Corella Resources Ltd

(formely Sinetech Limited)

ASX:CR9 | ABN 56 125 943 240

Annual Report
For the year ended 30 June 2021

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CORPORATE DIRECTORY

Board of Directors

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

Company Secretary

Mr Daniel Coletta

Website

www.corellaresources.com.au

Registered Office & Principal Place of Business

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40 Subiaco Square Road
SUBIACO WA 6008
Tel: +61 8 9200 4402

Postal Address

PO Box 1569
SUBIACO WA 6904

Auditor

Criterion Audit Pty Ltd
PO Box 233
LEEDEERVILLE WA 6902

Share Registry

Automic Registry Services Pty Ltd
Level 2, 267 St Georges Terrace
Perth WA 6000
hello@automic.com.au

Stock Exchange

Australian Securities Exchange - Perth
Level 40, Central Park
152- 158 St Georges Terrace
Perth WA 6000

ASX Code

CR9

DIRECTORS' REPORT

The Directors of Corella Resources Ltd present their report, together with the financial statements, of the Company and the entities it controlled (together "**consolidated entity**" or the "**Group**") at the end of, or during, the financial year ended 30 June 2021.

Directors

The following persons were Directors of Corella Resources Ltd (formerly Sinetech Limited) during or since the end of the financial year:

Mr Anthony Cormack	Managing Director (*appointed 23 April 2021*)
Mr Philip Re	Non-Executive Chairman *(appointed 23 April 2021)*
Mr Peter Woods	Non-Executive Director *(appointed 23 April 2021)*
Mr Terry Butler	Non-Executive Director *(resigned 23 April 2021)*
Mr Warren Barry	Non-Executive Director *(resigned 23 April 2021)*
Mr Derek Hall	Non-Executive Director *(resigned 23 April 2021)*
Mr Daniel Coletta	Non-Executive Director *(appointed 15 January 2021 & resigned 23 April 2021)*
Mr Umberto Mondello	Non-Executive Director *(resigned 15 January 2021)*

Information on Directors

Mr Anthony Cormack
Managing Director

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

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

Other current directorships	Nil
Former directorships in last 3 years	Nil

Mr Philip Re
Non-Executive Chairman

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

Mr Re currently acts as chairman of ASX listed Westar Industrial Limited (ASX: WSI) and as non-executive director of Emerge Gaming Limited (ASX: EM1).

Other current directorships	WestStar Industrial Limited (ASX WSI) Emerge Gaming Limited (ASX:EM1)
Former directorships in last 3 years	The Agency Group Limited (ASX:AU1) *(resigned 18 February 2020)*

Mr Peter Woods
Non-Executive Director

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

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

Mr Woods is a Member of the Australian Institute of Company Directors and has held various ASX board positions.

Other current directorships	Nil
Former directorships in last 3 years	TNT Mines Ltd (ASX: TIN) *(resigned 1 March 2021)* Bunji Corporation Ltd (ASX:BCL) *(resigned 28 April 2020)* Matador Mining Ltd (ASX: MZZ) *(resigned 1 February 2019)*

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

Meetings of Directors

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

Director	Meetings of Directors	
	Attended	Eligible to Attend
Anthony Cormack	2	2
Philip Re	2	2
Peter Woods	2	2
Terry Butler	2	2
Warren Barry	2	2
Derek Hall	2	2
Umberto Mondello	2	2
Daniel Coletta	-	-

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

Directors' Interests in Shares and Options

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

Director	Ordinary Shares	Options
Anthony Cormack	13,909,091	-
Philip Re	7,000,000	4,500,000[1]
Peter Woods	22,000,000	4,500,000[1]

[1] Unlisted options exercisable at $0.03 expiring 28 April 2024.

Company Secretary

Mr Daniel Coletta

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

Principal Activities

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

Operating results

The consolidated loss, after tax, attributable to the Group for the financial year ended 30 June 2021 amounted to $1,402,790 (2020: $2,737). The consolidated loss for the year ended 30 June 2021 includes a once off corporate restructure expenses of $387,982 following the Acquisition and application of AASB 3 Business Combinations.

Control gained over entities, basis of preparation and comparative information

Corella Resources Ltd (formerly Sinetech Limited) completed the acquisition of HPAA Pty. Ltd. (**HPAA**) on 23 April 2021 and relisted on the ASX on 28 April 2021. As a result of the acquisition, the former shareholders of HPAA effectively obtained control of the combined entity. Accordingly, under the principles of the Australian Accounting Standard AASB3 Business Combinations, HPAA was deemed to be the accounting acquirer in this transaction. The acquisition has been accounted for as a reverse acquisition by which HPAA acquired the net assets and listing status of Corella Resources Ltd (formerly Sinetech Limited).

Accordingly, the consolidated financial statements of Corella Resources Ltd have been prepared as a continuation of the business and operations of HPAA for the full period. As the deemed acquirer, HPAA has accounted for the acquisition of Corella Resources Ltd from the effective acquisition date 23 April 2021. The prior comparative period information for the year ended 30 June 2020 presented in the consolidated financial statements are that of HPAA.

Review of Operations

On 11 February 2021, the Company announced it had entered into a Share Sale Agreement to acquire 100% of the issued capital of HPAA Pty. Ltd. (**HPAA**). The acquisition of HPAA by the Company represented an opportunity to acquire three highly prospective, high-grade, low impurity kaolin projects plus one silica project all located in the mid-west of Western Australia (see Figure 1). Upon completion of the acquisition and a public offer raising of $5 million, the Company satisfied a number of conditions and was successfully re-admitted to the Official List of ASX on 28 April 2021.

Following the Company's successful completion of the acquisition of HPAA, the Board and management of the Company were restructured to implement the new phase of operations as a mineral exploration company. As part of the restructure, highly experienced geologist Anthony Cormack, and executives Philip Re and Peter Woods were appointed to the Board as Managing Director and Non-Executive Directors respectively. Under the new management, the Company has focussed on the exploration and development of their wholly owned kaolin and silica projects. The Company recently completed a comprehensive drilling program at the flagship Tampu Kaolin Project which has demonstrated the scale and quality of the project

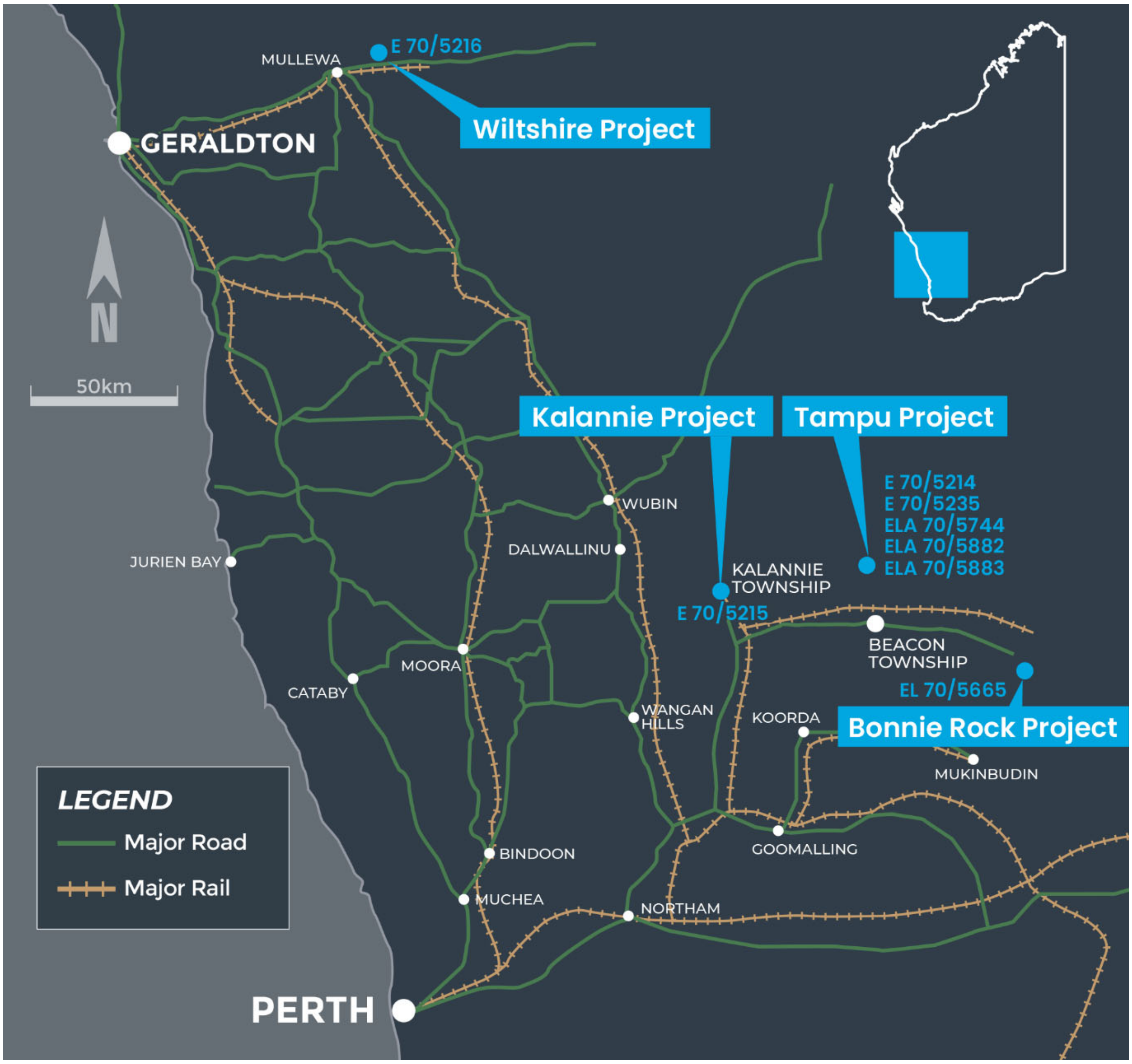

Figure 1: Corella Resources project location map

Tampu Kaolin Project

The flagship Tampu Kaolin Project consists of 83.09 km² of granted area and 684.94 km² under application located approximately 250km north-east of Perth, Western Australia (see Figure 1). The project has excellent existing infrastructure with sealed public roads providing access to the tenements.

Immediately following its readmission to the ASX, the Company commenced its maiden 114-hole resource and metallurgical drill program totalling 2,242m of drilling (see Figure 2). Drilling intercepted significant broad intercepts of bright white kaolin at shallow depths confirming the geological model produced by Corella from the historical drilling completed in 1995 and 2019.

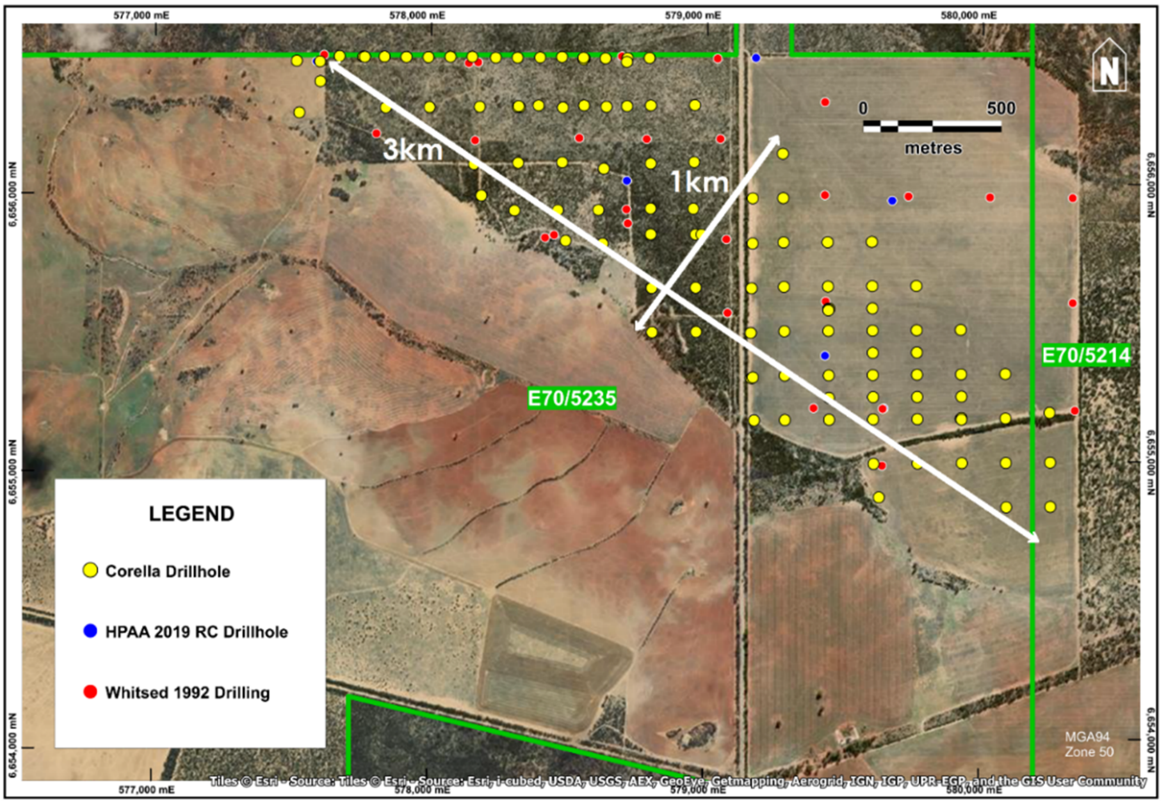

Figure 2: Location map for the 114 drillhole resource and metallurgical program at the Tampu Kaolin Project

On 16 August 2021, the Company announced that outstanding assay results had been received for the initial 114 hole drilling program with thick, shallow drillhole intercepts confirming the spectacular high purity of Tampu's bright white kaolin. Results for the Tampu kaolin -45µm wet sieved fraction reported a very high yield of 57% grading 37.5% Al2O3 (see Figure 3). Importantly, the Tampu assays reported very low levels of impurities across all four critical deleterious elements (Fe2O3; K2O; Na2O & TiO2) ideal for when targeting supply into technology and other high value markets.

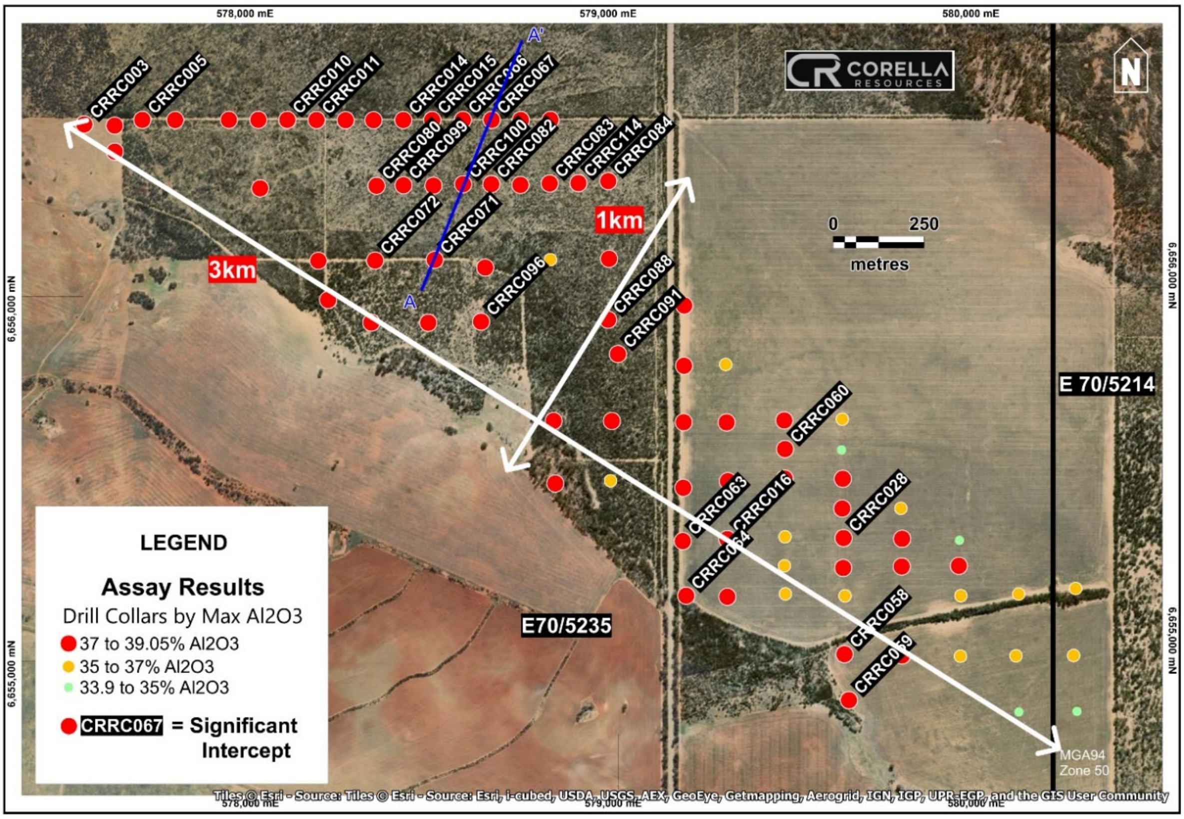

Figure 3: Map of the Tampu drillholes coloured by Al_2O_3 content

The broad intercepts of bright white kaolin with low impurities at shallow depths (see Figure 4) confirm the geological model produced by Corella from existing historical drilling completed in 1995 and 2019. The results highlight the typical material from within the zone of bright white kaolin at Tampu as ultra-high purity and distinguishes it as a leading kaolin project globally.

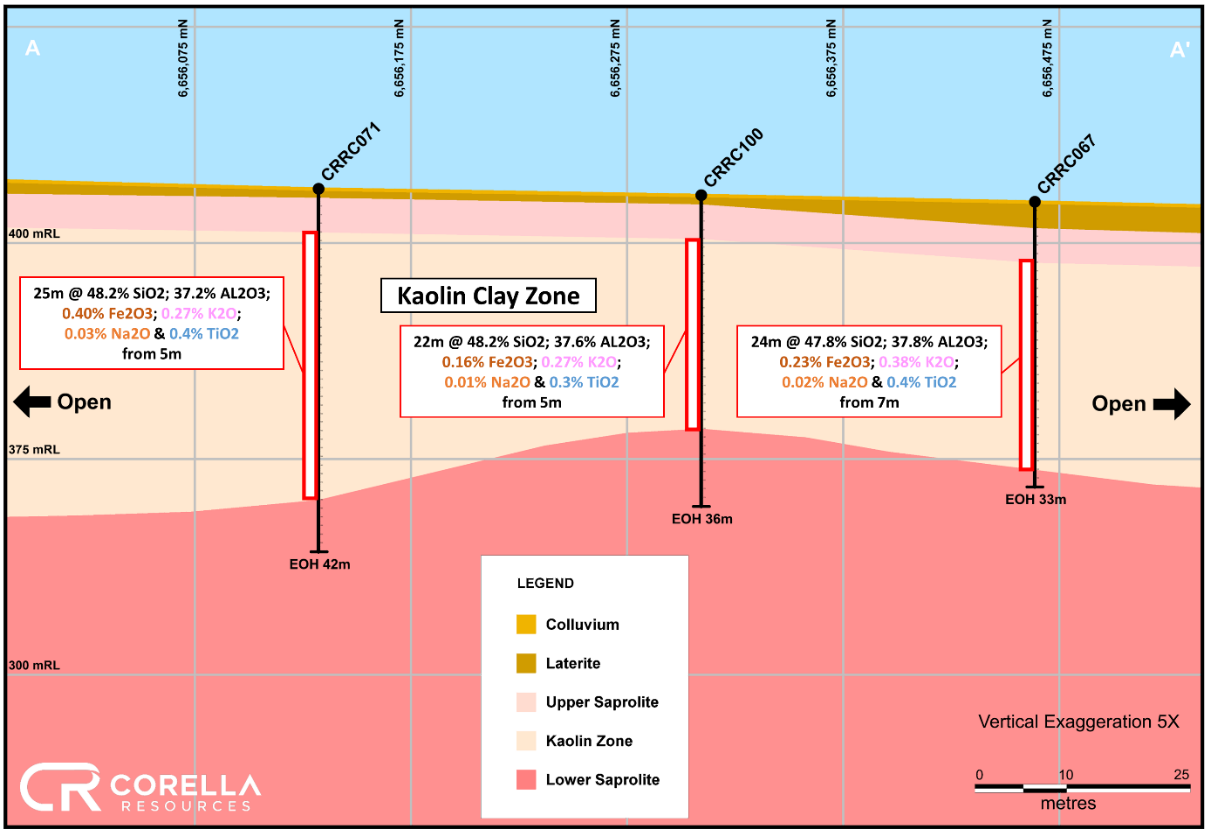

Figure 4: Cross section through the Tampu Kaolin Project highlighting thick intercepts of shallow, high purity kaolin

Drill hole assays confirm Tampu Kaolin Project is Australia's highest purity kaolin with extremely low levels of impurities, which is critical to all existing markets and end user products. The high purity kaolin with low impurities across all four critical impurities distinguishes it as a leading kaolin project globally and its potential suitability for use as feedstock in the HPA industry.

Following the assay results, bulk scale representative samples of Tampu's bright white kaolin were submitted for metallurgical test work to define end user specifications, grade, and quality.

The assay and metallurgical results will be used to underpin a maiden resource estimate at Tampu to be completed by a world-renowned consulting group. Excellent high purity assay results, combined with significant existing infrastructure at the project, Western Australia's stable mining jurisdiction and the low capex economics of the simple processing of kaolin deposits are all positive factors to support the project's viability and profitability.

On 19 May 2021, the Company announced that it had lodged an exploration licence application E70/5744 with the Department of Mining, Industry and Resources Safety covering ~89.06 km^2 (30 blocks). The new area under application represented a 108% increase in the Company's landholdings at the flagship Tampu kaolin project.

On 14 September 2021, the Company announced it had significantly expanded its regional scale landholding at the Tampu Kaolin Project (see Figure 5). Exploration licence applications E70/5882 and E70/5883 were lodged with the Department of Mines, Industry Regulation and Safety (DMIRS) covering a further 595.88 km^2 (201 blocks).

The areas now under application represents a 446% increase in the Company's landholdings at Tampu, up from 172.15km² (58 blocks) to 768.03km² (259 blocks). The Tampu Kaolin Project, which is located near Beacon in the wheatbelt region 250km north-east of Perth in Western Australia has a distinctive high purity bright white kaolin

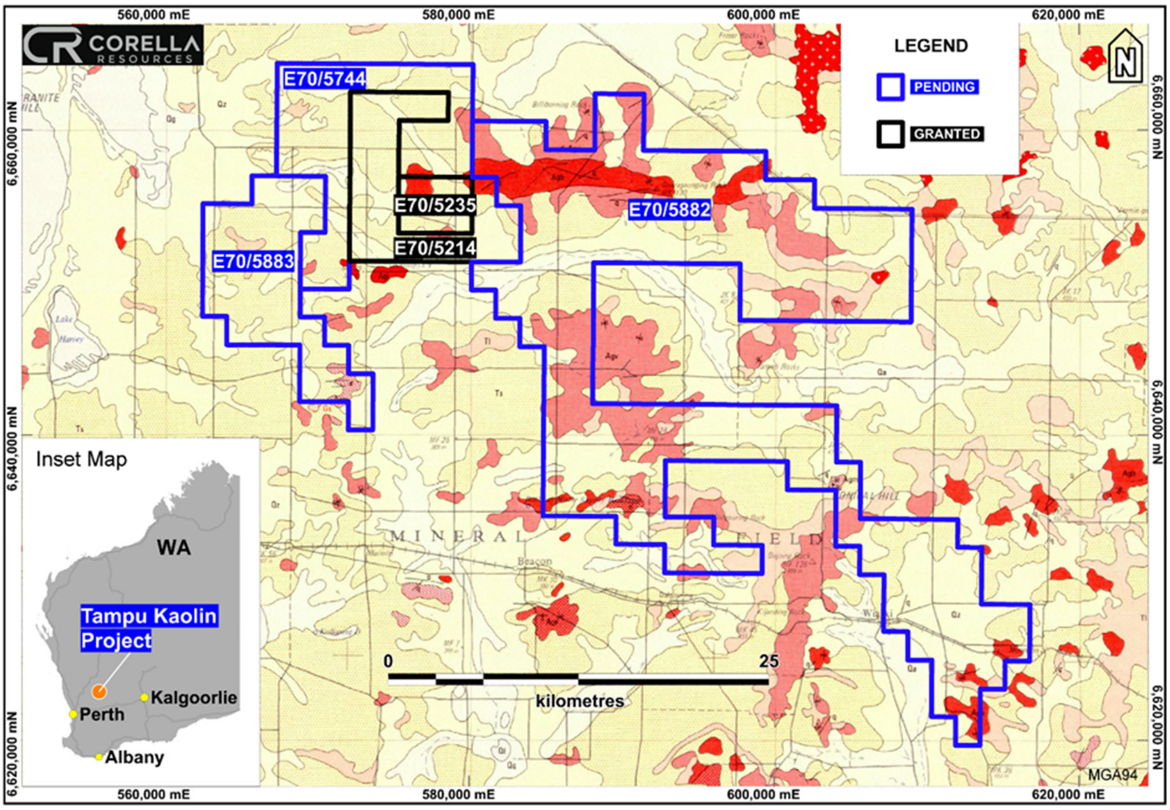

Figure 5: Corella Resources Tampu granted tenements and applications over 1:250,000 raster state geology

Kalannie Kaolin Project

The Kalannie Kaolin Project comprises a single granted exploration licence E70/5215 for a total of 32 km² of granted area currently held 100% by Corella (see Figure 6). Subsequent to year end, the company completed geological reconnaissance and interpretation of aerial imagery which has identified four kaolin exploration targets within the Kalannie project (see Figure 7).

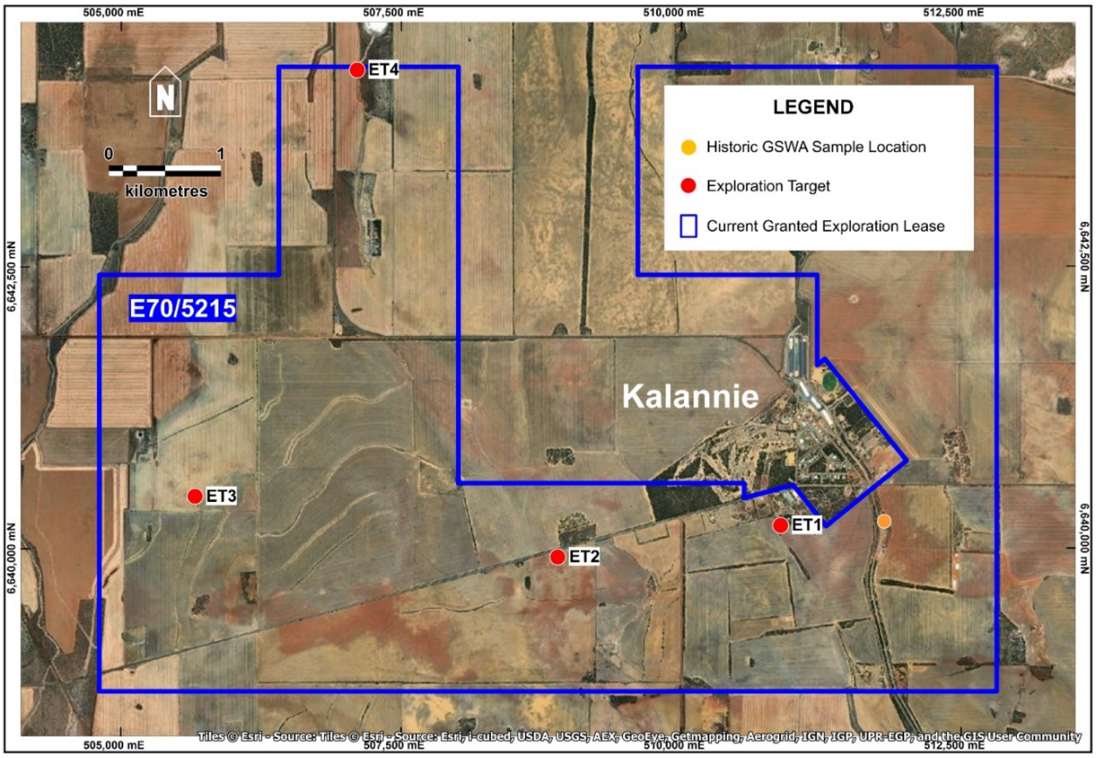

Figure 6: Kalannie exploration targets (ET1 – ET4)

Historical results from the project area location shows high purity kaolin with low levels of contaminant elements. An aircore drill program has been designed aimed at testing the extent of the mineralisation and assessing the quality of the kaolin via preliminary metallurgical test work prioritising the identified targets. The relevant landowners have been identified and gaining land access to allow for exploration activities to commence has begun.

Figure 7: Kalannie exploration targets (ET1 – ET4)

Wiltshire Kaolin Project

The Wiltshire Kaolin Project comprises a single granted exploration licence E 70/5216, which is currently held 100% by Corella. The Company has identified multiple kaolin exploration targets within the Wiltshire project (see Figure 8) – kaolin horizons expressed as white outcrop evident in aerial imagery, are exposed at various locations along the length of Wenmillia Creek and its tributaries. Geological mapping has identified multiple prospective kaolin exploration targets within the Wiltshire project, with areas of weathered granite and excavated areas also presenting prospective targets for geological sampling.

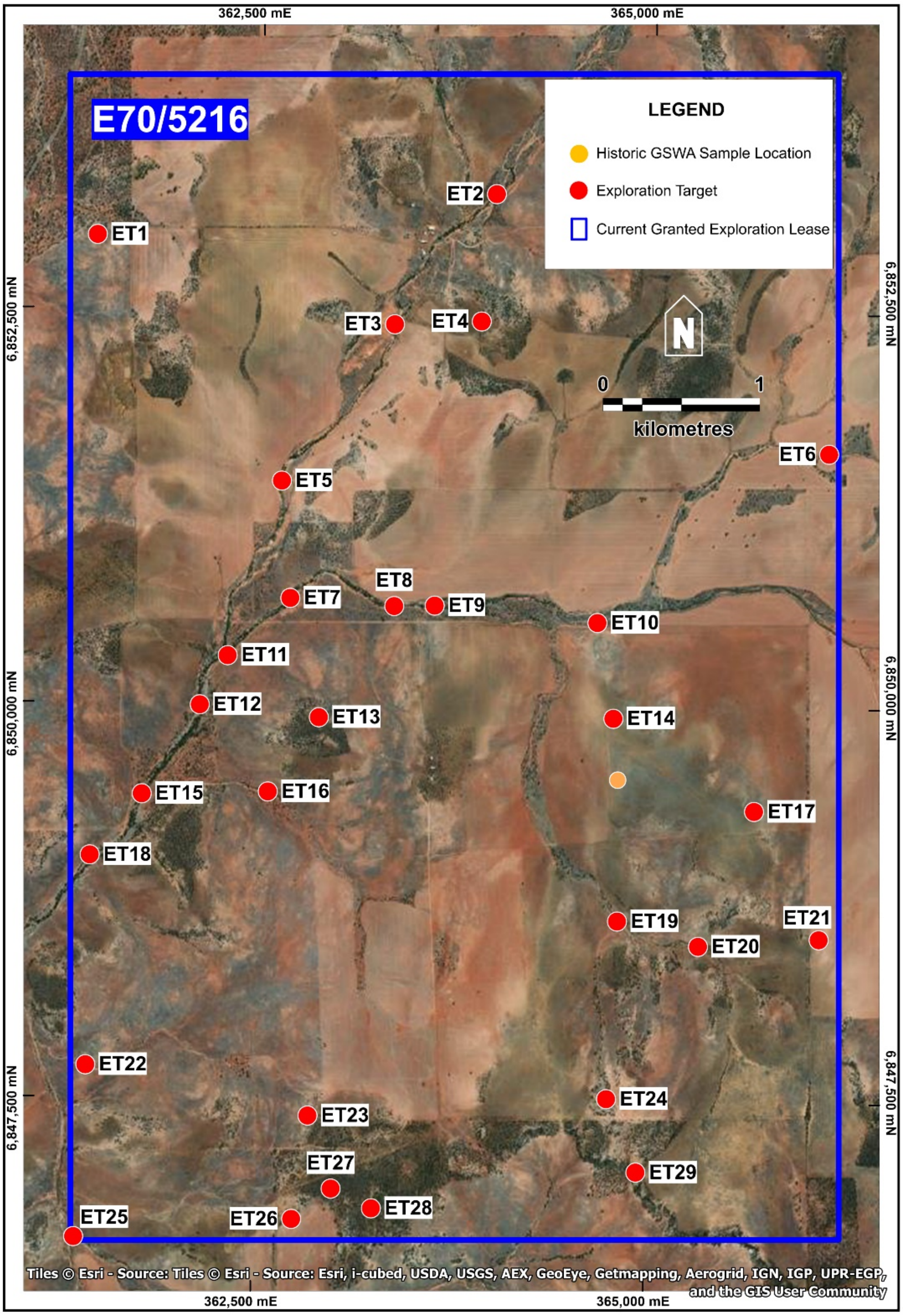

Figure 8: Wiltshire exploration targets (ET1 – ET29) sites of creek exposures and outcrop/excavations

An aircore drill program has been designed for the Wiltshire Kaolin Project aimed at testing the extent of the mineralisation and assessing the quality of the kaolin via preliminary metallurgical test work prioritising the identified targets. The relevant landowners have been identified and gaining land access to allow for exploration activities to commence has begun.

Bonnie Rock Silica Project

The Bonnie Rock Silica Project comprises a single granted exploration licence E 70/5665, which is 100% held by Corella. E 70/5665 covers a total area of 70.93 km^2 located approximately 267km north-east of Perth, Western Australia. Previous exploration undertaken on the Bonnie Rock Project identified a prominent quartz vein that extends for an unknown distance below surficial cover. Chemical analyses indicated that the quartz in the region is high-grade, had favourable thermal stability and thermal strength values and is suitable for use in the production of silicon metal, a potentially high value product useful in the High Purity Quartz (HPQ) market.

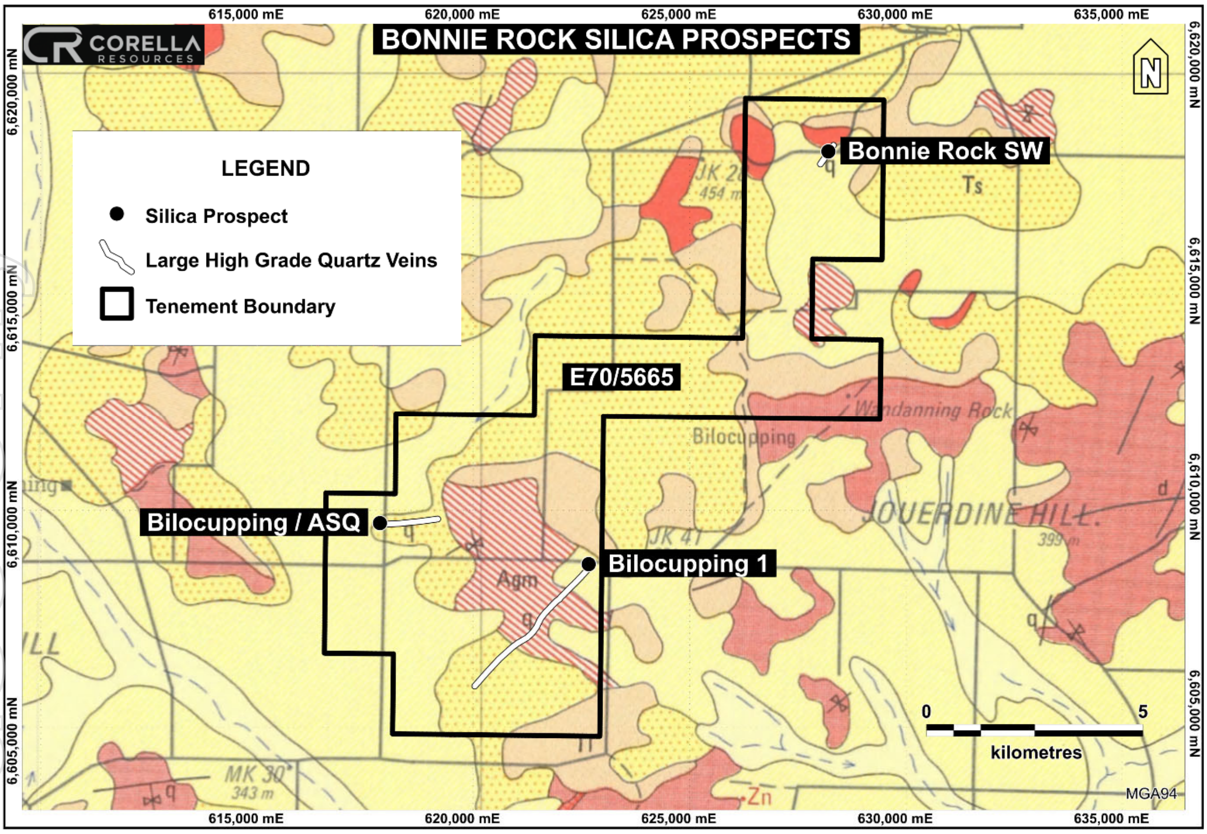

Figure 9: Bonnie Rock Prospect Locations Map over 1:250,000 Geology

Competent Person Statement

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

Dividends

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

Options

During the year the Company issued the following Options which were approved by Shareholders on 29 March 2021:

- 42,936,212 unlisted options exercisable at $0.03 issued to eligible shareholders,
- 15,321,657 unlisted options exercisable at $0.03 issued to creditors,
- 9,000,000 unlisted options exercisable at $0.03 issued to Directors,
- 50,000,000 unlisted options exercisable at $0.04 issued to CPS Capital (or their nominees).

No shares have been issued on exercise of options during the year (2020: nil) or since the end of the year to the date of this report.

Performance Rights

As at the date of this report, there are nil performance rights on issue.

AUDITED REMUNERATION REPORT

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

The report is structured as follows:

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

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

A. Key management personnel covered in this report

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

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

Mr Anthony Cormack	Managing Director (appointed 23 April 2021)
Mr Philip Re	Non-Executive Chairman (appointed 23 April 2021)
Mr Peter Woods	Non-Executive Director (appointed 23 April 2021)
Mr Terry Butler	Non-Executive Director (resigned 23 April 2021)
Mr Derek Hall	Non-Executive Director (resigned 23 April 2021)
Mr Warren Barry	Non-Executive Director (appointed 1 August 2020 & resigned 23 April 2021)
Mr Daniel Coletta	Non-Executive Director (appointed 15 January 2021 & resigned 23 April 2021)
Mr Umberto Mondello	Non-Executive Director (resigned 15 January 2021)

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

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

C. Non-executive directors' remuneration

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

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

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

D. Executive director and senior management remuneration

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

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

Mr Tony Cormack – Managing Director

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

Overall remuneration policies are subject to the discretion of the board and can be changed to reflect competitive and business conditions where it is in the interests of the Group and Shareholders to do so.

Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

E. Details of remuneration

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

2021	Short-term employee benefits			Post-employment benefits	Share-based payments			
Directors	**Salary & fees $**	**Cash bonus $**	**Other[2] $**	**Superannuation $**	**Shares $**	**Options & rights $**	**Total $**	**Performance related %**
Executives								
Anthony Cormack	18,333	-	-	1,788	-	-	20,121	0%
Non-executives								
Philip Re	12,000	-	-	1,140	90,000[1]	18,900[1]	122,040	15%
Peter Woods	12,000	-	-	1,140	90,000[1]	18,900[1]	122,040	15%
Terry Butler	16,500[2]	-	1,082	-	-	-	17,582	0%
Derek Hall	27,500[2]	-	1,463	-	-	-	28,963	0%
Umberto Mondello	39,000[2]	-	1,983	-	-	-	40,983	0%
Warren Barry	12,500[2]		320	-	-	-	12,820	0%
Daniel Coletta	-	-	-	-	-	-	-	0%
Total	**137,833**	**-**	**4,848**	**4,068**	**180,000**	**37,800**	**364,549**	**10%**

[1] 4,5000,000 FPO Shares at a deemed issue price of $0.02 and 4,500,000 unlisted options exercisable at $0.03 with a grant date fair value of $0.0042 (refer Note 14) issued to each Messrs Re and Woods under the Director Offer approved by Shareholders of the Company at a General Meeting held 29 March 2021.

[2] Salary & Fees to directors were paid by way of issue of Fully Paid Ordinary Shares unlisted options exercisable at $0.03 with a grant date fair value of $0.0042 (refer Note 14) in lieu of cash payment under the Creditor Offer approved by Shareholders of the Company at a General Meeting held 29 March 2021. The amount in other represents the difference in value of shares and options and outstanding creditor balances.

2020	Short-term employee benefits			Post-employment benefits	Share-based payments			
Directors	**Salary & fees $**	**Cash bonus $**	**Other $**	**Superannuation $**	**Shares $**	**Options & rights $**	**Total $**	**Performance related %**
Non-executives								
Terry Butler	41,000	-	-	-	-	-	41,000	0%
Derek Hall[1]	30,000	-	-	-	-	-	30,000	0%
Umberto Mondello[1]	39,000	-	-	-	-	-	39,000	0%
Gary Castledine[2]	15,000	-	-	-	-	-	15,000	0%
Stephen Harrison[2]	15,000	-	-	-	-	-	15,000	0%
Todd Trevillion[2]	15,000	-	-	-	-	-	15,000	0%
Total	**155,000**	**-**	**-**	**-**	**-**	**-**	**155,000**	**0%**

[1] Appointed on 30 December 2019

[2] Resigned on 30 December 2019

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

Remuneration of other key management personnel
There were no other key management personnel of the Group during the year ended 30 June 2021.

Shareholdings of key management personnel

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

	Balance as at 1 July 2020 or on appointment (if applicable)	Shares acquired[2]	Granted as compen sation[3]	Net other change	Balance as at 30 June 2021 or on resignation (if applicable)
Executives					
Anthony Cormack	-	1,000,000	-	12,909,091[4]	13,909,091
Non-executives					
Philip Re	-	2,500,000	4,500,000	-	7,000,000
Peter Woods	-	5,000,000	4,500,000	12,500,000[4]	22,000,000
Terry Butler	3,549,393[1]	-	-	1,976,525[5]	5,525,918
Derek Hall	-	-	-	2,674,086[5]	2,674,086
Umberto Mondello	-	-	-	-	-
Warren Barry	3,046,351[1]	-	-	581,402[5]	3,627,753
Daniel Coletta	-	-	-	-	-
Total	**6,595,744**	**8,500,000**	**9,000,000**	**34,268,504**	**58,364,248**

[1] During the year the Company underwent a 20:1 consolidation of capital. Where applicable, balance as at 1 July 2020 is the post-consolidation balance.

[2] Shares acquired through IPO for issue price $0.02, approved by Shareholders of the Company at a General Meeting held 29 March 2021.

[3] 4,5000,000 FPO Shares at a deemed issue price of $0.02 issued under the Director Offer approved by Shareholders of the Company at a General Meeting held 29 March 2021. Escrowed for 24 months from date of issue.

[4] Fully paid ordinary shares issued as vendor consideration shares in connection with the reverse acquisition of HPAA Pty. Ltd, approved by shareholders on 29 March 2021. Escrowed for 24 months from date of issue.

[5] Salary & Fees to directors were paid by way of issue of Fully Paid Ordinary Shares unlisted options exercisable at $0.03 with a grant date fair value of $0.0042 (refer Note 14 in lieu of cash payment under the Creditor Offer approved by Shareholders of the Company at a General Meeting held 29 March 2021. The amount in other represents the difference in value of shares and options and outstanding creditor balances.

Options
During the year 24,455,157 unlisted options exercisable at $0.03 with a grant date fair value of $0.0042 (refer Note 14) were issued to the following key management personnel under various offers approved by Shareholders of the Company at a General Meeting held 29 March 2021. See table below for more details.

Option holdings of key management personnel

The number of options issued or held during the financial year by each director of Corella Resources and other key management personnel of the Group, including their related parties, is set out below (2020: Nil).

2021	Balance as at 1 July 2020 or on appointment (if applicable) No.	Granted as compensation No.	Exercised No.	Net other change No.	Balance as at 30 June 2021or on resignation (if applicable) No.	Balance vested at 30 June 2021 No.	Vested and exercisable No.	Options vested during year No.
Executives								
Anthony Cormack	-	-	-	-	-	-	-	-
Non-executives								
Philip Re	-	4,500,000[1]	-	-	4,500,000	4,500,000	4,500,000	-
Peter Woods	-	4,500,000[1]			4,500,000	4,500,000	4,500,000	-
Terry Butler	-	-	-	5,525,918[2]	5,525,918	5,525,918	5,525,918	-
Derek Hall	-	-	-	2,674,086[8]	2,674,086	2,674,086	2,674,086	-
Umberto Mondello	-	-	-	3,627,400[8]	3,627,400	3,627,400	3,627,400	-
Warren Barry	-	-	-	3,627,753[9]	3,627,753	3,627,753	3,627,753	-
Daniel Coletta	-	-	-	-	-	-	-	-
Total	-	**9,000,000**	**-**	**15,455,157**	**24,455,157**	**24,455,157**	**24,455,157**	**-**

[1] 4,500,000 unlisted options exercisable at $0.03 with a grant date fair value of $0.0042 (refer Note 14) issued to each Messrs Re and Woods under the Director Offer approved by Shareholders of the Company at a General Meeting held 29 March 2021. Escrowed for 24 months from date of issue.

[2] 1,976,525 unlisted options exercisable at $0.03 with a grant date fair value of $0.0042 (refer Note 14) issued under the Creditor Offer and 3,549,393 unlisted options exercisable at $0.03 (refer Note 14) issued under the Option Offer approved by Shareholders of the Company at a General Meeting held 29 March 2021. Escrowed for 24 months from date of issue.

[8] Unlisted options exercisable at $0.03 with a grant date fair value of $0.0042 (refer Note 14) issued under the Creditor Offer approved by Shareholders of the Company at a General Meeting held 29 March 2021. Escrowed for 24 months from date of issue.

[9] 581,402 unlisted options exercisable at $0.03 with a grant date fair value of $0.0042 (refer Note 14) issued under the Creditor Offer and 3,046,351 unlisted options exercisable at $0.03 with a grant date fair value of $0.0042 (refer Note 14) issued under the Option Offer approved by Shareholders of the Company at a General Meeting held 29 March 2021. Escrowed for 24 months from date of issue.

Performance Rights holdings of Key Management Personnel
During the year, no performance rights were issued to key management personnel.

Loans to or from key management personnel

Prior to admission to ASX Official List and Capital Raising, HPAA Pty Ltd founding shareholders provided working capital loans to the company. The loans were unsecured and non-interest bearing. On admission to ASX Official List all loans from shareholders were forgiven and no longer repayable. As a founding shareholder of HPAA, Director Anthony Cormack had provided a total of $17,289 in working capital which was forgiven during the year ended 30 June 2021 and as such no longer payable by the Company.

There were no loans to directors during the financial year ended 30 June 2021.

Other transactions and balances with key management personnel and related entities

During the year, the Company issued 12,909,091 fully paid ordinary shares to Mr Cormack and 12,500,000 fully paid ordinary shares to a related party of Mr Woods at a deemed value of $0.02 each. Shares were issued as vendor consideration shares in connection with the reverse acquisition of HPAA Pty. Ltd and was approved by Shareholders on 29 March 2021.

There were no other transactions with key management personnel (2020: Nil).

Group performance

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

	30 June 2021 $	30 June 2020[1] $	30 June 2019[1] $	30 June 2018[1] $	30 June 2017[1] $
Revenue	Nil	Nil	5,332	54,054	370,715
Net loss after tax	(1,402,790)	(717,817)	(4,764,330)	(633,889)	(6,492,753)
Share price at start of year	0.003	0.005	0.006	0.016	0.040
Share price at end of year	0.045	0.003	0.005	0.006	0.016
Market capitalisation	19,124,995	3,040,701	3,529,082	4,234,898	11,293,062
Basic loss per share (cents per share)	(1.49)	(0.09)	(0.68)	(0.09)	(0.98)
Diluted loss per share	(1.49)	(0.09)	(0.68)	(0.09)	(0.98)
Dividend per share	Nil	Nil	Nil	Nil	Nil

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

Use of remuneration consultants

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

Voting and comments made at the Company's 2020 Annual General Meeting

At the 2020 AGM, 95% of the proxies voted for the adoption of the remuneration report for the year ended 30 June 2020. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

END OF AUDITED REMUNERATION REPORT

Matters subsequent to the end of the financial year

As the impact of the Coronavirus (COVID-19) pandemic is ongoing, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

On 16 August 2021, the Company announced outstanding assay results obtained from the recent drill program at the flagship Tampu Project. Assay results demonstrated thick, shallow drillhole intercepts and confirmed the high purity of the kaolin at the Tampu.

On 14 September 2021, the Company announced that it had lodged two exploration licenses E70/5882 and E70/5883 with the Department of Mines, Industry Regulation and Safety (DMIRS) covering 595.88km^2 (201 blocks). The new area under application represents a significant increase (446%) in the Company's landholdings at Tampu, up from 172.15km^2 (58 blocks) to 768.03km^2 (259 blocks).

Other than the above, no other matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years

Indemnity and insurance of officers

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

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

Environmental Regulations

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

Proceedings on behalf of the company

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

Non-audit services

During the year, Criterion Audit Pty Ltd was appointed as external auditor of the Group. Neither the current or previous external auditors (UHY Haines Norton) were engaged for non-audit services during the financial year ended 30 June 2021.

Auditor's independence declaration

A copy of the Auditor's Independence Declaration as required under Section 307C of the Corporations Act 2001 is given on page 17.

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

Philip Re
Chairman
30 September 2021

CRITERION AUDIT

Criterion Audit Pty Ltd

ABN 85 165 181 822

PO Box 233 LEEDERVILLE WA 6902

Suite 2, 642 Newcastle Street
LEEDERVILLE WA 6007

Phone: 9466 9009

To The Board of Directors

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

As lead audit director for the audit of the financial statements of Corella Resources Ltd and its controlled entities for the year ended 30 June 2021, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Yours faithfully

CHRIS WATTS CA
Director

CRITERION AUDIT PTY LTD

DATED at PERTH this 30th day of September 2021

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note	30 June 2021 $	30 June 2020 $
Other income	9	32,089	-
Revenue and other income		**32,089**	**-**
Administration expenses		(166,184)	(2,737)
Consultancy expenses		(44,750)	-
Compliance and regulatory expenses		(11,229)	-
Corporate restructure expenses	11	(387,982)	-
Employee benefits expense		(38,901)	-
Fair value loss on financial assets at fair value through profit or loss		(68,033)	-
Share base payment	13	(717,800)	-
Loss before income tax		**(1,402,790)**	**(2,737)**
Income tax expense		-	-
Loss for the year		**(1,402,790)**	**(2,737)**
Other comprehensive income, net of income tax			
Items that may be reclassified subsequently to profit or loss			
Other comprehensive loss for the year, net of income tax		-	-
Total comprehensive loss for the year		**(1,402,790)**	**(2,737)**
Loss for the year attributable to Owners of Corella Resources Ltd		**(1,402,790)**	**(2,737)**
Total comprehensive loss for the year attributable to Owners of Corella Resources Ltd		**(1,402,790)**	**(2,737)**
Loss per share:			
Basic and diluted (cents per share)	20	(1.13)	(0.01)

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	30 June 2021 $	30 June 2020 $
ASSETS			
Current assets			
Cash and cash equivalents	3	4,762,778	6,110
Trade and other receivables	4	57,570	70
Other financial assets	5	108,850	-
Total current assets		**4,929,198**	**6,180**
Non-current assets			
Exploration, evaluation and development expenditure	6	371,110	56,704
Total non-current assets		**371,110**	**56,704**
Total assets		**5,300,308**	**62,884**
LIABILITIES			
Current liabilities			
Trade and other payables	8	215,233	-
Borrowings	9	3,614	10,000
Total current liabilities		**218,847**	**10,000**
Total liabilities		**218,847**	**10,000**
Net assets		**5,081,461**	**52,884**
EQUITY			
Issued capital	10	6,260,067	56,500
Reserves	12	227,800	-
Accumulated losses		(1,406,406)	(3,616)
Total equity		**5,081,461**	**52,884**

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Issued capital $	Reserves $	Accumulated losses $	Total $
Balance at 1 July 2019	46,500	-	(879)	45,621
Loss for the year	-	-	(2,737)	(2,737)
Total comprehensive loss for the year	**-**	**-**	**(2,737)**	**(2,737)**
Issue of ordinary shares	10,000	-	-	10,000
Balance at 30 June 2020	**56,500**	**-**	**(3,616)**	**52,884**
Balance at 1 July 2020	**56,500**	**-**	**(3,616)**	**52,884**
Loss for the year	-	-	(1,402,790)	(1,402,790)
Other comprehensive loss, net of income tax	-	-	-	-
Total comprehensive loss for the year	**-**	**-**	**(1,402,790)**	**(1,402,790)**
Issue of ordinary shares	500,000	-	-	500,000
Deemed consideration of acquisition (*refer note 11*)	1,013,567	-	-	1,013,567
Placement – RTO	5,000,000	-	-	5,000,000
Share based payment – Director shares	180,000	-	-	180,000
Share based payment – Director options	-	37,800	-	37,800
Lead manager facilitation options	(190,000)	190,000	-	-
Share issue costs	(300,000)	-	-	(300,000)
Balance at 30 June 2021	**6,260,067**	**227,800**	**(1,406,406)**	**5,081,461**

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

CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	30 June 2021 $	30 June 2020 $
Cash flows from operating activities			
Payments to suppliers and employees		(473,100)	(2,737)
Net cash used in operating activities	**3**	(473,100)	(2,737)
Cash flows from investing activities			
Payments for exploration and evaluation expenditure		(237,470)	(14,725)
Cash acquired from acquisition	**11**	665,149	-
Net cash provided by/(used in) investing activities		427,679	(14,725)
Cash flows from financing activities			
Proceeds from issue of equity instruments of the Company		5,000,000	-
Payment for share issue costs		(220,000)	10,000
Proceeds from loans		28,000	10,000
Repayment of borrowings		(5,911)	-
Net cash provided by financing activities		4,802,089	20,000
Net increase in cash and cash equivalents		4,756,668	2,538
Cash and cash equivalents at the beginning of the year		6,110	3,572
Cash and cash equivalents at the end of the year	**3**	**4,762,778**	6,110

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 1. Corporate

The financial report of Corella Resources Ltd ("the Company") and its controlled entities ("the Group" or "Consolidated Entity") for the year ended 30 June 2021 was authorised for issue in accordance with a resolution of the directors on 30 September 2021.

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

Note 2. Basis of Preparation and Accounting Policies

(a) Basis of preparation

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

The Group's principal activities are mineral exploration.

(b) Compliance Statement

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

(c) Reverse Acquisition Accounting

On 23 April 2021, Sinetech Limited completed a capital raising (the **Capital Raising**) and acquisition (the **Acquisition**) of 100% of HPAA Pty. Ltd. (**HPAA**) an Australian exploration company which operated prospective, high-grade, low impurity kaolin and silica projects located in the mid-west of Western Australia

Sinetech Limited subsequently changed its name to Corella Resources Ltd (ASX:CR9).

The Capital Raising via public offer under the Prospectus dated 4 March 2021, raised $5 million (before costs) through the issue of 250 million new shares at an issue price of 2 cents per share. The acquisition of HPAA was settled by the issuance of 100 million shares to the existing HPAA shareholders (**Vendors**).

In accordance with AASB 3: Business Combinations, the acquisition has been recorded under reverse acquisition principles which results in the legal parent (in this case Corella) being accounted for as the subsidiary, while the legal acquiree (in this case HPAA) being accounted for as the parent. In accordance with the accounting requirements, the consideration share-based compensation provided as part of the Transaction has been valued on the effective date and recorded as transaction costs in the Statement of Profit or Loss(refer Note 11).

(d) Basis of Consolidation

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

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

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

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

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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

(e) Parent Information

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

(f) Going concern

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

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

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

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

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

(i) Impairment of non financial assets

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

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

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

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

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

(j) Trade and Other Receivables

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

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

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

(k) Cash and Cash Equivalents

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

(l) Provisions

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

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

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

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

(m) Trade and other payables

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

(n) Income Tax

The income tax expense or benefit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary difference and to unused tax losses.

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

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

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

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

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

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

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

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

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

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

(o) Issued Capital

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

(p) Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company, excluding any costs of servicing equity other than dividends, by the weighted average number of ordinary shares, adjusted for any bonus elements.

Diluted earnings per share

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

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

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

(q) Goods and services tax

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

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

(r) Financial Assets

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

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

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

Classification and subsequent measurement

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

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

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

Initial recognition and measurement

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

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

Trade and other receivables

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

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

Impairment

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

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

Loss allowance is not recognised for:

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

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

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

- - the simplified approach

Simplified approach

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

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

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

Recognition of expected credit losses in financial statements

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

(s) Share based payment transactions

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

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

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

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

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

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

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

(t) Exploration and evaluation expenditure

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

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

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

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

(u) Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances. The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Impairment of exploration and evaluation expenditure

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

Environmental Issues

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

Share based payment transactions

The Group measures the cost of equity settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using the Black Scholes formula taking into account the terms and conditions upon which the instruments were granted.

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

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

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

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

Income tax

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

Parent entity financial information

The financial information for the parent entity, Corella Resources Ltd, disclosed in Note 18 has been prepared on the same basis as the consolidated financial statements, except as set out below.

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

Share-based payments

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

Note 3. Cash and Cash equivalents

	2021 $	2020 $
Cash at bank and on hand	4,762,778	6,110
	4,762,778	**6,110**
Reconciliation to Consolidated Statement of Cashflows:		
Cash at bank and on hand	4,762,778	6,110
Balances per Statement of Cashflows	**4,762,778**	**6,110**
Reconciliation of loss for the year to net cash flows from operating activities:		
Loss for the year	(1,402,790)	(2,737)
Non Cash Items		
Corporate restructure expense	387,982	-
Share-based payments	717,800	-
Debt forgiven	(32,089)	-
Fair value adjustment to other financial assets	68,033	-
Movements in working capital		
(Increase) / decrease in receivables	(24,697)	-
(Increase) / decrease in prepayments	(5,137)	-
Increase / (decrease) in payables	(182,202)	-
Net cash outflow from operating activities	**(473,100)**	**(2,737)**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 4. Trade and Other Receivables

	2021	2020
Trade receivables (Current)	**$**	**$**
GST receivable	32,873	70
Prepayments	24,697	-
	57,570	**70**

Current trade receivables are non-interest bearing and are normally settled on 60-day terms. This balance is current receivables incurred on a day to day operational basis and considered unimpaired.

Note 5. Other Financial Assets

	2021	2020
	$	**$**
Held-for-trading financial assets at fair value through profit or loss:		
Australian listed equity securities	108,850	-
	108,850	**-**

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

Note 6. Exploration, Evaluation & Development Expenditure

	2021	2020
	$	**$**
Costs carried forward in respect of areas of interest	56,704	41,664
Exploration expenditure capitalised	314,406	15,040
Impairment	-	-
	371,110	**56,704**

The recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation phases are dependent on the successful development and commercial exploitation or sale of the respective areas.

Exploration and evaluation expenditures in relation to each separate area of interest are recognised as an exploration and evaluation asset in the year in which they are incurred where the following conditions are satisfied:

- the rights to tenure of the area of interest are current; and
- 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; or

  (ii) exploration and evaluation activities in the area of interest have not at the balance date 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.

Exploration and evaluation assets are initially measured at cost and include acquisition of rights to explore, studies, exploratory drilling, trenching, assaying, sampling and associated activities and an allocation of depreciation and amortised of assets used in exploration and evaluation activities. General and administrative costs are only included in the measurement of exploration and evaluation costs where they are related directly to operational activities in a particular area of interest.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The recoverable amount of the exploration and evaluation asset (for the cash generating unit(s) to which it has been allocated being no larger than the relevant area of interest) is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

Where a decision has been made to proceed with development in respect of a particular area of interest, the relevant exploration and evaluation asset is tested for impairment and the balance is then reclassified to a mine development asset.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 7. Commitments for expenditure

Exploration expenditure	2021 $	2020 $
Not longer than one year	53,139	83,000
Two to five years	283,333	500,000
Greater than 5 years	-	-
	336,472	**583,000**

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

Note 8. Trade and Other Payables

	2021 $	2020 $
Trade payables	117,436	-
Accruals	97,797	-
	215,233	**-**

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

Note 9. Borrowings

	2021 $	2020 $
Credit facility[1]	3,614	-
Shareholder loans[2]	-	10,000
	3,614	**10,000**

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

[2] Prior to Capital Raising and admission to ASX Official List, HPAA Pty Ltd founding shareholders provided working capital loans to the company. The loans were unsecured and non-interest bearing. On admission to ASX Official List total shareholder loans amounting to $32,089 were forgiven recorded as other income.

Note 10.Issued Capital

	2021 $	2020 $
Fully paid ordinary shares	6,260,067	56,500
	6,260,067	**10,000**

	2021 No. Shares	2021 $
Fully paid ordinary share capital of HPAA Pty Ltd at 1 July 2020	16,500,000	56,500
Consolidation of capital 2:1 basis	(8,250,000)	-
Issue of shares [1]	8,250,000	500,000
Fully paid ordinary share capital of Corella Resources Ltd on acquisition[2]	65,999,883	-
Less: eliminate existing legal acquiree shares	(16,500,000)	-
Consideration shares – RTO (Refer Note 11)	100,000,000	1,013,567
Issue of incentive shares to Directors [3]	9,000,000	180,000
Placement [3]	250,000,000	5,000,000
Less: capital raising costs	-	(300,000)
Less: Lead Manager facilitation options	-	(190,000)
Closing Balance	**424,999,883**	**6,260,067**

[1] 8,250,000 fully paid ordinary shares issued at $0.063 on 9 December 2020 to consultants.
[2] Post 20:1 Consolidation. Formerly Sinetech Limited.
[3] Issue of securities under various offers in Prospectus dated 4 March 2021 and approved by Shareholders of the Company at a General Meeting held 29 March 2021.

Note 10. Issued Capital (continued)

	2020 No. Shares	2020 $
Fully paid ordinary share capital of HPAA Pty Ltd at 1 July 2019	15,500,0 00	46,500
Issue of shares [1]	1,000,000	10,000
Closing Balance	**16,500,000**	**56,500**

[1] 1,000,000 fully paid ordinary shares issued at $0.01 on 8 September 2019

Note 11.Reverse Acquisition

On 23 April 2021, Corella Resources Ltd (formerly Sinetech Limited) completed the 100% acquisition HPAA Pty. Ltd. (**HPAA**) (**Acquisition**). The acquisition of HPAA by the Company represented an opportunity to acquire highly prospective, high-grade, low impurity kaolin and silica projects located in the mid-west of Western Australia.

Acquisition consideration

As consideration for the issued capital HPAA Pty. Ltd, Corella Resources Ltd issued 100,000,000 fully paid ordinary shares a deemed value of $0.02 to the vendors of HPAA. No cash was paid as part of the Acquisition.

Fair value of consideration transferred

Under the principles of AASB 3, the transaction between Corella Resources Ltd and HPAA Pty. Ltd. is treated as a reverse acquisition. As such, the assets and liabilities of the legal subsidiary (the accounting acquirer), being HPAA Pty. Ltd are measured at their pre- combination carrying amounts. The assets and liabilities of the legal parent (accounting acquiree), being Corella Resources Ltd are measured at value on the date of acquisition.

The consideration in a reverse acquisition is deemed to have been incurred by the legal subsidiary (HPAA Pty. Ltd.) in the form of equity instruments issued to the shareholders of the legal parent entity (Corella Resources Ltd). The acquisition-date fair value of the consideration transferred has been determined by reference to the fair value of the number of shares the legal subsidiary (HPAA Pty. Ltd.) would have issued to the legal parent entity (Corella Resources Ltd) to obtain the same ownership interest in the combined entity.

	Fair Value $
Non-cash (fully paid ordinary shares)[1]	1,013,567
	1,013,567

[1] This represents value of Corella Resources Ltd shares on issue on acquisition date with a fair value of $0.02 per share multiplied by shares on issue at acquisition date. There were 50,678,266 shares on issue at acquisition date.

Assets acquired and liabilities of Corella Resources Ltd assumed at the date of acquisition

	Corella Resources Ltd $
Current Assets	
Cash and cash equivalents	665,150
Trade and other receivables	65,431
Financial assets	176,884
Current Liabilities	
Trade and other payables	(281,880)
Net assets/(liabilities)	**625,585**

Corporate restructure expense on acquisition

	$
Consideration transferred	1,013,567
Less: net assets assumed	(625,585)
Corporate restructure expense	**387,982**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 12.Reserves

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

	2021	2020
	$	$
Share based payments reserve	227,800	-
	227,800	**-**

Movement in Share based payments reserve:

	2021	2020
	$	$
Opening balance	-	-
Lead manager facilitation options[1]	190,000	-
Director incentive options[2]	37,800	-
Closing balance	**227,800**	**-**

[1] 50,000,000 unlisted options exercisable at $0.04 with a grant date fair value of $0.0038 (refer Note 14) issued to CPS Capital (or its nominees) under the Lead Manager Offer approved by Shareholders of the Company at a General Meeting held 29 March 2021.

[2] 4,500,000 unlisted options exercisable at $0.03 with a grant date fair value of $0.0042 (refer Note 14) issued to each Messrs Re and Woods under the Director Offer approved by Shareholders of the Company at a General Meeting held 29 March 2021.

Note 13.Share Based Payment Expense

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

	2021	2020
	$	$
Issue of ordinary shares to consultants [1]	500,000	-
Director incentive shares[2]	180,000	-
Director incentive options[2]	37,800	-
	717,800	**-**

[1] 8,250,000 fully paid ordinary shares in HPAA Pty Ltd issued at $0.063 on 9 December 2020 to consultants prior to admission to ASX Official List.

[2] 4,5000,000 FPO Shares at a deemed issue price of $0.02 and 4,500,000 unlisted options exercisable at $0.03 with a grant date fair value of $0.0042 (refer Note 14) issued to each Messrs Re and Woods under the Director Offer approved by Shareholders of the Company at a General Meeting held 29 March 2021.

Note 14.Options

(a) Options on issue

The following options were granted during the financial year and on issue at the reporting date:

Series	Number	Grant date	Grant date fair value	Exercise price	Expiry date	Vesting date
CR9OA	50,000,000[1]	28 April 21	$0.0038	0.04	28 April 25	Vested
CR9OB	67,257,869[2]	20 April 21	$0.0042	0.03	20 April 24	Vested

[1] 50,000,000 options issued to Lead Manager

[2] Total comprise of 42,936,212 options issued to existing Corella Resources Ltd shareholders under Option Offer, 15,321,657 options issued to creditors under Creditor Offer and 9,000,000 options issued to Directors under Director Offer.

Refer Prospectus dated 4 March 2021 for details of Offers. There has been no alteration of the terms and conditions of the above arrangements since the grant date.

Note 14.Options (continued)

(b) Fair value of options granted during the year

The weighted average fair value of the share options granted during the financial year is $0.004 (2020: Nil).

The fair value of unlisted options issued during the year ended 30 June 2021 has been determined using the Black-Scholes option pricing model.

Input	**CR9OA**	**CR9OB**
Grant date share price	$0.020	$0.020
Exercise price	$0.040	$0.030
Expected volatility	50%	50%
Option life	4 years	3 years
Risk-free interest rate	0.11%	0.11%
Dividend yield	n/a	n/a
Grant Date Fair Value per option	**$0.0038**	**$0.0042**

(c) Share options exercised during the year

No options were exercised during the year (2020: Nil).

Note 15.Income Tax

(a) Income tax expense

	2021 $	**2020 $**
Major component of tax expense for the year		
Current tax	-	-
Deferred tax	-	-
	-	**-**

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

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

	2021	2020
Profit / (Loss) from continuing operations before income tax expense	(1,402,790)	(2,737)
Tax at the group rate of 26.0% (2020: 27.5%)	(364,725)	(753)
Other non-deductible expenses	279,080	-
Tax benefit of deductible equity raising costs	(17,453)	-
Movements in other temporary differences	12,106	-
Net tax benefit/ (expense) not brought to account	90,992	753
Income tax expense	-	-

(c) Deferred tax

Unused tax losses and temporary differences for which no deferred tax asset or liability has been recognised at 26.0% (2020: 27.5%):

	2021	2020
Liabilities		
Exploration assets	96,489	15,594
Deferred tax liability not recognised	**96,489**	**15,594**
Assets		
Losses available to offset against future taxable income	91,987	995
Deductible temporary differences	12,106	-
Capital raising costs	69,812	-
Deferred tax asset not recognised	**173,905**	**995**
Net deferred tax asset/(liability(not recognised	**77,416**	**(14,599)**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 15.Income Tax (continued)

	2021 $	2020 $
Unused tax losses for which no deferred tax asset has been recognised	353,796	995
Potential tax benefit at 26.0% (2020: 27.5%)	91,987	995

The benefit for tax losses will only be obtained if:

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

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

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

Note 16.Related Party Disclosures

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

	2021 $	2020 $
Short term employee benefits	142,681	155,000
Post-employment benefits	4,068	-
Share based payments	217,800	-
	364,549	**155,000**

Refer to Audited Remuneration Report for further details.

In addition to the above, Anthony Cormack received 12,909,091 fully paid ordinary shares and Peter Woods 12,500,000 fully paid ordinary shares issued as vendor consideration shares in connection with the reverse acquisition of HPAA Pty. Ltd, approved by shareholders on 29 March 2021. Shares are escrowed for a period of 24 months from date of relisting.

Prior to Capital Raising and admission to ASX Official List, HPAA Pty Ltd founding shareholders provided working capital loans to the company. The loans were unsecured and non-interest bearing. On admission to ASX Official List total shareholder loans amounting to $32,089 were forgiven recorded as other income. Included in this amount Director Anthony Cormack loaned a total of $17,289 as a founding shareholder of HPAA.

Note 17.Subsidiaries

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

Name	Country of Incorporation	Principal Activities	% Equity Interest 2021	2020
HPAA Pty Ltd	Australia	Mineral exploration	100%	-
Longreach Number 2 Pty Ltd	Australia	Mineral exploration	100%	100%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 18.Parent Entity Information

The following detailed information related to the parent entity, Corella Resources Ltd (formerly Sinetech Limited), at 30 June 2021. The information presented here has been prepared using consistent accounting policies as presented in Note 2.

	2021 $	2020 $
Current Assets	4,781,586	733,788
Non-current Assets	1,380,818	60,000
Total Assets	**6,162,404**	**793,788**
Current Liabilities	109,109	197,858
Non-current Liabilities	-	-
Total Liabilities	**109,109**	**197,858**
Net Assets	**6,053,295**	**595,930**
Contributed equity	35,905,332	30,075,664
Reserves	472,483	-
Accumulated Losses	(30,324,520)	(29,479,734)
Total Equity	**6,053,295**	**595,930**

Note 19. Auditor's Remuneration

During the year Criterion Audit was appointed as auditor of Corella Resources Ltd replacing UHY Haines Norton.

	2021 $	2020 $
Auditor of the Company		
Auditing or reviewing the financial report	23,000	26,000
Audit-related services – agreed-upon procedures	-	318
	23,000	**26,318**

Note 20.Reconciliation of Earnings / (Loss) Used in Calculating Earnings / (Loss) Per Share

	2021 $	2020 $
Loss used in the calculation of basic earnings per share	(1,402,790)	(2,737)
	Number of Shares	**Number of Shares**
Weighted average number of ordinary shares for the purposes of basic earnings / (loss) per share[1]	124,517,109	16,314,208
Basic and diluted loss per share (cents per share)	(1.13)	(0.01)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 21.Financial Risk Management

Capital risk management:

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

Financial instruments:

The Group holds the following financial instruments:

	2021	2020
Financial assets	**$**	**$**
Cash and cash equivalents (including restricted cash) and other financial assets	4,762,778	6,110
Trade and other receivables	57,570	70
Other financial assets	108,850	-
	4,929,198	**6,180**
Financial liabilities		
Trade and other payables	215,233	-
Borrowings	3,614	10,000
	218,847	**10,000**

Financial risk management objectives:

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

Interest rate risk:

Exposure to interest rate risk arises on cash and term deposits recognised at reporting date whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The Group is not subject to interest rate risk

Credit risk management:

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

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

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

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

	2021	2020
	$	**$**
Cash and cash equivalents (including restricted cash)	4,762,778	6,110
Trade and other receivables	57,570	70
	4,820,348	**6,180**

There are no derivative contracts in place (2020: nil).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 21. Financial Risk Management (continued)

Equity price risk:

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

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

	2021	2020
	$	**$**
Listed equity securities	108,850	-
	108,850	**-**

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

	2021	2020
	$	**$**
Profit/(loss)		
+ 50% change in price of equity securities	54,425	-
- 50% change in price of equity securities	(54,425)	-

Liquidity risk management:

Ultimate responsibility for liquidity risk management rests with the Board, who has built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves and had access to $4.76M in cash and deposits as at 30 June 2021. The Group continuously monitors forecast and actual cash flows.

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

	2021	2020
	$	**$**
Within one year	218,847	10,000
Between one and five years	-	-
	218,847	**218,847**

Fair value:

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

Note 22. Company details

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

Note 23. Events after reporting date

As the impact of the Coronavirus (COVID-19) pandemic is ongoing, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

On 16 August 2021, the Company announced outstanding assay results obtained from the recent drilling program at the flagship Tampu Project. Assay results demonstrated thick, shallow drillhole intercepts and confirmed the high purity of the kaolin at the Tampu.

On 14 September 2021, the Company announced that it had lodged two exploration licenses E70/5882 and E70/5883 with the Department of Mines, Industry Regulation and Safety (DMIRS) covering 595.88km2 (201 blocks). The new area under application represents a significant increase (446%) in the Company's landholdings at Tampu, up from 172.15km2 (58 blocks) to 768.03km2 (259 blocks).

Other than as discussed above, no other matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

DIRECTORS' DECLARATION

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

1. In the Directors' opinion, the financial statements and accompanying notes set out on pages 22 to 37 are in accordance with the Corporations Act 2001 and:

    a) comply with Australian Accounting Standards and the Corporations Regulations 2001; and
    b) give a true and fair view of the Group's financial position as at 30 June 2021 and of its performance for the year ended on that date;

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

3. The remuneration disclosures included in pages 11 to 15 of the directors' report (as part of the audited Remuneration Report), for the year ended 30 June 2021, comply with section 300A of the Corporations Act 2001; and

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

On behalf of the Board

Philip Re
Chairman
Perth, Western Australia
30 September 2021

CRITERION AUDIT

Criterion Audit Pty Ltd

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LEEDERVILLE WA 6007

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Independent Auditor's Report

To the Members of Corella Resources Ltd

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Corella Resources Ltd ("the Company"), and its controlled entities ("the Consolidated Entity") which comprises the consolidated statement of financial position as at 30 June 2021, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion:

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

   i. giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2021 and of its financial performance for the year then ended; and

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

Basis for Opinion

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

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

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

Key Audit Matters

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

Key audit matter	How our audit addressed the key audit matter
Accounting for a reverse acquisition (Refer to Note 11) As disclosed in the financial report, during the year the Company acquired HPAA Pty Ltd (unlisted entity incorporated in Australia). The accounting for the reverse acquisition is a key audit matter due to the effect of the arrangement which is accounted for as HPAA Pty Ltd (the accounting parent) issuing a share based payment in return for the assets acquired in the company and listing status. Furthermore, there is significant judgment involved in the determination of the value of the purchase consideration settled by way of a share-based payment.	Our procedures included, amongst others: • Obtaining an understanding of the transaction including an assessment of the accounting acquirer and whether the transaction constituted a business combination or an asset acquisition. • Assessing management's proposed accounting treatment in accordance with applicable accounting standards. • Evaluating the basis of the valuation of the share-based payment (or fair value of consideration) and challenging the underlying assumption of the valuation against comparable transactions and market data. • Checking the calculation of the share-based payment, fair value of identifiable net assets acquired, including any separately identifiable intangible assets, and listing expense. • Considering whether any fair values or adjustments to fair values have been dealt with in accordance with generally accepted accounting principles. • Assessing the appropriateness of the acquisition journals at acquisition date and checking that the disclosures in the financial statements are in accordance with the basis of preparation as disclosed in note 1(c) for the reverse acquisition. • Assessing the adequacy of the related disclosures in the financial report.

Exploration and Evaluation Expenditure – $371,110
(Refer to Note 6)
 	
Exploration and evaluation is a key audit matter due to:
• The significance of the balance to the Consolidated Entity's financial position.
• The level of judgement required in evaluating management's application of the requirements of AASB 6 *Exploration for and Evaluation of Mineral Resources*. AASB 6 is an industry specific accounting standard requiring the application of significant judgements, estimates and industry knowledge. This includes specific requirements for expenditure to be capitalised as an asset and subsequent requirements which must be complied with for capitalised expenditure to continue to be carried as an asset.
• The assessment of impairment of exploration and evaluation expenditure being inherently difficult.
	Our procedures included, amongst others:
	
	• Assessing management's determination of its areas of interest for consistency with the definition in AASB 6. This involved analysing the tenements in which the Consolidated Entity holds an interest and the exploration programmes planned for those tenements.
	• For each area of interest, we assessed the Consolidated Entity's rights to tenure by corroborating to government registries and evaluating agreements in place with other parties as applicable.
	• We tested the additions to capitalised expenditure for the year by evaluating a sample of recorded expenditure for consistency to underlying records, the capitalisation requirements of the Consolidated Entity's accounting policy and the requirements of AASB 6.
	• We considered the activities in each area of interest to date and assessed the planned future activities for each area of interest by evaluating budgets for each area of interest.
	• We assessed each area of interest for one or more of the following circumstances that may indicate impairment of the capitalised expenditure:
	  ◦ the licenses for the right to explore expiring in the near future or are not expected to be renewed;
	  ◦ substantive expenditure for further exploration in the specific area is neither budgeted or planned
	  ◦ decision or intent by the Consolidated Entity to discontinue activities in the specific area of interest due to lack of commercially viable quantities of resources; and

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

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2021, but does not include the financial report and our auditor's report thereon.

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

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

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

Responsibilities of the Directors for the Financial Report

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

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

Auditor's Responsibilities for the Audit of the Financial Report

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

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

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

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

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

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

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

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

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

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2021.

In our opinion, the Remuneration Report of Corella Resources Ltd, for the year ended 30 June 2021, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

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

Criterion Audit

CRITERION AUDIT PTY LTD

CHRIS WATTS CA
Director

DATED at PERTH this 30th day of September 2021

ADDITIONAL ASX INFORMATION

The following additional information is required by the Australian Securities Exchange in respect of ASX listed public companies and is current as at 9 September 2021.

Fully Paid Ordinary Shares
The Company has 424,999,883 ordinary fully paid shares on issue, held by 2,153 shareholders. Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.

Distribution of Shareholders	Number of Holders	Number of Shares	% Issued Share Capital
1 – 1,000	438	208,221	0.05%
1,001 – 5,000	472	1,153,892	0.27%
5,001 – 10,000	170	1,434,152	0.34%
10,001 – 100,000	662	29,084,136	6.84%
100,001 – and over	411	393,119,482	92.50%
Total	2,153	424,999,883	100.00%

Based on share price of $0.046 there were 1,103 holders of ordinary shares, with a combined total of 3,036,068 ordinary shares, holding less than a marketable parcel.

Unquoted Equity Securities
The following unlisted options were on issue as at 9 September 2021:

CR9OA - 50,000,000 unlisted options exercisable at $0.04 each on or before 28 April 2025 held by 3 option holders; and
CR9OB - 67,257,869 unlisted options exercisable at $0.03 each on or before 20 April 2024 held by 275 option holders.

Distribution of Option Holders	CR9OA			CR9OB		
	Number of Holders	Number of Options	% Issued Capital	Number of Holders	Number of Options	% Issued Capital
1 – 1,000	-	-	-	56	27,845	0.04%
1,001 – 5,000	-	-	-	69	193,724	0.29%
5,001 – 10,000	-	-	-	40	320,851	0.48%
10,001 – 100,000	-	-	-	62	2,295,486	3.41%
100,001 – and over	3	50,000,000	100.00%	48	64,419,963	95.78%
Total	3	50,000,000	100.00%	275	67,257,869	100.00%

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

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

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

Options do not carry a right to vote.

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

Restricted Securities
The Company has the following restricted securities on issue:

Class	Number of Securities	Escrow Period
Fully Paid Ordinary Shares	109,000,000	Until 28 April 2023
Unlisted $0.04 Options	50,000,000	Until 28 April 2023
Unlisted $0.03 Options	24,455,157	Until 28 April 2023
Unlisted $0.03 Options	42,802,712	Until 15 April 2022

Use of Funds

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

Substantial Shareholders as at 9 September 2021

The names of substantial shareholders the Company is aware of from the register, or who have notified the Company in accordance with Section 671B of the Corporations Act are:

Substantial Shareholder	Holding	% held
Mr Peter Woods and associated entities [1]	22,000,000	5.2%
Mr Jason Peterson and associated entities [2]	22,000,000	5.2%

[1] As submitted to ASX on 30 April 2021.
[2] As submitted to ASX on 27 July 2021.

20 Largest Shareholders – Ordinary Shares as at 9 September 2021

Rank	Name	Number of Ordinary Fully Paid Shares Held	% of Issued Ordinary Capital Held
1	CELTIC CAPITAL PTY LTD <THE CELTIC CAPITAL A/C>	15,000,000	3.53%
2	JINDABYNE CAPITAL PTY LTD	14,000,000	3.29%
3	MR ANTHONY STEPHEN CORMACK	13,909,091	3.27%
4	MR JULIAN RODNEY STEPHENS <ONE WAY A/C>	12,909,091	3.04%
5	MS KATHERINE GAYE MACPHERSON	12,500,000	2.94%
5	HEKIMA PTY LTD <OCEAN TRUST A/C>	12,500,000	2.94%
5	YUAN BY YUAN CAPITAL PTY LTD <YO YO TRADING TRUST A/C>	12,500,000	2.94%
6	IONIAN HOLDINGS PTY LTD	10,000,000	2.35%
7	BLACKBIRD CAPITAL PTY LTD <BLACKBIRD A/C>	9,500,000	2.24%
8	MR DYLAN JENSEN <BLENCOWE INVESTMENT A/C>	8,060,606	1.90%
8	MR SAMUEL RADFORD MOYLE <SAM MOYLE FAMILY TRUST A/C>	8,060,606	1.90%
8	MR SIMON WILLIAM VINCENT <S VINCENT FAMILY A/C>	8,060,606	1.90%
9	LIGURIAN HOLDINGS PTY LTD	7,900,011	1.86%
10	HIGH CONVICTION HOLDINGS PTY LTD <SMITH FAMILY A/C>	6,500,000	1.53%
10	QUANTUM HOLDINGS PTY LTD <PETER WOODS SUPERFUND A/C>	6,500,000	1.53%
11	MARNAE INVESTMENTS PTY LTD <MARNAE INVESTMENT A/C>	6,462,244	1.52%
12	SUNSET CAPITAL MANAGEMENT PTY LTD <SUNSET SUPERFUND A/C>	6,000,000	1.41%
13	MR JOSEPH RE & MRS EVA RE <RE SUPER FUND A/C>	5,000,000	1.18%
14	MR SHANE TIMOTHY BALL <THE BALL A/C>	4,680,000	1.10%
15	TRADITIONAL SECURITIES GROUP PTY LTD <LPR FAMILY A/C>	4,500,000	1.06%
16	ALEXANDER HOLDINGS (WA) PTY LTD	4,000,000	0.94%
17	MR TERENCE JAMES PERCIVAL BUTLER & MRS ROSEMARY ANN BUTLER <BUTLER SUPER FUND A/C>	3,850,000	0.91%
18	KIORAKU PTY LTD <KIORAKU A/C>	3,750,000	0.88%
18	MR BRENT GRAEME PALMER <BRENT & SKYE PALMER FAM A/C>	3,750,000	0.88%
19	INDOMAIN ENTERPRISES PTY LTD <U C MONDELLO FAMILY A/C>	3,627,400	0.85%
20	SPRUSON CORPORATION PTY LTD <BOOYAH FAMILY A/C>	3,596,791	0.85%
	Total	**207,116,446**	**48.73%**
	Total Ordinary Fully Paid on Issue	**424,999,883**	**100.00%**

SCHEDULE OF TENEMENTS HELD AT BALANCE SHEET DATE

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

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

[2] E70/5665 granted subsequent to balance sheet date.