GODOLPHIN RESOURCES LIMITED

ABN 13 633 779 950

Annual Financial Statements

for the year ended 30 June 2022

Corporate Directory

Directors

Jeremy Read– Non-Executive Chair

Jeneta Owens – Managing Director

Ian Buchhorn – Non-Executive Director

Douglas Menzies – Non-Executive Director

Company Secretary and Chief Financial Officer

Ian Morgan

Registered and Business Office

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Australian Securities Exchange (ASX)

ASX Code: GRL

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West Perth WA 6005

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Chair's Letter

13 September 2022

Chair's letter

Dear Shareholders,

It is my pleasure to present Godolphin Resources Limited's Annual Report for the 12-month period ended 30 June 2022. The year marked an exciting period of development for the Company and established Godolphin's trajectory as a leading mineral exploration company focused on critical mineral and green metal opportunities through our portfolio of tenements, one of the largest exploration landholdings in the Lachlan Fold Belt in Central New South Wales.

The year was highlighted by the implementation of the Company's 'Discovery Thinking' strategy, designed to tactically and cost effectively unlock value across Godolphin's enviable project suite. Further to this, the Board and management team progressed opportunities to diversify the company's asset base through an earn-in agreement for the Narraburra Rare Earths Project, situated 12km northeast of Temora.

As part of its 'Discovery Thinking' approach, Godolphin's management team undertook an extensive historical review of all geological and project data associated with its dominant landholding in the Lachlan Fold Belt. This provided the opportunity to maximise drill targets across the entire tenement package, unlocking exceptional optionality.

The review of historical data formed the basis for a number of exploration initiatives. This included a follow up reverse circulation (RC) drill program to test near surface gold mineralisation at the Lewis Ponds Quarry Lode and RC and diamond drilling at the 100%-owned Gundagai gold projects, as well as a number of other geochemical, geophysical, soil sampling and age dating initiatives that have assisted our exploration team in gaining a much better understanding of the underlying geology across our projects.

The Company also secured two new exploration licences (EL) as part of its multi-channel development strategy. Spanning 11km^2, the new ELs bolstered Godolphin's landholding in the premier mining region and are located along gold-mineralised sutures. One EL hosts historical gold workings and contains strong gold in soil results, all ELs are located within a short distance to existing projects and other advanced projects in their district. Planning and preparation across the projects remain ongoing, with exploration programs expected to commence during the FY2023 period for our copper and gold projects.

Creating a focus on critical minerals and green metals, Godolphin entered into a farm-in agreement for the Narraburra Rare Earths Project. Narraburra presents an incredibly exciting opportunity, providing Godolphin with direct access to one of Australia's largest zirconium, Rare Earth Element (REE) and Rare Metal (RM) resources, which also contains significant amounts of lithium.

Narraburra is located in the Lachlan Fold Belt, approximately 30km from some of the Company's existing projects and in the same region as Australia's most advanced Zirconium REE and RM project, the Dubbo Project, currently owned and operated by Australian Strategic Materials Limited.

Upon completion of the farm-in agreement, Godolphin's management team immediately commenced reviewing the considerable amount of historical data associated with the Narraburra Project. This underpinned target generation for a diamond drill campaign which was completed subsequent to the end of the financial year and identified several drill targets that Godolphin will leverage to increase the project's existing resource.

To underpin the increased level of work being undertaken across Godolphin's project suite, the Company appointed a number of experienced exploration geologists. Each new staff member holds extensive expertise and a strong understanding of the Lachlan Fold Belt, building an elite exploration Team. Pleasingly, Godolphin's exploration personnel are all based in or around Orange, NSW. This allows the Company to leverage their local knowledge, while continuing to manage staff costs.

Subsequent to the end of the period, the Company completed a strategic placement and heavily subscribed shareholder share purchase plan to raise a total of $2.77 million. This funding will provide considerable financial flexibility for Godolphin as it continues to implement its 'Discovery Thinking' strategy across Narraburra and our suite of copper-gold projects.

I would like to take this opportunity to thank all new and existing investors for their ongoing support and the confidence they have shown in our management team and Company Board to deliver strong economic returns for investors.

I would also like to extend my gratitude to Godolphin's entire management team, workforce and in particular Managing Director, Ms Jeneta Owens, for the high-quality work achieved throughout the financial year. We look forward to continuing this journey with you, our shareholders, particularly as we ramp up the exploration and development program at Narraburra.

Mr Jeremy Read

Chair

Directors' Report

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

Directors

The Directors of the Company at any time during or since the end of the financial year are:

Jeremy Read (Non-Executive Chair)

B.Sc (Hons), MAUSIMM

Appointed 1 May 2020

Jeremy Read is a seasoned mining executive who has worked on a range of precious and base metals projects in Australia, Africa, North America, India and Scandinavia.

He played critical roles in the discovery of the Kabanga North nickel deposit in Tanzania, the Cairn Hill magnetite-copper deposit in South Australia and the Boseto Copper deposit in Botswana. He is skilled in developing new technical teams, the management of technical and specialist service groups, project generation activities, risk management and multi-commodity mineral exploration.

Since 2003 Jeremy has concentrated on developing junior mineral resource companies, creating and capturing value for shareholders.

He has been a director of other ASX-listed resource companies: Discovery Metals Limited to 31 August 2015 (ASX: DML), Meridian Minerals to 12 December 2011 (ASX: MII), Avalon Minerals to 12 December 2013 (ASX: AVI), MinQuest Limited to 30 September 2016 (ASX: MNQ), Zeotech Limited to 6 April 2020 (ASX: ZEO), and Pursuit Minerals Limited to 24 June 2021 (ASX: PUR).

Jeremy is a Member of The Australasian Institute of Mining and Metallurgy ("AusIMM").

Jeneta Owens (Managing Director)

B.Sc. (Hons), Dip of Mgt (Distinction), MAIG, MAusIMM, MGSA

Appointed 7 June 2021

Jeneta Owens is a qualified geologist with more than 15 years of experience in the geoscience field, focused on exploration and project evaluation. For the last decade, her particular focus has been on porphyry copper-gold and epithermal gold exploration in NSW, leading exploration activities at Northparkes' Cu-Au mine and Sandfire Resources' NSW projects. Prior to joining Godolphin, Ms Owens launched her own geological consultancy, conducting strategic planning, exploration management along with project evaluation for junior explorers.

Jeneta is a Member of the Australian Institute of Geoscientists ("AIG") and a Member of The Australasian Institute of Mining and Metallurgy ("AusIMM").

Ian Buchhorn (Non-Executive Director)

BSc (Hons), Dip Geosci (Min Econ), MAusIMM

Appointed 19 June 2019

Ian Buchhorn is a Mineral Economist (Macquarie University) and Geologist with over 45 years of experience. He was the founding Managing Director of Heron Resources Limited for a period of 11 years until 2007 and resigned as a Director in June 2017. Mr Buchhorn first managed exploration programs in the Lachlan Fold Belt in 1981, corresponding to the recognition of Northparkes and Temora as significant porphyry/epithermal mineral provinces. Mr Buchhorn previously worked with a number of international mining companies and has worked on gold, nickel, bauxite and industrial mineral mining and exploration, gold and base metal project generation and corporate evaluations. For the last 30 years, Mr Buchhorn has acquired and developed mining projects throughout the Eastern Goldfields of Western Australian and has operated as a Registered Mine Manager. Ian is a Member of The Australasian Institute of Mining and Metallurgy (“AusIMM”).

During the last three years, Mr Buchhorn has been a Director of Ardea Resources Limited (ASX: ARL).

Douglas Menzies (Non-Executive Director)

BSc (Hons), Dip Bus Admin, Grad Cert IT, MAIG, MSEG

Appointed 1 May 2020

Doug Menzies has over 28 years of experience in the mineral exploration and GIS industries including staff positions (Rio Tinto, MapInfo, Wafi-Golpu JV a Newcrest Mining project) and as a consultant (Menzies Geological Services, Corbett Menzies Cunliffe Pty Ltd and GeoInsite). Mr Menzies has diverse experience in the porphyry gold-copper districts of Wafi-Golpu, PNG and Eastern Australia, epithermal gold-silver projects in Australia, Indonesia, Fiji, Laos, Chile, Argentina and Mexico, sediment hosted lead-zinc in Australia and IOCG copper-gold projects in Chile. Mr Menzies’s field-based geological assessment of porphyry gold-copper, epithermal gold and IOCG projects has aided in the progression of mineral projects in a variety of locations.

Mr Menzies is a Member of the Australian Institute of Geoscientists (“AIG”).

Ian Morgan (Company Secretary and Chief Financial Officer)

B Bus, M Com Law, Grad Dip App Fin, CA, AGIA, MAICD, F Fin

Appointed 21 January 2020

Ian Morgan is a member of Chartered Accountants Australia and New Zealand and the Governance Institute of Australia, with over 35 years of experience. Ian provides secretarial and advisory services to a range of companies, including holding the position of Company Secretary for other listed public companies.

Nature of Operations and Principal Activities

Godolphin is an Australian mineral exploration company which listed on the ASX on 18 December 2019, has 100%-controlled Australian-based projects in the Lachlan Fold Belt (LFB) region of NSW, a world-class gold-copper province. Godolphin has drill ready targets at all its projects.

There were no significant changes in the nature of the activities of the Group during the financial year.

Dividends

There were no dividends paid or declared by the Company to members during or since the end of the financial year.

Review of Operations and Outlook

Godolphin Resources Limited is pleased to provide the following update on operations for the 12-month period ended 30 June 2022. The FY22 year was highlighted by a number of key developments across the group’s multi-channel exploration portfolio, with details of each project listed below.

Narraburra Rare Earth Project

Godolphin secured rights to the Narraburra Project in March 2022, through the successful execution of a farm-in and joint venture agreement with EX9 Pty Ltd. The agreement gives GRL the opportunity to earn up to a 75% interest in the project, which has known mineralisation containing several rare earth elements and rare metals, including lithium. Under the agreement terms, Godolphin will progress to 51% ownership with $1m exploration spend, and 75% ownership through an additional $2m in expenditure.

During the period, Godolphin received approval from the NSW Resources Regulator to commence planning for a diamond drill core ('DD') program. When weather conditions permit, the Company plans to follow the initial diamond drilling with a further broad-spaced diamond drilling before completing a 4,000m aircore drill program. During FY23, the company aim is to build on the existing data to complete a JORC (2012) Mineral Resource Estimate (MRE) for the Narraburra Project.

Yeoval Copper-Gold Project

The Yeoval Project (EL8538) covers ~290km^2, with over 60 historic copper-gold mine workings along a strike length of 20km. It contains an existing JORC (2012) Inferred Mineral Resource Estimate of 12.8 Mt at 0.38% copper, 0.14 g/t gold, 2.2 g/t silver & 120 ppm molybdenum.

During the period, Godolphin advanced a two-hole 900m diamond-drill program, which targeted areas north and south of the current Inferred MRE to test for extensions to copper-gold mineralisation. The first hole was drilled at Cyclops prospect, approximately two kilometres north of the Yeoval MRE. The second hole was drilled 350m south of the Yeoval MRE.

Assay results received post year-end confirmed that the drill program intersected multiple zones of high-grade copper mineralisation with coincident gold, silver and molybdenum. Mineralisation remains open along strike, plus up and down dip. Additional work will progress over the coming months to identify further mineralisation, including a ground based magnetic survey, which will assist in the design of a follow up drill campaign to advance a potential resource at Cyclops.

Gundagai South Gold Project

Godolphin's 100%-owned Gundagai tenements form part of its expansive asset portfolio in the Lachlan Ford Belt, and contain a number of historical gold and base metal artisanal mine workings. During the period, 1,139m of RC drilling was completed across Gundagai North and Gundagai South prospects, targeting historic workings and mapped veins.

A 700m diamond drill program at the Gundagai South Project intersected extensive disseminated pyrite, stringer and vein-hosted sulphide mineralisation at both the Surprise Hill North and Big Ben prospects. Godolphin followed its drill program with a soil and rock chip sampling program in Q4, which was designed to complement exploration drilling and extend existing surface geochemistry and to assist in identifying potential future drill targets at Big Ben and Surprise Hill North.

Lewis Ponds Base Metal-Gold Project

Located 15 km east of Orange NSW, the 100% owned Lewis Ponds project covers approximately 148 km^2. The site contains extensive historic gold and base metal workings with a JORC (2012) compliant Inferred Mineral Resource Estimate of 6.2Mt at 2.0g/t gold, 80g/t silver, 2.7% zinc, 1.6% lead and 0.2% copper.

During FY22, Godolphin completed a four-hole reverse circulation (RC) drill program at the Quarry Lode, testing for mineralisation near surface and to the northwest of the current MRE. All four holes intersected gold, silver and base metal mineralisation and was followed by the completion of a soil sampling program in Q4 north of the Lewis Ponds deposit.

The aim of the 161-sample program was to identify zones of elevated gold and base metals along strike of the Lewis Ponds MRE. The program identified a 400m long zone of >16ppb gold with a peak result of 230ppb gold. A number of smaller zones reporting +16ppb gold occur across the sampling area and suggest a northerly extension to the Lewis Ponds resource. The findings from the historic VTEM Survey also provide support for continued mineralisation to the north of Lewis Ponds, and works will continue in FY23 to expand the existing Mineral Resource Estimate.

Directors’ Report (continued)

Copper Hill East (CHE) copper and gold project

The 100% owned highly prospective Copper Hill East (CHE) Project (EL8556) is located 35 km north of Orange in the Molong Volcanic Belt and has the potential to host various types of mineral deposits including porphyry gold-copper of the Cadia and Boda style and orogenic gold of the McPhillamy’s style. During the period, Godolphin completed intensive petrographic work and sent samples of the intrusive rocks to the University of Tasmania for age dating, which confirmed an Ordovician age for the porphyry intrusions at the Turrawonga Prospect located within EL8556. The dating of rocks confirm an age equivalent to other major porphyries in the region including the Cadia Copper-Gold Mine, the Copper Hill Copper Deposit and the Boda Copper-Gold Project.

Corporate developments:

Post period end, Godolphin completed a strategic placement to sophisticated and professional investors to raise $1.6m (before costs) through the issue of 18.9m new fully paid ordinary shares at an issue price of $0.085 per share. The new shares were issued through the company’s available placement capacity pursuant to ASX Listing Rules 7.1 and 7.1A.

Alongside the placement, the Company also offered eligible shareholders to be issued, by the Company, additional new fully paid ordinary shares under a Share Purchase Plan. Upon completion of the Share Purchase Plan, the Company advised that it had raised a further $1.3m through the issue of 15.3m new fully paid ordinary shares at an issue price of $0.085 per share.

Funds from the placement and Share Purchase Plan will be deployed towards drilling, mineralogy work and bench scale metallurgy at the Narraburra project, further exploration work across the Company’s project portfolio and working capital purposes.

The Group incurred an operating loss after tax for the year ended 30 June 2022 of $1,280,687. The Group retained a cash balance of $1,620,561 at 30 June 2022.

During the year to 30 June 2022, capital was raised by way of loyalty option holders exercising 37,179 (2021: 1,570,031) loyalty options for their exercise price of $0.20 each share, raising $7,435 (2021: $314,006).

For the year ended 30 June 2021, there was a cash placement totaling $3,500,000 before capital raising costs with the issue 14,583,340 ordinary fully paid shares for $0.24 each share.

Further details of capital raisings are set out in Note A5.

Events Subsequent to the Reporting Date

The Directors are not aware of any matter or circumstance that has arisen since the end of the financial year that has significantly affected or may significantly affect the Group’s operations, the results of these operations or the Group’s state of affairs in future financial years excepting:

1. On 9 August 2022, there was a cash placement totalling $1,607,825 before capital raising costs with the issue 18,915,586 ordinary fully paid shares for $0.085 each share; and
2. On 9 September 2022, $1,301,024 was raised in accordance with a Share Purchase Plan and the issue of 15,306,160 ordinary fully paid shares for $0.085 each share.

Environmental Regulation

The Board believes that the Group has adequate systems in place for the management of its environmental requirements.

Based on results of enquiries made, the Directors are not aware of any significant breaches during the year covered by this report.

Directors’ Report (continued)

Directors’ Meetings

The numbers of Directors' meetings (including meetings of committees of Directors) where Directors were eligible to attend and attended in person or by alternate during the financial year by each of the Directors of the Company were:

	Board Meetings		**Audit and Risk Committee Meetings**	
	Eligible	Attended	Eligible	Attended
Jeremy Read	11	11	2	2
Jeneta Owens	11	11	-	-
Ian Buchhorn	11	11	2	2
Douglas Menzies	11	11	2	2

The Company has a Remuneration and Nomination Committee, which did not meet during the financial year ended 30 June 2022. Remuneration and nomination matters were considered and agreed during the financial year by the full Board.

Movements in Securities Held by Directors

The movement during the period to the date of this report in the number of securities of Godolphin Resources Limited held, directly, indirectly or beneficially, by each specified Director, including their personally related entities, is as follows:

Key Management Person	*Securities*	*Jeremy Read*	*Jeneta Owens*	*Ian Buchhorn*	*Douglas Menzies*
2022					
Balance of securities at date of previous report	Shares	-	-	6,759,849	19,529
	Incentive Options	-	-	250,000	-
	Loyalty Options	-	-	2,316,622	-
Number purchased on market	Shares	-	-	-	-
Number issued	Shares	-	-	1,764,710	-
Number expired	Loyalty Options	-	-	(2,316,622)	-
Balance of securities at date of this report	**Shares**	**-**	**-**	**8,524,559**	**19,529**
	Incentive Options	**-**	**-**	**250,000**	**-**
	Loyalty Options	**-**	**-**	**-**	**-**
2021					
Balance of securities at date of previous report	Shares	-	-	6,699,849	-
	Incentive Options	-	-	250,000	-
	Loyalty Options	-	-	2,316,622	-
Number purchased on market	Shares	-	-	60,000	19,529
Number issued	Shares	-	-	-	-
Number expired	Loyalty Options	-	-	-	-
Balance of securities at date of this report	Shares	-	-	6,759,849	19,529
	Incentive Options	-	-	250,000	-
	Loyalty Options	-	-	2,316,622	-

The terms and conditions of the options granted are outlined in Note A5 to the accounts.

Directors' Report (continued)

Remuneration Report (Audited)

This report outlines the remuneration arrangements in place for key management personnel of the Group. Remuneration is referred to as compensation throughout this report.

Remuneration Policy

Directors and key management personnel have authority and responsibility for planning, directing and controlling the activities of the Company and the Group.

Compensation levels for key management personnel of the Group will be competitively set to attract and retain appropriately qualified and experienced Directors, executives and future executives. Current remuneration levels are driven largely by the requirement to conserve cash within the Company. There were no remuneration consultants used to set the remuneration of key management personnel.

The compensation structures explained below are designed to attract suitably qualified candidates, reward the achievement of strategic objectives, and achieve the broader outcome of creation of value for shareholders. The compensation structures take into account:

- the capability and experience of the key management personnel
- the key management personnel's ability to control the Group's performance
- the Group's performance including:
  - the Group's earnings;
  - the growth in share price and delivering constant returns on shareholder wealth; and
  - the amount of incentives within each key management person's compensation.

Compensation packages will include a mix of fixed and variable compensation, and short-term and long-term performance-based incentives.

In addition to their salaries, the Group also provides non-cash benefits to its key management personnel, and where applicable, contributes to the individual's elected post-employment superannuation plan on their behalf.

Contract Terms and Conditions

The determination of Directors' remuneration is made by the Board having regard to the current position of the Company, in that it is as yet not in production and continues to preserve cash as much as possible.

The Board may award additional remuneration to Directors called upon to perform extra services or make special exertions on behalf of the Company.

The Board reviews remuneration to reflect current industry norms, and determines remuneration policies and practices generally, reviews and makes specific decisions on the remuneration packages and other terms of employment of its directors and senior executives.

No Director remuneration package includes terms for redundancy, retirement or termination benefits. No such amounts were accrued or paid for any Director during the current financial year.

Directors' Report (continued)

Terms of Employment

During the year ended 30 June 2022, there were no equity securities granted as remuneration (2021: Nil).

Details of vesting profiles of the options granted as remuneration to each key management person of the Group and each of the named key management persons are detailed below:

Key Management Person	*Grant Date*	*Vesting Date*	*Expiry date*	*Number*	*Vested at the end of the reporting year or at the resignation date (as applicable)*		*Lapsed during the reporting year or to the resignation date (as applicable)*[1]	
					2022	2021	**2022**	2021
					%	%	**%**	%
Jeremy Read	-	-	-	-	**-**	-	**-**	-
Jeneta Owens (appointed 7 June 2021)	-	-	-	-	**-**	-	**-**	-
Ian Buchhorn	5 Dec 2019	5 Dec 2019[2]	5 Dec 2022	250,000	**100**	100	**-**	-
Douglas Menzies	-	-	-	-	**-**	-	**-**	-
David Greenwood (redundancy effective 23 May 2021)	5 Dec 2019	1 Nov 2021[3]	5 Dec 2022	750,000	**100**	-	**-**	-
Ian Morgan	5 Dec 2019	21 Jan 2022[3]	5 Dec 2022	250,000	**100**	-	**-**	-

Each Option provides the right for the option holder to be issued one fully paid Share upon payment of each Exercise Price for each Share.

Jeremy Read (appointed 1 May 2020)

Effective 1 May 2020, the Company agreed to utilise the services of Mr Read as the Company's non-executive chair, for a fee of $60,000 per annum excluding compulsory superannuation and any goods and services tax.

[1] The % lapsed in the period represents the reduction from the maximum number of options available to vest due to the options not being exercised and lapsing.

[2] ASX escrow ended 18 December 2021.

[3] There was a vesting condition of 24 months of continuous employment by the option holder (or controller of the option holder). This condition was waived by the Company's Board for David Greenwood's employment options, so the options vested on 1 November 2021 notwithstanding his employment ended on 23 May 2021.

Directors' Report (continued)

Jeneta Owens (appointed 7 June 2021)

Effective 7 June 2021, the Company agreed to employee Ms Owens as the Company's Managing Director. A summary of the terms of Ms Owens employment is as follows:

Commencement Date	7 June 2021
Term	No fixed term. Either party may terminate the agreement at any time with written notice of 3 months.
Salary	A base salary of A$315,000 per annum, excluding statutory superannuation.
Short-Term Incentives (STI)	The Managing Director is eligible, for an annual Short-Term Incentive (STI) payment of up to $25,000 gross. The STI will be based on the Executive meeting criteria set by the Board.
Long-Term Incentives (LTI)	Subject to the ASX Listing Rules including members' approval, and any determination of the Board, the Managing Director (or her nominee), will be entitled to receive 2,000,000 options (Options), each providing the holder with the right to be issued one ordinary fully paid share by the Company (Share) upon payment of the Option's cash exercise price. 1,000,000 Tranche 1 Options exercisable at $0.25 per Option for a maximum period of 24 months from the date of issue. Each Tranche 1 Option vests upon the Company's volume weighted average share price (VWAP) for 30 days prior to the vesting date exceeding $0.30 per Share. 1,000,000 Tranche 2 Options exercisable at $0.35 per Option for a maximum period of 36 months from the date of issue. Each Tranche 2 Option vests upon the Company's volume weighted average share price (VWAP) for 30 days prior to the vesting date exceeding $0.30 per Share. Additional long-term incentives may be introduced, such as Performance Rights, at the discretion of the Board and subject to the ASX Listing Rules including members' approval.
Annual leave	Annual leave accrues at the rate of four weeks (20 business days) per annum.
Conflict of Interest	The Managing Director must not at any time during the Employment without the written consent of the Board, subject to further conditions.
Restraint Period	Without prior written consent of the Company, the Managing Director will not either directly or indirectly compete with the Company for up to 12 months after the termination date, subject to further conditions.

Douglas Menzies (appointed 1 May 2020)

Effective 1 May 2020, the Company agreed to utilise the services of Mr Menzies as a non-executive director, for a fee of $45,000 per annum excluding compulsory superannuation and any goods and services tax. Mr Menzies related entity also provides consulting services to the Company. For the year ended 30 June 2022 there were no consulting fees charged by the Mr Menzies related entity (2021: $13,700 excluding GST).

Directors' Report (continued)

Ian Buchhorn (appointed 19 June 2019)

Effective 18 December 2019, the Company agreed to utilise the services of Mr Buchhorn as a non-executive director, for a fee of $45,000 per annum excluding compulsory superannuation and any goods and services tax.

Options Issued to Directors or Executives

During the year ended 30 June 2022, there were no equity securities granted as remuneration (2021: Nil).

Options were previously granted to Directors, or their nominees, in lieu of market related cash remuneration. The options were granted at no cost to the recipient.

There are no entitlements for the Company's option holders to participate in new issues of capital, which may be offered to the Company's existing ordinary shareholders.

No options were exercised by Directors during the financial year (2021: Nil).

The Group prohibits those that are granted unvested or restricted share-based payments, as part of their remuneration, from entering into other arrangements that limit their exposure to losses that would result from share price decreases. Entering into such arrangement has been prohibited by law since 1 July 2011.

Details of vesting profiles of the options granted as remuneration to each key management person of the Group and each of the named key management persons are detailed below:

Key Financial Statistics

	2022	2021
Loss for the financial year attributable to owners of the Company	**$1,280,687**	$1,412,786
Working capital at 30 June	**$1,530,384**	$4,592,651
Net assets at 30 June	**$14,319,958**	$15,601,823
Number of Shares on issue at 30 June	**84,147,701**	84,110,522
Share price at 30 June (cents per Share)	**8.7**	15.0
Market capitalisation at 30 June	**$7,320,850**	$12,616,578
Loss on capital employed for the financial year	**17.49%**	11.20%

Options benefits of key management persons	**$4,941**	$44,082
Other compensation of key management persons	**$603,572**	$730,710
Total compensation of key management persons (Group and Company) for the financial year	**$608,513**	$774,792

Godolphin Resources (ASX: GRL) is an ASX listed resources company, with 100% controlled Australian-based projects in the Lachlan Fold Belt ("LFB") NSW, a world-class gold-copper province and with the Dubbo Zirconia Project an emerging REE and RM province. Currently the Company's tenements cover 3,200km^2 of highly prospective ground focussed on the Lachlan Transverse Zone, one of the key structures which controlled the formation of copper and gold deposits within the LFB. Additional prospectivity attributes of

Directors' Report (continued)

GRL tenure include the Godolphin Fault which hosts the McPhillamys gold project and the Molong Volcanic Belt which hosts the Boda gold-copper project.

Godolphin is exploring for structurally hosted, epithermal gold and base-metal deposits and large, gold-copper Cadia style porphyry deposits and is pleased to announce a re-focus of exploration efforts for unlocking the potential of its East Lachlan tenement holdings, including increasing the mineral resource of its advanced Lewis Ponds Project. Reinvigoration of the exploration efforts across the tenement package is the key to discovery and represents a transformational stage for the Company and its shareholders.

During the financial year ended 30 June 2022, the Company focused on exploring and developing its large tenement holdings within the LFB, host to numerous copper-gold mineral resources and mines plus the Dubbo Zirconia Project. Further details are included in the Review of Operations and Outlook on page 7.

Directors’ Report (continued)

Directors’ Remuneration for the year ended 30 June 2022

Details of the nature and amount of each major element of remuneration of each Director of the Company and other key management personnel of the Group and Company are:

		Short-term					Post-employment			Share-based payments			
		Salary & fees	Consulting fees	Cash bonus	Non-monetary benefits	Total	Superannuation benefits	Other long term	Termination benefits	Options	**Total**	Proportion of remuneration performance related	Value of options as proportion of remuneration
Directors		$	$	$	$	$	$	$	$	$	$		
Jeremy Read (Non-Executive Chair)	**2022**	**60,000**	**-**	**-**	**-**	**60,000**	**6,000**	**-**	**-**	**-**	**66,000**	**0.0%**	**0.0%**
	2021	60,000	-	-	-	60,000	5,700	-	-	-	65,700	0.0%	0.0%
Jeneta Owens (Managing Director) (appointed 7 June 2021)	**2022**	**309,343**	**-**	**-**	**-**	**309,343**	**30,934**	**-**	**-**	**-**	**340,277**	**0.0%**	**0.0%**
	2021	21,477	-	-	-	21,477	2,040	-	-	-	23,517	0.0%	0.0%
Ian Buchhorn (Non-Executive Director)	**2022**	**45,000**	**-**	**-**	**-**	**45,000**	**4,500**	**-**	**-**	**-**	**49,500**	**0.0%**	**0.0%**
	2021	45,000	-	-	-	45,000	4,275	-	-	-	49,275	0.0%	0.0%
Douglas Menzies (Non-Executive Director)	**2022**	**49,275**	**-**	**-**	**-**	**49,275**	**-**	**-**	**-**	**-**	**49,275**	**0.0%**	**0.0%**
	2021	48,206	13,700	-	-	61,906	4,580	-	-	-	66,486	0.0%	0.0%
Management													
David Greenwood (Former CEO) (redundancy effective 23 May 2021)	**2022**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.0%**	**0.0%**
	2021	265,017	5,850	-	-	270,867	23,278		91,667	35,299	421,111	8.4%	8.4%
Ian Morgan (Company Secretary and CFO)	**2022**	**-**	**98,520**	**-**	**-**	**98,520**	**-**	**-**	**-**	**4,941**	**103,461**	**4.8%**	**4.8%**
	2021	-	139,920	-	-	139,920	-	-	-	8,783	148,703	5.9%	5.9%
Total compensation	**2022**	**463,618**	**98,520**	**-**	**-**	**562,138**	**41,434**	**-**	**-**	**4,941**	**608,513**	**0.8%**	**0.8%**
	2021	439,700	159,470	-	-	599,170	39,873	-	91,667	44,082	774,792	5.7%	5.7%

Directors' Report (continued)

No options over ordinary shares in the Company were granted as compensation, for no cash consideration, to key management person during the reporting period (2021: Nil). 1,000,000 options vested during the reporting period (2021: Nil).

Details of options over ordinary shares in the Company, that were previously granted as compensation to a key management person, are as follows:

Unquoted Options

Key Management Person	Balance of options at 1 July or date of appointment, as applicable	Loyalty Options expired	**Balance of options at 30 June or date of ceasing, as applicable**
	Number	Number	**Number**
Year ended 30 June 2022			
Jeremy Read	-	-	**-**
Jeneta Owens (Managing Director) (appointed 7 June 2021)	-	-	**-**
Ian Buchhorn	333,334	(83,334)	**250,000**
Douglas Menzies	-	-	**-**
David Greenwood (Chief Executive Officer) (resigned 23 May 2021)	-	-	**-**
Ian Morgan (Company Secretary and CFO)	333,334	(83,334)	**250,000**
Year ended 30 June 2021			
Jeremy Read	-	-	-
Jeneta Owens (Managing Director) (appointed 7 June 2021)	-	-	-
Ian Buchhorn	333,334	-	333,334
Douglas Menzies	-	-	-
David Greenwood (Chief Executive Officer) (resigned 23 May 2021)	1,000,000	-	1,000,000[4]
Ian Morgan (Company Secretary and CFO)	333,334	-	333,334

[4] David Greenwood's 1,000,000 options were made up of 750,000 employee options plus 250,000 loyalty options. The employment options have a vesting condition of 24 months of continuous employment by the option holder (or controller of the option holder). This condition was waived by the Company's Board for David Greenwood's options, so the options vested on 1 November 2021 notwithstanding his employment ended on 23 May 2021. Mr Greenwood's 250,000 loyalty options expired unexercised on 15 June 2022.

Incentive Options

Key Management Person	Grant Date	Vesting Date[5]	ASX Escrow Expiry Date	Option Expiry Date	Fair value per option at the grant date[6]	Exercise price per option	**Balance of vested options at 30 June**	Number of options vested during the reporting period
30 June 2022								
Ian Buchhorn	5 Dec 2019	18 Dec 2019	18 Dec 2021	5 Dec 2022	$0.07055	$0.25	250,000	-
30 June 2021								
Ian Buchhorn	5 Dec 2019	18 Dec 2019	18 Dec 2021	5 Dec 2022	$0.07055	$0.25	250,000	-

Employee Options

Key Management Person	Grant Date	Vesting Date[7]	Option Expiry Date	Fair value per option at the grant date[8]	Exercise price per option	**Balance of options at 30 June or date of ceasing, as applicable**	Number of options vested during the reporting period
Years ended 30 June 2022							
David Greenwood (Chief Executive Officer) (resigned 23 May 2021)	5 Dec 2019	1 Nov 2021	5 Dec 2022	$0.07055	$0.25	-	750,000
Ian Morgan	5 Dec 2019	21 Jan 2022	5 Dec 2022	$0.07055	$0.25	250,000	250,000
30 June 2021							
David Greenwood (Chief Executive Officer) (resigned 23 May 2021)	5 Dec 2019	1 Nov 2021	5 Dec 2022	$0.07055	$0.25	750,000	-
Ian Morgan	5 Dec 2019	21 Jan 2022	5 Dec 2022	$0.07055	$0.25	250,000	-

[5] Vesting condition of the Company successfully listing on the Australian Securities Exchange within 12 months of the date of issue of the incentive option.

[6] Refer to Note A5 of the attached Financial Statements for more details.

[7] Vesting condition of 24 months of continuous employment by the option holder (or controller of the option holder).

[8] Refer to Note A5 of the attached Financial Statements for more details.

Loyalty Options

Key Management Person	Grant and Vesting Date	Option Expiry Date	Fair value per option at the grant date[9]	Exercise price per option	Balance of vested options at 1 July or date of appointment, as applicable	Number of options expired during the reporting period	**Balance of vested options at 30 June or date of ceasing, as applicable**	Number of options vested during the reporting period
30 June 2022								
Ian Buchhorn	15 Jun 2020	15 Jun 2022	$0.00	$0.20	83,334	(83,334)	-	-
David Greenwood (Chief Executive Officer) (resigned 23 May 2021)	15 Jun 2020	15 Jun 2022	$0.00	$0.20	-	-	-	-
Ian Morgan	15 Jun 2020	15 Jun 2022	$0.00	$0.20	83,334	(83,334)	-	-
30 June 2021								
Ian Buchhorn	15 Jun 2020	15 Jun 2022	$0.00	$0.20	83,334	-	83,334	-
David Greenwood (Chief Executive Officer) (resigned 23 May 2021)	15 Jun 2020	15 Jun 2022	$0.00	$0.20	250,000	-	250,000	-
Ian Morgan	15 Jun 2020	15 Jun 2022	$0.00	$0.20	83,334	-	83,334	-

End of Remuneration Report (Audited)

[9] Refer to Note A5 of the attached Financial Statements for more details.

Directors' Report (continued)

Shares Under Option

Each option provides the right for the option holder to be issued with one fully paid ordinary share by the Company, upon payment of the exercise price of each option. Each option does not otherwise entitle the holder to participate in any share issue of the Company or any other body corporate. During the financial year there were 37,179 shares issued with the exercise of unquoted loyalty options (2021: 1,570,031). No options were granted during the year ended 30 June 2022 (2021: 3,000,000).

During the financial year, 27,671,251 unquoted loyalty options expired unexercised (2021: Nil). Details of options over ordinary shares in the Company that were granted, exercised, vested and expired during the financial year are as follows:

Exercise Price	Vesting Date	ASX Escrow Expiry	Expiry Date	Balance at 1 July 2021		Granted during the year	Vested during the year	Expired during the year	Exercised during the year	**Balance at 30 June 2022**	
				Vested Number	Unvested Number	Number	Number	Number	Number	**Vested Number**	**Unvested Number**
Unquoted Year ended 30 June 2022											
$0.25	5 Dec 2019	18 Dec 2021	5 Dec 2022	17,000,000	-	-	-	-	-	**17,000,000**	**-**
$0.25	18 Dec 2019	18 Dec 2021	5 Dec 2022	1,000,000	-	-	-	-	-	**1,000,000**	**-**
$0.25	1 Nov 2021	Not escrowed	5 Dec 2022	-	750,000	-	750,000	-	-	**750,000**	**-**
$0.25	16 Dec 2021	Not escrowed	5 Dec 2022	-	1,000,000	-	1,000,000	-	-	**1,000,000**	**-**
$0.25	21 Jan 2022	Not escrowed	5 Dec 2022	-	250,000	-	250,000	-	-	**250,000**	**-**
$0.20	15 Jun 2020	Not escrowed	15 Jun 2022	27,708,430	-	-	-	(27,671,251)	(37,179)	**-**	**-**
$0.40	24 Dec 2020	Not escrowed	24 Dec 2022	3,000,000	-	-	-		-	**3,000,000**	**-**
				48,708,430	**2,000,000**	**-**	**2,000,000**	**(27,671,251)**	**(37,179)**	**23,000,000**	**-**
Year ended 30 June 2021											
$0.25	5 Dec 2019	18 Dec 2021	5 Dec 2022	17,000,000	-	-	-	-	-	17,000,000	-
$0.25	18 Dec 2019	18 Dec 2021	5 Dec 2022	1,000,000	-	-	-	-	-	1,000,000	-
$0.25	1 Nov 2021	Not escrowed	5 Dec 2022	-	750,000	-	-	-	-	-	750,000
$0.25	16 Dec 2021	Not escrowed	5 Dec 2022	-	1,000,000	-	-	-	-	-	1,000,000
$0.25	21 Jan 2022	Not escrowed	5 Dec 2022	-	250,000	-	-	-	-	-	250,000
$0.20	15 Jun 2020	Not escrowed	15 Jun 2022	29,278,461	-	-	-	-	(1,570,031)	27,708,430	-
$0.40	24 Dec 2020	Not escrowed	24 Dec 2022	-	-	3,000,000	3,000,000	-	-	3,000,000	-
				47,278,461	2,000,000	3,000,000	3,000,000	-	(1,570,031)	48,708,430	2,000,000

Directors’ Report (continued)

Indemnification and Insurance of Officers and Auditor

The Company indemnifies current and former Directors and Officers for any loss arising from any claim by reason of any specified act committed by them in their capacity as a Director or Officer (subject to certain exclusions as required by law).

The Company has paid insurance premiums in respect of directors’ and officers’ liability. Insurance cover relates to liabilities that may arise from their position (subject to certain exclusions as required by law).

Details of the nature of the liabilities covered or the amount of the premium paid in respect of the Directors’ and Officers’ liability insurance are not disclosed. Such disclosure is prohibited under the terms of the policy.

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

Audit Services

During the year ended 30 June 2022, the Group expensed an amount of $32,653 payable to its auditor (2021: $20,114), Dry Kirkness (Audit) Pty Ltd (formerly Butler Settineri (Audit) Pty Ltd), for audit services provided. During the year ended 30 June 2022 Dry Kirkness (Audit) Pty Ltd and its related practices, the Group’s auditor, did not undertake other services in addition to the audit and review of financial statements.

Rounding Off

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors’ Reports) Instrument 2016/191 dated 24 March 2016. Notwithstanding the Company may round the nearest thousand dollars, amounts in the Financial Report and Directors’ Report have been reported to the nearest dollar, unless otherwise stated.

Lead Auditor’s Independence Declaration

The lead auditor’s independence declaration made under Section 307C of the *Corporations Act 2001* (Cth) is set out on page 57 and forms part of this Directors’ Report.

Previously Reported Information

The information in this report that references previously reported exploration results is extracted from the Company’s ASX Announcements released on the date noted in the body of the text where that reference appears. The ASX Announcements are available to view on the Company's website or on the ASX website (www.asx.com.au). The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The Company confirms that the form and context in which the Competent Person’s findings are presented have not been materially modified from the original market announcements.

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

Jeremy Read
Chair
Hideaway Bay, QLD
13 September 2022

Consolidated Statement of Profit or Loss and Other Comprehensive Income

Year Ended 30 June 2022

	Note	2022	2021
		$	$
Profit on Sale of Assets		**198,130**	-
Other income		**44**	134,193
Total Income	D1	**198,174**	134,193
Employee expenses		**639,842**	697,850
Non-cash employee expense from granting of options to employees		**4,941**	95,496
Administration expenses	D2	**674,362**	620,806
Site restoration provision (benefit) / expense	A9	**(22,655)**	82,978
Depreciation – Property, Plant and Equipment	A12	**22,059**	20,928
Depreciation – Right of Use Asset	A14	**63,745**	37,235
Unrealised Loss on Financial Asset		**86,086**	-
Total Expenses		**1,468,380**	1,555,293
Loss before interest and income tax		**1,270,206**	1,421,100
Financial income – interest		**3,492**	19,317
Less: Financial expense – interest		**13,973**	11,003
Less: Net Financial (expense) / income - interest		**(10,481)**	8,314
Loss after interest and before income tax		**1,280,687**	1,412,786
Income tax benefit	D3	**-**	-
Net loss attributable to members of the parent		**1,280,687**	1,412,786
Other comprehensive income, net of income tax		**-**	-
Total comprehensive income		**1,280,687**	1,412,786
			Cents
Loss per share – basic	D4	**1.52**	1.82
Loss per share – diluted	D4	**1.52**	1.82

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

Consolidated Statement of Financial Position

As at 30 June 2022

	Note	30 June 2022	30 June 2021
		$	$
Current assets			
Cash and cash equivalents	A10	**1,620,561**	4,729,025
Prepayments and other receivables	A7	**169,809**	117,933
Total current assets		**1,790,370**	4,846,958
Non-current assets			
Financial asset	A11	**188,914**	-
Property, plant and equipment	A12	**398,832**	429,323
Right-of-use asset	A14	**277,865**	345,753
Exploration and evaluation costs	A13	**12,263,593**	10,663,740
Total non-current assets		**13,129,204**	11,438,816
Total assets		**14,919,574**	16,285,774
Current liabilities			
Trade and other payables	A8	**175,844**	197,812
Lease Liability	A14	**60,755**	56,495
Employee benefits	A9	**23,387**	-
Total current liabilities		**259,986**	254,307
Non-current liabilities			
Lease Liability	A14	**223,307**	290,666
Provision	A9	**116,323**	138,978
Total non-current liabilities		**339,630**	429,644
Total liabilities		**599,616**	683,951
Net assets		**14,319,958**	15,601,823
Equity			
Issued capital	A5	**16,126,839**	16,132,958
Reserve	A5	**1,687,954**	1,683,013
Accumulated losses		**(3,494,835)**	(2,214,148)
Equity		**14,319,958**	15,601,823

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

Consolidated Statement of Changes in Equity

Year Ended 30 June 2022

	Note	Ordinary fully paid shares $	Share option reserve $	Accumulated losses $	**Total Equity** **$**
Balance at 1 July 2020		12,816,766	1,310,563	(801,362)	13,325,967
Issue of shares		3,814,009	-	-	3,814,009
Capital raising costs		(497,817)	-	-	(497,817)
Total comprehensive income for the year		-	-	(1,412,786)	(1,412,786)
Equity settled share-based payments for the year		-	372,450	-	372,450
Balance at 30 June 2021	A5	16,132,958	1,683,013	(2,214,148)	15,601,823
Balance at 1 July 2021		16,132,958	1,683,013	(2,214,148)	**15,601,823**
Issue of shares		7,436	-	-	**7,436**
Capital raising costs		(13,555)	-	-	**(13,555)**
Total comprehensive income for the year		-	-	(1,280,687)	**(1,280,687)**
Equity settled share-based payments for the year		-	4,941	-	**4,941**
Balance at 30 June 2022	A5	**16,126,839**	**1,687,954**	**(3,494,835)**	**14,319,958**

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

Consolidated Statement of Cash Flows

Year Ended 30 June 2022

	Note	**2022** **$**	2021 $
Cash flows used in operating activities			
Receipts from customers		**-**	-
Australian Government Cashflow Boost		**-**	100,000
Exclusivity Fee		**-**	30,000
Other income		**-**	4,193
Payments to suppliers and employees		**(1,439,642)**	(1,396,725)
Interest received		**8,906**	28,713
Net cash used in operating activities	A6	**(1,430,736)**	(1,233,819)
Cash flows used in investing activities			
Payments for property, plant and equipment		**(6,719)**	(27,330)
Payments for exploration and evaluation costs		**(1,959,890)**	(2,464,565)
Proceeds from disposal of fixed asset		**20,000**	-
Proceeds from disposal of tenements		**275,000**	-
Net cash used in investing activities		**(1,671,609)**	(2,491,895)
Cash flows from financing activities			
Proceeds from capital raisings	A5	**7,436**	3,814,009
Payments for capital raising costs		**(13,555)**	(220,863)
Net cash generated from financing activities		**(6,119)**	3,593,146
Net (decrease) / increase in cash and cash equivalents		**(3,108,464)**	(132,568)
Opening Cash and cash equivalents		**4,729,025**	4,861,593
Closing Cash and cash equivalents at 30 June	A10	**1,620,561**	4,729,025

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

Notes to the Financial Statements

Year Ended 30 June 2022

General Information

The financial statements cover Godolphin Resources Limited as a consolidated entity consisting of Godolphin Resources Limited and its subsidiaries. The financial statements are presented in Australian dollars, which is Godolphin Resources Limited's functional and presentation currency.

Godolphin Resources Limited is a public company, listed on the Australian Securities Exchange, limited by shares, incorporated and domiciled in Australia.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 13 September 2022.

The Notes to the consolidated financial statement are set out in the following main sections:

Section A – Key Financial Information and Preparation Basis

Section B – Risk and Judgement

Section C – Key Management Personnel and Related Party Disclosures

Section D – Other Disclosures

Section A – Key Financial Information and Preparation Basis

A. This section sets out the basis upon which the Group's financial statements have been prepared as a whole and explains the results and performance of the Group that the Directors consider most relevant in the context of the operations of the entity.

A1. Statement of Compliance

The consolidated financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (AASBs) adopted by the Australian Accounting Standards Board (**AASB**) and the *Corporations Act 2001* (Cth).

A2. Basis of Preparation

The financial report is prepared on the historical cost basis other than share-based transactions that are assessed at fair value.

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 dated 24 March 2016. Notwithstanding the Company may round the nearest thousand dollars, amounts in the Financial Report and Directors' Report have been reported to the nearest dollar, unless otherwise stated.

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. These accounting policies have been consistently applied by each entity in the Group.

Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Notes to the Financial Statements (continued)

A3. Basis of Consolidation

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it 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 over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Investments in subsidiaries are carried in the Parent Entity's financial statements at the lower of cost and recoverable amount.

Transactions eliminated on consolidation

Intra-group balances and any unrealised gains and losses or income and expenses arising from intra-group transactions are eliminated in preparing the consolidated financial statements.

Unrealised gains arising from transactions with associates and jointly controlled entities are eliminated to the extent of the Group's interest in the entity, with adjustments made to the "Investment in associates" and "Share of associates' net profit" accounts.

Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Gains and losses are recognised as the relevant assets are consumed or sold by the associate or jointly controlled entities or, if not consumed or sold by the associate or jointly controlled entity, when the Group's interest in such entities is disposed of.

A4. Going Concern

During the financial year ended 30 June 2022, the Company incurred an operating loss of $1,280,687 and ended the financial year with a cash balance of $1,620,561.
Based on the evidence of successful fund raisings including the raising of $1,607,825 in equity by a strategic placement to sophisticated and professional investors between 27 July 2022 and 4 August 2022 as well as the $1,301,024 raised from the Share Purchase Plan between 28 July 2022 and 9 September 2022, and taking into account budgeted expenditure commitments, the Board has prepared these Financial Statements on a going concern basis.

Despite the ability of the Company to historically raise funds, further funding will be required to develop the Company's tenements.

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.

Judgement about the future is based on information available at the date of this report. Subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made.

Notes to the Financial Statements (continued)

A5. Capital and Reserves

Share capital

Ordinary shares issued and fully paid	Date	Number of shares	Issue Price per share	$
Balance	1 July 2020	67,957,151		12,816,766
Options Exercised	22 July 2020	18,248	$0.20	3,650
Options Exercised	18 August 2020	120,575	$0.20	24,115
Options Exercised	22 October 2020	229,309	$0.20	45,862
Options Exercised	3 November 2020	834,414	$0.20	166,883
Cash Placement (Tranche 1)	16 November 2020	10,370,000	$0.24	2,488,800
Options Exercised	24 November 2020	234,057	$0.20	46,812
Options Exercised	21 December 2020	109,207	$0.20	21,841
Cash Placement (Tranche 2)	24 December 2020	4,213,340	$0.24	1,011,202
Options Exercised	5-Feb-2021	18,242	$0.20	3,648
Options Exercised	8-Mar-2021	5,979	$0.20	1,196
		16,153,371		3,814,009
		84,110,522		16,630,775
Less costs relating to share issues		-		(497,817)
Balance	30 June 2021	84,110,522		16,132,958
Balance	1 July 2021	84,110,522		**16,132,958**
Options Exercised	16-August-2021	849	$0.20	**170**
Options Exercised	2-May-2022	9,175	$0.20	**1,835**
Options Exercised	1-June-2022	4,471	$0.20	**894**
Options Exercised	20-June-2022	22,684	$0.20	**4,537**
		37,179		**7,436**
		84,147,701		**16,140,394**
Less costs relating to share issues		-		**(13,555)**
		84,147,701		**16,126,839**

Holders of ordinary shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company.

Ordinary shares have no par value.

Notes to the Financial Statements (continued)

No dividends have been declared or paid by the Company during or since the end of the financial year.

Subject to ASX listing rules, the Company's Board may resolve that the whole or any portion of profits, reserve or other account which is available for distribution, be distributed to shareholder in the same proportions in which they would be entitled to receive it if distributed by way of dividend, or in accordance with relevant terms of issue of any shares or securities.

If the Company is wound up, whether voluntarily or otherwise, the liquidator may divide among all or any of the contributories, as the liquidator thinks fit, in specie or in kind, any part of the assets of the Company, and may vest any part of the assets of the Company in trustees for the benefit of all or any of the contributories as the liquidator thinks fit.

In the event of winding up of the Company, ordinary shareholders rank after creditors and are entitled to any proceeds of liquidation.

Notes to the Financial Statements (continued)

Shares Under Option

Each option provides the right for the option holder to be issued one fully paid ordinary share by the Company, upon payment of the exercise price of each option. Each option does not otherwise entitle the holder to participate in any share issue of the Company or any other body corporate. During the financial year there were 37,179 shares issued with the exercise of unquoted loyalty options (2021: 1,570,031). No options were granted during the year ended 30 June 2022 (2021: 3,000,000). During the financial year, 27,671,251 unquoted loyalty options expired unexercised (2021: Nil). Details of options over ordinary shares in the Company that were granted, exercised, vested and expired during the financial year are as follows:

Exercise Price	Vesting Date	ASX Escrow Expiry	Expiry Date	Balance at 1 July 2021		Granted during the year	Vested during the year	Expired during the year	Exercised during the year	**Balance at 30 June 2022**	
				Vested Number	Unvested Number	Number	Number	Number	Number	**Vested Number**	**Unvested Number**
Unquoted Year ended 30 June 2022											
$0.25	5 Dec 2019	18 Dec 2021	5 Dec 2022	17,000,000	-	-	-	-	-	**17,000,000**	**-**
$0.25	18 Dec 2019	18 Dec 2021	5 Dec 2022	1,000,000	-	-	-	-	-	**1,000,000**	**-**
$0.25	1 Nov 2021	Not escrowed	5 Dec 2022	-	750,000	-	750,000	-	-	**750,000**	**-**
$0.25	16 Dec 2021	Not escrowed	5 Dec 2022	-	1,000,000	-	1,000,000	-	-	**1,000,000**	**-**
$0.25	21 Jan 2022	Not escrowed	5 Dec 2022	-	250,000	-	250,000	-	-	**250,000**	**-**
$0.20	15 Jun 2020	Not escrowed	15 Jun 2022	27,708,430	-	-	-	(27,671,251)	(37,179)	**-**	**-**
$0.40	24 Dec 2020	Not escrowed	24 Dec 2022	3,000,000	-	-	-		-	**3,000,000**	**-**
				48,708,430	**2,000,000**	**-**	**2,000,000**	**(27,671,251)**	**(37,179)**	**23,000,000**	**-**
Year ended 30 June 2021											
$0.25	5 Dec 2019	18 Dec 2021	5 Dec 2022	17,000,000	-	-	-	-	-	17,000,000	-
$0.25	18 Dec 2019	18 Dec 2021	5 Dec 2022	1,000,000	-	-	-	-	-	1,000,000	-
$0.25	1 Nov 2021	Not escrowed	5 Dec 2022	-	750,000	-	-	-	-	-	750,000
$0.25	16 Dec 2021	Not escrowed	5 Dec 2022	-	1,000,000	-	-	-	-	-	1,000,000
$0.25	21 Jan 2022	Not escrowed	5 Dec 2022	-	250,000	-	-	-	-	-	250,000
$0.20	15 Jun 2020	Not escrowed	15 Jun 2022	29,278,461	-	-	-	-	(1,570,031)	27,708,430	-
$0.40	24 Dec 2020	Not escrowed	24 Dec 2022	-	-	3,000,000	3,000,000	-	-	3,000,000	-
				47,278,461	2,000,000	3,000,000	3,000,000	-	(1,570,031)	48,708,430	2,000,000

Options expenses for the year ended 30 June 2022 totalled $4,941 (2021: $95,496).

Notes to the Financial Statements (continued)

Share Based Payment Reserve

	Number of Options				
	Initial Public Offer Options	Loyalty Options	Broker Options	Total	$
Balance at 1 July 2020	20,000,000	29,278,461	-	49,278,461	1,310,563
Options exercised during the year ended 30 June 2021	-	(1,570,031)	-	(1,570,031)	-
Capital raising fee	-	-	3,000,000	3,000,000	276,954
Employee expense	-	-	-	-	95,496
Options expired during the year ended 30 June 2021	-	-	-	-	-
Balance at 30 June 2021	20,000,000	27,708,430	3,000,000	50,708,430	1,683,013
Balance at 1 July 2021	20,000,000	27,708,430	3,000,000	50,708,430	**1,683,013**
Options exercised during the year ended 30 June 2022	-	(37,179)	-	(37,179)	**-**
Capital raising fee	-	-	-	-	**-**
Employee expense[10]	-	-	-	-	**4,941**
Options expired during the year ended 30 June 2022	-	(27,671,251)	-	(27,671,251)	**-**
Balance at 30 June 2022	**20,000,000**	**-**	**3,000,000**	**23,000,000**	**1,687,954**

Broker Options

The fair value of the Broker Options was calculated at the date of grant using the Black Scholes option pricing model and allocated to each reporting period evenly over the period from grant date to vesting date. The value disclosed is the portion of the fair value of the options recognised as an expense in each reporting period.

Fair value at grant date	$0.092318
Share price at grant date	$0.235
Exercise price per option	$0.400
Expected volatility (weighted average)	100%
Risk free interest rate (based on government bonds)	0.08%

[10] There is a vesting condition of 24 months of continuous employment by the option holder (or controller of the option holder) for 2,000,000 employee options to vest, granted under the initial public offer. At the reporting date, all employee options have vested (2021: None).

Notes to the Financial Statements (continued)

Initial Public Offer Options

The fair value of the Initial Public Offer options was calculated at the date of grant using the Black Scholes option pricing model and allocated to each reporting period evenly over the period from grant date to vesting date. The value disclosed is the portion of the fair value of the options recognised as an expense in each reporting period.

Fair value at grant date	$0.07055
Share price at grant date	$0.20
Exercise price per option	$0.25
Expected volatility (weighted average)	61%
Risk free interest rate (based on government bonds)	1.50%

Loyalty Options

The Loyalty Options are free attaching options granted on 15 June 2020 based on 1 loyalty option for every 3 shares, consideration options, incentive options and employee options held on the record date (5 June 2020). The Loyalty Options have been issued to the Company's shareholders and option holders and therefore do not fall within the scope of Australian Accounting Standard AASB 2 Share-based Payment (as amended). Accordingly, the Loyalty Options have a $Nil value.

The Company's accounting policy for the treatment of equity-settled share-based payment arrangements granted to employees

The grant-date fair value of equity-settled share-based payment arrangements granted to employees is generally recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

Notes to the Financial Statements (continued)

A6. Cash Flow Reconciliation

	Note	2022	2021
Cash flows from operating activities		**$**	$
Net loss attributable to members of the parent		**(1,280,687)**	(1,412,786)
Adjustments for:			
Depreciation and impairment – property plant and equipment (non-cash)	A12	**22,059**	20,928
Depreciation and impairment – right of use asset (non-cash)	A14	**63,745**	37,235
Profit on sale of tenements (non-cash)		**(195,100)**	-
Profit on sale of fixed asset (non -cash)		**(3,030)**	-
Unrealised loss on financial asset (non-cash)		**86,086**	-
Options expense (non-cash)		**4,941**	95,496
Operating loss before changes in working capital and provisions		**(1,301,986)**	(1,259,127)
Decrease / (Increase) in other receivables		**5,414**	(18,693)
(Decrease) / Increase in other payables and provisions		**(75,208)**	79,828
Decrease in lease payable		**(63,099)**	(35,827)
Adjustment to Right of Use Asset due to adjusting the present value of lease payments to be made over the lease term	A14	**4,143**	-
Net cash used in operating activities		**(1,430,736)**	(1,233,819)

A7. Prepayments and Other Receivables

Other receivables are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition they are stated at amortised cost less impairment losses (see Note B3).

Prepayments are recognised at cost.

	2022	2021
	$	$
Current		
GST	**71,002**	52,838
Security deposit over rental property	**17,778**	17,714
Other receivables	**20,239**	5,716
	109,019	76,268
Prepayments	**60,790**	41,665
	169,809	117,933

Notes to the Financial Statements (continued)

A8. Current Liabilities Trade and Other Payables

Trade and other payables are recognised initially at fair value plus directly attributable transaction costs. Subsequent to initial recognition, these transactions are measured at amortised cost.

	2022	2021
	$	$
Current		
Trade payables	**66,094**	30,241
PAYG Withholding Tax	**64,010**	110,990
Superannuation Payable	**6,972**	-
	137,076	141,231
Accruals	**38,768**	56,581
	175,844	197,812

A9. Provisions

A provision is recognised in the statement of financial position when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, when appropriate, the risks specific to the liability.

	2022	2021
	$	$
Current		
Annual Leave Provision		
Opening balance	**-**	40,925
Increase / (Decrease) for year	**23,387**	(40,925)
Closing balance	**23,387**	-
Non-Current		
Site Restoration Provision		
Opening balance	**138,978**	56,000
(Decrease) / Increase for year	**(22,655)**	82,978
Closing balance	**116,323**	138,978

The Company's accounting policy for the treatment of employee entitlements:

(a) Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(b) Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise.

Notes to the Financial Statements (continued)

(c) Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

Site Restoration

In accordance with the Group's environmental policy and applicable legal requirements, a provision for site restoration in respect of disturbed land is recognised when such land is disturbed. At this time, a best estimate of the total area of disturbance and present value restoration cost over the estimated mine is made. From this, an annual charge is derived which is reflected as an expense over the life of the mine and as an increase in the provision.

The balance of the provision is the accumulation of the annual charges, less any remedial work done, which is charged directly against the provision. The unwinding of the effect of discounting on the provision is recognised as a finance cost.

A10. Cash and Cash Equivalents

Cash and cash equivalents comprise cash balances and call deposits with an original maturity of three months or less.

	2022 **$**	2021 $
Bank balances	**950,170**	608,685
Term deposit - unsecured	**650,000**	4,100,000
Term deposit - secured	**20,391**	20,340
Cash and cash equivalents in the statements of cash flows	**1,620,561**	4,729,025

A11. Financial Asset

Investment in Orange Minerals NL (ASX: OMX) 2,099,047 ordinary fully paid shares (2021: Nil)	**188,914**	-

A12. Property, Plant and Equipment

Owned assets

Items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses (see Note B3).

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Subsequent costs

The Group recognises in the carrying amount of an item of property, plant and equipment the cost of replacing part of such an item when that cost is incurred if it is probable that the future economic benefits embodied within the item will flow to the Group and the cost of the item can be measured reliably. All other costs are recognised in the statement of profit or loss and other comprehensive income as an expense as incurred.

Depreciation

Depreciation is charged to the statement of profit or loss and other comprehensive income on a straight-line or diminishing value bases over the estimated useful lives of each part of an item of property, plant and equipment and buildings. Land is not depreciated. The estimated useful lives in the current financial year are as follows:

- Plant and equipment **1 to 5 years**

Property Plant and Equipment consist of:

	Freehold Land $	Plant and equipment $	**Total** $
2021			
Cost			
Balance at 1 July 2020	367,000	59,809	426,809
Additions	-	27,330	27,330
Balance at 30 June 2021	367,000	87,139	454,139
Depreciation			
Balance at 1 July 2020	-	(3,888)	(3,888)
Depreciation charge for the year	-	(20,928)	(20,928)
Balance at 30 June 2021	-	(24,816)	(24,816)
Carrying amounts			
Balance at 1 July 2020	367,000	55,921	422,921
Balance at 30 June 2021	367,000	62,323	429,323
2022			
Cost			
Balance at 1 July 2021	367,000	87,139	**454,139**
Plus: Additions	-	6,719	**6,719**
Less: Disposals		(22,300)	**(22,300)**
Balance at 30 June 2022	**367,000**	**71,558**	**438,558**
Depreciation			
Balance at 1 July 2021	-	(24,816)	**(24,816)**
Depreciation charge for the year	-	(22,059)	**(22,059)**
Less: Accumulated Depreciation on Disposals		7,149	**7,149**
Balance at 30 June 2022	**-**	**(39,726)**	**(39,726)**
Carrying amounts			
Balance at 1 July 2021	367,000	62,323	**429,323**
Balance at 30 June 2022	**367,000**	**31,832**	**398,832**

Notes to the Financial Statements (continued)

A13. Exploration and Evaluation Costs

Exploration and evaluation costs are stated at cost less accumulated amortisation and impairment losses (see Note B3).

	2022	2021
Cost	**$**	$
Opening balance	**10,663,740**	8,227,967
Additions	**1,954,753**	2,435,773
Disposals	**(354,900)**	-
Closing balance	**12,263,593**	10,663,740
Amortisation		
Opening balance	**-**	-
Amortisation change for the year	**-**	-
Closing balance	**-**	-
Carrying amount		
Opening balance	**10,663,740**	8,227,967
Closing balance	**12,263,593**	10,663,740

The Company's accounting policy for the treatment of its exploration and evaluation costs is in accordance with the following requirements.

Exploration and evaluation assets are measured at cost.

Exploration and evaluation costs, including the costs of acquiring licences, are capitalised as exploration and evaluation assets pending determination of the technical feasibility and commercial viability of the project. The capitalised costs are presented as intangible exploration and evaluation assets. When a licence is relinquished or a project abandoned, the related costs are recognised in the statement of comprehensive income.

For each area of interest, expenditures incurred in the exploration for and evaluation of mineral resources are partially or fully capitalised and recognised as an exploration and evaluation asset if the requirements below are satisfied.

The Company decides to recognise an exploration and evaluation asset separately for each area of interest.

An exploration and evaluation asset is only recognised in relation to an area of interest if the following conditions are satisfied:

(a) the rights to tenure of the area of interest are current; and

(b) at least one of the following conditions is also met:

(i) the exploration and evaluation expenditures are expected to be recouped through successful development and exploitation of the area of interest, or alternatively, by its sale; and

(ii) exploration and evaluation activities in the area of interest have not at the end of the reporting period reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

An area of interest refers to an individual geological area whereby the presence of a mineral deposit is considered favourable or has been proved to exist. It is common for an area of interest to contract in size progressively, as exploration and evaluation lead towards the identification of a mineral deposit, which may prove to contain economically recoverable reserves. When this happens during the exploration for and evaluation of mineral resources, exploration and evaluation expenditures are still included in the cost of the exploration and evaluation asset notwithstanding that the size of the area of interest may contract as the exploration and evaluation operations progress. In most cases, an area of interest will comprise a single mine or deposit.

A14. Leases

The Company leases a property at Unit 13, 11 William Street Orange, NSW, 2800 (**Property**) being used by the Company for offices and storage.

From the lease commencement date, 9 November 2020, rent was $70,200 per annum excluding GST indexed for the lease period (initial 3 years with an option to renew for a further 3 years). The Company provided the lessor with a bank undertaking of $17,550, representing 3-months of rent.

Effective 9 November 2021, due to increased CPI, rent increased to $72,243 per annum excluding GST.

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract contains the right to control the use of an identifiable asset for a period in exchange for consideration.

As of 30 June 2022, the Company had the right to obtain economic benefits from the use of the Property, and the right to direct how and for what purpose the Property is used.

Information about the lease for which the Group is a lessee is presented below.

Right-of-use-asset

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

Building	**2022** **$**	2021 $
Balance at 1 July	**345,753**	382,988
Adjustment due to adjusting the present value of lease payments to be made over the lease term	**(4,143)**	-
Depreciation charge for the year	**(63,745)**	(37,235)
Balance at 30 June	**277,865**	345,753

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payment includes fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

Notes to the Financial Statements (continued)

In calculating the present value of the lease payments, the Group uses the incremental borrowing rate of 4.48% per annum at the lease commencement date as the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

Maturity analysis- contractual cash flows	**2022**	2021
	$	$
Within one year	**60,755**	56,495
One year or later and not later than five years	**223,307**	265,445
Later than five years	**-**	25,221
Total lease liabilities	**284,062**	347,161

Lease liabilities included in the statement of financial position

Current	**60,755**	56,495
Non-current	**223,307**	290,666
	284,062	347,161

Amounts recognised in profit or loss

Depreciation on right of use asset	**63,745**	37,235
Interest on lease liabilities	**13,973**	10,973
Expenses relating to short-term leases	**11,310**	5,544
	89,028	53,752

Amounts recognised in exploration and evaluation costs

Additions relating to short term leases	**8,410**	-

Amounts recognised in the statement of cash flows

Lease payments	**71,562**	40,950
Payments relating to short-term leases	**17,980**	5,544
	89,542	46,494

A15. Commitments

Exploration expenditure commitments

In order to maintain current rights of tenure to exploration tenements, the Group is required to perform exploration work to meet the proposed work programs and expenditure over the term of the licences provided at the time of grant as required by the New South Wales Government. These obligations are subject to renegotiation when application for a mining lease is made and at other times.

Notes to the Financial Statements (continued)

As at 30 June 2022, these obligations are not provided for in the financial report and are payable as follows:

	Exploration expenditure commitments $
2022	
Within one year	**424,931**
One year or later and not later than five years	**1,993,987**
Later than five years	**104,071**
	2,522,989
2021	
Within one year	858,595
One year or later and not later than five years	1,533,810
Later than five years	-
	2,392,405

A16. Segment Reporting

An operating segment is a component of the Group that engages in business activities whose operating results are reviewed regularly by the Group's Board and for which discrete financial information is available.

The Group is involved solely in mineral exploration within its 100% controlled Australian-based copper-gold projects in the Lachlan Fold Belt (LFB) NSW and the farm-in agreement on the Narraburra REE and RM Project, and thus has a single operating segment.

Business and geographical segments

The results and financial position of the Company's single operating segment are prepared on a basis consistent with Australian Accounting Standards and thus no additional disclosures in relation to the revenues, profit or loss, assets and liabilities and other material items have been made. Entity-wide disclosures in relation to the Group's product and services and geographical areas are detailed below.

Products and services

The Group is involved solely in mineral exploration within its 100% controlled Australian-based projects in the Lachlan Fold Belt (LFB) NSW and the farm-in agreement on the Narraburra REE and RM Project, and, as such, currently provides no products for sale.

Geographical areas

The Company's exploration activities are located solely in Australia.

A17. Contingencies

Details of contingent liabilities where the probability of future payments/receipts is not considered remote are set out below:

On 25 July 1991, Tri Origin Exploration Limited and Mr David Timms (deceased) (a geologist and unrelated party) entered into to a finder's fee agreement (**Finder's Fee Agreement**) pursuant to which the Estate of Mr Timms is eligible to receive a finder's fee in relation to a mineral property in Australia, comprising 2.56 km^2, and designated as EL 1049 in New South Wales, Australia (**Property**).

The mining tenement designated as EL 1049 was cancelled in a broader process of replacing a number of licences in the area with a single new licence, EL 5583 **(EL 5583**). TriAusMin Pty Ltd (an entity that is the Company's wholly owned subsidiary), is the registered holder of EL 5583.

Notes to the Financial Statements (continued)

The area referred to as the Property in the Finder's Fee Agreement is now located within the boundaries of EL 5583.

On this basis, a portion of EL 5583 (being the 2.56km^2 Property) is subject to a finder's fee, payable to the Estate of Mr David Timms, following commencement of production, or sale of EL 5583, capped at A$2,000,000. The fee is payable in respect of:

(a) 1/3 proceeds from the sale of EL 5583; or

(b) 1/3 of net profits from production from the Property; or

(c) 30% of any royalties received from production from the Property.

A18. Subsequent Events

Directors are not aware of any matter or circumstance that has arisen since the end of the financial year that has significantly affected or may significantly affect the Group's operations, the results of these operations or the Group's state of affairs in future financial years, excepting:

1. On 9 August 2022, there was a cash placement totalling $1,607,825 before capital raising costs with the issue 18,915,586 ordinary fully paid shares for $0.085 each share; and
2. On 9 September 2022, $1,301,024 was raised in accordance with a Share Purchase Plan and the issue of 15,306,160 ordinary fully paid shares for $0.085 each share.

Notes to the Financial Statements (continued)

Section B – Risk and Judgement

B. This section outlines the key judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. This section also outlines the significant financial risk the Group is exposed, to which the Directors would like to draw the attention of the readers.

B1. Financial Risk Management

Overview

This Note presents information about the Group's exposure to credit, liquidity and market risks, their objectives, policies and processes for measuring and managing risk, and the management of capital.

The Group does not use any form of derivatives as it is not at a level of exposure that requires the use of derivatives to hedge its exposure. Exposure limits are reviewed by management on a continuous basis. The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. Management monitors and manages the financial risks relating to the operations of the Group through regular reviews of the risks.

Credit Risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Presently, the Group is in an exploration phase, therefore does not earn revenue from sales and therefore has no accounts receivable from sales. Other receivables at 30 June 2022 of $20,239 (2021: $5,716) includes $20,000 receivable for transfer of tenement bonds upon disposal of tenements. $20,000 was received during July 2022.

At the reporting date, there were no significant credit risks in relation to trade receivables.

For the Company, credit risk arises from receivables due from subsidiaries.

Cash and cash equivalents

The Group limits its exposure to credit risk by only investing in liquid securities and only with counterparties that have an acceptable credit rating.

Exposure to credit risk

The carrying amount of the Group's financial assets represents the maximum credit exposure. The Group's maximum exposure to credit risk at the reporting date was:

	Note	**Carrying Amount**	Carrying Amount
		2022	2021
		$	$
Current			
Cash and cash equivalents	A10	**1,620,561**	4,729,025
Other receivables	A7	**109,019**	76,268
		1,729,580	4,805,293

Impairment losses

None of the Group's other receivables are past due.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group manages liquidity risk by maintaining adequate cash reserves from funds raised in the market and by continuously monitoring forecast and actual cash flows.

The decision on how the Company will raise future capital will depend on the market conditions existing at that time.

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

	Note	Carrying amount $	Contractual cash flows $	6 months or less $
30 June 2022				
Trade and other payables	A8	**175,844**	**175,844**	**175,844**
30 June 2021				
Trade and other payables	A8	197,812	197,812	197,812

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Changes in the share price for the Company's investment in shares issued by Orange Minerals NL will affect the Group's income and the value of its financial asset. Refer to Note A11 for more details.

Currency risk

The Group is not exposed to currency risk and at the reporting date the Group holds no financial assets or liabilities which are exposed to foreign currency risk.

Interest rate risk

The Group is exposed to interest rate risk (primarily on its cash and cash equivalents), which is the risk that a financial instrument's value will fluctuate as a result of changes in the market interest rates on interest-bearing financial instruments. The Group does not use derivatives to mitigate these exposures.

The Group adopts a policy of ensuring that as far as possible it maintains excess cash and cash equivalents in short terms deposit at interest rates maturing over three-month rolling periods.

Notes to the Financial Statements (continued)

Profile

At the reporting date the interest rate profile of the Group's and the Company's interest-bearing financial instruments was:

	Carrying amount 2022 $	Carrying amount 2021 $
Variable rate instruments		
Financial assets	**1,729,580**	4,805,293
Financial liabilities	**(175,844)**	(197,812)
	1,553,736	4,607,481

Fair value sensitivity analysis

The Group does not have, and therefore does not account for any fixed interest rate financial assets and liabilities at fair value through profit or loss.

A change of 100 basis points in interest rates at the end of the financial year would have increased or decreased profit and loss by $20,719 (2021: $43,195).

Changes in the share price for the Company's investment in shares issued by Orange Minerals NL would affect the Group's income and the value of its financial asset. Refer to Note A11 for more details.

Instruments	Note	Change at end of financial year	Increased or decreased profit and loss **2022 $**	2021 $
Cash and cash equivalents (variable rate instruments)	A10	100 basis points in interest rates	**20,719**	43,195
Financial Asset	A11	$0.01 each share	**20,990**	-

This analysis assumes that all other variables remain constant.

Commodity Price Risk

The Group operates primarily in the exploration and evaluation phase and accordingly the Group's financial assets and liabilities are subject to minimal commodity price risk.

Capital and Reserves Management

The Group's objectives when managing capital and reserves are to safeguard the Group's ability to continue as a going concern, so as to maintain a strong capital base sufficient to maintain future exploration and development of its projects. In order to maintain or adjust the capital and reserve structure, the Group may return capital to shareholders, issue new shares or sell assets to reduce debt. The Group's focus has been to raise sufficient funds through equity to fund exploration and evaluation activities.

There were no changes in the Group's approach to capital management during the year. Risk management policies and procedures are established with regular monitoring and reporting.

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

Financial Instruments

AASB 9 Financial Instruments includes guidance on the classification and measurement of financial instruments, including a new expected credit loss model for calculating impairment on financial assets, and the new general hedge accounting requirements. AASB 9 has been adopted with no impact and no material changes in comparative information required.

B2. Determination of Fair Values

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the Notes specific to that asset or liability.

Other receivables

The fair value of other receivables is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date. This fair value is determined for disclosure purposes or when acquired in a business combination.

Non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

Share-based payment transactions

The fair value of the share options is measured using the Black Scholes model. Measurement inputs include share price on measurement date, exercise price of the instrument, expected volatility (based on weighted average historic volatility adjusted for changes expected due to publicly available information), weighted average expected life of the instruments (based on historical experience and general option holder behaviour), expected dividends, and the risk-free interest rate (based on government bonds). Service and non-market performance conditions attached to the transactions are not taken into account in determining fair value.

Financial Asset

The fair value of the financial asset is estimated as the market value of listed equity securities at the date of the equity securities are issued and then at each reporting date. Changes in fair values of the financial asset are included in the Company's results for the year ended 30 June 2022 being an unrealised loss totalling $86,086 (2021: $Nil). Refer to Note A11 for more details.

Financial Instruments

AASB 9, including the expected credit loss model for calculating impairment on financial assets, has been adopted with no impact and no material changes in comparative information required.

B3. Impairment

The carrying amounts of the Group's assets other than deferred tax assets (see Note D3), are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated (see below).

For intangible assets that are not yet available for use, the recoverable amount is estimated annually, or when facts and circumstances suggest the carrying amount may exceed its recoverable amount.

Notes to the Financial Statements (continued)

An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in the statement of profit or loss and other comprehensive income unless the asset has been re-valued previously in which case the impairment loss is recognised as a reversal to the extent of the previous revaluation with any excess recognised through the statement of profit or loss and other comprehensive income.

Impairment losses recognised in respect of cash generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash generating unit (group of units) and then, to reduce the carrying amount of the other assets in the unit (group of units) on a *pro rata* basis.

Calculation of recoverable amount

The recoverable amount of other assets is the greater of their fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

Reversals of impairment

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

B4. Financial Instruments

Effective interest rates and repricing analysis

In respect of income-earning financial assets and interest-bearing financial liabilities, the following table indicates their effective interest rates at the reporting date and the periods in which they reprice.

	Effective interest rate %	**Total $**	6 months or less $	6-12 months $	1-2 years $	2-5 years $	More than 5 years $
2022							
Cash and cash equivalents	1.55	**1,620,561**	**1,620,561**	**-**	**-**	**-**	**-**
2021							
Cash and cash equivalents	0.45	4,729,025	4,729,025	-	-	-	-

Fair values

The fair values of financial instruments equate with the carrying amounts shown in the statement of financial position.

Notes to the Financial Statements (continued)

Section C – Key Management Personnel and Related Party Disclosures

C. This section includes information about key management personnel's remunerations, related parties information and any transactions key management personnel or related parties may have had with the Group during the year.

C1. Key Management Personnel Expenses

Share-based payment transactions

The grant date fair value of equity-settled share-based payment awards granted is generally recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date.

Wages, salaries, and annual leave

Liabilities for benefits such as wages and salaries represent present obligations resulting from services provided to the reporting date, calculated at undiscounted amounts based on remuneration wage and salary rates that the Group expects to pay as at the reporting date.

	2022	2021
	$	$
Salaries and fees	**463,618**	439,700
Consulting charges	**98,520**	159,470
Superannuation	**41,434**	39,873
	603,572	639,043
Termination Benefit	**-**	91,667
Non-cash key management personal expense from granting of options	**4,941**	44,082
Key management personnel expenses	**608,513**	774,792

C2. Key Management Personnel Disclosures

Individual Directors and executive compensation disclosures

Information regarding individual Directors' and executives' compensation and some equity instruments disclosures are required by Corporation Regulation 2M.3.03 and provided in the remuneration report section of the Directors' Report.

Apart from the details disclosed in this Note, no Director has entered into a material contract with the Company or the Group during the financial year and there were no material contracts involving Directors' interests existing at year-end.

Directors' transactions with the Company or its controlled entities

There were no aggregate amounts payable to Directors and their Director related entities for unpaid Directors' fees, statutory superannuation owed to each Director's superannuation fund, and consulting fees at the reporting date (2021: $Nil).

The terms and conditions of the transactions with Directors or their Director related entities, outlined above, were no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to non-Director-related entities on an arm's length basis.

Notes to the Financial Statements (continued)

C3. Related Party Disclosures

Identity of related parties

The Group has a related party relationship with its subsidiaries (see Note C4) and with its Directors and executive officers.

Other related party transactions

The classes of non-Director related parties are:

- wholly owned subsidiaries;
- partly owned subsidiaries;
- commonly controlled subsidiaries;
- joint ventures;
- associates; and
- Directors of related parties and their personally related entities.

Related party transactions

The following related party transaction charges for Directors' fees, consulting fees, were made with the Group on normal terms and conditions and in the ordinary course of business:

	Year ended 30 Jun 2022	Year ended 30 Jun 2021
	$	$
Directors' Fees	**463,618**	174,683
Superannuation benefits	**41,434**	16,595
Consulting Fees	**-**	13,700
	505,052	204,978

C4. Consolidated Entities

	Country of incorporation	Ownership interest **2022** %	Ownership interest 2021 %
Parent entity			
Godolphin Resources Limited	Australia	**-**	-
Subsidiaries			
Godolphin Tenements Pty Ltd	Australia	**100**	100
TriAusMin Pty Ltd	Australia	**100**	100

In the financial statements of the Company, investments in controlled entities and associates are measured at cost and included with other financial assets.

Notes to the Financial Statements (continued)

Section D – Other Disclosures

D. This section includes information that the Directors do not consider to be significant in understanding the financial performance and position of the Group but must be disclosed to comply with the Accounting Standards, the *Corporations Act 2001* (Cth) or the Corporations Regulations.

D1. Other Income

	2022	2021
	$	$
Australian Government Cashflow Boost	-	100,000
Exclusivity Fee	-	30,000
Profit on sale of tenements	**195,100**	-
Profit on sale of fixed asset	**3,030**	-
Other income	**44**	4,193
	198,174	134,193

D2. Administration Expenses

	2022	2021
	$	$
Accounting / secretarial expense	**117,853**	185,385
Advertising	**57,911**	24,087
Advisory Retainer Fee	**23,500**	40,000
Audit fees	**32,653**	20,114
Compliance: ASX/ASIC/Share Registry fees	**56,940**	81,362
Consulting fees	**118,258**	31,336
Equipment Hire	**11,310**	5,544
Information technology / website expense	**64,402**	23,988
Insurance expense	**55,648**	49,409
Legal expense	**9,410**	16,232
Meetings	**9,468**	29,838
Memberships/Subscriptions	**8,157**	11,820
Office rent	-	3,960
Other expenses	**39,092**	43,929
Recruitment fees	**1,549**	35,600
Training/Conferences/Seminars	**54,054**	5,347
Travel and accommodation expenses	**14,157**	12,855
	674,362	620,806

D3. Income Tax

Income tax is recognised in the statement of profit or loss and other comprehensive income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantially enacted at the reporting date, and any adjustment to tax payable in respect of previous periods.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill, the initial recognition of assets and liabilities that affect neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets recorded at each reporting date are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Tax consolidation

The Company and its wholly owned Australian resident entities have formed a tax-consolidated group.

All members of the tax-consolidated group are taxed as a single entity from 4 December 2019. The head entity within the tax-consolidated group is Godolphin Resources Limited.

Current tax expense/ income, deferred tax liabilities and deferred tax assets arising from temporary differences of the members of the tax-consolidated group are recognised in the separate financial statements of the members of the tax-consolidated group using the “stand alone taxpayer” approach for each entity, as if it continued to be a taxable entity in its own right.

Any current liabilities (or assets) and deferred tax assets arising from unused tax losses of the subsidiaries are assumed by the head entity in the tax consolidated group and are recognised by the Company as amounts payable / (receivable) to / (from) other entities in the tax-consolidated group. Any difference between these amounts is recognised by the Company as an equity contribution or distribution.

The Company recognises deferred tax assets arising from unused tax losses of the tax-consolidated group to the extent that it is probable that future taxable profits of the tax-consolidated group will be available against which the asset can be utilised.

Any subsequent period adjustments to deferred tax assets arising from unused tax losses as a result of revised assessments of the probability of recoverability is recognised by the head entity only.

As the tax-consolidated group has no income tax payable, the head entity has not entered into a tax funding arrangement in conjunction with other members of the tax-consolidated group which sets out the funding obligations of members of the tax-consolidated group in respect of tax amounts.

Numerical reconciliation between tax benefit and pre-tax net loss

	2022 $	2021 $
Loss after interest and before income tax	**1,280,687**	1,412,786
Prima facie Income tax benefit at a tax rate of 30%	**384,206**	423,836
Permanent difference options expense	**(1,482)**	(28,649)
Other eligible expenditure	**77,167**	76,354
Temporary differences	**471,386**	706,310
Decrease in income tax benefit due to:		
Income tax losses not recognised	**(931,277)**	(1,177,851)
Income tax benefit on pre-tax net loss	**-**	-

Notes to the Financial Statements (continued)

Temporary Differences

Deferred Tax Liability	**454,573**	729,341
Deferred Tax Asset	**16,813**	(23,031)
	471,386	706,310

Unrecognised deferred tax assets

Revenue tax losses	**9,182,683**	5,947,196

The tax losses do not expire under current legislation though these losses are subject to testing under loss recoupment rules in order for them to be utilised. Deferred tax assets have not been recognised in respect of this item because, at this time, it is not probable that future taxable profit will be available against which the benefits can be offset.

At 30 June 2022, the Group had no franking credits available for use in subsequent reporting periods (2021: Nil).

D4. Loss Per Share

Basic earnings per share (EPS) is calculated by dividing the net profit or loss attributable to members of the parent entity for the financial year, after excluding any costs of servicing equity (other than ordinary shares and converting preference shares classified as ordinary shares for EPS calculation purposes), by the weighted average number of ordinary shares of the Company, adjusted for any bonus issue. Diluted EPS is calculated by dividing the basic EPS earnings, adjusted by the after-tax effect of financial costs associated with dilutive ordinary shares and the effect on revenues and expenses of conversion to ordinary shares associated with dilutive potential ordinary shares, by the weighted average number of ordinary and dilutive potential ordinary shares adjusted for any bonus issue.

The calculation of basic and diluted losses per share for the year ended 30 June 2022 was based on the net loss attributable to ordinary shareholders of $1,280,687 (2021: $1,412,786) and a weighted average number of ordinary shares outstanding during the year ended 30 June 2022 of 84,113,721 (2021: 77,579,836), calculated as follows:

	2022	2021
	$	$
Net loss attributable to members of the parent	**1,280,687**	1,412,786

Weighted average number of ordinary shares

Undiluted Number of Shares	**Number**	Number
Issued ordinary shares at beginning of year	**84,110,522**	67,957,151
Effect of shares issued 22 July 2020	-	17,148
Effect of shares issued 18 August 2020	-	104,388
Effect of shares issued 22 October 2020	-	157,689
Effect of shares issued 3 November 2020	-	546,370
Effect of shares issued 16 November 2020	-	6,420,877
Effect of shares issued 24 November 2020	-	139,793
Effect of shares issued 21 December 2020	-	57,147
Effect of shares issued 24 December 2020	-	2,170,159
Effect of shares issued 5 February 2021	-	7,247
Effect of shares issued 8 March 2021	-	1,867
Effect of shares issued 16 August 2021	740	-
Effect of shares issued 2 May 2022	1,483	-
Effect of shares issued 1 June 2022	355	-
Effect of shares issued 20 June 2022	621	-
Weighted average number of ordinary shares used in calculating basic and diluted loss per share	**84,113,721**	77,579,836

23,000,000 (2021: 50,708,430) potential shares were excluded from the calculation of diluted earnings per share because they are antidilutive for the year ended 30 June 2022 as the Company is in a loss position.

D5. Auditor's Remuneration

	2022	2021
	$	$
Auditors of the Company Dry Kirkness (Audit) Pty Ltd (formerly Butler Settineri (Audit) Pty Ltd)		
Audit and review of financial reports	**32,653**	20,114
Non-audit accounting services	**-**	8,000
	32,653	28,114

Notes to the Financial Statements (continued)

D6. Parent Entity Disclosures

The Group has applied amendments to the *Corporations Act 2001* (Cth*)* that remove the requirements for the Group to lodge parent entity financial statements. Parent entity financial statements have been replaced by the following specific parent entity disclosure.

As at, and throughout, the financial year ended 30 June 2022 the parent company of the Group was Godolphin Resources Limited.

	2022	2021
	$	$
Results of the parent entity		
Net loss attributable to members of the parent	**1,281,513**	1,414,815
Other comprehensive income, net of income tax	**-**	-
Total comprehensive income	**1,281,513**	1,414,815
	30 June 2022	30 June 2021
Financial position of parent entity at year end		
Current assets	**1,790,370**	4,844,929
Non-current assets	**13,129,204**	11,438,816
Total assets	**14,919,574**	16,283,745
Current liabilities	**259,985**	254,307
Non-current liabilities	**340,457**	429,644
Total liabilities	**600,442**	683,951
Net Assets	**14,319,132**	15,599,794
Total equity of the parent entity comprising of:		
Share capital	**16,126,839**	16,132,958
Reserve	**1,687,954**	1,683,013
Accumulated Losses	**(3,495,661)**	(2,216,177)
Total Equity	**14,319,132**	15,599,794

Parent entity capital commitments for acquisition of property, plant & equipment

Refer to Note A15 for commitments related to the parent entity.

Contingencies

Refer to Note A17 for contingencies related to the parent entity.

D7. Financing Income and Expenses

Interest income is recognised as it accrues taking into account the effective yield on the financial asset.

Finance expenses comprise interest expense on borrowings. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

D8. Derivatives

The financial entity does not hold any derivative financial instruments.

Notes to the Financial Statements (continued)

D9. GST

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

D10. New Accounting Standards

A number of new standards, amendments to, or interpretations of standards are effective for annual periods beginning 1 January 2021. These new standards and amendments have been applied in preparing these financial statements and none of them have had a significant effect on the financial statements of the Group.

This table lists the recent changes to the Standards that are required to be applied for 30 June 2022 year ends:

New pronouncements that must be applied for 30 June 2022 year-ends	Effective date[11]
AASB 2020-8 *Amendments to AASs – Interest Rate Benchmark Reform – Phase 2*	1 January 2021
AASB 2021-3 *Amendments to AASs – COVID-19-Related Rent Concessions beyond 30 June 2021*	1 April 2021
AASB 1060 *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not- for-Profit Tier 2 Entities*	1 July 2021
AASB 2020-2 *Amendments to AASs – Removal of Special Purpose Financial Statements for Certain For-Profit Private Sector Entities*	1 July 2021
AASB 2020-7 *Amendments to AASs – COVID-19-Related Rent Concessions: Tier 2 Disclosures*	1 July 2021
AASB 2020-9 *Amendments to AASs – Tier 2 Disclosures: Interest Rate Benchmark Reform (Phase 2) and Other Amendments*	1 July 2021
AASB 2021-1 *Amendments to AASs – Transition to Tier 2: Simplified Disclosures for Not-for- Profit Entities*	1 July 2021
AASB 2022-2 *Amendments to AASs – Extending Transition Relief under AASB 1*	30 June 2022[12]
AASB 2022-4 *Amendments to AASs – Disclosures in Special Purpose Financial Statements (SPFS) of Certain For-Profit Private Sector Entities*	30 June 2022[13]

[11] Effective for annual reporting periods beginning on or after this date, unless separately noted.

[12] Effective for annual reporting periods ending on or after this date.

[13] Effective for annual reporting periods ending on or after this date.

Notes to the Financial Statements (continued)

New pronouncements that must be applied for 30 June 2022 year-ends	Effective date[11]
AASB 2020-3 *Amendments to AASs – Annual Improvements 2018–2020 and Other Amendments* ► *Amendment to AASB 1, Subsidiary as a First-time Adopter* ► *Amendments to AASB 3, Reference to the Conceptual Framework* ► *Amendment to AASB 9, Fees in the '10 per cent' Test for Derecognition of Financial Liabilities* ► *Amendments to AASB 116, Property, Plant and Equipment: Proceeds before Intended Use* ► *Amendments to AASB 137, Onerous Contracts – Cost of Fulfilling a Contract* ► *Amendment to AASB 141, Taxation in Fair Value Measurements*	1 January 2022
AASB 2021-7 *Amendments to AASs – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections*	1 January 2022
AASB 2022-3 *Amendments to AASs – Illustrative Examples for Not-for-Profit Entities accompanying AASB 15*	1 July 2022
AASB 17 *Insurance Contracts*	1 January 2023
AASB 2020-1 *Amendments to AASs – Classification of Liabilities as Current or Non-current*	1 January 2023
AASB 2021-2 *Amendments to AASs – Disclosure of Accounting Policies and Definition of Accounting Estimates* ► *Amendments to AASB 7, AASB 101, AASB 134 and AASB Practice Statement 2* ► *Amendments to AASB 108*	1 January 2023
AASB 2021-5 *Amendments to AASs – Deferred Tax related to Assets and Liabilities arising from a Single Transaction*	1 January 2023
AASB 2021-6 *Amendments to AASs – Disclosure of Accounting Policies: Tier 2 and Other Australian Accounting Standards*	1 January 2023
AASB 2022-1 Amendments to AASs – Initial Application of AASB 17 and AASB 9 – Comparative Information	1 January 2023
AASB 2014-10 *Amendments to AASs – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	1 January 2025

End of Notes (Audited)

Directors' Declaration

1. In the opinion of the Directors of Godolphin Resources Limited ("the Company"):

   (a) the consolidated financial statements and notes that are set out on pages 22 to 55 and the Remuneration Report on pages 11 to 19 in the Directors' Report, are in accordance with the *Corporations Act 2001* (Cth), including:

      (i) giving a true and fair view of the Group's financial position as at 30 June 2022 and of its performance for the financial year ended on that date; and

      (ii) complying with *Australian Accounting Standards* and the *Corporations Regulations 2001*; 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.

2. The Directors have been given the declarations required by Section 295A of the *Corporations Act 2001* (Cth) from the Chief Executive Officer and Chief Financial Officer for the financial year ended 30 June 2022.

Signed in accordance with a resolution of the Directors.

Jeremy Read

Chair

Hideaway Bay, Queensland

13 September 2022

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of Godolphin Resources Limited for the year ended 30 June 2022, I declare that, to the best of my knowledge and belief, there have been:

a) No contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

b) No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Godolphin Resources Limited and the entities it controlled during the year.

DRY KIRKNESS (AUDIT) PTY LTD

LUCY P GARDNER
Director

Perth
Date: 13 September 2022

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF GODOLPHIN RESOURCES LIMITED

Report on the financial report

Opinion

We have audited the financial report of Godolphin Resources Limited ("the Company") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2022 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 2022 and of its financial performance for the year then ended; and

ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for opinion

We have 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 ethical requirements in accordance with the Code.

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for 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.

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Key Audit Matter	How our audit addressed the key audit matter
Capitalised mineral exploration expenditure (*refer notes A13 and B3)* The Group operates as an exploration entity and as such its primary activities entail expenditure focussed on the exploration for and evaluation of economically viable mineral deposits. These activities currently relate to several projects areas in the Lachlan Fold Belt in New South Wales. All exploration and evaluation expenditure incurred has been capitalised and recognised as an asset in the Statement of Financial Position. The closing value of this asset is $12,263,593 as at 30 June 2022. The carrying value of capitalised mineral exploration assets is subjective and is based on the Group's intention and ability, to continue to explore the asset. The carrying value may also be affected by the results of ongoing exploration activity indicating that the mineral reserves and resources may not be commercially viable for extraction. This creates a risk that the asset value included within the financial statements may not be recoverable.	Our audit procedures included: • ensuring the Group's continued right to explore for minerals in the relevant exploration areas including assessing documentation such as exploration and mining licences; • enquiring of management and the directors as to the Group's intentions and strategies for future exploration activity and reviewing budgets and cash flow forecasts; • assessing the results of recent exploration activity to determine whether there are any indicators suggesting a potential impairment of the carrying value of the asset; • assessing the Group's ability to finance the planned exploration and evaluation activity; and • assessing the adequacy of the disclosures made by the Group in the financial report.

Other information

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

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

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

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

Directors' responsibilities 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 the 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 Company'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 Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

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

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

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

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

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

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

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

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

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

Report on the remuneration report

Opinion

We have audited the remuneration report included on pages 11 to 19 of the directors' report for the year ended 30 June 2022.

In our opinion the remuneration report of Godolphin Resources Limited for the year 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.

DRY KIRKNESS (AUDIT) PTY LTD

LUCY P GARDNER
Director

Perth
Date: 13 September 2022

Additional Shareholder Information

Shares

At a general meeting on a show of hands, each member present in person or by proxy has one vote and on a poll each member present in person or by proxy, attorney or representative of a member has one vote for each fully paid share held by the member. If a member holds partly paid shares, the number of votes the member has in respect of those shares on a poll is determined as follows:

D = (A x B) / C

where:

A is the number of those shares held by the member;

B is the amount paid on each of those shares excluding any amount:

(i) paid or credited as paid in advance of a call; and

(ii) credited as paid on those shares to the extent that it exceeds the value (ascertained at the time of issue of those shares) of the consideration received for the issue of those shares;

C is the issue price of each of those shares; and

D is the number of votes attached to those shares.

At 19 August 2022, issued capital was 103,063,287 ordinary fully paid shares held by 1,643 holders. No shares are subject to escrow.

20 Largest Holders by Name of Ordinary Shares and their Share Holdings at 19 August 2022:

Rank	Name	Number of Shares	% of Issued Capital
1	ORANGE MINERALS NL	7,058,824	6.85%
2	B & J O'SHANNASSY MANAGEMENT PTY LTD <JOSCO PTY LTD S/F NO1 A/C>	6,599,670	6.40%
3	JOSCO PTY LTD <O'SHANNASSY FAMILY A/C>	4,203,189	4.08%
4	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	3,858,320	3.74%
5	MR MATTHEW FRANCES TORI	3,289,077	3.19%
6	KURANA PTY LTD <BUCHHORN UNIT ACCOUNT>	2,817,789	2.73%
7	HAZURN PTY LTD <BUCHHORN SUPER FUND A/C>	2,497,024	2.42%
8	MR OLIVIER DUPUY + MS JULIE DUPUY <ENERJEE SUPER FUND A/C>	2,000,000	1.94%
9	CITICORP NOMINEES PTY LIMITED	1,872,611	1.82%
10	MS PATRICIA ROBERTS	1,450,000	1.41%
11	BNP PARIBAS NOMINEES PTY LTD ACF CLEARSTREAM	1,405,825	1.36%
12	AUSTRALIAN LAND PTY LTD <THE SOUTHDOWN A/C>	1,333,334	1.29%
13	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	1,313,205	1.27%
14	BNP PARIBAS NOMS PTY LTD <DRP>	1,210,388	1.17%
15	MRS PAMELA JEAN BUCHHORN	1,136,314	1.10%
16	DAVENTRY FAMILY INVESTMENTS PTY LTD <DAVENTRY SUPER FUND A/C>	1,115,000	1.08%
17	LATSOD PTY LTD <DOSTAL SUPERFUND A/C>	1,015,151	0.98%
18	SACHA TRADING COMPANY PTY LTD <THE JOHN ROSZBACH S/F A/C>	916,880	0.89%
19	MR ANDREW JAMES EASTON	864,691	0.84%
20	MARTIN BUCKLEY <THE M BUCKLEY FAMILY A/C>	849,923	0.82%
	Top 20 holders of ORDINARY SHARES (TOTAL)	**46,807,215**	**45.38%**

Additional Shareholder Information

Distribution of Share Holders and Share Holdings at 19 August 2022

Range	Holders	Total Shares	% Issued Share Capital
above 0 up to and including 1,000	204	38,119	0.04%
above 1,000 up to and including 5,000	448	1,354,960	1.31%
above 5,000 up to and including 10,000	253	1,943,169	1.89%
above 10,000 up to and including 100,000	588	19,876,236	19.29%
above 100,000	150	79,850,803	77.48%
Rounding	-	-	(0.01%)
Totals	**1643**	**103,063,287**	**100.00%**

Unmarketable Parcels at 19 August 2022

	Minimum Parcel Size	Holders	Number of Shares
Minimum $ 500.00 parcel at $ 0.089 per share	5,617	700	1,645,480

Substantial Shareholders at 19 August 2022

	Number of Shares	Proportion of Issued Shares[14]
B O'Shannassy and associates	10,802,859	10.48%
Orange Minerals NL	7,058,824	6.85%
Ian Buchhorn and associates	6,759,849	6.56%

Unquoted Options

At 19 August 2022 there were 23,000,000 unquoted options with various exercise prices and expiry dates. No options were subject to escrow.

Exercise Price	Grant Date	Vesting Date	Expiry Date	Number
$0.25	5 Dec 2019	5 Dec 2019	5 Dec 2022	**17,000,000**
	5 Dec 2019	18 Dec 2019	5 Dec 2022	**1,000,000**
$0.25	5 Dec 2019	1 Nov 2021	5 Dec 2022	**750,000**
	5 Dec 2019	16 Dec 2021	5 Dec 2022	**1,000,000**
	5 Dec 2019	21 Jan 2022	5 Dec 2022	**250,000**
$0.40	24 Dec 2020	24 Dec 2020	24 Dec 2022	**3,000,000**
Total				**23,000,000**

Each option provides the right for the option holder to be issued one fully paid share by the Company, upon payment of the exercise price of each option.

[14] Proportion of issued shares is based on 103,063,287 total shares on issue.

Additional Shareholder Information

Over 20% Holders by Name of Options ($0.25 Exercise Price) and their Option Holdings at 19 August 2022

Name	Number of Options	% of Total Options
ARDEA RESOURCES LIMITED	15,000,000	75.00%

Over 20% Holders by Name of Options ($0.40 Exercise Price) and their Option Holdings at 19 August 2022

Name	Number of Options	% of Total Options
ZENIX NOMINEES PTY LTD	2,500,000	83.33%

Distribution of Option Holders and Option Holdings at 19 August 2022 ($0.25 Exercise Price)

Range	Holders	Total Options	% of Total Options
above 0 up to and including 1,000	-	-	-
above 1,000 up to and including 5,000	-	-	-
above 5,000 up to and including 10,000	-	-	-
above 10,000 up to and including 100,000	2	175,000	0.87%
above 100,000	11	19,825,000	99.13%
Totals	**13**	**20,000,000**	**100.00%**

Distribution of Option Holders and Option Holdings at 19 August 2022 ($0.40 Exercise Price)

Range	Holders	Total Options	% of Total Options
above 0 up to and including 1,000	-	-	-
above 1,000 up to and including 5,000	-	-	-
above 5,000 up to and including 10,000	-	-	-
above 10,000 up to and including 100,000	2	150,000	5.00%
above 100,000	2	2,850,000	95.00%
Totals	**4**	**3,000,000**	**100.00%**

Additional Shareholder Information

Mining Exploration Tenements

At 19 August 2022, the Company holds the following exploration and mining licences.

Tenure	Location	Company's Interest	Status
EL 5583[15]	Lewis Ponds	100%	Live
EL 8061	Gundagai South	100%	Live
EL 8420	Narraburra	100%	Live
EL 8532	Mt Aubrey	100%	Live
EL 8538	Yeoval	100%	Live
EL 8555[16]	Calarie	100%	Live
EL 8556	Copper Hill East	100%	Live
EL 8580[16]	Calarie Central	100%	Live
EL 8586	Gundagai North	100%	Live
EL 8889	Gundagai	100%	Live
EL 8890	Cumnock	100%	Live
EL 8901	Caledonian	100%	Live
EL 8962	Obley North	100%	Live
EL 8963	Obley West	100%	Live
EL 8964	Yallundry	100%	Live
EL 8966	Mt Bulga	100%	Live
EL 8998	Gadara	100%	Live
EL 9243	Goodrich	100%	Live
EL 9258	Temora	100%	Live
EL 9333	Kinross	100%	Live
EL 9337	Sebastopol	100%	Live
EL 9370	Gurrundah	100%	Live
EL 9371	Kingsburgh	100%	Live
ML 0739[16]	Calarie Lachlan Mine	100%	Live

Securities Exchange Listing

The Company's ordinary shares are listed on the Australian Securities Exchange. The Company's ASX code for quoted ordinary shares is GRL.

On-Market Buy Back

There is no on-market buy-back.

[15] There is a contingent liability in respect of a finder's fee payable to the Estate of David Timms on EL5583 sale transaction or production commencement (capped at $2,000,000). Refer Note A17 for further details.

[16] EL8555, EL8580 & ML0739 are subject to farm in agreements between the Company & Orange Minerals NL as announced on 18 December 2020. At 19 August 2022, the Company's interest in tenements EL8555, EL8580 & ML0739 remains at 100%.

Additional Shareholder Information

Corporate Governance Statement

The Company's Corporate Governance statement for the financial year ended 30 June 2022 is available for members to download and access from https://godolphinresources.com.au/governance

Summary of Mineral Resources (JORC 2012) Contained Within Godolphin Tenements

There are no material changes in the mineral resources holdings in the period between the date of annual review of the mineral resources and the date of this report (19 August 2022).

Project	Tonnes (Mt)	Au (g/t)	Ag (g/t)	Zn (%)	Pb (%)	Cu (%)	Contained Au (koz)	Contained Ag (moz)	Contained Zn (kt)	Contained Pb (kt)	Contained Cu (kt)
Mt Aubrey	1.21	1.61	-	-	-	-	63	-	-		
Yeoval	12.80	0.14	2.20	-	-	0.38	58	0.9	-		49
Lewis Ponds	6.20	2.00	80.0	2.74	1.59	0.17	398	15.9	170	99	11
TOTAL	19.79	0.80	25.90	0.84	0.49	0.29	519	16.8	170	99	60

Some rounding may occur.

Mt Aubrey, Yeoval are as reported in Godolphin Resources Prospectus lodged on 29 October 2019. Lewis Ponds is as reported by Godolphin Resources Ltd to ASX on 2 Feb 2021.

Governance arrangements and internal controls that the Company has put in place with respect to its estimates of mineral resources and the estimation process.

The information that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Ms Jeneta Owens, a Competent Person who is a Member of the Australian Institute of Geoscientists. Ms Owens is the Managing Director and full-time employee of Godolphin Resources Limited. Ms Owens has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Ms Owens consents to the inclusion in the report of the matters based on her information in the form and context in which it appears.

Godolphin confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements and that in the case of estimates, the material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.