

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



Gregory H Solomon
Chairman

Dated this 29th day of September 2022

Auditor's independence declaration under section 307C of the *Corporations Act 2001*

To the directors of Conico Ltd

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2022 there have been:

- (i) no contraventions of the auditor's independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.



Nexia Perth Audit Services Pty Ltd



**M. Janse Van Nieuwenhuizen
Director**

Perth
29 September 2022

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

		Consolidated	
	Note	2022	2021
		\$	\$
Other Income	2	1,940	1,132
Accounting and audit		(33,944)	(37,521)
Depreciation and amortisation		(5,055)	(5,829)
Employee benefits expense		(206,620)	(382,120)
Finance costs		-	(5,710)
Foreign exchange gain/(loss)		2,018	(8,086)
Insurance expense		(42,404)	(33,706)
Legal and other consultants		(96,998)	(226,842)
Management fees		(144,000)	(144,000)
Media and marketing		(190,285)	(63,369)
Other expenses		(152,744)	(116,810)
Rent		(9,176)	(8,497)
Travel and accommodation		(62,898)	(43,738)
Loss before income tax		(940,166)	(1,075,096)
Income tax benefit	3	-	79,956
Loss for the year		(940,166)	(995,140)
 Other Comprehensive Income			
Items that may be reclassified to profit or loss:			
Foreign currency translation reserve		(497,020)	(21,279)
Income tax relating to comprehensive income		-	-
Total other comprehensive income		(497,020)	(21,279)
 Total Comprehensive Loss attributable to members of the parent entity, net of tax			
		(1,437,186)	(1,016,419)
 Basic/Diluted loss per share (cents per share)			
	5	(0.09)	(0.14)

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2022

		Consolidated	
	Note	2022	2021
		\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	7	4,916,710	3,918,252
Other current assets	8	398,863	311,652
TOTAL CURRENT ASSETS		<u>5,315,573</u>	<u>4,229,904</u>
NON-CURRENT ASSETS			
Property, plant and equipment	9	64,870	54,920
Exploration and evaluation assets	10	28,939,207	22,272,897
TOTAL NON-CURRENT ASSETS		<u>29,004,077</u>	<u>22,327,817</u>
TOTAL ASSETS		<u>34,319,650</u>	<u>26,557,721</u>
CURRENT LIABILITIES			
Trade and other payables	12	847,234	412,978
TOTAL CURRENT LIABILITIES		<u>847,234</u>	<u>412,978</u>
NON-CURRENT LIABILITIES			
Provisions	13	262,500	262,500
TOTAL NON-CURRENT LIABILITIES		<u>262,500</u>	<u>262,500</u>
TOTAL LIABILITIES		<u>1,109,734</u>	<u>675,478</u>
NET ASSETS		<u>33,209,916</u>	<u>25,882,243</u>
EQUITY			
Issued capital	14	39,980,010	31,425,251
Reserves	15	1,120,851	1,407,771
Accumulated losses		(7,890,945)	(6,950,779)
TOTAL EQUITY		<u>33,209,916</u>	<u>25,882,243</u>

The accompanying notes form part of these financial statements.

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

Consolidated Group

	Ordinary Share Capital	Foreign Currency Translation Reserve	Option Reserve	Retained Earnings	Total
	\$	\$	\$	\$	\$
Balance at 30 June 2020	20,394,350	-	788,650	(5,955,639)	15,227,361
Shares issued (net of costs)	11,030,901	-	-	-	11,030,901
Issue of options	-	-	640,400	-	640,400
Net loss for the year	-	-	-	(995,140)	(995,140)
Other comprehensive income	-	(21,279)	-	-	(21,279)
Total comprehensive income / (loss)	-	(21,279)	-	(995,140)	(1,016,419)
Balance at 30 June 2021	31,425,251	(21,279)	1,429,050	(6,950,779)	25,882,243
Shares issued (net of costs)	8,554,759	-	-	-	8,554,759
Issue of options	-	-	210,100	-	210,100
Net loss for the year	-	-	-	(940,166)	(940,166)
Other comprehensive income	-	(497,020)	-	-	(497,020)
Total comprehensive income / (loss)	-	(497,020)	-	(940,166)	(1,437,186)
Balance at 30 June 2022	39,980,010	(518,299)	1,639,150	(7,890,945)	33,209,916

The accompanying notes form part of these financial statements.

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CONSOLIDATED STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 30 JUNE 2022

		Consolidated	
	Note	2022	2021
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		1,586	-
Payments to suppliers and employees		(820,009)	(662,919)
Interest paid		-	(14,041)
Interest received		443	184
R&D tax rebate		-	79,956
Net cash provided by/(used in) operating activities	20	(817,980)	(596,820)
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of subsidiary (net of cash acquired)		-	(6,605)
Cash advanced for exploration costs		-	(1,206,240)
Exploration and evaluation expenditure		(6,876,744)	(2,025,669)
Payments for property, plant & equipment		(46,171)	(48,785)
Net cash provided by/(used in) investing activities		(6,922,915)	(3,287,299)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from share issues (net of costs)	14	8,758,559	8,114,089
Repayment of loans		-	(393,050)
Net cash provided by/(used in) financing activities		8,758,559	7,721,039
Net increase/(decrease) in cash held		1,017,664	3,836,920
Net increase/(decrease) due to foreign exchange movements		(19,206)	(90,069)
Cash at beginning of financial year		3,918,252	171,401
Cash at end of financial year	7	4,916,710	3,918,252

The accompanying notes form part of these financial statements.

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*. The financial report of Conico Limited and its controlled entity (Group) complies with International Financial Reporting Standards (IFRS).

The financial report covers the consolidated group of Conico Ltd and its controlled entity as at and for the year ended 30 June 2022. Conico Ltd is a listed public company, incorporated and domiciled in Australia. The Group is a for-profit entity and primarily is involved in mineral exploration for cobalt, nickel and manganese.

The financial report was authorised for issue on 29 September 2022 by the Board of Directors.

The following is a summary of the material accounting policies adopted by the Group in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Basis of Preparation

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

Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied. These consolidated financial statements are presented in Australian dollars. The functional currency of Longland Resources Limited is British Pound Sterling. The functional currency of all other Group entities is Australian dollars.

Going Concern

These financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and extinguishment of liabilities in the ordinary course of business.

The Group has reported a net loss for the year of \$940,166 (2021: \$995,140) and a cash outflow from operating activities of \$817,980 (2021: \$596,820). The directors carefully manage expenditure and, subject to being able to raise further finance, are of the view, based on cash flow forecasts, that the Group will be able to continue its operations as a going concern. The continuing applicability of the going concern basis of accounting is dependent upon the Group's ability to source additional finance. The directors are confident that the Group will be successful in securing additional funds, should the need arise. The directors are also aware that the Group has the option, if necessary, to defer expenditure and reduce administration costs in order to minimise its capital raising requirements.

Based on these facts, the directors consider the going concern basis of preparation to be appropriate for this financial report. Should the Company be unsuccessful in securing additional finance, there is a material uncertainty which may cast significant doubt whether the entity will be able to continue as a going concern and therefore, whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

The financial statements do not include any adjustments relative to the recoverability and classification of recorded asset amounts or, to the amounts and classification of liabilities that might be necessary should the entity not continue as a going concern.

Accounting Policies

a. Principles of Consolidation

A controlled entity is any entity Conico Ltd 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. A list of controlled entities is contained in Note 16 to the financial statements. All controlled entities have a June financial year-end.

All inter-company balances and transactions between entities in the consolidated group, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of controlled entities have been changed where necessary to ensure consistencies with those policies applied by the parent entity.

b. Interests in a Joint Operation

The consolidated financial statements include the assets that the Group controls and the liabilities that it incurs in the course of pursuing the joint operation and the expenses that the Group incurs and its share of the income that it earns from the joint operation. Details of the Group's interests are shown at Note 11.

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

c. **Income Tax**

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

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

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

Deferred tax assets are recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future tax profits will be available against which they can be utilised.

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

The R&D tax offset is recognised upon receipt.

d. **Property, Plant and Equipment**

Plant and equipment are measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

The depreciation rates used for each class of depreciable assets are:

Plant and equipment	15.00–50.00%
---------------------	--------------

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are recognised in profit or loss.

e. **Exploration and Evaluation Expenditure**

Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward where right of tenure is current and to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

Costs of site restoration are provided over the life of the facility from when exploration commences and are included in the costs of that stage. Any changes in the estimates for the costs are accounted on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation.

f. **Impairment of Non-financial Assets**

At each reporting date, the Group reviews the carrying values of its non-financial / tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the Statement of Profit or Loss and Other Comprehensive Income. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

g. **Cash and cash equivalents**

Cash comprises current deposits with banks.

h. **Financial Instruments**

Recognition

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

The Group makes use of a simplified approach in accounting for trade and other receivables and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, the entity uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses.

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

Impairment

At each reporting date, the Group assesses at a specific asset level whether there is objective evidence that a financial instrument has been impaired. Impairment losses are recognised in the Statement of Profit or Loss and Other Comprehensive Income.

i. **Provisions**

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

j. **Revenue**

Revenue is measured at the transaction price received or receivable (which excludes estimates of variable consideration) allocated to the performance obligation satisfied and represents amounts receivable for services provided in the normal course of business, net of discounts, VAT, GST and other sales related taxes. As the expected period between transfer of a promised service and payment from the customer is one year or less then no adjustment for a financing component has been made.

Revenue arising from the provision of services is recognised when and to the extent that the customer simultaneously receives and consumes the benefits of the Group's performance or the Group does not create an asset with an alternative use but has an enforceable right to payment for performance completed to date.

Interest

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

Other revenue

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

k. **Comparative Figures**

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

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

l. **New accounting standards and interpretations**

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for the current year.

m. **Segment reporting**

Segment results that are reported to the Group's board of directors (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

n. **Ordinary shares**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity.

o. **New accounting standards and interpretations not yet adopted**

A number of new standards and amendments to standards are effective for annual periods beginning after 1 July 2021, and have not been applied in preparing these consolidated financial statements. Management are of the view that these standards and amendments will not have a significant impact on the financials.

p. **Share-based payments**

The Group provides benefits to employees (including senior executives) of the Group in the form of share-based payments. The cost of these share-based payments is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value at grant date is measured by use of the Black-Scholes Option Pricing Model. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the entity's estimate of shares that will eventually vest.

For cash-settled share-based payments, a liability equal to the portion of the goods or services received is recognised at the current fair value determined at each reporting date.

q. **Earnings per share**

Basic earnings per share

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

Diluted earnings per share

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

r. **Critical accounting judgements, estimates and assumptions**

Judgements made by management in the application of IFRS that have significant effects on the financial statements and estimates with a significant risk of material adjustments in the next year are disclosed, where applicable, in the relevant note to the financial statements. The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the balance date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

Impairment

The Group assesses impairment at each reporting date by evaluating conditions specific to the Group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. The Company did not recognise any impairment charges on any of its tenements during the year (2021: nil).

Exploration and evaluation costs carried forward

The future recoverability of capitalised exploration and evaluation expenditure is dependent on a number of factors, including whether the Group decides to exploit the related lease itself or, if not, whether it successfully recovers the related exploration and evaluation asset through sale.

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

r. Critical accounting judgements, estimates and assumptions continued

Exploration and evaluation costs carried forward continued

Factors which could impact the future recoverability include the level of proved, probable and inferred mineral resources, future technological changes which could impact the cost of mining, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices. To the extent that capitalised exploration and evaluation expenditure is determined not to be recoverable in the future, this will increase losses and reduce net assets in the period in which this determination is made. In addition, exploration and evaluation expenditure is capitalised if activities in the area of interest have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves. To the extent that it is determined in the future that this capitalised expenditure should be written off, this will increase losses and reduce net assets in the period in which this determination is made.

Share-based payments

The Company makes equity settled share-based payments to certain employees and consultants, which are measured at fair value at the date of grant and expensed on a straight line basis over the vesting period, based on the Company's estimate of shares that will eventually vest. The fair values are determined using the Black-Scholes Option Pricing Model. Vesting assumptions are reviewed during each reporting period to ensure they reflect current expectations.

Loans to controlled entities

The directors believe that the recoupment of the inter-company receivables from Conico Ltd to Meteore Metals Pty Ltd and Longland Resources Ltd is dependent on the successful development and commercial exploitation or, alternatively, the sale of the exploration assets held by the controlled entity.

	2022	Consolidated
	\$	2021
		\$
NOTE 2: OTHER INCOME		
— interest received	443	184
— other income	1,497	948
Total Other Income	<u>1,940</u>	<u>1,132</u>

NOTE 3: INCOME TAX BENEFIT

- a. The prima facie tax on loss from ordinary activities before income tax is reconciled to the income tax as follows:

Prima facie tax payable on loss from ordinary activities before income tax at 26% (2021: 26%)	(244,443)	(258,736)
Tax effect of:		
— Research & development rebate	-	79,956
— Current year temporary differences not recognised	561,801	482,492
— Current year tax losses not recognised	(317,358)	(223,756)
Income tax (expense) / benefit	<u>-</u>	<u>79,956</u>

- b. Components of deferred tax

Unrecognised deferred tax asset – losses	5,825,066	3,988,024
Unrecognised deferred tax asset – provisions and accruals	258,865	91,530
Unrecognised deferred tax asset – capital raising costs	562,861	368,840
Unrecognised deferred tax liabilities – exploration and evaluation	(3,750,282)	(2,017,041)
Net Unrecognised deferred tax assets	<u>2,896,510</u>	<u>2,431,353</u>

Deferred tax assets have not been brought to account as it is not probable within the immediate future that tax profits will be available against which deductible temporary differences and tax losses can be utilised. The benefit of the tax losses will only be obtained if the Group complies with conditions imposed by the relevant tax legislation.

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

	Consolidated	
	2022	2021
	\$	\$
NOTE 4: AUDITOR'S REMUNERATION		
Remuneration of the auditor	21,475	16,024

NOTE 5: LOSS PER SHARE

a. Reconciliation of loss to profit or loss		
Profit/(loss)	(940,165)	(995,140)
Loss used to calculate basic EPS	<u>(940,165)</u>	<u>(995,140)</u>
b. Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS	1,034,941,587	691,433,579
Loss per share	<u>(0.09)</u>	<u>(0.14)</u>

Diluted loss per share has not been calculated as the result does not increase loss per share.

NOTE 6: EMPLOYEE BENEFITS

a. Employee benefits expense

Expenses recognised for employee benefits are analysed below:

Short-term employee benefits	407,315	316,085
Post-employment benefits	17,520	16,815
Other long-term benefits	-	-
Termination benefits	-	-
Share-based payments	6,100	94,200
Capitalised in exploration and evaluation assets	<u>(224,315)</u>	<u>(44,980)</u>
Total	<u>206,620</u>	<u>382,120</u>

b. Share-based employee remuneration

Included under employee benefits expense in the statement of profit or loss and other comprehensive income is \$6,100 (2021: \$188,400) which relates, in full, to equity settled share-based payment transactions.

All options granted to personnel/key consultants are over ordinary shares in Conico Ltd, which confer a right of one ordinary share for every option held. When issued, the shares carry full dividend and voting rights.

	Consolidated	
	2022	2021
	\$	\$
NOTE 7: CASH AND CASH EQUIVALENTS		
Cash at bank	4,916,710	3,918,252
	<u>4,916,710</u>	<u>3,918,252</u>

Reconciliation of cash

Cash at the end of the financial year as shown in the consolidated statement of cash flows is reconciled to items in the balance sheet as follows:

Cash and cash equivalents	4,916,710	3,918,252
	<u>4,916,710</u>	<u>3,918,252</u>

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

	Consolidated	
	2022	2021
	\$	\$
NOTE 8: OTHER CURRENT ASSETS		
Prepayments	398,863	311,652
	398,863	311,652
	398,863	311,652

NOTE 9: PLANT AND EQUIPMENT

Equipment:

At cost	147,712	104,893
Accumulated depreciation	(82,842)	(49,973)
Total Plant and Equipment	64,870	54,920
	64,870	54,920

a. Movements in Carrying Amounts

Movement in the carrying amount between the beginning and the end of the current financial year.

Opening balance	54,920	5,780
Assets purchased	49,527	51,338
Acquired through purchase of subsidiary	-	2,404
Disposals	(2,885)	-
Net exchange differences	(4,213)	1,227
Depreciation expense	(32,479)	(5,829)
Closing balance	64,870	54,920
	64,870	54,920

b. Impairment losses

The total impairment loss recognised in the consolidated statement of profit or loss and other comprehensive income during the current year amounted to \$Nil (2021: \$Nil).

NOTE 10: EXPLORATION AND EVALUATION ASSETS

Balance at the beginning of the financial year	22,272,897	15,930,182
Acquired through purchase of subsidiary	-	4,405,983
Expenditure incurred during the year	6,456,342	1,892,319
Net exchange differences	209,968	44,413
Balance at the end on the financial year	28,939,207	22,272,897
	28,939,207	22,272,897

Capitalised costs amounting to \$6,876,744 (2021: \$2,025,669) have been included in cash flows from investing activities in the statement of cash flows for the consolidated entity.

NOTE 11: JOINT OPERATION

A wholly controlled entity, Meteore Metals Pty Ltd, has a 50% interest in the Mt Thirsty Joint Venture, whose principal activity is the development of the Mt Thirsty nickel, cobalt and manganese project. The consolidated financial statements include the assets that the Group controls and the liabilities that it incurs in the course of pursuing the joint operation and the expenses that the Group incurs and its share of the income that it earns from the joint operation.

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

NOTE 11: JOINT OPERATION CONTINUED

	Consolidated	
	2022 \$	2021 \$
Share of joint operation results and financial position:		
Current Assets	5,593	6,409
Non-Current Assets	3,571,136	3,493,148
Total Assets	<u>3,576,729</u>	<u>3,499,557</u>
Current Liabilities	70,245	7,592
Total Liabilities	<u>82,745</u>	<u>20,092</u>
Revenue	-	-
Expenses	(7,481)	(5,045)
Profit / (Loss) before income tax	<u>(7,481)</u>	<u>(5,045)</u>
Income tax expense	-	-
Profit / (Loss) after income tax	<u>(7,481)</u>	<u>(5,045)</u>

NOTE 12: TRADE AND OTHER PAYABLES

Trade payables	109,755	323,438
Sundry payables and accrued expenses	737,479	89,540
	<u>847,234</u>	<u>412,978</u>

NOTE 13: PROVISIONS

Opening balance	262,500	262,500
Movements	-	-
Closing balance	<u>262,500</u>	<u>262,500</u>

This mainly relates to a provision of \$250,000 that has been recognised in relation to the Group's 50% share of the liability to pay the original owners of the Mt Thirsty project \$500,000 upon the commencement of mining on the tenements. The directors believe this will not become due for at least a couple of years. This amount has not been recorded at present value as a timeframe for discounting is not determinable. The remaining balance relates to a rehabilitation provision.

NOTE 14: ISSUED CAPITAL

1,358,268,874 (2021: 916,367,041) ordinary shares	<u>39,980,010</u>	<u>31,425,251</u>
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	2022 No.	2021 No.	2022 \$	2021 \$
a. Ordinary shares				
At the beginning of reporting period	916,367,041	384,398,221	31,425,251	20,394,350
Shares issued during the year (net of costs)	441,901,833	531,968,820	8,554,759	11,030,901
At reporting date	<u>1,358,268,874</u>	<u>916,367,041</u>	<u>39,980,010</u>	<u>31,425,251</u>

Ordinary shares participate in dividends and in the proceeds of winding up in proportion to the number of shares held. At the shareholders' meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands. The Company has no authorised share capital or par value. All issued shares are fully paid.

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

NOTE 14: ISSUED CAPITAL CONTINUED

	2022 No.	2021 No.
b. Options		
At the beginning of reporting period	99,144,140	42,264,866
Issued during the year	243,527,092	99,144,140
Options lapsed during the year		- (42,243,327)
Options exercised during the year	(16,847,833)	(21,539)
At reporting date	<u>325,823,399</u>	<u>99,144,140</u>

c. Capital Management

Management controls the working capital of the Company in order to maximise the return to shareholders and ensure that the Company can fund its operations and continue as a going concern. Management effectively manages the Company's capital by assessing the Company's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of expenditure and debt levels, distributions to shareholders and capital raisings. There have been no changes in the strategy adopted by management to control the capital of the Company since the prior year.

NOTE 15: RESERVES

a. Option Reserve

The option reserve records items recognised as expenses on valuation of share options.

b. Foreign Currency Translation Reserve

The foreign currency translation reserve records exchange differences arising on the translation of foreign subsidiaries.

NOTE 16: CONTROLLED ENTITIES

Controlled Entities	Country of Incorporation	Percentage Owned (%)	
		2022	2021
Meteore Metals Pty Ltd	Australia	100	100
Longland Resources Ltd	United Kingdom	100	100

NOTE 17: PARENT COMPANY INFORMATION

Assets

Current assets	4,811,198	3,861,031
Non-current assets	28,700,712	21,697,467
Total Assets	<u>33,511,910</u>	<u>25,558,497</u>

Liabilities

Current liabilities	119,239	81,750
Total liabilities	<u>119,239</u>	<u>81,750</u>

Equity

Issued capital	39,980,010	31,425,251
Accumulated losses	(8,226,489)	(7,377,554)

Reserves

Option reserve	1,639,150	1,429,050
Total reserves	<u>1,639,150</u>	<u>1,429,050</u>

Financial performance

Profit / (Loss) for the year	(848,935)	(814,389)
Other comprehensive income	-	-
Total comprehensive loss	<u>(848,935)</u>	<u>(814,389)</u>

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

NOTE 17: PARENT COMPANY INFORMATION CONTINUED

Contingent Liabilities and Commitments

The Directors are not aware of any contingent liabilities or capital commitments as at 30 June 2022.

Guarantees in respect of the debts of its subsidiaries

The parent entity has provided a guarantee to Cartwright Drilling Inc. in relation to the drilling program being undertaken in Greenland by its subsidiary Longland Resources Ltd. There are no other parent entity guarantees in respect of the debts of its subsidiary at year end.

NOTE 18: CAPITAL AND LEASING COMMITMENTS

	Consolidated	
	2022	2021
	\$	\$
a. Capital Expenditure Commitments		
Payable:		
— not later than 12 months	-	-
— greater than 12 months	-	-
	<u>-</u>	<u>-</u>
b. Exploration Expenditure Commitments		
In order to maintain current rights of tenure to exploration tenements, the company is required to perform minimum exploration work to meet the requirements specified by various governments. It is anticipated that expenditure commitments for the twelve months will be tenement rentals of \$20,000 (2021: \$15,000) and exploration expenditure of nil (2021: \$72,000), of which the Group is required to meet 50% of.		

NOTE 19: SHARE-BASED PAYMENTS

All options granted are over ordinary shares in Conico Ltd, which confer a right of one ordinary share for every option held. When issued, the shares carry full dividend and voting rights.

Share-based payments - Options

	2022		2021	
	Number of Options	Weighted Average Exercise Price \$	Number of Options	Weighted Average Exercise Price \$
Outstanding at the beginning of the year	57,000,000	0.050	14,000,000	0.055
Granted	31,000,000	0.026	57,000,000	0.050
Exercised	(15,200,000)	0.04	-	-
Lapsed	-	-	(14,000,000)	0.055
Outstanding at year-end	<u>72,800,000</u>	<u>0.042</u>	<u>57,000,000</u>	<u>0.050</u>
Exercisable at year-end	72,800,000	0.042	57,000,000	0.050

The options outstanding at 30 June 2022 had a weighted average exercise price of \$0.042 and a weighted average remaining contractual life of 2.8 years.

For the options granted during the current financial year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Grant Date	Expiry Date	Share Price at Grant Date	Exercise Price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
4/5/2022	3/5/2023	\$0.012	\$0.016	100%	-	0.25%	\$0.006
30/3/2022	31/12/2026	\$0.015	\$0.026	100%	-	0.25%	\$0.007

The following options were exercised during the year ended 30 June 2022.

Expiry Date	Exercise Price	Number of options
24/11/2023	\$0.04	11,500,000
15/1/2024	\$0.04	3,700,000

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

NOTE 20: CASH FLOW INFORMATION

a. Reconciliation of Cash Flow from Operations with Loss after Income Tax	2022	2021
	\$	\$
Loss after income tax	(940,166)	(995,140)
Non-cash flows in profit/(loss)		
Depreciation	5,055	5,829
Options expense	6,100	188,400
Interest expense capitalised	-	5,710
Changes in assets and liabilities, net of non-cash payments		
(Increase)/decrease in trade and term receivables	(87,211)	14,340
Increase/(decrease) in trade payables and accruals*	198,242	184,041
Cash flow used in operations	<u>(817,980)</u>	<u>(596,820)</u>

* - Net of Exploration and Evaluation cash flows.

NOTE 21: RELATED PARTY TRANSACTIONS

	2022	2021
	\$	\$
Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.		
Transactions with related parties:		
Key Management Personnel		
Management fees and administration fees paid to Princebrook Pty Ltd, a company in which Mr GH Solomon and Mr DH Solomon have an interest. At 30 June 2022 \$12,000 (2021: \$12,000) was included in Trade and Other Payables owing to Princebrook Pty Ltd.	144,000	144,000
Legal and professional fees and reimbursed expenses paid to Solomon Brothers, a firm of which Mr GH Solomon and Mr DH Solomon are partners.	60,669	34,537
Corporate advisory fees paid to RM Corporate Finance Pty Ltd, a company in which Mr G T Le Page and Mr J B Richardson have an interest.	42,000	42,000
Website development, media and marketing fees paid/payable to RM Corporate Finance Pty Ltd, a company in which Mr G Le Page and Mr J Richardson have an interest.	8,340	27,695
Lead manager and placement fees paid/payable to RM Corporate Finance Pty Ltd, a company in which Mr G Le Page and Mr J Richardson have an interest.	290,280	64,616
Underwriting fee paid/payable to RM Corporate Finance Pty Ltd (including \$140,000, being the fair value of 20,000,000 underwriter options), a company in which Mr G Le Page and Mr J Richardson have an interest.	-	262,656
Associated Companies		
Reimbursement to Tasman Resources Ltd (which has a 10.8% interest in the Company) for employee costs on an hourly basis, in relation to Tasman staff utilised by the Company.	605	3,703

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

NOTE 22: SEGMENT REPORTING

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision maker) in assessing performance and determining the allocation of resources. The following have been identified as individual segments:

Greenland

Conico holds a 100% in both the Ryberg and Mestersvig Projects in Greenland. The Ryberg Project that covers an area of 4,521km² containing the Sortekap gold prospect and the Miki Fjord & Togeda Cu-Ni-Co-PGE-Au magmatic sulphide prospects. The Mestersvig Project containing the historic Blyklippen Pb-Zn mine and Sortebjerg Pb-Zn prospect.

Mt Thirsty JV

Conico holds a 50% interest in the Mt Thirsty Cobalt Project, located 16km north-northwest of Norseman, Western Australia. The Project contains the Mt Thirsty Cobalt-Nickel (Co-Ni) Oxide Deposit that has the potential to emerge as a significant cobalt producer. In addition to the Co-Ni Oxide Deposit, the Project also hosts nickel sulphide (Ni-S) mineralisation.

Unallocated

Unallocated items comprise items that cannot be directly attributed to the Greenland Exploration or the Mt Thirsty JV segments and corporate costs which includes those expenditures supporting the business during the period.

The segment information for the reportable segments for the year ended 30 June 2022 is as follows

Year ended 30 June 2022	Greenland	Mt Thirsty JV	Unallocated	Total
	\$	\$	\$	\$
Segment loss before tax	-	-	(940,165)	(940,165)
Impairment of assets	-	-	-	-
Capital expenditure additions	6,426,443	79,426	-	6,505,869
Segment assets	13,337,359	16,022,428	4,959,863	34,319,650
Segment liabilities	(658,249)	(332,246)	(119,239)	(1,109,734)
Year ended 30 June 2021	Greenland	Mt Thirsty JV	Unallocated	Total
	\$	\$	\$	\$
Segment loss before tax	-	-	(995,140)	(995,140)
Impairment of assets	-	-	-	-
Capital expenditure additions	6,331,608	12,516	7,920	6,352,044
Segment assets	6,684,356	15,941,683	3,931,682	26,557,721
Segment liabilities	(324,421)	(270,092)	(80,965)	(675,478)

NOTE 23: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The Directors are not aware of any contingent assets or contingent liabilities as at 30 June 2022 (30 June 2021: Nil).

NOTE 24: EVENTS AFTER THE BALANCE SHEET DATE

Between 5 July 2022 and 1 September 2022 2,949,237 shares were issued pursuant to options being exercised, raising \$111,680.

On 16 August 2022 93,750,000 shares were issued at \$0.032 pursuant to a placement raising \$3,000,000 before the costs of the offer. On 30 August 2022, 15,000,000 options exercisable at 7 cents expiring on 20 January 2024 were issued in part consideration of placement fees.

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

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

NOTE 25: FINANCIAL INSTRUMENTS

a. Financial Risk Exposures and Management

The main risks the Company is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

i. Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group has minimal exposure to interest rate risk, the only asset / liability affected by changes in market interest rates is Cash and cash equivalents.

ii. Liquidity Risk

The Company manages liquidity risk by monitoring forecast cash flows and ensuring that adequate funding is maintained. The Company's operations require it to raise capital on an on-going basis to fund its planned exploration programs and to commercialise its tenement assets. If the Company does not raise capital in the short term, it can continue by reducing planned but not committed exploration expenditure until funding is available. All financial liabilities are expected to be settled within 6 months.

iii. Foreign currency risk

The Group is exposed to fluctuations in foreign currencies arising from the purchase of goods and services in currencies other than the companies' functional currency. The risk is measured using sensitivity analysis and cash flow forecasting. At 30 June 2022 the effect on the loss as a result of a 10% increase in the value of the Australian dollar, with all other variables remaining constant would be a decrease in loss by approximately \$10,000 (2021: \$25,000). Exploration expenditure relating to the Greenland project is largely in currencies other than the companies' functional currency, changes in the foreign exchange rates will affect the cost of exploration on the Greenland project and may affect decisions regarding the quantum of exploration completed in any period.

b. Financial Instruments

i. Net Fair Values

The aggregate net fair values of the financial assets and financial liabilities, at the balance date, are approximated by their carrying value.

NOTE 26: COMPANY DETAILS

The registered office of the company is:

Conico Ltd
Level 15,
197 St Georges Terrace
Perth Western Australia 6000

The principal place of business is:

Conico Ltd
Level 15,
197 St Georges Terrace
Perth Western Australia 6000

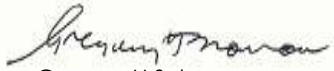
DIRECTORS' DECLARATION

In the opinion of the directors of Conico Ltd (the "Company"):

- a. the financial statements and notes set out on pages 29 to 45 and the Remuneration disclosures that are contained in pages 25 to 26 of the Remuneration Report in the Directors' Report, are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the Group's financial position as at 30 June 2022 and of its performance, for the financial year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and
 - (iii) complying with International Financial Reporting Standards as disclosed in Note 1.
- b. the remuneration disclosures that are contained in pages 25 to 26 of the Remuneration Report in the Directors' Report comply with Australian Accounting Standard AASB 124 Related Party Disclosures; and
- c. there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

The Directors have been given the declarations required by Section 295A of the Corporations Act 2001 from the Non-Executive Chairman and Chief Financial Officer for the financial year ended 30 June 2022.

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



Gregory H Solomon
Chairman

Dated this 29th day of September 2022

Independent Auditor's Report to the Members of Conico Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Conico Limited ("the Company") and its subsidiaries ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2022, the consolidated statement of 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 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 & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty relating to going concern

Without modifying our opinion, we draw attention to Note 1 of the financial report, which indicates that the Group will require further funding in the next twelve months from the date of this report to fund its planned operating costs. These conditions, along with other matters as set forth in Note 1, indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

Key Audit Matters

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

Key audit matter	How our audit addressed the key audit matter
<p>Capitalisation of exploration and evaluation assets</p> <p><i>Refer to Note 10 (Exploration and evaluation assets)</i></p> <p>As at 30 June 2022 the carrying value of Exploration and evaluation assets was \$28,939,207 (2021: \$22,272,897). The Group's accounting policy in respect of exploration and evaluation assets is outlined in Note 1e.</p> <p>This is a key audit matter due to the fact that significant judgement is applied in determining whether the capitalised exploration and evaluation assets continue to meet the recognition criteria in terms of AASB 6 Exploration for and Evaluation of Mineral Resources.</p>	<p>Our procedures focused on evaluating management's assessment of the exploration and evaluation asset's carrying value. These procedures included, amongst others:</p> <ul style="list-style-type: none"> ▪ verifying whether the rights to tenure of the area of interest remained current at balance date; ▪ obtaining evidence of the future intention for the area of interest; and ▪ obtaining an understanding of the status of ongoing exploration programs for the area of interest. <p>We also assessed the appropriateness of the accounting treatment and disclosure in terms of AASB 6.</p>

Other Information

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

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of the 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 Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have 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 the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

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

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

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

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

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 25 to 27 of the Directors' Report for the year ended 30 June 2022.

In our opinion, the Remuneration Report of Conico 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.



Nexia Perth Audit Services Pty Ltd



M. Janse Van Nieuwenhuizen
Director

Perth
29 September 2022

ADDITIONAL INFORMATION FOR LISTED PUBLIC COMPANIES

1. Shareholding as at 13 September 2022

a. Distribution of Shareholders	Number of Shareholders
Category (size of holding)	
1 – 1,000	79
1,001 – 5,000	62
5,001 – 10,000	184
10,001 – 100,000	1,555
100,001 – and over	<u>1,281</u>
	3,161

b. The number of shareholders that held in less than marketable parcels at 13 September 2022 was 344.

c. The names and relevant interests of the substantial shareholders listed in the holding company's register as at 13 September 2022 are:

Shareholder	Number of Ordinary shares
Tasman Resources Ltd	115,852,963

d. **Voting Rights**

Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.

e. **20 Largest Shareholders — Ordinary Shares**

Name	Number Shares Held	% of Issued Capital
1. Bnp Paribas Nominees Pty Ltd Acf Clearstream	149,386,708	10.27%
2. Tasman Resources Ltd	115,852,963	7.96%
3. Bnp Paribas Nominees Pty Ltd <DRP>	56,005,118	3.85%
4. March Bells Pty Ltd <Dh Solomon Family A/C>	42,891,503	2.95%
5. Arkenstone Pty Ltd <Gh Solomon Family A/C>	34,026,311	2.34%
6. Mr Thomas Abraham-James	28,843,795	1.98%
7. Citicorp Nominees Pty Ltd	23,206,138	1.60%
8. Mr Raymond Carroll	21,000,000	1.44%
9. Red Eight Pty Ltd <Richardson Family S/F A/C>	19,833,334	1.36%
10. Tadea Pty Ltd	19,833,334	1.36%
11. Norman & Megan Parker < Parker Superfund A/C>	17,435,000	1.20%
12. Custodial Services Ltd <Beneficiaries Holdings A/C>	16,400,000	1.13%
13. Mr Le Zhao	16,319,298	1.12%
14. Bnp Paribas Nominees Pty Ltd <Ib Au Noms Retail client Drp>	16,195,090	1.11%
15. National Nominees Ltd <DB A/C>	14,153,793	0.97%
16. Mr Anthony Ford	13,000,027	0.89%
17. Apostman Superannuation Pty Ltd <Apostman Super Fund A/C>	11,666,667	0.80%
18. Mr Peter Richards	9,952,500	0.69%
19. Comsec Nominees Pty Ltd	8,910,793	0.61%
20. Mr Guy + Mrs Le Page <Guy Le Page Super Fund A/C>	8,793,118	0.61%
	<hr/> <u>643,705,490</u>	<u>44.24%</u>

e **20 Largest holders — CNJO Options**

Name	Number Shares Held	% of Issued Capital
1. Joarch Jagia Investments Pty Ltd	14,000,000	6.71%
2. Mr Raymond Carroll	12,000,000	5.75%
3. Peloton Capital Pty Ltd	10,500,000	5.03%
4. Tasman Resources Ltd	8,275,212	3.97%
5. Berenes Nominees Pty Ltd <Berenes Super Fund No 3>	4,000,000	1.92%
6. Mr Matthew Torenius & Mr Tuomo Torenius <Malby Family A/C>	3,250,000	1.56%
7. Wayne Dunlop Superannuation Pty Ltd <Wayne Dunlop Super Fund A/C>	3,200,000	1.53%
8. March Bells Pty Ltd <Dh Solomon Family A/C>	3,063,679	1.47%
9. Budworth Capital Pty Ltd <Rolling Hills Capital A/C>	3,000,000	1.44%
10. M1nt Property Pty Ltd <The Paton Family A/C>	3,000,000	1.44%
11. Waterbeach Investments Pty Ltd <Christie Family A/C>	2,800,000	1.34%
12. As & Jr Libbis Pty Limited <Libbis Family A/C>	2,587,500	1.24%
13. Mr Anthony Ford	2,500,027	1.20%
14. Mr Michael Hunt & Mrs Lynne Hunt	2,500,000	1.20%
15. Mrs Dimitroula Zaverdinos	2,500,000	1.20%
16. Arkenstone Pty Ltd <Gh Solomon Family A/C>	2,430,451	1.17%
17. Rosherville Pty Ltd <Ayton Super Fund A/C>	2,272,714	1.09%
18. Mr Sean Shepperson	2,267,962	1.09%
19. Mr Barry Dunlop	2,029,694	0.97%
20. Mr Roger Blake & Mrs Erica Blake <The Mandy Super Fund A/C>	2,000,000	0.96%
	88,177,239	42.28%

2. Unquoted Securities – Options as at 13 September 2022

Holder Name	Date of Expiry	Exercise Price	Number on issue	Number of holders
Thomas Sant	3 May 2023	\$0.016	1,000,000	1
Various	21 September 2023	\$0.022	1,000,000	2
Various	24 November 2023	\$0.04	6,000,000	6
Various	15 January 2024	\$0.04	2,300,000	2
Various	20 January 2024	\$0.07	75,496,307	101
Various	30 September 2024	\$0.04	10,000,000	2
Various	30 November 2024	\$0.10	33,500,000	77
			126,296,307	191

TENEMENT SCHEDULE

Number	Interest %	Location
E63/1790	50	WA
P63/2045	50	WA
E63/1267	50	WA
R63/4	50	WA
G(A)63/93	50	WA
M(A)63/669	50	WA
M(A)63/670	50	WA
MEL 2017/06	100	Greenland
MEL-S 2019/38	100	Greenland
MEL 2020/64	100	Greenland
MPL 2019/39	100	Greenland
MEL-S 2021/24	100	Greenland

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