



**GREEN CRITICAL MINERALS LIMITED**  
**(FORMERLY CHASE MINERALS CORPORATION LIMITED)**

**ANNUAL REPORT 2023**

ABN 12 118 788 846

For personal use only

# GREEN CRITICAL MINERALS LIMITED

ABN 12 118 788 846

## Annual Report – 30 June 2023

Corporate directory	3
Directors' report	4
Directors and Company Secretary	
Principal activities	
Dividends	
Review of operations	
Significant changes in the state of affairs	
Events since the end of the financial year	
Likely developments and expected results of operations	
Environmental regulation	
Information on Directors	
Meetings of Directors	
Remuneration report	
Shares under option	
Insurance of officers and indemnities	
Proceedings on behalf of the Company	
Non-audit services	
Auditor's independence declaration	27
Corporate governance statement	28
Financial report	29
Directors' declaration	70
Independent auditor's report to the members	71
Shareholder information	76
Additional information – Tenement list	78

For personal use only

## Corporate directory

<b>Directors</b>	Leon Pretorius Charles Thomas Christopher Zielinski	Executive Chairman Non-Executive Director Non-Executive Director
<b>Company Secretary</b>	Anna MacKintosh	
<b>Principal registered office in Australia</b>	349 Hay Street Subiaco WA 6008	
<b>Share register</b>	Link Market Services Limited Level 21 10 Eagle Street, Brisbane, QLD, 4000, Australia <a href="http://www.linkmarketservices.com.au">www.linkmarketservices.com.au</a>	
<b>Auditor</b>	Nexia Brisbane Audit Pty Ltd Level 28, 10 Eagle Street Brisbane QLD 4000 <a href="http://www.nexia.com.au">www.nexia.com.au</a>	
<b>Bankers</b>	National Australia Bank	
<b>Stock exchange listing</b>	Green Critical Minerals Limited shares are listed on the Australian Securities Exchange (ASX) under the code GCM.	
<b>Website address</b>	<a href="https://www.gcminerals.com.au">https://www.gcminerals.com.au</a>	

For personal use only

## Directors' report

Green Critical Minerals Limited ("the Company" or "GCM" formally Chase Mining Corporation Limited) is an Australian Company listed on the Australian Securities Exchange Limited (ASX) with code GCM. The Company and its wholly owned subsidiaries collectively form a consolidated group ("Group").

The Directors present their report together with the financial statements of the Company and Group for the year ended 30 June 2023 and the auditor's report thereon.

## Directors and Company Secretary

The following persons were Directors of Green Critical Minerals Limited during the whole of the financial year and up to the date of this report:

Leon Pretorius  
Charles Thomas  
Christopher Zielinski – appointed 21 March 2023  
Julian Atkinson – resigned 21 March 2023

Anna MacKintosh was appointed to the position of Company Secretary on 3 May 2023 replacing Suzanne Yeates who resigned.

## Principal Activities

The principal activities of the Group during the financial year were:

- (a) the carrying out of exploration activities on its mineral exploration tenements; and
- (b) assessing other business development and research opportunities associated with the minerals industry.

There were no significant changes in the principal activities during the year.

## Dividends

No dividends have been paid or declared by the Company since the end of the previous financial period, and no dividend will be paid for the current financial year.

## Review of Operations

### Projects and Activities

#### AUSTRALIA

#### Mcintosh Graphite Battery Minerals Project

The Shareholders meeting conducted in October 2022 approved the acquisition of Green Critical Minerals Pty Ltd which has the right to acquire up to 80% of the graphite rights for the advanced McIntosh Graphite Project in WA.

Located in Halls Creek, Western Australia, McIntosh Graphite Project is believed to be the third largest ASX listed graphite project in Australia. It contains a combined JORC 2012 Mineral Resource estimate total of 23.8 million tonnes at 4.45% total contained graphite, of which 81% is classified in the higher confidence indicated category (see below for details of the individual categories), with over 40,000m of graphite targeted drilling on the project to date and extensive metallurgical test work completed.

For personal use only

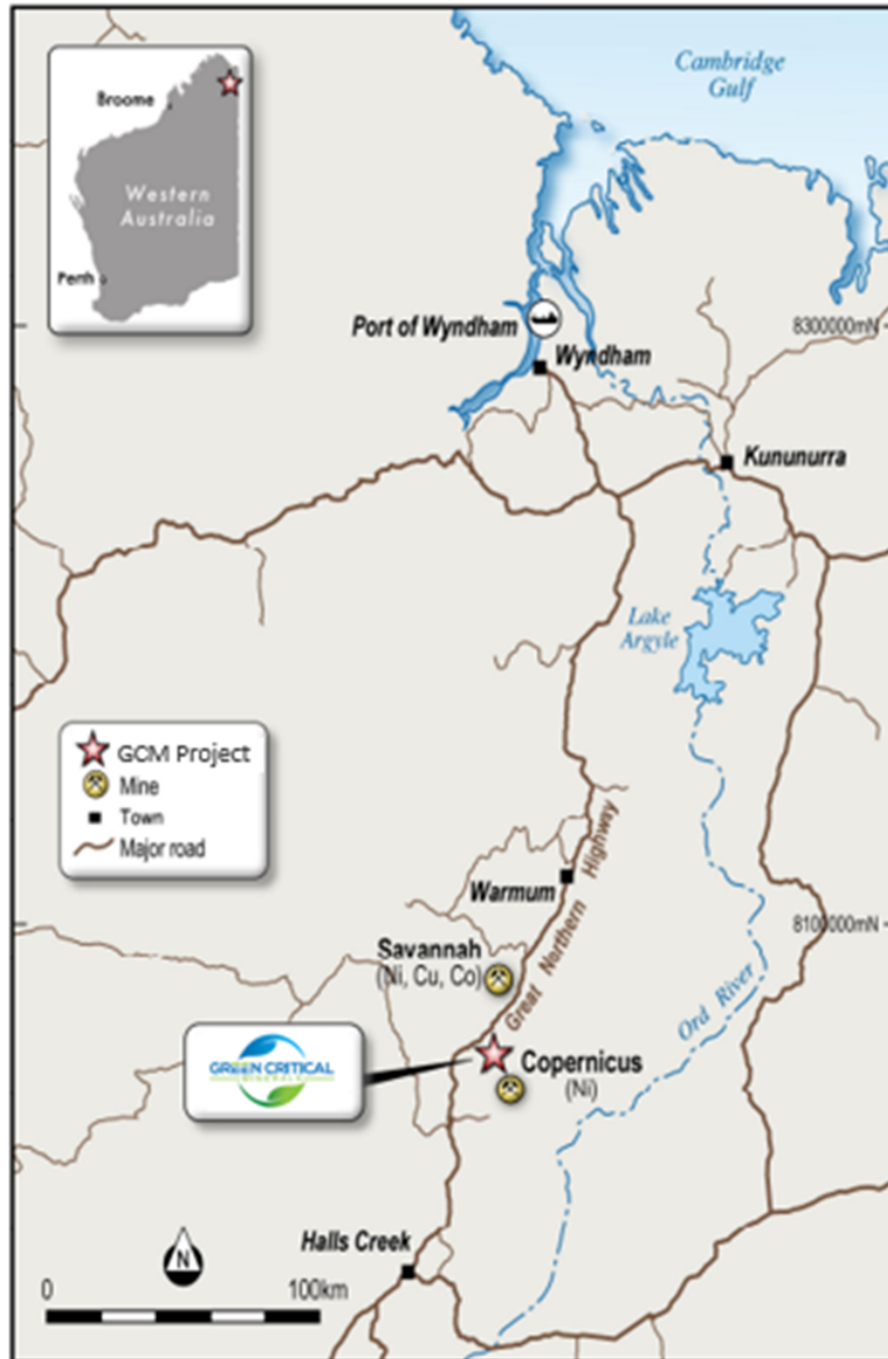


Figure 1 – McIntosh Graphite Project Location

McIntosh graphite is a unique, graphite project with extremely low impurities and exceptional “low cost and high yield” downstream processing attributes with the potential to produce high quality graphite products into a diverse range of premium end-use markets.

The Company and its Consultants completed an update of the McIntosh Graphite Project’s Exploration Target. This was released in an ASX Announcement on 07 March 2023.

The Company awarded the McIntosh graphite upstream process (concentrate) PFS to leading WA based engineering consulting firm GR Engineering (ASX Announcement 08 March 2023).

Initial results from petrographic analysis at the McIntosh Graphite Project, confirmed that 4 out of 6 exploration target areas have an average flake size between 75-150 µm, which is the desired flake size starting point to make Spherical Graphite (SPG) for Battery anode material.

GCM conducted its maiden drill programme at the McIntosh graphite project to test the 5 priority targets, which consist of ~10,500m of RC drilling (130 holes). The drilling commenced late May 2023. Diamond drilling for metallurgical test work then followed.

Green Critical Minerals Ltd provided a drilling update (ASX announcement dated 14 June 2023) that it had intersected thick graphitic schist in some of the first holes drilled at priority targets.

Thick units of graphitic schist have been observed by on-site geologists in the first three drillholes completed at the Sturgeon Target. Graphite mineralisation is interpreted to form bands concordant with foliation in the schist. The abundance of mineralisation in each 1m interval has been estimated based on visual observations recorded by the onsite geologist and has been classified as weak, moderate, or strong (See Table 1).

The Sturgeon target (Refer Figure 1) has yielded impressive results, with drill holes intersecting up to 96m of Graphitic Schist. Through interpretation of the data, it has been determined that the entire package of Graphitic Schist has a true width of approximately 150 meters. The "true width" refers to the measurement of the mineralised zone perpendicular to the drill hole, providing a more accurate representation of the mineralisation's extent.

The mineralisation found in the Graphitic Schist at Sturgeon demonstrates a shallow dipping nature. This characteristic suggests that the mineralisation could potentially be extracted through open-pit mining methods.

Figure 2 shows the first three (3) holes drilled on a section at the southern end of the Sturgeon Exploration Target (refer to plan view of collars on Figure 3). Hole GCM23R011 drilled through 96m of graphitic schist. The true width of the overall graphitic schist package here is interpreted to be about 150m wide.

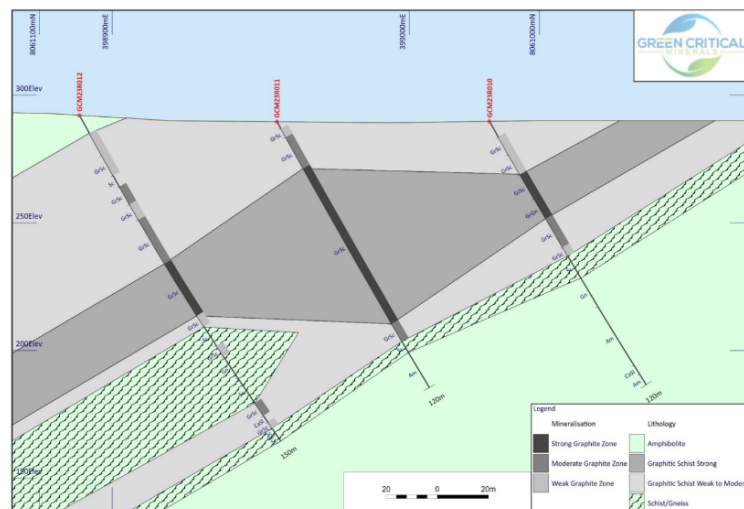


Figure 2 – Schematic cross section showing visual graphite observations at the Sturgeon Target

Samples were sent to ALS in Perth, WA, for processing and analysis. The Company expects final assay results to be returned shortly.

The Company cautions that visual estimates of mineral abundance should never be considered a proxy or substitute for laboratory analyses where concentrations or grades are the factor of principal economic interest. Visual estimates also potentially provide no information regarding impurities or deleterious physical properties relevant to valuations.

Table 1

Hole ID	From (m)	To (m)	Interval* (m)	Geology	Visual Graphite Mineralisation**
GCM23R010 GDA 94 Z 52 8061010 N 399027 E 120° Azimuth -60° Dip EOH 120 m	7	15	8	Graphitic Schist	Weak 1-3% Graphite
	15	24	9	Graphitic Schist	Weak 1-3% Graphite
	24	35	11	Graphitic Schist	Strong 5-8% Graphite
	35	44	9	Graphitic Gneiss	Strong 5-8% Graphite
	44	57	13	Graphitic Schist	Moderate 3-5% Graphite
	57	61	4	Graphitic Schist	Weak 1-3% Graphite
GCM23R011 GDA 94 Z 52 8061050 N 398954 E 120° Azimuth -60° Dip EOH 120 m	3	7	4	Graphitic Schist	Weak 1-3% Graphite
	7	21	14	Graphitic Schist	Moderate 3-5% Graphite
	21	91	70	Graphitic Schist	Strong 5-8% Graphite
	91	99	8	Graphitic Schist	Moderate 3-5% Graphite
GCM23R012 GDA 94 Z 52 8061092 N 3398889 E 120° Azimuth -60° Dip EOH 150 m	8	18	10	Graphitic Schist	Weak 1-3% Graphite
	18	27	9	Graphitic Schist	Weak 1-3% Graphite
	32	40	8	Graphitic Schist	Moderate 3-5% Graphite
	40	47	7	Graphitic Schist	Weak 1-3% Graphite
	47	67	20	Graphitic Schist	Moderate 3-5% Graphite
	67	91	24	Graphitic Schist	Strong 5-8% Graphite
	91	96	5	Graphitic Schist	Weak 1-3% Graphite
	105	110	5	Graphitic Schist	Weak 1-3% Graphite
	132	138	6	Graphitic Schist	Moderate 3-5% Graphite
141	144	3	Graphitic Schist	Weak 1-3% Graphite	

For personal use only

*\* The reported intersections are down hole lengths and are not necessarily true width.*

*\*\*Visual estimates are estimates of mineral abundance and should not be read as grade.*

### **Sally Downs Option Agreement**

The Company announced on 7 June 2023, that it had executed a term sheet for the option to acquire the Sally Downs tenement package from Panamulet Resources Pty Ltd.

A summary of the material terms of the option term sheet are as follows:

- \$25,000 deposit for 45-day exclusive option period for further due diligence;
- The Company may (at its sole discretion) extend the option period for a further period of 45 days by providing the vendor a non-refundable extension fee of \$25,000;
- \$325,000 cash consideration (less the deposit and less the extension fee, if applicable) to the vendor (and/or its nominees) at completion of the acquisition ;
- \$175,000 no later than 6 months from the execution date of the option term sheet
- Total acquisition cost \$500,000.

The Sally Downs tenement package is considered to have similar potential to GCM's McIntosh Project. Due Diligence work continues.

### **Torrington Minerals (NSW) Project**

The Torrington project (100% GCM ownership) located in the New England Orogeny of NSW, encompasses almost the entire Torrington Pendant, a metasedimentary roof pendant within the Mole Granite.

Diamond core samples from hole TOR001C drilled in 2017 were re-examined and two samples collected from the remaining stored sawn half core were submitted for lithium analysis, returning significant Li<sub>2</sub>O grades of 0.35% and 0.45%. This grade range and mineralization style are strikingly similar to the San Jose lithium deposit (ASX INF) which is Europe's second-largest hard rock lithium deposit. This correlation raises our confidence in the newly recognised lithium potential of the Torrington Project.

Lithium bearing metasediments have been discovered to occur within the metasedimentary rocks overlying the granite. Diamond core has been re-sampled from hole TOR001C and returned Li<sub>2</sub>O grades of 0.35% and 0.43%. This is a similar grade range and style of mineralisation to the San Jose lithium deposit (ASX INF). Europe's second largest Hard Rock Lithium deposit.

The infiltration of granite-derived Lithium and Fluorine rich aqueous fluids into the metasedimentary host rocks through fractures related to shearing is the cause of the formation of Li-rich micas.

A review of the geology at the Torrington project indicates that these lithium rich sediments occur as bands up to 10m thick within the high-grade tungsten rich Silixite orebodies. Pipes of Lithium and tungsten rich bearing pegmatites are also noted to intrude the sedimentary sequence.

Neighbours include Fortescue Metals Group who recently acquired ground adjacent to and around the mineralised granite intrusive bodies.

Lithium has been noted in several historical reports related to the Mole Granite to be hosted within the mica mineral Zinnwaldite. Processing lithium from Zinnwaldite has economic advantages compared to spodumene.



The potential now is for a Multi Commodity resource with three Critical Minerals, Lithium, Tungsten and Bismuth all in one deposit.

### **Strategic investment in Red Fox Resources**

In late 2020, GCM invested A\$600,000 to become a 40% shareholder in the private Queensland focused advanced exploration Company Red Fox Resources Pty Limited (Red Fox). GCM's shareholding in Red Fox reduced to 30.4% after the GCM Board decided not to participate in a capital raising in late June 2022. Red Fox has continued with surface geochemical sampling and geological mapping over several of its projects.

Red Fox were again successful in its application for QLD government assisted funding for drilling on two of its projects. Red Fox completed a drilling program of 5 holes at the Everleigh Zinc Project. Four holes returned significant but sub-economic zinc mineralisation. Best results of 3m @ 3% Zn was intersected in EVDD2202. Zones of up to 21m of zinc mineralisation were intersected however the controls on mineralisation are not understood.

Further information on Red Fox and its activities can be found on its website:

<http://www.redfoxresources.net.au>

### **North Barkly Project**

A compilation of previous work and an interpretation of the GCM modelled GA magnetics and gravity surveys has demonstrated that the project area lies along the faulted margin of the Beetaloo sub basin, in a structural setting that is shared with the major base metal sediment and breccia hosted deposits in this province, e.g. McArthur River, Walford, and Mount Isa. There has been little prior mineral exploration in the Beetaloo sub basin, because of the extensive but relatively thin cover.

The thick base and rare metal anomalism in cover and in stream sediments to the north is interpreted to be sourced in the Beetaloo basin margin fault zones, which are recognisable as linear magnetic features parallel to the basin margin. The largest one of these magnetic features was drilled by CRA as a diamond prospect. In that hole, RK2, the Beetaloo basin sediments under 4m of cover, exhibited local IOCG haematite magnetite silica sulphide alteration, intensifying to the end of the hole at 290m (see ASX Announcement 14 February 2023).

The peak area of cover anomalism (REE Cu Pb Bi Sb Mo In W Te Au As) in the Geoscience Australia NAGS sampling programme was detected around the area drilled by BHP in 1994, and is referred to by GCM as the MD1A prospect. Locally, the modelled magnetics and the BHP drillhole geology indicates that the main Beetaloo basin margin fault underlies the geochemical peak, with the volcanic rocks being in contact with mineralised (MD1A logs) dolomitic sediments.

This juxtaposition of volcanics and mineralised dolomitic sediments is the location of the highest grades and the copper cobalt zones at Mount Isa and Walford Creek.

The GCM North Barkly Project has the strongest geochemistry, the shallowest cover, the most favourable geology, and the largest most numerous targets of all in the Barkly region.

During late May / early June, 208 wide spaced samples (10 were duplicates) were collected with helicopter assistance during late May, extending geochemical coverage over all three granted Exploration Licences. The samples were sieved to 75 microns and analysed at the laboratory, using the same methods as for the rain interrupted 2022 sampling programme (see ASX Announcement 3 January 2023).

The sampling was primarily designed to better define the Geoscience Australia > 200 ppm rare earths trend which extends for some 90 kilometres through the granted ELs, and a further 100km, within the adjacent GCM applications. GCM interprets this trend as reflecting an ionic rare earths deposit of very large size.

Additionally, the samples were analysed for gold, silver, copper, lead, and zinc as well as other indicator elements such as tellurium, tungsten molybdenum indium and arsenic, as the Geoscience Australia (GA) and GCM 2022 sampling indicated these are also anomalous in the central part of the project area, which is geologically favourable for concealed major base and precious metal deposits. Results were positive, outlining large scale rare earths, IOCG and base metals targets confirmed at North Barkly by geochemical survey results (ASX Announcement 17 July 2023).

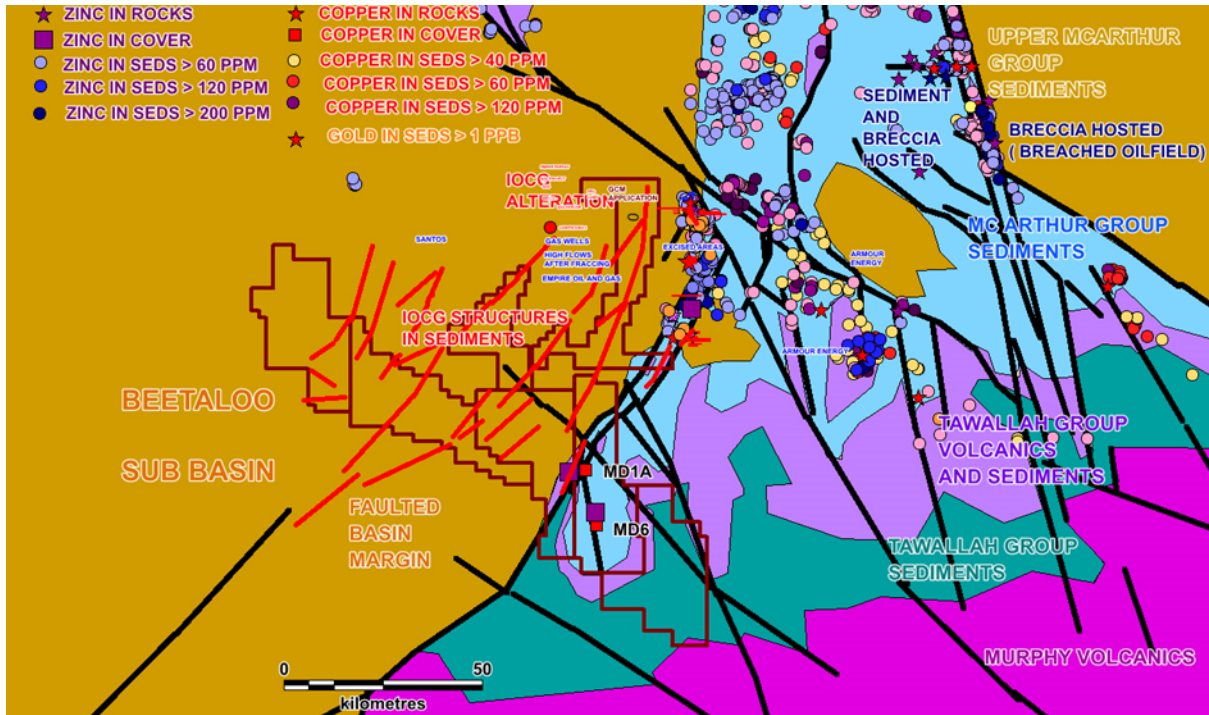


Figure 3 - Granted ELs 33128, 33129 and 33130 (black outline) over the southeast half of the Barkly North Rare Earths Trend

### 2023 Drilling

GCM announced on 24 August 2023 the completion of 14 reconnaissance holes drilled at widely separated locations. This was one hole less than planned and the total metres drilled was 955m, less than planned due to difficult ground conditions. The main objective of testing the rare earth enrichments in weathered Mesozoic cover was achieved. The drillholes also sampled the extensive base metal anomalous sediments at the base of the cover. This will help guide exploration of the interpreted large IOCG systems at depth and encountered in previous drilling by others.

The initial assays are expected in October.

For personal use only

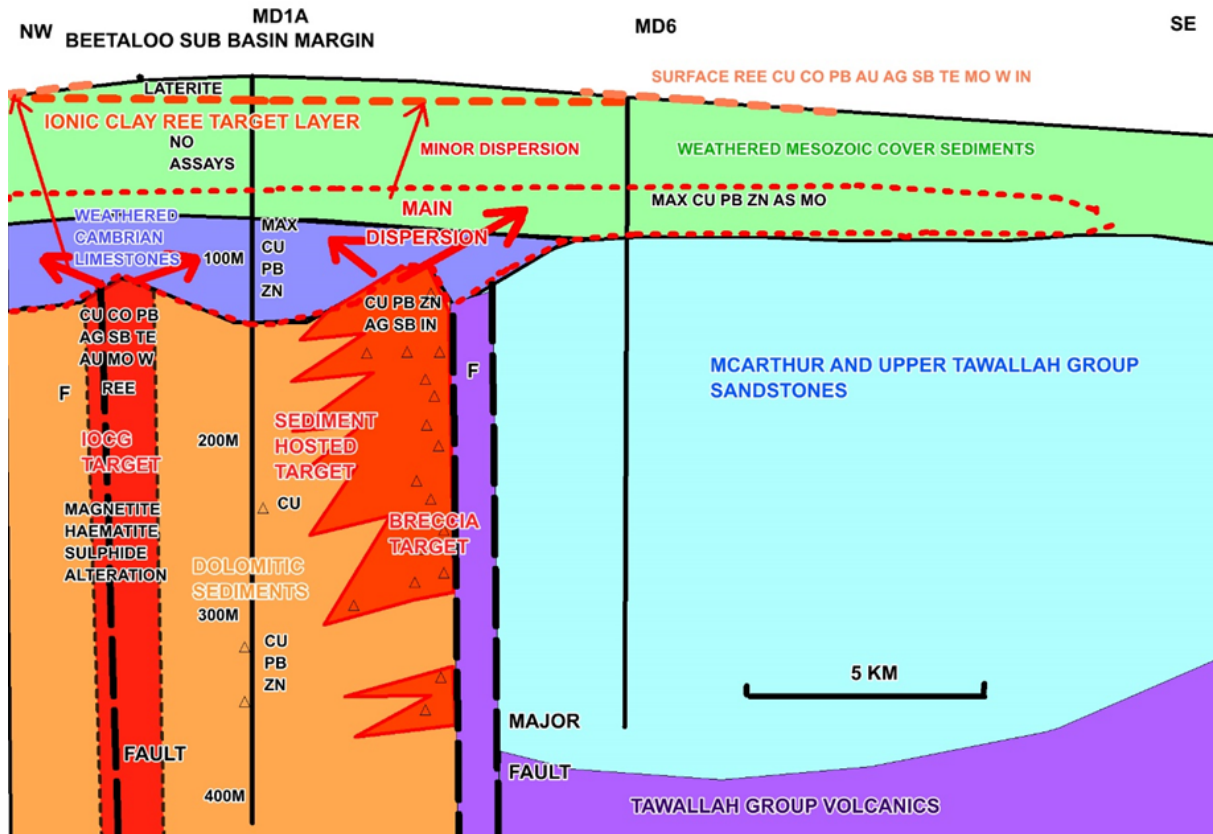


Figure 4 - North Barkly Targets and Geochemical Anomalism from Previous Drilling

**Boulia Project**

Sampling was begun at the Boulia project, about 250 km south of Mount Isa in Queensland in June but was not completed due to rain and other delays. This was to be comprised of 242 mainly widely spaced samples that are to be sieved to 75 microns and analysed by similar methods to those from the North Barkly Project.

The wide spaced lines were designed to better define the rare earths and polymetallic stream sediment anomalies detected in previous work by Hartz Rare Earths Ltd and reported in CR 90040 (EPM 25295) The unclosed anomalies appear to lie along altered veined and brecciated structures that trend NW – SE through gently dipping sediments.

GCM modelling of the publicly available magnetic data has outlined an area of unusually shallow or outcropping magnetic anomalies in the west of the Project (Figure 5). These are also being examined and sampled, as they are either possibly mineralised igneous intrusions, or undetected extensions to the Mount Isa mineral province.

For personal use only

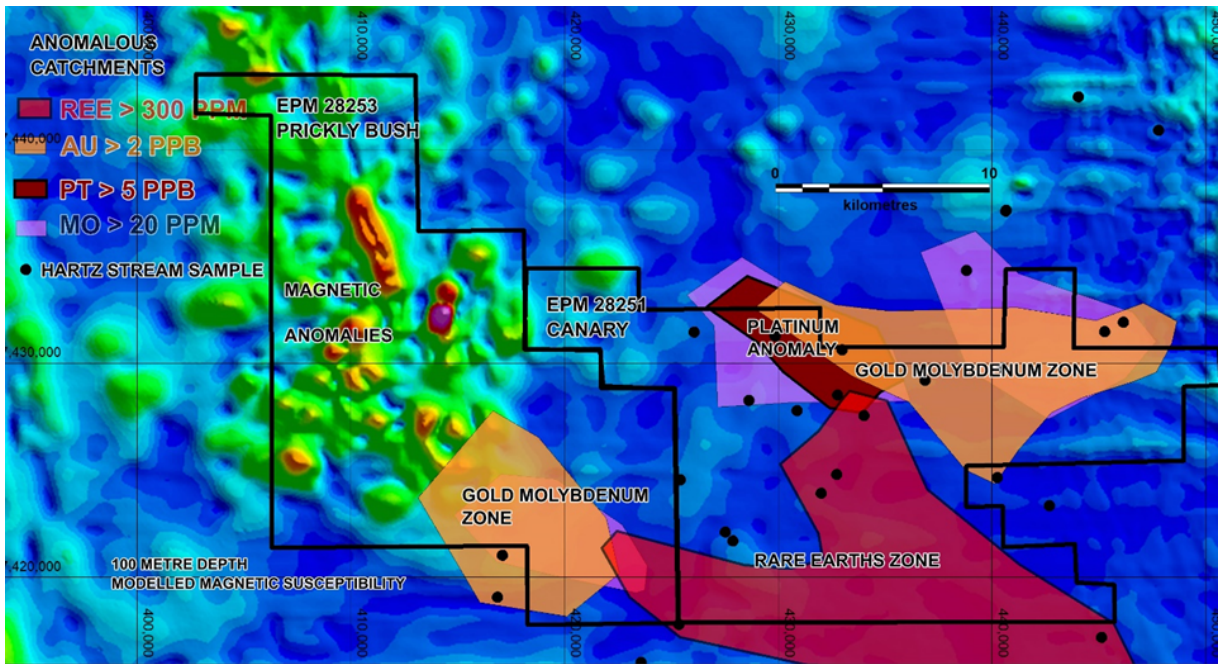


Figure 5 - Bouliá Stream Sediment Anomalism Zoning and Magnetic Targets

## NEW PROJECT OPPORTUNITIES

The Company continues to assess new business opportunities that may complement the Company's existing portfolio of direct and indirect investments using the Company's skills and experience.

## Material Business Risks

The Group's exploration operations will be subject to the normal risks of exploration and subject to numerous factors beyond the Group's control. The material business risks that may affect the Group are summarised below.

### (a) Mining and Exploration Risk

The business of mineral exploration, development and production is subject to risk by its nature. The success of the business depends, inter alia, on successful exploration and/or acquisition of reserves, securing and maintaining title to concessions and tenements, successful design, construction, commissioning and operating of mining and processing facilities, successful development and production in accordance with forecasts and successful management of the operations. Exploration and mining are speculative undertakings which may be hampered by force majeure circumstances, land claims and unforeseen mining problems. Increased costs, lower output or high operating costs may all contribute to make a project less profitable than expected at the time of the development decision. There is no assurance that the Company's attempts to exploit its exploration activities will be successful.

The actual quality and characteristics of ore deposits cannot be known until mining takes place and will almost always differ from the assumptions used to develop reserves. Further, reserves are valued based on future costs and future prices and, consequently, the actual reserves and resources may differ from those estimated, which may result in either a positive or negative effect.

No assurance can be given that commercial tonnages, grades or recovery will be achieved or realised. Commodity price fluctuations, increased production costs, or reduced recovery rates, may render possible reserves containing relatively lower grades uneconomic and may result in a restatement of such reserves. Moreover, short-term operating factors relating to possible reserves, such as sequential development of ore

bodies and processing of new or different ore types or grades, may cause mining operations to be unprofitable in any particular accounting period.

There is a risk that unforeseen geological and geotechnical difficulties may be encountered if and when developing and mining reserves. In this event, a loss of revenue may be caused by lower than expected production and/or higher than anticipated operation and maintenance costs, and/or on-going unplanned capital expenditure in order to meet production targets.

*(b) Title*

The Company's mining exploration activities are dependent on the grant, or as the case may be, the maintenance of appropriate licences, which may be withdrawn or made subject to limitations. The granting of licence, maintaining of licence or obtaining renewals, often depends on the Company being successful in obtaining required statutory approvals for its proposed activities and that the licences, concessions, tenements, leases, permits or consents it holds will be renewed as and when required. There is no assurance that such renewals will be given as a matter of course and there is no assurance that new conditions will not be imposed in connection therewith.

*(c) Results of Studies*

Subject to the results of future exploration and testing programs, the Company may progressively undertake a number of studies in respect to the Company's current or new projects. These studies may include pre-feasibility and bankable feasibility studies.

These studies will be completed within certain parameters designed to determine the economic feasibility of the Company's current or new projects within certain limits. There can be no guarantee that any of the studies will confirm the economic viability of the Company's current or new projects or the results of other studies undertaken by the Company (e.g. the results of a feasibility study may materially differ to the results of a scoping study).

Further, even if a study determines the economics of the Company's current or new projects, there can be no guarantee that the current or new projects will be successfully brought into production as assumed or within the estimated parameters in the feasibility study once production commences including but not limited to operation costs, mineral recoveries and commodity prices. In addition, the ability of the Company to complete a study may be dependent on the Company's ability to raise further funds to complete the study if required.

*(d) Economic and Government Risks*

The future viability of the Company is also dependent on a number of other factors affecting the performance of all industries, not just the exploration and mining industries. These factors include, but are not limited to:

- (i) Changes in government policies, taxation and other laws.
- (ii) The strength of the equity and share markets in Australia and throughout the world, and in particular investor sentiment towards the commodities (resources) sector.
- (iii) Movement in, or outlook on, interest rates and inflation rates.
- (iv) Natural disasters.

Industry profitability can be affected by changes in government within Australia and other jurisdictions, which are outside the control of the Company. The Company's activities are subject to extensive laws and regulations controlling not only the exploration for and mining of minerals, but also the possible effects of such activities upon the environment. Permits from regulatory authorities are required for many aspects of mine operation and reclamation. There is no assurance that permits will be obtained when sought or that unfavourable conditions will not be imposed. Future legislation and regulations could cause additional expense, capital expenditures, restrictions and delays in development of the Company's tenements, the extent of which cannot be predicted.

*(e) Reliance on Key Personnel*

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their involvement with the Company.

### Tenement List

A schedule of Exploration tenements held by the Company at the date of this report is included as an attachment to this Annual Report.

### Environmental Regulation

The Company's operations are subject to significant environmental regulation in the jurisdictions it operates in and believes it has met its obligations in all areas where it has carried out exploration activities to date.

### Significant changes in the state of affairs

Other than as disclosed in this report, in the opinion of the directors there were no significant changes in the state of affairs of the Company during the financial year under review.

### Events subsequent to balance date

Other than stated below there have been no other events that have occurred subsequent to year end that are material or unusual in nature that are likely to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group in subsequent financial years.

### Corporate

The Company completed a Placement in August 2023 and issued 133,200,000 shares to raise \$1,332,000 (before costs). The Placement funds were raised via the issue of 133,200,000 fully paid ordinary shares to sophisticated and professional investors at a price of A\$0.01 per share. The Placement also included (subject to shareholder approval) a free-attaching 1:2 unlisted option with a strike of \$0.028 and expiry of 12 October 2025. The 66,600,000 Placement Options will be issued subject to shareholder approval.

In conjunction with the Placement, the Company offered Eligible Shareholders the ability to participate in a Share Purchase Plan (SPP) on the same terms as the Placement to raise up to an additional \$2,500,000 (before costs). The results of the SPP announced on 11 September 2023 where 16,906,394 shares were issued to eligible participants raising \$169,064 before costs. The 8,453,197 free attaching options are to be issued subject to shareholder approval.

On the 19<sup>th</sup> September, the Company announced the termination of the CEO Mark Lynch-Staunton contract, with his last day being 29 February 2024.

### Torrington Project

An update on the Torrington project (100% GCM ownership) located in the New England Orogeny of NSW, was provided in late July (28 July 2023). This project encompasses almost the entire Torrington Pendant, a metasedimentary roof pendant within the Mole Granite.

Diamond core has been re-sampled from hole TOR001C and returned Li<sub>2</sub>O grades of 0.35% and 0.43%. This is a similar grade range and style of mineralisation to the San Jose lithium deposit (ASX INF), Europe's second largest Hard Rock Lithium deposit. The infiltration of granite-derived Lithium and Fluorine rich aqueous fluids into the metasedimentary host rocks through fractures related to shearing, is the cause of the formation of Li-rich micas. A review of the geology at the Torrington project indicates that these lithium rich sediments

occur as bands up to 10m thick within the high-grade tungsten rich Silexite orebodies. Pipes of Lithium and tungsten rich bearing pegmatites are also noted to intrude the sedimentary sequence.

Lithium has been noted in several historical reports related to the Mole Granite to be hosted within the mica mineral Zinnwaldite. Processing lithium from Zinnwaldite has economic advantages compared to spodumene. The potential now is for a Multi Commodity resource with three Critical Minerals, Lithium, Tungsten and Bismuth all in one deposit.

#### McIntosh Graphite Project

An update on the McIntosh Graphite project was provided 11th August 2023 on the preliminary Metallurgical test work result from the Emperor Deposit. A 250Kg composite sample was taken from two historical core holes at the Emperor Deposit provided by the previous owners and sent to SGS Lakefield (SGS) to perform the Company's own metallurgical test work studies. Preliminary results from this first set of test work indicate that the flake size distribution used in the 2017 PFS (and announced by the previous owners of the Project on 31 May 2017) is different to the sample material sent by GCM to SGS. Screen Size Analysis of the cleaner concentrate has not at this stage indicated the same flake size distribution as previously reported in past studies.

The SGS flotation test work received to date is preliminary and still ongoing. SGS has only performed a single polishing stage followed by three stages of cleaner flotation to achieve approximately 51% C(t) concentrate grade. Test work will progress with the upgrading process using additional polishing and cleaner stages to achieve >95% C(t) final concentrate grade.

Once the next stage of testing is complete by SGS, GCM will follow up with further Metallurgical test work based on its own core samples from its recently completed 2023 drilling campaign to more accurately test and better understand flake size distribution across the Emperor Deposit. These recently acquired samples from the 2023 drilling will better test for variability of flake size across the deposit including the higher-grade eastern limb which potentially has a different flake size distribution again.

#### North Barkly Project

The Company provided an update on the North Barkly drilling program on 24th August 2023. 14 reconnaissance holes were drilled at widely separated locations and the total metres drilled was 955m, less than planned, due to difficult ground conditions. The main objective of testing the rare earth enrichments in weathered Mesozoic cover has been achieved. The drillholes also sampled the extensively base metal anomalous sediments at the base of the cover. This will help guide exploration of the interpreted large IOCG systems at depth and encountered in previous drilling by others. The initial assays are expected in October.

## Information on Directors

The following information is current as at the date of this report.

### Leon Pretorius. *Chairman – Executive Director and CEO*

Experience and expertise	<p>Dr. Pretorius is a Geochemist with over 52 years' international mineral and mining experience.</p> <p>Since settling in Brisbane in 1978, he has worked on varied commodities with discovery success in gold, industrial minerals and uranium both in Queensland and South Africa. Mining (open cut) and processing experience has been gained in Gold, Industrial Minerals, Uranium and Tungsten.</p> <p>Corporately, he has also been involved as a public listed company director in Australia and overseas since 1985. In the ten years prior to joining Chase's Board as its Executive Chairman, he was a Director of ASX listed Paladin Energy; Managing Director of Deep Yellow Limited; and Executive Chairman of Carbine Tungsten.</p>
Other current directorships	Non-executive Director Red Fox Resources Pty Ltd.
Former listed directorships in last 3 years	None.
Special responsibilities	Chairman of the Board
Interests in shares and options	58,251,103 ordinary shares 8,028,421 options

For personal use only



**Charles Thomas. Non-Executive Director**

Experience and expertise	Mr. Thomas holds a Bachelor of Commerce from UWA majoring in Corporate Finance. He is an Executive director and Founding Partner of GTT a leading boutique corporate advisory firm based in Australia. Mr. Thomas has worked in the financial service industry for more than 17 years and has extensive experience in capital markets as well as the structuring of corporate transactions.
Other current directorships	Executive Chairman of Marquee Resources Limited (ASX: MQR) since 2016. Non-executive Chairman of Viking Mines Ltd (ASX: VKA) since 2022.
Former listed directorships in last 3 years	Non-executive director of Viking Mines Ltd (ASX: VKA) (ceased 2021)
Special responsibilities	None.
Interests in shares and options	20,925,750 ordinary shares 8,180,375 options

**Christopher Zielinski. Non-Executive Director - appointed 21 March 2023**

Experience and expertise	Mr Zielinski is a corporate lawyer and Director of Nova Legal (Perth based corporate law firm). Mr Zielinski primarily works in mergers and acquisitions, equity capital markets, regulatory compliance and commercial transactions with particular experience in the resources and technology sectors.
Other current directorships	Non-executive chairman Global Oil & Gas Ltd (ASX.GLV) since 2018 Non-executive director Omnia Metals Group Ltd (ASX.OM1) since 2021
Former listed directorships in last 3 years	None
Special responsibilities	None.
Interests in shares and options on resignation	None

**Julian Atkinson. Non-Executive Director – resigned 21 March 2023**

Experience and expertise	Mr. Atkinson is a senior lawyer with extensive experience in acting for small to mid-cap ASX listed companies on a broad range of corporate and commercial matters.
Other current directorships	None
Former listed directorships in last 3 years	Non-executive director of Roto-Gro International Limited (ceased 2019)
Special responsibilities	None.
Interests in shares and options on resignation	2,332,750 ordinary shares 413,875 options

**Meetings of Directors**

The number of meetings of the Company's Board of Directors held during the year ended 30 June 2023, and the number of meetings attended by each Director were:

	Full meetings of Directors	
	A	B
Leon Pretorius	6	6
Charles Thomas	5	6
Christopher Zielinski	1	1
Julian Atkinson	4	4

A = Number of meetings attended

B = Number of meetings held during the time the director held office during the year

There were no separately constituted committees of the Company. Given the limited size of the Board and the Company and its operations, these are combined with the normal Board Meetings of the Company.

## Remuneration report - Audited

The Directors present the Green Critical Minerals 2023 remuneration report, outlining key aspects of our remuneration policy and framework, and remuneration awarded this year.

The report is structured as follows:

- (a) Key management personnel (KMP) covered in this report
- (b) Remuneration policy and link to performance
- (c) Elements of remuneration
- (d) Link between remuneration and performance
- (e) Remuneration expenses for KMP
- (f) Contractual arrangements with executive KMP
- (g) Non-Executive Director arrangements
- (h) Additional statutory information

### (a) Key management personnel covered in this report

#### *Non-executive and Executive Directors, CEO*

Leon Pretorius  
Charles Thomas  
Julian Atkinson (resigned 21 March 2023)  
Christopher Zielinski (appointed 21 March 2023)  
Mark Lynch-Staunton (appointed 1 February 2023) CEO

### (b) Remuneration policy and link to performance

The role of a remuneration committee is performed by the full Board of Directors. The board reviews and determines the remuneration policy and structure annually to ensure it remains aligned to business needs, and meets the remuneration principles. In particular, the board aims to ensure that remuneration practices are:

- competitive and reasonable, enabling the Group to attract and retain key talent
- aligned to the Group's strategic and business objectives and the creation of shareholder value
- transparent and easily understood, and
- acceptable to shareholders

Element	Purpose	Performance metrics	Potential value	Changes for FY 2023
Fixed remuneration (FR)	Provide competitive market salary including superannuation and non-monetary benefits	Nil	Positioned at median market rate	None

## Remuneration report – Audited (continued)

### (c) Elements of remuneration

#### (i) Fixed annual remuneration (FR)

Executives receive their fixed remuneration as cash. FR is reviewed annually. It is benchmarked against market data for comparable roles in companies in a similar industry and with similar market capitalisation. The board has the flexibility to take into account capability, experience, value to the organisation and performance of the individual. The Group has not engaged an external remuneration consultant during FY2023.

#### (ii) Short term incentives

Short term incentives are currently not available to executives.

#### (iii) Long term incentives

Directors participate, with Shareholder approval, in the Long-Term Incentive Program (“LTIP”) comprising one off grants of performance rights or options, with varying vesting conditions. The Company does not have a formal LTIP, rather incentives are awarded at the discretion of the Board.

#### Options

No options have been awarded during the current financial year.

### (d) Link between remuneration and performance

The Company is focused on driving sustained growth in shareholder wealth, principally through mineral exploration, evaluation, and commercialisation of discoveries each designed to increase the share price.

The mineral discovery focus of the Company is based on exploration and evaluation activities with the objective of proving up a resource that can be commercialised through development, joint venture or sale. As the Company is still in the exploration and evaluation stage, the link between remuneration, Company performance and shareholder wealth is tenuous. Share prices are subject to the influence of mineral prices and market sentiment towards the sector and, as such, increases or decreases may occur quite independent of Executive performance or remuneration.

Given the nature of the Group’s activities and the consequential operating results, no dividends have been paid. There have been no returns of capital in the current financial year. The details of the market price movements, compared to the operating profit/loss for the previous five years is set out below:

Financial Year	Net Operating Loss (\$)	Share Price at Year End (\$)
30 June 2023	(2,141,461)	0.015
30 June 2022	(3,251,321)	0.013
30 June 2021	(1,003,174)	0.017
30 June 2020	(1,218,482)	0.03
30 June 2019	(731,828)	0.026

## Remuneration report – Audited (continued)

### (e) Remuneration expenses for KMP

The following table shows details of the remuneration expense recognised for the Group's key management personnel for the current and previous financial year measured in accordance with the requirements of the accounting standards.

Name	Year	Fixed remuneration				Variable remuneration	Total	% Performance based
		Salary & Fees	Non-cash benefits*	Other short-term benefits^	Post-employment benefits	Share based payments		
<b>Executive Directors</b>								
Leon Pretorius	2023	240,000	3,307	-	25,200	-	268,507	-
	2022	240,000	2,750	-	24,000	-	266,750	-
<b>Total Executive Directors</b>	<b>2023</b>	<b>240,000</b>	<b>3,307</b>	<b>-</b>	<b>25,200</b>	<b>-</b>	<b>268,507</b>	<b>-</b>
	2022	240,000	2,750	-	24,000	-	266,750	-
<b>Non-executive Directors</b>								
Charles Thomas	2023	48,000	-	-	5,040	-	53,040	-
	2022	48,000	-	-	4,800	-	52,800	-
Julian Atkinson (resigned 21 March 2023)	2023	34,710	-	47,813	3,645	-	86,168	-
	2022	48,000	-	25,000	4,800	-	77,800	-
Christopher Zielinski (appointed 21 March 2023)	2023	13,315	-	-	1,398	-	14,713	-
	2022	-	-	-	-	-	-	-
<b>Total Non-Executive Directors</b>	<b>2023</b>	<b>96,025</b>	<b>-</b>	<b>47,813</b>	<b>10,083</b>	<b>-</b>	<b>153,921</b>	<b>-</b>
	2022	96,000	-	25,000	9,600	-	130,600	-
<b>Chief Executive Officer</b>								
Mark Lynch-Staunton	2023	113,122	-	-	11,878	24,516	149,516	16
	2022	-	-	-	-	-	-	-
<b>Total KMP remuneration</b>	<b>2023</b>	<b>449,148</b>	<b>3,307</b>	<b>47,813</b>	<b>47,160</b>	<b>24,516</b>	<b>571,943</b>	<b>4</b>
	2022	336,000	2,750	25,000	33,600	-	397,350	-

\* Non-cash benefits include airfares provided under the terms of Leon Pretorius's employment contract, along with an allocation of rent paid by the Company, for a field office / house in Tenterfield in which he resides.

^ Payments made in addition to the base non-executive director fees for additional services

## Remuneration report (continued)

### *(f) Contractual arrangements with executive KMP*

Remuneration of the Executive Chairman, Leon Pretorius, is by way of an executive employment contract and he is remunerated at a rate of \$240,000 per annum exclusive of superannuation. The notice period required under the contract, by either the employee or the Company, is twelve months. The contract states that although the Executive Chairman will reside on the east coast of Australia, he may from time to time choose to reside in South Africa and that up to three return business class airfares to South Africa will be reimbursed to him by the Company for himself and similarly for no more than one family member, i.e. a total of 6 return airfares during any one 12-month period. This may be varied by the Board if additional overseas travel for the Company's business is required and may be included in the planned trips to South Africa. These airfares have no monetary value if not utilised. Fees paid to are included in the Remuneration Report within the Directors' Report.

### *(g) Non-executive Director arrangements*

The Non-Executive Directors receive fees of \$48,000 per annum excluding superannuation. Fees are reviewed annually by the board taking into account comparable roles. The current base fees were reviewed with effect from 23 April 2018.

During the financial year, Mr Atkinson was paid additional fees of \$47,813 for additional services as a lawyer carried out by him.

The maximum annual aggregate Directors' fee pool limit is currently set at \$200,000.

All Non-executive Directors enter into a service agreement with the company in the form of a letter of appointment. The letter summarises the board policies and terms, including remuneration, relevant to the office of Director.

### *(h) Chief Executive Officer arrangements -terminated September 2023*

Remuneration of the Chief Executive Office, Mark Lynch-Staunton, is by way of an executive employment contract and he is remunerated at a rate of \$300,000 per annum including superannuation. The notice period required under the contract, by either the employee or the Company, is six months. The Remuneration package also included the issue of Performance Rights detailed below:

- Class 1 - 5,000,000 Performance Rights that vest upon 18 months continuous service (sign-on).
- Class 2 – 2,500,000 Performance Rights that vest upon delivering >20% IRR result on DFS (concentrate) and Mining Approvals / License within 60 months from grant.
- Class 3 - 2,500,000 Performance Rights that vest upon achieving VWAP \$0.06 per share for no less than 10 consecutive days within 18 months from grant.
- Class 4 – 2,500,000 Performance Rights that vest upon announcing JORC2012 reserve of no less than 1,000,000t TGC at a cut-off of 3.5% from the tenements within 30 months from grant.
- Class 5 - 2,500,000 Performance Rights that vest upon announcing binding offtake/s for no less than 200,000t of McIntosh graphite within 60 months from grant.

The Class 1 Performance Rights (sign-on) were valued at \$90,000 being the share price on the date of grant. The amortised amount up to 30 June 2023 is \$24,516 and is reflected in the accounts.

With respect to the remaining Performance Right, the Directors considered the probability of the performance rights vesting over their life at grant date. The Directors formed the view the probability of the performance rights vesting was nil. Under AASB2 Share Based Payments, the Company is required to account for those performance rights that are deemed to vest over their life and reassess this at each reporting date. As a result, no expense has been recognised as at 30 June 2023.

## Remuneration report (continued)

### (i) Additional statutory information

#### (i) Relative proportions of fixed vs variable remuneration expense

The following table shows the relative proportions of remuneration that are linked to performance and those that are fixed, based on the amounts disclosed as statutory remuneration expenses in the table on page 21:

#### Relative proportion of fixed vs variable remuneration expense

Name	Fixed remuneration		At risk – LTI	
	2023	2022	2023	2022
<b>Executive Directors</b>				
Leon Pretorius	100%	100%	-	-
<b>Non-Executive Directors</b>				
Charles Thomas	100%	100%	-	-
Christopher Zielinski	100%	100%	-	-
Julian Atkinson	100%	100%	-	-
<b>Chief Executive Officer</b>				
Mark Lynch-Staunton	84%	-	-	-

#### (ii) Reconciliation of ordinary shares and performance rights held by KMP

The table below shows a reconciliation of ordinary shares held by each KMP from the beginning to the end of FY2023.

#### Shareholdings

2023 Name	Balance at the start of the year	Purchased during the year	Other changes during the year	Balance at the end of the year
<b>Ordinary shares</b>				
Leon Pretorius	29,194,260	16,056,843 <sup>1</sup>	10,000,000 <sup>2</sup>	55,251,103
Charles Thomas	11,565,000	6,360,750 <sup>1</sup>	-	17,925,750
Christopher Zielinski	-	-	-	-
Mark Lynch-Staunton	-	5,000,000 <sup>4</sup>	-	5,000,000
Julian Atkinson	875,000	1,457,750 <sup>1</sup>	-	2,332,750 <sup>3</sup>
<b>Total</b>	<b>41,634,260</b>	<b>28,875,343</b>	<b>10,000,000</b>	<b>80,509,603</b>

<sup>1</sup> Participation in Entitlement Issue Oct 2022

<sup>2</sup> Exercised options

<sup>3</sup> Balance on resignation 21 March 2023

<sup>4</sup> On market purchase

The table below shows a reconciliation of options held by each KMP from the beginning to the end of FY2023.

## Remuneration report (continued)

### Options

2023 Name	Balance at the start of the year		Granted as compen- sation	Other changes during the year	Balance at the end of the year	
	Unvested	Vested			Unvested	Vested
Leon Pretorius	-	10,000,000	-	(10,000,000) <sup>2</sup> 8,028,421 <sup>3</sup>	-	- 8,028,421
Charles Thomas	-	5,000,000	-	3,180,375 <sup>3</sup>	-	8,180,375
Christopher Zielinski	-	-	-	-	-	-
Mark Lynch- Staunton	-	-	-	-	-	-
Julian Atkinson <sup>1</sup>	-	-	-	413,875 <sup>3</sup>	-	413,875
<b>Total</b>	-	<b>15,000,000</b>	-	<b>1,622,671</b>	-	<b>16,622,671</b>

<sup>1</sup> On resignation 21 March 2023

<sup>2</sup> Options exercised.

<sup>3</sup> Free attaching option from participation in Entitlement Issue

There were no options provided as remuneration to key management personnel during the financial year. When exercisable, each option is convertible into one ordinary share of Green Critical Minerals Limited.

### Performance Rights

2023 Name	Balance at the start of the year		Granted as compen- sation	Other changes during the year	Balance at the end of the year	
	Unvested	Vested			Unvested	Vested
Leon Pretorius	-	-	-	-	-	-
Charles Thomas	-	-	-	-	-	-
Christopher Zielinski	-	-	-	-	-	-
Mark Lynch- Staunton <sup>1</sup>	-	-	15,000,000	-	15,000,000	-
Julian Atkinson	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-

<sup>1</sup> Granted 1 February 2023

### (iii) Transactions with Directors and Director Related Entities

During the financial year the Group paid GTT Ventures Pty Ltd, a company of which Charles Thomas is a director, a fee of \$205,390 for capital raising services/underwriting associated with the November 2022 Entitlement Issue. The fee represented 6% of the funds raised plus an administration fee of \$15,000.

During the financial year the Group paid \$47,813 to Atkinson Corporate Law, a company of which Julian Atkinson (former director) is the principal, for legal services on normal commercial terms and conditions.

During the financial year the Group paid \$12,000 of salary and wages to Ms L Osborne, who is the spouse of Dr L Pretorius.



## Remuneration report (continued)

*(iv) Loans to Key Management Personnel*

Nil

## End of remuneration report (audited)

## Shares under options

The following unissued ordinary shares in Green Critical Minerals Limited are under option at the date of this report.

251,672,933 options exercise price \$0.022 expiry 12/10/2025

5,000,000 option exercise price \$0.03 expiry 31/12/2023

No option holder has any right to participate in any other share issue of the Company or any other entity. 15 million shares were issued on the exercise of options during the period, at an exercise price of \$0.02.

## Insurance of officers and indemnities

### *(a) Insurance of officers*

During the financial year, Green Critical Minerals Limited paid a premium of \$36,000 (GST exclusive) to insure the Directors and Secretary of the Company.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of entities in the Group, and any other payments arising from liabilities incurred by the officers in connection with such proceedings. This does not include such liabilities that arise from conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else or to cause detriment to the Company. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

### *(b) Indemnity of auditors*

Green Critical Minerals Limited has not agreed to indemnify their auditors.

## 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.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the *Corporations Act 2001*.

## Non-audit services

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company and/or the Group are important.

During the year, no non-audit services were provided by the auditor.

#### **Auditor's independence declaration**

A copy of the auditors' independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 27.

This report is made in accordance with a resolution of Directors.



Leon Pretorius  
Chairman

29 September 2023

For personal use only

## **Auditor's Independence Declaration under section 307C of the Corporations Act 2001**

### **To the Directors of Green Critical Minerals Limited**

As the lead auditor for the audit of the financial report of Green Critical Minerals Limited, I declare that, to the best of my knowledge and belief, during the year ended 30 June 2023 there have been no contraventions of:

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

This declaration is in respect of Green Critical Minerals Limited and the entities it controlled during the year.

*Nexia Brisbane Audit Pty Ltd*

**Nexia Brisbane Audit Pty Ltd**



**Gavin Ruddell**  
Director

Date: 29 September 2023

### **Advisory. Tax. Audit.**

Registered Audit Company 299289

Nexia Brisbane Audit Pty Ltd (ABN 49 115 261 722) is a firm of Chartered Accountants. It is affiliated with, but independent from Nexia Australia Pty Ltd. Nexia Australia Pty Ltd is a member of Nexia International, a leading, global network of independent accounting and consulting firms. For more information please see [www.nexia.com.au/legal](http://www.nexia.com.au/legal). Neither Nexia International nor Nexia Australia Pty Ltd provide services to clients.

Liability limited under a scheme approved under Professional Standards Legislation.

## Corporate governance statement

Green Critical Minerals Limited and the board are committed to achieving and demonstrating the highest standards of corporate governance. Green Critical Minerals Limited has reviewed its corporate governance practices against the Corporate Governance Principles and Recommendations (4<sup>th</sup> edition) published by the ASX Corporate Governance Council.

The 2023 corporate governance statement is dated as at 30 June 2023 and reflects the corporate governance practices in place throughout the 2023 financial year. The 2023 corporate governance statement was approved by the board on 13 September 2023. A description of the Group's current corporate governance practices is set out in the Group's corporate governance statement which can be viewed at <https://gminerals.com.au/corporate/corporate-governance/>

For personal use only

# GREEN CRITICAL MINERALS LIMITED

(formerly Chase Mining Corporation Limited)

ABN 12 118 788 846

## Annual financial report – 30 June 2023

Financial statements	
Consolidated statement of profit or loss and other comprehensive income	30
Consolidated statement of financial position	31
Consolidated statement of changes in equity	32
Consolidated statement of cash flows	33
Notes to the financial statements	34
Directors' declaration	70
Auditor's report	71

These financial statements are consolidated financial statements for the Group consisting of Green Critical Minerals Limited and its subsidiaries. A list of major subsidiaries is included in note 11.

The financial statements are presented in the Australian currency.

Green Critical Minerals Limited is a Company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Green Critical Minerals Limited  
349 Hay Street  
Subiaco WA 6008

All press releases, financial reports and other information are available at our website:

<https://www.gcminerals.com.au>

## Consolidated statement of profit or loss and other comprehensive income for the year ended 30 June 2023

	Notes	Consolidated	
		2023 \$	2022 \$
<b>Other income</b>	3	61,749	167,126
<b>Expenses</b>			
Depreciation and amortisation expense		(38,063)	(4,009)
Employee benefits expense	4(a)	(385,310)	(202,946)
Research and development expensed		(290)	(13,528)
Share of net loss of equity-accounted associate	14	(46,895)	(198,988)
Exploration expenditure written off		(729,479)	(1,894,968)
Exploration expenditure expensed		(28,771)	(67,206)
Share based payments expense	27	(70,266)	(8,500)
Losses on financial assets at fair value through profit or loss	16	(75,000)	(91,667)
Loss on disposal of assets		-	(572,613)
Administration expenses	4(b)	(829,136)	(364,022)
<b>Loss before income tax expense</b>		(2,141,461)	(3,251,321)
Income tax benefit	5	-	-
<b>Loss for the year</b>		(2,141,461)	(3,251,321)
<b>Other comprehensive income for the year, net of tax</b>			
May be reclassified subsequently to profit or loss:			
Foreign currency translation		(8,306)	(62,197)
<b>Total comprehensive income for the year</b>		<u>(2,149,767)</u>	<u>(3,313,518)</u>
		<b>Cents</b>	<b>Cents</b>
<b>Earnings per share for loss attributable to the ordinary equity holders of the Company:</b>			
Basic earnings per share	8	(0.27 cents)	(0.75 cents)
Diluted earnings per share	8	(0.27 cents)	(0.75 cents)

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

## Consolidated Statement of Financial Position As at 30 June 2023

	Notes	Consolidated	
		2023 \$	2022 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	9	2,297,527	2,443,545
Trade and other receivables	10	217,886	303,662
Total current assets		2,515,413	2,747,207
<b>Non-current assets</b>			
Plant and equipment	12a	24,013	18,059
Right of Use Asset	12b	216,560	-
Exploration and evaluation assets	13	9,028,355	3,273,440
Investments accounted for using the equity method	14	346,813	393,708
Financial assets at fair value through profit or loss	16	175,000	250,000
Trade and other receivables	10	51,760	37,600
Total non-current assets		9,842,501	3,972,807
<b>Total assets</b>		<b>12,357,914</b>	<b>6,720,014</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	17	847,887	223,328
Current lease liability	17	77,610	-
<b>Total current liabilities</b>		<b>925,497</b>	<b>223,328</b>
<b>Non-Current Liabilities</b>			
Non-current lease liability	17	142,016	-
<b>Total liabilities</b>		<b>1,067,513</b>	<b>223,328</b>
<b>Net assets</b>		<b>11,290,401</b>	<b>6,496,686</b>
<b>EQUITY</b>			
Contributed equity	18	21,206,391	15,112,958
Reserves	19	2,185,601	1,343,857
Accumulated losses		(12,101,591)	(9,960,129)
<b>Total equity</b>		<b>11,290,401</b>	<b>6,496,686</b>

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

**Consolidated statement of changes in equity**  
**For the year ended 30 June 2023**

	Note	Reserves				Total	
		Contributed equity	Accumulated losses	Share based payments reserve	Contingent consideration reserve		Foreign currency translation reserve
		\$	\$	\$	\$	\$	
<b>Balance as at 1 July 2021</b>		13,634,004	(6,708,808)	1,307,589	101,712	(11,747)	8,322,750
Loss for the year		-	(3,251,321)	-	-	-	(3,251,321)
Other comprehensive income		-	-	-	-	(62,197)	(62,197)
<b>Total comprehensive income</b>		-	(3,251,321)	-	-	(62,197)	(3,313,518)
<b>Transactions with owners in their capacity as owners:</b>							
Contributions of equity, net of transaction costs	18	1,478,954	-	-	-	-	1,478,954
Share based payment expense		-	-	8,500	-	-	8,500
<b>Balance as at 30 June 2022</b>		<b>15,112,958</b>	<b>(9,960,129)</b>	<b>1,316,089</b>	<b>101,712</b>	<b>(73,944)</b>	<b>6,496,686</b>
Loss for the year		-	(2,141,461)	-	-	-	(2,141,461)
Other comprehensive income		-	-	-	-	(8,306)	(8,306)
<b>Total comprehensive income</b>		-	(2,141,461)	-	-	(8,306)	(2,149,767)
<b>Transactions with owners in their capacity as owners:</b>							
Contributions of equity, net of transaction costs	18	6,093,433	-	-	-	-	6,093,433
Share based payments expense		-	-	850,050	-	-	850,050
<b>Balance as at 30 June 2023</b>		<b>21,206,391</b>	<b>(12,101,591)</b>	<b>2,166,139</b>	<b>101,712</b>	<b>(82,250)</b>	<b>11,290,401</b>

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



## Consolidated statement of cash flows

### For the year ended 30 June 2023

		<b>Consolidated</b>	
		<b>2023</b>	<b>2022</b>
		\$	\$
Notes			
<b>Cash flows from operating activities</b>			
		113,876	130,004
		(1,309,158)	(635,080)
		-	51,450
		255,848	363,092
		(6,728)	-
		61,647	11,333
		<u>(884,515)</u>	<u>(79,201)</u>
<b>Net cash outflow from operating activities</b>			
21(a)		(884,515)	(79,201)
<b>Cash flows from investing activities</b>			
		(2,340,192)	(349,898)
		(10,179)	-
		-	100,000
		(14,160)	(1,500)
		<u>(2,364,531)</u>	<u>(251,398)</u>
<b>Net cash outflow from investing activities</b>			
<b>Cash flows from financing activities</b>			
	18	3,379,743	1,570,000
	18	(236,784)	(91,046)
	12b	(30,772)	-
		<u>3,112,187</u>	<u>1,478,954</u>
<b>Net cash inflow from financing activities</b>			
<b>Net increase (decrease) in cash and cash equivalents</b>		(136,859)	1,148,355
		(9,159)	5,265
		2,443,545	1,289,925
		<u>2,297,527</u>	<u>2,443,545</u>
<b>Cash and cash equivalents at the end of the year</b>			
21(b)		2,297,527	2,443,545

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

## Notes to the financial statements for the year ended 30 June 2023

### Note 1 Summary of significant accounting policies

These general purpose financial statements have been prepared in accordance with the *Corporations Act 2001*, Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board and International Financial Reporting Standards as issued by the International Accounting Standards Board. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

Except for cash flow information, the financial statements have been prepared on an accruals basis and are based on historical costs.

The financial statements were authorised for issue by the Directors on 29 September 2023. The Directors have the power to amend and reissue the financial statements.

#### Going Concern

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

As disclosed in the financial statements, the Group achieved a net loss of \$2,141,461 (2022: net loss \$3,251,321) and net operating cash outflows of \$884,515 (2022: outflow \$79,201) for the year ended 30 June 2023. As at 30 June 2023 the Group had a cash balance inclusive of short term deposits of \$2,297,527.

The ability of the Group to maintain continuity of normal business activities and to pay its debts as and when they fall due is dependent on its ability to successfully raise additional capital and/or successful exploration and subsequent exploitation of areas of interest through sale or development. These circumstances give rise to the existence of a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern.

The directors believe that the going concern basis of preparation is appropriate due to the following reasons:

- there is sufficient cash available at balance date for the Group to continue operating; and
- the Group has a proven history of successfully raising funds

Should the Group be unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial report. This financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts or classification of liabilities and appropriate disclosures that may be necessary should the Group be unable to continue as a going concern.

## Notes to the financial statements for the year ended 30 June 2023

### Note 1 Summary of significant accounting policies

#### a) Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Green Critical Minerals Limited ('Company' or 'Parent Entity') as at 30 June 2023 and the results of all subsidiaries for the year then ended. Green Critical Minerals Limited and its subsidiaries together are referred to in these financial statements as the 'Consolidated entity' or 'Group'.

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

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

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

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

#### b. Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or 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 nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

## Notes to the financial statements for the year ended 30 June 2023

### Note 1 Summary of significant accounting policies (continued)

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Green Critical Minerals Limited and its wholly owned subsidiaries have formed an income tax consolidated group under the tax consolidation regime. The head entity and the subsidiaries in the tax consolidated group continue to account for their own current and deferred tax amounts. The tax consolidated group has applied the 'separate taxpayer within the group' approach in determining the appropriate amount of taxes to allocate to members of the tax consolidated group. In addition to its own current and deferred tax amounts, the head entity also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from the subsidiary.

The group does not have a tax funding or sharing agreement in place in relation to tax liabilities that might arise.

#### c. Revenue recognition

##### *Interest*

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

##### *Other income*

Government Grants are recognised when there is reasonable assurance that the Group will comply with the conditions attached to the grant and reasonable assurance that the grant funds will be received.

#### d. Operating segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

#### e. Current and non-current classification

Assets and liabilities are presented in the consolidated balance sheet based on current and non-current classification.

## Notes to the financial statements for the year ended 30 June 2023

### Note 1 Summary of significant accounting policies (continued)

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

#### f. Cash and cash equivalents

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

#### g. Trade and other receivables

Trade and other receivables are recognised at amortised cost, less any provision for impairment.

#### h. Exploration and evaluation assets

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. Such expenditures comprise net direct costs and an appropriate portion of related overhead expenditure but do not include overheads or administration expenditure not having a specific nexus with a particular area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage which permits reasonable assessment of the existence of economically recoverable reserves and active or significant operations in relation to the area are continuing.

A provision is raised against exploration and evaluation assets where the Directors are of the opinion that the carried forward net cost may not be recoverable or the right of tenure in the area lapses. The increase in the provision is charged against the results for the year. Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

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

## Notes to the financial statements for the year ended 30 June 2023

### Note 1 Summary of significant accounting policies (continued)

#### i. Plant and equipment

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

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

Equipment and furniture	8%-50%
Motor vehicles	19-30%

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

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

#### j. Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year and which are unpaid. They are measured at amortised cost. The amounts are unsecured and are on credit terms ranging between 7 and 60 days.

#### k. Equity accounting

Associates are all entities over which the group has significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit or loss, and the group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

Where the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

The carrying amount of equity-accounted investments is tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

## Notes to the financial statements for the year ended 30 June 2023

### Note 1 Summary of significant accounting policies (continued)

#### **i. Investments and other financial assets**

##### *(i) Classification*

The group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

##### *(ii) Recognition and derecognition*

Regular way purchases and sales of financial assets are recognised on trade date, being the date on which the group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the group has transferred substantially all the risks and rewards or ownership.

##### *(iii) Measurement*

At initial recognition, the group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

The group subsequently measures all equity investments at fair value. Where the group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification or fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in Profit or Loss as other income when the group's right to receive payments is established.

Changes in fair value of financial assets at FVPL are recognised in other gains/(losses) in the Consolidated Statement of Profit or Loss and Other Comprehensive Income as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

#### **m. Employee benefits**

##### *Short-term employee benefits*

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

##### *Other long-term employee benefits*

## Notes to the financial statements for the year ended 30 June 2023

### Note 1 Summary of significant accounting policies (continued)

The liability for long service leave not expected to be settled within 12 months of the reporting date are measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

#### *Share-based payments*

Equity-settled share-based compensation benefits are provided to employees. Equity-settled transactions are awards of shares, options or performance rights over shares, that are provided to employees in exchange for the rendering of services.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is determined using various valuation methods including Black Scholes, Binomial and the Monte Carlo Simulation method that takes into account the exercise price, the term of the options or performance rights, the impact of dilution, the share price at grant date and expect price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the options or performance rights.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

Market conditions are taken into consideration in determining fair value. Therefore, any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

Share-based payment expenses are recognised over the period during which the employee provides the relevant services. This period may commence prior to the grant date. In this situation, the Group estimates the grant date fair value of the equity instruments for the purposes of recognising the services received during the period between service commencement date and grant date. Once the grant date has been established, the earlier estimate is revised so that the amount recognised for services received is ultimately based on the grant date fair value of the equity instruments.

If the non-vesting condition is within the control of the Group or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Group or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.



## Notes to the financial statements for the year ended 30 June 2023

### Note 1 Summary of significant accounting policies (continued)

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

#### 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 the owners of Green Critical Minerals Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

##### *Diluted earnings per share*

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

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

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

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

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

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

## Notes to the financial statements for the year ended 30 June 2023

### Note 1 Summary of significant accounting policies (continued)

#### q. Foreign currency translation

##### (i) *Functional and presentation currency*

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

##### (ii) *Transactions and balances*

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

Foreign exchange gains and losses that relate to borrowings are presented in the profit or loss, within finance costs. All other foreign exchange gains and losses are presented in the profit or loss on a net basis within other gains/(losses).

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equities classified as at fair value through other comprehensive income are recognised in other comprehensive income.

##### (iii) *Group companies*

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet
- income and expenses for each statement of profit or loss and other comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

## Notes to the financial statements for the year ended 30 June 2023

### Note 1 Summary of significant accounting policies (continued)

#### r. New and Amended Accounting Policies Adopted by the Group

The Company has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. There has been no material impact on the financial statements by their adoption.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted. The adoption of these accounting standards will not have a material impact on the financial statements.

#### s. Leases

The Group as lessee

At inception of a contract, the Group assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the Group where the Group is a lessee. However, all contracts that are classified as short-term leases (lease with remaining lease term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Initially the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Group uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options if lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date as well as any initial direct costs. The subsequent measurement of the right of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset whichever is the shortest.

## Notes to the financial statements for the year ended 30 June 2023

### Note 1 Summary of significant accounting policies (continued)

Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group anticipates exercising a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

#### t. **New and Amended Accounting Policies Not Yet Adopted by the Group**

The AASB has issued a number of new or amended accounting standards and interpretations that are not mandatory for the first time in the reporting period ended 30 June 2023. The Group has assessed these standards and interpretations and determined that there are no standards or amendments to standards that are not yet effective that are expected to have a material impact on the Group in the future reporting period.

#### u. **Critical accounting estimates**

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

##### *Exploration and evaluation costs*

Exploration and evaluation costs have been capitalised on the basis that the Group intend to commence commercial production in the future, from which time the costs will be amortised in proportion to the depletion of the mineral resources. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised.

In addition, costs are only capitalised that are expected to be recovered either through successful development or sale of the relevant mining interest. Factors that could impact the future commercial production at the mine include the level of reserves and resources, future technology changes, which could impact the cost of mining, future legal changes and changes in commodity prices. To the extent that capitalised costs are determined not to be recoverable in the future, they will be written off in the period in which this determination is made.

##### *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 either a Black Scholes, Binomial or Monte Carlo option pricing model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions, including share price volatility, interest rates and vesting periods would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact the profit or loss and equity.

##### *Fair Value of Financial Instruments carried at fair value through profit loss*

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. For details of the key assumptions used and the impact of changes to these assumptions see note 16.

## Notes to the financial statements for the year ended 30 June 2023

### Note 2 Parent information

The following information has been extracted from the books and records of the parent and has been prepared in accordance with Australian Accounting Standards.

	2023	2022
Notes	\$	\$
<b>Balance sheet</b>		
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	2,297,654	2,443,671
Trade and other receivables	51,209	81,082
Total current assets	<u>2,348,863</u>	<u>2,524,753</u>
<b>Non-current assets</b>		
Plant and equipment	14,778	18,059
Exploration and evaluation assets	718,817	39,371
Intercompany receivables	7,961,301	1,610,313
Investment in subsidiaries	521,144	1,844,285
Investments accounted for using the equity method	346,813	393,708
Financial assets at fair value through profit or loss	175,000	250,000
Other assets	51,760	37,600
Total non-current assets	<u>9,789,613</u>	<u>4,193,336</u>
<b>Total assets</b>	<u>12,138,476</u>	<u>6,718,089</u>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Payables	848,075	221,403
Total current liabilities	<u>848,075</u>	<u>221,403</u>
<b>Total liabilities</b>	<u>848,075</u>	<u>221,403</u>
<b>Net assets</b>	<u>11,290,401</u>	<u>6,496,686</u>

#### **Investments in associates**

Investments in associates are accounted for at cost in the financial statements of Green Critical Minerals Limited.

## Notes to the financial statements for the year ended 30 June 2023

### Note 2 Parent information (continued)

Notes	2023 \$	2022 \$
Contributed equity	21,206,391	15,112,958
Reserves		
Share based payment reserve	2,166,139	1,307,589
Contingent consideration reserve	101,712	101,712
Accumulates losses	<u>(12,183,841)</u>	<u>(10,025,573)</u>
<b>Total equity</b>	<u>11,290,401</u>	<u>6,496,686</u>
<b>Statement of Profit or Loss and Other Comprehensive Income</b>		
Total loss for the year	<u>(5,942,448)</u>	<u>(3,305,018)</u>
Total comprehensive income	<u>(5,942,448)</u>	<u>(3,305,018)</u>

#### Guarantees

Green Critical Minerals Limited has not entered into any guarantees, in the current or previous reporting period, in relation to the debts of its subsidiaries.

#### Contingent liabilities

At 30 June 2023, Green Critical Minerals Limited contingent liability is detailed in Note 26 (30 June 2022: Nil).

#### Contractual commitments

Green Critical Minerals Limited has no contractual commitments at 30 June 2023.

### Note 3 Other Income

	<u>Consolidated</u>	
	2023 \$	2022 \$
Other income:		
Interest received from unrelated parties	61,648	11,333
Research and development tax incentive	-	51,450
Gain on foreign exchange	<u>101</u>	<u>104,343</u>
Total other income	<u>61,749</u>	<u>167,126</u>

## Notes to the financial statements for the year ended 30 June 2023

### Note 4 Loss for the year

Loss before income tax from continuing operations includes the following specific expenses:

	<b>Consolidated</b>	
	<b>2023</b>	<b>2022</b>
	\$	\$
Employee benefits expense comprised:		
Employee emoluments expensed	588,989	403,662
Employee emoluments capitalised and expensed to exploration expenditure	(203,679)	(177,294)
Employee emoluments included in research and development expenditure	-	(7,522)
Employee emoluments included in Other expenses (note 4(b) below)	-	(15,900)
	<u>385,310</u>	<u>202,946</u>
Administration expenses:		
Audit fees	45,033	45,793
Insurance	54,423	44,363
Consultants	82,010	96,582
Compliance costs	91,227	54,531
Legal fees	236,691	40,940
Other expenses	319,752	81,813
	<u>829,136</u>	<u>364,022</u>

### Note 5 Income tax expense

This note provides an analysis of the Group's income tax expense, shows what amounts are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the Group's tax position.

	<b>Consolidated</b>	
	<b>2023</b>	<b>2022</b>
	\$	\$
<b>(a) Numerical reconciliation of income tax expense to prima facie tax payable</b>		
Loss before income tax expense	<u>(2,141,461)</u>	<u>(3,251,321)</u>
Tax at the Australian tax rate of 30% (2022: 30%)	(642,438)	(975,396)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Non-deductible (income)/expenses	21,080	705,645
Adjustment to deferred tax assets and liabilities for tax losses and temporary differences not recognised	<u>621,358</u>	<u>269,751</u>
Income tax expense	<u>-</u>	<u>-</u>

## Notes to the financial statements for the year ended 30 June 2023

### Note 5 Income tax expense (continued)

	Consolidated	
	2023	2022
	\$	\$
<b>(b) Tax losses</b>		
Net deferred tax asset not recognised including unused tax losses	6,505,170	4,231,023
Potential tax benefit @ 30% (2022: 30%)	1,951,551	1,269,307
<b>(c) Franking credits</b>		
Franking credits available for use in subsequent financial years	153,452	153,452
<b>(d) Deferred tax assets</b>		
The balance comprises temporary differences attributable to:		
Tax losses	4,502,531	2,172,836
Employee entitlements	48,375	37,550
Investment in associate	24,428	(12,140)
Share issue costs	74,015	48,285
Other	11,260	4,809
Total deferred tax assets	4,660,609	2,251,340
Set-off of deferred tax liabilities pursuant to set-off provisions	(2,709,058)	(982,032)
Deferred tax assets not recognised	(1,951,551)	(1,269,307)
Net deferred tax assets	-	-
<b>(e) Deferred tax liabilities</b>		
The balance comprises temporary differences attributable to:		
Exploration and evaluation assets	2,708,507	982,032
Plant & equipment	551	-
Total deferred tax liabilities	2,709,058	982,032
Set-off of deferred tax liabilities pursuant to set-off provisions	(2,709,058)	(982,032)
Net deferred tax liabilities	-	-



## Notes to the financial statements for the year ended 30 June 2023

### Note 5 Income tax expense (continued)

Unused losses which have not been recognised as an asset, will only be obtained if;

- (i) the group derives future assessable income of a nature and of an amount sufficient to enable the losses to be realised;
- (ii) the group continues to comply with the conditions for deductibility imposed by the law; and
- (iii) no changes in tax legislation adversely affect the group in realising the losses.

#### *Offsetting within tax consolidated entity*

Green Critical Minerals Limited and its wholly-owned Australian subsidiaries have applied the tax consolidation legislation which means that these entities are taxed as a single entity. As a consequence, the deferred tax assets and deferred tax liabilities of these entities have been offset in the consolidated financial statements.

### Note 6 Key Management Personnel Compensation

Refer to the remuneration report contained in the Directors' report for details of the remuneration paid or payable to each member of the Group's key management personnel (KMP) for the year ended 30 June 2023.

The totals of remuneration paid to KMP of the Company and the Group during the year are as follows:

	<b>Consolidated</b>	
	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Short-term employee benefits	524,783	363,750
Post-employment benefits	47,160	33,600
Total KMP compensation	<u>571,943</u>	<u>397,350</u>

#### **Short-term employee benefits**

These amounts include fees and benefits paid to the executive Chairman as well as all salary, paid leave benefits and fees paid to non-executive directors.

#### **Post-employment benefits**

These amounts are the current-year's superannuation contributions made during the year.

### Note 7 Auditor's Remuneration

	<b>Consolidated</b>	
	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Remuneration of the auditor for:		
- Auditing or reviewing the financial report	45,033	45,793
	<u>45,033</u>	<u>45,793</u>

## Notes to the financial statements for the year ended 30 June 2023

### Note 8 Earnings per share

	2023 Cents	2022 Cents
<b>(a) Basic earnings per share</b>		
Total basic earnings per share attributable to the ordinary equity holders of the Company	<u>(0.27 cents)</u>	<u>(0.75 cents)</u>
<b>(b) Diluted earnings per share</b>		
Total diluted earnings per share attributable to the ordinary equity holders of the Company	<u>(0.27 cents)</u>	<u>(0.75 cents)</u>
<b>(c) Reconciliations of earnings used in calculating earnings per share</b>		
	2023 \$	2022 \$
<i>Basic earnings per share</i>		
Loss attributable to the ordinary equity holders of the Company used in calculating basic earnings per share	<u>(2,141,461)</u>	<u>(3,251,321)</u>
<i>Diluted earnings per share</i>		
Loss attributable to the ordinary equity holders of the Company used in calculating diluted earnings per share	<u>(2,141,461)</u>	<u>(3,251,321)</u>
<b>(d) Weighted average number of shares used as the denominator</b>		
	2023 Number	2022 Number
Weighted average number of ordinary shares used as the denominator in calculating basic and diluted earnings per share	<u>788,767,424</u>	<u>431,805,706</u>

### Note 9 Cash and cash equivalents.

	<u>Consolidated</u>	
	2023 \$	2022 \$
Cash at bank	<u>2,297,527</u>	<u>2,443,545</u>
Total cash and cash equivalents	<u>2,297,527</u>	<u>2,443,545</u>

## Notes to the financial statements for the year ended 30 June 2023

### Note 10 Trade and other receivables

	<b>Consolidated</b>	
	<b>2023</b>	<b>2022</b>
	\$	\$
<b>CURRENT</b>		
GST receivable	174,735	29,236
Other receivables	43,151	79,143
Tax incentives receivable	-	195,283
	<u>217,886</u>	<u>303,662</u>
Total current trade and other receivables		
<b>NON-CURRENT</b>		
Security deposits	<u>51,760</u>	<u>37,600</u>
Total non-current trade and other receivables	<u>51,760</u>	<u>37,600</u>

#### Credit risk

The Group has no significant concentration of credit risk with respect to any counterparties or on a geographical basis. All receivables are expected to be recovered at their carrying value, therefore no expected credit loss has been recognised in the financial statements.

### Note 11 Interests in subsidiaries

#### Information about material Subsidiaries

The group's principal subsidiaries at 30 June 2023 are set out below. Unless otherwise stated, they have share capital consisting solely of ordinary shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Name of entity	Place of business/country of incorporation	Ownership interest held by the group		Principal activities
		2023 %	2022 %	
Torrington Minerals Pty Ltd	Australia	100%	100%	Mineral exploration
TopFibre Pty Ltd	Australia	100%	100%	Topaz research and development
Zeus Minerals Pty Ltd	Australia	100%	100%	Mineral exploration
GCM Graphite Pty Ltd	Australia	100%	-	Mineral exploration
Zeus Minerals Corp.	Canada	100%	100%	Mineral exploration
Zeus Olympus Sub Corp.	Canada	100%	100%	Mineral exploration

## Notes to the financial statements for the year ended 30 June 2023

### Note 12a Plant and equipment.

	Consolidated	
	2023	2022
	\$	\$
<b>Field equipment</b>		
At cost	53,151	53,151
Accumulated depreciation	(50,487)	(49,866)
<b>Total field equipment</b>	<u>2,664</u>	<u>3,285</u>
<b>Motor vehicles</b>		
At cost	145,000	145,000
Accumulated depreciation	(132,886)	(130,226)
<b>Total motor vehicles</b>	<u>12,114</u>	<u>14,774</u>
<b>Computer equipment</b>		
At cost	10,179	-
Accumulated depreciation	(944)	-
<b>Total computer equipment</b>	<u>9,235</u>	<u>-</u>
<b>Total plant and equipment</b>	<u>24,013</u>	<u>18,059</u>

Reconciliations of the carrying amount of each class of property, plant and equipment at the beginning and end of the current financial period are set out below:

	Field equipment \$	Motor vehicles \$	Computer Equipment \$	Total \$
Opening balance	3,285	14,774	-	18,059
Additions	-	-	10,179	10,179
Depreciation	(621)	(2,660)	(944)	(4,225)
Closing balance	<u>2,664</u>	<u>12,114</u>	<u>9,235</u>	<u>24,013</u>

### Note 12b Right of Use Asset – Office Lease

	2023 Consolidated \$	2022 Consolidated \$
Right of use assets - building	250,398	-
Less: Accumulated depreciation	(33,838)	-
	<u>216,560</u>	<u>-</u>

## Notes to the financial statements for the year ended 30 June 2023

### Note 12a Right of Use Asset – Office Lease (continued)

During the year the Company entered into an office lease, the details of which are:

- commence 1 February 2023;
- term: 3 years;
- options: there is no option however the Company can agree to extend the lease giving the landlord a minimum 3 months notice;
- annual rent: \$90,000, inclusive of all outgoings;
- rent review: there is no rent review during the lease term;
- there is no make good obligation on lease expiry;
- the lease does not contain any conditions for termination.

#### AASB16 amounts recognised in the Statement of profit or loss

	2023	2022
	\$	\$
Depreciation charge	33,838	-
Interest expense (included in admin costs)	6,728	-
	<u>40,566</u>	<u>-</u>

#### AASB 16 amounts recognised in the Statement of cashflows

Total principal and interest cash outflow for leases \$37,500

#### Note 13 Exploration and evaluation assets

	<u>Consolidated</u>	
	2023	2022
	\$	\$
Exploration and evaluation assets – at cost	<u>9,028,355</u>	<u>3,273,440</u>

The capitalised exploration and evaluation assets carried forward above have been determined as follows:

Balance at the beginning of the year	3,273,440	5,860,930
Expenditure incurred during the year	2,770,669	317,512
Acquisitions (note 15)	3,730,258	-
Disposals	-	(1,014,280)
Expenditure written off during the year <sup>1</sup>	(746,012)	(1,894,968)
Exchange differences	-	4,246
	<u>9,028,355</u>	<u>3,273,440</u>
Balance at the end of the year	<u>9,028,355</u>	<u>3,273,440</u>

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

<sup>1</sup> During the current period the Company recognised an impairment loss of \$746,012 relating to the Torrington project. The Directors determined that it was appropriate for the carrying value of the Torrington project to reflect the exploration and evaluation expenditure incurred since acquisition, and to write off all acquisition related costs.

## Notes to the financial statements for the year ended 30 June 2023

### Note 14 Investments accounted for using the equity method

	2023 \$	2022 \$
Investment in Associate	346,813	393,708

Green Critical Minerals Limited holds a 30.4% interest in Red Fox Resources Pty Ltd (Red Fox). Red Fox is an exploration Company with a Gold and Silver-Lead-Zinc focus, owning seven granted tenements.

The Company continues to not have any commitments or contingent liabilities in respect of its investment in Red Fox Resources Pty Ltd.

	2023 \$	2022 \$
Balance at the beginning of the period	393,708	592,696
Change of interest in associate	-	(142,247)
Share of loss after income tax	(46,895)	(56,741)
Balance at the end of the period	346,813	393,708

The table below provides summarised financial information for the associate and reflects the amounts presented in the financial statements of the associate and not Green Critical Minerals Limited's share of those amounts.

	2023 \$	2022 \$
<b>Summarised balance sheet</b>		
Current assets	159,999	610,778
Non-Current assets	1,332,106	1,032,577
<b>Total assets</b>	1,492,105	1,643,355
Current liabilities	10,949	7,937
Non-current liabilities	-	-
<b>Total liabilities</b>	10,949	7,937
<b>Net assets</b>	1,481,156	1,635,418
<b>Loss for the year</b>	154,261	186,648

#### Commitments and Contingent Liabilities in Respect of Associate.

The Group does not have any commitments or contingent liabilities in respect of its investment.

## Notes to the financial statements for the year ended 30 June 2023

### Note 15 Asset acquisition

On 17 November 2022, the Group acquired 100% of the shares and voting interests in GCM Graphite Pty Ltd. GCM Graphite Pty Ltd holds the right to acquire up to 80% of the graphite rights for the advanced McIntosh Graphite Project in Western Australia.

The details of the consideration paid for the acquisition are as follows:

<b>Fair value of consideration transferred</b>	Note	\$
245,872,849 ordinary shares (note 7)	(a)	2,950,474
122,936,474 options over ordinary shares	(b)	779,784
245,872,849 performance rights	(c)	-
<b>Total purchase consideration</b>		<b>3,730,258</b>

#### (a) Ordinary shares issued as consideration

The fair value of the 245,872,849 shares issued has been determined with reference to the market value of GCM shares on the date of acquisition, 17 November 2022, being \$0.12 per share.

#### (b) Options over ordinary shares issued as consideration

The fair value of the 122,936,424 options over ordinary shares issued has been calculated using a Black Scholes option pricing model by applying the inputs below. The fair value of these options at grant date was \$779,784.

Number of options	122,936,474
Exercise price	\$0.022
Grant date	17/11/2022
Expiry date	17/11/2025
Volatility*	102.98%
Underlying share price	\$0.012
Dividend yield	0%
Risk-free interest rate	3.12%
Fair value at grant date	\$0.006

#### (c) Performance rights issued as consideration

The fair value of the 245,872,849 performance rights issued was calculated based on the share price at the date the performance rights were granted. The fair value of the performance rights at grant date was \$2,950,474. The performance rights are subject to the following vesting conditions:

- i. 81,957,616 performance rights convert to ordinary shares upon GCM announcing a JORC 2012 defined resource of no less than a total of 30M tonnes from the Tenements using a cut off grade of 3% TGC.
- ii. 81,957,616 performance rights convert to ordinary shares upon GCM announcing a JORC 2012 defined resource of no less than a total of 40M tonnes from the Tenements using a cut off grade of 3% TGC.
- iii. 81,957,616 performance rights convert to ordinary shares upon GCM announcing a JORC 2012 reserve of no less than 1M tonnes of TGC from the Tenements.

As the Directors have assessed that the vesting conditions are not probable of being met as at the reporting date, the deferred consideration has not been brought to account.

## Notes to the financial statements for the year ended 30 June 2023

### Note 16 Financial assets at fair value through profit or loss

(i) *Classification of financial assets at fair value through profit or loss*

The group classifies equity investments for which it has not elected to recognise fair value gains and losses through OCI as financial assets at fair value through profit or loss (FVPL).

Financial assets mandatorily measured at FVPL include the following:

	<b>Consolidated</b>	
	<b>2023</b>	2022
	\$	\$
Australian listed equity securities	175,000	250,000

In May 2022, Green Critical Minerals Limited sold its Alotta and Lorraine Claims in Quebec, Canada, to Pivotal Metals Limited (formerly Rafaella Resources Limited ASX:RFR). The sale price consisted of 8,333,333 new fully paid ordinary shares in PVT at \$0.03 per share and AUD \$100,000 cash. Rafaella Resources Ltd changed its name and ASX code to Pivotal Metals Ltd (ASX.PVT)

(ii) *Amounts recognised in profit or loss*

During the year a loss of \$75,000 associated with FVPL assets was recognised in the profit or loss.

(iii) *Fair value hierarchy*

Australian listed equity securities are classified as a Level 1 financial instrument under the accounting standards. The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the group is the current bid price.

	Australian listed equity securities \$	Australian listed equity securities \$
Balance at the beginning of the year	250,000	-
Additions during the year:		
Consideration settled in shares	-	341,667
Consideration settled in cash	-	(91,667)
Change in fair value	(75,000)	-
Balance at the end of the year	175,000	250,000

(iv) *Valuation techniques used to determine fair values*

The recoverable amount of the PVT Investment is based on the use of quoted market prices.



## Notes to the financial statements for the year ended 30 June 2023

### Note 17 Trade and other payables

	<b>Consolidated</b>	
	<b>2023</b>	<b>2022</b>
	\$	\$
<b>Current Trade and other Payable</b>		
Trade payables	686,636	98,162
Sundry payables and accrued expenses	161,251	125,166
	<u>847,887</u>	<u>223,328</u>
Total trade and other payables classified as financial liabilities at amortised cost		

	<b>Consolidated</b>	
	<b>2023</b>	<b>2022</b>
	\$	\$
<b>Lease Liabilities</b>		
<b>Current</b>		
Lease Liability	77,610	-
<b>Non- Current</b>		
Lease Liability	142,016	-

### Note 18 Issued capital

	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	Shares	Shares	\$	\$
<b>(a) Share capital</b>				
Ordinary shares				
Fully paid	986,478,629	468,132,761	21,206,391	15,112,958

#### (b) Movements in ordinary share capital

Date	Details	Note	Number of Shares	Issue Price	\$
1 July 2021	Opening balance		370,007,761		13,634,004
2 November 2021	Placement shares	(d)	56,250,000	\$0.016	900,000
22 November 2021	Share purchase plan	(d)	35,625,000	\$0.016	570,000
17 December 2021	Director placements	(d)	6,250,000	\$0.016	100,000
	Share issue expenses		-	-	(91,046)
30 June 2022	Balance		<u>468,132,761</u>		<u>15,112,958</u>
<b>28 Oct 2022</b>	<b>Entitlement Issue</b>	<b>(c)</b>	<b>60,691,576</b>	<b>\$0.012</b>	<b>728,299</b>
<b>17 Nov 2022</b>	<b>Entitlement Issue</b>	<b>(c)</b>	<b>196,781,443</b>	<b>\$0.012</b>	<b>2,361,377</b>
<b>17 Nov 2022</b>	<b>GCM Graphite acquisition consideration shares</b>	<b>(e)</b>	<b>245,872,849</b>	<b>\$0.012</b>	<b>2,950,474</b>
<b>10 Jan 2023</b>	<b>Option exercise</b>		<b>15,000,000</b>	<b>\$0.020</b>	<b>300,000</b>
	Share issue expenses		-	-	(246,717)
<b>30 June 2023</b>	<b>Closing balance</b>		<u><b>986,478,629</b></u>		<u><b>21,206,391</b></u>

## Notes to the financial statements for the year ended 30 June 2023

### Note 18 Issued capital (continued)

#### (c) Entitlement Issue

The issue of a total of 257,473,019 fully paid ordinary shares under a non-renounceable pro-rata offer at an issue price of \$0.012 per New Share, together with one attaching option for every 2 New Shares issued. A total of 128,736,509 options over ordinary shares were issued under the offer. The options are exercisable at \$0.022 per share and expire 12 October 2025.

#### (d) Issue to sophisticated investors and Share purchase Plan

The issue of a total of 91,875,000 fully paid ordinary shares to existing shareholders and sophisticated investors at an issue price of \$0.016 cash. A further 6,250,000 fully paid ordinary shares were issued to Directors following receipt of Shareholder approval at the 2021 Annual General Meeting.

#### (e) GCM Graphite acquisition consideration shares

Issue of 245,872,849 fully paid ordinary shares as consideration for the acquisition of 100% shares in GCM Graphite Pty Ltd, which holds the right acquire up to 80% of the graphite rights in the McIntosh Graphite Project in Western Australia. See Note 15 also.

#### (f) Capital Management

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders, benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the Group includes equity attributable to equity holders, comprising of issued capital, reserves and accumulated losses. In order to maintain or adjust the capital structure, the Company may issue new shares, sell assets to reduce debt or adjust the level of activities undertaken by the company.

The Group monitors capital on the basis of cash flow requirements for operational, and exploration and evaluation expenditure. The Group will continue to use capital market issues to satisfy anticipated funding requirements.

The Group has no externally imposed capital requirements. The Group's strategy for capital risk management is unchanged from prior years.

The Covid 19 pandemic has not impacted on the Group's ability to raise capital. Based on this, the Group's strategy for capital risk management is unchanged from prior years.

### Note 19 Reserves

		Consolidated	
	Note	2023	2022
		\$	\$
Share-based payment reserve	(a)	2,166,139	1,316,089
Contingent consideration reserve	(b)	101,712	101,712
Foreign currency translation reserve	(c)	(83,250)	(73,944)
		<u>2,185,601</u>	<u>1,343,857</u>

## Notes to the financial statements for the year ended 30 June 2023

### Note 19 Reserves (continued)

(a) Share-based payment reserve	Consolidated	
	2023	2022
	\$	\$
Share-based payment reserve	<u>2,166,139</u>	<u>1,316,089</u>
Movements:		
Balance 1 July	1,316,089	1,307,589
Share based payments (see Note 27 also)	<u>850,050</u>	<u>8,500</u>
Balance 30 June	<u>2,166,139</u>	<u>1,316,089</u>

The share-based payment reserve records items recognised as expenses on valuation of director, employee and contractor options and performance rights.

(b) Contingent consideration reserve	Consolidated	
	2023	2022
	\$	\$
Contingent consideration reserve	<u>101,712</u>	<u>101,712</u>

There have been no movements in the reserve during the current or prior financial years.

The contingent consideration reserve arises from valuing the contingent share-based consideration associated with the purchase of the Torrington Tungsten a<sup>®</sup>Topaz Project.

(c) Foreign currency translation reserve	Consolidated	
	2023	2022
	\$	\$
Foreign currency translation reserve	<u>(82,250)</u>	<u>(73,944)</u>

Exchange differences arising on translation of the foreign controlled entity are recognised in other comprehensive income as described in note 1(q) and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed of.

### Note 20 Operating segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (Chief Operating Decision Makers) in assessing performance and determining the allocation of resources. The Group is managed primarily on a geographic basis that is the location of the respective areas of interest (tenements) in Australia and Canada. Operating segments are determined on the basis of financial information reported to the Board, which is at the Group level. The Group does not have any products/services where it derives revenue.

#### Basis of accounting for purposes of reporting by operating segments

##### a. Accounting policies adopted

Unless stated otherwise, all amounts reported to the Board of Directors, being the chief operating decision makers with respect to operating segments, are determined in accordance with accounting policies that are consistent with those adopted in the annual financial statements of the Group.

## Notes to the financial statements for the year ended 30 June 2023

### Note 20 Operating segments (continued)

#### b. Segment assets

Where an asset is used across multiple segments, the asset is allocated to the segment that receives the majority of the economic value from the asset. In most instances, segment assets are clearly identifiable on the basis of their nature and physical location.

#### c. Segment liabilities

Liabilities are allocated to segments where there is a direct nexus between the incurrence of the liability and the operations of the segment. Borrowings and tax liabilities are generally considered to relate to the Group as a whole and are not allocated. Segment liabilities include trade and other payables.

#### d. Unallocated items

The following items for revenue, expenses, assets and liabilities are not allocated to operating segments as they are not considered part of the core operations of any segment:

- Interest income
- Corporate administrative and other expenses
- Corporate share-based payments
- Corporate marketing and project development expenses
- Research and development tax incentive

#### e. Segment information

##### *Segment performance*

	Australia \$	Canada \$	Unallocated \$	Total \$
<b>2023</b>				
Interest revenue	-	5,522	56,126	61,648
Other income	-	101	-	101
Total group income	-	5,623	56,126	61,749
Segment net profit / (loss) before tax	(774,783)	(2,179)	(1,364,499)	(2,141,461)

	Australia \$	Canada \$	Unallocated \$	Total \$
<b>2022</b>				
Interest revenue	-	-	11,333	11,333
Other income	-	104,343	51,450	155,793
Total group income	-	104,343	62,783	167,126
Segment net profit / (loss) before tax	(436,633)	(2,363,530)	(451,158)	(3,251,321)

## Notes to the financial statements for the year ended 30 June 2023

### Note 20 Operating segments (continued)

#### Segment assets

	Australia \$	Canada \$	Unallocated \$	Total \$
30 June 2023	9,550,168	5,048	2,802,698	12,357,914
	Australia \$	Canada \$	Unallocated \$	Total \$
30 June 2022	3,972,807	222,455	2,524,752	6,720,014

#### Segment liabilities

	Australia \$	Canada \$	Unallocated \$	Total \$
30 June 2023	-	-	1,067,513	1,067,513
	Australia \$	Canada \$	Unallocated \$	Total \$
30 June 2022	-	1,425	221,903	223,328

#### Geographical Segments

For the purposes of segment reporting, all segment activities relating to Topaz and Tungsten Exploration and Evaluation is carried out in Australia and all segment activities relating to Nickel-Copper Exploration and Evaluation is carried out in Canada.

### Note 21 Cash flow information

#### (a) Reconciliation of profit after income tax to net cash outflow from operating activities

	Consolidated	
	2023 \$	2022 \$
<b>Loss for the year</b>	(2,141,461)	(3,251,321)
Adjustments for non-cash flows in loss		
Depreciation expense	38,063	4,009
Exploration written off	729,479	1,894,968
Exploration expensed	-	67,206
Share based payments expense	70,266	8,500
Loss on disposal of assets	-	572,613
Share of loss of associate	46,895	198,988
Impairment losses on financial assets at fair value through profit or loss	75,000	91,667
Foreign exchange translation	(198)	(103,356)
Change in operating assets and liabilities:		
(Increase)/decrease in other assets	269,296	381,197
Increase/(decrease) in trade and other creditors	(7,940)	35,466
Increase/(decrease) in provisions	36,085	20,862
<b>Net cash inflow (outflow) from operating activities</b>	<b>(884,515)</b>	<b>(79,201)</b>

## Notes to the financial statements for the year ended 30 June 2023

### Note 21 Cash flow information (continued)

(b) Cash and cash equivalents shown in the Statement of cashflows comprises the following:

		Consolidated	
		2023	2022
		\$	\$
Cash and cash equivalents	9	2,297,527	2,443,545
		<u>2,297,527</u>	<u>2,443,545</u>

(c) Net debt reconciliation

The Company does not have any debt on its balance sheet and therefore no net debt reconciliation has been provided.

(d) Non-Cash investing and financing activities

- A total of \$30,000 was paid by the Company to Director Julian Atkinson regarding legal work provided in relation to the rights issue of which a total of \$9,933 was issued in shares, thereby representing a noncash financing activity.
- As detailed in Note 15, a total of \$3,730,258 was paid for the acquisition of GCM Graphite Pty Ltd representing a non-cash financing activity.

### Note 22 Events after the reporting date

Other than stated below there have been no other events that have occurred subsequent to year end that are material or unusual in nature that are likely to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group in subsequent financial years.

#### Corporate

The Company completed a Revised Placement in August 2023 and issued 133,200,000 shares to raise \$1,332,000 (before costs). The Placement funds were raised via the issue of 133,200,000 fully paid ordinary shares to sophisticated and professional investors at a price of A\$0.01 per share. The Placement also included (subject to shareholder approval) a free attaching 1:2 unlisted option with a strike of \$0.028 and expiry of 12 October 2025. The 66,600,000 Placement Options, will be issued subject to shareholder approval.

In conjunction with the Placement, the Company offered Eligible Shareholders the ability to participate in a Share Purchase Plan (SPP) on the same terms as the Placement to raise up to an additional \$2,500,000 (before costs). The results of the SPP, announced on 11 September 2023, where 16,906,394 shares were issued to eligible participants raising \$169,064 before costs. The 8,453,197 free attaching options are to be issued subject to shareholder approval.

On the 19<sup>th</sup> September, the Company announced the termination of the CEO Mark Lynch-Staunton contract, with his last being 29 February 2024.

#### Torrington Project

An update on the Torrington project (100% GCM ownership) located in the New England Orogeny of NSW, was provided in late July (28 July 2023). This project encompasses almost the entire Torrington Pendant, a metasedimentary roof pendant within the Mole Granite.

## Notes to the financial statements for the year ended 30 June 2023

### Note 22 Events after the reporting date (continued)

Diamond core has been re-sampled from hole TOR001C and returned Li<sub>2</sub>O grades of 0.35% and 0.43%. This is a similar grade range and style of mineralisation to the San Jose lithium deposit (ASX INF), Europe's second largest Hard Rock Lithium deposit. The infiltration of granite-derived Lithium and Fluorine rich aqueous fluids into the metasedimentary host rocks through fractures related to shearing, is the cause of the formation of Li-rich micas. A review of the geology at the Torrington project indicates that these lithium rich sediments occur as bands up to 10m thick within the high-grade tungsten rich Silexite orebodies. Pipes of Lithium and tungsten rich bearing pegmatites are also noted to intrude the sedimentary sequence.

Lithium has been noted in several historical reports related to the Mole Granite to be hosted within the mica mineral Zinnwaldite. Processing lithium from Zinnwaldite has economic advantages compared to spodumene. The potential now is for a Multi Commodity resource with three Critical Minerals, Lithium, Tungsten and Bismuth all in one deposit.

#### McIntosh Graphite Project

An update on the McIntosh Graphite project was provided 11th August 2023 on the preliminary Metallurgical test work result from the Emperor Deposit. A 250Kg composite sample was taken from two historical core holes at the Emperor Deposit provided by the previous owners and sent to SGS Lakefield (SGS) to perform the Company's own metallurgical test work studies. Preliminary results from this first

set of test work indicate that the flake size distribution used in the 2017 PFS (and announced by the previous owners of the Project on 31 May 2017) is different to the sample material sent by GCM to SGS.

Screen Size Analysis of the cleaner concentrate has not at this stage indicated the same flake size distribution as previously reported in past studies.

The SGS flotation test work received to date is preliminary and still ongoing. SGS has only performed a single polishing stage followed by three stages of cleaner flotation to achieve approximately 51% C(t) concentrate grade. Test work will progress with the upgrading process using additional polishing and cleaner stages to achieve >95% C(t) final concentrate grade.

Once the next stage of testing is complete by SGS, GCM will follow up with further Metallurgical test work based on its own core samples from its recently completed 2023 drilling campaign to more accurately test and better understand flake size distribution across the Emperor Deposit. These recently acquired samples from the 2023 drilling will better test for variability of flake size across the deposit including the higher-grade eastern limb which potentially has a different flake size distribution again.

#### North Barkly Project

The Company provided an update on the North Barkly drilling program on 24th August 2023. 14 reconnaissance holes were drilled at widely separated locations and the total metres drilled was 955m, less than planned, due to difficult ground conditions. The main objective of testing the rare earth enrichments in weathered Mesozoic cover has been achieved. The drillholes also sampled the extensively base metal anomalous sediments at the base of the cover. This will help guide exploration of the interpreted large IOCG systems at depth and encountered in previous drilling by others. The initial assays are expected in October.

## Notes to the financial statements for the year ended 30 June 2023

### Note 23 Related party transactions

During the financial year the Group paid GTT Ventures Pty Ltd, a company of which Charles Thomas is a director, a fee of \$205,390 for capital raising services/underwriting associated with the November 2022 Entitlement Issue. The fee represented 6% of the funds raised plus an administration fee of \$15,000.

During the financial year the Group paid \$47,813 to Atkinson Corporate Law, a company of which Julian Atkinson is the principal, for legal services on normal commercial terms and conditions.

During the financial year the Group paid \$12,000 of salary and wages to Ms L Osborne, who is the spouse of Dr L Pretorius.

There were no transactions with other related parties during the year and no balances held with other related parties at year end.

### Note 24 Commitments

#### (a) Exploration commitments

	Consolidated	
Notes	2023	2022
	\$	\$
Commitments for payments under exploration permits in existence at the reporting date but not recognised as liabilities payable	<u>457,333</u>	<u>464,129</u>

So as to maintain current rights to tenure of various exploration tenements, the Group will be required to outlay amounts in respect of tenement exploration expenditure commitments. These outlays, which arise in relation to granted tenements are noted above. The outlays may be varied from time to time, subject to approval of the relevant government departments, and may be relieved if a tenement is relinquished.

Exploration commitments are calculated on the assumption that each of these tenements will be held for its full term. But, in fact, commitments will decrease materially as exploration advances and ground that is shown to be un-prospective is progressively surrendered. Expenditure commitments on prospective ground will be met out of existing funds and new capital raisings.

As at 30 June 2023 the company has met all of its minimum expenditure commitments on its tenements.

#### (b) Other Commitments

Under the Share Sale and Purchase Agreement with Rocco Tassone for the Company to acquire up to 80% of the graphite rights for the advanced McIntosh Graphite Project in Western Australia, the Company has committed to:

- a) Payment of \$200,000 by 17 November 2023;
- b) Exploration expenditure of \$1 million by 17 November 2023 to earn an initial 30%;
- c) Exploration expenditure of \$1 million by 17 November 2024 to earn 51%;
- d) Exploration expenditure of \$1 million by 17 November 2025 to earn 80%.



## Notes to the financial statements for the year ended 30 June 2023

### Note 25 Financial risk management

The Group's financial instruments consist mainly of deposits with banks and accounts receivable and payable.

The totals for each category of financial instruments measured as detailed in the accounting policies to these financial statements, are as follows:

		Consolidated	
	Notes	2023 \$	2022 \$
<b>Financial assets</b>			
Cash and cash equivalents	9	2,279,527	2,443,545
Trade and other receivables	10	43,151	274,426
<b>Total financial assets</b>		<u>2,322,678</u>	<u>2,717,971</u>
<b>Financial liabilities</b>			
Trade and other payables	17	847,887	223,328
Lease Liabilities	17	219,626	-
<b>Total financial liabilities</b>		<u>1,067,513</u>	<u>223,328</u>

The Board has overall responsibility for the determination of the Group's risk management objectives and policies. The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility.

#### Credit risk

Credit risk is managed on a Group basis. Credit risk arises primarily from cash and cash equivalents and deposits with banks and financial institutions. For bank and financial institutions, only independently rated parties with a minimum rating equivalent of that of the big 4 Australian banks is accepted.

#### Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities to meet obligations when due.

The Group manages liquidity risk by continuously monitoring forecast and actual cash flows. No finance facilities were available to the Group at the end of the reporting period.

All financial liabilities mature within one year and are carried at their contractual cashflow value.

#### Market risk

The Group is exposed to equity securities price risk. This arises from investments held by the Group in Pivotal Metals Limited Limited (formerly Raffaella Resources) (ASX: PVT) and classified on the statement of financial position as financial assets at fair value through profit or loss. The Group is not exposed to commodity price risk.

If the share price of Pivotal Metals Limited had increased / decreased by 25% from balance date fair value, with all other variables held constant, the Group's post-tax profit for the year would have been \$43,750 lower/higher (2022: \$62,500).

## Notes to the financial statements for the year ended 30 June 2023

### Note 25 Financial risk management (continued)

#### Foreign currency risk

Exposure to foreign currency risk may result in the fair value or future cash flows of a financial instrument fluctuating due to movement in foreign exchange rates of currencies in which the Group holds financial instruments which are other than the AUD functional currency of the Group.

With instruments being held by overseas operations, fluctuations in the Canadian dollar may impact on the Group's financial results.

The following table shows the foreign currency risk as on the financial assets and liabilities of the Group's operations denominated in currencies other than the functional currency of the operations. The Group did not have foreign currency risk in the prior year. There is no foreign currency risk in the books of the parent entity in the current year.

The group's exposure to foreign currency risk at the end of the reporting period was as follows:

	2023 CND \$	2022 CND \$
Trade and other receivables	5,176	222,580
Trade payables	-	1,425

#### Cash flow and fair value interest rate risk

As the Group has interest-bearing cash assets, the Company's income and operating cash flows are exposed to changes in market interest rates. The Company manages its exposure to changes in interest rates by using fixed term deposits.

At 30 June 2023, if interest rates had changed by +/- 100 basis points from the year-end rates with all other variables held constant, post-tax profit for the year would have been \$22,974 lower/higher (2022: \$24,435), as a result of higher/lower interest income from cash and cash equivalents.

#### Fair Value

The carrying value of all financial assets and financial liabilities approximate their fair value due to their short-term nature.

### Note 26 Contingent Liabilities

#### Deferred consideration

On 17 November 2022, the Company entered into a Share Sale and Purchase Agreement ("SSPA") with Rocco Tassone to acquire up to 80% of the graphite rights for the advanced McIntosh Graphite Project in Western Australia. Under the SSPA, performance rights were granted subject to certain performance based vesting conditions. On vesting, the performance rights will convert to ordinary shares. Details of the vesting conditions are as follows:

## Notes to the financial statements for the year ended 30 June 2023

### Note 26 Contingent Liabilities(continued)

	Number of performance rights	Vesting conditions
Tranche 1	81,957,616	GCM announcing a JORC 2012 defined resource of no less than a total of 30M tonnes from the Tenements using a cut off grade of 3% TGC.
Tranche 2	81,957,616	GCM announcing a JORC 2012 defined resource of no less than a total of 40M tonnes from the Tenements using a cut off grade of 3% TGC.
Tranche 3	81,957,616	GCM announcing a JORC 2012 reserve of no less than 1M tonnes of TGC from the Tenements.
<b>Total</b>	<b>245,872,848</b>	

As the milestone conditions are not probable of being met as at the reporting date, the deferred consideration has not been brought to account.

### Note 27 Share based payments

#### a) Options

A summary of movements of all options issued is as follows:

	Number	Weighted average exercise price
<b>Options outstanding as at 30 June 2021</b>	22,000,000	\$0.02
Granted	10,000,000	\$0.02
Forfeited	-	
Expired	-	
<b>Options outstanding as at 30 June 2022</b>	32,000,000	\$0.02
Granted	256,672,933	\$0.022
Forfeited	-	
Expired	(17,000,000)	
Exercised (Note 18)	(15,000,000)	
<b>Options outstanding as at 30 June 2023</b>	<b>256,672,933</b>	<b>\$0.022</b>
<b>Vested options outstanding as at 30 June 2023</b>	<b>256,672,933</b>	<b>\$0.022</b>

The weighted average remaining contractual life of options outstanding at year end was 2.25 years (2022: 0.5 years).

## Notes to the financial statements for the year ended 30 June 2023

### Note 27 Share based payments (continued)

The following options were granted during the year:

	Number of Options	Value	Exercise Price	Expiry
Consideration Options GCM Graphite Pty Ltd Acquisition (i)	122,936,424	\$779,785	\$0.022	12/10/2025
Rights Issue - free attaching options	128,736,509	Nil	\$0.022	12/10/2025
Consultant Options (ii)	5,000,000	\$45,750	\$0.03	31/12/2023
<b>Total</b>	<b>256,672,933</b>	<b>\$825,535</b>		

- (i) The fair value of the 122,936,424 options over ordinary shares issued has been calculated using a Black Scholes option pricing model by applying the inputs below. The fair value of these options at grant date was \$779,784. This value was included in the capitalised acquisition cost.

Number of options	122,936,474
Exercise price	\$0.022
Grant date	17/11/2022
Expiry date	17/11/2025
Volatility*	102.98%
Underlying share price	\$0.012
Dividend yield	0%
Risk-free interest rate	3.12%
Fair value at grant date	\$0.006

\* Volatility has been determined by looking at the historical volatility over the same period as the expected life of the option, long term average level of volatility, the length of time an entity's shares have been publicly traded, and the appropriate interval for price observations.

- (ii) On 10 January 2023, 5 million options were awarded to a contractor. The terms of the options are set out in the table below. The options hold no voting or dividend rights and are not transferable. The fair value of these options was \$50,000 with a credit adjustment for cancelled options of \$4,250 (5 million granted in the previous financial year were cancelled and vesting conditions waived). A total amount of \$45,750 was allocated to share based payment expense. This value was calculated using the Black & Scholes option pricing model by applying the following inputs:

Grant date	20 December 2022
Expiry date	31 December 2023
Vesting date	20 December 2022
Volatility	103.11%*
Dividend yield	0%
Risk-free interest rate	3.19%
Fair value at grant date	\$0.01

## Notes to the financial statements for the year ended 30 June 2023

### Note 27 Share based payments (continued)

\* Volatility has been determined by looking at the historical volatility over the same period as the expected life of the option, long term average level of volatility, the length of time an entity's shares have been publicly traded, and the appropriate interval for price observations.

#### a) Performance Rights

The Chief Executive Officer was granted 15 million Performance Rights during the financial year (February 2023). The Performance rights are subject to the following vesting conditions:

- i. Class 1 - 5,000,000 Performance Rights that vest upon 18 months continuous service (sign-on).
- ii. Class 2 - 2,500,000 Performance Rights that vest upon delivering >20% IRR result on DFS (concentrate) and Mining Approvals / License within 60 months from grant.
- iii. Class 3 - 2,500,000 Performance Rights that vest upon achieving VWAP \$0.06 per share for no less than 10 consecutive days within 18 months from grant.
- iv. Class 4 - 2,500,000 Performance Rights that vest upon announcing JORC2012 reserve of no less than 1,000,000t TGC at a cut-off of 3.5% from the tenements within 30 months from grant.
- v. Class 5 - 2,500,000 Performance Rights that vest upon announcing binding offtake/s for no less than 200,000t of McIntosh graphite within 60 months from grant.

The Class 1 Performance Rights (sign-on) were valued at \$90,000 being the share price on the date of grant. The amortised amount up to 30 June 2023 is \$24,516 and is reflected in the accounts.

With respect to the remaining Performance Right, the Directors considered the probability of the performance rights vesting over their life at grant date. The Directors formed the view the probability of the performance rights vesting was nil. Under AASB2 Share Based Payments, the Company is required to account for those performance rights that are deemed to vest over their life and reassess this at each reporting date. As a result, no expense has been recognised as at 30 June 2023.

## Directors' declaration

### In the Directors' opinion:

- (a) the financial statements and notes set out on pages 27 to 68 are in accordance with the *Corporations Act 2001*, including:
  - (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements, and
  - (ii) giving a true and fair view of the consolidated entity's financial position as at 30 June 2023 and of its performance for the financial year ended on that date, and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Note 1 confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The Directors have been given the declarations by the Executive Chairman and Chief Financial Officer required by section 295A of the *Corporations Act 2001*.

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



Dr Leon Pretorius  
Executive Chairman and CEO  
Tenterfield 29 September 2023

## Independent Auditor's Report to the Members of Green Critical Minerals Limited

### Report on the Audit of the Financial Report

#### *Opinion*

We have audited the financial report of Green Critical Minerals Limited ("the Company") and its subsidiaries ("the Group"), 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, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

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

- (i) giving a true and fair view of the Group's financial position as at 30 June 2023 and of its performance for the year then ended; and
- (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

#### *Basis for Opinion*

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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

#### *Material Uncertainty Related to Going Concern*

The financial statements have been prepared on a going concern basis which contemplates that the Group will continue to meet its commitments and can therefore continue normal business activities and realise its assets and discharge its liabilities in the ordinary course of business.

The ability of the Group to execute its currently planned exploration, evaluation and business activities necessitates the need to periodically raise additional funds. Accordingly, when necessary, the Directors of the Company investigate various options for raising additional funds which may include, amongst other initiatives, issuing new capital or disposing of non-core assets.

### Advisory. Tax. Audit.

Registered Audit Company 299289

Nexia Brisbane Audit Pty Ltd (ABN 49 115 261 722) is a firm of Chartered Accountants. It is affiliated with, but independent from Nexia Australia Pty Ltd. Nexia Australia Pty Ltd is a member of Nexia International, a leading, global network of independent accounting and consulting firms. For more information please see [www.nexia.com.au/legal](http://www.nexia.com.au/legal). Neither Nexia International nor Nexia Australia Pty Ltd provide services to clients.

Liability limited under a scheme approved under Professional Standards Legislation.

## Independent Auditor's Report to the Members of Green Critical Minerals Limited (continued)

### *Material Uncertainty Related to Going Concern*

As stated in Note 1, these events or conditions, along with other matters set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

### *Key Audit Matters*

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

Key audit matter	How our audit addressed the key audit matter
<p><b>Carrying Value of Exploration and Evaluation Assets</b></p> <p><b><i>Refer to note 13 Exploration and Evaluation Assets</i></b></p> <p>As at 30 June 2023 the carrying value of exploration and evaluation assets is \$9,028,355. As the carrying value of these Exploration and Evaluation Assets represents a significant asset of the Group, we considered it necessary to assess whether any facts or circumstances exist to suggest that the carrying amount of this asset may exceed its recoverable amount.</p> <p>Judgement is applied in determining the treatment of exploration expenditure in accordance with Australian Accounting Standard AASB 6 <i>Exploration for and Evaluation of Mineral Resources</i>. In particular:</p> <ul style="list-style-type: none"> <li>• Whether the conditions for capitalisation are satisfied;</li> <li>• Which elements of exploration and evaluation expenditures qualify for recognition; and</li> <li>• Whether facts and circumstances indicate that the exploration and expenditure assets should be tested for impairment.</li> </ul>	<p>Our procedures included, but were not limited to the following:</p> <ul style="list-style-type: none"> <li>• Obtaining evidence as to whether the rights to tenure of the areas of interest remained current at balance date as well as confirming that rights to tenure are expected to be renewed for tenements that will expire in the near future;</li> <li>• Obtain evidence of the future intentions for the areas of interest, including making enquiries of management, assessing future budgeted expenditure and related work programs;</li> <li>• Obtained an understanding of the status of ongoing exploration programs, for the areas of interest;</li> <li>• Reviewed ASX announcements and directors' minutes to ensure that the Group had not decided to discontinue activities in applicable areas of interest and to assess whether there are any other facts or circumstances that existed to indicate impairment testing was required.</li> </ul>



## **Independent Auditor's Report to the Members of Green Critical Minerals Limited (continued)**

### ***Other Information***

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

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of the other information we are required to report that fact. We have nothing to report in this regard.

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

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

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

### ***Auditor's Responsibility 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.

A further description of our responsibilities for the audit of the financial report is located at The Australian Auditing and Assurance Standards Board website at:

[https://www.auasb.gov.au/admin/file/content102/c3/ar1\\_2020.pdf](https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf). This description forms part of our auditor's report.

## Independent Auditor's Report to the Members of Green Critical Minerals Limited (continued)

### Report on the Remuneration Report

#### *Opinion on the Remuneration Report*

We have audited the remuneration report included in pages 19 to 25 of the directors' report for the year ended 30 June 2023.

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

#### *Responsibilities*

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

*Nexia Brisbane Audit Pty Ltd*

**Nexia Brisbane Audit Pty Ltd**



**Gavin Ruddell**  
**Director**

Level 28, 10 Eagle Street  
Brisbane, QLD, 4000

Date: 29 September 2023

## Shareholder information

The shareholder information set out below was applicable as at 30 August 2023.

### A Distribution of equity securities

Analysis of numbers of equity security holders by size of holding:

	Class of equity security	
	Ordinary shares	
1 - 1,000		65
1,001 – 5,000		68
5,001 – 10,000		98
10,001 – 50,000		397
50,001 to 100,000		229
100,001 and over		547
		<b>1,404</b>

There were 673 holders of less than a marketable parcel of ordinary shares.

### B Equity security holders

#### *Twenty largest quoted equity security holders*

The names of the twenty largest holders of quoted equity securities are listed below:

Name	Ordinary shares	
	Number held	% of issued shares
Syracuse Capital Pty Ltd	245,872,849	21.96%
Dr Leon Pretorius	55,251,103	4.93%
Syracuse Capital Pty Ltd	44,215,930	3.95%
Ms Barbara Seiw-Hwa Heng	42,100,000	3.76%
Alissa Bella Pty Ltd <The C&A Tassone SF No 2 A/C>	34,633,734	3.09%
Murdoch Capital Pty Ltd	29,500,000	2.63%
Alissa Bella Pty Ltd <The C&A Tassone Super A/C>	19,870,833	1.77%
Tribeca Nominees Pty Ltd	19,500,000	1.74%
Mr Sean Llewelyn	17,282,500	1.54%
Hustler Investments Pty Ltd	16,500,000	1.47%
Miss Melissa Tassone	16,163,368	1.44%
Simwise Developments	16,000,000	1.43%
JMARC Holdings Pty Ltd	15,833,334	1.41%
Vultur Gryphus Pty Ltd	15,500,000	1.38%
Perseverant Investments Pty Ltd	13,500,000	1.21%
Boomslang Capital Pty Ltd	12,250,001	1.09%
Mounts Bay Investments Pty Ltd (The Calver Capital A/C>	11,532,000	1.03%
Southern Reaches Pty Ltd	10,366,535	0.93%
Stecol Consulting Pty Ltd	8,000,000	0.71%
Lovell & Co Pty Ltd	8,000,000	0.71%
Mrs Sharon Lewis	7,500,000	0.67%
180 Markets Pty Ltd	7,500,000	0.67%
<b>Total</b>	<b>666,872,188</b>	<b>59.56%</b>

### **Unquoted equity securities**

	<b>Number of issue</b>	<b>Number of holders</b>
Options – expiry 12 Oct 2025 Ex \$0.022	251,672,933	144
Options – expiry 31 Dec 2025 Ex \$0.03	5,000,000	1
Performance Rights	260,872,849	2

### **C Substantial holders**

Substantial holders in the company are set out below:

	<b>Number held</b>	<b>Percentage</b>
<b>Ordinary shares</b>		
Syracuse Capital Pty Ltd <Tenacity>	290,088,779	25.91%

### **D Voting rights**

The voting rights attaching to each class of equity securities are set out below:

- (a) Ordinary shares: On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.
- (b) Options: No voting rights

## Additional Information – Tenement List

The table below sets out the Company's interest in Exploration tenements as at the date of this report.

<b>Project</b>	<b>Tenement. No.</b>	<b>% Interest</b>	<b>Expires</b>	<b>Location</b>
<b>AUSTRALIA</b>				
Torrington 1	EL 8258	100%	16/04/2025	NSW Australia
Torrington 2	EL 8355	100%	18/03/2024	NSW Australia
North Barkly	EL 33128	100%	23/08/2028	Northern Territory
North Barkly	EL 33129	100%	23/08/2028	Northern Territory
North Barkly	EL 33130	100%	24/08/2028	Northern Territory
Glencoe	EPM 24834	100%	07/09/2025	Qld
Canary	EPM28251	100%	19/02/2026	Qld
Prickly Bush	EPM28253	100%	12/02/2026	Qld

For personal use only