GREEN CRITICAL MINERALS LIMITED

(FORMERLY CHASE MINING CORPORATION LIMITED)

HALF-YEAR REPORT
31 DECEMBER 2022

ABN 12 118 788 846

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This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2022 and any public announcements made by Green Critical Minerals Limited (formerly Chase Mining Corporation Limited) during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

Corporate directory

Directors

Leon Pretorius	Executive Chairman
Julian Atkinson	Non-Executive Director
Charles Thomas	Non-Executive Director

Company Secretary
Suzanne Yeates

Principal Registered Office
Suite 4, Level 1, 40 Edward Street
Brisbane QLD 4000

Share Registry
Link Market Services Limited
Level 21, 10 Eagle Street
Brisbane QLD 4000
www.linkmarketservices.com.au

Auditor
Nexia Brisbane Audit Pty Ltd
Level 28, 10 Eagle Street
Brisbane QLD 4000
www.nexia.com.au

Banker
National Australia Bank

Stock Exchange Listing
Australian Securities Exchange Ltd ("ASX")
ASX code: GCM

Website
https://www.gcminerals.com.au

Directors' report

Your directors present their report on Green Critical Minerals Limited (formerly Chase Mining Corporation Limited) (referred to hereafter as the 'consolidated entity') for the half-year ended 31 December 2022.

Directors

The following persons were directors of Green Critical Minerals Limited during the whole of the half-year and up to the date of this report, unless otherwise stated:

Leon Pretorius
Charles Thomas
Julian Atkinson

Principal Activities

The principal activities of the Group during the half-year were:

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

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

Review of Operations

The loss for the consolidated entity after providing for income tax amounted to $1,230,732 (2021: $2,105,468).

HIGHLIGHTS for the 6-month reporting period and to the date of this report*:

1. Shareholder approval at a general meeting on 17 October 2022 for the acquisition of Green Critical Minerals Pty Limited (now known as GCM Graphite Pty Limited)(GCM Graphite) which has the right to acquire up to 80% of the graphite rights for the advanced McIntosh Graphite Project in WA heralded a new beginning for the Company.
2. This resulted in a Company name change to Green Critical Minerals Limited (ASX GCM).
3. Underwritten Rights Issue raised approximately $3 million, increasing available cash at the time to over $5 million.
4. Mr Mark Lynch-Staunton was appointed as Chief Executive Officer (CEO). Mr Lynch-Staunton is an experienced metals and mining professional, with more than 15 years in project feasibility, development, and operations across Gold, Base Metals, Rare Earth Elements (REE) and Iron Ore. His official commencement date with the Company is 1 February 2023 (ASX Announcement 6 January 2023). His skillset will complement the existing and highly experienced GCM US based team including graphite Sales and Marketing Advisor Mr Christopher Whiteley and graphite metallurgical expert Mr Oliver Peters (ASX Announcements 13 and 14 December 2022).

Directors' report (continued)

5. The Company has entered into a 3-year lease to house its Perth office at 349 Hay Street, Subiaco from 1 February 2023.

6. Positive results from rock sampling and mapping of EM anomalies in late 2022 on the McIntosh graphite project (ASX Announcement 6 January 2022).

7. Assays results from soil sampling in late 2022 on the North Barkly REE project confirmed the project's very large 160km long REE trend (ASX Announcement 3 January 2023).

8. Assay results from soil sampling undertaken in late 2022 at the Glencoe project confirmed coherent anomalous nickel copper PGEs values (ASX Announcement 23 January 2023).

9. Extensive IOCG potential recognised based on geochemical sampling by Geoscience Australia which outlined extensive copper, gold, molybdenum, uranium, and rare earths anomalism in the cover. New applications expand the target structures, based on magnetic modelling and the geochemistry within the North Barkly Project to about 100km (ASX Announcement 14 February 2023).

10. Maiden RC drill programme of ~10,500m of RC drilling (130 holes) to test the 5 priority targets within the company's substantial 50-100Mt Exploration Target. Diamond drilling for metallurgical test work will follow pending the success of the maiden RC programme. (ASX Announcement 22 February 2023).

11. Updated Exploration Target (ET) at McIntosh Graphite Project (ASX Announcement 7 March 2023). This revision of the historic ET included in the Company's 22 February 2023 ASX announcement includes a revised exploration target and accompanying JORC Table 1 based on a complete review of all the historical McIntosh Graphite Project data and includes GCM's recent mapping and rock chip sampling data. An Exploration Target has been calculated of 67.2 million tonnes up to 100.9 million tonnes, with an average grade ranging from 2.0 to 5.0 per cent (%) total graphitic carbon (TGC). The potential quantity and grade is conceptual in nature. There has been insufficient exploration to define a mineral resource at the Project and it is uncertain if further exploration will result in the target being delineated as a mineral resource.

12. McIntosh graphite project PFS commences (ASX Announcement 8 March 2023). GR Engineering pleased has been awarded contracts for both upstream and downstream studies. The upstream study involves the extraction of the graphite from the ground and ends with producing raw graphite concentrate, while the downstream process involves taking the raw concentrate and refining it into high-quality graphite products that can be used in a range of industrial applications including the lithium-ion battery industry. This is a significant milestone for GCM as it marks a major step forward in our commitment to develop the ultrahigh purity Mcintosh graphite project.

Directors' report (continued)

OTHER PROJECTS*

1. Red Fox Resources (QLD) – 30.4% owned by GCM.

There was limited Red Fox exploration progress during the second half of 2022 and to the date of this report, as outlined in GCM's ASX Announcements of 4 August 2022, 03 October 2022 and 9 January 2023.

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

http://www.redfoxresources.net.au

2. Torrington Minerals (NSW) Topaz and Tungsten Project

There has been no reportable progress on the Torrington Project since completion of the almost 4-year UNSW collaborative research project in May 2021.

As reported to the ASX on May 2021, this work has resulted in the demonstration of proof-of-concept that Torrington topaz derived mullite-fibre reinforced composites can be processed into MMCs and other composites using different alloys suitable for different products. These applications include the automotive, mining, chemical, and military industries. Following this work, a range of commercial trajectories became apparent.

The Company's management has agreed that subject to renewal of the two Exploration Licences, or the granting of an Assessment Lease, or approval of MLA 547, it will dedicate time to seek an industry or funding partner to progress the mullite research and hopefully commercialise one or more of the potential products in the next 12-months.

3. Hawkwood Project (Auburn Resources / DGR option and JV agreement)

The staged earn-in and joint venture agreement with unlisted junior explorer, Australian Company Auburn Resources Limited (Auburn) and DGR, has not progressed during the reporting period.

4. New tenement applications, 100% GCM

Management continues its desktop assessment of Geoscience Australia and historic public data in northern Queensland and Northern Territory that possibly outline areas prospective for IOCG and REE based on copper, gold, molybdenum, uranium, and rare earths anomalism in the cover that GCM may lodge applications over.

The Board will update the market on any new developments as required under the Listing Rules.

* **NOTE** Detailed information on all **Highlights** are contained in ASX Announcements and available on the Company website.

Directors' report (continued)

MINERAL TENEMENT LIST - ALL IN AUSTRALIA

The table below sets out the Company's interest in Exploration Tenements as at 31 December 2022

Project	Tenement. No.	% Interest	Expires	Location
Torrington 1	EL 8258	100%	16/04/2023	NSW
Torrington 2	EL 8355	100%	18/03/2024	NSW
Mallapunyah	EL 33128	100%	23/08/2028	NT
Wallhallow	EL 33129	100%	23/08/2028	NT
Backblocks	EL 33130	100%	23/08/2028	NT
Glencoe	EPM 24834	100%	08/09/2025	QLD

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the consolidated entity during the financial half-year.

Subsequent events occurring after balance sheet date

Since 31 December 2022 the Group has:

a) Issued 15,000,000 ordinary shares on the exercise of 15,000,000 options over ordinary shares at $0.02 per share;
b) Issued 5,000,000 options over ordinary shares exercisable at $0.03 per share, expiring 31 December 2023; and
c) Appointed Mark Lynch-Staunton as Chief Executive Officer, commencing 1 February 2023, and issued 15,000,000 performance rights over ordinary shares to him. The performance rights vest as follows:
    a. 5,000,000 performance rights vest after 18 months continuous service;
    b. 2,500,000 performance rights vest subject to delivery of > 20% IRR result on DFS (concentrate) and Mining Approvals / Licence within 60 months from grant;
    c. 2,500,000 performance rights vest subject to achieving VWAP of $0.06 per share for no less than 10 consecutive days within 18 months from grant;
    d. 2,500,000 performance rights vest subject to announcing a JORC2012 reserve of no less than 1,000,000t TGC at a cut-off of 3.5% within 30 months from grant;
    e. 2,500,000 performance rights vest subject to the announcement of a binding offtake/s for no less than 200,000t of McIntosh graphite within 60 months from grant.

No matters or circumstances have arisen since 31 December 2022 that has significantly affected, or may significantly affect, the operations of the consolidated entity, the results of those operations or the state of affairs of the consolidated entity in future financial years.

Auditor's Independence Declaration

The auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 8.

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

Leon Pretorius

Executive Chairman

Brisbane

16 March 2023

Nexia Australia

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

To the Board of Directors of Green Critical Minerals Limited

As lead auditor for the review of the financial report of Green Critical Minerals Limited and the entities it controlled at the end of the period or from time to time during the period for the half-year ended 31 December 2022, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(a) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

(b) any applicable code of professional conduct in relation to the review.

Nexia Brisbane Audit P/L

Nexia Brisbane Audit Pty Ltd

Gavin Ruddell
Director

Date: 16 March 2023

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Consolidated statement of profit or loss and other Comprehensive income for the half-year ended 31 December 2022

	Notes	Half-year December 2022 $	Half-year December 2021 $
Revenue		14,360	2,843
Other income		116,667	-
Expenses			
Depreciation and amortisation expense		(1,737)	(2,123)
Employee benefits expense		(154,218)	(111,983)
Research and development expensed		(290)	(7,521)
Share of net profits of equity-accounted associates	5	(27,131)	(21,279)
Foreign currency (expense) / gain		(72,050)	24,079
Exploration expenditure written off		(746,012)	(1,830,000)
Administration expenses		(360,321)	(159,484)
Loss before income tax expense		(1,230,732)	(2,105,468)
Income tax benefit		-	-
Loss for the half-year		(1,230,732)	(2,105,468)
Other comprehensive income for the half-year, net of tax		64,360	(12,182)
Total comprehensive income for the half-year		(1,166,372)	(2,117,650)
		Cents	Cents
Earnings per share attributable to the ordinary equity holders of the Company:			
Basic earnings per share		(0.21)	(0.53)
Diluted earnings per share		(0.21)	(0.53)

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 31 December 2022

	Notes	31 December 2022 $	30 June 2022 $
ASSETS			
Current assets			
Cash and cash equivalents		4,422,191	2,443,545
Trade and other receivables		340,561	303,662
Total current assets		4,762,752	2,747,207
Non-current assets			
Plant and equipment		16,322	18,059
Exploration and evaluation assets	4	6,983,887	3,273,440
Investments accounted for using the equity method	5	366,577	393,708
Financial assets at fair value through profit or loss		366,667	250,000
Trade and other receivables		38,600	37,600
Total non-current assets		7,772,053	3,972,807
Total assets		12,534,805	6,720,014
LIABILITIES			
Current liabilities			
Trade and other payables	6	583,127	223,328
Total current liabilities		583,127	223,328
Total liabilities		583,127	223,328
Net assets		11,951,678	6,496,686
EQUITY			
Contributed equity	7	20,908,789	15,112,958
Reserves		2,233,750	1,343,857
Accumulates losses		(11,190,861)	(9,960,129)
Total equity		11,951,678	6,496,686

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

Consolidated statement of changes in equity
For the half-year ended 31 December 2022

	Contributed equity $	Accumulated losses $	Reserves: Share based payments reserve $	Reserves: Contingent consideration reserve $	Reserves: Foreign currency translation reserve $	Total $
Balance at 1 July 2021	13,634,004	(6,708,808)	1,307,589	101,712	(11,747)	8,322,750
Loss for the year	-	(2,105,468)	-	-	-	(2,105,468)
Other comprehensive income	-	-	-	-	(12,182)	(12,182)
Total comprehensive income	-	(2,105,468)	-	-	(12,182)	(2,117,650)
Transactions with owners in their capacity as owners:						
Contributions of equity, net of transaction costs	1,478,954	-	-	-	-	1,478,954
Balance at 31 December 2021	15,112,958	(8,814,276)	1,307,589	101,712	(23,929)	7,684,054
Balance at 1 July 2022	15,112,958	(9,960,129)	1,316,089	101,712	(73,944)	6,496,686
Loss for the year	-	(1,230,732)	-	-	-	(1,230,732)
Other comprehensive income	-	-	-	-	64,360	64,360
Total comprehensive income	-	(1,230,732)	-	-	64,360	(1,166,372)
Transactions with owners in their capacity as owners:						
Contributions of equity, net of transaction costs	2,845,357	-	-	-	-	2,845,357
Acquisition of GCM Graphite (note 8)	2,950,474	-	779,783	-	-	3,730,257
Share based payment transactions	-	-	45,750	-	-	45,750
Balance at 31 December 2022	20,908,789	(11,190,861)	2,141,622	101,712	(9,584)	11,951,678

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

Consolidated statement of cash flows
For the half-year ended 31 December 2022

	Half-year December 2022 $	Half-year December 2021 $
Cash flows from operating activities		
Receipts from customers (GST inclusive)	81,264	117,892
Payments to suppliers and employees (GST inclusive)	(588,879)	(353,691)
Government incentives received	-	66,900
Interest received	14,360	2,843
Net cash outflow from operating activities	(493,255)	(166,056)
Cash flows from investing activities		
Payments for exploration and evaluation	(671,844)	(164,401)
Payment for security deposits	(1,000)	-
Net cash outflow from investing activities	(672,844)	(164,401)
Cash flows from financing activities		
Proceeds on issue of shares	3,089,676	1,570,000
Proceeds from exercise of options to be allotted to issued shares	300,000	-
Payment of capital raising costs	(244,319)	(91,047)
Net cash inflow from financing activities	3,145,357	1,478,953
Net increase (decrease) in cash and cash equivalents	1,979,258	1,148,496
Effect of foreign currency translation	(612)	382
Cash and cash equivalents at the beginning of the half-year	2,443,545	1,289,925
Cash and cash equivalents at the end of the half-year	4,422,191	2,438,803

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

Notes to the financial statements for the half-year ended 31 December 2022

Note 1 Corporate Information

Green Critical Minerals Limited (the **Company**) is a company limited by shares, incorporated and domiciled in Australia. The Company's shares are listed on the Australian Securities Exchange. Green Critical Minerals Limited changed its name from Chase Mining Corporation Limited on 2 December 2022.

The address of the registered office and principal place of business is set out in the Corporate Directory at the front of this report.

The financial statements are for the Group consisting of Green Critical Minerals Limited and its subsidiaries (the **consolidated entity** or the **Group**).

Note 2 Summary of significant accounting policies

These general purpose interim financial statements for the interim half-year reporting period ended 31 December 2022 have been prepared in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Act 2001, as appropriate for for-profit oriented entities.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

The half-year financial report of Green Critical Minerals Limited for the six months ended 31 December 2022 was authorised for issue in accordance with a resolution of the directors as at the date of the directors declaration, as required by the Corporation Act 2001.

a) Going Concern

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

As disclosed in the financial statements, the Group achieved a net loss of $1,230,732 and net operating cash outflows of $493,255 for the half-year ended 31 December 2022. As at 31 December 2022 the Group had a cash balance inclusive of short term deposits of $4,422,191.

Notes to the financial statements
for the half-year ended 31 December 2022

Note 2 Summary of significant accounting policies (continued)

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

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

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

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

b) Accounting Policies

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

The Group has considered the implications of new or amended Accounting Standards, but determined that their application to the financial statements is either not relevant or not material.

c) Critical accounting estimates and judgements

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

Exploration and evaluation costs

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

Notes to the financial statements for the half-year ended 31 December 2022

Note 2 Summary of significant accounting policies (continued)

c) Critical accounting estimates and judgements (continued)

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

Share based payment transactions

The Company measures the cost of equity settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using a Black Scholes option pricing model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions, including share price volatility, interest rates and vesting periods would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact the profit or loss and equity.

Notes to the financial statements for the half-year ended 31 December 2022

Note 3 Segment information

For the half year period, the Company operated solely within one segment, being the mineral exploration industry in Australia.

Note 4 Exploration and evaluation assets

	31 December 2022 $	30 June 2022 $
Exploration and evaluation assets – at cost	6,983,887	3,273,440
The capitalised exploration and evaluation assets carried forward above have been determined as follows:		
Balance at the beginning of the period	3,273,440	5,860,930
Expenditure incurred during the period	726,201	317,512
Acquisitions (note 8)	3,730,258	-
Disposals	-	(1,014,280)
Expenditure written off during the period[1]	(746,012)	(1,894,968)
Exchange differences	-	4,246
Balance at the end of the period	6,983,887	3,273,440

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

[1] During the prior period the Company considered a number of offers from parties interested in acquiring the Lorraine and Alotta assets in Quebec. While the Company has not made any final determination of how best to extract value from these assets, it has decided to write down the value of these assets to an amount consistent with the offers received and, as such, has expensed $1,830,000 for the period.

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

Notes to the financial statements for the half-year ended 31 December 2022

Note 5 Investments accounted for using the equity method

	31 December 2022 $	30 June 2022 $
Investment in Associate	366,577	393,708

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

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

	31 December 2022 $	30 June 2022 $
Balance at the beginning of the period	393,708	592,696
Change of interest in associate	-	(124,329)
Share of loss after income tax	(27,131)	(74,659)
Balance at the end of the period	366,577	393,708

Red Fox exploration activities continued during the half year with the completion of a gravity survey, geophysical modelling and geochemical sampling during the half year period.

Notes to the financial statements for the half-year ended 31 December 2022

Note 6 Trade and other payables

	Consolidated	
	31 December 2022 $	30 June 2022 $
CURRENT		
Trade payables	147,531	98,162
Share subscription funds received not allotted[1]	300,000	-
Sundry payables and accrued expenses	135,596	125,166
Total trade and other payables classified as financial liabilities at amortised cost	583,127	223,328

[1] Option exercise funds of $300,000 received prior to 31 December for the exercise of 15,000,000 options. The shares were subsequently issued on 10 January 2023.

Notes to the financial statements
for the half-year ended 31 December 2022

Note 7 Contributed Equity

		31 Dec 2022 Shares	30 June 2022 Shares	31 Dec 2022 $	30 June 2022 $
(a)	**Share capital**				
	Fully paid ordinary shares	971,478,629	468,132,761	20,908,789	15,112,958

(b) Movements in ordinary share capital

Date	Details	Note	Number of Shares	Issue Price	$
1 July 2022	Opening balance		468,132,761	-	15,112,958
28 October 2022	Entitlement offer	(c)	60,691,576	$0.012	728,299
17 November 2022	Entitlement offer	(c)	196,781,443	$0.012	2,361,377
17 November 2022	Acquisition consideration	(d)	245,872,849	$0.012	2,950,474
	Share issue expenses		-	-	(244,319)
31 December 2022	Closing balance		971,478,629		20,908,789

(c) Entitlement Offer

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

(d) Acquisition consideration

Refer to Note 8.

(e) Capital Management

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

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

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

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

Notes to the financial statements for the half-year ended 31 December 2022

Note 8 Asset acquisition

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

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

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

(a) Ordinary shares issued as consideration

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

(b) Options over ordinary shares issued as consideration

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

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

(c) Performance rights issued as consideration

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

Notes to the financial statements for the half-year ended 31 December 2022

Note 8 Asset acquisition (continued)

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

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

Note 9 Events subsequent to reporting date

Since 31 December 2022 the Group has:

a) Issued 15,000,000 ordinary shares on the exercise of 15,000,000 options over ordinary shares at $0.02 per share;
b) Issued 5,000,000 options over ordinary shares exercisable at $0.03 per share, expiring 31 December 2023; and
c) Appointed Mark Lynch-Staunton as Chief Executive Officer, commencing 1 February 2023, and issued 15,000,000 performance rights over ordinary shares to him. The performance rights vest as follows:
    a. 5,000,000 performance rights vest after 18 months continuous service;
    b. 2,500,000 performance rights vest subject to delivery of > 20% IRR result on DFS (concentrate) and Mining Approvals / Licence within 60 months from grant;
    c. 2,500,000 performance rights vest subject to achieving VWAP of $0.06 per share for no less than 10 consecutive days within 18 months from grant;
    d. 2,500,000 performance rights vest subject to announcing a JORC2012 reserve of no less than 1,000,000t TGC at a cut-off of 3.5% within 30 months from grant;
    e. 2,500,000 performance rights vest subject to the announcement of a binding offtake/s for no less than 200,000t of McIntosh graphite within 60 months from grant.

No matters or circumstances have arisen since 31 December 2022 that has significantly affected, or may significantly affect, the operations of the consolidated entity, the results of those operations or the state of affairs of the consolidated entity in future financial years.

Notes to the financial statements for the half-year ended 31 December 2022

Note 10 Contingent liabilities

Deferred consideration

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

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

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

Note 11 Commitments

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

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

Note 12 Related party transactions

Related party transactions were consistent with those reported in the previous annual financial report for the year ended 30 June 2022.

Directors' Declaration

The Directors of the Company declare that:

1. The financial statements and accompanying notes as set out on pages 10 to 23, are in accordance with the Corporations Act 2001 and:
   (a) comply with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001; and
   (b) give a true and fair view of the consolidated entity's financial position as at 31 December 2022 and of its performance for the half-year ended on that date.
2. In the Directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:

Leon Pretorius

Executive Chairman

Brisbane

16 March 2023

Nexia Australia

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

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Green Critical Minerals Limited (the "Company" and its subsidiaries ("the Group")), which comprises the consolidated condensed statement of financial position as at 31 December 2022, the consolidated condensed statement of comprehensive income, consolidated condensed statement of changes in equity and consolidated condensed statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

(a) giving a true and fair view of the Group's financial position as at 31 December 2022 and of its performance for the half-year ended on that date; and

(b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Material Uncertainty Related to Going Concern

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

The ability of the Group to execute its currently planned exploration, evaluation and business activities necessitates the need to periodically raise additional funds. Accordingly, when necessary, the Directors of the Company investigate various options for raising additional funds which may include, amongst other initiatives, issuing new capital, successful exploitation or a sale of areas of interest.

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

Material Uncertainty Related to Going Concern (continued)

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

Responsibility of the Directors for the Financial Report

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

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2022 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Nexia Brisbane Audit P/L

Nexia Brisbane Audit Pty Ltd

Gavin Ruddell
Director

Date: 16 March 2023