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CHASE MINING CORPORATION LIMITED

ANNUAL REPORT 2021

ABN 12 118 788 846

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Annual Report – 30 June 2021

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Corporate directory

Directors	Leon Pretorius Charles Thomas Julian Atkinson	Executive Chairman and CEO Non-Executive Director Non-Executive Director
Company Secretary	Suzanne Yeates	
Principal registered office in Australia	Level 8, 46 Edward Street, Brisbane QLD 4000	
Share register	Link Market Services Limited Level 21 10 Eagle Street, Brisbane, QLD, 4000, Australia www.linkmarketservices.com.au	
Auditor	BDO Audit Pty Ltd Level 10, 12 Creek Street Brisbane QLD 4000 www.bdo.com.au	
Bankers	National Australia Bank	
Stock exchange listing	Chase Mining Corporation Limited shares are listed on the Australian Securities Exchange (ASX) under the code CML.	
Website address	https://www.chasemining.com.au	

Chairman's letter

Dear Fellow Shareholders,

Herewith the Chase Mining Corporation Limited (Chase Mining or the Company) 2021 Annual Report. Set out below is a brief summary of the Company's activities over the past year, with more details and reference to the individual ASX releases given in the Review of Operations.

Chase Mining is an Australian-based minerals exploration and development company. During the past 12-months work was undertaken on its 100% owned projects in Quebec - Canada and NSW - Australia. Late 2020, the Company made a strategic investment to acquire 40% of an active private Queensland mineral explorer Red Fox Resources Pty Limited.

- In Canada, the Company focused on its Alotta (Ni-Cu-PGE) and Lorraine (Gold) Projects in Southwestern Quebec during the past year. Although the latest five **Alotta** diamond drillholes did intersect high-grade mineralisation it was mostly within the known mineralised shell and failed to materially increase its size. The targeted 6-hole deep diamond drilling programme at the historical **Lorraine** mine was targeted at replicating the reported high-grade gold mineralisation in and below the 6th level. Although wide zones of carbonate - sulphide alteration and brecciation was encountered in all the holes and minor visible gold was reported, the highgrade gold mineralisation was not confirmed.

The Company's management in conjunction with its Canadian consultant Orix Geoscience completed a thorough evaluation of the historic and current data from both project areas, the results of which combined with COVID-19 travel restrictions making it impossible for Company Management to be on site the Company led to the decision that no immediate additional drilling be planned at either project.

The Directors are undertaking a further review to see best how to extract value for the Company from the Alotta and Lorraine Project areas.

- In northern NSW Australia, the Company continued its work on the advanced Torrington Topaz - Tungsten project and it specifically progressed the beneficiation research at the UNSW to produce mullite fibre from the topaz. The Federal Government co-funded ARC grant ran out during second Quarter 2021. After receiving final copies of all the research reports, the Company agreed internally that given the product trajectories and its potential value as a new and ground-breaking material, it is worthwhile to continue with the TopFibre topaz derived mullite fibre research.

The Company management in conjunction with a third-party is now undertaking a review of the cumulative research results, final report and recommendations before deciding on the best strategy going forward. This includes how best to finance the future research to progress the proof-of-concept outcomes with the best commercial application potential and to complete patenting thereof.

- In Queensland, the Company invested A\$600,000 in late 2020 to become a 40% shareholder in the private Queensland focused advanced exploration Company Red Fox Resources Pty Limited (Red Fox). Unfortunately, the diamond drilling programmes on two of its projects located in the vicinity of the Ernest Henry mine, Cloncurry district, northwest Queensland did not intersect any mineralisation of economic interest.
- New project opportunities. The Company continues to review numerous projects that could complement its existing suite of Australian projects. The Board is focused on acquiring exploration assets with large

scale potential in order to add value for all shareholders. The Board will update the market on any such projects as required under the Listing Rules.

Corporate

Martin Kavanagh's unfortunate passing in November 2020 required a change in the Company's Board composition and Julian Atkinson is thanked for immediately filling the vacancy.

As of 30 June 2021, the Company had 370,007,761 ordinary shares on issue and \$1.29 million cash at bank. The Company remains committed to progressing its projects as summarised above, while also assessing other advanced opportunities.

Finally, a special word of thanks to all the loyal shareholders for their continuing support.



Leon Pretorius

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Directors' report

Chase Mining Corporation Limited (“the Company” or “Chase”) is an Australian Company listed on the Australian Securities Exchange Limited (ASX) with code CML. The Company and its wholly owned subsidiaries collectively form a consolidated group (“Group”).

The Directors present their report together with the financial statements of the Company and Group for the year ended 30 June 2021 and the auditor’s report thereon.

Directors and Company Secretary

The following persons were Directors of Chase Mining Corporation Limited during the whole of the financial year and up to the date of this report:

Leon Pretorius (appointed 11 November 2014)

Charles Thomas (appointed 23 April 2018)

Julian Atkinson (appointed 6 November 2020)

Martin Kavanagh (appointed 27 April 2016; ceased 5 November 2020)

Suzanne Yeates was appointed to the position of Company Secretary on 1 December 2016. She is a Chartered Accountant, Founder and Principal of Outsourced Accounting Solutions Pty Ltd. She holds similar positions with other public and private companies.

Principal Activities

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

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

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

Dividends

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

Covid-19 Impact

The unprecedented conditions created by Covid 19 have had a significant effect on the operations of the Group.

The restrictions on global travel have had the largest impact on the Group with management being unable to travel to Quebec to monitor drilling programmes and other activities directly.

The Company’s Australian activities have been less affected, but periodic travel and other restrictions have delayed progress.

Review of Operations

Projects and Activities

QUEBEC (Canada)

1. Alotta Project Area:

During the reporting period, the Company undertook analyses of the Alotta project's 5-hole June 2020 diamond core samples. The assay results, drill sections, JORC Table and core photographs are included in the ASX Announcement of 4 August 2020. The 30 September 2020 Quarterly Activities Report released on 27 October 2020 highlighted these additional excellent assay results:

- Hole ZA-20-04 - 27.5m at 1.19% Ni, 1.6% Cu, 5g/t Ag, and 1.5g/t PGE from 48.5m,
Including - **17.0m at 1.67% Ni, 2.12% Cu, 5g/t Ag, and 1.9g/t PGE from 48.5m;** and,
- 8.5m at 2.05% Ni, 2.1% Cu, 4g/t Ag and 2.3g/t PGE from 56.0m.
- Hole ZA-20-05 - 8.3m at 0.75% Ni, 1.65% Cu, 8g/t Ag and 1.8g/t PGE from 57.0m; and,
- 12.5m at 1.55% Ni, 1.90% Cu, 15.4g/t Ag, and 2.5g/t PGE from 76.2m,
Including - **6.9m at 2.46% Ni, 2.48% Cu, 24.5g/t Ag and 4.9g/t PGE from 81.8m.**
- Hole ZA-20-01 - 6.4m at 1.13% Ni, 1.39% Cu, 3.5g/t Ag, and 1.7g/t PGE from 62.6m; and,
- **3.4m at 1.64% Ni, 9.97% Cu, 33g/t Ag and 4.4g/t PGE from 75.8m.**

The Company then commenced a desktop review of historic drilling and other exploration data within the greater Alotta, Delphi and Zullo (ADZ) claim area, which continued in the first quarter 2021 and included Canadian consultants Orix Geoscience to potentially outline new drill targets. Based on the very thorough evaluation process and data review assessment report and its outcome, together with the extreme difficulties in the Company's directors and consultants travelling to Canada due to the COVID-19 restrictions, the Company decided to downgrade the ADZ project area's potential and that no immediate additional drilling be planned (ASX Announcement 27 April 2021).

2. Lorraine Mine Gold Project Area:

The Company's focus within the area in 2020 was on the gold potential at depth below the Lorraine Mine. This included historically recorded high grade channel sampling from the mine's '6th level' development drives and slimline holes below (~300m vertical depth) which returned 28m at 45g/t Au, 41g/t Ag and 3.19% Cu and another of 10m at 14g/t Au, 22g/t Ag and 3.16% Cu. A 6-hole deep diamond drilling programme for 2,928m targeting this reported high-grade gold (plus copper and silver) mineralisation was successfully completed (ASX Announcement 2 September 2020). All 6 holes successfully intersected the original Footwall Contact Target Zone (FCTZ) target and also intersected additional deeper veining and brecciation and importantly intense silica-carbonate (±sulphides) alteration zones below the FCTZ. Minor amounts of fine-grained visible gold were also reported from holes CM-20-01 and 02 in ASX Announcements of 14 July and 10 August 2020 including photos.

However, as reported in the ASX Announcement of 2 October 2020, all assays from the six targeted deep diamond holes drilled were received but failed to validate the historically reported high-grade gold mineralisation from the mine's 6th level development drives.

The restricted nature of the visible fine-grained gold logged was unfortunately not an indication of widespread gold mineralisation and did not increase the low-grade tenor of the core that contained it. The Company subsequently submitted a range of composite pulp samples from drillholes for analytical element scans, but no anomalous values were returned.

The Company subsequently undertook a desktop review of historic drilling and other exploration data within the greater Lorraine claims area that included Canadian consultants to potentially outline new drill targets. The review found that it will require an additional extended and expensive programme of exploration, geophysics and drilling to unravel the gold potential of the area. The Company's conclusion was that it had fully drill tested its previous targets and together with the extreme difficulties in the Company's directors and consultants travelling to Canada due to the COVID-19 restrictions, it was decided that no immediate additional drilling be planned.

The Directors are undertaking a further review to see best how to extract value for the Company from the Alotta and Lorraine Project areas.

AUSTRALIA

1. Torrington Minerals (NSW) Topaz and Tungsten Project

Torrington Minerals Pty Ltd (TMPL) a wholly owned subsidiary of Chase Mining Corporation Limited (CML or the Company) holds two adjoining Exploration Licences (EL 8258 and EL 8355) in northern NSW where it has undertaken advanced exploration on expansive occurrences of silexite which nominally consists of 80% quartz and 20% topaz with minor tungsten.

Background: This is no longer an ordinary mineral exploration project. It started in 2015 with a detailed investigation into a tungsten only production venture based on existing JORC 2012 resources in the Torrington area. However, following a severe downgrade of those resources after the completion of a 400-hole (Diamond and RC drilling) programme by the Company, focus shifted to the topaz contained within the silexite which hosts the tungsten mineralisation. A water-based gravity processing circuit will recover both topaz and tungsten, and the Company is seeking to develop cutting edge topaz beneficiation technology in conjunction with the UNSW. Until recently, this has been subject to Federal Government ARC co-funding based on manufacturing mullite fibre from the topaz concentrate.

This large occurrence of silexite bodies in the Torrington area is well known and has previously been studied by the Geological Survey of NSW as referenced in these links:

<https://www.resourcesandgeoscience.nsw.gov.au/miners-and-explorers/geoscience-information/nsw-geology-overview/mineral-resources>

The topaz link goes to:

https://www.resourcesandgeoscience.nsw.gov.au/_data/assets/pdf_file/0019/238213/Topaz.pdf

The Project area encompasses almost the entire Torrington Pendant, a meta-sedimentary roof pendant that has been intruded by the Mole Granite. The silexite, a quartz-topaz (~80:20%) greisen-type rock that forms as a late stage intrusive and forms sills and dykes within the metasediments and at the margins of the Mole Granite is found almost exclusively within the Torrington Pendant. The silexite contains wolframite (ferberite) as fine-grained disseminations, or as massive concentrations or lodes up to several tonnes.

The silixite also contains 15 to 20% topaz and due to its high SG, the topaz can simultaneously be recovered during gravity separation used to recover any tungsten. Topaz is an alumina silicate mineral ($\text{Al}_2\text{SiO}_4(\text{FOH})_2$), which given its hardness, can possibly be used in abrasive applications and as a raw material for castable refractory and ceramic production. The latter was the subject of an earlier incomplete CSIRO study. One safety issue raised is the release of fluorine (F) as gas during such heating / decomposition processes of the topaz.

2. TopFibre Topaz derived mullite fibre Research Project at UNSW

Previous incomplete research at the UNSW also showed it was possibly to produce mullite fibre from the topaz. This occurs due to its unique composition resulting in the formation of a gas phase (akin to sublimation) instead of a liquid phase which most solid materials go through during 'melting'.

As indicated, mullite fibres are the holy grail of reinforcements because:

1. They are oxides and so do not oxidise and self-destruct.
2. They are single-crystal, so they do not recrystallise and embrittle.
3. They melt at 1850°C, so they are both highly stable and more refractory than the metals and refractory metals they can reinforce to fabricate metal matrix composites (MMCs).
4. They are sufficiently stable to be mixed and fully densified with other ceramics to fabricate ceramic matrix composites (CMCs).
5. They can be compounded with Kevlar and other polymers to produce superior polymer matrix composites (PMCs).
6. They are sufficiently stable not to react with many metals (our work shows stability with Al and Cu but that there is a reaction with the light metal Mg).
7. They are resistant to all mineral acids (except HF) and most caustic liquids.
8. They are stable in oxidising, reducing, and neutral atmospheres.
9. The processing can be engineered to modulate the length and thickness (but this is not fully realised at present).
10. The technology provides a platform to produce other ceramics that are not mined commercially owing to rarity as the topaz-to-mullite conversion occurs in the gas phase, which is unique to this system and the basis to synthesise other ceramics.

It is this potential of mullite fibres produced from topaz that CML through its wholly owned subsidiary TopFibre Pty Ltd has been and is investigating at the UNSW for use as a filler and reinforcing in composite materials, creating templates for metal infiltration for use in armour plating, ballistics applications and friction pads, amongst others.

Present status of UNSW research:

On 24 May 2021, the Company released an ASX Announcement summarising the outcome of the collaborative co-funded topaz research project undertaken with the University of New South Wales ("UNSW"). This research was undertaken by the Company's wholly owned subsidiary TopFibre Pty Ltd. as the industry partner through an Australian Research Council (ARC) Linkage Grant.

The ARC project application proposal was as follows:

The main aim of the project is to develop the means of fabricating single-crystal mullite fibres from Torrington topaz that are suitable for reinforcement of metal and ceramic matrix composites. As single-crystal mullite is the most sought-after fibrous additive but it is not available commercially, it is expected to attract an immediate clientele in laboratories and companies servicing the aviation industry and the military. A secondary commodity, which will utilise all of the fluorine by-product, is sodium silicofluoride, which is used widely in water fluoridation. This project will allow the very large deposit of topaz in Torrington, NSW to be used to develop a high-value niche product (fibres) and a large-volume, low-value product (fluoride).

The project work concentrated on the development of single-crystal mullite fibres because this was complex and difficult while the recovery of sodium silicofluoride was relatively straightforward. Further, the work on fibre reinforcement was focussed on metal matrix composites (MMCs) as these represent a much larger market and the processing technology is less complex than for ceramic matrix composites (CMCs). However, it was recognised that there were some significant technical and commercial advantages to the fabrication of MMCs fabricated by metal infiltration of porous compacts. Consequently, the work was supplemented to investigate the feasibility of (a) fabrication of porous mullite preforms and (b) infiltration by promising metal alloys.

This work has resulted in the demonstration of proof-of-concept that Torrington topaz derived mullite-fibre reinforced composites can be processed into MMCs using different alloys suitable for different products. These applications include the automotive, mining, chemical, and military industries. Following this work, a range of commercial trajectories became apparent. In generally matched order of commercial potential and technical simplicity (high to low):

Fibres for Laboratory Development: As single-crystal mullite fibres long have been considered the holy grail of fibre reinforcements but they are not available commercially, there are literally hundreds, if not thousands, of industrial and research laboratories that are potential customers. However, this product would require coarsening of the fibres so that they are not respirable.

Impact and Wear Pads: The transfer of minerals by the mining industry during processing results in high deterioration rates of conveyancing systems. Small MMC tiles with aluminium infiltration, even with some residual porosity, are likely to have considerable commercial potential.

Brake Pads: The replacement of existing braking systems by copper-infiltrated mullite has considerable market potential. The metal must be pure copper owing to its high thermal conductivity. However, these MMCs must be fully dense.

Military Armour: The military industry is an important potential customer as cost is less important than performance. Small MMC tiles with aluminium infiltration are ideal for body, vehicular, and possibly aircraft armour as they are lightweight and have the potential to compete technically and economically with existing armour. It is critical for these to be fully dense.

Catalytic Convertors: Although the Palladium products are established in the automotive industry, this application is attractive because no precious metal is required, thus reducing the price significantly, and the engineering is relatively straightforward as it requires only sufficient gas flow rate. There are many other chemical processes that require catalytic convertors.

Filters: The chemical industries have little choice with high-temperature high-throughput filters. Again, as this product involves only a preform, the engineering would appear to be straightforward. However, early experimentation has shown that it is not easy to engineer a controlled pore size distribution.

Synopsis: It is noted that several of the applications highlighted above will require extensive industry 'live' testing.

Although the initial goal included Pilot Plant Design and commercial studies, no work in this area was formalised partly due to COVID-19 restrictions, but also due to lack of suitable equipment availability at the UNSW. Conceptually however, the design, even for full commercial production, is straightforward owing to the present programme's exposure of the key technical issues that must be overcome.

Way forward: After receiving final copies of all the research reports from Professor Charles C Sorrell and the UNSW team of researchers involved in the project and subsequent discussions with the group, the Company agreed internally that given the product trajectories and its potential value as a new and ground-breaking material, it is worthwhile to continue with the TopFibre topaz derived mullite fibre research.

The Company management in conjunction with a third-party is now undertaking a review of the cumulative research results, final report and recommendations before deciding on the best strategy going forward. This includes how best to finance the future research to progress the proof-of-concept outcomes with the best commercial application potential and to complete patenting thereof.

The most recent and ongoing NSW COVID-19 outbreaks and restrictions have directly impacted and limited the physical advancement of the Torrington MLA associated EIS studies in this reporting period.

3. Strategic investment in Red Fox Resources

As previously announced (ASX Announcement 3 November 2020), CML invested A\$600,000 to become a 40% shareholder in the private Queensland focused advanced exploration Company Red Fox Resources Pty Limited (Red Fox).

As announced (ASX Announcements 26 April, 27 May, 31 May and 15 June 2021), Red Fox completed its diamond drilling programme at its Gipsy Creek project located 18km northeast of the Ernest Henry mine, Cloncurry district, northwest Queensland. Unfortunately, no mineralisation of economic interest was encountered.

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

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

NEW PROJECT OPPORTUNITIES

The Company continues to review numerous projects that could complement its existing suite of Australian projects. The Board is focused on acquiring exploration assets with large scale potential in order to add value for all shareholders. The Board will update the market on any such projects as required under the Listing Rules.

Tenement List

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

Environmental Regulation

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

Significant changes in the state of affairs

During the financial year the company issued 51,305,360 fully paid ordinary shares at \$0.016 per share raising approximately \$820,886.

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

Events subsequent to balance date

The impacts of COVID-19 have not changed since the end of the financial year.

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

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Information on Directors

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

Leon Pretorius. *Chairman – Executive Director and CEO*

Experience and expertise	<p>Dr. Pretorius is a Geochemist with over 48 years' international mineral and mining experience.</p> <p>Since settling in Brisbane in 1978, he has worked on varied commodities with discovery success in gold, industrial minerals and uranium both in Queensland and South Africa. Mining (open cut) and processing experience has been gained in Gold, Industrial Minerals, Uranium and Tungsten.</p> <p>Corporately, he has also been involved as a public listed company director in Australia and overseas since 1985. In the ten years prior to joining Chase's Board as its Executive Chairman, he was a Director of ASX listed Paladin Energy; Managing Director of Deep Yellow Limited; and Executive Chairman of Carbine Tungsten.</p>
Other current directorships	None.
Former listed directorships in last 3 years	None.
Special responsibilities	Chairman of the Board and CEO
Interests in shares and options	20,400,000 ordinary shares 10,000,000 options

Charles Thomas. Non-Executive Director

Experience and expertise	Mr. Thomas holds a Bachelor of Commerce from UWA majoring in Corporate Finance. He is an Executive director and Founding Partner of GTT a leading boutique corporate advisory firm based in Australia. Mr. Thomas has worked in the financial service industry for more than 15 years and has extensive experience in capital markets as well as the structuring of corporate transactions.
Other current directorships	Executive Chairman of Marquee Resources Limited (ASX: MQR) since 2016.
Former listed directorships in last 3 years	Non-executive director of Viking Mines Ltd (ASX: VKA) (ceased 2021)
Special responsibilities	None.
Interests in shares and options	10,440,000 ordinary shares 5,000,000 options

Julian Atkinson. Non-Executive Director

Experience and expertise	Mr. Atkinson is a senior lawyer with extensive experience in acting for small to mid-cap ASX listed companies on a broad range of corporate and commercial matters.
Other current directorships	None
Former listed directorships in last 3 years	Non-executive director of Roto-Gro International Limited (ceased 2019)
Special responsibilities	None.
Interests in shares and options	500,000 ordinary shares

Meetings of Directors

The number of meetings of the Company's Board of Directors held during the year ended 30 June 2021, and the number of meetings attended by each Director were:

	Full meetings of Directors	
	A	B
Leon Pretorius	8	8
Martin Kavanagh	1	2
Charles Thomas	8	8
Julian Atkinson	6	6

A = Number of meetings attended

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

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

Remuneration report - Audited

The Directors present the Chase Mining Corporation 2021 remuneration report, outlining key aspects of our remuneration policy and framework, and remuneration awarded this year.

The report is structured as follows:

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

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

Non-executive and Executive Directors

Leon Pretorius
Martin Kavanagh (ceased 5 November 2020)
Charles Thomas
Julian Atkinson (appointed 6 November 2020)

(b) *Remuneration policy and link to performance*

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

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

Element	Purpose	Performance metrics	Potential value	Changes for FY 2021
Fixed remuneration (FR)	Provide competitive market salary including superannuation and non-monetary benefits	Nil	Positioned at median market rate	None

Remuneration report – Audited (continued)

(c) Elements of remuneration

(i) Fixed annual remuneration (FR)

Executives receive their fixed remuneration as cash. FR is reviewed annually. It is benchmarked against market data for comparable roles in companies in a similar industry and with similar market capitalisation. The board has the flexibility to take into account capability, experience, value to the organisation and performance of the individual. The Group has not engaged an external remuneration consultant during FY2021.

Superannuation is included in FR for executives.

(ii) Short term incentives

Short term incentives are currently not available to executive.

(iii) Long term incentives

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

Options

No options have been awarded during the current financial year.

During the prior financial year, 20,000,000 options were awarded to the Directors (10,000,000 to Leon Pretorius, 5,000,000 to Charles Thomas, 5,000,000 to Martin Kavanagh), subject to shareholder approval which was received in July 2020. The options are exercisable at \$0.02 each and expire on 31 December 2022 and have no vesting conditions.

Remuneration report (continued)

(d) *Link between remuneration and performance*

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

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

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

Financial Year	Net Operating Loss (\$)	Share Price at Year End (\$)
30 June 2021	(1,003,174)	0.017
30 June 2020	(1,218,482)	0.03
30 June 2019	(731,828)	0.026
30 June 2018	(712,708)	0.036
30 June 2017	(356,915)	0.035

Remuneration report – Audited (continued)

(e) Remuneration expenses for KMP

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

Name	Year	Fixed remuneration			Post-employment benefits	Variable remuneration		% Performance based
		Salary & Fees	Non-cash benefits*	Other short-term benefits [^]		Share based payments	Total	
Executive Directors								
Leon Pretorius	2021	240,000	2,750	-	22,800	-	265,550	-
	2020	240,000	2,860	-	22,800	233,497	499,157	47%
Total Executive Directors	2021	240,000	2,750	-	22,800	-	265,550	-
	2020	240,000	2,860	-	22,800	233,497	499,157	47%
Non-executive Directors								
Martin Kavanagh (ceased 05/11/20)	2021	16,953	-	9,132	2,478	-	28,563	-
	2020	48,000	-	48,402	9,158	113,811	219,371	52%
Charles Thomas	2021	48,000	-	-	4,560	-	52,560	-
	2020	48,000	-	-	4,560	113,811	166,371	68%
Julian Atkinson (appointed 6/11/20)	2021	31,238	-	-	2,968	-	34,206	-
	2020	-	-	-	-	-	-	-
Total Non-Executive Directors	2021	96,191	-	9,132	10,006	-	115,329	-
	2020	96,000	-	48,402	13,718	227,622	385,742	-
Total KMP remuneration expensed	2021	336,191	2,750	9,132	32,806	-	380,879	-
	2020	336,000	2,860	48,402	36,518	461,119	884,899	-

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

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

Remuneration report (continued)

(f) Contractual arrangements with executive KMP

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

(g) Non-executive Director arrangements

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

During the financial year, Mr Kavanagh was paid additional fees of \$9,132 for additional services as a geologist carried out by him.

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

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

(h) Additional statutory information

(i) Relative proportions of fixed vs variable remuneration expense

The following table shows the relative proportions of remuneration that are linked to performance and those that are fixed, based on the amounts disclosed as statutory remuneration expenses in the table on page 18:

Relative proportion of fixed vs variable remuneration expense

Name	Fixed remuneration		At risk – LTI	
	2021	2020	2021	2020
Executive Directors				
Leon Pretorius	100%	53%	-	47%
Non-Executive Directors				
Martin Kavanagh	100%	48%	-	52%
Charles Thomas	100%	32%	-	68%
Julian Atkinson	-	-	-	-

Remuneration report (continued)

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

The table below shows a reconciliation of ordinary shares held by each KMP from the beginning to the end of FY2021.

Shareholdings

2021 Name	Balance at the start of the year	Purchased during the year*	Other changes during the year	Balance at the end of the year
Ordinary shares				
Leon Pretorius	18,400,000	2,000,000	-	20,400,000
Martin Kavanagh	1,180,000	-	(1,180,000) ¹	-
Charles Thomas	9,440,000	1,000,000	-	10,440,000
Julian Atkinson	-	500,000	-	500,000
Total	29,020,000	3,500,000	(1,180,000)	31,340,000

* Participation in placement approved by Shareholders in March 2021.

¹ Shareholding at the date Mr Kavanagh ceased being a director

The table below shows a reconciliation of performance rights held by each KMP from the beginning to the end of FY2021.

Options

2021 Name	Balance at the start of the year		Granted as compensation	Other changes during the year	Balance at the end of the year	
	Unvested	Vested			Unvested	Vested
Ordinary shares						
Leon Pretorius	10,000,000	-	-	-	-	10,000,000
Martin Kavanagh	5,000,000	-	-	-	-	5,000,000
Charles Thomas	5,000,000	-	-	-	-	5,000,000
Total	20,000,000	-	-	-	-	20,000,000

There were no options provided as remuneration to key management personnel during the financial year. During the prior financial year, the number of options over ordinary shares in the Company provided as remuneration to key management personnel is shown in the table above. The options were awarded on 12 June 2020, subject to Shareholder approval. The options carry no dividend or voting rights and are exercisable at \$0.02 each. The options do not have any vesting conditions and vest on receipt of Shareholder approval. The options expire on 31 December 2022. The fair value of these options was \$0.021 per option. This value was calculated using the Black & Scholes option pricing model.

When exercisable, each option is convertible into one ordinary share of Chase Mining Corporation Limited.

Remuneration report (continued)

(iii) Transactions with Directors and Director Related Entities

During the financial year the Group paid GTT Ventures Pty Ltd a fee of \$36,293 for professional and consulting fees associated with the June 2020 share placement. The fee represented 6% of the funds raised.

During the financial year the Group paid \$6,880 to Atkinson Corporate Law, a company of which Julian Atkinson is the principal, for legal services on normal commercial terms and conditions.

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

(iv) Loans to Key Management Personnel

Nil

End of remuneration report (audited)

Shares under options

There are 22,000,000 unissued ordinary shares in Chase Mining Corporation Limited under option at the date of this report. The options are exercisable at \$0.02 and expire on 31 December 2022. The options have no vesting conditions.

No option holder has any right to participate in any other share issue of the Company or any other entity.

No shares have been issued on the exercise of options during or since year end.

Insurance of officers and indemnities

(a) Insurance of officers

During the financial year, Chase Mining Corporation Limited paid a premium of \$26,000 (GST inclusive) to insure the Directors and Secretary of the Company.

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

(b) Indemnity of auditors

Chase Mining Corporation Limited has not agreed to indemnify their auditors.

Proceedings on behalf of the Company

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

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

Non-audit services

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

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

Auditor's independence declaration

A copy of the auditors' independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 24.

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



Leon Pretorius
Chairman

Brisbane
30 September 2021

DECLARATION OF INDEPENDENCE BY A J WHYTE TO THE DIRECTORS OF CHASE MINING CORPORATION LIMITED

As lead auditor of Chase Mining Corporation Limited for the year ended 30 June 2021, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Chase Mining Corporation Limited and the entities it controlled during the period.



A J Whyte
Director

BDO Audit Pty Ltd

Brisbane

30 September 2021

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Corporate governance statement

Chase Mining Corporation Limited and the board are committed to achieving and demonstrating the highest standards of corporate governance. Chase Mining Corporation Limited has reviewed its corporate governance practices against the Corporate Governance Principles and Recommendations (4th edition) published by the ASX Corporate Governance Council.

The 2020 corporate governance statement is dated as at 30 June 2021 and reflects the corporate governance practices in place throughout the 2021 financial year. The 2021 corporate governance statement was approved by the board on 30 September 2021. A description of the Group's current corporate governance practices is set out in the Group's corporate governance statement which can be viewed at <http://www.chasemining.com.au/About/Corporate-Governance>.

CHASE MINING CORPORATION LIMITED

ABN 12 118 788 846

Annual financial report – 30 June 2021

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These financial statements are consolidated financial statements for the Group consisting of Chase Mining Corporation Limited and its subsidiaries. A list of major subsidiaries is included in note 11.

The financial statements are presented in the Australian currency.

Chase Mining Corporation Limited is a Company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Chase Mining Corporation Limited
Level 8, 46 Edward Street
Brisbane QLD 4000

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

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

Consolidated statement of profit or loss and other comprehensive income for the year ended 30 June 2021

	Notes	Consolidated	
		2021	2020
		\$	\$
Other income	3	130,044	146,236
Expenses			
Depreciation and amortisation expense		(4,931)	(21,473)
Employee benefits expense		(170,063)	(688,202)
Research and development expensed		(92,521)	(154,744)
Share of net loss of equity-accounted associates	14	(7,304)	-
Corporate advisory fees		-	(65,000)
Exploration written off		(613,988)	(26,356)
Administration expenses	4	(244,411)	(408,943)
Loss before income tax expense		(1,003,174)	(1,218,482)
Income tax benefit	5	-	-
Loss for the year		(1,003,174)	(1,218,482)
Other comprehensive income for the year, net of tax			
May be reclassified subsequently to profit or loss:			
Foreign currency translation		(18,463)	6,273
Total comprehensive income for the year		(1,021,637)	(1,212,209)
		Cents	Cents
Earnings per share for loss attributable to the ordinary equity holders of the Company:			
Basic earnings per share	8	(0.30 cents)	(0.57 cents)
Diluted earnings per share	8	(0.30 cents)	(0.57 cents)

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

Consolidated balance sheet

As at 30 June 2021

	Notes	Consolidated	
		2021	2020
		\$	\$
ASSETS			
Current assets			
Cash and cash equivalents	9	1,289,925	2,390,056
Trade and other receivables	10	680,206	297,700
Total current assets		1,970,131	2,687,756
Non-current assets			
Plant and equipment	12	22,068	26,999
Exploration and evaluation assets	13	5,860,930	6,361,325
Investments accounted for using the equity method	14	592,696	-
Trade and other receivables	10	36,100	36,100
Total non-current assets		6,511,794	6,424,424
Total assets		8,481,925	9,112,180
LIABILITIES			
Current liabilities			
Trade and other payables	15	159,175	535,424
Total current liabilities		159,175	535,424
Total liabilities		159,175	535,424
Net assets		8,322,750	8,576,756
EQUITY			
Contributed equity	16	13,634,004	12,866,373
Reserves		1,397,554	1,416,017
Accumulates losses		(6,708,808)	(5,705,634)
Total equity		8,322,750	8,576,756

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

Consolidated statement of changes in equity For the year ended 30 June 2021

	Contributed equity \$	Accumulated losses \$	Reserves			Total \$
			Share based payments reserve \$	Contingent consideration reserve \$	Foreign currency translation reserve \$	
Balance as at 1 July 2019	11,524,777	(4,487,152)	801,532	101,712	443	7,941,312
Loss for the year	-	(1,218,482)	-	-	-	(1,218,482)
Other comprehensive income	-	-	-	-	6,273	6,273
Total comprehensive income	-	(1,218,482)	-	-	6,273	(1,212,209)
Transactions with owners in their capacity as owners:						
Contributions of equity, net of transaction costs	1,341,596	-	-	-	-	1,341,596
Share based payments	-	-	506,057	-	-	506,057
Balance as at 30 June 2020	12,866,373	(5,705,634)	1,307,589	101,712	6,716	8,576,756
Loss for the year	-	(1,003,174)	-	-	-	(1,003,174)
Other comprehensive income	-	-	-	-	(18,463)	(18,463)
Total comprehensive income	-	(1,003,174)	-	-	(18,463)	(1,021,637)
Transactions with owners in their capacity as owners:						
Contributions of equity, net of transaction costs	767,631	-	-	-	-	767,631
Share based payments	-	-	-	-	-	-
Balance as at 30 June 2021	13,634,004	(6,708,808)	1,307,589	101,712	(11,747)	8,322,750

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

Consolidated statement of cash flows

For the year ended 30 June 2021

	Notes	Consolidated	
		2021	2020
		\$	\$
Cash flows from operating activities			
Receipts from customers (GST inclusive)		81,736	43,643
Payments to suppliers and employees (GST inclusive)		(586,561)	(756,265)
Research and development tax incentive received		76,225	-
Government incentives received		50,000	50,000
Interest received		3,818	32,621
Net cash outflow from operating activities	19	<u>(374,782)</u>	<u>(630,001)</u>
Cash flows from investing activities			
Payments for exploration and evaluation		(878,555)	(1,112,890)
Payment for investment in associate	14	<u>(600,000)</u>	<u>-</u>
Net cash outflow from investing activities		<u>(1,478,555)</u>	<u>(1,112,890)</u>
Cash flows from financing activities			
Proceeds on issue of shares	16	820,886	1,396,756
Payment of capital raising costs and listing expenses	16	<u>(53,255)</u>	<u>(11,448)</u>
Net cash inflow from financing activities		<u>767,631</u>	<u>1,385,308</u>
Net increase (decrease) in cash and cash equivalents		(1,085,706)	(357,583)
Effects of foreign currency		(14,425)	4
Cash and cash equivalents at the beginning of the year		<u>2,390,056</u>	<u>2,747,635</u>
Cash and cash equivalents at the end of the year	19(b)	<u>1,289,925</u>	<u>2,390,056</u>

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

Notes to the financial statements for the year ended 30 June 2021

Note 1 Summary of significant accounting policies

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

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

The financial statements were authorised for issue by the Directors on 30 September 2021. The Directors have the power to amend and reissue the financial statements.

Going Concern

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

As disclosed in the financial statements, the Group achieved a net loss of \$1,003,174 (2020: net loss \$1,218,482) and net operating cash outflows of \$374,782 (2020: outflow \$630,001) for the year ended 30 June 2021. As at 30 June 2021 the Group had a cash balance inclusive of short term deposits of \$1,289,925.

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

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

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

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

Notes to the financial statements for the year ended 30 June 2021

Note 1 Summary of significant accounting policies

a. Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Chase Mining Corporation Limited ('Company' or 'Parent Entity') as at 30 June 2021 and the results of all subsidiaries for the year then ended. Chase Mining Corporation Limited and its subsidiaries together are referred to in these financial statements as the 'Consolidated entity' or 'Group'.

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

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

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

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

Notes to the financial statements for the year ended 30 June 2021

Note 1 Summary of significant accounting policies (continued)

b. Income tax

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

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

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

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

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

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

Chase Mining Corporation Limited and its wholly owned subsidiaries have formed an income tax consolidated group under the tax consolidation regime. The head entity and the subsidiaries in the tax consolidated group continue to account for their own current and deferred tax amounts. The tax consolidated group has applied the 'separate taxpayer within the group' approach in determining the appropriate amount of taxes to allocate to members of the tax consolidated group.

In addition to its own current and deferred tax amounts, the head entity also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from the subsidiary.

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

Notes to the financial statements for the year ended 30 June 2021

Note 1 Summary of significant accounting policies

c. Revenue recognition

Interest

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

Other income

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

d. Operating segments

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

e. Current and non-current classification

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

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

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

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

Notes to the financial statements for the year ended 30 June 2021

Note 1 Summary of significant accounting policies

f. Cash and cash equivalents

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

g. Trade and other receivables

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

h. Exploration and evaluation assets

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

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

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

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

Notes to the financial statements for the year ended 30 June 2021

Note 1 Summary of significant accounting policies (continued)

i. Plant and equipment

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

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

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

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

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

j. Trade and other payables

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

k. Equity accounting

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

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

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

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

Notes to the financial statements for the year ended 30 June 2021

Note 1 Summary of significant accounting policies (continued)

k. Employee benefits

Short-term employee benefits

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

Other long-term employee benefits

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

Share-based payments

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

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

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

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

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

Notes to the financial statements for the year ended 30 June 2021

Note 1 Summary of significant accounting policies (continued)

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

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

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

l. 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.

m. Dividends

Dividends are recognised when declared during the financial year and no longer at the discretion of the Company.

n. Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of Chase Mining Corporation Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share

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

Notes to the financial statements for the year ended 30 June 2021

Note 1 Summary of significant accounting policies (continued)

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

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

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

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

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

p. Foreign currency translation

(i) Functional and presentation currency

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

(ii) Transactions and balances

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

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

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

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Notes to the financial statements for the year ended 30 June 2021

Note 1 Summary of significant accounting policies (continued)

(iii) Group companies

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

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

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

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

q. New and Amended Accounting Policies Adopted by the Group

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

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

r. Critical accounting estimates

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

Notes to the financial statements for the year ended 30 June 2021

Note 1 Summary of significant accounting policies (continued)

Exploration and evaluation costs

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

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

Share based payment transactions

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

Notes to the financial statements for the year ended 30 June 2021

Note 2 Parent information

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

	Notes	2021 \$	2020 \$
Balance sheet			
ASSETS			
Current assets			
Cash and cash equivalents		1,290,045	2,390,174
Trade and other receivables		27,145	120,065
Total current assets		<u>1,317,190</u>	<u>2,510,239</u>
Non-current assets			
Plant and equipment		22,068	26,999
Intercompany receivables		5,299,775	4,404,532
Investment in subsidiaries		1,844,285	1,844,285
Investments accounted for using the equity method		592,696	-
Other assets		36,100	36,100
Total non-current assets		<u>7,794,924</u>	<u>6,311,916</u>
Total assets		<u>9,112,114</u>	<u>8,822,155</u>
LIABILITIES			
Current liabilities			
Payables		157,745	170,050
Total current liabilities		<u>157,745</u>	<u>170,050</u>
Total liabilities		<u>157,745</u>	<u>170,050</u>
Net assets		<u>8,954,369</u>	<u>8,652,105</u>

Investments in associates

Investments in associates are accounted for at cost in the financial statements of Chase Mining Corporation Limited.

Notes to the financial statements for the year ended 30 June 2021

Note 2 Parent information (continued)

	Notes	2021 \$	2020 \$
Contributed equity		13,634,004	12,866,373
Reserves			
Share based payment reserve		1,307,589	1,307,589
Contingent consideration reserve		101,712	101,712
Accumulates losses		<u>(6,088,936)</u>	<u>(5,623,569)</u>
Total equity		<u>8,954,369</u>	<u>8,652,105</u>
Statement of Profit or Loss and Other Comprehensive Income			
Total profit/(loss) for the year		<u>(844,099)</u>	<u>2,513,125</u>
Total comprehensive income		<u>(844,099)</u>	<u>2,513,125</u>

Guarantees

Chase Mining Corporation Limited has not entered into any guarantees, in the current or previous reporting period, in relation to the debts of its subsidiaries.

Contingent liabilities

At 30 June 2021, Chase Mining Corporation Limited did not have any contingent liabilities (30 June 2020: Nil).

Contractual commitments

Chase Mining Corporation Limited has no contractual commitments at 30 June 2021.

Note 3 Other Income

	Consolidated	
	2021 \$	2020 \$
Other income:		
Interest received from unrelated parties	3,819	20,529
Government incentives – COVID 19	50,000	50,000
Research and development tax incentive	<u>76,225</u>	<u>75,707</u>
Total other income	<u>130,044</u>	<u>146,236</u>

Notes to the financial statements for the year ended 30 June 2021

Note 4 Loss for the year

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

	Consolidated	
	2021	2020
	\$	\$
Superannuation expense	5,718	10,260
Share based payments expense	-	506,057
Administration expenses:		
Audit fees	44,457	37,610
Insurance	44,767	38,501
Consultants	61,505	45,925
Compliance costs	66,443	73,153
Foreign currency	(23,114)	57,965
Other expenses	50,353	155,789
	<u>244,411</u>	<u>408,943</u>

Note 5 Income tax expense

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

	Consolidated	
	2021	2020
	\$	\$
(a) Numerical reconciliation of income tax expense to prima facie tax payable		
Loss before income tax expense	<u>(1,003,174)</u>	<u>(1,218,482)</u>
Tax at the Australian tax rate of 26% (2020 – 27.5%)	(260,825)	(335,081)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Non-deductible (income)/expenses	(32,819)	118,346
Adjustment to deferred tax assets and liabilities for tax losses and temporary differences not recognised	<u>293,644</u>	<u>216,735</u>
Income tax expense	<u>-</u>	<u>-</u>
(b) Tax losses		
Net deferred tax asset not recognised including unused tax losses	<u>4,530,692</u>	<u>3,804,164</u>
Potential tax benefit @ 26% (2020: 27.5%)	<u>1,177,980</u>	<u>1,046,145</u>

Notes to the financial statements for the year ended 30 June 2021

Note 5 Income tax expense (continued)

	Consolidated	
	2021	2020
	\$	\$
(c) Franking credits		
Franking credits available for use in subsequent financial years	153,452	153,452
(d) Deferred tax assets		
The balance comprises temporary differences attributable to:		
Tax losses	1,720,878	2,099,174
Employee entitlements	27,119	22,947
Share issue costs	28,705	16,181
Other	7,237	17,008
Total deferred tax assets	1,783,939	2,155,310
Set-off of deferred tax liabilities pursuant to set-off provisions	(605,959)	(1,109,165)
Deferred tax assets not recognised	(1,177,980)	(1,046,145)
Net deferred tax assets	-	-
(e) Deferred tax liabilities		
The balance comprises temporary differences attributable to:		
Exploration and evaluation assets	605,959	1,109,165
Total deferred tax liabilities	605,959	1,109,165
Set-off of deferred tax liabilities pursuant to set-off provisions	(605,959)	(1,109,165)
Net deferred tax liabilities	-	-

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

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

The Group has carried forward unused capital losses totalling \$221,710 (2020: \$221,710).

Notes to the financial statements for the year ended 30 June 2021

Note 5 Income tax expense (continued)

Offsetting within tax consolidated entity

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

Note 6 Key Management Personnel Compensation

Refer to the remuneration report contained in the Directors' report for details of the remuneration paid or payable to each member of the Group's key management personnel (KMP) for the year ended 30 June 2021.

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

	Consolidated	
	2021	2020
	\$	\$
Short-term employee benefits	348,073	387,262
Post-employment benefits	32,806	36,518
Share-based compensation	-	461,119
Total KMP compensation	<u>380,879</u>	<u>884,899</u>

Short-term employee benefits

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

Post-employment benefits

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

Notes to the financial statements for the year ended 30 June 2021

Note 7 Auditor's Remuneration

	Consolidated	
	2021	2020
	\$	\$
Remuneration of the auditor for:		
- Auditing or reviewing the financial report	44,457	37,000
- <i>Remuneration for non-audit services</i>		
- Taxation services	-	-
	<u>44,457</u>	<u>37,000</u>

Note 8 Earnings per share

	2021	2020
	Cents	Cents
(a) Basic earnings per share		
Total basic earnings per share attributable to the ordinary equity holders of the Company	<u>(0.30 cents)</u>	<u>(0.57 cents)</u>
(b) Diluted earnings per share		
Total diluted earnings per share attributable to the ordinary equity holders of the Company	<u>(0.30 cents)</u>	<u>(0.57 cents)</u>
(c) Reconciliations of earnings used in calculating earnings per share		
	2021	2020
	\$	\$
<i>Basic earnings per share</i>		
Profit attributable to the ordinary equity holders of the Company used in calculating basic earnings per share	<u>(1,003,174)</u>	<u>(1,218,482)</u>
<i>Diluted earnings per share</i>		
Profit attributable to the ordinary equity holders of the Company used in calculating diluted earnings per share	<u>(1,003,174)</u>	<u>(1,218,482)</u>
(d) Weighted average number of shares used as the denominator		
	2021	2020
	Number	Number
Weighted average number of ordinary shares used as the denominator in calculating basic and diluted earnings per share	<u>339,527,661</u>	<u>211,962,613</u>

Notes to the financial statements for the year ended 30 June 2021

Note 9 Cash and cash equivalents

	Consolidated	
	2021	2020
	\$	\$
Cash at bank	1,289,925	2,390,056
Total cash and cash equivalents	1,289,925	2,390,056

Note 10 Trade and other receivables

	Consolidated	
	2021	2020
	\$	\$
CURRENT		
GST receivable	94,230	81,991
Other receivables	41,207	140,002
Tax incentives receivable	544,769	75,707
Total current trade and other receivables	680,206	297,700
NON-CURRENT		
Security deposits	36,100	36,100
Total non-current trade and other receivables	36,100	36,100

Credit risk

The Group has no significant concentration of credit risk with respect to any counterparties or on a geographical basis.

Notes to the financial statements for the year ended 30 June 2021

Note 11 Interests in subsidiaries

Information about material Subsidiaries

The group's principal subsidiaries at 30 June 2021 are set out below. Unless otherwise stated, they have share capital consisting solely of ordinary shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Name of entity	Place of business/country of incorporation	Ownership interest held by the group		Principal activities
		2021 %	2020 %	
Torrington Minerals Pty Ltd	Australia	100%	100%	Mineral exploration
TopFibre Pty Ltd	Australia	100%	100%	Topaz research and development
Zeus Minerals Pty Ltd	Australia	100%	100%	Mineral exploration
Zeus Minerals Corp.	Canada	100%	100%	Mineral exploration
Zeus Olympus Sub Corp.	Canada	100%	100%	Mineral exploration

Note 12 Plant and equipment

	Consolidated	
	2021 \$	2020 \$
Field equipment		
At cost	53,151	53,151
Accumulated depreciation	(49,101)	(48,151)
Total field equipment	4,050	5,000
Office equipment and furniture		
At cost	5,404	5,404
Accumulated depreciation	(5,404)	(5,404)
Total office equipment and furniture	-	-
Motor vehicles		
At cost	145,000	145,000
Accumulated depreciation	(126,982)	(123,001)
Total motor vehicles	18,018	21,999
Total plant and equipment	22,068	26,999

Notes to the financial statements for the year ended 30 June 2021

Note 12 Property, plant and equipment (continued)

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

	Field equipment \$	Office equipment and furniture \$	Motor vehicles \$	Total \$
Opening balance	5,000	-	21,999	26,999
Additions	-	-	-	-
Disposals	-	-	-	-
Depreciation	(950)	-	(3,981)	(4,931)
Closing balance	4,050	-	18,018	22,068

Note 13 Exploration and evaluation assets

	Consolidated	
	2021 \$	2020 \$
Exploration and evaluation assets – at cost	5,860,930	6,361,325

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

Balance at the beginning of the year	6,361,325	5,144,827
Exploration and evaluation assets acquired – Zeus Minerals	-	-
Expenditure incurred during the year	660,993	1,256,027
Tax incentives received	(544,769)	-
Expenditure written off during the year	(613,988)	(26,356)
Exchange differences	(2,631)	(13,183)
Balance at the end of the year	5,860,930	6,361,325

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

During the current financial year, the Company wrote off exploration and evaluation assets of \$613,988 relating to the Alotta project in Quebec, Canada. The Directors have determined that it was appropriate that the carrying value of the Alotta project be written down to a level that reflects its recoverable amount. The recoverable amount has been determined based on recent market interest in the tenement.

Notes to the financial statements for the year ended 30 June 2021

Note 14 Investments accounted for using the equity method

	2021 \$	2020 \$
Investment in Associate	<u>592,696</u>	<u>-</u>

During the year Chase Mining Corporation acquired a 40% interest in Red Fox Resourced Pty Limited (Red Fox) for a total cash consideration of \$600,000. Red Fox is an exploration Company with a Gold and Silver-Lead-Zinc focus, owning seven granted tenements.

Set out below is the associate of the Group as at 30 June 2021 which, in the opinion of the Directors, is material to the Group. The associate has share capital consisting solely of ordinary shares, which are held directly by the Group. Red Fox Resources Pty Ltd is incorporated in Australia and has its principal place of business in Australia. The proportion of ownership interest is the same as the proportion of voting power.

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

	2021 \$	2020 \$
Balance at the beginning of the period	-	-
Investment acquired during the period	600,000	-
Share of loss after income tax	<u>(7,304)</u>	<u>-</u>
Balance at the end of the period	<u>592,696</u>	<u>-</u>

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

	2021 \$	2020 \$
Summarised balance sheet		
Current assets	420,436	-
Non-Current assets	<u>719,386</u>	<u>-</u>
Total assets	<u>1,139,822</u>	<u>-</u>
Current liabilities	14,006	-
Non-current liabilities	<u>-</u>	<u>-</u>
Total liabilities	<u>14,006</u>	<u>-</u>
Net assets	<u>1,125,816</u>	<u>-</u>
Loss for the year	<u>18,260</u>	<u>-</u>

Notes to the financial statements for the year ended 30 June 2021

Note 14 Investments accounted for using the equity method (continued)

Reconciliation to carrying amounts:

Net assets at date of acquisition	1,500,000	-
Loss for the period	(18,260)	-
Closing net assets	1,481,740	-
Group's share in %	40%	-
Group's share in \$	592,696	-
Carrying amount	592,696	-

Note 15 Trade and other payables

	Consolidated	
	2021	2020
	\$	\$
CURRENT		
Trade payables	14,060	374,124
Sundry payables and accrued expenses	145,115	161,300
Total trade and other payables	159,175	535,424

Notes to the financial statements for the year ended 30 June 2021

Note 16 Issued capital

	2021 Shares	2020 Shares	2021 \$	2020 \$
(a) Share capital				
Ordinary shares				
Fully paid	370,007,761	318,702,401	13,634,004	12,866,373

(b) Movements in ordinary share capital

Date	Details	Note	Number of Shares	Issue Price	\$
1 July 2019	Opening balance		206,961,921		11,524,777
4 June 2020	Placement shares	(d)	51,740,480	\$0.0125	646,756
22 June 2020	Share purchase plan	(e)	60,000,000	\$0.0125	750,000
	Share issue expenses		-		(55,160)
30 June 2020	Balance		<u>318,702,401</u>		<u>12,866,373</u>
28 January 2021	Placement	(c)	47,805,360	\$0.016	764,886
9 April 2021	Placement to directors	(c)	3,500,000	\$0.016	56,000
	Share issue expenses		-		(53,255)
30 June 2021	Closing balance		<u>370,007,761</u>		<u>13,634,004</u>

(c) Issue to sophisticated investors

The issue of 47,805,360 fully paid ordinary shares to sophisticated investors at an issue price of \$0.016 cash and the issue of 3,500,000 fully paid ordinary shares to directors, following shareholder approval, at an issue price of \$0.016 cash.

(d) Issue to sophisticated investors

The issue of 51,740,480 fully paid ordinary shares to sophisticated investors at an issue price of \$0.0125 cash.

(e) Share purchase plan

The issue of 60,000,000 fully paid ordinary shares to existing shareholders under a Share Purchase Plan at an issue price of \$0.0125 cash.

(f) Capital Management

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

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

Notes to the financial statements for the year ended 30 June 2021

Note 16 Issued capital (continued)

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

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

The Covid 19 pandemic has not impacted on the Group's ability to raise capital as evidenced by the capital raising in January 2021 where \$764,886 was raised through a placement to sophisticated investors. Based on this, the Group's strategy for capital risk management is unchanged from prior years.

Note 17 Reserves

	Consolidated	
	2021	2020
	\$	\$
Share-based payment reserve	1,307,589	1,307,589
Contingent consideration reserve	101,712	101,712
Foreign currency translation reserve	(11,747)	6,716
	<u>1,397,554</u>	<u>1,416,017</u>

(a) Share-based payment reserve

	Consolidated	
	2021	2020
	\$	\$
Share-based payment reserve	<u>1,307,589</u>	<u>1,307,589</u>
Movements:		
Balance 1 July	1,307,589	801,532
Share based payments	-	506,057
Balance 30 June	<u>1,307,589</u>	<u>1,307,589</u>

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

Notes to the financial statements for the year ended 30 June 2021

Note 17 Reserves (continued)

(b) Contingent consideration reserve	Consolidated	
	2021	2020
	\$	\$
Contingent consideration reserve	101,712	101,712

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

The contingent consideration reserve arises from valuing the contingent share-based consideration associated with the purchase of the Torrington Tungsten and Topaz Project.

(c) Foreign currency translation reserve	Consolidated	
	2021	2020
	\$	\$
Foreign currency translation reserve	(11,747)	6,716

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

Note 18 Operating segments

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

Notes to the financial statements for the year ended 30 June 2021

Note 18 Operating segments (continued)

Basis of accounting for purposes of reporting by operating segments

a. Accounting policies adopted

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

b. Segment assets

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

c. Segment liabilities

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

d. Unallocated items

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

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

e. Segment information

Segment performance

2021	Australia \$	Canada \$	Unallocated \$	Total \$
Interest revenue	-	-	3,818	3,818
Other income	50,000	-	76,226	126,226
Total group income	50,000	-	80,044	130,044
Segment net profit / (loss) before tax	(97,464)	(605,356)	(300,354)	(1,003,174)

Notes to the financial statements for the year ended 30 June 2021

Note 18 Operating segments (continued)

2020	Australia \$	Canada \$	Unallocated \$	Total \$
Interest revenue	-	-	20,529	20,529
Other income	50,000	-	75,707	125,707
Total group income	50,000	-	96,236	146,236
Segment net profit / (loss) before tax	(154,744)	(156,744)	(906,994)	(1,218,482)

Segment assets

	Australia \$	Canada \$	Unallocated \$	Total \$
30 June 2021	3,073,881	3,436,637	1,971,407	8,481,925

	Australia \$	Canada \$	Unallocated \$	Total \$
30 June 2020	2,953,724	3,584,768	2,573,688	9,112,180

Segment liabilities

	Australia \$	Canada \$	Unallocated \$	Total \$
30 June 2021	-	1,430	157,745	159,175

	Australia \$	Canada \$	Unallocated \$	Total \$
30 June 2020	500	344,874	190,050	535,424

Geographical Segments

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

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Notes to the financial statements for the year ended 30 June 2021

Note 19 Cash flow information

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

	Consolidated	
	2021	2020
	\$	\$
Profit / (loss) for the year	(1,003,174)	(1,218,482)
Adjustments for		
Depreciation expense	4,931	21,473
Share based payments	-	506,057
Exploration written off	613,988	26,356
Share of loss of associate	7,304	-
Foreign exchange translation	(22,214)	57,805
Change in operating assets and liabilities:		
(Increase)/decrease in other assets	79,744	(88,180)
Increase/(decrease) in trade and other creditors	(76,222)	38,679
Increase/(decrease) in provisions	20,861	26,291
Net cash inflow (outflow) from operating activities	<u>(374,782)</u>	<u>(630,001)</u>

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

		Consolidated	
		2021	2020
		\$	\$
Cash and cash equivalents	9	<u>1,289,925</u>	<u>2,390,056</u>
		1,289,925	2,390,056

(c) Net debt reconciliation

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

(d) Non-Cash investing and financing activities

There were no non-cash investing and financing activities during the financial year.

Note 20 Events after the reporting date

The impacts of COVID-19 have not changed since the end of the financial year.

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

Notes to the financial statements for the year ended 30 June 2021

Note 21 Related party transactions

During the financial year the Group paid GTT Ventures Pty Ltd a fee of \$36,293 for professional and consulting fees associated with the June 2020 share placement. The fee represented 6% of the funds raised.

During the financial year the Group paid \$6,880 to Atkinson Corporate Law, a company of which Julian Atkinson is the principal, for legal services on normal commercial terms and conditions.

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

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

Note 22 Commitments

(a) Exploration commitments

	Consolidated	
Notes	2021	2020
	\$	\$
Commitments for payments under exploration permits in existence at the reporting date but not recognised as liabilities payable	520,000	-

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

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

As at 30 June 2021 the company has met all of its minimum expenditure commitments on its tenements.

Notes to the financial statements for the year ended 30 June 2021

Note 23 Financial risk management

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

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

	Notes	Consolidated	
		2021	2020
		\$	\$
Financial assets			
Cash and cash equivalents		1,289,925	2,390,056
Trade and other receivables		654,367	280,280
Total financial assets		<u>1,944,292</u>	<u>2,670,336</u>
Financial liabilities			
Trade and other payables		159,175	431,982
Total financial liabilities		<u>159,175</u>	<u>431,982</u>

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

Credit risk

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

Liquidity risk

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

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

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

Notes to the financial statements for the year ended 30 June 2021

Note 23 Financial risk management (continued)

Market risk

Market risk is the risk that the change in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments.

The Group is not exposed to market risks other than interest rate risk and foreign currency risk.

Foreign currency risk

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

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

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

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

	2021 CND \$	2020 CND \$
Trade and other receivables	652,451	166,230
Trade payables	1,430	315,283

Cash flow and fair value interest rate risk

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

At 30 June 2021, if interest rates had changed by +/- 100 basis points from the year-end rates with all other variables held constant, post-tax profit for the year would have been \$12,899 lower/higher (2020: \$23,901), as a result of higher/lower interest income from cash and cash equivalents.

Fair Value

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

Notes to the financial statements for the year ended 30 June 2021

Note 24 Contingencies

There were no contingent liabilities as at 30 June 2021 (2020: nil).

Note 25 Share based payments

OPTIONS

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

	Number
Options outstanding as at 30 June 2020	22,000,000
Granted	-
Forfeited	-
Expired	-
Performance rights outstanding as at 30 June 2021	22,000,000*

* Options were awarded to Directors and an executive on 12 June 2020 and were subject to Shareholder approval which was received on 23 July 2020.

During the prior financial year 22,000,000 options were awarded to Directors and an Executive (Dr Leon Pretorius 10,000,000, Martin Kavanagh 5,000,000, Charles Thomas 5,000,000 and Suzanne Yeates 2,000,000). The options are exercisable at \$0.02 and expire on 31 December 2022. The options do not have any vesting conditions and are exercisable at 30 June 2021.

Directors' declaration

In the Directors' opinion:

- (a) the financial statements and notes set out on pages 27 to 62 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements, and
 - (ii) giving a true and fair view of the consolidated entity's financial position as at 30 June 2021 and of its performance for the financial year ended on that date, and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

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

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



Leon Pretorius
Executive Chairman and CEO
Brisbane, 30 September 2021

INDEPENDENT AUDITOR'S REPORT

To the members of Chase Mining Corporation Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Chase Mining Corporation Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated balance sheet as at 30 June 2021, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies and the directors' declaration.

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

- (i) Giving a true and fair view of the Group's financial position as at 30 June 2021 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

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

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

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

Material uncertainty related to going concern

We draw attention to Note 1 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the group's ability to continue as a going concern and therefore the group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

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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. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Carrying value of exploration and evaluation assets

Key audit matter	How the matter was addressed in our audit
<p>Refer to note 13 in the financial report.</p> <p>The Group carries exploration and evaluation assets totalling \$5,860,930 as at 30 June 2021 in relation to the application of the Group's accounting policy for exploration and evaluation expenditure, as set out in note 1. The carrying value of the exploration and evaluation asset is a key audit matter due to:</p> <ul style="list-style-type: none"> • The significance of the total balance; and • The level of procedures undertaken to evaluate management's application of the requirements of AASB 6 <i>Exploration for and Evaluation of Mineral Resources</i> ('AASB 6') in light of any indicators of impairment that may be present. 	<p>Our procedures included, but were not limited to the following:</p> <ul style="list-style-type: none"> • Obtaining evidence that the Group has valid rights to explore in the areas represented by the capitalised exploration and evaluation expenditure by obtaining confirmation of a sample of the Group's tenement holdings; • Agreeing a sample of the additions to capitalised exploration expenditure during the year to supporting documentation, and ensuring that the amounts were capitalised correctly; • Making enquiries of management with respect to the status of ongoing exploration programs in the respective areas of interest and assessing the Group's cash flow budget for the level of budgeted spend on exploration projects and held discussions with directors of the Group as to their intentions and strategy; and • Enquiring of management, reviewing ASX announcements and reviewing directors' minutes to ensure that the Group had not decided to discontinue activities in any applicable areas of interest and to assess whether there are any other facts or circumstances that existed to indicate impairment testing was required.

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Accounting and Valuation of Investment in Associate

Key audit matter	How the matter was addressed in our audit
<p>Refer to note 14 in the financial report.</p> <p>The Group recognises the investment in associate using the equity method with a carrying value of \$592,696 as at 30 June 2021, in accordance with the Group's accounting policy as set out in note 1. The accounting and valuation of the investment in associate is a key audit matter due to:</p> <ul style="list-style-type: none"> • The significant judgement required in determining the appropriate accounting treatment of the investment; and • The significance of the total balance. 	<p>Our procedures included, but were not limited to the following:</p> <ul style="list-style-type: none"> • Reviewing management's classification and accounting treatment of the investment at the end of each reporting period; • Determining if the Group's share of the Associate's profit or loss has been correctly recognised; • Review the carrying value of the investment based on internal and external factors; • Determine if the disclosure in the financial report is adequate.

Other information

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

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of 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 group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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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.

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

https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 16 to 22 of the directors' report for the year ended 30 June 2021.

In our opinion, the Remuneration Report of Chase Mining Corporation Limited, 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 section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO Audit Pty Ltd



A J Whyte

Director

Brisbane, 30 September 2021

Shareholder information

The shareholder information set out below was applicable as at 10 September 2021.

A Distribution of equity securities

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

	Class of equity security	
	Ordinary shares	
1 - 1,000		55
1,001 – 5,000		73
5,001 – 10,000		99
10,001 – 100,000		492
100,001 and over		358
		1,077

There were 429 holders of less than a marketable parcel of ordinary shares.

B Equity security holders

Twenty largest quoted equity security holders

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

Name	Ordinary shares	
	Number held	% of issued shares
Syracuse Capital Pty Ltd	31,273,809	8.45%
Dr Leon Pretorius	20,400,000	5.51%
Mr Sean Llewelyn	12,400,000	3.35%
Southern Reaches Pty Ltd	13,681,731	4.29%
Syracuse Capital Pty Ltd	11,770,000	3.18%
Mounts Bay Investments Pty Ltd	7,440,000	2.01%
Alissa Bella Pty Ltd	6,937,500	1.87%
Mr Cam Risstrom	6,627,272	1.79%
Alissa Bella Pty Ltd	6,000,000	1.62%
Lovell & Co Pty Ltd	6,000,000	1.62%
Mr Rohan Edmondson	5,500,000	1.49%
Southern Reaches Pty Ltd	5,491,535	1.48%
Nalmor Pty Ltd	5,255,614	1.42%
Murdoch Capital Pty Ltd	4,500,000	1.22%
Vamos Trading Pty Ltd	4,500,000	1.22%
Cryptodome Pty Ltd	4,400,000	1.19%
Melissa Tassone	4,195,072	1.13%
M & K Korkidas Pty Ltd	4,175,088	1.13%
Dennis Lovell & Janette Lovell	4,000,000	1.08%
Samuel Jacobs, Sarita Jacobs and Menekha Jacobs	4,000,000	1.08%
GIAC Enterprises Pty Ltd	4,000,000	1.08%
Paul St Wood	4,000,000	1.08%
Total (22 shareholders)	176,547,621	48.29%

Unquoted equity securities

	Number of issue	Number of holders
Options	22,000,000	4

Holders of more than 20% of unquoted options on issue

	Number held	% of total on issue
Leon Pretorius	10,000,000	45%
Charles Thomas	5,000,000	23%
Valerie Kavanagh	5,000,000	23%

C Substantial holders

Substantial holders in the company are set out below:

	Number held	Percentage
Ordinary shares		
Syracuse Capital Pty Ltd	43,043,809	11.63%
Dr Leon Pretorius	20,400,000	5.51%

D Voting rights

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

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

Additional Information – Tenement List

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

Project	Tenement. No.	% Interest	Expires	Location
AUSTRALIA				
Torrington 1	EL 8258	100%	16/04/2023	NSW Australia
Torrington 2	EL 8355	100%	18/03/2024	NSW Australia

CANADA – QUEBEC

The Minister of Energy and Natural Resources announced on the 9 April 2020, that the expiry date of all mining exploration rights (claims or CDC) in effect in Quebec has been extended for a period of 12 months. The Company has yet to receive written confirmation of the new expiry dates, however 12 months will be added to the dates listed below.

ALOTTA AREA

Project	Tenement. No.	% Interest	Expires	Location
Alotta-Delphi-Zullo	CDC 1131092	100%	2/07/2023	Quebec, Canada
Alotta-Delphi-Zullo	CDC 1131093	100%	2/07/2023	Quebec, Canada
Alotta-Delphi-Zullo	CDC 1131094	100%	2/07/2023	Quebec, Canada
Alotta-Delphi-Zullo	CDC 1131116	100%	2/07/2023	Quebec, Canada
Alotta-Delphi-Zullo	CDC 1131117	100%	2/07/2023	Quebec, Canada
Alotta-Delphi-Zullo	CDC 1131118	100%	2/07/2023	Quebec, Canada
Alotta-Delphi-Zullo	CDC 1131119	100%	2/07/2023	Quebec, Canada
Alotta-Delphi-Zullo	CDC 1131120	100%	2/07/2023	Quebec, Canada
Alotta-Delphi-Zullo	CDC 1131127	100%	2/07/2023	Quebec, Canada
Alotta-Delphi-Zullo	CDC 1131128	100%	2/07/2023	Quebec, Canada
Alotta-Delphi-Zullo	CDC 1131129	100%	2/07/2023	Quebec, Canada
Alotta-Delphi-Zullo	CDC 1131130	100%	2/07/2023	Quebec, Canada
Alotta-Delphi-Zullo	CDC 1131131	100%	2/07/2023	Quebec, Canada
Alotta-Delphi-Zullo	CDC 1131132	100%	2/07/2023	Quebec, Canada
Alotta-Delphi-Zullo	CDC 1131133	100%	2/07/2023	Quebec, Canada
Alotta-Delphi-Zullo	CDC 2462712	100%	18/09/2023	Quebec, Canada
Alotta-Delphi-Zullo	CDC 2462713	100%	18/09/2023	Quebec, Canada
Alotta-Delphi-Zullo	CDC 2466858	100%	20/10/2023	Quebec, Canada

LORRAINE

Lorraine	CDC 2497739	100%	16/07/2022	Quebec, Canada
Lorraine	CDC 2497740	100%	16/07/2022	Quebec, Canada
Lorraine	CDC 2497741	100%	16/07/2022	Quebec, Canada
Lorraine	CDC 2497742	100%	16/07/2022	Quebec, Canada

Project	Tenement. No.	% Interest	Expires	Location
Lorraine	CDC 2497743	100%	16/07/2022	Quebec, Canada
Lorraine	CDC 2497744	100%	16/07/2022	Quebec, Canada
Lorraine	CDC 2497745	100%	16/07/2022	Quebec, Canada
Lorraine	CDC 2502524	100%	19/09/2022	Quebec, Canada
Lorraine	CDC 2502525	100%	19/09/2022	Quebec, Canada
Lorraine	CDC 2502526	100%	19/09/2022	Quebec, Canada
Lorraine	CDC 2502527	100%	19/09/2022	Quebec, Canada
Lorraine	CDC 2502528	100%	19/09/2022	Quebec, Canada
Lorraine	CDC 2502529	100%	19/09/2022	Quebec, Canada
Lorraine	CDC 2391074	100%	22/09/2022	Quebec, Canada
Lorraine	CDC 2391075	100%	22/09/2022	Quebec, Canada
Lorraine	CDC 2395341	100%	2/12/2022	Quebec, Canada
Lorraine	CDC 2395342	100%	2/12/2022	Quebec, Canada
Lorraine	CDC 2395343	100%	2/12/2022	Quebec, Canada
Lorraine	CDC 2395344	100%	2/12/2022	Quebec, Canada
Lorraine	CDC 2395345	100%	2/12/2022	Quebec, Canada
Lorraine	CDC 2395346	100%	2/12/2022	Quebec, Canada
Lorraine	CDC 2395355	100%	2/12/2022	Quebec, Canada
Lorraine	CDC 2395356	100%	2/12/2022	Quebec, Canada
Lorraine	CDC 2395357	100%	2/12/2022	Quebec, Canada
Lorraine	CDC 2401159	100%	11/03/2023	Quebec, Canada
Lorraine	CDC 2401160	100%	11/03/2023	Quebec, Canada
Lorraine	CDC 2402022	100%	20/03/2023	Quebec, Canada
Lorraine	CDC 2402023	100%	20/03/2023	Quebec, Canada
Lorraine	CDC 2402024	100%	20/03/2023	Quebec, Canada
Lorraine	CDC 2402025	100%	20/03/2023	Quebec, Canada
Lorraine	CDC 2402026	100%	20/03/2023	Quebec, Canada
Lorraine	CDC 2406736	100%	17/06/2023	Quebec, Canada
Lorraine	CDC 2321353	100%	20/06/2023	Quebec, Canada
Lorraine	CDC 2321354	100%	20/06/2022	Quebec, Canada
Lorraine	CDC 2460442	100%	30/08/2023	Quebec, Canada
Lorraine	CDC 2460443	100%	30/08/2023	Quebec, Canada
Lorraine	CDC 2460444	100%	30/08/2023	Quebec, Canada
Lorraine	CDC 2411844	100%	14/09/2023	Quebec, Canada
Lorraine	CDC 2363761	100%	17/09/2023	Quebec, Canada
Lorraine	CDC 2415020	100%	22/10/2023	Quebec, Canada
Lorraine	CDC 2415021	100%	22/10/2023	Quebec, Canada
Lorraine	CDC 2415022	100%	22/10/2023	Quebec, Canada
Lorraine	CDC 2415023	100%	22/10/2023	Quebec, Canada
Lorraine	CDC 2415024	100%	22/10/2023	Quebec, Canada

Project	Tenement. No.	% Interest	Expires	Location
Lorraine	CDC 2415025	100%	22/10/2023	Quebec, Canada
Lorraine	CDC 2415026	100%	22/10/2023	Quebec, Canada
Lorraine	CDC 2415027	100%	22/10/2023	Quebec, Canada
Lorraine	CDC 2415028	100%	22/10/2023	Quebec, Canada
Lorraine	CDC 2415029	100%	22/10/2023	Quebec, Canada
Lorraine	CDC 2415030	100%	22/10/2023	Quebec, Canada
Lorraine	CDC 2415031	100%	22/10/2023	Quebec, Canada
Lorraine	CDC 2415032	100%	22/10/2023	Quebec, Canada
Lorraine	CDC 2415033	100%	22/10/2023	Quebec, Canada
Lorraine	CDC 2415034	100%	22/10/2023	Quebec, Canada
Lorraine	CDC 2415035	100%	22/10/2023	Quebec, Canada
Lorraine	CDC 2415036	100%	22/10/2023	Quebec, Canada
Lorraine	CDC 2415037	100%	22/10/2023	Quebec, Canada
Lorraine	CDC 2415038	100%	22/10/2023	Quebec, Canada
Lorraine	CDC 2415039	100%	22/10/2023	Quebec, Canada
Lorraine	CDC 2415040	100%	22/10/2023	Quebec, Canada
Lorraine	CDC 2415041	100%	22/10/2023	Quebec, Canada
Lorraine	CDC 2415042	100%	22/10/2023	Quebec, Canada
Lorraine	CDC 2415043	100%	22/10/2023	Quebec, Canada
Lorraine	CDC 2415044	100%	22/10/2023	Quebec, Canada
Lorraine	CDC 2415045	100%	22/10/2023	Quebec, Canada
Lorraine	CDC 2415046	100%	22/10/2023	Quebec, Canada
Lorraine	CDC 2415047	100%	22/10/2023	Quebec, Canada
Lorraine	CDC 2415048	100%	22/10/2023	Quebec, Canada
Lorraine	CDC 2415049	100%	22/10/2023	Quebec, Canada
Lorraine	CDC 2415050	100%	22/10/2023	Quebec, Canada
Lorraine	CDC 2415051	100%	22/10/2023	Quebec, Canada
Lorraine	CDC 2415052	100%	22/10/2023	Quebec, Canada
Lorraine	CDC 2415053	100%	22/10/2023	Quebec, Canada
Lorraine	CDC 2415054	100%	22/10/2023	Quebec, Canada
Lorraine	CDC 2415055	100%	22/10/2023	Quebec, Canada
Lorraine	CDC 2415056	100%	22/10/2023	Quebec, Canada
Lorraine	CDC 2467148	100%	24/10/2023	Quebec, Canada
Lorraine	CDC 2415238	100%	5/11/2023	Quebec, Canada
Lorraine	CDC 2415239	100%	5/11/2023	Quebec, Canada
Lorraine	CDC 2415240	100%	5/11/2023	Quebec, Canada
Lorraine	CDC 2415241	100%	22/10/2022	Quebec, Canada
Lorraine	CDC 2415242	100%	22/10/2022	Quebec, Canada
Lorraine	CDC 2415243	100%	22/10/2022	Quebec, Canada
Lorraine	CDC 2415244	100%	22/10/2022	Quebec, Canada

Project	Tenement. No.	% Interest	Expires	Location
Lorraine	CDC 2415245	100%	22/10/2022	Quebec, Canada
Lorraine	CDC 2415246	100%	22/10/2022	Quebec, Canada
Lorraine	CDC 2415247	100%	22/10/2022	Quebec, Canada
Lorraine	CDC 2369438	100%	5/11/2022	Quebec, Canada
Lorraine	CDC 2369439	100%	5/11/2022	Quebec, Canada
Lorraine	CDC 2369440	100%	5/11/2022	Quebec, Canada
Lorraine	CDC 2540452	100%	10/06/2022	Quebec, Canada
Lorraine	CDC 2540453	100%	10/06/2022	Quebec, Canada
Lorraine	CDC 2540454	100%	10/06/2022	Quebec, Canada
Lorraine	CDC 2540455	100%	10/06/2022	Quebec, Canada
Lorraine	CDC 2540456	100%	10/06/2022	Quebec, Canada
Lorraine	CDC 2540457	100%	10/06/2022	Quebec, Canada
Lorraine	CDC 2541509	100%	14/07/2022	Quebec, Canada
Lorraine	CDC 2541510	100%	14/07/2022	Quebec, Canada
Lorraine	CDC 2541511	100%	14/07/2022	Quebec, Canada
Lorraine	CDC 2541512	100%	14/07/2022	Quebec, Canada
Lorraine	CDC 2541513	100%	14/07/2022	Quebec, Canada
Lorraine	CDC 2541514	100%	14/07/2022	Quebec, Canada
Lorraine	CDC 2541515	100%	14/07/2022	Quebec, Canada
Lorraine	CDC 2541516	100%	14/07/2022	Quebec, Canada
Lorraine	CDC 2544378	100%	14/10/2022	Quebec, Canada
Lorraine	CDC 2544379	100%	14/10/2022	Quebec, Canada
Lorraine	CDC 2544380	100%	14/10/2022	Quebec, Canada
Lorraine	CDC 2544381	100%	14/10/2022	Quebec, Canada
Lorraine	CDC 2544382	100%	14/10/2022	Quebec, Canada
Lorraine	CDC 2544383	100%	14/10/2022	Quebec, Canada
Lorraine	CDC 2544384	100%	14/10/2022	Quebec, Canada
Lorraine	CDC 2544385	100%	14/10/2022	Quebec, Canada
Lorraine	CDC 2544386	100%	14/10/2022	Quebec, Canada
Lorraine	CDC 2544387	100%	14/10/2022	Quebec, Canada
Lorraine	CDC 2544388	100%	14/10/2022	Quebec, Canada
Lorraine	CDC 2544389	100%	14/10/2022	Quebec, Canada
Lorraine	CDC 2544390	100%	14/10/2022	Quebec, Canada
Lorraine	CDC 2544391	100%	14/10/2022	Quebec, Canada
Lorraine	CDC 2544392	100%	14/10/2022	Quebec, Canada
Lorraine	CDC 2544393	100%	14/10/2022	Quebec, Canada
Lorraine	CDC 2544394	100%	14/10/2022	Quebec, Canada
Lorraine	CDC 2544395	100%	14/10/2022	Quebec, Canada
Lorraine	CDC 2544396	100%	14/10/2022	Quebec, Canada
Lorraine	CDC 2544397	100%	14/10/2022	Quebec, Canada

Project	Tenement. No.	% Interest	Expires	Location
Lorraine	CDC 2544398	100%	14/10/2022	Quebec, Canada
Lorraine	CDC 2544399	100%	14/10/2022	Quebec, Canada
Lorraine	CDC 2544400	100%	14/10/2022	Quebec, Canada
Lorraine	CDC 2544401	100%	14/10/2022	Quebec, Canada
Lorraine	CDC 2544402	100%	14/10/2022	Quebec, Canada
Lorraine	CDC 2544403	100%	14/10/2022	Quebec, Canada
Lorraine	CDC 2544404	100%	14/10/2022	Quebec, Canada
Lorraine	CDC 2544405	100%	14/10/2022	Quebec, Canada
Lorraine	CDC 2544406	100%	14/10/2022	Quebec, Canada
Lorraine	CDC 2544407	100%	14/10/2022	Quebec, Canada
Lorraine	CDC 2544408	100%	14/10/2022	Quebec, Canada
Lorraine	CDC 2544409	100%	14/10/2022	Quebec, Canada
Lorraine	CDC 2544410	100%	14/10/2022	Quebec, Canada
Lorraine	CDC 2544411	100%	14/10/2022	Quebec, Canada
Lorraine	CDC 2544412	100%	14/10/2022	Quebec, Canada