



# ANNUAL REPORT

30 JUNE 2023

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**ASX: CDR**

ABN: 17 600 818 157

Codrus Minerals Limited

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Western Australia

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**Directors**

Andrew Radonjic  
Shannan Bamforth  
Jamie Byrde

**Company Secretary**

Jamie Byrde

**Principal & Registered Office**

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West Perth WA 6005  
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**Lawyers**

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

**Share Registry**

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

**Auditors**

Stantons  
Level 2, 40 Kings Park Road  
West Perth WA 6005

**Bankers**

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

**Stock Exchange Listing**

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

**Website Address**

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

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Dear fellow shareholders,

On behalf of the Directors of Codrus Minerals Limited ("Company" or "Codrus"), I present to shareholders the annual report for the year ended 30 June 2023.

Whilst we haven't been immune to the lingering market sentiment, with global markets impacted by rising interest rates, cost of living and inflationary concerns, Codrus continues to focus on its strategy as a mineral exploration company committed to exploration within world class mineral provinces.

The company has demonstrated its commitment to creating long term shareholder value, by acquiring the Karloning Rare Earths Project in Mukinbudin, Western Australia in November 2022 which has since supported an increase in share price and given the company and its shareholders exposure to the critical minerals space.

In August 2023, additional tenure was acquired increasing our Karloning tenure by 16-fold, this has further added to our project position in Western Australian, where we still retain our Red Gate Project, Silver Swan South Project and the Middle Creek Project which continues to show exciting potential in areas with several established gold mines.

As we wait for permitting at our Bull Run Project in Oregon, where we plan on testing our gold targets identified by the exploration team we continue to build upon our initial positive exploration results at Karloning, whilst managing to preserve our cash position since listing through low cost exploration and business development activities.

During the year we also completed a 2 for 1 Loyalty Option Entitlement Issue with an exercise price of \$0.125 which are listed under the code CDRO, which provided the opportunity to reward our shareholder base for their continuing support of Codrus and to share in the outstanding growth potential of the company.

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

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



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

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The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of Codrus Minerals Limited (referred to hereafter as the 'Company' or 'Parent Entity', or 'Codrus') and the entities it controlled at the end of, or during, the year ended 30 June 2023.

## 1. Directors

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

Mr Andrew Radonjic  
 Mr Shannan Bamforth  
 Mr Jamie Byrde

### Information on Directors and Company Secretary

#### Mr Andrew Radonjic Non-Executive Chairman

Appointed 1 August 2017

Qualifications BAppSc (Mining Geology), MSc (Mineral Economics), MAusIMM

Experience Mr Radonjic is a geologist and mineral economist with over 35 years of experience in mining and exploration, with a specific focus on gold and nickel, and was instrumental in three significant gold discoveries north of Kalgoorlie. As the Executive Director of Venture Minerals Limited, he co-led the discovery of the Mount Lindsay Tin-Tungsten-Magnetite deposits. Mr Radonjic was a Founding Director of Blackstone Minerals Limited and is currently the Managing Director of Venture Minerals Limited.

Interest in Securities	Fully Paid Ordinary Shares	350,000
	Unlisted Options	2,000,000
	Listed Options	175,000

Other Directorships Venture Minerals Limited (since 12 May 2006)  
 Fin Resources Limited (since 14 May 2018; Resigned 30 November 2021)  
 Blackstone Minerals Limited (since 30 August 2016; Resigned 12 November 2021)

#### Mr Shannan Bamforth Managing Director

Appointed 29 March 2021

Qualifications BSc (Geology)

Experience Mr Bamforth is a geologist with over 25 years' experience in the resources industry with a focus on base metals and gold. He has worked in exploration, operations and corporate roles in Australia, Africa, China and Indonesia. Prior to joining Codrus Minerals Limited, Mr Bamforth held various senior positions with a variety of companies including Sandfire Resources Limited, Regent Pacific Group, St Barbara Mines, AngloGold Ashanti, and Acacia Resources. He is a member of The Australian Institute of Mining and Metallurgy.

Interest in Securities	Fully Paid Ordinary Shares	473,732
	Unlisted Options	2,000,000
	Performance Rights	5,000,000
	Listed Options	236,866

Other Directorships Nil

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

<b>Mr Jamie Byrde</b>	<b>Non-Executive Director</b>
	Appointed 1 January 2021
Qualifications	BComm CA
Experience	Mr Byrde is a Chartered Accountant with over 18 years' experience in corporate advisory, public and private company management since commencing his career with Big four and mid-tier Chartered Accounting Firms positions. Mr Byrde specialises in Financial Management, ASX and ASIC compliance and Corporate Governance of mineral and resource focused public companies. Mr Byrde is also currently Company Secretary for Blackstone Minerals Limited and Venture Minerals Limited.
Interest in Securities	Fully Paid Ordinary Shares 200,000 Unlisted Options 2,000,000 Listed Options 100,000
Other Directorships	Nil

**Company Secretary**

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

**2. Principal Activities**

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

**3. Group Financial Overview**

*Profit and Loss*

The loss attributable to owners of the Group after providing for income tax amounted to \$2,696,126 (2022: \$4,095,108).

*Financial Position*

The Group had \$1,728,081 in cash and cash equivalents as at 30 June 2023 (2022: \$4,020,607).

**4. Dividends Paid or Recommended**

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

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

On 23 November 2022, the Company announced that it has entered into a farm-in and joint venture agreement with Talgomine Minerals Pty Ltd ("Talgomine") to earn up to a 90% interest in the Karloning Rare Earth Element (REE) Project, located in Western Australia's Wheatbelt. Under the terms of the agreement, the company paid \$30,000 in cash and issued 430,000 ordinary shares at \$0.07.

On 9 June 2023, under the terms of agreement, the Company granted Talgomine 1,000,000 unlisted options with an exercise price of \$0.20 expiring on 9 June 2025, for meeting its minimum expenditure \$100,000. An additional 2,500,000 options with an exercise price of \$0.50 with a 2-year expiry will be granted once Codrus has earned an 70% participating interest.

On 23 September 2022, the company issued 39,000,002 Listed Options with expiring on 22 September 2024 and an exercise price of \$0.125 each.

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## 6. Operating and Financial Review

### Introduction

Codrus has a portfolio of exciting projects in Western Australia (WA) and Oregon, United States of America (USA). All of our Australian assets are located in close proximity to existing operating mines and the Bull Run Project in the USA is located in a rich historic gold producing area.

### Western Australian Projects

The Company has four (4) projects in Western Australia, comprising 31 tenements with a total landholding of approximately 243km<sup>2</sup>. The Karloning REE Project in the Wheatbelt, the Silver Swan South and Red Gate Projects are in the Eastern Goldfields, whilst the Middle Creek Project is located in the Eastern Pilbara. The tenements are prospective for rare earth elements and potential economic gold mineralisation, with Silver Swan South also being prospective for Nickel (Figure 1).

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

## 6. Operating and Financial Review (continued)

### Karloning REE Project

The Karloning REE Project, which is located 30km north of the regional town of Mukinbudin and 260km north-east of Perth, provides Codrus with an opportunity to explore for the high-value REE's used in the manufacture of high-strength permanent magnets – namely praseodymium, neodymium, terbium and dysprosium.

These elements are in high demand because of the explosive growth in industries that rely on permanent rare earth magnets such as electric vehicles, wind turbines and other renewable energy applications. The geology within the tenements (E70/5339 and E70/6306) comprises mainly medium to coarse-grained biotite granite and adamellite within a large quartz-microcline pegmatite, known as the Karloning Pegmatite. Tertiary lateritic duricrusts skirt the granite outcrops and are eroded by the Quaternary paleo-drainages forming broad sheetwash areas consisting of sands, clays and silts.

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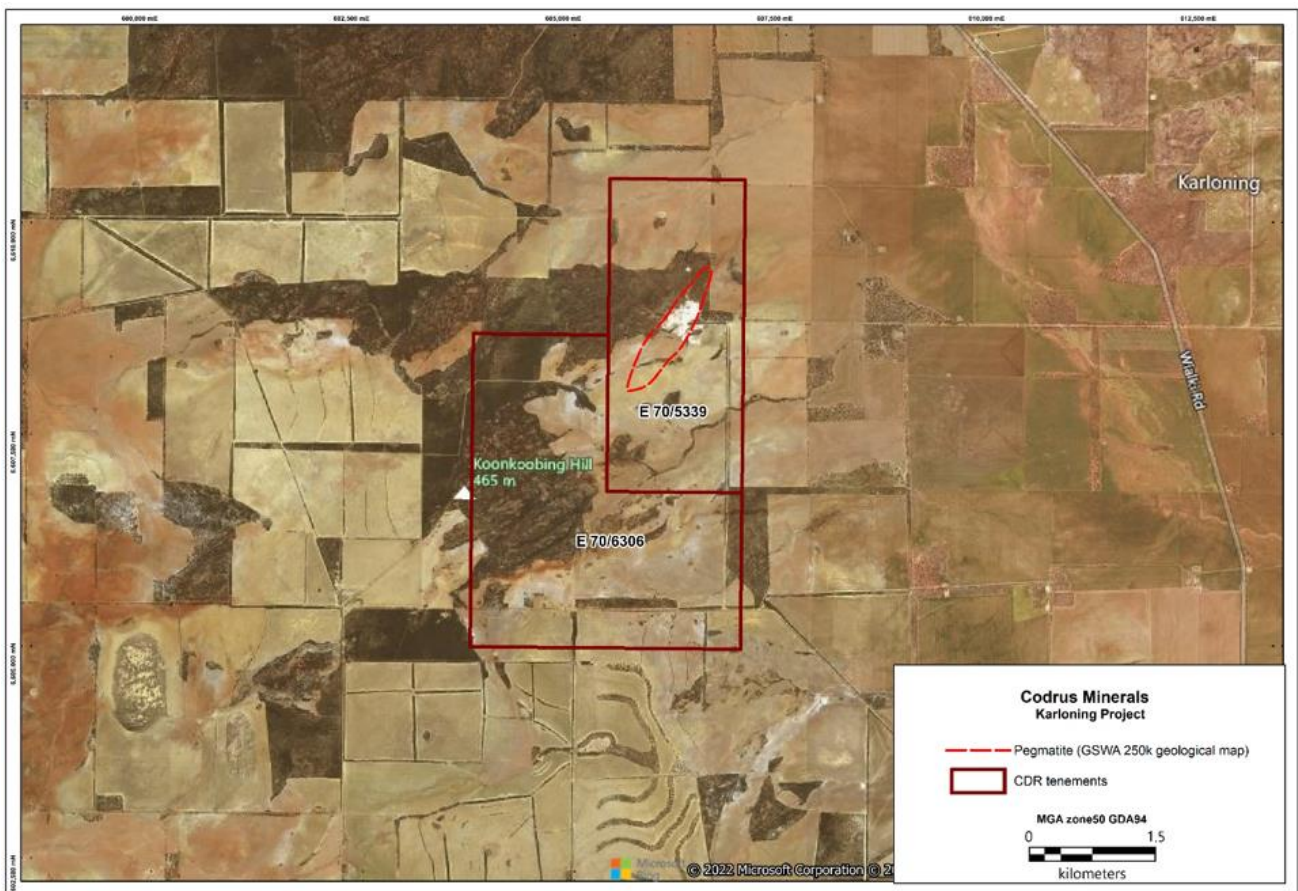


Figure 2 | Karloning Project location showing the location of E70/5339 (Talgomine Joint Venture CDR earning in), and E70/6306 (100% Codrus) with the historic quarry visible in E70/5339.



## 6. Operating and Financial Review (continued)

Mapping by the Geological Survey of Western Australia (1:250,000 Perth map sheet) shows a strike extent of ~1.5km for the Karloning Pegmatite, and Codrus believes there is a potential significant extension to the pegmatite beneath cover and for multiple pegmatite horizons to be discovered on the project (Figure 3).

A quarry has been operated at the site historically (E70/5339), focused on the production of feldspar and quartz for industrial purposes. The pegmatite has had minor historic soil sampling completed to the north and west of the quarry which identified anomalous (+250ppm) total rare earths and Yttrium (TREY). The quarry area was subject to shallow (maximum depth 21.3m) vertical rotary air blast drilling (RAB) in the 1970's that only assessed the presence of the quarry target minerals quartz and feldspar, with no analysis for REE's. Due to the shallow and very restricted nature of the drilling, the geometry of the Karloning Pegmatite remains poorly constrained.

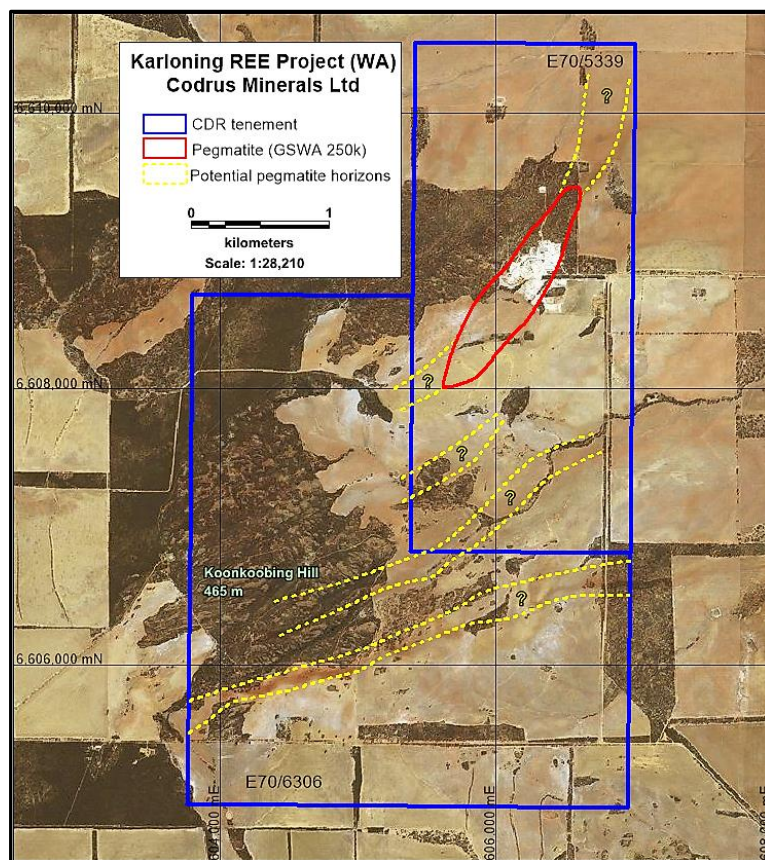


Figure 3 | Karloning Project plan view showing the location of the mapped Karloning Pegmatite (red) and potential extensions by way of extending the known occurrence and identifying multiple horizons on the property (yellow), based on GSWA geophysical and radiometric data.

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## 6. Operating and Financial Review (continued)

### Activities during the year:

- Additional tenure pegged adjacent to the south-west boundary of the Karloning Joint Venture tenement, encompassing potential extensions to the pegmatite system;
- Commenced exploration program in January 2023 to define REE drill targets;
- A systematic soil sampling program was undertaken over areas of interest, covering a significant amount of the overall project tenure;
- Completed a ground radiometric survey using a Radiation Solutions RS-330 series portable gamma ray spectrometer. The ground radiometric samples were collected at broadly the same locations as the soil samples;
- Roc Arial mobilised to site to commence the acquisition of drone magnetic data in mid February 2023. The flight lines were flown at 100m spacings across the majority of the tenure, with in-fill undertaken at 25m line spacing over discrete areas of interest;
- Drill targeting was completed and a maiden drilling program commenced to determine the extent of the pegmatite, test for clay hosted REE's and to understand the broader geological setting;
- 13 holes for 1,906m of Reverse Circulation (RC) drilling were completed during the year. The holes ranged from 100m to 244m in depth. 12 of the holes were drilled to test a TREY soil anomaly extending south-west from the Karloning pegmatite quarry;
- Of the 12 holes drilled in the area of the soil anomaly, 10 holes intersected the clay zone, with the other two holes drilled into zones of thin saprolite and then directly into fresh granite. The clay mineralisation observed is variable in thickness, but consistently distributed across the remainder of the drill-holes and remains open. Best intersections include:
  - KGRC001 - 11m grading 2,825ppm TREY oxides (TREYO) from 9m, including 2m grading 6,883ppm TREYO from 13m,
  - KGRC008 - 24m grading 1,503ppm TREYO from 8m, including 12m grading 2,081ppm TREYO from 8m,
  - KGRC007 - 28m grading 1,191ppm TREYO from 12m,
  - KGRC010 - 36m grading 1,191ppm TREYO from 12m, including 16m grading 1,505ppm TREYO from 12m (KGRC010\*), and
  - KGRC011 - 16m grading 1,656ppm TREYO.
- The REE mineralised clay zone sits above an exceedingly uniformly REE-enriched basement of granite and pegmatite veins. Examples of this broad and extensive REE enrichment include ,
  - KGRC003 – 138m grading 709ppm TREYO from 16m to EOH;
  - KGRC004 – 144m grading 713ppm TREYO from 4m to EOH;
  - KGRC005 – 154m grading 678ppm TREYO from 0m to EOH; and
  - KRRC013 – 240m grading 676ppm TREYO from 4m to EOH.
- Subsequent to year end, following the outstanding results returned from the Company's maiden drilling program, an air-core (AC) drilling program was completed to allow the Company to rapidly investigate the potential scale of the clay-hosted mineralisation at the project.

**6. Operating and Financial Review (continued)**

**Silver Swan South Project**

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

The Silver Swan South Project lies approximately 10km north-east of the Kanowna Belle Gold Mine, operated by Northern Star Resources Limited (Figure 4), and lies along the structural trend of the Fitzroy Fault (the primary control on mineralisation at Kanowna Belle).

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

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

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**Figure 4 | Silver Swan South Project location**

## 6. Operating and Financial Review (continued)

### Activities during the year:

- A drone magnetic survey was completed in September 2022 quarter;
- A soil sampling program was completed to complement the updated structural interpretation which has been constructed using drone magnetic survey data;
- The program consisted of 435 samples collected and submitted for analysis using the Labwest Ultrafine methodology (a method that is used to see through cover). Results from this program will be used to inform the targeting for any future drilling programs.

### Red Gate Project

The Red Gate Project (100% interest) is a gold project located approximately 140km north of Kalgoorlie and comprises one granted Exploration Licence covering a total area of 86.8km<sup>2</sup> (Figure 5).

The RC drilling program completed during the June Quarter 2022 field programme revealed the extent of the mineralisation (a strike length of more than 800m of continuous mineralisation) and the opportunity that this holds for the district.

This program of mapping and sampling was undertaken on areas that have had no historical drilling and focused on the south-western and very northern areas of the tenement. The mapping and sampling program will help determine future work programs. Further drilling at Porphyry East, North and West is being evaluated.

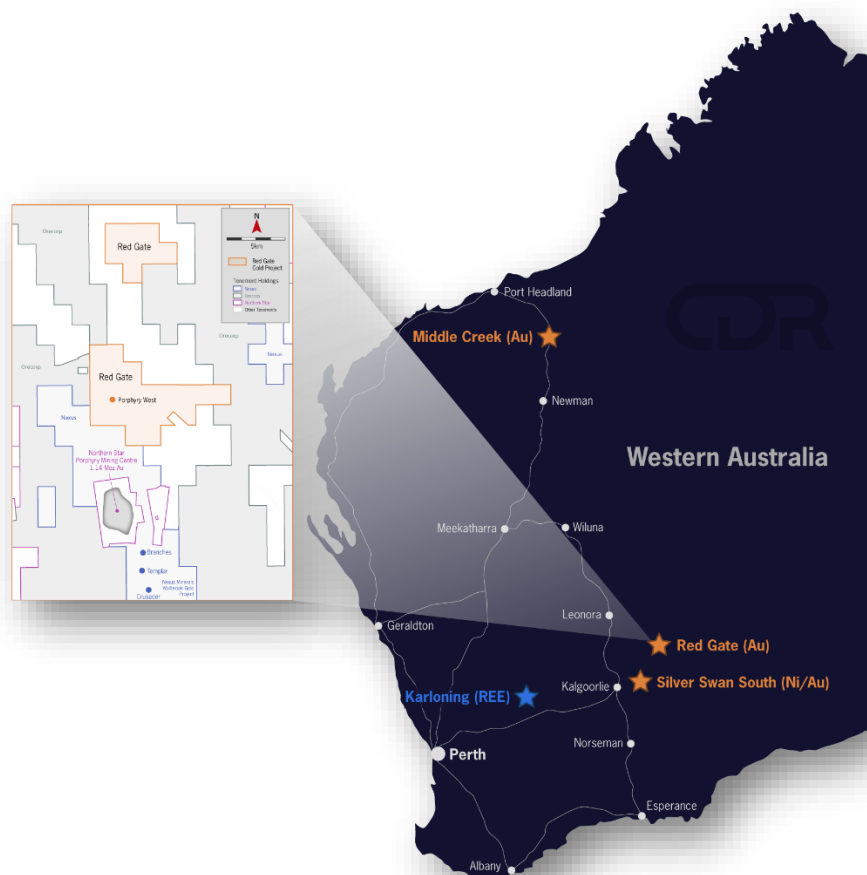


Figure 5 | The Red Gate Project tenements and prospects on interpreted geology

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## 6. Operating and Financial Review (continued)

### Activities during the year:

- Mapping and sampling of new areas were completed. This will help determine future work programs in these areas; and
- Further drilling at Porphyry North and West is being evaluated.

### Middle Creek Project

The Middle Creek Project (95% to 100% interest) is a gold project located approximately 185km north of Newman and 10km east of the small township of Nullagine in the East Pilbara Region (Figure 6). The project comprises 21 granted licences covering a total area of 37.4km<sup>2</sup>.

During the year, the Company continued a program of evaluation and drill targeting based on the program of work completed in prior years where a total of 11 trenches were excavated to allow detailed mapping and sampling to be undertaken in areas where multiple gold anomalies were identified from previous soil and rock chip sampling.

The results of the trenching have confirmed the presence of significant widths of gold mineralisation, enhancing the Company's understanding of the mineralising hydrothermal system in general and the controls of the gold mineralisation over the lease area.

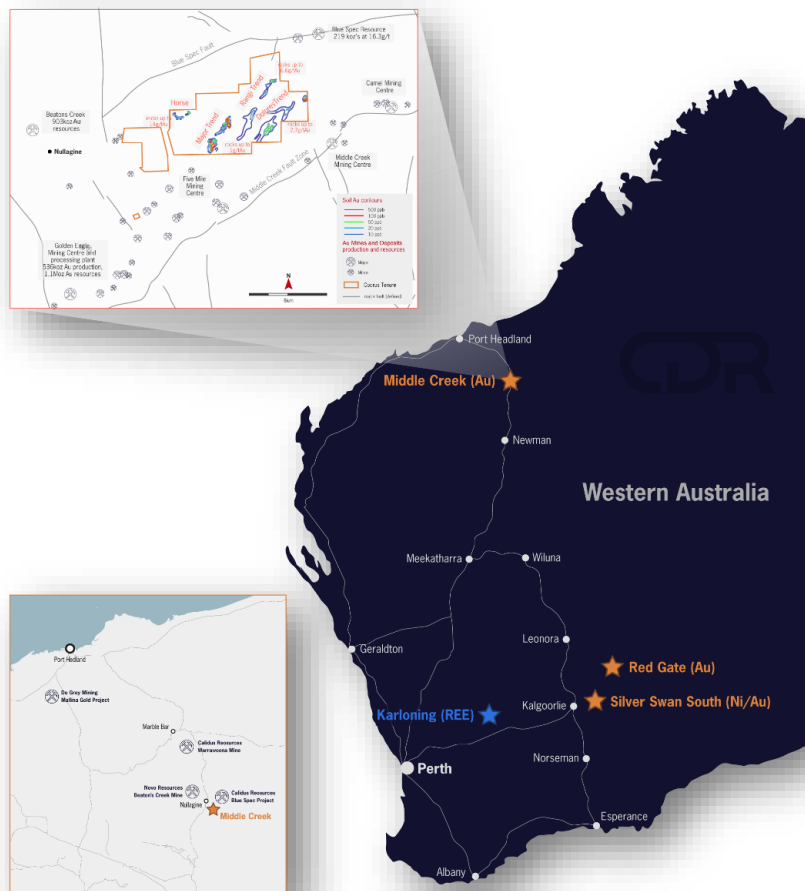


Figure 6 | The Middle Creek Project and significant regional gold projects.

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6. Operating and Financial Review (continued)

Activities during the year:

- Achieved significant results from the completion of trenching at the Middle Creek Gold Project, located in the active Nullagine gold mining area in the Pilbara. This has provided strong impetus for further work; and
- Applied for an additional 12 tenements in the Middle Creek district to further strengthen the Company's strategic footprint in the emerging Nullagine Gold Mining Centre.

American Project

Bull Run Gold Project, Oregon

The Bull Run Project is located in Baker County, eastern Oregon, USA, approximately 5 miles south of the town of Unity, and has been intermittently mined for vein gold since around 1929 (Figure 7).

The Company holds a 100% legal and beneficial interest for 91 claims and is party to an 'Option Agreement', which covers a further 11 claims in Baker County in Eastern Oregon. In total the claims cover approximately 7km<sup>2</sup> in the Ironside Mountain Inlier.



Figure 7 | Location of the Bull Run Project in Oregon USA

The Bull Run Gold Project, which sits in the Ironside Mountain Inlier, is prospective for gold and copper and has been mined intermittently since approximately 1929 for narrow high-grade gold (Record Gold Mine). The Project has had little modern exploration, with the most recent drilling comprising just three holes completed in the 1980's.

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## 6. Operating and Financial Review (continued)

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

The Company has identified the presence of disseminated pyrite and chalcopyrite mineralisation which may be amenable to pole-dipole Induced Polarisation geophysics. To test this, Dias Geophysical were contracted to conduct a low-noise deep 3D DCIP (Direct Current resistivity and Induced Polarisation) survey over an area of 5.75km<sup>2</sup>.

Datasets have been a key input to refining the placement of drill holes for the planned upcoming drilling. In addition, some key areas have had drone magnetics flown over them to assist in identifying structural controls. A site visit occurred with the company mapping outcrop and some of the historical working to further underpin drill planning.

Advanced drill permitting continued with the US Forest Service and will continue with a dedicated consultant in-country supporting the Company's permitting applications. The second phase of approvals with the Oregon Department of Geology and Mineral Industries is being planned.

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

On 2 August 2023, the Company has entered into a farm-in agreement with Fleet Street Holdings, which hold ground directly to the north-east of the highly enriched clay-hosted REE's discovered recently. The key terms of the agreement between Codrus and Fleet Street are:

- Within 7 days, Codrus must pay Fleet Street \$30,000 cash and issue \$30,000 worth of Codrus shares at a 5-day VWAP (approximately 360,000 shares at \$0.083 to be issued from the company's ASX Listing Rule 7.1 placement capacity).
- Codrus will have a minimum expenditure of \$100,000 within 12 months of commencement.
- Codrus after completing the minimum spend may achieve a 51% Stage 1 interest by spending an additional \$250,000 within 24 months (which is to include a minimum of 1,500m of AC drilling).
- Codrus after earning the Stage 1 interest may achieve an 80% Stage 2 interest by spending an additional \$250,000.
- After reaching either the Stage 1 or Stage 2 interest, Codrus will utilise its best endeavours to define a resource, complete all applicable studies, and procure the completion of, a DFS in respect of the Tenement.
- Codrus, on completion of a DFS will free carry Fleet Street to Decision to Mine.
- If a Decision to Mine is made Fleet Street may elect to contribute its share, Convert its share to a 1.5% Net Smelter Royalty, or sell its interest with Codrus maintaining a pre-emptive right.
- Upon a definition of an indicated or measured mineral resource on the tenement (within 36 months) with over 15 million tonnes of REE grading +1,000ppm (or metal equivalent) as defined by the relevant Competent Person, then CDR will issue 1,000,000 fully paid ordinary shares to Fleet Street (to be issued from the company's ASX Listing Rule 7.1 placement capacity).
- Upon completion of a Definitive Feasibility Study on the tenement (within 48 months), CDR will issue 2,000,000 fully paid ordinary shares will be issued to Fleet Street (to be issued from the company's ASX Listing Rule 7.1 placement capacity).

The Company has also pegged two additional tenements (E70/6472 and E70/6462 – both pending approval) in the district.

On 8 August 2023, the Company issued 360,000 shares at \$0.083 per share to Fleet Holdings Pty Ltd as per the terms of the Agreement as announced to the ASX on 2 August 2023.

## **7. Matter Subsequent to the End of the Financial Year (continued)**

Other than those mentioned above, there were no other matter or circumstance has arisen since 30 June 2023 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

## **8. Likely Developments and Expected Results of Operations**

The Board will continue to advance exploration and development opportunities in relation to its project.

## **9. Material Business Risks**

### **i. Exploration Risks**

There can be no assurance that future exploration or prospecting of the Group licences, or any other mineral licence that may be acquired in the future, will result in the discovery of an economic resource. Even if an apparently viable resource is identified, there is no guarantee that it can be economically exploited. The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns or adverse weather conditions, unanticipated operational and technical difficulties, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, industrial and environmental accidents, industrial disputes, unexpected shortages and increases in the costs of consumables, spare parts, plant, equipment and staff, native title process, changing government regulations and many other factors beyond the control of the Company.

The success of the Company will also depend upon the Company being able to maintain title to the mineral licences and mining claims and obtaining all required approvals for their contemplated activities. In the event that exploration programmes prove to be unsuccessful this could lead to a diminution in the value of these tenements and claims, a reduction in the cash reserves of the Company and possible relinquishment of one or more of the mineral exploration licences.

### **ii. Regulatory compliance**

The Company's operating activities are subject to extensive laws and regulations relating to numerous matters including resource licence consent, environmental compliance and rehabilitation, taxation, employee relations, health and worker safety, waste disposal, protection of the environment, native title and heritage matters, protection of endangered and protected species and other matters. The Company requires permits from regulatory authorities to authorise the Company's operations. These permits relate to exploration, development, production and rehabilitation activities.

While the Company believes that it is in substantial compliance with all material current laws and regulations, agreements or changes in their enforcement or regulatory interpretation could result in changes in legal requirements or in the terms of existing permits and agreements applicable to the Company or its properties, which could have a material adverse impact on the Company's current operations or planned development projects.

Obtaining necessary permits can be a time-consuming process and there is a risk that Company will not obtain these permits on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining necessary permits and complying with these permits and applicable laws and regulations could materially delay or restrict the Company from proceeding with the development of a project or the operation or development of a mine. Any failure to comply with applicable laws and regulations or permits, even if inadvertent, could result in material fines, penalties or other liabilities. In extreme cases, failure could result in suspension of the Company's activities or forfeiture of one or more of the Tenements.



**9. Material Business Risks (continued)**

**iii. Access to and Dependence on Capital Raisings**

The Company's capital requirements depend on numerous factors. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its exploration programmes as the case may be. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.

However, the Board do regularly assess the financial position of the Company and continues to assess all funding alternatives to ensure that the Company is able to continue exploration and evaluation activities. The Company may seek to raise further funds through equity or debt financing, joint ventures and any other means.

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## 10. Remuneration Report (audited)

The Directors of Codrus Minerals Limited are pleased to present your Company's 2023 remuneration report which sets out remuneration information for the Non-Executive Directors, Executive Directors and other key management personnel ("KMP").

The following sections are included with this report:

- A. Directors and key management personnel disclosed in this report
- B. Remuneration governance
- C. Use of remuneration consultants
- D. Executive remuneration policy and framework
- E. Group Performance, Shareholder Wealth and Executive Remuneration
- F. Non-Executive Director remuneration policy
- G. 2022 Annual General Meeting
- H. Details of remuneration
- I. Details of share based payments and bonuses
- J. Service Agreements
- K. Equity instruments held by key management personnel
- L. Loans to key management personnel
- M. Other transactions with key management personnel

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

#### *Non-Executive Directors*

Mr A Radonjic	Non-Executive Chairman
Mr J Byrde	Non-Executive Director Company Secretary
Mr S Bamforth	Managing Director

All of the key management personnel held their positions during the year ended 30 June 2023 and up to the date of this report unless otherwise disclosed.

### B. Remuneration governance

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

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

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

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

### **C. Use of remuneration consultants**

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

### **D. Executive remuneration policy and framework**

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

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

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

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

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

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

The Board policy is to remunerate Non-Executive Directors at market rates for comparable companies for time, commitment and responsibilities. Fees for Non-Executive Directors are not linked to the performance of the group. In determining competitive remuneration rates, the Board reviews local and international trends among comparative companies and industry generally.

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

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

### G. 2022 Annual General Meeting

The Company received more than 99.92% of "Yes" votes on its remuneration report for the 2022 financial year. The Company did not receive any specific feedback at the AGM throughout the year on its remuneration practices.

### H. Details of Remuneration

Details of the remuneration of the Directors and key management personnel of the group of Codrus are set out in the following table for the year ending 30 June 2023. There have been no changes to the below named key management personnel since the end of the reporting year unless otherwise noted.

	Short Term Benefits						Total
	Cash Salary & Fees	Consulting Fees	Accrued Annual Leave	Other Amounts	Super-annuation	Non-Cash Long Term Incentives <sup>A</sup>	
	\$	\$	\$	\$	\$	\$	\$
<b>2023</b>							
<i>Non-Executive Directors</i>							
Mr A Radonjic	40,000	-	-	5,284	4,200	-	49,484
Mr J Byrde	60,000	-	-	5,284	6,300	-	71,584
<i>Executive Directors</i>							
Mr S Bamforth	260,000	-	13,040	5,284	27,300	150,685	456,309
<b>Total Remuneration</b>	<b>360,000</b>	<b>-</b>	<b>13,040</b>	<b>15,852</b>	<b>37,800</b>	<b>150,685</b>	<b>577,377</b>
<b>2022</b>							
<i>Non-Executive Directors</i>							
Mr A Radonjic	40,000	-	-	6,605	4,000	-	50,605
Mr J Byrde	60,000	-	-	6,605	6,000	-	72,605
<i>Executive Directors</i>							
Mr S Bamforth	260,000	-	25,212	6,605	26,000	362,329	680,146
<b>Total Remuneration</b>	<b>360,000</b>	<b>-</b>	<b>25,212</b>	<b>19,815</b>	<b>36,000</b>	<b>362,329</b>	<b>803,356</b>

A The fair value of the options is calculated at the date of grant using a Black-Scholes model and fair value of performance rights was calculated at the date of grant using market values and rate of probabilities of vesting conditions. Refer to Note 24 for further details of options issued during the June 2023 financial year.

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

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

There were no bonuses or compensation shares issued or paid during the year (2022: Nil).

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

	Options Granted as Granted No.	Part of Remuneration \$	Total Remuneration Represented by Options	Exercised No.	Other changes No.	Lapsed No.
<b>2023</b>						
<i>Non-Executive Directors</i>						
Mr A Radonjic	-	-	-	-	-	-
Mr J Byrde	-	-	-	-	-	-
<i>Executive Director</i>						
Mr S Bamforth	-	-	-	-	-	-
<b>2022</b>						
<i>Non-Executive Directors</i>						
Mr A Radonjic	-	-	-	-	-	-
Mr J Byrde	-	-	-	-	-	-
<i>Executive Director</i>						
Mr S Bamforth	-	-	-	-	-	-

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

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

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

	Granted No.	Performance Rights Granted as Part of Remuneration <sup>E</sup> \$	Total Remuneration Represented Performance Rights <sup>A</sup>	Exercised No.	Other changes No.	Lapsed No.
<b>2023</b>						
Non-Executive Directors						
Mr A Radonjic	-	-	-	-	-	-
Mr J Byrde	-	-	-	-	-	-
Executive Director						
Mr S Bamforth	-	150,685 <sup>A</sup>	33.0%	-	-	-
<b>2022</b>						
Non-Executive Directors						
Mr A Radonjic	-	-	-	-	-	-
Mr J Byrde	-	-	-	-	-	-
Executive Director						
Mr S Bamforth	-	362,329 <sup>A</sup>	53.3%	-	-	-

A Consists of 5,000,000 performance rights issued to Mr Bamforth in prior year in 3 Tranches. During the year-ended 30 June 2023, \$150,685 (2022: \$362,329) was recognised in relation to performance rights issued to Mr Bamforth. Refer to Note 24 for details on the terms of the performance rights issued.

### J. Service Agreements

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

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

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

The tables below show the number of:

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

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

- (iii) Option holdings (Listed and Unlisted)

	Balance at start of the year or on appointment	Granted as remuneration	Exercised	Other changes <sup>A</sup>	Balance at end of the year	Vested and exercisable
<b>30 June 2023</b>						
Mr A Radonjic	2,000,000	-	-	175,000	2,175,000	2,175,000
Mr J Byrde	2,000,000	-	-	100,000	2,100,000	2,100,000
Mr S Bamforth	2,000,000	-	-	236,866	2,236,866	2,236,866
<b>30 June 2022</b>						
Mr A Radonjic	2,000,000	-	-	-	2,000,000	-
Mr J Byrde	2,000,000	-	-	-	2,000,000	-
Mr S Bamforth	2,000,000	-	-	-	2,000,000	-

<sup>A</sup> Participation in the Loyalty Option Entitlement Offer.

- (iv) Performance Rights

	Balance at start of the year or on appointment	Granted as remuneration	Exercised	Other changes	Balance at end of the year	Vested and exercisable
<b>30 June 2023</b>						
Mr A Radonjic	-	-	-	-	-	-
Mr J Byrde	-	-	-	-	-	-
Mr S Bamforth	5,000,000	-	-	-	5,000,000	2,000,000
<b>30 June 2022</b>						
Mr A Radonjic	-	-	-	-	-	-
Mr J Byrde	-	-	-	-	-	-
Mr S Bamforth	5,000,000	-	-	-	5,000,000	-

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

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

(v) Share holdings

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

	Balance at the start of the year or on appointment	Received on exercise of options and performance shares	Other changes	Balance at the end of the year
<b>30 June 2023</b>				
Mr A Radonjic	350,000	-	-	350,000
Mr J Byrde	200,000	-	-	200,000
Mr S Bamforth	473,732	-	-	473,732
<b>30 June 2022</b>				
Mr A Radonjic	250,000	-	100,000	350,000
Mr J Byrde	100,000	-	100,000	200,000
Mr S Bamforth	250,000	-	223,732	473,732

**L. Loans to key management personnel**

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

**M. Other transactions with key management personnel**

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

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

	2023 \$	2022 \$
(i) <i>Purchases from KMP related entities</i>		
Shared office costs and other supplier services on arms' length terms:		
Recharges from Blackstone Minerals Limited	-	53,802
Recharges from Venture Minerals Limited	93,322	54,745

**End of remuneration report.**

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## 11. Shares under Option

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

Date options granted	Expiry Date	Exercise Price	Number under Option
17 June 2021	17 June 2024	\$0.30	6,000,000
22 Sept 2022	22 Sept 2024	\$0.125	39,000,002
9 June 2023	9 June 2025	\$0.20	1,000,000
			46,000,002

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

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

## 12. Insurance of Officers

During the financial year, Codrus paid a premium of \$15,852 (2022: \$19,815) to insure the Directors and Secretary of the Company and its controlled entities.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of entities in the group, and any other payments arising from liabilities incurred by the officers in connection with such proceedings.

This does not include such liabilities that arise from conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else or to cause detriment to the Company. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

## 13. Meetings of Directors

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

Director	Full meetings of Directors		Remuneration Committee meetings	
	Number Eligible to Attend	Meetings Attended	Number Eligible to Attend	Meetings Attended
Mr A Radonjic	3	3	-	-
Mr J Byrde	3	3	-	-
Mr S Bamforth	3	3	-	-

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

#### **14. Environmental Regulation**

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

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

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

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

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

The lead auditor's independence declaration for the year ended 30 June 2023 has been received and can be found on page 25 of the Directors' report.

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

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

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

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

Perth, Western Australia, 13 September 2023

#### **Competent Persons Statement**

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

#### **No New Information or Data**

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

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13 September 2023

The Directors  
Codrus Minerals Limited  
Level 2, 16 Altona Street  
WEST PERTH WA 6005

Dear Sirs

**RE: CODRUS MINERALS LIMITED**

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

As Audit Director for the audit of the financial statements of Codrus Minerals Limited for the year ended 30 June 2023, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Yours faithfully

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

**Martin Michalik**  
**Director**

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### General information

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

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

#### Registered office

Suite 2, Level 2,  
16 Altona Street,  
West Perth 6005

#### Principal place of business

Suite 2, Level 2,  
16 Altona Street,  
West Perth 6005

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

The financial statements were authorised for issue, in accordance with a resolution of directors, on 13 September 2023. The directors have the power to amend and reissue the financial statements.

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For the Year Ended 30 June 2023	Notes	Consolidated	
		30 June 2023 \$	30 June 2022 \$
Other income	3	70,689	1,087
Administrative costs	4(a)	(209,272)	(267,072)
Consultancy expenses	4(b)	(98,977)	(70,758)
Employee benefits expense	4(c)	(286,501)	(321,957)
Share based payment expenses	24	(448,659)	(735,115)
Occupancy expenses		(83,639)	(28,833)
Compliance and regulatory expenses	4(d)	(80,460)	(69,902)
Insurance expenses		(44,124)	(38,469)
Exploration expenditure	11	(1,499,005)	(2,556,013)
Depreciation expense		(14,440)	(5,884)
Finance and Interest Costs		(1,738)	(2,192)
<b>Loss before income tax</b>		<b>(2,696,126)</b>	<b>(4,095,108)</b>
Income tax (expense)/benefit	6	-	-
<b>Loss for the year attributable to owners</b>		<b>(2,696,126)</b>	<b>(4,095,108)</b>
<b>Other comprehensive income:</b>			
<i>Items that may be reclassified to profit or loss</i>			
Effect of changes in foreign exchange rates on translation of foreign operations		-	-
<i>Total - Items that may be reclassified to profit or loss</i>		-	-
<i>Items that will not be classified to profit or loss</i>		-	-
<b>Total comprehensive Loss attributable to owners</b>		<b>(2,696,126)</b>	<b>(4,095,108)</b>
<b>Earnings per share for Loss attributable to the owners</b>			
Basic and Diluted loss per share (cents per share)	18	(3.6)	(5.5)

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

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As at 30 June 2023	Notes	Consolidated 2023 \$	2022 \$
<b>Current Assets</b>			
Cash and cash equivalents	7	1,728,081	4,020,607
Receivables and other financial assets	8(a)	173,023	91,663
Prepayments	9	36,241	68,109
<b>Total Current Assets</b>		<b>1,937,345</b>	<b>4,180,379</b>
<b>Non-Current Assets</b>			
Other financial assets	8(b)	22,833	-
Property, plant and equipment	10	23,410	34,374
Exploration and evaluation expenditure	11	-	-
<b>Total Non-Current Assets</b>		<b>46,243</b>	<b>34,374</b>
<b>Total Assets</b>		<b>1,983,588</b>	<b>4,214,753</b>
<b>Current Liabilities</b>			
Trade and other payables	12	204,044	251,542
Provisions	13	68,092	50,061
<b>Total Current Liabilities</b>		<b>272,136</b>	<b>301,603</b>
<b>Total Liabilities</b>		<b>272,136</b>	<b>301,603</b>
<b>Net Assets</b>		<b>1,711,452</b>	<b>3,913,150</b>
<b>Equity</b>			
Issued capital	14	14,474,455	14,467,686
Reserves	16	2,205,875	1,718,216
Accumulated losses		(14,968,878)	(12,272,752)
<b>Total Equity</b>		<b>1,711,452</b>	<b>3,913,150</b>

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

For the Year Ended 30 June 2023	Issued Capital	Accumulated Losses	Foreign Currency Reserve	Option Reserve	Total
	\$	\$	\$	\$	\$
Balance at 1 July 2021	14,446,229	(8,177,644)	-	983,101	7,251,686
Total comprehensive income for the year:					
Loss after income tax expense for the year	-	(4,095,108)	-	-	(4,095,108)
	-	<b>(4,095,108)</b>	-	-	<b>(4,095,108)</b>
Transactions with owners in their capacity as owners:					
Transaction costs	21,457 <sup>1</sup>	-	-	-	21,457
Equity settled share based payment transactions	-	-	-	735,115	735,115
<b>Balance at 30 June 2022</b>	<b>14,467,686</b>	<b>(12,272,752)</b>	-	<b>1,718,216</b>	<b>3,913,150</b>
Balance at 1 July 2022	14,467,686	(12,272,752)	-	1,718,216	3,913,150
Total comprehensive income for the year:					
Loss after income tax expense for the year	-	(2,696,126)	-	-	(2,696,126)
	-	<b>(2,696,126)</b>	-	-	<b>(2,696,126)</b>
Transactions with owners in their capacity as owners:					
Transaction costs	(23,231)	-	-	-	(23,231)
Equity settled share based payment transactions				487,659	487,659
Shares issued on farm in agreement	30,000	-	-	-	30,000
<b>Balance at 30 June 2023</b>	<b>14,474,455</b>	<b>(14,968,878)</b>	-	<b>2,205,875</b>	<b>1,711,452</b>

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

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

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For the Year Ended 30 June 2023	Notes	Consolidated	
		30 June 2023 \$	30 June 2022 \$
<b>Cash Flows from Operating Activities</b>			
Payments to suppliers and employees		(772,661)	(806,407)
Interest received		69,770	1,087
Payments for exploration and evaluation		(1,487,631)	(2,556,013)
<b>Net cash (outflow) from operating activities</b>	19	<b>(2,190,522)</b>	<b>(3,361,333)</b>
<b>Cash Flows from Investing Activities</b>			
Acquisition of mineral tenements		(30,000)	-
Purchase of property, plant and equipment		(3,476)	(40,258)
Payment for deposits		(84,297)	(40,038)
<b>Net cash (outflow) from investing activities</b>		<b>(117,773)</b>	<b>(80,296)</b>
<b>Cash Flows from Financing Activities</b>			
Proceeds from issue of shares and other equity securities		37,500	-
Share issue transaction costs		(21,731)	21,457 <sup>1</sup>
<b>Net cash inflow from financing activities</b>		<b>15,769</b>	<b>21,457</b>
<b>Net (decrease) in cash and cash equivalents</b>		<b>(2,292,526)</b>	<b>(3,420,172)</b>
Cash and cash equivalents at the start of the year		4,020,607	7,440,779
<b>Cash and cash equivalents at the end of the year</b>	7	<b>1,728,081</b>	<b>4,020,607</b>

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

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



## 1. Summary of Significant Accounting Policies

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

### (a) Basis of Preparation

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

#### (i) Compliance with IFRS

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

#### (ii) Historical cost convention

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

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

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

### (b) Principles of Consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Codrus Minerals Limited as at 30 June 2023 and the results of all subsidiaries for the year then ended. Codrus Minerals Limited and its subsidiaries together are referred to in these financial statements as the 'Group'.

#### (i) Subsidiaries

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

Intercompany transactions, balances and unrealised gains on transactions between entities in the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group. The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

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

### (i) Subsidiaries (continued)

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

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

### (c) Segment reporting

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

### (d) Foreign currency translation

#### (i) Functional and presentation currency

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

#### (ii) Transactions and balances

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

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

#### (iii) Group companies

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

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

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

### (e) Revenue recognition

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

#### (i) Interest income

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

#### (ii) Other income

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

### (f) Income tax

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

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

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

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

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

### (g) Impairment of assets

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

### (h) Cash and cash equivalents

For the purposes of presentation of the statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

### (i) Trade and other receivables

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

### (j) Exploration and evaluation expenditure

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

### (k) Property, plant and equipment

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

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

*Motor vehicles* 40.0%

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

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

### (I) Financial Instruments

#### Recognition, initial measurement and derecognition

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

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

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

#### Classification and subsequent measurement

##### *Financial assets*

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

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

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

Classifications are determined by both:

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

##### *Financial assets at amortised cost*

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

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

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

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

### (I) Financial Instruments (continued)

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

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

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

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

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

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

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

#### *Fair value measurement hierarchy*

The Company is required to classify all assets and liabilities, measured at fair value, using a three-level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1:

Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2:

Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

Level 3:

Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

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

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

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

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

### (l) Financial Instruments (continued)

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

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

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

#### *Impairment*

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

### (m) Trade and other payables

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

### (n) Employee benefits

#### (i) Short-term obligations

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

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

The liability for long service leave and annual leave, which is not expected to be settled within 12 months after the end of the period in which the employees render the related service, is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

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

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

### (n) Employee benefits (continued)

#### (iii) Share-based payments

The company provides benefits to employees (including directors) of the group in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares ('equity-settled transactions'). There is currently an Employee Incentive Scheme (IOS), which provides benefits to directors and senior executives. The cost of these equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

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

### (o) Contributed equity

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

### (p) Earnings per share

#### (i) Basic earnings per share

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

#### (ii) Diluted earnings per share

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



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

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

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

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

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

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

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

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

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

The Entity adopted AASB 2020-3 which makes some small amendments to a number of standards including the following: AASB 1, AASB 3, AASB 9, AASB 116, AASB 137 and AASB 141.

The adoption of the amendment did not have a material impact on the financial statements.

AASB 2021-7a: Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections.

AASB 2020-7a makes various editorial corrections to a number of standards effective for reporting periods beginning on or after 1 January 2022. The adoption of the amendment did not have a material impact on the financial statements.

### (s) New accounting standards and interpretations not yet adopted by the Group

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

The amendment amends AASB 101 to clarify whether a liability should be presented as current or non-current.

The Group plans on adopting the amendment for the reporting period ending 30 June 2024 along with the adoption of AASB 2022-6. The amendment is not expected to have a material impact on the financial statements once adopted.

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

### (s) New accounting standards and interpretations not yet adopted by the Group (continued)

#### **AASB 2022-6: Amendments to Australian Accounting Standards – Non-current Liabilities with Covenants**

AASB 2022-6 amends AASB 101 to improve the information an entity provides in its financial statements about liabilities arising from loan arrangements for which the entity's right to defer settlement of those liabilities for at least 12 months after the reporting period is subject to the entity complying with conditions specified in the loan arrangement. It also amends an example in Practice Statement 2 regarding assessing whether information about covenants is material for disclosure.

The Group plans on adopting the amendment for the reporting period ending 30 June 2024. The amendment is not expected to have a material impact on the financial statements once adopted.

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

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

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

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

The amendment amends the initial recognition exemption in AASB 112: Income Taxes such that it is not applicable to leases and decommissioning obligations – transactions for which companies recognise both an asset and liability and that give rise to equal taxable and deductible temporary differences.

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

#### **AASB 2021-7b & c: Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections**

AASB 2021-7b makes various editorial corrections to AASB 17 Insurance Contracts which applies to annual reporting periods beginning on or after 1 January 2023, with earlier application permitted.

AASB 2021-7c defers the mandatory effective date (application date) of amendments to AASB 10 and AASB 128 that were originally made in AASB 2014-10: Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture so that the amendments are required to be applied for annual reporting periods beginning on or after 1 January 2025.

The Group plans on adopting the amendments for the reporting periods ending 30 June 2024 and 30 June 2026. The impact of initial application is not yet known.

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

### (s) New accounting standards and interpretations not yet adopted by the Group (continued)

#### **AASB 2022-7: Editorial Corrections to Australian Accounting Standards and Repeal of Superseded and Redundant Standards**

AASB 2022-7 makes editorial corrections to the following standards: AASB 7, AASB 116, AASB 124, AASB 128, AASB 134 and AASB as well as to AASB Practice Statement 2. It also formally repeals superseded and redundant Australian Account Standards as set out in Schedules 1 and 2 to the Standard.

The Group plans on adopting the amendments for the reporting period ending 30 June 2024. The amendment is not expected to have a material impact on the financial statements once adopted.

## 2. Critical accounting estimates and judgements

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

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

### (i) Share based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by an internal valuation using a Black-Scholes option pricing model, using the assumption detailed in Note 24.

### (ii) Deferred Taxation

The potential deferred tax assets arising from tax losses and temporary differences have not been recognised as an asset because the recovery of the tax losses is not yet considered probably by the management (Note 6).

### (iii) Intercompany loan

The management assesses the recoverability of intercompany loans and where recoverability is not certain, provision is made. All intercompany loans have been eliminated on consolidation.

Notes	Consolidated	
	30 June 2023	30 June 2022
	\$	\$
<b>3. Other income</b>		
Interest received	70,689	1,087
Other income	70,689	1,087
<b>4. Expenses</b>		
Loss before income tax includes the following specific expenses:		
(a) Administrative costs:		
Legal fees	26,068	8,167
Investor relations	107,332	137,989
Other administration costs	75,872	120,916
Total administration cost	209,272	267,072
(b) Consultancy Expenses		
Consultancy expense	98,977	70,758
Total consultancy expense	98,977	70,758
(c) Employment benefits expense		
Salary and wages expense	83,854	73,454
Directors' fees	100,000	96,154
Defined contribution superannuation expense	80,792	73,220
Other employee benefits expense	21,855	79,129
Total employee benefits expense	286,501	321,957
(d) Compliance and Regulatory Expenses		
Compliance and Regulatory expenses	80,460	69,902
Total compliance and regulatory expenses	80,460	69,902
<b>5. Auditor's Remuneration</b>		
Remuneration of the auditor of the Group		
Auditing or reviewing the financial statements	35,000	33,092
Other non-assurance services	-	-
Total auditor's remuneration	35,000	33,092

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		Consolidated	
		30 June 2023	30 June 2022
		\$	\$
<b>6.</b>	<b>Income Tax Expense</b>		
(a)	Income tax expense		
	Current tax	-	-
	Deferred tax	-	-
	Total income tax (expense)/benefit	-	-
	Deferred income tax expense included in income tax expense comprises:		
	(Increase) in deferred tax assets	-	-
	Increase in deferred tax liabilities	-	-
(b)	Numerical reconciliation of income tax expense to prima facie tax payable		
	Profit/(Loss) from continuing operations before income tax expense	(2,696,126)	(4,095,108)
	Tax expense/(benefit) at the tax rate of 25% (2022: 25%)	(674,032)	(1,023,777)
	Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
	Share based payments	112,165	183,779
	Other non-deductible amounts	314	8,753
	Prior year adjustments	-	-
	Non-assessable income	-	-
	Unrecognised tax losses	561,553	831,245
	Income tax expense	-	-
(c)	Deferred tax assets		
	Tax losses	-	-
	Employee benefits	-	-
	Other accruals	-	-
	Total deferred tax assets	-	-
	Set-off deferred tax liabilities (Note 6(d))	-	-
	Net deferred tax assets	-	-
(d)	Deferred tax liabilities		
	Fair Value of Assets recognised on Business Combination	-	-
	Other	-	-
	Total deferred tax liabilities	-	-
	Set-off deferred tax assets (Note 6(c))	-	-
	Net deferred tax liabilities	-	-
(e)	Tax losses		
	Unused tax losses for which no DTA has been recognized	6,143,656	3,897,444
	Potential tax benefit at 25% (2022: 25%)	1,535,914	974,361
(f)	Unrecognised temporary differences		
	Unrecognised deferred tax asset relating to capital raising costs	328,027	319,389
	Potential tax benefit at 25% (2022: 25%)	82,007	79,847

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		Consolidated	
		2023	2022
		\$	\$
<b>7. Cash &amp; Cash Equivalents</b>			
(a) Cash & cash equivalents			
Cash at bank and in hand		1,728,081	4,020,607
Total cash and cash equivalents		1,728,081	4,020,607
Cash on hand is non-interest bearing. Cash at bank bears interest rates between 0.75% and 3.95% (2022: 1.05% and 1.35%).			
<b>8. Trade &amp; Other Financial Assets</b>			
(a) Other receivables - Current		71,521	51,625
Short term deposits		101,502	40,038
		173,023	91,663
(i) Short term deposits			
Short term deposits are bearing interest rates of 2.05%. (2022: Nil)			
(ii) Past due and impaired receivables			
As at 30 June 2023, there were no other receivables that were past due or impaired. (2022: Nil)			
(b) Other financial assets – Non Current		22,833	-
Effective interest rates and credit risk			
Information concerning effective interest rates and credit risk of both current and non-current trade and other receivables is set out in Note 17.			
<b>9. Prepayments</b>			
Prepaid expenses		36,241	68,109

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	Plant & Equipment	Consolidated Motor vehicle	Computer	Total
	\$	\$	\$	\$
<b>10. Property, Plant and Equipment</b>				
<b>30 June 2023</b>				
Opening net book value	-	30,536	3,838	34,374
Additions	3,476	-	-	3,476
Depreciation charge	(690)	(12,215)	(1,535)	(14,440)
Closing net book value	2,786	18,321	2,303	23,410
<b>At 30 June 2023</b>				
Cost or fair value	3,476	36,352	3,906	43,734
Accumulated depreciation	(690)	(18,031)	(1,603)	(20,324)
Net book value	2,786	18,321	2,303	23,410
<b>30 June 2022</b>				
Opening net book value	-	-	-	-
Additions	-	36,352	3,906	40,258
Depreciation charge	-	(5,816)	(68)	(5,884)
Closing net book value	-	30,536	3,838	34,374
<b>At 30 June 2022</b>				
Cost or fair value	-	36,352	3,906	40,258
Accumulated depreciation	-	(5,816)	(68)	(5,884)
Net book value	-	30,536	3,838	34,374

	Consolidated 2023	2022
	\$	\$
<b>11. Exploration &amp; Evaluation Expenditure</b>		
(a) Non-current		
Opening balance	-	-
Exploration and acquisition expenditure at cost	1,499,005	2,556,013
Exploration assets expensed to profit and loss	(1,499,005)	(2,556,013)
Total non-current exploration and evaluation expenditure	-	-

The group's exploration properties may be subjected to claim(s) under native title, or contain sacred sites, or sites of significance to Aboriginal people for Australian Assets and First Nations People for its United States Assets. As a result, exploration properties or areas within the tenements may be subject to exploration restrictions, mining restrictions and/or claims for compensation. At this time, it is not possible to quantify whether such claims exist, or the quantum of such claims.

	Consolidated	
	2023	2022
	\$	\$
<b>12. Trade &amp; Other Payables</b>		
<b>Current</b>		
Trade and Other Payables	182,945	227,855
Accruals	21,099	23,687
Total current trade & other payables	<u>204,044</u>	<u>251,542</u>
There are no payables that are considered past due as at 30 June 2023 (2022: Nil).		
<b>13. Provisions</b>		
<b>Current</b>		
Employee entitlements	68,092	50,061
Total current provisions	<u>68,092</u>	<u>50,061</u>

	Consolidated		Consolidated	
	2023	2023	2022	2022
	Shares	\$	Shares	\$
<b>14. Issued Capital</b>				
(a) Issued share capital				
Ordinary shares – fully paid	75,430,004	14,474,455	75,000,004	14,467,686
Total issued share capital	<u>75,430,004</u>	<u>14,474,455</u>	<u>75,000,004</u>	<u>14,467,686</u>
(b) Ordinary Shares				
Ordinary shares participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held and in proportion to the amount paid up on the shares held. On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.				
(c) Options				
Information relating to options including details of options issued, exercised and lapsed during the financial period and options outstanding at the end of the financial period, is set out in Note 15.				
(d) Performance Rights				
Information relating to performance rights including details of rights issued, exercised and lapsed during the financial period and performance rights outstanding at the end of the financial period, is set out in Note 15.				

	Date	Number of Shares	Issue Price	Total
			\$	\$
(e) Movements in issued capital				
<b>Opening Balance 1 July 2021</b>		<b>75,000,004</b>		<b>14,446,229</b>
Less: Transaction costs		-		21,457 <sup>1</sup>
<b>Closing Balance at 30 June 2022</b>		<b>75,000,004</b>		<b>14,467,686</b>
<b>Opening Balance 1 July 2022</b>		<b>75,000,004</b>		<b>14,467,686</b>
Acquisition of tenements	23-Nov-22	430,000		30,000
Less: Transaction costs		-		(23,231)
<b>Closing Balance at 30 June 2023</b>		<b>75,430,004</b>		<b>14,474,455</b>

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

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Expiry date	Exercise price	Balance at start of year	Granted during the year	Issued/ (Exercised) during the year	Cancelled/ lapsed during the year	Balance at end of the year
<b>15. Options and Performance Rights</b>						
(a) 2023 unlisted share option details						
17 June 2024	30 cents	6,000,000	-	-	-	6,000,000
17 June 2023	30 cents	6,000,000	-	-	(6,000,000)	-
9 June 2025	20 cents	-	1,000,000	-	-	1,000,000
		12,000,000	1,000,000	-	(6,000,000)	7,000,000
Weighted average exercise price		\$0.30	\$0.20		\$0.30	\$0.29
2022 unlisted share option details						
17 June 2024	30 cents	6,000,000	-	-	-	6,000,000
17 June 2023	30 cents	6,000,000	-	-	-	6,000,000
		12,000,000	-	-	-	12,000,000
Weighted average exercise price		\$0.30	-	-	-	\$0.30
(b) 2023 listed share option details						
22 Sept 2024	12.5 cents	-	39,000,002	-	-	39,000,002
		-	39,000,002	-	-	39,000,002
Weighted average exercise price			\$0.125			\$0.125

Class of Rights	Expiry date	Balance at start of year	Granted during the year	Issued/ (Exercised) during the year	Cancelled/ lapsed during the year	Balance at end of the year
(c) Performance Rights Details 2023						
Class A	17 June 2026	1,500,000	-	-	-	1,500,000
Class B	17 June 2026	2,000,000	-	-	-	2,000,000
Class C	17 June 2026	1,500,000	-	-	-	1,500,000
Tranche A	23 Jul 26 & 3 Dec 26	2,450,000	-	-	-	2,450,000
Tranche B	23 Jul 26 & 3 Dec 26	3,000,000	-	-	-	3,000,000
Tranche C	23 Jul 26 & 3 Dec 26	1,650,000	-	-	-	1,650,000
		12,100,000	-	-	-	12,100,000
Performance Rights Details 2022						
Class A	17 June 2026	1,500,000	-	-	-	1,500,000
Class B	17 June 2026	2,000,000	-	-	-	2,000,000
Class C	17 June 2026	1,500,000	-	-	-	1,500,000
Tranche A	23 Jul 26 & 3 Dec 26	-	2,450,000	-	-	2,450,000
Tranche B	23 Jul 26 & 3 Dec 26	-	3,000,000	-	-	3,000,000
Tranche C	23 Jul 26 & 3 Dec 26	-	1,650,000	-	-	1,650,000
		5,000,000	7,100,000	-	-	12,100,000

There were no performance rights issued to employees and consultants during the year (2022: 7,100,000).

		Consolidated	
		2023	2022
		\$	\$
<b>16. Reserves</b>			
(a)	Option reserve		
	Opening balance	946,115	946,115
	Listed options	39,000	-
	Unlisted options	35,674	-
	Total unlisted option reserve	1,020,789	946,115
(b)	Performance Rights Reserve		
	Opening balance	772,101	36,986
	Issue of Performance Rights	412,985	735,115
	Closing Balance	1,185,086	772,101
(c)	Total Option Reserve		
	Unlisted Option Reserve	1,020,789	946,115
	Performance Shares Reserve	1,185,086	772,101
	Closing Balance	2,205,875	1,718,216
(d)	Total reserves		
	Option Premium Reserve	2,205,875	1,718,216
	Foreign Currency Translation Reserve	-	-
	Closing Balance	2,205,875	1,718,216

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

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

- Market risk
- Liquidity risk

### (a) Market risk

Market risk is the risk that changes in market prices, such as commodity prices will affect the Group's potential income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising return. There were no changes in the Group's market risk management policies from previous years.

### (b) Group sensitivity analysis

The entity's main interest rate risk arises from cash and cash equivalents with variable and fixed interest rates. At 30 June 2023, the Group had \$1,728,081 (2022: \$4,020,607) of cash and cash equivalents and any exposure to changes in interest rate risk is unlikely considered to be material.

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

## (c) Liquidity risk

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

	Carrying Amount	Contractual Cash Flows	Less than 1 year	2-5 years	>5 years
<b>For the year ending 30 June 2023</b>					
Trade and other Payables	204,044	204,044	204,044	-	-
<b>For the year ending 30 June 2022</b>					
Trade and other Payables	251,542	251,542	251,542	-	-

## (d) Net fair value

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

	2023 Carrying Amount \$	Net fair Value \$
<b>Financial assets</b>		
Cash and cash equivalents	1,728,081	1,728,081
Receivables and other financial assets – current	173,023	173,023
Other financial assets – non current	22,833	22,833
	1,923,937	1,923,937
<b>Financial Liabilities</b>		
Trade and other payables – current	204,044	204,044
	204,044	204,044
<b>2022</b>		
	Carrying Amount \$	Net fair Value \$
<b>Financial assets</b>		
Cash and cash equivalents	4,020,607	4,020,607
Receivables and other financial assets – current	91,663	91,663
	4,112,270	4,112,270
<b>Financial Liabilities</b>		
Trade and other payables - current	251,542	251,542
	251,542	251,542

	Consolidated 2023 \$	2022 \$
<b>18. Earnings per Share</b>		
(a) Loss used in the calculation of basic EPS	(2,696,126)	(4,095,108)
(b) Weighted average number of ordinary shares ("WANOS") WANOS used in the calculation of basic earnings per share:	75,252,114	75,000,004
(c) Loss per share (in cents)	(3.6)	(5.5)
(d) Diluted loss per share is considered to be the same as the basic loss per share, as the potential ordinary shares on issue are anti-dilutive and have not been applied in calculating dilutive loss per share.		

	Consolidated 2023 \$	2022 \$
<b>19. Cash Flow Information</b>		
(a) Reconciliation of cash flows from operating activities with loss from ordinary activities after income tax:		
Profit/(Loss) from ordinary activities after income tax	(2,696,126)	(4,095,108)
Share based payments	448,659	735,115
Depreciation	14,440	5,884
Other	-	-
Changes in assets and liabilities:		
Decrease / (increase) in operating receivables & prepayments	11,972	(30,800)
Increase / (decrease) in operating trade and other payables	12,502	(20,408)
Increase in employee provisions	18,031	43,984
Net cash outflow from Operating Activities	<u>(2,190,522)</u>	<u>(3,361,333)</u>
(b) Non-cash investing and financing activities		
Share based payments expense – Options issued to joint venture partner	35,674	-

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		Consolidated	
		2023	2022
		\$	\$
<b>20.</b>	<b>Commitments and Contingencies</b>		
(a)	Exploration commitments		
	Not longer than one year	474,814	337,974
	Longer than one year, but not longer than five years	825,396	774,614
	Longer than five years	-	-
		1,300,210	1,112,588
	In order to maintain rights of tenure to mining tenements subject to these agreements, the group would have the above discretionary exploration expenditure requirements up until expiry of leases. These obligations, which are subject to renegotiation upon expiry of the leases, are not provided for in the financial statements and are payable per the above maturities. If the company decides to relinquish certain leases and/or does not meet these obligations, assets recognised in the statement of financial position may require review to determine the appropriateness of carrying values. The sale, transfer or farm-out of exploration rights to third parties will reduce or extinguish these obligations.		
(b)	Contingencies		
	On 29 <sup>th</sup> of January 2019, the company entered into an agreement to acquire tenements in Oregon, United States known as the Record Mine, for an option fee of US\$20,000 payable on agreement, with an option fee payable annually on 1 February each year for four years for US\$25,000 per year (included in exploration commitments per 18 (a)). After the fourth year the purchase price is contingent upon the option being exercised for a total payment of US\$1 million dollars.		
	Owners shall retain Net Smelter Royalty (NSR) equal to 1.5% and shall be payable to the current owner of the Record mine in Oregon USA.		
	There are no further commitments or contingent liabilities.		

## 21. Events Occurring After Balance Date

On 2 August 2023, the Company has entered into a farm-in agreement with Fleet Street Holdings, which hold ground directly to the north east of the highly enriched clay-hosted REE's discovered recently. The key terms of the agreement between Codrus and Fleet Street are:

- Within 7 days, Codrus must pay Fleet Street \$30,000 cash and issue \$30,000 worth of Codrus shares at a 5-day VWAP (approximately 360,000 shares at \$0.083 to be issued from the company's ASX Listing Rule 7.1 placement capacity).
- Codrus will have a minimum expenditure of \$100,000 within 12 months of commencement.
- Codrus after completing the minimum spend may achieve a 51% Stage 1 interest by spending an additional \$250,000 within 24 months (which is to include a minimum of 1,500m of AC drilling).
- Codrus after earning the Stage 1 interest may achieve a 80% Stage 2 interest by spending an additional \$250,000.
- After reaching either the Stage 1 or Stage 2 interest, Codrus will utilise its best endeavours to define a resource, complete all applicable studies, and procure the completion of, a DFS in respect of the Tenement.
- Codrus, on completion of a DFS will free carry Fleet Street to Decision to Mine.
- If a Decision to Mine is made Fleet Street may elect to contribute its share, Convert its share to a 1.5% Net Smelter Royalty, or sell its interest with Codrus maintaining a pre-emptive right.

**21. Events Occurring After Balance Date (continued)**

- Upon a definition of an indicated or measured mineral resource on the tenement (within 36 months) with over 15 million tonnes of REE grading +1,000ppm (or metal equivalent) as defined by the relevant Competent Person, then CDR will issue 1,000,000 fully paid ordinary shares to Fleet Street (to be issued from the company's ASX Listing Rule 7.1 placement capacity).
- Upon completion of a Definitive Feasibility Study on the tenement (within 48 months), CDR will issue 2,000,000 fully paid ordinary shares will be issued to Fleet Street (to be issued from the company's ASX Listing Rule 7.1 placement capacity).

The Company has also pegged two additional tenements (E70/6472 and E70/6462 – both pending approval) in the district.

On 8 August 2023, the Company issued 360,000 shares at \$0.083 per share to Fleet Holdings Pty Ltd as per the terms of the Agreement as announced to the ASX on 2 August 2023.

Other than those mentioned above, there were no other matter or circumstance has arisen since 30 June 2023 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

**22. Segment Information****(a) Description of segments**

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

**22. Segment Information (continued)****(b) Segment information provided to the board of directors**

The segment information provided to the board of directors for the reportable segments for the year ended 30 June 2023 is as follows:

	Australia \$	United States \$	Corporate \$	Total \$
<b>For the year ending 30 June 2023</b>				
Interest income			70,689	70,689
Exploration expenditure	(1,411,809)	(87,196)	-	(1,499,005)
<b>Total segment (loss) before income tax</b>	<b>(1,411,809)</b>	<b>(87,196)</b>	<b>(1,197,121)</b>	<b>(2,696,126)</b>
Total segment assets 2023	-	-	<b>1,983,588</b>	<b>1,983,588</b>
Total segment liabilities 2023	<b>(69,536)</b>	-	<b>(202,600)</b>	<b>(272,136)</b>
<b>For the year ending 30 June 2022</b>				
Interest income			1,087	1,087
Exploration expenditure	(1,932,139)	(623,874)	-	(2,556,013)
<b>Total segment (loss) before income tax</b>	<b>(1,932,139)</b>	<b>(624,051)</b>	<b>(1,538,918)</b>	<b>(4,095,108)</b>
Total segment assets 2022	-	-	<b>4,214,753</b>	<b>4,214,753</b>
Total segment liabilities 2022	<b>(87,649)</b>	-	<b>(213,954)</b>	<b>(301,603)</b>

**(c) Measurement of segment information**

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

**(d) Segment revenue**

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

**(e) Reconciliation of segment information**

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

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

Codrus Minerals Limited is the parent entity.

**(b) Subsidiaries**

Interests in subsidiaries are set out in note 25.

**(c) Key management personnel compensation**

	Consolidated 2023 \$	2022 \$
Key Management Personnel Compensation		
Short-term employee benefits	388,892	405,027
Post-employment benefits	37,800	36,000
Share-based payments	150,685	362,329
Total key management personnel compensation	577,377	803,356

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

The following transactions occurred with related parties:

	Consolidated 2023 \$	2022 \$
(i) Purchases from KMP related entities		
Rent of office building and shared office costs		
Recharges from Blackstone Minerals Limited	-	53,802
Recharges from Venture Minerals Limited	93,322	54,745

Details of remuneration disclosures are included in the Remuneration Report on pages 16 to 22.

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

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



## 24. Share Based Payments

### (a) Fair value of listed options granted

On 23 September 2022, the Company issued 37,500,002 listed options at \$0.001 each with exercise price of \$0.125, expiring on 22 September 2024 under the non-renounceable entitlement issue of options to eligible shareholders on the basis of one New Option for every two shares held as announced on 25 August 2022. The fair value of the listed options was \$37,500 (before costs).

A further 1,500,000 listed options were issued to lead managers (ie PAC Partners Securities Pty Ltd). The fair value of the listed options was \$1,500.

There are no listed options issued in prior year.

### (b) Fair value of performance rights granted to Managing Director, Employees and Consultants

#### 30 June 2023

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

The performance rights were valued using the market price on the date of grant. The value of the performance rights were adjusted based on managements probability assessment for each class. Performance rights with a probability of less than 50% were not accounted for during the period to 30 June 2023. The value of the rights recognised in the current period was \$150,685 and \$262,300 for Managing Director and Employees/Consultants respectively.

#### 30 June 2022

The Company issued 7,100,000 performance rights to employees and consultants of the Company subject to various performance conditions as follows:

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

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

**(c) Fair value of unlisted options granted to joint venture partner**

**30 June 2023**

On 9 June 2023, the Company issued 1,000,000 unlisted options to Joint Venture Partner for meeting its minimum expenditure of \$100,000 under the Farm In and Joint Venture Agreement with Talgomine, with an exercise price of \$0.20 expiring on 9 June 2025. The value of the options recognised was \$18,405.

A further \$17,270 of options value were recognised during the year based on the Company meeting its minimum spend of additional spend of \$300,000 resulting to the Company earning its rights to participating interest of 70%. Once elected, the Company will issue 2,500,000 options to Talgomine, with an exercise price of \$0.50 with a 2-year expiry from the date of issue.

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

- Weighted average exercise price of \$0.20;
- Weighted average life of the option (years) of 2.55;
- Weighted average underlying share price of \$0.20;
- Expected share price volatility of 85%;
- Weighted average risk-free interest rate of 3.11%.

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

**30 June 2022**

There were no unlisted options being granted during the year.

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

	30 June 2023	30 June 2022
	\$	\$
<b>Share based payments expense</b>		
Performance Rights issued to Directors	150,685	362,329
Performance Rights issued to Employees and Consultants	262,300	372,784
Options issued to joint venture partner	35,674	-
<b>Total Share based payments expense</b>	<b>448,659</b>	<b>735,115</b>

**25. Subsidiaries**

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

Name of entity	Country of incorporation	Class of Shares	Equity Holding <sup>A</sup>	
			2023	2022
			%	%
Black Eagle LLC	Oregon, US	Ordinary	100	100

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

	Parent	
	2023	2022
	\$	\$
<b>26. Parent Entity Information</b>		
(a) Assets		
Current assets	1,937,345	4,180,379
Non-current assets	46,243	34,374
Total assets	<u>1,983,588</u>	<u>4,214,753</u>
(b) Liabilities		
Current liabilities	272,132	301,599
Non-current liabilities	-	-
Total liabilities	<u>272,132</u>	<u>301,599</u>
(c) Equity		
Issued Capital	14,474,455	14,467,686
Reserves	2,205,875	1,718,216
Accumulated losses	(14,968,874)	(12,272,748)
Total equity	<u>1,711,456</u>	<u>3,913,154</u>
(d) Total Comprehensive loss for the year		
Profit/(Loss) for the period after income tax	(2,696,126)	(4,288,423)
Other comprehensive income for the year	-	-
Total comprehensive loss for the year	<u>(2,696,126)</u>	<u>(4,288,423)</u>
(e) The parent entity had no capital commitments for property, plant and equipment as at 30 June 2023 and 30 June 2022. Other commitments are disclosed in Note 20.		
(f) The parent entity had no contingent liabilities as at 30 June 2023 and 30 June 2022, other than as disclosed in Note 20.		

## Director's Declaration

### In the Directors' opinion

- (a) the financial statements and notes set out on pages 26 to 57 are in accordance with the *Corporations Act 2001*, including:
  - (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
  - (ii) giving a true and fair view of the Group's financial position as at 30 June 2023 and of its performance for the period ended on that date; and
- (b) there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable; and
- (c) the audited remuneration disclosures set out on pages 16 to 22 of the directors' report comply with section 300A of the *Corporations Act 2001*; and
- (d) the financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.

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

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



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

Perth, Western Australia, 13 September 2023

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

We have audited the financial report of Codrus Minerals Limited ("the Company") and its subsidiaries ("Group"), which comprises the consolidated statement of financial position as at 30 June 2023, 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 2023 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

**Basis for Opinion**

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matters**

We have defined the following matter to be the key audit matter to be communicated in our report.

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

**Share Based Payments**  
**(Refer to Note 24 to the financial statements)**

In prior years, the Company had issued performance rights to employees and consultants comprising 4,500,000 performance rights to consultants and 2,600,000 to employees. These had not fully vested at the beginning of the financial year.

The awards vest subject to the achievement of certain vesting conditions. The Company valued the unlisted options using the Black-Scholes methodology, listed options based on the listed price and performance rights based on the share price at grant date and estimated likelihood of performance milestones being achieved over the vesting period for each tranche of awards.

The Company has performed calculations to record the related share-based payment expense of \$448,659 in the consolidated statement of profit or loss and other comprehensive income.

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

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

Inter alia, our audit procedures included the following:

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

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**Other Information**

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2023 but does not include the financial report and our auditor's report thereon.

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

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

## **Responsibilities of the Directors for the Financial Report**

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

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

## **Auditor's Responsibilities for the Audit of the Financial Report**

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

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

The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

We conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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



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

The Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements. We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

### **Report on the Remuneration Report**

#### *Opinion on the Remuneration Report*

We have audited the Remuneration Report included in pages 16 to 22 of the directors' report for the year ended 30 June 2023.

In our opinion, the Remuneration Report of Codrus Minerals Limited for the year ended 30 June 2023 complies with section 300A of the *Corporations Act 2001*.

#### *Responsibilities*

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

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

*Stantons International Audit & Consulting Pty Ltd*

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

**Martin Michalik**  
Director

West Perth, Western Australia  
13 September 2023

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## Additional Shareholder Information

### Corporate Governance Statement

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

### Distribution of equity securities

Analysis of numbers of equity security holders by size of holding as at 12 September 2023 were as follows:

Holding	Number of Shareholders Fully Paid Ordinary Shares
1- 1,000	20
1,001 - 5,000	82
5,001 - 10,000	122
10,001 - 100,000	287
100,001 and over	86
	<b>597</b>

Holders of less than a marketable parcel: 126

### Substantial Shareholders

The names of the substantial shareholders as at 12 September 2023:

Shareholder	Number
Blackstone Minerals Limited	35,000,004

### Voting Rights - Ordinary Shares

In accordance with the holding company's Constitution, on a show of hands every member present in person or by proxy or attorney or duly authorised representative has one vote. On a poll every member present in person or by proxy or attorney or duly authorised representative has one vote for every fully paid ordinary share held.

### Restricted Securities

- Nil

**Unquoted Securities**

	Exercise price	Vesting conditions	Expiry date	Number of options	Number of holders
Director options	\$0.30	Nil	17 June 2024	6,000,000	3
Farm In partner	\$0.20	Nil	9 June 2025	1,000,000	2
Managing Director Performance Rights	N/A	Class A, Class B, Class C	17 June 2026	5,000,000	1
Performance Rights – Consultants and Employees	N/A	Tranche A, Tranche B, Tranche C	23 July 2026	7,100,000	19

**Equity security holders**

The names of the twenty largest ordinary fully paid shareholders as at 12 September 2023 are as follows:

Position	Shareholder	Number	% Held of Issued Ordinary Capital
1	BLACKSTONE MINERALS LIMITED	35,000,004	46.18%
2	MR HAMISH HALLIDAY	1,650,000	2.18%
3	THE SHED MAN PTY LTD	1,450,000	1.91%
4	MR PHILIP JOHN CAWOOD	1,400,000	1.85%
5	MR SIMON ANDREW TESTER	992,874	1.31%
6	MS CHUNYAN NIU	700,000	0.92%
6	UNDERLEX PTY LTD	700,000	0.92%
7	MR ALAN PAUL BLACKNEY	650,000	0.86%
7	ICE LAKE INVESTMENTS PTY LTD	650,000	0.86%
8	MRS KELLIE MAREE PORTEIRO	580,364	0.77%
9	MR LUKE CUNNINGHAM	500,001	0.66%
10	MRS KIM ELIZABETH LOVE	500,000	0.66%
10	VALUI PTY LTD <FORTIS SUPER FUND A/C>	500,000	0.66%
10	ZAMMIT SUPPORT SERVICES PTY LTD	500,000	0.66%
11	SYMORGH INVESTMENTS PTY LTD <SYMORGH A/C>	475,000	0.63%
12	MR GARRY SHANE COOMBE	474,634	0.63%
13	MRS HELEN BETH TESTER	463,959	0.61%
14	CEM FAMILY HOLDINGS PTY LTD <CEM FAMILY A/C>	450,000	0.59%
14	SEVENTY THREE PTY LTD <KING SUPER FUND NO 3 A/C>	450,000	0.59%
15	MR ROBIN DESMOND ASHTON	440,187	0.58%
16	MR RAMON DUDLEY	400,000	0.53%
17	FLEET STREET HOLDINGS PTY LTD	360,000	0.48%
18	BNP PARIBAS NOMS PTY LTD <DRP>	357,632	0.47%
19	MR RICHARD WONG	353,364	0.47%
20	MR ROBERT JOHN REYNOLDS & MRS KELLIE-ANNE REYNOLDS <RJ & KA REYNOLDS SUPER A/C>	350,000	0.46%
		50,348,019	66.43%

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## Listed Options

	Exercise price	Vesting conditions	Expiry date	Number of options	Number of holders
Loyalty options	\$0.125	Nil	22 Sept 2024	39,000,002	166

## Distribution of listed option holders

Analysis of numbers of equity security holders by size of holding as at 12 September 2023 were as follows:

Holding	Number of Shareholders Fully Paid Ordinary Shares
1- 1,000	8
1,001 - 5,000	9
5,001 - 10,000	16
10,001 - 100,000	93
100,001 and over	40
	<b>166</b>

The names of the twenty largest Listed Option Holders as at 12 September 2023 are as follows:

Position	Shareholder	Number	% Held of Issued Ordinary Capital
1	BLACKSTONE MINERALS LIMITED	17,500,002	44.87%
2	MR PHILIP JOHN CAWOOD	2,700,000	6.92%
3	MR ANDREW EDWIN YOUNG	2,176,653	5.58%
4	MR HAMISH HALLIDAY	1,650,000	4.23%
5	MR SIMON ANDREW TESTER	1,241,087	3.18%
6	DEAD KNICK CAPITAL PTY LTD	1,000,000	2.56%
7	MRS KIM ELIZABETH LOVE	615,767	1.58%
8	MR ROBIN DESMOND ASHTON	550,244	1.41%
9	SEVENTY THREE PTY LTD <KING SUPER FUND NO 3 A/C>	500,000	1.28%
9	MRS HELEN BETH TESTER	500,000	1.28%
10	MR LUKE CUNNINGHAM	499,991	1.28%
11	BNP PARIBAS NOMS PTY LTD <DRP>	488,863	1.25%
12	MR YOUNG KIL KIM <KIMS INVESTMENT FAMILY A/C>	475,000	1.22%
13	APPOLO PTY LTD	350,000	0.90%
14	SUNLORA PTY LTD <THE THREE FISH SUPER A/C>	315,000	0.81%
15	MR RAMON DUDLEY	303,576	0.78%
16	HALIFAX LIMITED	285,000	0.73%
17	PAC PARTNERS SECURITIES PTY LTD	255,000	0.65%
18	JALAVAR PTY LTD <FALCON PENSION A/C>	250,000	0.64%
18	MRS NINA KRASKOVSKAYA	250,000	0.64%
18	J & J BANDY NOMINEES PTY LTD <J & J BANDY SUPER FUND A/C>	250,000	0.64%
18	J & J BANDY NOMINEES PTY LTD <BANDY P/F A/C>	250,000	0.64%
19	MR RICHARD WONG	242,073	0.62%
20	MR SREEDHARAN SANGARANARAYANASAMY	228,349	0.59%
		<b>32,876,605</b>	<b>84.30%</b>

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As at 12 September 2023

Project	Location	Tenement	Interest
Bull Run (Record Mine)	Oregon, USA	OR152073, OR152074	0% <sup>1</sup>
	Oregon, USA	OR152076, OR152077	0% <sup>1</sup>
	Oregon, USA	OR152078, OR152627	0% <sup>1</sup>
	Oregon, USA	OR17242 – OR17246	0% <sup>1</sup>
	Oregon, USA	OR176469 – OR176514	100%
	Oregon, USA	OR178405 – OR178437	100%
	Oregon, USA	OR105272173 – OR105272184	100%
Silver Swan South	Western Australia	P27/2191 – P27/2196	100%
	Western Australia	E27/545	100%
Red Gate	Western Australia	E31/1096	100%
Middle Creek	Western Australia	P46/1900 - P46/1912	95%
	Western Australia	P46/1914 - P46/1920	95%
	Western Australia	P46/1924	100%
	Western Australia	P46/2091 – P46/2095	100%
	Western Australia	E46/1428, E46/1431	100%
	Western Australia	P46/2046 – P46/2052	100%
Waladdi Soak	Western Australia	E27/682	Under application
Koonkoobing Hill	Western Australia	E70/6306	100%
Karloning	Western Australia	E70/5339	100% <sup>2</sup>
Karloning Northeast	Western Australia	E70/6462	Under application
Wialki	Western Australia	E70/6472	Under application
Danberrin Hill South	Western Australia	E70/6348	100%
Fleet Street	Western Australia	E70/5630	0% <sup>3</sup>

Key

- E: Exploration Licence
- P: Prospecting Licence

<sup>1</sup>Lode mining claims held under an option agreement with Young and Mount View Farms

<sup>2</sup>Codrus has rights to earn up to 90% of the Karloning Rare Earth Element (REE) Project.

<sup>3</sup>Codrus has rights to earn up to 80% interest of Fleet Street's tenement.

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