CORELLA RESOURCES

FY23 Annual Report

Corella Resources Ltd
and its controlled entities
Annual Report for the year ended 30 June 2023
ASX:**CR9** | ABN: **56 125 943 240**

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CORPORATE DIRECTORY

Board of Directors

Mr Anthony Cormack	Managing Director
Mr Philip Re	Non-Executive Chairman
Mr Peter Woods	Non-Executive Director

Company Secretary
Mr Daniel Coletta

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DIRECTORS' REPORT

The Directors of Corella Resources Ltd present their report, together with the financial statements, of the Company and the entities it controlled (together "**consolidated entity**" or the "**Group**") at the end of, or during, the financial year ended 30 June 2023.

Directors

The following persons were Directors of Corella Resources Ltd during or since the end of the financial year:

Mr Anthony Cormack	Managing Director
Mr Philip Re	Non-Executive Chairman
Mr Peter Woods	Non-Executive Director

Information on Directors

Mr Anthony Cormack
Managing Director – appointed 23 April 2021

Executive director Mr Anthony 'Tony' Cormack has over 25 years of experience as a geologist with expertise in exploration, project management and resource estimation working across numerous jurisdictions internationally, including Australia, Canada, USA and South Korea. Mr Cormack has held several senior roles including resource development manager with Atlas Iron, geology team leader at BHP's Area C project and CEO / Executive Director at Hexagon Energy Materials Ltd (formerly Hexagon Resources Ltd) (ASX: HXG). Mr Cormack's most recent company North West Nickel sold to Chalice Mining Limited (ASX: CHN) in 2019.

Mr Cormack is a Member of the Australasian Institute of Mining and Metallurgy (MAusIMM) and is deemed a competent person under the JORC Code 2012 and is also a member of the Australian Institute of Company Directors (AICD).

Other current directorships	Nil
Former directorships in last 3 years	Nil

Mr Philip Re
Non-Executive Chairman – appointed 23 April 2021

Mr Philip Re is a Chartered Accountant, Chartered Secretary and a Member of the Institute of Company Directors who specialises in corporate advisory, corporate governance, mergers and acquisitions and investment banking for ASX listed Companies. Mr Re has held several board positions on various ASX listed companies over the years.

Mr Re currently acts as chairman of ASX listed Westar Industrial Limited (ASX: WSI) and as non-executive director of Streamplay Studio Ltd (ASX: SP8) and Caprice Resources Ltd (ASX:CRS).

Other current directorships	WestStar Industrial Limited (ASX WSI) Streamplay Studio Ltd (ASX:SP8) Caprice Resources Ltd (ASX:CRS)
Former directorships in last 3 years	*Nil*

Mr Peter Woods
Non-Executive Director – appointed 23 April 2021

Mr Peter Woods has over 14 years' experience in the financial services industry specialising in wealth advisory, raising capital for both unlisted and listed companies, structuring, transactions and business development. He has extensive corporate finance, capital markets and investment advisory experience across various industries and geographies and has a proven track record of growing early stage companies. Mr Woods is founding director of Bluebird Capital, a project generation, investment and strategic advisory business.

Mr Woods holds a Bachelor of Commerce with a double major in Accounting and Finance from University of Western Australia, together with a Post Graduate Diploma of Applied Finance, and has recently completed an executive education course on Private Equity and Venture Capital at Harvard Business School, Boston USA.

Mr Woods is a Member of the Australian Institute of Company Directors and has held various ASX board positions. Mr Woods is currently Managing Director of ASX listed Uvre Limited (ASX: UVA).

Other current directorships	Uvre Ltd (ASX: UVA)
Former directorships in last 3 years	TNT Mines Ltd (ASX: TIN) *(resigned 1 March 2022, name and code subsequently changed to Red Dirt Metals Ltd (ASX: RDT)*

Other current directorships and former directorships in the last 3 years are directorships for listed entities only and exclude directorships of other types of entities, unless otherwise stated.

Meetings of Directors

The number of Directors' meetings held during the financial year, and the numbers of meetings attended by each director are set out in the following table:

Director	Meetings of Directors	
	Attended	Eligible to Attend
Anthony Cormack	4	4
Philip Re	4	4
Peter Woods	4	4

The directors still maintained frequent communications and as such, other important issues and decisions were authorised and resolved via circular resolutions.

Directors' Interests in Shares and Options

The following table sets out each director's relevant interest in shares or options in the Company as at the date of this report:

Director	Ordinary Shares	Options	Performance Rights
Anthony Cormack	14,929,091	-	3,000,000[2]
Philip Re	7,000,000	4,500,000[1]	3,000,000[2]
Peter Woods	22,000,000	4,500,000[1]	3,000,000[2]

[1] Unlisted options exercisable at $0.03 expiring 28 April 2024.
[2] Refer to Note 15 for the principal terms of the Performance Rights.

Company Secretary

Mr Daniel Coletta

Mr Daniel Coletta held the position of company secretary of Corella Resources Ltd at the end of the financial year. Mr Coletta is a Member of the Governance Institute of Australia and a Chartered Accountant specialising in providing company secretarial, corporate governance and CFO services.

Principal Activities

Corella Resources Ltd is an Australian kaolin and silica exploration company listed on the Australian Securities Exchange (ASX: CR9). The principal activities of the Company and its subsidiaries is the exploration and development of their 100% owned Tampu, Wiltshire and Kalannie kaolin projects along with the 100% owned Bonnie Rock silica project which are all located in the mid-west of Western Australia.

Operating results

The consolidated loss, after tax, attributable to the Group for the financial year ended 30 June 2023 amounted to $884,326 (2022: $766,912).

Review of Operations

Tampu Project

The Tampu Kaolin Project (Tampu) comprises five granted exploration licences E70/5235, E70/5214, E70/5744, EL70/5882 and EL70/5883, which are 100% held by Corella. Tampu has seen two historical and three modern phases of exploration drilling and metallurgical testwork programs. This drilling has defined significant bright white kaolin mineralisation with very high-grade alumina (Al2O3) contents and very low levels of contaminants.

During the year, the Company completed resource definition and exploration drilling for 54 holes totalling 1,021m at the Company's 100% owned flagship Tampu kaolin project, located near Beacon in Western Australia[1]. The resource definition drilling followed on from the outstanding metallurgical results which achieved an impressive **5N+ (99.99957%)** HPA ("**High Purity Alumina"**) on a 25kg representative bulk composite sample from Tampu reported previously[2].

The resource definition program at Tampu was designed and executed to upgrade the existing Inferred Mineral Resource into Indicated categories and conversion into Mineable Reserves. These Reserves along with the metallurgical results will be used to underpin a Pre-Feasibility Study for the Tampu Project.

46 Resource Definition drillholes for a total of 879m consisting of 32 Sonic core and 14 Aircore drill holes were drilled (see Figure 1) within the current inferred resource footprint at Tampu and designed to increase the geological confidence level of resource.

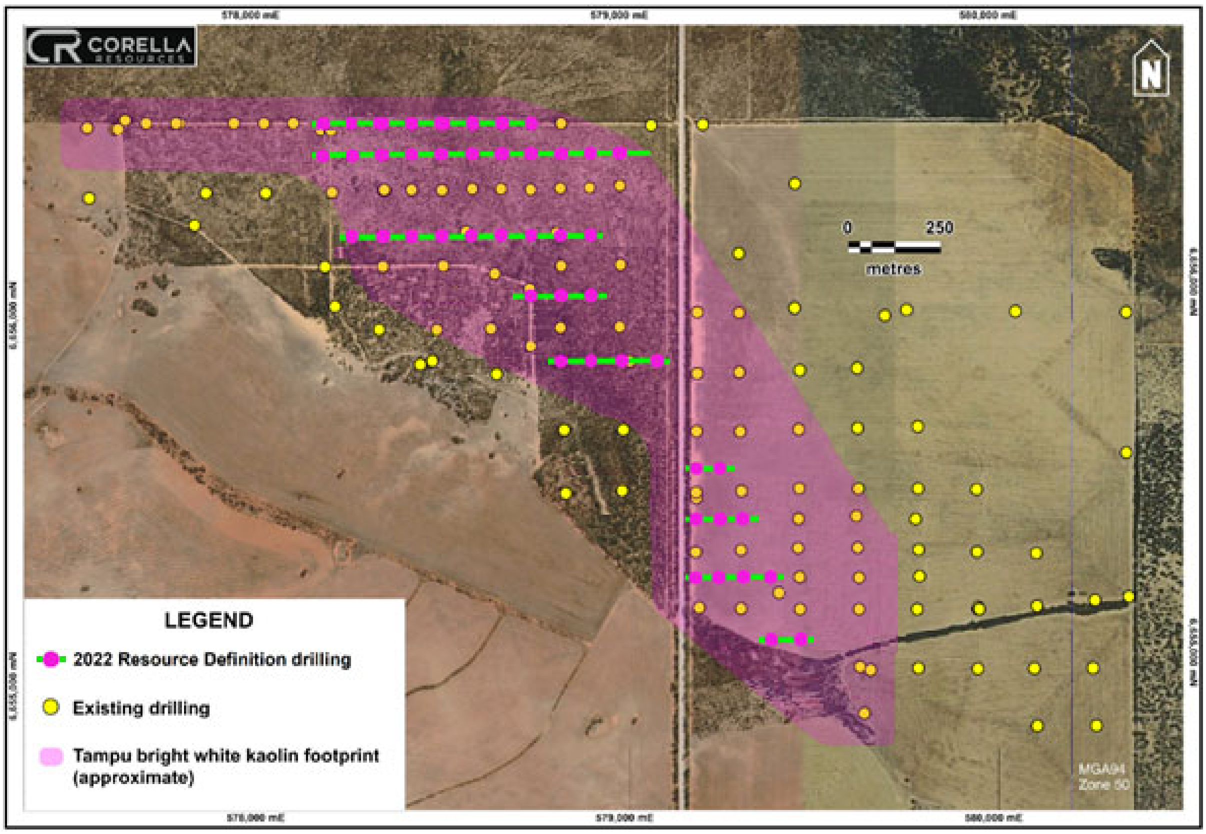


Figure 1: Resource Definition drilling program completed at Tampu

[1] Refer ASX Announcement dated 4 October 2022 "Drilling completed at Tampu and two new kaolin discoveries"
[2] Refer ASX Announcement dated 30 June 2022 "5N purity confirms Tampu as premier specification for HPA"

The Company announced the sonic drill intercepts from the resource definition program which demonstrated shallow intercepts of high purity bright white kaolin confirming the quality, scale, and potential of the Tampu Kaolin/HPA Project.[3]

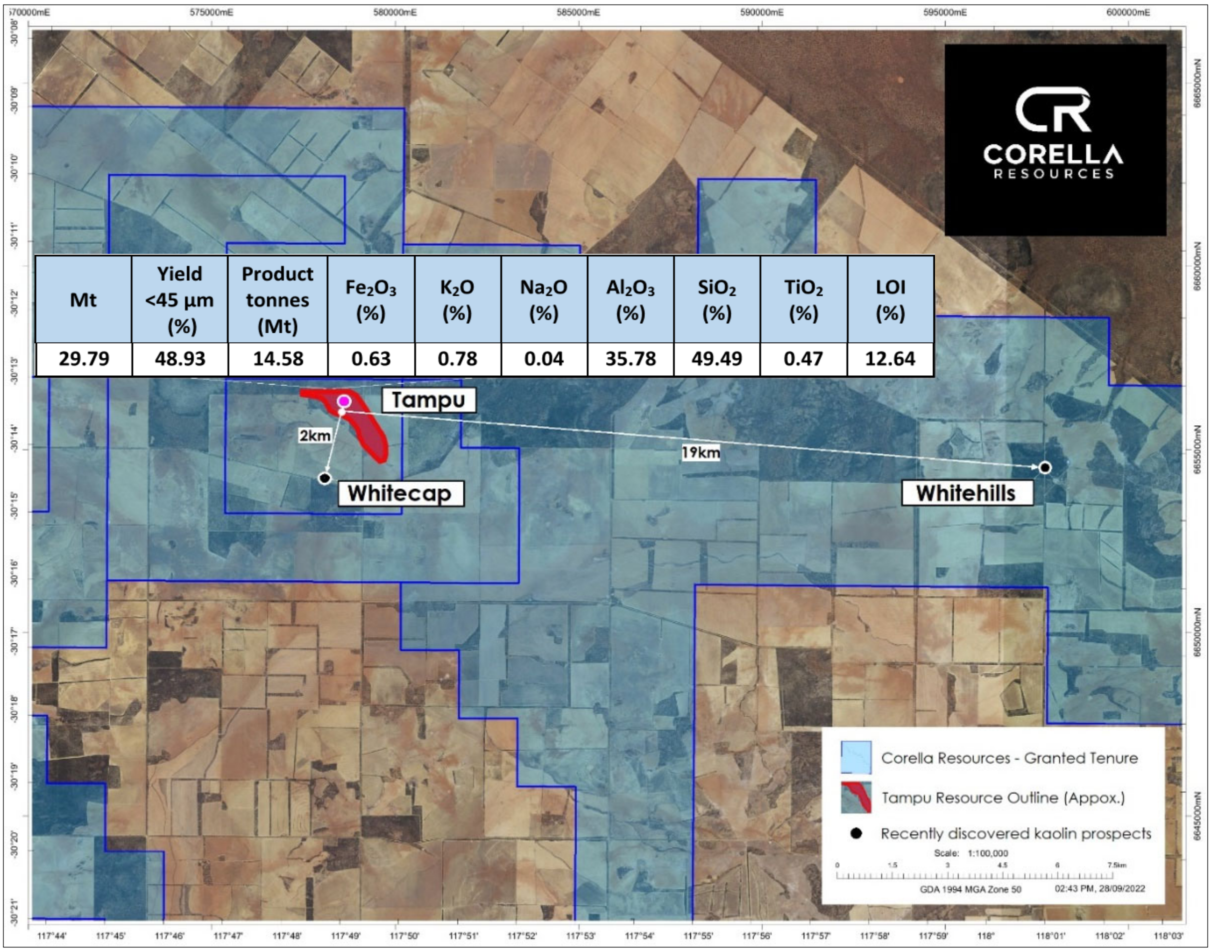
Significant intercepts from the 2022 sonic core drilling include:

<u>CRSD014</u>: 11m @ 47.2% SiO_2; 38.3% Al_2O_3; 0.08% Fe_2O_3; 0.25% K_2O; 0.00% Na_2O & 0.4% TiO_2 from 7m
<u>CRSD015</u>: 10.5m@47.0% SiO_2; 38.8% Al_2O_3; 0.11% Fe_2O_3; 0.16% K_2O; 0.06% Na_2O & 0.3% TiO_2 from 7.5m
<u>CRSD005</u>: 9.5m @ 46.7% SiO_2; 38.1% Al_2O_3; 0.11% Fe_2O_3; 0.18% K_2O; 0.00% Na_2O & 0.4% TiO_2 from 5m
<u>CRSD007</u>: 16m @ 46.8% SiO_2; 38.1% Al_2O_3; 0.13% Fe_2O_3; 0.42% K_2O; 0.00% Na_2O & 0.4% TiO_2 from 8m
<u>CRSD006</u>: 12m @ 47.5% SiO_2; 37.6% Al_2O_3; 0.18% Fe_2O_3; 0.62% K_2O; 0.00% Na_2O & 0.4% TiO_2 from 7m
<u>CRSD001</u>: 7m @ 47.2% SiO_2; 38.4% Al_2O_3;0.18% Fe_2O_3; 0.18% K_2O; 0.00% Na_2O & 0.5% TiO_2 from 7m
<u>CRSD029</u>: 11m @ 47.2% SiO_2; 38.0% Al_2O_3; 0.20% Fe_2O_3; 0.35% K_2O; 0.00% Na_2O & 0.4% TiO_2 from 5m
<u>CRSD028</u>: 7m @ 47.2% SiO_2; 37.9% Al_2O_3; 0.20% Fe_2O_3; 0.43% K_2O; 0.00% Na_2O & 0.4% TiO_2 from 8m
<u>CRSD030</u>: 7m @ 47.5% SiO_2; 37.8% Al_2O_3; 0.23% Fe_2O_3; 0.44% K_2O; 0.00% Na_2O & 0.6% TiO_2 from 8m
<u>CRSD010</u>: 14m @ 47.5% SiO_2; 37.9% Al_2O_3; 0.27% Fe_2O_3; 0.28% K_2O; 0.00% Na_2O & 0.6% TiO_2 from 5m
<u>CRSD031</u>: 14m @ 47.3% SiO_2; 37.8% Al_2O_3; 0.28% Fe_2O_3; 0.40% K_2O; 0.00% Na_2O & 0.5% TiO_2 from 5m
<u>CRSD025</u>: 13m @ 47.3% SiO_2; 37.9% Al_2O_3; 0.30% Fe_2O_3; 0.40% K_2O; 0.00% Na_2O & 0.3% TiO_2 from 8m
<u>CRSD021</u>: 13m @ 47.4% SiO_2; 37.8% Al_2O_3; 0.32% Fe_2O_3; 0.16% K_2O; 0.00% a_2O & 0.4% TiO_2 from 3m
<u>CRSD008</u>: 13m @ 47.1% SiO_2; 38.0% Al_2O_3; 0.34% Fe_2O_3; 0.19% K_2O; 0.00% Na_2O & 0.4% TiO_2 from 5m
<u>CRSD002</u>: 10m @ 47.8% SiO_2; 37.9% Al_2O_3; 0.34% Fe_2O_3; 0.49% K_2O; 0.00% Na_2O & 0.5% TiO_2 from 7m
<u>CRSD004</u>: 9m @ 48.0% SiO_2; 37.8% Al_2O_3; 0.34% Fe_2O_3; 0.29% K_2O; 0.00% Na_2O & 0.4% TiO_2 from 5m
<u>CRSD032</u>: 9m @ 48.3% SiO_2; 37.2% Al_2O_3; 0.39% Fe_2O_3; 0.13% K_2O; 0.03% Na_2O & 0.6% TiO_2 from 6m
<u>CRSD011</u>: 14m @ 47.1% SiO_2; 37.6% Al_2O_3; 0.41% Fe_2O_3; 0.36% K_2O; 0.00% Na_2O & 0.5% TiO_2 from 8m
<u>CRSD020</u>: 11m @ 47.3% SiO_2; 37.5% Al_2O_3; 0.42% Fe_2O_3; 0.32% K_2O; 0.00% Na_2O & 0.4% TiO_2 from 3m
<u>CRSD012</u>: 9m @ 47.7% SiO_2; 37.6% Al_2O_3; 0.43% Fe_2O_3; 0.32% K_2O; 0.00% Na_2O & 0.5% TiO_2 from 9m
<u>CRSD013</u>: 16m @ 47.3% SiO_2; 37.7% Al_2O_3; 0.46% Fe_2O_3; 0.30% K_2O; 0.00% Na_2O & 0.4% TiO_2 from 8m
<u>CRSD023</u>: 8m @ 46.7% SiO_2; 37.5% Al_2O_3; 0.47% Fe_2O_3; 0.40% K_2O; 0.00% Na_2O & 0.5% TiO_2 from 10m
<u>CRSD016</u>: 14m @ 48.1% SiO_2; 37.6% Al_2O_3; 0.50% Fe_2O_3; 0.29% K_2O; 0.00% Na_2O & 0.4% TiO_2 from 5m
<u>CRSD017</u>: 12m @ 48.0% SiO_2; 37.6% Al_2O_3; 0.50% Fe_2O_3; 0.24% K_2O; 0.00% Na_2O & 0.4% TiO_2 from 6m

In addition to the sonic drilling, 21 aircore holes were drilled comprising of:

- 14 resource definition aircole holes within the existing Tampu Deposit,
- 5 holes were drilled at the Whitecap Prospect located ~2km south southwest of the current Tampu Deposit, and
- 2 holes drilled at the Whitehills Prospect loacted ~19km east of the current Tampu Deposit.

[3] Refer ASX Announcement dated 13 February 2023 "Exceptional sonic drill intercepts at Tampu"



Mt	Yield <45 µm (%)	Product tonnes (Mt)	Fe_2O_3 (%)	K_2O (%)	Na_2O (%)	Al_2O_3 (%)	SiO_2 (%)	TiO_2 (%)	LOI (%)
29.79	48.93	14.58	0.63	0.78	0.04	35.78	49.49	0.47	12.64

Figure 2: New discoveries at Whitecap and Whitehills located 2km and 19km respectively from Tampu Deposit

Aircore drill hole samples were analysed by Bureau Veritas in Canningvale, WA[4]. Aircore drilling confirmed a consistent broad zone of bright white kaolin to be shallow and completely above the water table.

Significant intercepts from the 2022 aircore drilling include:

Tampu Deposit

CRAC120: 16m @ 48.0% SiO_2; 37.8% Al_2O_3; 0.23% Fe_2O_3; 0.24% K_2O; 0.02% Na_2O & 0.3% TiO_2 from 4m

CRAC121: 10m @ 48.3% SiO_2; 37.7% Al_2O_3;0.26% Fe_2O_3; 0.21% K_2O; 0.00% Na_2O & 0.3% TiO_2 from 4m

CRAC124: 8m @ 48.5% SiO_2; 37.3% Al_2O_3; 0.33% Fe_2O_3; 0.19% K_2O; 0.00% Na_2O & 0.4% TiO_2 from 2m

CRAC122: 9m @ 47.7% SiO_2; 37.9% Al_2O_3; 0.34% Fe_2O_3; 0.20% K_2O; 0.01% Na_2O & 0.3% TiO_2 from 4m

CRAC126: 5m @ 48.4% SiO_2; 37.2% Al_2O_3; 0.37% Fe_2O_3; 0.25% K_2O; 0.02% Na_2O & 0.4% TiO_2 from 6m

CRAC127: 4m @ 48.7% SiO_2; 37.0% Al_2O_3; 0.38% Fe_2O_3; 0.29% K_2O; 0.02% Na_2O & 0.5% TiO_2 from 3m

CRAC118: 12m @ 47.9% SiO_2; 37.8% Al_2O_3; 0.40% Fe_2O_3; 0.15% K_2O; 0.02% Na_2O & 0.2% TiO_2 from 7m

CRAC117: 10m @ 50.4% SiO_2; 35.9% Al_2O_3; 0.48% Fe_2O_3; 0.23% K_2O; 0.02% Na_2O & 0.3% TiO_2 from 7m

[4] Refer ASX Announcement dated 17 March 2023 "Outstanding aircore intercepts & capital raise complete"

Whitecap Prospect

CRAC130: 8m @ 47.4% SiO_2; 38.1% Al_2O_3; 0.38% Fe_2O_3; 0.28% K_2O; 0.01% Na_2O & 0.3% TiO_2 from 7m

CRAC131: 6m @ 50.0% SiO_2; 36.7% Al_2O_3; 0.58% Fe_2O_3; 0.27% K_2O; 0.02% Na_2O & 0.5% TiO_2 from 9m

Whitehills Prospect

CRAC134: 7m @ 49.7% SiO_2; 35,6% Al_2O_3; 0.83% Fe_2O_3; 0.82% K_2O; 0.05% a_2O & 0.4% TiO_2 from 14m

The exceptional assays results achieved from the Aircore and Sonic drill programs at Tampu bodes well for further advancement in the development of the Tampu high purity bright white kaolin. Tampu has the potential to become a long term source of the highest purity kaolin/HPA globally and is Corella's first kaolin deposit defined at the Project.

The Company is planning a test pit at Tampu to provide multiple bulk scale samples for numerous potential offtake partners. In-situ samples from a test pit will provide definitive samples at a bulk scale allowing for advancement of offtake discussions.

The assay results from Exploration aircore drillholes at the Whitecap and Whitehills prospects intercepted thick, broad zones of bright white, high purity kaolin at shallow depths. Given the close proximity and similar geology to the existing Tampu resource, the Whitecap and Whitehill Prospects are expected to complement the proposed mining operation at Tampu.

The ability for the Company to identify and target additional prospects of high purity kaolin within the broader Tampu tenement package demonstrates the potential for future growth. The Company has strategically increased the overall Tampu project area by ~90% since listing April 2021.

No historical drilling has occurred between these prospects and the Tampu Deposit.

Subsequent to year end, the Company announced a significant upgrade to the Mineral Resource estimate (MRE) at the Company's 100% owned Tampu HPA project[5]. The MRE was completed by CSA Global and reported in accordance with the 2012 JORC Code. The upgraded Tampu HPA deposit of 24.7Mt of bright white kaolinised granite suitable for HPA feedstock, with 12.2 Mt reported in the less than 45-micron size fraction is shown in Table 1 below.

Table 1 – Tampu Mineral Resource Estimate as at July 2023

Type	Classification	Mt	Yield <45 µm (%)	Product tonnes (Mt)	Fe_2O_3 (%)	K_2O (%)	Na_2O (%)	Al_2O_3 (%)	SiO_2 (%)	TiO_2 (%)	LOI (%)
High Purity Alumina (HPA) Market											
kaolinite	Indicated	7.65	54.28	**4.15**	0.40	0.27	0.02	37.62	47.72	0.41	13.44
kaolinite	Inferred	7.30	53.59	**3.91**	0.48	0.28	0.02	37.43	47.86	0.47	13.39
(1) Sub-total		**14.95**	**53.94**	**8.07**	**0.44**	**0.27**	**0.02**	**37.53**	**47.79**	**0.43**	**13.42**
Potentially High Purity Alumina (HPA) Market											
other (< 0.9 Fe_2O_3)	Inferred	9.74	42.49	**4.14**	0.66	1.22	0.05	34.16	51.28	0.49	11.91
(2) Sub-total		9.74	42.49	**4.14**	0.66	1.22	0.05	34.16	51.28	0.49	11.91
(1) + (2) HPA, total		**24.70**	**49.42**	**12.21**	**0.52**	**0.59**	**0.03**	**36.39**	**48.97**	**0.45**	**12.90**
Other Markets											
other (> 0.9 Fe_2O_3)	Inferred	5.10	46.51	**2.37**	1.12	1.46	0.06	33.73	51.08	0.53	11.75
Summary											
Total		**29.79**	**48.93**	**14.58**	**0.63**	**0.78**	**0.04**	**35.78**	**49.49**	**0.47**	**12.64**

Notes:
- *Resources are reported in accordance with the JORC Code*
- *Resources are constrained to the tenement boundaries.*
- *Resources are in million metric tonnes of final product. Differences may occur due to rounding*
- *In situ density applied = 1.4 t/m^3.*

[5] Refer ASX Announcement dated 31 July 2023 "Tampu Mineral Resource Upgrade 24.7Mt of HPA Specification"

The Tampu MRE has been reported using a <=0.9% Fe_2O_3 cut-off demonstrating the consistent nature of the Tampu HPA deposit and highlights its amenability to a simple, shallow open pit operation, with a Scoping Study to be reported in Q3CY23.

The Mineral Resource yields 12.2Mt of high-grade, low impurity bright white HPA feedstock from the minus 45-micron recovered fraction. The remaining 49% is residual quartz with analysis demonstrating is suitability for the high purity silica market (eg glass for photo-voltaic cells).

The upgraded MRE will feed into the Scoping Study which is currently in advanced stages with CSA Global.

Tampu Mining Storage Facility

The Company successfully acquired the Tampu grain bin located ~2.5 km from the Company's flagship Tampu kaolin deposit from grain supply chain co-operative, the CBH Group (Co-operative Bulk Handling Limited) ("CBH")[6]. The site consists of a 3,750m^2 (~15,000 tonne) storage shed, bitumen road access, loading facilities, weighbridge, offices with accommodation and excellent mobile coverage, access to 3 phase power and water connections located at the Cnr Bunce Rd & Bimbily Rd, Tampu. The Company paid CBH $255K cash from existing cash reserves, in consideration for the free-hold property.

Figure 3: Tampu storage facility (view looking NNE)

During the year E 70/5882 and E 70/5883 were granted by Department of Mining Industry Regulation and Safety.

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[6] Refer ASX Announcement dated 9 February 2023 "Corella acquires mining storage facility"

Bonnie Rock Silica Project

*The Bonnie Rock Silica (**Bonnie Rock**) Project comprises a single granted exploration licence E70/5665, which is 100% held by Corella. Previous. Previous exploration undertaken on the Bonnie Rock Project identified at least three prominent quartz veins, with one up to 1km in strike length and others that extend for an unknown distance under surficial cover.* Previously, the Company announced outstanding results from visually selected outcrop samples at its Bonnie Rock.[7]

Exploration activities on the Bonnie Rock project for the half-year has been focussed on gaining access for on-ground activities to occur.

Kalannie Kaolin Project

The Kalannie Kaolin Project comprises a single granted exploration licence, being exploration licence E 70/5215, which is currently held 100% by Corella. The tenement consists of 11 graticular blocks for an area of 32km² located on the Kalannie 1:100,000 Map sheet and the Bencubbin 1:250,000 sheet. The tenement was granted on 3 July 2019. A GSWA kaolin sample from the project area location shows high purity kaolin with low levels of contaminant elements.

Through geological reconnaissance and mapping programs the Company has identified 4 initial prospective kaolin exploration targets (see Figure 4) within the Kalannie project. Exploration activities on the Kalannie project for the half-year has been focussed on refining target generation and gaining land access.

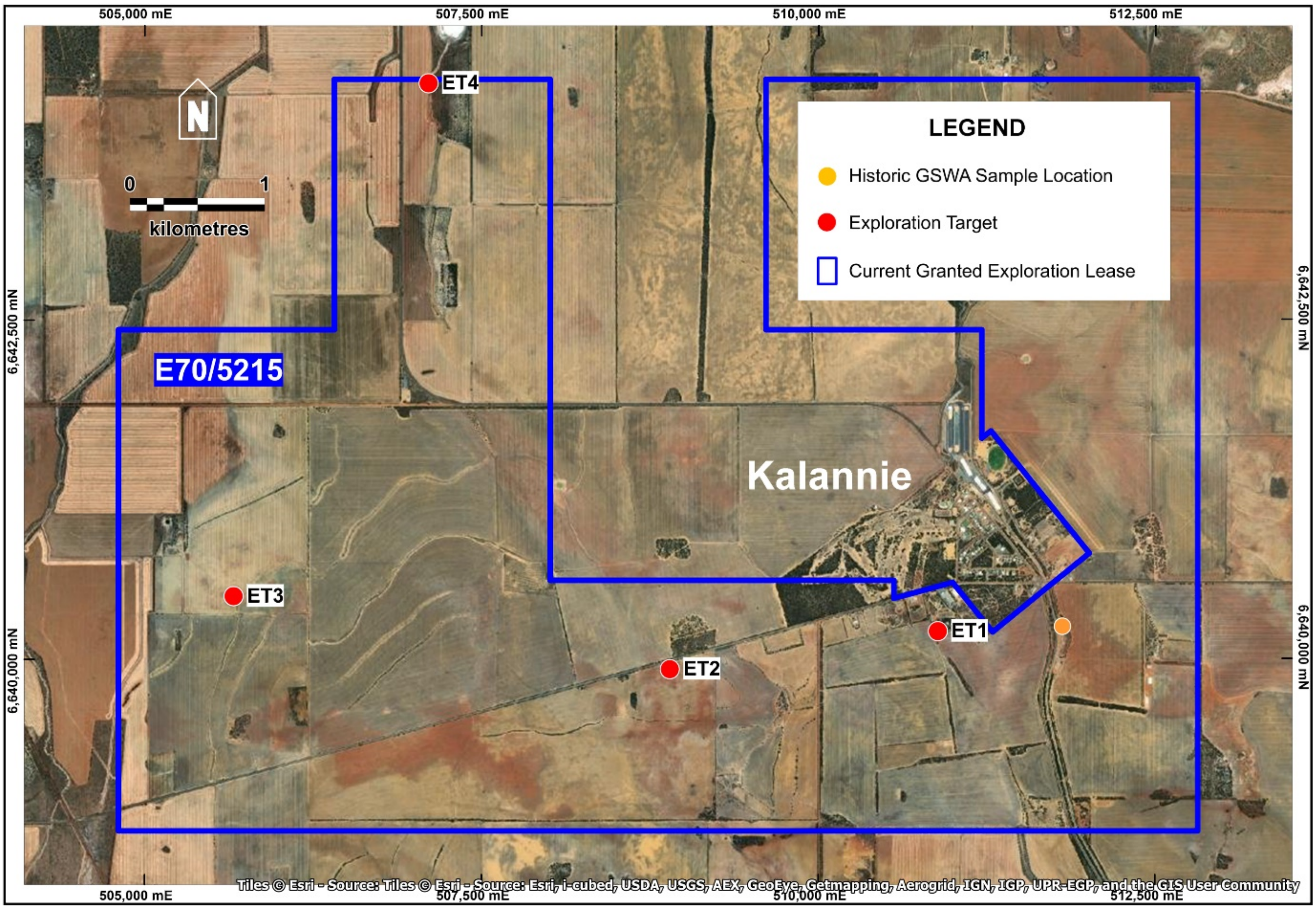

Figure 4: Kalannie exploration targets (ET1 – ET4)

[7] Refer ASX Announcement dated 11 October 2021 "High grade hard rock silica assays at Bonnie Rock Project"

Wiltshire Project

The Wiltshire Kaolin Project comprises a single granted exploration licence, being exploration licence E 70/5216, which is currently held 100% by Corella. The tenement consists of 12 graticular blocks for an area of 36km[2] located on the Tallering 1:100,000 Map sheet and the Yalgoo 1:250,000 sheet. The tenement was granted on 3 July 2019.

The Company has identified 29 initial prospective kaolin exploration targets (see Figure 5) within the Wiltshire project. Kaolin horizons expressed as white outcrop evident in aerial imagery, are exposed at various locations along the length of Wenmillia Creek and its tributaries. Geological mapping has identified multiple prospective kaolin exploration targets within the Wiltshire project, with areas of weathered granite and excavated areas also present prospective targets for geological sampling. Exploration activities on the Wilthsire project for the half-year has been focussed on refining target generation and gaining land access.

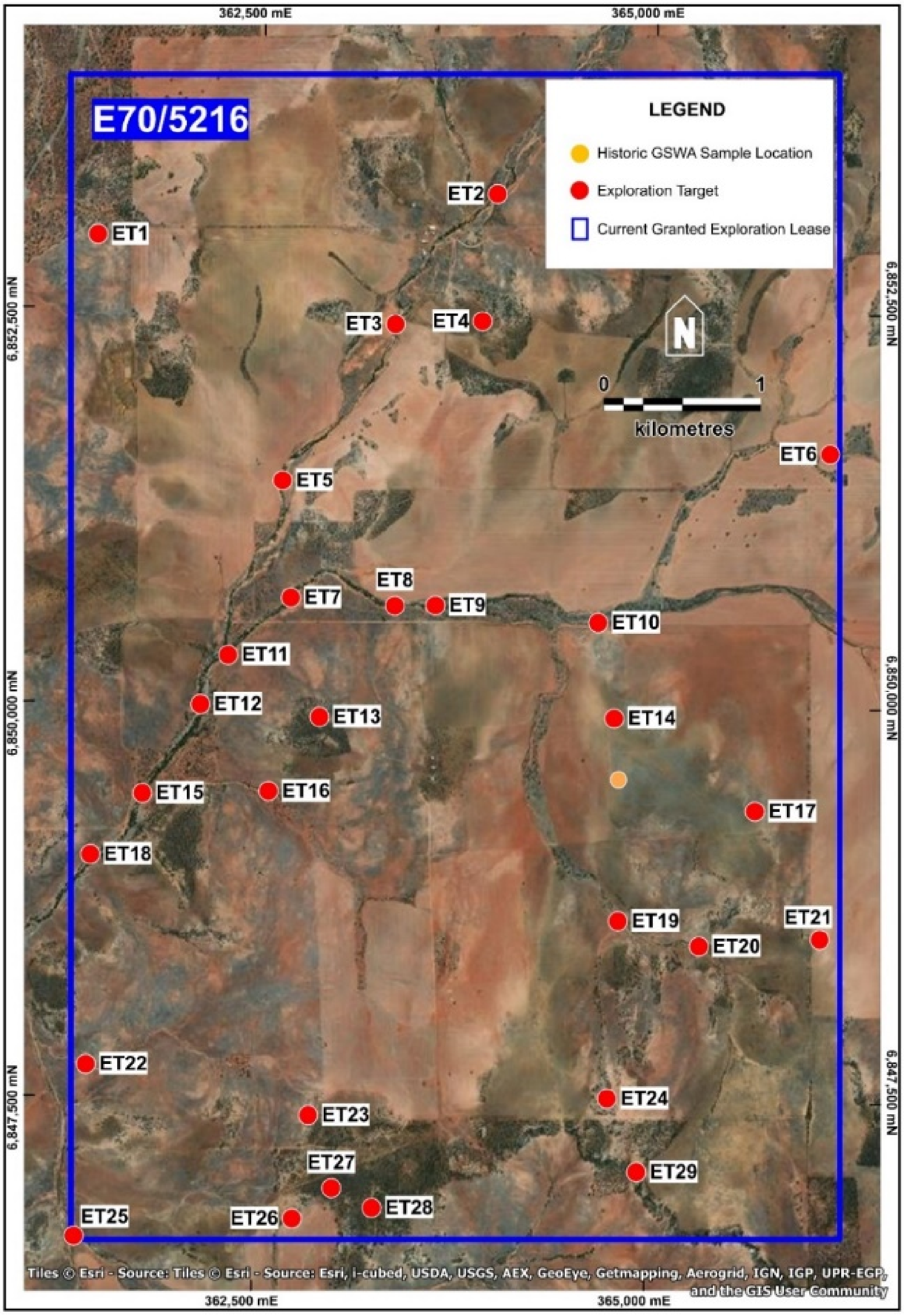

Figure 5: Wiltshire exploration targets (ET1 – ET29) sites of creek exposures and outcrop/excavations

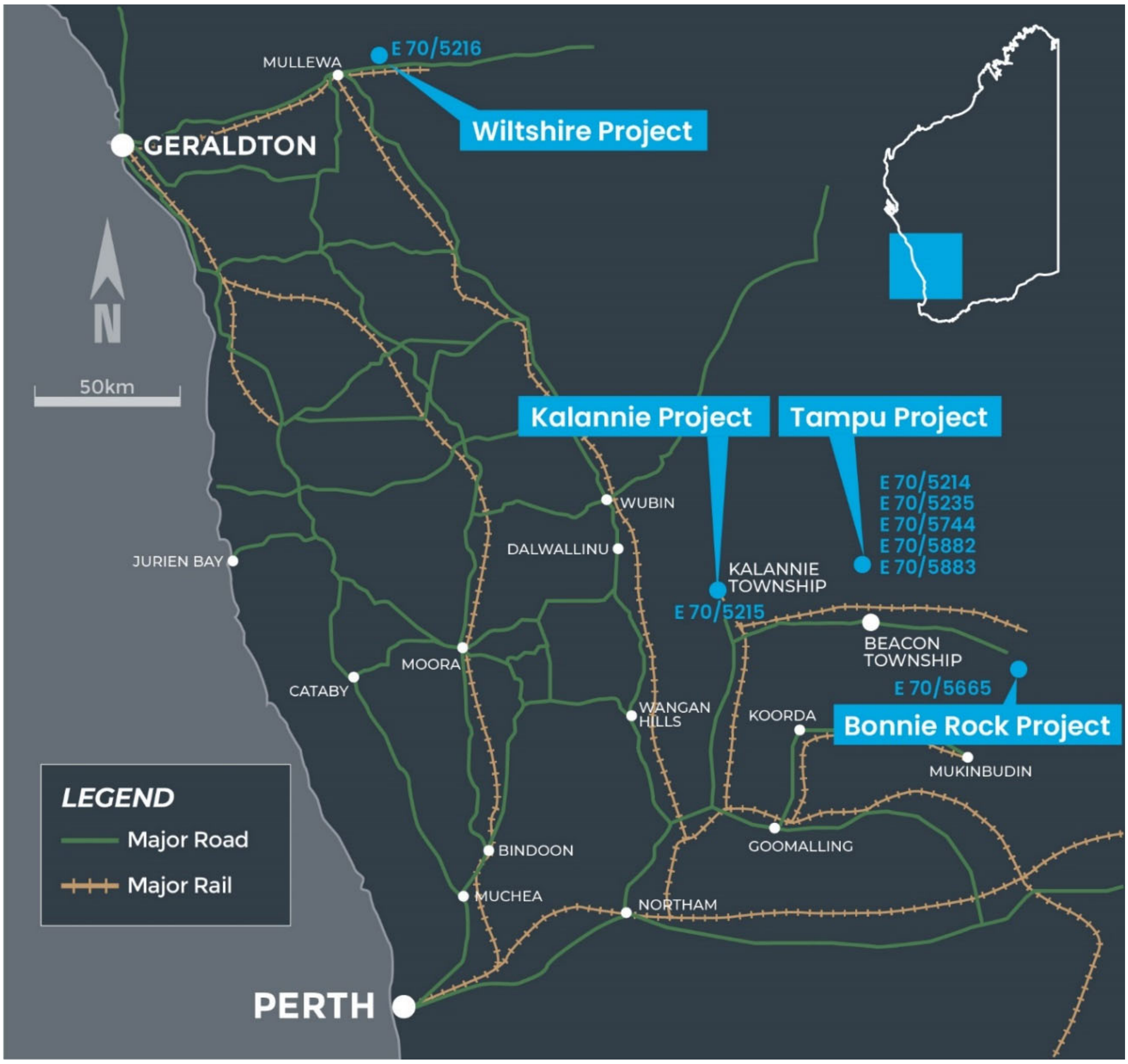

Figure 6: Corella Resources project location map at reporting date

Competent Person Statement – Exploration and Geological results

The information in this announcement that relates to exploration and metallurgical results is based on information reviewed, collated, and fairly represented by Mr. Anthony Cormack who is a Member of the Australian Institute of Mining and Metallurgy and the Managing Director of Corella Resources. Mr. Cormack has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activity which has been undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr. Cormack consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.

Competent Person Statement – Metallurgical results

The information in this announcement that relates to processing and metallurgy is based on information reviewed, collated, and fairly represented by Dr. Lin Zhou who is a Member of the Australian Institute of Mining and Metallurgy and a consultant metallurgist to Corella Resources. Dr. Zhou has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activity which has been undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Dr. Zhou consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.

No New Information

Except where explicitly stated, this report contains references to prior exploration results and Mineral Resource estimate, all of which have been cross-referenced to previous market announcements made by the Company. The Company confirms that is not aware of any new information or data that materially affects the information included in the relevant market announcements and, in the case of the estimate of Mineral Resource, that all materials assumptions and technical parameters underpinning the results and/or estimate in the relevant market announcements continue to apply and have not materially changed.

Corporate

The Company had cash on hand as at 30 June 2023 of $2,418,913 (2022 $3,275,366). During the year the Company made an operating loss after tax of $884,326 (2022 $766,912).

During the Year the Company completed a placement issuing 40,000,000 fully paid ordinary shares at $0.03 per Share, to raise $1,200,000 (before costs) to sophisticated and professional investors.

Subsequent to year end, the Company appointed highly credentialed, international mining executive Ms Jess Maddren as Chief Executive Officer. As part of her employment agreement, Ms Maddren was issued 3,000,000 unlisted employee performance rights. Each performance right expires 3 years from date of issue and, subject to meeting performance and vesting conditions, entitles the holder to subscribe for one fully paid ordinary share upon exercise of the performance rights.

Dividends

No dividends were paid or declared since the start of the financial year. No recommendations for payment of dividends have been made.

Options

During the year 28,000,000 listed options were issued exercisable at $0.06 and expiring 24 months from date of issue.

In addition to the above, 2,300,000 options were issued to advisors exercisable at $0.06 and expiring 18 months from date of issue. The options were subject to vesting conditions which were not met and were subsequently cancelled.

During the year 31,000 shares were issued upon exercising of options (2022: 60,000).

At the date of this report the following options were on issue:

- 67,166,869 unlisted options exercisable at $0.03,
- 50,000,000 unlisted options exercisable at $0.04, and
- 28,000,000 listed options exercisable at $0.06.

Performance Rights

No Performance Rights were issued during the year. On 15 December 2021 shareholders approved the grant of 9,000,000 Performance Rights to Directors (or their nominees) under the Corella Resources Incentive Performance Rights Plan. Refer to Note 15 for the principal terms of the Performance Rights.

Subsequent to year end 3,000,000 Performance Rights were issued to Ms Jess Maddren on appointment as Chief Executive Officer of the Company.

AUDITED REMUNERATION REPORT

This report outlines the remuneration arrangements in place for Directors and executives of Corella Resources Ltd. The information provided in this remuneration report has been audited as required by section 308(3C) of the Corporations Act 2001.

The report is structured as follows:

A. Key management personnel covered in this report
B. Principles used to determine the nature and amount of remuneration
C. Non-executive directors' remuneration
D. Executive director and senior management remuneration
E. Details of remuneration

The comparative information of the remuneration is of the legal parent company and not the accounting acquirer, as such, comparatives will not correspond to the financial report.

A. Key management personnel covered in this report

For the purpose of this report, Key Management Personnel (KMP) of the Company are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Group, directly or indirectly, including any director (whether executive or otherwise) of the Group.

The Directors and other key management personnel of the Group during or since the end of the financial year were:

Mr Anthony Cormack	Managing Director
Mr Philip Re	Non-Executive Chairman
Mr Peter Woods	Non-Executive Director
Ms Jess Maddren	Chief Executive Officer (Appointed 14 August 2023)

B. Principles used to determine the nature and amount of remuneration

The Board adheres to the Remuneration Policy detailed in the Company's Prospectus issued in March 2021. The Board reviews and approves the remuneration policy to enable the Company to attract and retain Directors who will create value for Shareholders having consideration to the amount considered to be commensurate for a company of its size and level of activity as well as the relevant Directors' time, commitment and responsibility.

C. Non-executive directors' remuneration

In accordance with Section 14.7 of the Company's Constitution and ASX Listing Rules, the total aggregate fixed remuneration of non-executive Directors per annum will not exceed the sum determined by Shareholders at a general meeting. Section 14.8 of the Company's Constitution, which was approved by way of resolution of Shareholders at the General Meeting held on 29 March 2021, set the maximum aggregate remuneration for non-executive Director's at $500,000 per annum.

The Board policy is to remunerate non-executive directors at market rates for time, commitment and responsibilities. The Board determines payments to the non-executive directors and reviews their remuneration annually, based on market practice, duties and accountability.

Upon appointment to the Board, all non-executive directors enter into a service agreement with the Company in the form of a letter of appointment. The letter summarises the policies and terms, including compensation, relevant to the office of the director.

D. Executive director and senior management remuneration

The remuneration of any executive director that may be appointed to the Board will be fixed by the Board and may be paid by way of fixed salary or consultancy fee. The Company may also pay the executives a performance based bonus. The amount of compensation is determined by the Board in accordance with the remuneration principles described above.

It is the Company's policy that service contracts for executive directors and senior executives be entered into. Key terms of service agreements existing at reporting date relating to executive remuneration are set out below:

Mr Tony Cormack – Managing Director

- Term of agreement: Until terminated in accordance with the agreement.
- Remuneration: $9,167 plus superannuation per month.
- Period of notice for termination/resignation: One month's written notice by notice by the Company or individual.
- Details of remuneration entitlement on termination: Payment of salary, accrued annual and long service leave, together with any superannuation benefits up to the date of termination or payment of one month's fees in lieu of notice. No entitlement to termination payment in the event of removal for misconduct.

Ms Jess Maddren – Chief Executive Officer

- Term of agreement: Until terminated in accordance with the agreement.
- Remuneration: $250,000 plus superannuation per annum.
- Period of notice for termination/resignation: Three month's written notice by notice by the Company or individual.
- Details of remuneration entitlement on termination: Payment of salary, accrued annual and long service leave, together with any superannuation benefits up to the date of termination or payment of one month's fees in lieu of notice. No entitlement to termination payment in the event of removal for misconduct.

Overall remuneration policies are subject to the discretion of the board and can be changed to reflect competitive and business conditions where it is in the interests of the Group and Shareholders to do so. Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

E. Details of remuneration

Details of the remuneration of the directors and key management personnel of the Group (as defined in AASB 124 Related Party Disclosures) are set out in the following tables.

2023	**Short-term employee benefits**			**Post-employment benefits**	**Share-based payments**			
Directors	**Salary & fees**	**Cash bonus**	**Other**	**Superannuation**	**Shares**	**Options & rights**	**Total**	**Performance related**
	$	**$**	**$**	**$**	**$**	**$**	**$**	**%**
Executives								
Anthony Cormack	110,000	-	-	11,550	-	27,067[1]	148,617	18%
Non-executives								
Philip Re	96,000	-	-	10,080	-	27,067[1]	133,147	20%
Peter Woods	90,000	-	-	9,450	-	27,067[1]	126,517	21%
Total	**296,000**	**-**	**-**	**31,080**	**-**	**81,200**	**408,280**	**20%**

[1] On 15 December 2021 shareholders approved the grant of 9,000,000 Performance Rights to Directors (or their nominees) under the Corella Resources Incentive Performance Rights Plan. Refer below for the principal terms of the Performance Rights. The amounts of $27,067 represent the respective values of Performance Rights expensed for the year ended 30 June 2023.

2022	**Short-term employee benefits**			**Post-employment benefits**	**Share-based payments**			
Directors	**Salary & fees**	**Cash bonus**	**Other**	**Superannuation**	**Shares**	**Options & rights**	**Total**	**Performance related**
	$	**$**	**$**	**$**	**$**	**$**	**$**	**%**
Executives								
Anthony Cormack	110,000	-	-	11,000	-	14,406[1]	135,406	11%
Non-executives								
Philip Re	88,000	-	-	8,800	-	14,406[1]	111,206	13%
Peter Woods	83,000	-	-	8,300	-	14,406[1]	105,706	14%
Total	**281,000**	**-**	**-**	**28,100**	**-**	**43,218**	**352,318**	**12%**

[1] On 15 December 2021 shareholders approved the grant of 9,000,000 Performance Rights to Directors (or their nominees) under the Corella Resources Incentive Performance Rights Plan. Refer to Note 15 for the principal terms of the Performance Rights. The amounts of $14,406 represent the respective values of Performance Rights expensed from issue date to 30 June 2022.

Short term incentives

During the year, no short term cash incentive bonuses were paid to key management personnel.

Remuneration of other key management personnel

There were no other key management personnel of the Group during the year ended 30 June 2023.

Shareholdings of key management personnel

The number of ordinary shares in the Company held during the financial year by each director of Corella Resources and other key management personnel of the Group, including their related parties, is set out below.

	Balance as at 1 July 2022	Shares acquired	Granted as compen-sation	Net other change	Balance as at 30 June 2023
Executives					
Anthony Cormack	14,229,091	700,000[1]	-	-	14,929,091
Non-executives					
Philip Re	7,000,000	-	-	-	7,000,000
Peter Woods	22,000,000	-	-	-	22,000,000
Total	**43,229,091**	**700,000**	**-**	**-**	**43,929,091**

[1] Shares acquired on-market.

	Balance as at 1 July 2021	Shares acquired	Granted as compen-sation[3]	Net other change	Balance as at 30 June 2022
Executives					
Anthony Cormack	13,909,091	320,000[1]	-	-	14,929,091
Non-executives					
Philip Re	7,000,000	-	-	-	7,000,000
Peter Woods	22,000,000	-	-	-	22,000,000
Total	**42,909,091**	**320,000**	**-**	**-**	**43,929,091**

[1] Shares acquired on-market.

Options

During the year no options were issued to the directors or key management personnel of the Company.

Option holdings of key management personnel

The number of options issued or held during the financial year by each director of Corella Resources and other key management personnel of the Group, including their related parties, is set out below.

2023	Balance as at 1 July 2022 No.	Granted as compen-sation No.	Exerci-sed No.	Net other change No.	Balance as at 30 June 2023 No.	Balance vested at 30 June 2023 No.	Vested and exercisable No.	Options vested during year No.
Executives								
Anthony Cormack	-	-	-	-	-	-	-	-
Non-executives								
Philip Re	4,500,000	-	-	-	4,500,000	4,500,000	4,500,000	-
Peter Woods	4,500,000	-	-	-	4,500,000	4,500,000	4,500,000	-
Total	**9,000,000**	**-**	**-**	**-**	**9,000,000**	**9,000,000**	**9,000,000**	**-**

[1] 4,500,000 unlisted options exercisable at $0.03 with a grant date fair value of $0.0042 expiring April 24

2022	Balance as at 1 July 2021 No.	Granted as compen-sation No.	Exerci-sed No.	Net other change No.	Balance as at 30 June 2022 No.	Balance vested at 30 June 2022 No.	Vested and exercisable No.	Options vested during year No.
Executives								
Anthony Cormack	-	-	-	-	-	-	-	-
Non-executives								
Philip Re	4,500,000	-	-	-	4,500,000	4,500,000	4,500,000	-
Peter Woods	4,500,000	-	-	-	4,500,000	4,500,000	4,500,000	-
Total	**9,000,000**	**-**	**-**	**-**	**9,000,000**	**9,000,000**	**9,000,000**	**-**

[1] 4,500,000 unlisted options exercisable at $0.03 with a grant date fair value of $0.0042 expiring April 24

Performance Rights holdings of Key Management Personnel

The number of performance rights issued or held during the financial year by each director of Corella Resources and other key management personnel of the Group, including their related parties, is set out below:

2023	Balance as at 1 July 2022 No.	Granted as compensation No.	Converted to ordinary shares No.	Performance rights expired/forfeited No.	Balance as at 30 June 2023 No.
Executives					
Anthony Cormack	3,000,000	-	-	-	3,000,000
Non-executives					
Philip Re	3,000,000	-	-	-	3,000,000
Peter Woods	3,000,000				3,000,000
Total	**9,000,000**	**-**	**-**	**-**	**9,000,000**

2022	Balance as at 1 July 2021 No.	Granted as compensation[1] No.	Converted to ordinary shares No.	Performance rights expired/forfeited No.	Balance as at 30 June 2022 No.
Executives					
Anthony Cormack	-	3,000,000	-	-	3,000,000
Non-executives					
Philip Re	-	3,000,000	-	-	3,000,000
Peter Woods	-	3,000,000			3,000,000
Total	**-**	**9,000,000**	**-**	**-**	**9,000,000**

[1]On 15 December 2021 shareholders approved the grant of Performance Rights to Directors (or their nominees) under the Corella Resources Incentive Performance Rights Plan.

The table below shows the class and number of Performance Rights held by each Director as at 30 June 2023 and 30 June 2022:

Director	Tranche 1	Tranche 2	Tranche 3	Total
Anthony Cormack	1,000,000	1,000,000	1,000,000	**3,000,000**
Philip Re	1,000,000	1,000,000	1,000,000	**3,000,000**
Peter Woods	1,000,000	1,000,000	1,000,000	**3,000,000**
Total	**3,000,000**	**3,000,000**	**3,000,000**	**9,000,000**

The principal terms of the Performance Rights are summarised below:

Class	Performance Condition	Expiry Date
Tranche 1 Performance Rights	**Market Capitalisation - $30M** Tranche 1 Performance Rights will vest on the date that the Company's 14 day volume weighted average share price is equal to or exceeds a market capitalisation of AUD$30,000,000. (**"Tranche 1 Performance Condition"**)	19 December 2024
Tranche 2 Performance Rights	**Market Capitalisation - $40M:** Tranche 2 Performance Rights will vest on the date that the Company's 14 day volume weighted average share price is equal to or exceeds a market capitalisation of AUD$40,000,000(**"Tranche 2 Performance Condition"**).	19 December 2024
Tranche 3 Performance Rights	**Market Capitalisation - $50M:** Tranche 3 Performance Rights will vest on the date that the Company's 14 day volume weighted average share price is equal to or exceeds a market capitalisation of AUD$50,000,000 (**"Tranche 3 Performance Condition"**)	19 December 2024

The value of the Performance Rights at grant date was derived using a hybrid Monte Carlo model which takes into account the exercise price and expected life of the instrument, the current share price and its expected volatility, expected dividends and the risk-free interest rate for the expected life of the instrument. The theoretical value ascribed to each Tranche 1, 2 and 3 Performance Right as $0.0295, $0.0269 and $0.0248 respectively.

The following table summarises the total value of performance rights vested, as allocated to key management personnel:

Director	Total value of performance rights vested to 30 June 2023 $	Total value of performance rights vested to 30 June 2022 $
Anthony Cormack	27,067	14,406
Philip Re	27,067	14,406
Peter Woods	27,067	14,406
Total	**81,201**	**43,218**

The table below shows the cumulative amount recognised from issue date to 30 June 2023 and the remainder to be expensed over the vesting period:

Director	Cumulative amount recognised	Remainder to be expensed over the vesting period	Total
Anthony Cormack	41,473	39,727	**81,200**
Philip Re	41,473	39,727	**81,200**
Peter Woods	41,473	39,727	**81,200**
Total	**124,419**	**119,181**	**243,600**

Each Performance Right converts into 1 fully paid ordinary share upon vesting. As at the date of this report, Tranches 1, 2 and 3 Performance Rights have not yet vested.

Loans to or from key management personnel

There were no loans to directors during the financial year ended 30 June 2023.

Other transactions and balances with key management personnel and related entities

During the year the Company made payments of $99,000 (2022: $90,000) to Exchange Capital Advisory Pty Ltd, an entity related to Director Philip Re, for accounting, bookkeeping and CFO services. The transactions were made on normal commercial terms and conditions and at market rates.

There were no other transactions with key management personnel.

Group performance

The table below outlines the performance of the Group for the past five years. The comparative information of the table below is of the legal parent company and not the accounting acquirer, as such, comparatives will not correspond to the financial report.

	30 June 2023 $	30 June 2022 $	30 June 2021[1] $	30 June 2020[1] $	30 June 2019[1] $
Revenue	45,216	Nil	Nil	Nil	5,332
Net loss after tax	(884,326)	(766,912)	(1,402,790)	(717,817)	(4,764,330)
Share price at start of year	0.046	0.045	0.003	0.005	0.006
Share price at end of year	0.024	0.046	0.045	0.003	0.005
Market capitalisation	11,162,182	19,552,755	19,124,995	3,040,701	3,529,082
Basic loss per share (cents per share)	(0.20)	(0.18)	(1.13)	(0.09)	(0.68)
Diluted loss per share	(0.20)	(0.18)	(1.13)	(0.09)	(0.68)
Dividend per share	Nil	Nil	Nil	Nil	Nil

[1] During the year ended 30 June 2021, the Company underwent a 20:1 consolidation of its fully paid ordinary shares. The prior year values in the table above have not been updated to reflect the consolidation of capital.

Use of remuneration consultants

The board has not formally engaged the services of a remuneration consultant to provide recommendations when setting the remuneration received by directors or other key management personnel during the financial year.

Voting and comments made at the Company's 2022 Annual General Meeting

At the 2022 AGM, 99% of the proxies voted for the adoption of the remuneration report for the year ended 30 June 2022. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

END OF AUDITED REMUNERATION REPORT

Material Business Risks

The Group's exploration and evaluation operations will be subject to the normal risks of mineral exploration. The material business risks that may affect the Company are summarised below.

Future capital raisings

The Group's ongoing activities may require further financing in the future. The Company will require additional funding to continue its exploration and evaluation operations on its projects with the aim to identify economically mineable reserves and resources. Any additional equity financing may be dilutive to shareholders, may be undertaken at lower prices than the current market price and debt financing, if available, may involve restrictive covenants which limit the Group's operations and business strategy. Although the Directors believe that additional capital can be obtained, no assurances can be made that appropriate capital or funding, if and when needed, will be available on terms favourable to the Company or at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce, delay or suspend its operations and this could have a material adverse effect on the Group's activities and could affect the Group's ability to continue as a going concern.

Exploration risk

The success of the Group depends on the delineation of economically mineable reserves and resources, access to required development capital, movement in the price of commodities, securing and maintaining title to the Group's exploration and mining tenements and obtaining all consents and approvals necessary for the conduct of its exploration activities. Exploration on the Group's existing tenements may be unsuccessful, resulting in a reduction in the value of those tenements, diminution in the cash reserves of the Company and possible relinquishment of the tenements. The exploration costs of the Group are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions.

Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect the Group's viability. If the level of operating expenditure required is higher than expected, the financial position of the Group may be adversely affected.

Feasibility and development risks

It may not always be possible for the Group to exploit successful discoveries which may be made in areas in which the Group has an interest. Such exploitation would involve obtaining the necessary licences or clearances from relevant authorities that may require conditions to be satisfied and/or the exercise of discretions by such authorities. It may or may not be possible for such conditions to be satisfied. Further, the decision to proceed to further exploitation may require participation of other companies whose interests and objectives may not be the same as the Group's.

Regulatory risk

The Group's operations are subject to various Commonwealth, State and Territory and local laws and plans, including those relating to mining, prospecting, development permit and licence requirements, industrial relations, environment, land use, royalties, water, native title and cultural heritage, mine safety and occupational health. Approvals, licences and permits required to comply with such rules are subject to the discretion of the applicable government officials.

No assurance can be given that the Group will be successful in maintaining such authorisations in full force and effect without modification or revocation. To the extent such approvals are required and not retained or obtained in a timely manner or at all, the Group may be limited or prohibited from continuing or proceeding with exploration. The Group's business and results of operations could be adversely affected if applications lodged for exploration licences are not granted. Mining and exploration tenements are subject to periodic renewal. The renewal of the term of a granted tenement is also subject to the discretion of the relevant Minister. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the tenements comprising the Group's projects. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Group.

Mineral resource estimate risk

Mineral resource estimates are expressions of judgement based on knowledge, experience and industry practice. These estimates were appropriate when made but may change significantly when new information becomes available. There are risks associated with such estimates. Mineral resource estimates are necessarily imprecise and depend to some extent on interpretations, which may ultimately prove to be inaccurate and require adjustment. Adjustments to resource estimates could affect the Group's future plans and ultimately its financial performance and value. Lithium, halloysite, kaolinite and gold metal price fluctuations, as well as increased production costs or reduced throughput and/or recovery rates, may render resources containing relatively lower grades uneconomic and may materially affect resource estimations.

Environmental risk

The operations and activities of the Group are subject to the environmental laws and regulations of Australia. As with most exploration projects and mining operations, the Company's operations and activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. The Group attempts to conduct its operations and activities to the highest standard of environmental obligation, including compliance with all environmental laws and regulations. The Group is unable to predict the effect of additional environmental laws and regulations which may be adopted in the future, including whether any such laws or regulations would materially increase the Group's cost of doing business or affect its operations in any area. However, there can be no assurances that new environmental laws, regulations or stricter enforcement policies, once implemented, will not oblige the Group to incur significant expenses and undertake significant investments which could have a material adverse effect on the Group's business, financial condition and performance.

Matters subsequent to the end of the financial year

Subsequent to year end, the Company announced a Mineral Resource upgrade of the Tampu deposit completed by independent consultants CSA Global. The Mineral Resource upgrade delivered an upgraded 24.7Mt deposit suitable for HPA feedstock.

In addition to the above, the Company appointed well regarded international mining executive Ms Jess Maddren as the Company's Chief Executive Officer. The Company issued Ms Maddren 3,000,000 unlisted employee performance rights expiring 3 years from the date of issue as part of her remuneration. Each performance right entitles the holder to subscribe for one FPO share upon exercise (exercise price nil) of the performance right, subject to various performance and vesting conditions.

Other than the above, 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

Indemnity and insurance of officers

During the financial year, the Company paid a premium in respect of a contract insuring the Directors of the Company (as named above), the company secretary, and all executive officers of the Company and of any related body corporate against a liability incurred as such a director, secretary or executive officer to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

The Company has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the Company or of any related body corporate against a liability incurred as such an officer or auditor.

Environmental Regulations

The Group's is not aware of any environmental law that is not being complied with.

Proceedings on behalf of the company

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

Non-audit services
The Company's auditor, Criterion Audit Pty Ltd, did not perform any non-audit services during the financial year (2022:Nil).

Auditor's independence declaration
A copy of the Auditor's Independence Declaration as required under Section 307C of the Corporations Act 2001 is given on page 20.

This Directors' report, incorporating the remuneration report, is signed in accordance with a resolution of the Board of Directors.

Philip Re
Chairman
28 September 2023

Criterion Audit Pty Ltd

ABN 85 165 181 822

PO Box 233 LEEDERVILLE WA 6902

Suite 2, 642 Newcastle Street
LEEDERVILLE WA 6007

Phone: 9466 9009

To The Board of Directors

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

As lead audit director for the audit of the financial statements of Corella Resources Ltd and its controlled entities for the year ended 30 June 2023, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Yours faithfully

CHRIS WATTS CA
Director

CRITERION AUDIT PTY LTD

DATED at PERTH this 28th day of September 2023

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note	30 June 2023 $	30 June 2022 $
Interest income		45,216	-
Revenue and other income		**45,216**	**-**
Administration expenses		(304,008)	(198,140)
Consultancy expenses		(128,750)	(106,400)
Compliance and regulatory expenses		(88,504)	(64,134)
Employee benefits expense		(327,080)	(277,916)
Fair value loss on financial assets at fair value through profit or loss		-	(77,103)
Share base payment	13	(81,200)	(43,219)
Loss before income tax		**(884,326)**	**(766,912)**
Income tax expense		-	-
Loss for the year		**(884,326)**	**(766,912)**
Other comprehensive income, net of income tax			
Items that may be reclassified subsequently to profit or loss			
Other comprehensive loss for the year, net of income tax		-	-
Total comprehensive loss for the year		**(884,326)**	**(766,912)**
Loss for the year attributable to Owners of Corella Resources Ltd		**(884,326)**	**(766,912)**
Total comprehensive loss for the year attributable to Owners of Corella Resources Ltd		**(884,326)**	**(766,912)**
Loss per share:			
Basic and diluted (cents per share)	21	(0.20)	(0.18)

The above Consolidated Statement of Profit or Loss and other Comprehensive Income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	30 June 2023 $	30 June 2022 $
ASSETS			
Current assets			
Cash and cash equivalents	3	2,418,913	3,275,366
Trade and other receivables	4	59,909	45,553
Other financial assets	5	31,748	31,748
Total current assets		**2,510,570**	**3,352,667**
Non-current assets			
Exploration, evaluation and development expenditure	6	2,068,604	1,103,361
Property, plant and equipment	8	292,378	-
Total non-current assets		**2,360,982**	**1,103,361**
Total assets		**4,871,552**	**4,456,028**
LIABILITIES			
Current liabilities			
Trade and other payables	9	208,998	95,389
Borrowings	10	302	1,071
Total current liabilities		**209,300**	**96,460**
Total liabilities		**209,300**	**96,460**
Net assets		**4,662,552**	**4,359,568**
EQUITY			
Issued capital	11	7,271,084	6,261,867
Reserves	12	448,812	271,019
Accumulated losses		(3,057,644)	(2,173,318)
Total equity		**4,662,252**	**4,359,568**

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Issued capital $	Reserves $	Accumulated losses $	Total $
Balance at 1 July 2021	6,260,067	227,800	(1,406,406)	5,081,461
Loss for the year	-	-	(766,912)	(766,912)
Total comprehensive loss for the year	**-**	**-**	**(766,912)**	**(766,912)**
Issue of ordinary shares from exercise of options	1,800	-	-	1,800
Share based payments – Performance rights *(Note 13 & 15)*	-	43,219	-	43,219
Balance at 30 June 2022	**6,261,867**	**271,019**	**(2,173,318)**	**4,359,568**
Balance at 1 July 2022	6,261,867	271,019	(2,173,318)	4,359,568
Loss for the year	-	-	(884,326)	(884,326)
Other comprehensive loss, net of income tax	-	-	-	-
Total comprehensive loss for the year	**-**	**-**	**(884,326)**	**(884,326)**
Issue of ordinary shares from exercise of options	930	-	-	930
Placement	1,200,000	-	-	1,200,000
Share issue costs *(Note 11 & 14)*	(191,713)	96,593	-	(95,120)
Share based payments – Performance rights *(Note 13 & 15)*	-	81,200	-	81,200
Balance at 30 June 2023	**7,271,084**	**448,812**	**(3,057,644)**	**4,662,252**

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	30 June 2023 $	30 June 2022 $
Cash flows from operating activities			
Payments to suppliers and employees		(789,900)	(654,824)
Interest received		30,994	-
Net cash used in operating activities	3	**(758,906)**	**(654,824)**
Cash flows from investing activities			
Payments for exploration and evaluation expenditure		(910,210)	(751,845)
Payments for property plant & equipment		(292,378)	-
Net cash used in investing activities		**(1,202,588)**	**(751,845)**
Cash flows from financing activities			
Proceeds from issue of equity instruments of the Company		1,200,000	-
Proceeds from exercise of options		930	1,800
Payment for share issue costs		(95,120)	(80,000)
Repayment of borrowings		(769)	(2,543)
Net cash provided by/(used in) financing activities		**1,105,041**	**(80,743)**
Net decrease in cash and cash equivalents		(856,453)	(1,487,412)
Cash and cash equivalents at the beginning of the year		3,275,366	4,762,778
Cash and cash equivalents at the end of the year	3	**2,418,913**	**3,275,366**

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 1. Corporate

The financial report of Corella Resources Ltd ("the Company") and its controlled entities ("the Group" or "Consolidated Entity") for the year ended 30 June 2023 was authorised for issue in accordance with a resolution of the directors on 28 September 2023.

Corella Resources Ltd is a for-profit company limited by shares incorporated and domiciled in Australia whose shares are publicly traded on the Australian Securities Exchange. The nature of the operations and principal activities of the Group are described in the Directors' Report.

Note 2. Basis of Preparation and Accounting Policies

(a) Basis of preparation

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board. The financial report has also been prepared on an accrual basis and is based on historical cost except for available-for-sale investments which are measured at fair value. The presentation currency is Australian dollars.

The Group's principal activities are mineral exploration.

(b) Compliance Statement

The financial report complies with Australian Accounting Standards as issued by the Australian Accounting Standards Board and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

(c) Basis of Consolidation

The consolidated financial statements comprise the financial statements of Corella Resources Ltd ('the Company') and its subsidiaries as at 30 June each year ('the Group').

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the profit or loss from the date the Group gains control until the date the Group ceases to control the subsidiary.

In preparing the consolidated financial statements, all intercompany balances and transactions, income and expenses and profit and losses resulting from intra-company transactions have been eliminated in full.

(d) Parent Information

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

(e) Going concern

This report has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business. The directors have prepared a cash flow forecast which indicates that the Group will have sufficient cash flows to meet all commitments and working capital requirements for the next twelve (12) month period from the date of signing this financial report.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(f) New, revised or amending Accounting Standards or Interpretations adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board "'AASB") that are mandatory for the current reporting period.

(g) New accounting standards and interpretations issued not yet effective

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group as the Group has considered it unlikely for there to be a material impact on the financial statements for the current or future reporting periods

(h) Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, it makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets of the Group and the asset's value in use cannot be estimated to be close to its fair value.

In such cases the asset is tested for impairment as part of the cash generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses are recognised in the profit of loss.

An assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

(i) Trade and Other Receivables

Trade receivables, which generally have 30 day terms, are recognised and carried at original invoice amount less an allowance for any uncollectible amounts.

Assessments of the collectability of trade receivables, including contract retentions are made on an ongoing basis. An allowance account for impaired trade receivables is made when there is objective evidence that the Group will not be able to collect the amounts owed according to the original terms. When a trade receivable is deemed uncollectible for which an impairment allowance has been recognised, it is written off against the allowance account.

Intercompany loans are impaired based on the ability of the subsidiaries to generate future cash flows to repay the loans. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when identified

(j) Cash and Cash Equivalents

Cash and cash equivalents in the statement of financial position include cash on hand, deposits held at call with banks and other short term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown as current liabilities in the statement of financial position. For the purpose of the cash flow statement, cash and cash equivalents consist of cash and cash equivalents as described above and bank overdrafts.

(k) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money, and where appropriate, the risks specific to the liability.

Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(l) Trade and other payables

Liabilities for trade creditors and other amounts are initially measured at fair value of the consideration to be paid in the future for goods and services received that are unpaid, whether or not billed to the Group and subsequently measured at amortised cost using the effective interest rate method.

(m) 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 applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary difference and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance date.
Deferred income tax is provided on all temporary differences at the balance date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.
Deferred income tax liabilities are recognised for all taxable temporary differences except:

- when the deferred income tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

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

- when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the deductible temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each balance date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

(n) Issued Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(o) Earnings per share

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 dividends, by the weighted average number of ordinary shares, adjusted for any bonus elements.

Diluted earnings per share

Diluted earnings per share is calculated as net profit attributable to members of the Company, adjusted for:

- costs of servicing equity (other than dividends);
- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares;

divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus elements.

(p) Goods and services tax

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

Cash flows are presented in the cash flow statement on a gross basis and the GST component of investing and financing activities, which is receivable from or payable to the ATO, are disclosed as operating cash flows.

(q) Financial Assets

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions to the instrument. For financial assets, this is the date that the Company commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component or if the practical expedient was applied as specified in AASB 15.63.

Classification and subsequent measurement

Financial assets recognised by the Company are subsequently measured in their entirety at either amortised cost or fair value, subject to their classification and whether the Company irrevocably designates the financial asset on initial recognition at fair value through other comprehensive income (FVOCI) in accordance with the relevant criteria in AASB 9.

Financial liabilities classified as held-for-trading, contingent consideration payable by the Company for the acquisition of a business, and financial liabilities designated at fair value through profit and loss (FVTPL), are subsequently measured at fair value.

All other financial liabilities recognised by the Company are subsequently measured at amortised cost.

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date that the Company commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value adjusted for transaction costs, except where the instrument is classified as fair value through profit or loss, in which case transaction costs are immediately recognised as expenses in profit or loss.

Trade and other receivables

Trade and other receivables arise from the Group's transactions with its customers and are normally settled within 30 days.

Consistent with both the company's business model for managing the financial assets and the contractual cash flow characteristics of the assets, trade and other receivables are subsequently measured at amortised cost.

Impairment

The Company recognises a loss allowance for expected credit losses on:

- financial assets that are measured at amortised cost or fair value through other comprehensive income;
- exploration and evaluation expenditure:

Loss allowance is not recognised for:

- financial assets measured at fair value through profit or loss; or
- equity instruments measured at fair value through other comprehensive income.

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

The Company uses the following approach to impairment, as applicable under AASB 9: *Financial Instruments*:

- - the simplified approach

Simplified approach

The simplified approach does not require tracking of changes in credit risk at every reporting period, but instead requires the recognition of lifetime expected credit loss at all times. This approach is applicable to:

- - trade receivables or contract assets that result from transactions within the scope of AASB 15: *Revenue from Contracts with Customers* and which do not contain a significant financing component

In measuring the expected credit loss, a provision matrix for trade receivables is used taking into consideration various data to get to an expected credit loss (i.e. diversity of customer base, appropriate groupings of historical loss experience, etc).

Recognition of expected credit losses in financial statements

At each reporting date, the Company recognises the movement in the loss allowance as an impairment gain or loss in the statement of profit or loss and other comprehensive income. The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.

(r) Share based payment transactions

The Group provides benefits to individuals acting as, and providing services similar to employees (including Directors) of the Group in the form of share based payment transactions, whereby individuals render services in exchange for shares or rights over shares ('equity settled transactions').

The cost of these equity settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined by using an option pricing model, taking into account the terms and conditions upon which the instruments were granted.

In valuing equity settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of Corella Resources Ltd('market conditions'). The cost of the equity settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award ('vesting date').

The cumulative expense recognised for equity settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the number of awards that, in the opinion of the Directors of the Group, will ultimately vest. This opinion is formed based on the best available information at balance date. No adjustment is made for the likelihood of the market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. The charge or credit for a period represents the movement in cumulative expense recognised at the beginning and end of the period. No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition.

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

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

The cost of equity-settled transactions with non-employees is measured by reference to the fair value of identifiable goods and services received unless this cannot be measured reliably, in which case the cost is measured by reference to the fair value of the equity instruments granted. The dilutive effect, if any, of outstanding options is reflected in the computation of loss per share.

(s) Exploration and evaluation expenditure

In accordance with AASB 6: Exploration for and Evaluation of Mineral Resources, exploration and evaluation costs incurred are accumulated in respect of each identifiable area of interest. Exploration and evaluation costs are carried forward at cost where the rights of tenure are current and:

(i) such costs are expected to be recouped through successful development and exploration of the area of interest, or alternatively by its sale; or
(ii) exploration activities in the area have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable resources.

Exploration and evaluation assets are assessed annually for impairment in accordance with AASB 6 and where impairment indicators exist, recoverable amounts of these assets will be estimated based on discounted cash flows from their associated cash generating units. An impairment loss is recognised in the statement of profit or loss and other comprehensive income where the carrying values of exploration and evaluation assets exceed their recoverable amounts.

In the event that an area of interest is abandoned or if the directors consider the expenditure to be of reduced value, accumulated costs carried forward are written off in the period in which that assessment is made. Each area of interest is reviewed at the end of each accounting period and accumulated costs are written off to the extent that they will not be recoverable in the future.

(t) 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 will, by definition, seldom equal the related actual results. 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.

Impairment of exploration and evaluation expenditure

Exploration and evaluation expenditure are reviewed for impairment if there is any indication that the carrying amount may not be recoverable. The directors are required to exercise judgement on future events and the likelihood of defining an economic reserve. Assumptions made are altered as exploration and evaluation continues and more information becomes available. Where it is evident that the value of exploration and evaluation expenditure cannot be recovered, the capitalised amount will be impaired through the statement of profit or loss and other comprehensive income.

Environmental Issues

Balances disclosed in the financial statements and notes thereto are not adjusted for any pending or enacted environmental legislation, and the directors understanding thereof. At the current stage of the Company's development and its current environmental impact the directors believe such treatment is reasonable and appropriate.

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 using a hybrid Monte Carlo model or Black Scholes formula taking into account the terms and conditions upon which the instruments were granted.

Impairment

Management is required to make significant judgements concerning future cash flows, including changes in competitive positions, expectations of growth cost of capital and the determination of fair values when assessing the recoverable amounts of assets (or groups of assets). Inputs into these valuations require assumptions and estimates to be made about forecast earnings before interest and tax and related future cash flows, growth rates, applicable discount rates, useful lives and residual values.

The judgements, estimates and assumptions used in assessing impairment are management's best estimates based on current and forecast market conditions. Changes in economic and operating conditions impacting these assumptions could result in changes in the recognitions of impairment changes in future periods.
Additionally, management has identified the following critical accounting policies for which significant judgments, estimates and assumptions are made:

- trade and other receivables, refer note 2(j) and 2(r); and
- recovery of deferred taxes, refer note 2(n).

Actual results may differ from these estimates under different assumptions and conditions and may materially affect financial results or the financial position reported in future periods.

Income tax

The Group is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Group recognises liabilities for anticipated tax audit issues based on the Group's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

(u) Parent entity financial information

The financial information for the parent entity, Corella Resources Ltd, disclosed in Note 19 has been prepared on the same basis as the consolidated financial statements, except as set out below.

Investments in subsidiaries, associates and joint venture entities
Investments in subsidiaries, associates and joint venture entities are accounted for at cost in the parent entity's financial statements. Dividends received from associates are recognised in the parent entity's profit or loss, rather than being deducted from the carrying amount of these investments.

Share-based payments

The grant by the Company of options over its equity instruments to the employees of subsidiary undertakings in the Group is treated as a capital contribution to that subsidiary undertaking. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an increase to investment in subsidiary undertakings, with a corresponding credit to equity.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 3. Cash and Cash equivalents

	2023 $	2022 $
Cash at bank and on hand	2,418,913	3,275,366
	2,418,913	**3,275,366**
Reconciliation to Consolidated Statement of Cashflows:		
Cash at bank and on hand	2,418,913	3,275,366
Balances per Statement of Cashflows	**2,418,913**	**3,275,366**
Reconciliation of loss for the year to net cash flows from operating activities:		
Loss for the year	(884,326)	(766,912)
Non Cash Items		
Share-based payments	81,200	43,219
Fair value adjustment to other financial assets	-	77,103
Movements in working capital		
(Increase) / decrease in receivables	(19,940)	(8,248)
(Increase) / decrease in prepayments	8,732	1,080
Increase / (decrease) in payables	55,428	(1,066)
Net cash outflow from operating activities	**(758,906)**	**(654,824)**

Note 4. Trade and Other Receivables

	2023 $	2022 $
Trade receivables (Current)		
GST receivable	30,801	21,936
Prepayments	14,885	23,617
Interest receivable	14,223	-
	59,909	**45,553**

Current trade receivables are non-interest bearing and are normally settled on 30-day terms. This balance is current receivables incurred on a day to day operational basis and considered unimpaired.

Note 5. Other Financial Assets

	2023 $	2022 $
Held-for-trading financial assets at fair value through profit or loss:		
Australian listed equity securities	31,748	31,748
	31,748	**31,748**

The fair value of listed shares has been determined directly by reference to published price quotations in an active market for identical securities. They are deemed to be Level 1 securities in accordance with the AASB 7 fair value measurement hierarchy and hence there is no subjectivity in relation to their value.

Note 6. Exploration, Evaluation & Development Expenditure

	2023 $	2022 $
Costs carried forward in respect of areas of interest	1,103,361	371,110
Exploration expenditure capitalised	965,243	732,251
Impairment	-	-
	2,068,604	**1,103,361**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 7. Commitments for expenditure

	2023	2022
Exploration expenditure	**$**	**$**
Not longer than one year	333,548	120,666
Two to five years	287,500	293,500
Greater than 5 years	525,250	-
	1,146,298	**414,166**

If the Group decides to relinquish certain leases and/or does not meet these obligations, assets recognised in the consolidated statement of financial position may require review to determine the appropriateness of carrying value. The sale, transfer or farm-out of exploration rights to third parties may reduce or extinguish these obligations.

Note 8. Property, Plant & Equipment

	2023	2022
	$	**$**
Freehold property at cost	292,378	-
	292,378	**-**

During the year the Company acquired Tampu grain bin located ~2.5 km from the Company's flagship Tampu kaolin deposit from grain supply chain co-operative, the CBH Group (Co-operative Bulk Handling Limited). The site consists of a 3,750m^2 (~15,000 tonne) storage shed, bitumen road access, loading facilities, weighbridge, offices with accommodation and excellent mobile coverage, access to 3 phase power and water connections located at the Cnr Bunce Rd & Bimbily Rd, Tampu. The mining storage facility will allow for easy access for storage and transport of the mined product to the end buyer.

Note 9. Trade and Other Payables

	2023	2022
	$	**$**
Trade payables	198,998	64,989
Accruals	10,000	30,400
	208,998	**95,389**

The carrying amounts of trade and other short term payables are non-interest bearing and assumed to be the at their fair values, due to their short term nature.

Note 10. Borrowings

	2023	2022
	$	**$**
Credit facility[1]	302	1,071
	302	**1,071**

[1] Unsecured Credit Card facility of $75,000, bears interest at 15.5% per annum.

Note 11. Issued Capital

	2023	2022
	$	**$**
Fully paid ordinary shares	7,271,084	6,261,867
	7,271,084	**6,261,867**

	2023 No. Shares	2023 $
Fully paid ordinary share capital at 1 July 2022	425,059,883	6,261,867
Issue of ordinary shares from exercise of options	31,000	930
Issue of shares [1]	40,000,000	1,200,000
Less: capital raising costs	-	(191,713)
Closing Balance at 30 June 2023	**465,090,883**	**7,271,084**

[1] Placement of 40,000,000 fully paid ordinary shares to at an issue price of $0.03 per share.

Note 11. Issued Capital (continued)

	2022 No. Shares	2022 $
Fully paid ordinary share capital at 1 July 2021	424,999,883	6,260,067
Issue of ordinary shares from exercise of options	60,000	1,800
Closing Balance at 30 June 2022	**425,059,883**	**6,261,867**

Note 12. Reserves

The share based payment reserve is used to record the value of share based payments provided to directors and employees, including Key Management Personnel and suppliers which are not recorded directly in equity.

	2023 $	2022 $
Share based payments reserve	448,812	271,019
	448,812	**271,019**

Movement in Share based payments reserve:

	2023 $	2022 $
Opening balance	271,019	227,800
Performance Rights expensed (Refer Note 15)	81,200	43,219
Lead manager facilitator options (Refer Note 14)	96,593	-
Closing balance	**448,812**	**271,019**

Note 13. Share Based Payment Expense

During the year, the following share based payments were made and recognised as a share based payments expense in Consolidated Statement of Profit or Loss and Other Comprehensive Income.

	2023 $	2022 $
Performance Rights expensed (Refer Note15)	81,200	43,219
	81,200	**43,219**

Note 14. Options

(a) Options on issue at reporting date

The following options were on issue at reporting date:

Series		Number	Grant date	Grant date fair value	Exercise price	Expiry date	Vesting date
CR9OA	Unquoted	50,000,000	28 April 21	$0.0038	$0.04	28 April 25	Vested
CR9OB	Unquoted	67,166,869	20 April 21	$0.0042	$0.03	20 April 24	Vested
CR9O	Quoted	28,000,000	27 April 23	$0.0121	$0.06	27 April 25	Vested

(b) Options issued during the year

The following options were issued during the year (2022: Nil):

Series		Number	Grant date	Grant date fair value	Exercise price	Expiry date	Vesting date
CR9O	Quoted	28,000,000	27 April 23	$0.0121	$0.06	27 April 25	Vested

20,000,000 free attaching CR9O listed options (exercisable at $0.06, expiring 24 months from issue) issued to placement participants. Placement participants were entitled to one (1) free attaching Option (for every two (2) Shares subscribed under the placement (Nil Value)

In addition to the above, 8,000,000 CR9O listed options (exercisable at $0.06, expiring 24 months from issue) were issued to Lead Manager to the placement as remuneration for services as lead manager.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 14. Options (continued)

(c) Fair value of options granted during the year

The weighted average fair value of the share options granted during the financial year is $0.0121 (2022: Nil).

The fair value of 8,000,000 listed options issued during the year ended 30 June 2023 has been determined using the Black-Scholes option pricing model.

Input	CR9O
Grant date share price	$0.032
Exercise price	$0.060
Expected volatility	98.78%
Option life	2 years
Risk-free interest rate	3.02%
Dividend yield	n/a
Grant Date Fair Value per option	**$0.0121**

(d) Share options exercised during the year

31,000 options were exercised at $0.03 each during the year (2022: 60,000 options exercised at $0.03).

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Note 15. Performance Rights

On 15 December 2021 shareholders approved the grant of Performance Rights to Directors (or their nominees) under the Corella Resources Incentive Performance Rights Plan. The principal terms of the Performance Rights are summarised below:

Class	Performance Condition	Expiry Date
Tranche 1 Performance Rights	**Market Capitalisation - $30M** Tranche 1 Performance Rights will vest on the date that the Company's 14 day volume weighted average share price is equal to or exceeds a market capitalisation of AUD$30,000,000. (**"Tranche 1 Performance Condition"**)	19 December 2024
Tranche 2 Performance Rights	**Market Capitalisation - $40M:** the Tranche 2 Performance Rights will vest on the date that the Company's 14 day volume weighted average share price is equal to or exceeds a market capitalisation of AUD$40,000,000 (**"Tranche 2 Performance Condition"**)	19 December 2024
Tranche 3 Performance Rights	**Market Capitalisation - $50M:** Tranche 3 Performance Rights will vest on the date that the Company's 14 day volume weighted average share price is equal to or exceeds a market capitalisation of AUD$50,000,000 (**"Tranche 3 Performance Condition"**)	19 December 2024

The value of the Performance Rights at grant date was derived using a hybrid Monte Carlo model which takes into account the exercise price and expected life of the instrument, the current share price and its expected volatility, expected dividends and the risk-free interest rate for the expected life of the instrument. The theoretical value ascribed to each Tranche 1, 2 and 3 Performance Right as $0.0295, $0.0269 and $0.0248 respectively.

The total value of Performance Rights expensed for the financial year ended 30 June 2023 was $81,200 (2022:$43,219).

The table below shows the cumulative amount recognised from issue date to 30 June 2023 and the remainder to be expensed over the vesting period:

Director	Cumulative amount recognised	Remainder to be expensed over the vesting period	Total
Anthony Cormack	41,473	39,727	**81,200**
Philip Re	41,473	39,727	**81,200**
Peter Woods	41,473	39,727	**81,200**
Total	**124,419**	**119,181**	**243,600**

The table below shows the class and number of Performance Rights held by each Director as at 30 June 2023:

Director	Tranche 1	Tranche 2	Tranche 3	Total
Anthony Cormack	1,000,000	1,000,000	1,000,000	**3,000,000**
Philip Re	1,000,000	1,000,000	1,000,000	**3,000,000**
Peter Woods	1,000,000	1,000,000	1,000,000	**3,000,000**
Total	**3,000,000**	**3,000,000**	**3,000,000**	**9,000,000**

Each Performance Right converts into 1 fully paid ordinary share upon vesting. As at the date of this report, Tranches 1, 2 and 3 Performance Rights have not yet vested.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 16. Income Tax

(a) Income tax expense

Major component of tax expense for the year	**2023 $**	**2022 $**
Current tax	-	-
Deferred tax	-	-
	-	**-**

(b) Numerical reconciliation between aggregate tax expense recognised in the statement of comprehensive income and tax expense calculated per the statutory income tax rate

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

	2023	2022
Profit / (Loss) from continuing operations before income tax expense	(884,326)	(766,912)
Tax at the group rate of 25.0% (2022: 25.0%)	(221,081)	(191,728)
Other non-deductible expenses	20,782	10,805
Adjustments recognised in the current year in relation to the current tax of previous years	-	14,616
Effect of temporary differences that would be recognised directly in equity	(23,763)	-
Impact from change in tax rate on unrecognised DTAs	-	2,978
Temporary differences not recognised	224,062	163,330
Income tax expense	-	-

(c) Deferred tax

Unused tax losses and temporary differences for which no deferred tax asset or liability has been recognised at 25.0% (2022: 25.0%):

	2023	2022
Liabilities		
Prepayments	(3,721)	(5,904)
Exploration assets	(509,569)	(267,150)
Deferred tax liability not recognised	**(513,290)**	**(273,054)**
Assets		
Financial assets	36,284	36,284
Trade and other payables	2,500	7,600
Employee benefits	1,943	1,850
Other future deductions	52,573	50,345
Unused tax losses	904,074	436,997
Deferred tax asset not recognised	**997,374**	**533,076**
Net deferred tax asset/(liability) not recognised	**484,084**	**260,022**

	2023 $	**2022 $**
Unused tax losses for which no deferred tax asset has been recognised	3,616,296	1,747,988
Potential tax benefit at 25.0% (2022: 25.0%)	904,074	436,997

The benefit for tax losses will only be obtained if:

(i) the Group derives future assessable income in Australia of an amount sufficient to enable the benefit from the deductions for the losses to be realised;

(ii) the Group continues to comply with conditions for deductibility imposed by tax legislation in Australia; and

(iii) no changes in tax legislation adversely affect the Group in realising the benefit from the deductions for the losses.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 17. Related Party Disclosures

Details of the nature and amount of each element of the remuneration of each Director and Executive of the Group for the financial year are as follows:

	2023	2022
	$	$
Short term employee benefits	296,000	281,000
Post-employment benefits	31,080	28,100
Share based payments	81,200	43,219
	408,280	**352,319**

Refer to Audited Remuneration Report for further details.

During the year the Company made payments of $99,000 (2022: $90,000) to Exchange Capital Advisory Pty Ltd, an entity related to Director Philip Re, for accounting, bookkeeping and CFO services. The transactions were made on normal commercial terms and conditions and at market rates.

Apart from the above, there were no other related party transactions during the period other than Directors fees paid to Directors of the Company on normal commercial terms.

Note 18. Subsidiaries

The consolidated financial statements include the financial statements of the Group and the subsidiaries listed in the following table:

	Country of		% Equity Interest	
Name	**Incorporation**	**Principal Activities**	**2023**	**2022**
HPAA Pty Ltd	Australia	Mineral exploration	100%	100%
Tampu Investments Pty Ltd	Australia	Mineral exploration	100%	-

Note 19. Parent Entity Information

The following detailed information related to the parent entity, Corella Resources Ltd, as at 30 June 2023. The information presented here has been prepared using consistent accounting policies as presented in Note 2.

	2023	2022
	$	$
Current Assets	2,442,330	3,322,684
Non-current Assets	2,305,218	1,067,521
Total Assets	**4,747,548**	**4,390,205**
Current Liabilities	85,296	30,637
Non-current Liabilities	-	-
Total Liabilities	**85,296**	**30,637**
Net Assets	**4,662,252**	**4,359,568**
Contributed equity	36,916,349	35,907,132
Reserves	693,495	515,702
Accumulated Losses	(32,947,592)	(32,063,266)
Total Equity	**4,662,252**	**4,359,568**

Note 20. Auditor's Remuneration

	2023	2022
	$	$
Auditor of the Company		
Auditing or reviewing the financial report	27,000	25,750
	27,000	**25,750**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 21. Reconciliation of Earnings / (Loss) Used in Calculating Earnings / (Loss) Per Share

	2023 $	2022 $
Loss used in the calculation of basic earnings per share	(884,326)	(766,912)
	Number of Shares	**Number of Shares**
Weighted average number of ordinary shares for the purposes of basic earnings / (loss) per share[1]	435,936,291	425,001,198
Basic and diluted loss per share (cents per share)	(0.20)	(0.18)

Note 22. Financial Risk Management

Capital risk management:

The Group's objectives when managing capital are to safeguard their ability to continue as a going concern, so that it can continue to provide returns to shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may return capital to shareholders, issue new shares or sell assets.

Financial instruments:

The Group holds the following financial instruments:

	2023 $	2022 $
Financial assets		
Cash and cash equivalents (including restricted cash) and other financial assets	2,418,913	3,275,366
Trade and other receivables	45,024	21,936
Other financial assets	31,748	31,748
	2,495,685	**3,329,050**
Financial liabilities		
Trade and other payables	208,998	95,389
Borrowings	302	1,071
	209,300	**96,460**

Financial risk management objectives:

The Group is exposed to market risk (including currency risk, fair value interest rate risk, equity price risk and commodity risk), credit risk, liquidity risk and cash flow interest risk. Exposure limits are reviewed by management on a continuous basis. The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

Interest rate risk:

Exposure to interest rate risk arises on cash and term deposits recognised at reporting date whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. As this is not considered a significant risk for the Group, no policies are in place to formally mitigate this risk.

Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for non-derivative instruments at the end on the reporting period. If interest rates had been 100 basis points higher/lower and all other variables were held constant, the decrease/increase in the Group's loss for the year ended 30 June 2023 would be immaterial.

Note 22. Financial Risk Management (continued)

Credit risk management:

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group only invests with entities that are rated the equivalent of investment grade and above. This information is supplied by independent rating agencies where available and, if not available, the Group uses publicly available financial information and its own trading record to rate its major customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored, and the aggregate value of transactions conducted is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by management on a continuous basis.

The Group does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

The carrying amount of financial assets recorded in the financial statements, net of any allowance for losses, represents the Group's maximum exposure to credit risk without taking account of the value of any collateral obtained. The Group's maximum exposure to credit risk is limited to the carrying value of the financial assets, net of any provisions for doubtful debts, as disclosed in the statement of financial position and notes to the financial statements. The Group does not have any material credit risk to any single debtor group or group of debtors under financial arrangements entered into by the Group.

The maximum exposure to credit risk at the reporting date was:

	2023	2022
	$	$
Trade and other receivables	45,024	21,936
	45,024	**21,936**

There are no derivative contracts in place (2022: nil).

Equity price risk:

The Group's listed equity securities are susceptible to market price risk arising from uncertainties about future values of the securities. Reports on the equity securities are submitted to the Board on a regular basis. The Board reviews and approves all equity investment decisions.

The exposure to equity price risk at the reporting date was:

	2023	2022
	$	$
Listed equity securities	31,748	31,748
	31,748	**31,748**

The sensitivity analysis below has been determined based on a 50% change in the price of the equity securities, with all other variables held constant, profit/(loss) would have been affected as follows:

	2023	2022
	$	$
Profit/(loss)		
+ 50% change in price of equity securities	15,874	15,874
- 50% change in price of equity securities	(15,874)	(15,874)

Liquidity risk management:

Ultimate responsibility for liquidity risk management rests with the Board, who has built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves and had access to $2.42 in cash and deposits as at 30 June 2023 (2022: $3.28M). The Group continuously monitors forecast and actual cash flows.

The following table details the expected maturity of the Group's financial liabilities based on the earliest date of maturity or payment respectively:

	2023	2022
	$	$
Within one year	209,300	96,460
Between one and five years	-	-
	209,300	**96,460**

Fair value:

The fair values of all monetary financial assets and liabilities approximate their carrying values. The aggregate fair values and carrying amounts of financial assets and liabilities are disclosed in the Statement of Financial Position and in the notes to and forming part of the financial statements.

Note 23. Company details

The registered office and principal place of business is Level 1, 40 Subiaco Square Road, SUBIACO WA 6008.

Note 24. Events after reporting date

Subsequent to year end, the Company announced a Mineral Resource upgrade of the Tampu deposit completed by independent consultants CSA Global. The Mineral Resource upgrade delivered an upgraded 24.7Mt deposit suitable for HPA feedstock.

In addition to the above, the Company appointed well regarded international mining executive Ms Jess Maddren as the Company's Chief Executive Officer. The Company issued Ms Maddren 3,000,000 unlisted employee performance rights expiring 3 years from the date of issue as part of her remuneration. Each performance right entitles the holder to subscribe for one FPO share upon exercise (exercise price nil) of the performance right, subject to various performance and vesting conditions.

Other than as discussed above, 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.

DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of Corella Resources Ltd:

1. In the Directors' opinion, the financial statements and accompanying notes set out on pages 25 to 40 are in accordance with the Corporations Act 2001 and:

    a) comply with Australian Accounting Standards and the Corporations Regulations 2001; and
    b) give a true and fair view of the Group's financial position as at 30 June 2023 and of its performance for the year ended on that date;

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

3. The remuneration disclosures included in pages 12 to 16 of the directors' report (as part of the audited Remuneration Report), for the year ended 30 June 2023, comply with section 300A of the Corporations Act 2001; and

4. The Directors have been given the declarations by the Chief Executive Officer (or equivalent) and Chief Financial Officer required by section 295A of the Corporations Act 2001.

On behalf of the Board

Philip Re
Chairman
Perth, Western Australia
28 September 2023

Criterion Audit Pty Ltd

ABN 85 165 181 822

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Suite 2, 642 Newcastle Street
LEEDERVILLE WA 6007

Phone: 9466 9009

Independent Auditor's Report

To the Members of Corella Resources Ltd

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Corella Resources Ltd ("the Company"), and its controlled entities ("the Consolidated Entity") which comprises the consolidated statement of financial position as at 30 June 2023, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion:

a. the accompanying financial report of Corella Resources Ltd is in accordance with the *Corporations Act 2001*, including:

   i. giving a true and fair view of the Consolidated Entity'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 Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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

Key Audit Matters

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

Key audit matter	How our audit addressed the key audit matter

Exploration and Evaluation Expenditure – $2,068,604 (Refer to Note 6)
 	
Exploration and evaluation is a key audit matter due to:
• The significance of the balance to the Consolidated Entity's financial position.
• The level of judgement required in evaluating management's application of the requirements of AASB 6 *Exploration for and Evaluation of Mineral Resources*. AASB 6 is an industry specific accounting standard requiring the application of significant judgements, estimates and industry knowledge. This includes specific requirements for expenditure to be capitalised as an asset and subsequent requirements which must be complied with for capitalised expenditure to continue to be carried as an asset.
• The assessment of impairment of exploration and evaluation expenditure being inherently difficult.
	Our procedures included, amongst others:
	
	• Assessing management's determination of its areas of interest for consistency with the definition in AASB 6. This involved analysing the tenements in which the Consolidated Entity holds an interest and the exploration programmes planned for those tenements.
	• For each area of interest, we assessed the Consolidated Entity's rights to tenure by corroborating to government registries and evaluating agreements in place with other parties as applicable.
	• We tested the additions to capitalised expenditure for the year by evaluating a sample of recorded expenditure for consistency to underlying records, the capitalisation requirements of the Consolidated Entity's accounting policy and the requirements of AASB 6.
	• We considered the activities in each area of interest to date and assessed the planned future activities for each area of interest by evaluating budgets for each area of interest.
	• We assessed each area of interest for one or more of the following circumstances that may indicate impairment of the capitalised expenditure:
	    • the licenses for the right to explore expiring in the near future or are not expected to be renewed;
	    • substantive expenditure for further exploration in the specific area is neither budgeted or planned
	    • decision or intent by the

	Consolidated Entity to discontinue activities in the specific area of interest due to lack of commercially viable quantities of resources; and • data indicating that, although a development in the specific area is likely to proceed, the carrying amount of the exploration asset is unlikely to be recovered in full from successful development or sale. • We assessed the appropriateness of the related disclosures in the financial statements.
Share-based payments (Refer to Note 13 and Note 15) Share-based payments is a key audit matter due to: • The significance of the balance to the Consolidated Entity's financial performance and position. • The level of judgement required in evaluating management's application of the requirements of AASB 2 Share-based Payment which requires the application of significant judgements and estimates.	Our procedures included, amongst others: • Verifying the key terms of the share based payments in respect of the granting of options and performance rights over the shares for rendering of services by directors, employees and contractors. • Assessing the fair value calculation of options and performance rights granted by checking the accuracy of the inputs to the respective pricing model adopted for that purpose. • Testing the accuracy of the amortisation of share-based payments over the vesting period and the recording of an expense in the statement of profit or loss and an increment to the share based payment reserve. • We assessed the appropriateness of the related disclosures in the financial statements.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Consolidated Entity'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 Consolidated Entity 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 Consolidated Entity 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 the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Consolidated Entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Consolidated Entity'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 Consolidated Entity to cease to continue as a going concern.

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

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

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

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2023.

In our opinion, the Remuneration Report of Corella Resources Ltd, 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 s 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Criterion Audit

CRITERION AUDIT PTY LTD

CHRIS WATTS CA
Director

DATED at PERTH this 28th day of September 2023

ADDITIONAL ASX INFORMATION

The following additional information is required by the Australian Securities Exchange in respect of ASX listed public companies and is current as at 5 September 2023.

Fully Paid Ordinary Shares
The Company has 465,090,883 ordinary fully paid shares on issue, held by 2,097 shareholders. Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.

Distribution of Shareholders	Number of Holders	Number of Shares	% Issued Share Capital
1 – 1,000	424	198,732	0.04%
1,001 – 5,000	415	999,705	0.21%
5,001 – 10,000	125	1,050,320	0.23%
10,001 – 100,000	715	29,620,224	6.37%
100,001 – and over	418	433,221,902	93.15%
Total	**2,097**	**465,090,883**	**100.00%**

Based on share price of $0.028 there were 1,122 holders of ordinary shares, with a combined total of 4,390,568 ordinary shares, holding less than a marketable parcel which amounts to 0.81% of the shares on issue.

Quoted Options

The Company had 28,000,000 listed options (exercisable at $0.06 each on or before 27 April 2025) on issue as at 5 September 2023 held by 45 holders.

Distribution of Option Holders	CR9O		
	Number of Holders	Number of Options	% Issued Capital
1 – 1,000	-	-	-
1,001 – 5,000	-	-	-
5,001 – 10,000	-	-	-
10,001 – 100,000	6	381,168	1.36%
100,001 – and over	39	27,618,832	98.64%
Total	**45**	**28,000,000**	**100.00%**

Options do not carry a right to vote.

Unquoted Options
The following unlisted options were on issue as at 5 September 2023:

CR9OA - 50,000,000 unlisted options exercisable at $0.04 each on or before 28 April 2025 held by 3 option holders; and
CR9OB - 67,166,869 unlisted options exercisable at $0.03 each on or before 20 April 2024 held by 273 option holders.

Distribution of Option Holders	CR9OA			CR9OB		
	Number of Holders	Number of Options	% Issued Capital	Number of Holders	Number of Options	% Issued Capital
1 – 1,000	-	-	-	56	27,845	0.04%
1,001 – 5,000	-	-	-	69	193,724	0.29%
5,001 – 10,000	-	-	-	40	320,851	0.48%
10,001 – 100,000	-	-	-	60	2,204,486	3.28%
100,001 – and over	3	50,000,000	100.00%	48	64,419,963	95.91%
Total	**3**	**50,000,000**	**100.00%**	**273**	**67,166,869**	**100.00%**

Holders with greater than 20% of issued CR9OA unlisted options:

Holder Name	Holding	% IC
CELTIC CAPITAL PTY LTD <CELTIC CAPITAL NO 2 A/C>	33,333,333	66.67%
CELTIC CAPITAL PTY LTD <INCOME A/C>	11,666,667	23.33%

There are nil holders with greater than 20% of issued CR9OB unlisted options.

Options do not carry a right to vote.

On-Market Buy Back
There is currently no on-market buy back.

Restricted Securities
The Company has no restricted securities on issue as at 5 September 2023.

The following securities become unrestricted during the year:

Class	Number of Securities	Escrow Period
Fully Paid Ordinary Shares	109,000,000	Expired 28 April 2023
Unlisted $0.04 Options	50,000,000	Expired 28 April 2023
Unlisted $0.03 Options	24,455,157	Expired 28 April 2023

Use of Funds
The Company was re-admitted to the official list of ASX on 28 April 2021 following completion of an IPO raising $5 million. The Company has used the cash and assets readily convertible to cash that it had at the time of re-admission in a way consistent with its business objectives.

Substantial Shareholders as at 5 September 2023

The Company is not aware of any substantial shareholder from the register, or who have notified the Company in accordance with Section 671B of the Corporations Act.

Top 20 Shareholders – Ordinary Shares as at 5 September 2023

Position	Name	Number of Ordinary Fully Paid Shares Held	% of Issued Ordinary Capital Held
1	CELTIC CAPITAL PTY LTD <THE CELTIC CAPITAL A/C>	15,000,000	3.23
2	MR ANTHONY STEPHEN CORMACK	14,929,091	3.21
3	MR JULIAN RODNEY STEPHENS <ONE WAY A/C>	12,909,091	2.78
4	MS KATHERINE GAYE MACPHERSON	12,500,000	2.69
5	HEKIMA PTY LTD <OCEAN TRUST A/C>	12,500,000	2.69
6	YUAN BY YUAN CAPITAL PTY LTD <YO YO TRADING TRUST A/C>	12,500,000	2.69
7	JINDABYNE CAPITAL PTY LTD <PROVIDENCE EQUITY A/C>	12,500,000	2.69
8	HIGH CONVICTION HOLDINGS PTY LTD <SMITH FAMILY A/C>	11,740,011	2.52
9	IONIAN HOLDINGS PTY LTD	10,000,000	2.15
10	CHEMBANK PTY LIMITED <CABAC SUPER FUND A/C>	9,666,667	2.08
11	BLACKBIRD CAPITAL PTY LTD <BLACKBIRD A/C>	9,500,000	2.04
12	SUPERHERO SECURITIES LIMITED <CLIENT A/C>	8,901,059	1.91
13	MR SAMUEL RADFORD MOYLE <SAM MOYLE FAMILY TRUST A/C>	8,060,606	1.73
14	MR DYLAN JENSEN <BLENCOWE INVESTMENT A/C>	8,060,606	1.73
15	MR SIMON WILLIAM VINCENT <S VINCENT FAMILY A/C>	8,060,606	1.73
16	HIGH CONVICTION HOLDINGS PTY LTD <SMITH FAMILY A/C>	6,500,000	1.4
17	MARNAE INVESTMENTS PTY LTD <MARNAE INVESTMENT A/C>	6,324,244	1.36
18	QUANTUM HOLDINGS PTY LTD <PETER WOODS SUPERFUND A/C>	6,300,000	1.35
19	MR JASON BRADLEY WHELAN <WHELAN FAMILY A/C>	6,222,409	1.34
20	MRS LEE CAROLYN TAN + MR HENRY AIK GHEE TAN <THE LEE & HENRY TAN S/F A/C>	5,913,500	1.27
	Total	**198,087,890**	**42.59%**
	Total Ordinary Fully Paid on Issue	**465,090,883**	**100.00%**

Top 20 Option holders – CR9O Listed Options as at 5 September 2023

Position	Name	Number of Opions Held	% of Issued Capital Held
1	HIGH CONVICTION HOLDINGS PTY LTD <SMITH FAMILY A/C>	5,505,504	19.66
2	MR CONOR DALEY	5,216,667	18.63
3	CHEMBANK PTY LIMITED <CABAC SUPER FUND A/C>	3,333,333	11.9
4	HEAGRA PTY LIMITED <GS & HR CAMPBELL SF A/C>	2,000,000	7.14
5	MRS ROBINA ELIZABETH SCHATTIGER	1,500,000	5.36
6	RAGING BULL 1 PTY LIMITED <RAGING BULL SUPER FUND A/C>	1,083,333	3.87
7	CROSSBAY PTY LTD	833,333	2.98
8	MR JASON MARK AZZOPARDI	500,000	1.79
9	MR COLIN NEIL TOUGH	500,000	1.79
10	MR GLEN GEOFFREY WALLACE	466,667	1.67
11	MR SHANE PATCHING	460,000	1.64
12	RIYA INVESTMENTS PTY LTD	460,000	1.64
13	MR DARRYL GREGOR ABOTOMEY	450,000	1.61
14	LENNOX INVESTMENTS PTY LTD <FOX FAMILY A/C>	416,667	1.49
15	PKT SPRINGBROOK PTY LTD <SPRINGBROOK FAMILY A/C>	383,333	1.37
16	SAFINIA PTY LTD	333,333	1.19
17	MR ARJUN PARAMASIVAM	268,333	0.96
18	SPINERGY CAPITAL PTY LTD	250,000	0.89
19	CONSULTING AND CONTRACTING PTY LTD	233,333	0.83
20	MR MICHAEL MCKENZIE <IN GRACE AND CHARLOTTE A/C>	230,000	0.82
	Total	**24,423,836**	**87.23**
	Total Options on Issue	**28,000,000**	**100.00%**

SCHEDULE OF TENEMENTS HELD AT BALANCE SHEET DATE

Project	Tenement	Ownership	Area (km^2)	Status	Titleholder[1]
Tampu	E 70/5214	100%	65 km^2	Granted	HPAA Pty. Ltd.
Tampu	E 70/5235	100%	15 km^2	Granted	HPAA Pty. Ltd.
Tampu	E 70/5744	100%	88 km^2	Granted	HPAA Pty. Ltd.
Tampu	E 70/5882	100%	506 km^2	Granted	HPAA Pty. Ltd.
Tampu	E 70/5883	100%	88 km^2	Granted	HPAA Pty. Ltd.
Wiltshire	E 70/5216	100%	36 km^2	Granted	HPAA Pty. Ltd.
Kalannie	E 70/5215	100%	32 km^2	Granted	HPAA Pty. Ltd.
Bonnie Rock	E 70/5665	100%	70 km^2	Granted	HPAA Pty. Ltd.

[1] HPAA Pty. Ltd. is a wholly owned subsidiary or Corella Resources Ltd.

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