



C29 METALS LIMITED

ABN 47 645 218 453

Annual Report

30 June 2022

Annual Year Report 30 June 2022

CONTENTS

PAGE NO.

Corporate Directory	3
Directors' Report	4
Auditor's Independence Declaration	19
Consolidated Statement of Profit or Loss and Other Comprehensive Income	20
Consolidated Statement of Financial Position	21
Consolidated Statement of Changes in Equity	22
Consolidated Statement of Cash Flows	23
Notes to the Financial Statements	24
Directors' Declaration	41
Independent Auditor's Review Report	42
Corporate Governance Statement	46
ASX Additional Information	47

CORPORATE DIRECTORY

Board of Directors

Mr David Lees	Non-Executive Chairman (appointed 1 July 2021)
Mr Mark Major	Executive Director (appointed 1 July 2021)
Mr Edmund Haynes	Non-Executive Director (appointed 19 October 2020 to 30 June 2021)
Mr Martin Helean	Non-Executive Director (appointed 1 July 2021, resigned 15 August 2022)
	Non-Executive Director (appointed 15 August 2022)

Secretary

Mr Mauro Piccini

Registered Office & Principal Place of Business

Suite 11, Level 2
23 Railway Road
Subiaco WA 6008

Telephone: 08 6559 1792

Auditors

RSM Australia Partners
Level 32, 2 The Esplanade
Perth WA 6000

Solicitors

Nova Legal
Level 2, 50 Kings Park Road
West Perth WA 6005

Bankers

Westpac Banking Corporation
Level 4, Brookfield Place, Tower Two
123 St Georges Terrace
Perth WA 6000

Share Registry

Automic Share Registry
Level 5, 191 St Georges Terrace
Perth WA 6000
Telephone: 1300 288 664

Stock exchange listing

C29 Metals Limited share are listed on the Australian Securities Exchange (ASX code: C29)

Website

<https://c29metals.com.au/>

Corporate Governance Statement

<https://c29metals.com.au/corporate-governance/>

DIRECTORS' REPORT

The Directors of C29 Metals Limited ("C29 Metals" or "the Company") present their report, together with the consolidated financial statements, on the consolidated entity (referred to hereafter as the "Group") consisting of C29 Metals Limited and the entities it controlled at the end, or during, the annual year ended 30 June 2022.

INFORMATION ON DIRECTORS

The names and details of the Company's Directors in office during the financial year and until the date of this report are as follows. Directors were in office for the entire year unless otherwise stated.

Mr David Lees | Non-Executive Chairman (appointed 1 July 2021)

Mr Lees has over 20 years' experience in the Australian financial services industry starting his career as a stockbroker before moving into investment and funds management. These roles have given David extensive experience in capital markets with a diverse skillset covering investment management, business development and corporate governance. Mr Lees holds a Bachelor of Economics from Murdoch University and a post graduate diploma in Applied Finance and Investment (FINSIA).

During the past three years, Mr Lees held the following directorship in other ASX listed companies:

- Non-Executive Director of Sultan Resources Limited (ASX: SLZ) (current).

Mr Mark Major | Executive Director (appointed 1 July 2021) (appointed Non-Executive Director on 19 October 2020 to 30 June 2021)

Mark Major is a qualified geologist with a Masters in Business Administration and has more than 28 years in the resources industry. During the last 20 years, Mr Major has held executive and senior management roles within junior and mid-tier resources companies within Australia and internationally. Mr Major's senior executive and board experience includes project generation, evaluation and acquisition, JV negotiation, financing, permitting and approvals, feasibility study management, offtake and government relations. Mr Major has a strong track record in shareholder wealth creation and has been instrumental in developing greenfield exploration projects to the mine development.

During the past three years, Mr Major held the following directorship in other ASX listed companies:

- Non-Executive Director of Albion Resources Limited (ASX: ALB) (current).

Mr Martin Helean | Non-Executive Director (appointed 15 August 2022)

Mr Helean has more than 25 years experience in senior managerial roles across the mining, mineral exploration, manufacturing and construction sectors, this experience has been gained in private owned, and publicly listed businesses, both in Australia and internationally.

Specialising in operational efficiency and logistics, Mr Helean is a team builder who can plan strategically within an organisation, executing corporate objectives in a timely and cost effective manner. Highly Experienced in contract negotiations with an emphasis on running lean and productive businesses, Mr Helean is a proven problem solver, focused on project delivery and smooth operational performance. He values employee relations and is highly regarded by those who have worked in organisations under his managerial control.

Over the past 15 years Mr Helean has held senior management roles in several companies listed on the Australian Stock Exchange and London Minerals Exchange. These companies include Greenland Minerals & Energy Ltd, Convergent Minerals Ltd, Ram Recourses Ltd, Rare Earth Minerals Plc and Suvo Strategic Minerals Ltd

During the past three years, Mr Helean has not held any directorships in other ASX listed companies.

DIRECTORS' REPORT

Mr Edmund Haynes | Non-Executive Director (appointed 1 July 2021 and resigned 15 August 2022)

Mr Haynes is a qualified geologist who obtained a Bachelor of Science (Geology) from Dalhousie University in Canada. Mr Haynes has worked in greenfield exploration and operational mines within Canada and South America. Mr Haynes is bilingual in English and Spanish with an extensive background in the junior mining sector. Mr Haynes is a young resource financier with a primary focus on brownfields exploration and development. Mr Haynes has advised on a variety of private corporate transactions in precious and base metals.

During the past three years, Mr Haynes has not held any directorships in other ASX listed companies.

Mr Mauro Piccini | Non-Executive Director (appointed 19 October 2020 and resigned 1 July 2021)

Company Secretary (appointed 19 October 2020)

Mr Piccini is a Chartered Accountant (CA) and a member of the Governance Institute of Australia (GIA). Mauro spent 7 years at the ASX and possesses core competencies in publicly listed and unlisted company secretarial, administration and governance disciplines. Mauro specialises in corporate advisory matters, company secretarial and financial management services for ASX listed companies, capital raisings and IPOs, due diligence reviews and ASX and ASIC compliance. Mauro regularly advises ASX listed companies on a range of corporate matters and has acted as the Company Secretary on a number of ASX listed and unlisted companies. Mauro also currently serves on the Board of The Pioneer Development Fund (Aust) Limited.

During the past three years, Mr Piccini has not held any directorships in other ASX listed companies.

Ms Kelly Mirabile | Non-Executive Director (appointed 19 October 2020 and resigned 1 July 2021)

Mrs Mirabile is a Chartered Accountant with over 8 years of financial reporting, accounting and auditing experience. Kelly spent 4 years working for BDO Perth in their audit and advisory division. Kelly specialises in company secretarial and financial services for ASX listed companies, capital raisings and IPOs, ASX and ASIC compliance.

During the past three years, Ms Mirabile has not held any directorships in other ASX listed companies.

INTERESTS IN SHARES AND OPTIONS OF THE COMPANY AND RELATED BODIES CORPORATE

The following table sets out each current Director's relevant interest in shares and options of the Company or a related body corporate as at the date of this report.

Director	Ordinary Shares	Unlisted Share Options
Mr David Lees ⁽ⁱ⁾	141,667	750,000
Mr Mark Major ⁽ⁱⁱ⁾	1,365,000	2,000,000
Mr Martin Helean ⁽ⁱⁱⁱ⁾	183,333	-
Mr Edmund Haynes (resigned 15 August 2022) ^(iv)	192,300	750,000
Mr Mauro Piccini (resigned 1 July 2021)	-	-
Ms Kelly Mirabile (resigned 1 July 2021)	-	-
Total	1,698,967	3,500,000

(i) Mr Lees purchased 100,000 shares on market on 17 December 2021.

(ii) Mr Major acquired 60,000 shares through market on 6 December 2021 and 55,000 shares on market on 21 December 2021.

(iii) Mr Martin's initial holdings through market purchase.

(iv) Mr Haynes acquired 137,300 shares on 4 November 2021, 27,000 shares on 17 December 2021, and 28,000 shares on 21 December 2021. All shares acquired were from on market purchases.

DIRECTORS' REPORT

DIRECTORS' MEETINGS

The number of Directors' meetings held during the financial year and the number of meetings attended by each Director during the time the Director's held office are:

Name	Number Eligible to Attend	Number Attended
Mr David Lees	1	1
Mr Mark Major	1	1
Mr Martin Helean (appointed 15 August 2022)	-	-
Mr Edmund Haynes (appointed 1 July 2021, resigned 15 August 2022)	1	1
Mr Mauro Piccini (resigned 1 July 2021)	-	-
Ms Kelly Mirabile (resigned 1 July 2021)	-	-

During the year, the Directors met regularly on an informal basis to discuss all matters associated with investment strategy, review of operations, and other Company matters.

Due to the size and scale of the Company, there is no Remuneration and Nomination Committee or Audit Committee at present. Matters typically dealt with by these Committees are, for the time being, managed by the Board.

PRINCIPAL ACTIVITIES

The principal activity of the Group during the year was the exploration of mining projects.

FINANCIAL RESULTS

The financial results of the Group for the year ended 30 June 2022 are:

	30-Jun-22
Cash and cash equivalents (\$)	3,139,775
Net assets (\$)	5,364,407

	30-Jun-22
Revenue (\$)	-
Net loss after tax (\$)	(1,002,239)

REVIEW OF OPERATIONS

During the financial year, the Company continued systematic exploration over its assets. The Company was granted several new tenements in South Australia and recently completed the acquisition of the Mayfield project in Queensland. The Company completed exploration on almost all of its assets; with drilling at Reedy Creek, extensive geophysical surveys and first pass geochemical surveys at the Sampsons Tank project.

Details of the project specific exploration operations are provided below.

Mayfield Project, Queensland

On 21 February 2022, the Company announced that it had entered into an option agreement with Isa Tenements Pty Ltd (100% owned subsidiary of GBM Resources Limited, ASX: GBZ) pursuant to which it has been granted an exclusive Option to acquire 100% of the Mayfield Copper-Gold (IOCG) project near the Trekelano and Tick Hill mines in Queensland. The Company exercised the option on 15 June 2022, following notification of the renewal of the tenement, and now is at the stage of documentation finalization and completion of the sale.

Planning for on-ground exploration has already begun, with gravity survey and possible Sub-Audio Magnetics (SAM) survey which has been designed by our geophysical consultant. The SAM geophysical method has been successfully applied by our peers in the region to assist with both geological interpretation and drill-targeting and is well suited to the regional geology and mineralization styles. Once these initial works have been completed, the Company will begin a process of target ranking and prioritisation across the project area.

DIRECTORS' REPORT

REVIEW OF OPERATIONS (continued)

Reedy Creek Project, NSW

During late 2021 and early 2022, a diamond drilling program consisting of a total of 7 diamond holes were drilled over the prospective area around the historical Reedy Creek mine diggings and along strike towards the Endeavor 1 prospect (ASX announcement dated 15 February 2022 and 8 March 2022).

This drilling confirmed the significant historical high-grade zones of copper, lead, zinc, manganese, silver and gold and that the extensions of the mineralisation between the Reedy Creek Mine (RCM) and Endeavour 1 prospects are apparent.

Results of the drill hole assays showed broad intersects of mineralisation zones and compared well with the historical drilling at the Reedy creek mine. Key highlights include:

- 31m at 1.12% Zn from 28.98m in DCDH001
- 17.0m @ 0.34% Cu from 53m downhole in RCDH004 and 4.0m @ 1.32g/t Au from 104m downhole in RCDH004
- 1m @ 1.14% Cu from 49m, within a 3m skarn interval at 0.48% Cu within RCDH007

These results report well with the historical drill results.

- 12.4m @ 1.13% Cu from 33.2m, within 48.1m @ 0.66% Cu, from 30.3m (DDH-3)
- 17m @ 1.04% Cu, including 8m @ 1.31% Cu from 9m (RCR-4) o 27m @ 1.3% Zn from 18m, including 7m @ 4.2% Zn, 1.0% Pb and 37ppm Ag (RCR-11)
- 11m @ 1.91g/t Au from 25m to EOH, including 6m @ 3.1g/t Au
- 7m @ 14.4% Mn from 14m to EOH; within 17m @ 9.2% Mn from 4m

Given the encouraging results from drilling on the margin of the RCM skarn alteration complex and the mineralisation evident in the step out holes, the Company will look to further explore around the historic mine workings and further along strike from RCM towards the Endeavor 1 workings through a combination of drilling and geophysical means.

Recent interpretation has highlighted areas of magnetic/structural complexity which correspond to known mineralization and these will be targeted as a priority. The Company considers these targets to be under-explored and is looking to investigate these further in the coming year.

Sampson Tank Project, NSW

The Company started its exploration by undertaking a 507 line-kilometre airborne electromagnetic survey in April 2022. The survey was undertaken over the complete tenement to help identify potential conductors within the outcropping and covered areas of the tenement. An extensional and infill soil geochemistry survey was completed over and around the P-47 and P-54 exploration targets during the same period. The results of the surveys are currently being interpreted.

The Company is targeting high-grade deformed and remobilized Besshi-type volcanic associated massive sulphide (VAMS) Cu-Au deposits. The project sits in an emerging high-grade copper district and shares key geological, geophysical, and geochemical analogous to the nearby Tritton Cu Mine, Collerina Cu, Tottenham Cu and Iron Duke Cu projects.

Torrens Projects, SA

At the end of the financial year the Company had been granted two of its five applications for exploration licenses by the South Australian Department for Energy and Mines (DEM). The Company expects the other three applications to be awarded soon.

The granted exploration licenses EL6740 (Carriewrlop) and EL6141 (Torrens North) are 400 and 908 square kilometres. The tenements and outstanding applications reside within the Olympic Dam iron oxide copper gold (uranium) ("IOCG") province of the Stuart Shelf in central South Australia. The IOCG province is a Palaeoproterozoic and Mesoproterozoic tectonic and lithostratigraphic domain that extends for some 700km along the eastern margin of the Gawler Craton.

DIRECTORS' REPORT

REVIEW OF OPERATIONS (continued)

Torrens Projects, SA (continued)

Within the granted License EL6741 Torrens North area, copper and uranium prospects are known, some of which include historical diggings and rock chips up to 8.7% Cu from the West Mount prospects and significant uranium has been encountered at the Seaham prospect.

Within the dominant Adelaidean and Cambrian sediments of this area, possible types of mineralisation could include:

- Sediment-hosted copper deposits, of the Zambian Copperbelt style or associated with brecciated diapiroic structures
- Mississippi Valley type ("MVT") lead-zinc-copper-silver mineralisation systems
- Structurally hosted gold deposits associated with large fault systems in the Adelaidean sediments
- Disseminated sediment-hosted gold deposits
- Willemite (zinc silicate) mineralisation, similar to the deposits at the Puttapa Mine
- Tertiary silcrete carnotite Uranium (Yeerlirrie) style deposits

Within the Mesoproterozoic basement rocks under most of the tenements, the main exploration target are the Olympic Dam style Cu-Au deposits also known as IOCG's.

No significant work was undertaken during the reporting period. The Company was delayed in obtaining the transfer of the title and establishing the transfer for the indigenous land use agreement with the heritage groups. Both these actions are important steps prior to undertaking any field-based exploration activities.

The Company has completed an extensive review and data compilation of the past exploration work which highlighted the potential of the project to host structurally controlled copper deposits. During the review, the Company identified up to eight geochemical targets and several geophysical areas of interest with the most advanced exploration target at Stadlers Gossan. This area has recorded rock chip samples of up to 45% copper among other high-grade samples. This area as well as other documented copper-gold occurrences nearby, were drilled by Newcrest Limited in the early 1990's. Notable intersections recorded intersections of 9m @ 1.86% Cu from 47m and 3m @ 0.25% Cu from 62m.

Rock geochemical sampling data collected in 2017 whilst the project was privately owned was recently reviewed and supported the historical exploration. Most of this rock sampling focused on the Stadlers Gossan prospect, with peak copper values up to 8.77% Cu recorded from pXRF sampling (ASX Announcement dated 24 November 2021).

Once the Company completes all the regulatory preparation it will look to get access on the ground and field exploration can begin.

Competent Person Statement

The information in this announcement is based on, and fairly represents information compiled by Mark Major, Executive Director of C29 Metals, who is a Member of the Australasian Institute of Mining and Metallurgy and is the technical advisor. Mr Major has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activity which he has undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Major consents to the inclusion in this announcement of the matters based on this information in the form and context in which it appears.

Disclaimer

In relying on the above mentioned ASX announcement and pursuant to ASX Listing Rule 5.23.2, the Company confirms that it is not aware of any new information or data that materially affects the information included in the above-mentioned announcement.

DIVIDENDS

No dividend is recommended in respect of the current financial year.

DIRECTORS' REPORT

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Completion of the Public Offer

The Company has met all conditions of the Public Offer under the Prospectus and completed the issue of 25,000,000 Shares at an issue price of \$0.20 each, raising \$5,000,000 in total before costs. The Group has used the cash and assets in a form readily convertible to cash that it had at the time of admission to the ASX in a way consistent with its business objectives up to 30 June 2022.

Under the Public Offer, the Company issued 2,000,000 Options exercisable at \$0.25 each and expiring on 26 October 2026 to Trident Capital Pty Ltd (or its nominees) and other AFSL holders (or their nominees) who assisted with procuring successful applications.

Completion of the Acquisition Agreements

The Company confirms that all the conditions precedent under the Acquisition Agreements have been satisfied and the Company has completed the Acquisitions.

On 21 February 2022, C29 Metals announced that it has entered into an option agreement with Isa Tenements Pty Ltd (100% owned subsidiary of GBM Resources Limited, ASX: GBZ) pursuant to which it has been granted an exclusive Option to acquire 100% of the Mayfield Copper-Gold (IOCG) project near the Trekelano and Tick Hill mines in Queensland. C29 exercised the Option on 15 June 2022, following notification of the renewal of the tenement.

There were no other significant changes in state of affairs during and subsequent to the end of the financial year.

MATTERS SUBSEQUENT TO THE REPORTING YEAR

C29 completed the acquisition by paying \$210,000 in cash and issued GBM or nominee 1,558,963 C29 shares on 29 August 2022.

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

Apart from the matters noted above, no other matter or circumstance has arisen since 30 June 2022 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

The Company's strategic focus will continue to be on developing value from exploration across its tenement projects in NSW, QLD, and Southern Australia; in particular the copper, lead, zinc, manganese, silver and gold mineral exploration projects. The Company will continue to explore its projects with extensive drilling which is underway.

Due to the size and scale of the Group, there is no Remuneration and Nomination Committee or Audit Committee at present. Matters typically dealt with by these Committees are, for the time being, managed by the Board. For details of the function of the Board, refer to the Corporate Governance Statement.

There have been no other changes after reporting date and up to the date that the financial report was authorised for issue.

Remuneration Report (AUDITED)

This remuneration report for the year ended 30 June 2022 outlines the remuneration arrangements of the Group in accordance with the requirements of the Corporations Act 2001 ("the Act") and its regulations. This information has been audited as required by section 308(3C) of the Act.

DIRECTORS' REPORT

Remuneration Report (AUDITED) (continued)

The Remuneration Report details the remuneration arrangements for Key Management Personnel (“KMP”) who are defined as those persons having authority and responsibility for planning, directing, and controlling the major activities of the Group, directly or indirectly, including any Director (whether executive or otherwise) of the Parent company.

a) Key Management Personnel Disclosed in this Report

Key Management Personnel of the Group during or since the end of the financial year were:

David Lees	Non-Executive Chairman (appointed 1 July 2021)
Mark Major	Executive Director (appointed 1 July 2021)
Edmund Haynes	Non-Executive Director (appointed 1 July 2021)
Mauro Piccini	Non-Executive Director (resigned 1 July 2021)
Kelly Mirabile	Non-Executive Director (resigned 1 July 2021)

The Remuneration Report is set out under the following main headings:

A	Remuneration Philosophy
B	Remuneration Governance, Structure and Approvals
C	Remuneration and Performance
D	Details of Remuneration
E	Contractual Arrangements
F	Share-based Compensation
G	Equity Instruments Issued on Exercise of Remuneration Options
H	Voting and comments made at the Company's 2021 Annual General Meeting
I	Loans with KMP
J	Other Transactions with KMP
K	Additional Information

A Remuneration Philosophy

KMP have authority and responsibility for planning, directing and controlling the activities of the Group. KMP of the Group comprise of the Board of Directors, and at present there are no other persons employed by the Group in an executive capacity.

The Group's broad remuneration policy is to ensure the remuneration package properly reflects the person's duties and responsibilities and that remuneration is competitive in attracting, retaining and motivating people of the highest quality.

B Remuneration Governance, Structure and Approvals

Remuneration of Directors is currently set by the Board of Directors. The Board has not established a separate Remuneration Committee at this point in the Group's development, nor has the Board engaged the services of an external remuneration consultant. It is considered that the size of the Board along with the level of activity of the Group renders this impractical. The Board is primarily responsible for:

- The over-arching executive remuneration framework;
- Operation of the incentive plans which apply to executive directors and senior executives, including key performance indicators and performance hurdles;
- Remuneration levels of executives;
- Non-Executive Director fees; and
- Remuneration levels of hired personnel fees.

Their objective is to ensure that remuneration policies and structures are fair and competitive and aligned with the long-term interests of the Group.

DIRECTORS' REPORT

Remuneration Report (AUDITED) (continued)

B Remuneration Governance, Structure and Approvals (continued)

❖ Non-Executive Remuneration Structure

The remuneration of Non-Executive Directors consists of Directors' fees. The total aggregate fixed sum per annum to be paid to Non-Executive Directors in accordance with the Group's Constitution shall be no more than A\$300,000 and may be varied by ordinary resolution of the Shareholders in a General Meeting.

Remuneration of Non-Executive Directors is based on fees approved by the Board of Directors and is set at levels to reflect market conditions and encourage the continued services of the Directors. The chair's fees are determined independently to the fees of the Non-Executive Director's based on comparative roles in the external market. In accordance with the Group's Constitution, the Directors may at any time, subject to the Listing Rules, adopt any scheme or plan which they consider to be in the interests of the Group and which is designed to provide superannuation benefits for both present and future Non-Executive Directors, and they may from time to time vary this scheme or plan.

The remuneration of Non-Executives is detailed in Table 1 and their contractual arrangements are disclosed in "Section E – Contractual Arrangements".

Remuneration may also include an invitation to participate in share-based incentive programmes in accordance with Group policy.

The nature and amount of remuneration is collectively considered by the Board of Directors with reference to relevant employment conditions and fees commensurate to a company of similar size and level of activity, with the overall objective of ensuring maximum stakeholder benefit from the retention of high performing Directors.

❖ Executive Remuneration Structure

The nature and amount of remuneration of executives are assessed on a periodic basis with the overall objective of ensuring maximum stakeholder benefit from the retention of high-performance Directors.

The main objectives sought when reviewing executive remuneration is that the Group has:

- Coherent remuneration policies and practices to attract and retain Executives;
- Executives who will create value for shareholders;
- Competitive remuneration offered benchmarked against the external market; and
- Fair and responsible rewards to Executives having regard to the performance of the Company, the performance of the Executives and the general pay environment.

The remuneration of Executives is detailed in Table 1 and their contractual arrangements are disclosed in "Section E – Contractual Arrangements".

❖ Executive Remuneration Approvals

The Group aims to reward Executives with a level of mix of remuneration commensurate with their position and responsibilities within the company and aligned with market practice. Executive contracts are reviewed annually by the Board, in the absence of a Remuneration Committee, for their approval. The process consists of a review of Group's business unit and individual performance, relevant comparative remuneration internally and externally and, where appropriate, external advice independent of management.

Executive remuneration and incentive policies and practices must be aligned with the Group's vision, values and overall business objectives. Executive remuneration and incentive policies and practices must be designed to motivate management to pursue the Group's long-term growth and success and demonstrate a clear relationship between the Group's overall performance and the performance of executives.

DIRECTORS' REPORT

Remuneration Report (AUDITED) (continued)

C Remuneration and Performance

The following table shows the gross revenue, losses, earnings per share ("EPS") and share price of the Group as at 30 June 2022 and 30 June 2021.

	30-Jun-22	30-Jun-21
Revenue (\$)	-	-
Net loss after tax (\$)	(1,002,239)	(58,808)
EPS (\$)	(0.03)	(0.01)

Relationship between Remuneration and Company Performance

Given the current phase of the Group's development, the Board does not consider earnings during the current financial year when determining, and in relation to, the nature and amount of remuneration of KMP.

The pay and reward framework for key management personnel may consist of the following areas:

- Fixed Remuneration – base salary
- Variable Short-Term Incentives
- Variable Long-Term Incentives

The combination of these would comprise the key management personnel's total remuneration.

a) Fixed Remuneration – Base Salary

The fixed remuneration for each KMP is influenced by the nature and responsibilities of each role and knowledge, skills and experience required for each position. Fixed remuneration provides a base level of remuneration which is market competitive and comprises a base salary inclusive of statutory superannuation. It is structured as a total employment cost package.

Key management personnel are offered a competitive base salary that comprises the fixed component of pay and rewards. External remuneration consultants may provide analysis and advice to ensure base pay is set to reflect the market for a comparable role. No external advice was taken during the financial year. Base salary for key management personnel is reviewed annually to ensure the KMP's pay is competitive with the market. The pay of key management personnel is also reviewed on promotion. There is no guaranteed pay increase included in any key management personnel's contract.

a) Variable Remuneration – Short -Term Incentives (STI)

Discretionary cash bonuses may be paid to KMP annually, subject to the requisite Board and shareholder approvals where applicable. Cash bonus payments paid to Directors during the year are detailed in Table 1 below.

b) Variable Remuneration – Long-Term Incentives (LTI)

Options are issued at the Board's discretion. Unlisted and listed options issued to Directors during the year are detailed in Table 4 below.

Other than the options disclosed in section D of the Remuneration Report, there have been no other options issued to employees at the date of this financial report.

DIRECTORS' REPORT

Remuneration Report (AUDITED) (continued)

D Details of Remuneration

Details of the nature and amount of each major element of the remuneration of each KMP of the Group during the financial year are:

Table 1 – Remuneration of KMP of the Group for the year ended 30 June 2022 and 30 June 2021 are set out below:

	Short-term Employee Benefits			Post-Employment	Share Based Payments	Total
	Salary & fees	Non-monetary benefits	Other	Superannuation	Options	
30 June 2022	\$	\$	\$	\$	\$	\$
Directors						
Mr David Lees ⁽ⁱ⁾	72,000	-	20,000 ^(iv)	9,200	72,375 ^(v)	173,575
Mr Mark Major ⁽ⁱⁱ⁾	132,048	-	20,000 ^(iv)	7,200	72,375 ^(v)	231,623
Mr Edmund Haynes ⁽ⁱ⁾	42,000	-	20,000 ^(iv)	6,200	72,375 ^(v)	140,575
Mr Mauro Piccini ⁽ⁱⁱⁱ⁾	-	-	-	-	-	-
Ms Kelly Mirabile ⁽ⁱⁱⁱ⁾	-	-	-	-	-	-
Total	246,048	-	60,000	22,600	217,125	545,773

(i) Appointed on 1 July 2021.

(ii) Mr Mark Major resigned as Non-Executive Director on 30 June 2021 and appointed as Executive Director on 1 July 2021.

(iii) Resigned on 1 July 2021.

(iv) Bonus paid to KMPs for IPO success.

(v) On 1 July 2021, the Company issued a total of 2,250,000 unlisted options to Mr Major, Mr Lees and Mr Haynes (exercisable at \$0.25 per option, expiring on or before 1 July 2024) as part of their remuneration package in accordance with their appointment letters. Each Director was issued 750,000 unlisted options.

Refer to Note 15 Share-based payments expense for further details.

	Short-term Employee Benefits			Post-Employment	Share Based Payments	Total
	Salary & fees	Non-monetary benefits	Other	Superannuation	Options	
30 June 2021	\$	\$	\$	\$	\$	\$
Directors						
Mr Mark Major ⁽ⁱ⁾	-	-	-	-	-	-
Mr Mauro Piccini ⁽ⁱⁱ⁾	-	-	-	-	-	-
Ms Kelly Mirabile ⁽ⁱⁱ⁾	-	-	-	-	-	-
Total	-	-	-	-	-	-

(i) Appointed on 19 October 2020 as non-Executive Director and resigned on 30 June 2021.

(ii) Appointed on 19 October 2020.

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 expense in the tables above:

DIRECTORS' REPORT

Remuneration Report (AUDITED) (continued)

D Details of Remuneration (continued)

Table 2 – Relative proportion of fixed vs variable remuneration expense

Name	Fixed Remuneration		At Risk – STI (%)		At Risk – LTI (%)	
	2022	2021	2022	2021	2022	2021
Directors						
Mr David Lees	47%	-	12%	-	42%	-
Mr Mark Major	60%	-	9%	-	31%	-
Mr Edmund Haynes	34%	-	14%	-	51%	-
Mr Mauro Piccini	-	-	-	-	-	-
Ms Kelly Mirabile	-	-	-	-	-	-

Table 3 – Shareholdings of KMP (direct and indirect holdings)

30 June 2022	Balance at 01/07/2021	Granted as Remuneration	On Exercise of Options	Net Change – Other	Balance at 30/06/2022
Directors					
Mr David Lees	41,667	-	-	100,000 ⁽ⁱ⁾	141,667
Mr Mark Major	1,250,000	-	-	115,000 ⁽ⁱⁱ⁾	1,365,000
Mr Edmund Haynes	-	-	-	192,300 ⁽ⁱⁱⁱ⁾	192,300
Mr Mauro Piccini	-	-	-	-	-
Ms Kelly Mirabile	-	-	-	-	-
Total	1,291,667	-	-	407,300	1,698,967

(i) Mr Lees purchased 100,000 shares on market on 17 December 2021.

(ii) Mr Major acquired 60,000 shares through market on 6 December 2021 and 55,000 shares on market on 21 December 2021.

(iii) Mr Haynes acquired 137,300 shares on 4 November 2021, 27,000 shares on 17 December 2021, and 28,000 shares on 21 December 2021. All shares acquired were from on market purchases.

Table 4 – Options of KMP (direct and indirect holdings)

30 June 2022	Balance at 01/07/2021	Granted as Remuneration	Expired	Net Change – Other	Balance at 30/06/2022	Vested & Exercisable
Directors						
Mr Mark Major	1,250,000	750,000	-	-	2,000,000	2,000,000
Mr David Lees	-	750,000	-	-	750,000	750,000
Mr Edmund Haynes	-	750,000	-	-	750,000	750,000
Mr Mauro Piccini	-	-	-	-	-	-
Ms Kelly Mirabile	-	-	-	-	-	-
Total	1,250,000	2,250,000	-		3,500,000	3,500,000

No options issued to directors besides the 2,250,000 unlisted options issued to Directors on 1 July 2021.

DIRECTORS' REPORT

E Contractual Arrangements

Executive Director Arrangements

❖ Mark Major – Executive Director (Appointed 1 July 2021)

- Director Contract: commenced on 1 July 2021.
- Base Salary: \$72,000 per annum (plus statutory superannuation entitlements).
- Remuneration Options: The Company issued 750,000 unquoted options on 1 July 2021 exercise at \$0.25 each on or before 1 October 2024.
- Cash Bonuses: \$20,000 cash was awarded for IPO success according to the circulating Resolution of Directors on 30 November 2021.
- Consultancy Service Agreement: commenced on 1 October 2021. Minimum 40 hours per month with \$ 1,300 (GST excluded) per 8 hours. Maximum \$5,000 expenditure per month.
- Termination: One month's written notice for the director contract and three months' notice for the consultancy agreement.

Non-Executive Director Arrangements

❖ David Lees – Non-Executive Chairman (Appointed 1 July 2021)

- Non-Executive Chairman's Contract: commenced on 1 July 2021.
- Non-Executive Chairman's Fee: \$72,000 per annum (plus statutory superannuation entitlements).
- Bonus of \$20,000 is awarded for IPO success based on the circulating Resolution of Directors on 30 November 2021.
- 750,000 shares of unlisted options exercise at \$0.25 each on or before 1 October 2024 as part of remuneration package.
- Term: See Note 1 below for details pertaining to re-appointment and termination.

❖ Edmund Haynes – Non-Executive Director (Appointed 1 July 2021)

- Contract: Contract commenced on 1 July 2021.
- Director's Fee: \$42,000 per annum (plus statutory superannuation entitlements).
- Bonus of \$20,000 is awarded for IPO success based on the circulating Resolution of Directors on 30 November 2021.
- 750,000 shares of unlisted options exercise at \$0.25 each on or before 1 October 2024 as part of remuneration package.
- Term: See Note 1 below for details pertaining to re-appointment and termination.

Note 1: The term of each Director is open to the extent that they hold office subject to retirement by rotation, as per the Company's Constitution, at each AGM and are eligible for re-election as a Director at the meeting. Appointment shall cease automatically in the event that the Director gives written notice to the Board, or the Director is not re-elected as a Director by the shareholders of the Company. There are no entitlements to termination or notice periods.

F Share-based Compensation

The Group rewards Directors for their performance and aligns their remuneration with the creation of shareholder wealth by issuing share options. Share-based compensation is at the discretion of the Board and no individual has a contractual right to receive any guaranteed benefits.

Options

On 1 July 2021, the Company issued a total of 2,250,000 unlisted options to Mr Major, Mr Lees and Mr Haynes (exercisable at \$0.25 per option, expiring on or before 1 July 2024) as part of their remuneration package in accordance with their appointment letters. Each Director was issued 750,000 unlisted options.

DIRECTORS' REPORT

F Share-based Compensation (continued)

Director	Number of granted options	Grant date	Fair Value per option at grant date \$	Exercise price \$	Vested date and exercisable date	Expiry date
Mr David Lees Unlisted Options: Tranche 2	750,000	1/07/2021	\$0.20	\$0.25	1/07/2023	1/07/2024
Mr Mark Major Unlisted Options: Tranche 1	1,250,000	29/01/2021	-	\$0.20	29/01/2023	29/01/2026
Unlisted Options: Tranche 2	750,000	1/07/2021	\$0.20	\$0.25	1/07/2023	1/07/2024
Mr Edmund Haynes Unlisted Options: Tranche 2	750,000	1/07/2021	\$0.20	\$0.25	1/07/2023	1/07/2024

Shares

Short and Long-term Incentives

No short or long-term incentive-based shares were issued as remuneration to Directors during the current financial year.

G Equity Instruments Issued on Exercise of Remuneration Options

No remuneration options were exercised during the financial year.

H Voting and Comments made at the Company's 2021 Annual General Meeting ('AGM')

Under Section 250N of the Corporations Act 2001 C29's first AGM will be held in November 2022.

I Loans with KMP

There were no loans made to any KMP during the year ended 30 June 2022 (2021: Nil).

There were no loans from any KMP during the year ended 30 June 2022 (2021: Nil).

J Other Transactions with KMP

During the year, the Company incurred office rental fees payable to Albion Resources Limited (Mark Major is a director) and charged Krakatoa Resources Limited (Mark Major as the CEO) for C29's exploration manager David Nelson's hours according to the Secondment Agreement signed on 18 January 2021.

	2022 \$
Albion Resources Ltd	6,031
Krakatoa Resources Ltd	49,969

At 30 June 2022, there were no outstanding payables to key management personnel and their related parties.

All transactions were made on normal commercial terms and conditions and at market rates.

There were no other transactions with KMP during the year ended 30 June 2022.

DIRECTORS' REPORT

K Additional Information

The earnings of the Group for the two years to 30 June 2022 are summarised below.

	2022 \$	2021 \$
Revenue	-	-
EBITDA	(1,002,384)	(58,808)
EBIT	(1,001,902)	(58,808)
Loss after income tax	(1,002,239)	(58,808)
Share Price (\$)	0.11	-
EPS (\$)	(0.03)	(0.01)

No further historical information is shown above as the company was only incorporated in October 2020 and listed in November 2021.

[End of Audited Remuneration Report]

INDEMNIFICATION AND INSURANCE OF OFFICERS AND AUDITORS

During the year ended 30 June 2022, the Company paid premiums in respect of a contract insuring the directors and officers of the Company against liabilities incurred as directors or officers to the extent permitted by the Corporations Act 2001.

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 company, 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 them 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.

The Group has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Group or any related entity against a liability incurred by the auditor.

During the financial year, the Group has not paid a premium in respect of a contract to insure the auditor of the Group or any related entity.

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 purposes of taking responsibility on behalf of the Company for all or part of these proceedings.

ENVIRONMENTAL REGULATIONS

The Directors have considered compliance with the National Greenhouse and Energy Reporting Act 2007 which requires entities to report annual greenhouse gas emissions and energy use. The Directors have assessed that there are no current reporting requirements under this Act, but this may change in the future. The Group is not aware of any matters that requires disclosure regarding any significant environmental regulation in respect of its operating activities.

OFFICERS OF THE GROUP WHO ARE FORMER PARTNERS OF RSM AUSTRALIA PARTNERS

There are no officers of the Group who are former partners of RSM Australia Partners.

DIRECTORS' REPORT

NON-AUDIT SERVICES

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

Details of the amounts paid or payable to the auditor for non-audit services provided during the year by the auditor are outlined in Note 18 to the financial statements.

The Board of Directors has considered the position and is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Directors are satisfied that the provision of non-audit services by the auditors, as set out below, did not compromise the auditor independent requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed by the Board of Directors to ensure they do not impact the impartiality and objectivity of the auditor; and
- None of the services undermine the general principles relating to the auditor independence as set out in APES 110 Code of Ethics for Professional Accountants.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 has been received and included within these financial statements.

AUDITOR

RSM Australia Partners continues in office in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of directors, pursuant to section (298)(2)(a) of the Corporations Act 2001.

On behalf of the directors



David Lees
Non-Executive Chairman
29 September 2022



RSM Australia Partners

Level 32, Exchange Tower
2 The Esplanade Perth WA 6000
GPO Box R1253 Perth WA 6844

T +61 (0) 8 9261 9100
F +61 (0) 8 9261 9111

www.rsm.com.au

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of C29 Metals Limited for the year ended 30 June 2022, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

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

RSM AUSTRALIA PARTNERS

TUTU PHONG
Partner

Perth, WA
Dated: 29 September 2022

THE POWER OF BEING UNDERSTOOD AUDIT | TAX | CONSULTING

RSM Australia Partners is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Australia Partners ABN 36 965 185 036

Liability limited by a scheme approved under Professional Standards Legislation

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2022

	Note	30-Jun-22 \$	30-Jun-21 \$
Other income	3	51,976	4
Administrative expenses	4	(75,181)	-
Employee benefits expenses	4	(555,016)	-
Compliance and regulatory expenses		(83,480)	(5,417)
Consulting and corporate expenses	4	(216,177)	(9,355)
Advertising and investor relations		(44,465)	-
Auditors' remuneration	18	(44,500)	(4,000)
Exclusivity fee		-	(20,000)
Independent geologist report		(12,000)	(20,000)
Legal fees		(21,736)	-
Other expenses		(1,660)	(40)
Loss before income tax		(1,002,239)	(58,808)
Income tax expense	5	-	-
Loss after income tax		(1,002,239)	(58,808)
Other comprehensive income for the year/ period, net of tax		-	-
Total comprehensive loss attributable to the members of C29 Metals Limited		(1,002,239)	(58,808)
Basic and diluted loss per share (cents)	6	(3.42)	(0.71)

The Consolidated Statement of Profit or Loss and Other Comprehensive Income is to be read in conjunction with the notes to the financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2022

	Note	30-Jun-22 \$	30-Jun-21 \$
ASSETS			
Current Assets			
Cash and cash equivalents	7	3,139,775	402,658
Other receivables	8	44,467	4,425
Prepayment		11,095	-
Total Current Assets		3,195,337	407,083
Non-Current Assets			
Property, plant, and equipment		5,135	-
Exploration and evaluation expenditure	9	2,250,752	2,080
Total Non-Current Assets		2,255,887	2,080
Total Assets		5,451,224	409,163
LIABILITIES			
Current Liabilities			
Trade and other payables	10	86,817	32,870
Total Current Liabilities		86,817	32,870
Total Liabilities		86,817	32,870
Net Assets		5,364,407	376,293
EQUITY			
Issued capital	11	5,991,929	435,101
Reserves	20	433,525	-
Accumulated losses	21	(1,061,047)	(58,808)
Total Equity		5,364,407	376,293

The Consolidated Statement of Financial Position is to be read in conjunction with the notes to the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2022

	Issued Capital	Share Based Reserve	Accumulated Losses	Total
	\$	\$	\$	\$
Balance at 1 July 2021	435,101	-	(58,808)	376,293
Loss for the year	-	-	(1,002,239)	(1,002,239)
Total comprehensive loss for the year after tax	-	-	(1,002,239)	(1,002,239)
Transactions with owners in their capacity as owners:				
Issue of share capital (Note 11)	6,200,000	-	-	6,200,000
Share issue costs (Note 11)	(449,605)	-	-	(449,605)
Share-based payments (Notes 11 and 15)	(193,567)	433,525	-	239,958
Balance at 30 June 2022	5,991,929	433,525	(1,061,047)	5,364,407
Balance at 19 October 2020 (On incorporation)	-	-	-	-
Loss for the period	-	-	(58,808)	(58,808)
Total comprehensive loss for the period after tax	-	-	(58,808)	(58,808)
Transactions with owners in their capacity as owners:				
Issue of share capital	445,001	-	-	445,001
Share issue costs	(9,900)	-	-	(9,900)
Balance at 30 June 2021	435,101	-	(58,808)	376,293

The Consolidated Statement of Changes in Equity is to be read in conjunction with the notes to the financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 June 2022

	30-Jun-22	30-Jun-21
	\$	\$
Cash flows from operating activities		
Payment to suppliers and employees	(782,158)	(30,367)
Interest received	336	4
Net cash outflow from operating activities	(781,822)	(30,363)
Cash flows from investing activities		
Payment for property, plant and equipment	(5,617)	-
Payment for exploration and evaluation expenditure	(1,048,672)	(2,080)
Net cash outflow from investing activities	(1,054,289)	(2,080)
Cash flows from financing activities		
Proceeds from issued shares	5,000,000	445,001
Share issue costs	(426,772)	(9,900)
Net cash from financing activities	4,573,228	435,101
Net increase in cash and cash equivalents	2,737,117	402,658
Cash and cash equivalents at the beginning of the year/ period	402,658	-
Cash and cash equivalents at the end of the year/ period	3,139,775	402,658

The Consolidated Statement of Cash Flows is to be read in conjunction with the notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Reporting Entity

C29 Metals Limited (referred to as “C29 Metals” or the “Company”) is a company domiciled in Australia. The address of the Company’s registered office and principal place of business is disclosed in the Corporate Directory of the Annual Report. The nature of the operations and principal activities of the Company are described in the Directors’ Report.

(b) Basis of Preparation

Statement of Compliance

The financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (“AASB”) and the Corporations Act 2001. The financial statements comply with International Financial Reporting Standards (“IFRS”) adopted by the International Accounting Standards Board (“IASB”). C29 Metals Limited is a for-profit entity for the purpose of preparing the financial statements.

The financial statements are authorised for issue on 29 September 2022 by the directors of the Group.

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

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 consolidated entity'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 in note 1 (j).

(c) Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 22.

(d) Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of C29 Metals Limited ('Company' or 'C29 Metals') as at 30 June 2022 and the results of all subsidiaries for the year then ended. C29 Metals Limited and its subsidiaries together are referred to in these financial statements as the “Group” or “consolidated entity”.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity 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 consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity 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 consolidated entity.

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

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the consolidated entity. Losses incurred by the consolidated entity are attributed to the non-controlling interest in full, even if that results in a deficit balance.

Where the consolidated entity 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 consolidated entity 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.

(e) 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.

(f) New, revised or amended standards and interpretations adopted by the Group

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

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

(g) Functional and Presentation Currency

The financial statements have been presented in Australian dollars, which is the Group's functional currency.

(h) Current and non-current classification

Assets and liabilities are presented in the statement of financial position 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 the Group's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting year; 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 year. All other assets are classified as non-current.

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

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

(i) Comparative figures

Comparative figures have been adjusted to conform to changes in presentation for the current financial year.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Critical Accounting Estimates and Judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses.

Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results.

Exploration and evaluation expenditure

Exploration and evaluation costs have been capitalised on the basis that activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. 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.

Share-based payment transactions

The Company measures the cost of equity-settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using an appropriate valuation model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting year but may impact profit or loss and equity.

Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the Group based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the Group operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the Group unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

NOTE 2 OPERATING SEGMENTS

The Group operates only in one reportable segment being predominately in the area of copper mineral exploration in Australia. The Board considers its business operations in copper mineral exploration to be its primary reporting function. Results are analysed as a whole by the chief operating decision maker, this being the Board of Directors.

NOTE 3 OTHER INCOME

	2022 \$	2021 \$
Other income		
Interest income	572	4
Secondment income	51,404	-
	51,976	4

Accounting Policy

Interest

Interest income 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 year 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

Other income is recognised when it is received or when the right to receive payment is established.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 4 EXPENSES

	2022 \$	2021 \$
(a) Administrative expenses		
Staff hiring expense	26,400	-
Insurance	22,663	-
Other	26,118	-
	75,181	-
	2022 \$	2021 \$
(b) Consulting and corporate expenses		
Corporate advisory fees	62,000	-
Consulting fees	17,970	-
Tenement management and reporting expenses	11,376	-
Corporate financial and secretary service expenses	96,733	9,355
Other consulting expenses	28,098	-
	216,177	9,355
	2022 \$	2021 \$
(c) Employee benefits expense		
Director fees	186,000	-
Wages & salaries expenses	64,615	-
Bonus expenses	60,000	-
Superannuation	27,276	-
Share based payments (Note 15)	217,125	-
	555,016	-

Accounting Policy

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 statement of financial position.

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.

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 wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 4 EXPENSES (continued)

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. 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.

Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Share-based payments

Equity-settled and cash-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using an appropriate valuation model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the consolidated entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

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.

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by using an appropriate valuation model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:

- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

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

NOTE 4 EXPENSES (continued)

If the non-vesting condition is within the control of the consolidated entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the consolidated entity 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.

NOTE 5 INCOME TAX

(a) The components of tax expense comprise:

	2022 \$	2021 \$
Current tax	-	-
Deferred tax	-	-
Income tax expense reported in the statement of profit or loss and other comprehensive income	-	-

(b) The prima facie tax on loss from ordinary activities before income tax is reconciled to the income tax as follows:

Loss before income tax expense	(1,002,239)	(58,808)
Prima facie tax benefit on loss before income tax at 25% (2021: 26%)	(250,560)	(15,290)

Tax effect of:

Amounts not deductible in calculating taxable income	59,715	-
Changes in unrecognised temporary differences	190,845	15,290
Income tax expense	-	-

(c) Deferred tax assets not brought to account are:

Accruals and other timing differences	3,764	4,000
Tax losses	457,259	-
Capital raising costs	89,838	-
Exploration assets and property, plant and equipment	(243,170)	-
Total deferred tax assets not brought to account	307,690	4,000

Potential deferred tax assets attributable to tax losses and other temporary differences have not been brought to account at 30 June 2022 and 2021 because the directors do not believe it is appropriate to regard realisation of the deferred tax assets as probable. These benefits will only be obtained if the Group derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the expenditure to be realised; and no changes in tax legislation adversely affect the Group in realising the benefit from the deductions for the expenditure.

Accounting Policy

The income tax expense or the year comprises current income tax expense and deferred tax expense.

Current Tax

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting year. Current tax liabilities are therefore measured at the amounts expected to be paid to the relevant taxation authority.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 5 INCOME TAX (continued)

Deferred Tax

Deferred tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at the end of the reporting year. Their measurement also reflects the way management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

NOTE 6 LOSS PER SHARE

	2022 \$	2021 \$
Net loss for the year	(1,002,239)	(58,808)
Weighted average number of ordinary shares for basic and diluted loss per share	29,269,750	8,291,668
Basic and diluted loss per share (cents)	(3.42)	(0.71)

Accounting Policy

Basic Earnings Per Share

Basic earnings per share is determined by dividing net profit or loss after income tax attributable to members of the Company, 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 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

NOTE 7 CASH AND CASH EQUIVALENTS

	2022	2021
	\$	\$
Cash at bank	3,139,775	402,658
	3,139,775	402,658

Cash at bank earns interest at floating rates based on daily deposit rates.

(a) Reconciliation of net loss after income tax to net cash flows used in operating activities

	2022	2021
	\$	\$
Loss for the financial year	(1,002,239)	(58,808)
<i>Adjustments for:</i>		
Share-based payments expense (Note 15)	217,125	-
Depreciation expense	482	-
Change in assets and liabilities		
Other receivables	(51,137)	(4,425)
Trade and other payables	53,947	32,870
Net cash flow used in operating activities	(781,822)	(30,363)

(b) Non-cash investing and financing activities

	2022	2021
	\$	\$
Shares issued for acquisition of exploration and evaluation assets	1,200,000	-
Options issued to lead manager (Note 15)	216,400	-
	1,416,400	-

Accounting Policy

Cash and cash equivalents include cash on hand, 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.

NOTE 8 OTHER RECEIVABLES

	2022	2021
	\$	\$
GST receivable	20,789	4,425
Other receivables ⁽ⁱ⁾	23,678	-
	44,467	4,425

(i) Other receivables are mainly the charge to Krakatoa Resources Limited (Mark Major as the CEO) for C29's exploration manager David Nelson's hours according to the Secondment Agreement signed on 18 January 2021.

Accounting Policy

Other receivables

Other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Other receivables are generally due for settlement within 30 days.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 8 OTHER RECEIVABLES (continued)

The consolidated entity has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, other receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

NOTE 9 EXPLORATION AND EVALUATION EXPENDITURE

	2022 \$	2021 \$
Carrying amount of exploration and evaluation expenditure	2,250,752	2,080
At the beginning of the year/ period	2,080	-
Acquired during the year ⁽ⁱ⁾	169,361	-
Exploration expenditure incurred	879,311	2,080
Acquired through share consideration ⁽ⁱⁱⁱ⁾	1,200,000	-
At the end of the year/ period	2,250,752	2,080

(i) The Company paid \$110,000 in cash to Gilmore Metals and Oberon Gold to acquire tenements according to the Acquisition Agreements. The Company also paid \$59,361 for the Mayfield Project, of which \$40,000 was paid for the acquisition option fees.

(ii) On 26 October 2021, the Company issued 6,000,000 shares at \$0.20 per share for tenement acquisition according to the Acquisition Agreements.

Accounting Policy

Acquisition, exploration and evaluation costs associated with mining tenements are accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that the Company's rights of tenure to that area of interest are current and that the costs are expected to be recouped through the successful commercial development or sale of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Costs in relation to an abandoned area are written off in full against profit or loss in the year in which the decision to abandon the area is made.

Non-financial assets are reviewed 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.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

NOTE 10 TRADE AND OTHER PAYABLES

	2022 \$	2021 \$
Trade payables	40,247	18,870
Accrued expenses	17,500	14,000
Other payables	29,070	-
	86,817	32,870

NOTES TO THE FINANCIAL STATEMENTS

NOTE 10 TRADE AND OTHER PAYABLES (continued)

Accounting Policy

These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

NOTE 11 ISSUED CAPITAL

	2022		2021	
	No.	\$	No.	\$
Fully paid ordinary shares	39,291,667	5,991,929	8,291,668	435,101
<i>Movement in ordinary shares</i>	No.	\$	No.	\$
Opening balance	8,291,668	435,101	-	-
Share issued on incorporation	-	-	1	1
Seed shares	-	-	8,291,667	445,000
IPO shares	24,999,999	5,000,000	-	-
Shares issued for acquisition (Note 9)	6,000,000	1,200,000	-	-
Share issue costs (including share based payments)	-	(643,172)	-	(9,900)
Balance at 30 June 2022	39,291,667	5,991,929	8,291,668	435,101

Ordinary shares entitle the holder to participate in the dividends and the proceeds on winding up in proportion to the number of and amounts paid on the shares held.

At shareholders meetings, each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

Accounting Policy

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. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a business are not included in the cost of the acquisition as part of the purchase consideration.

NOTE 12 DIVIDENDS

No dividends have been proposed or paid during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 13 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's activities expose it to a variety of financial risks: credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of the financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses different methods to measure and manage different types of risks to which it is exposed. These include monitoring levels of exposure to interest rate and foreign exchange risk and assessments of market forecasts for interest rate and foreign exchange prices. Ageing analysis and monitoring of specific credit allowances are undertaken to manage credit risk. Liquidity risk is monitored through the development of future cash flow forecasts.

Risk management is carried out by the Board of Directors with assistance from suitably qualified external advisors.

The main risks arising for the Group are foreign exchange risk, credit risk and liquidity risk. The Board reviews and agrees policies for managing each of these risks and they are summarised below.

The carrying values of the Group's financial instruments are as follows:

	2022 \$	2021 \$
Financial Assets		
Cash and cash equivalents	3,139,775	402,658
Other receivables	23,678	4,425
	3,163,453	407,083
Financial Liabilities		
Trade and other payables	86,817	32,870
	86,817	32,870

(a) Credit risk

Credit risk arises from the financial assets of the Group, which comprise cash and cash equivalents, other receivables and other financial assets. The Group's exposure to credit risk arises from potential default of the counterparty, with maximum exposure equal to the carrying amount of the financial assets.

The Group's policy is to trade only with recognised, creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms will be subject to credit verification procedures.

In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant. There are no significant concentrations of credit risk within the Group except for cash and cash equivalents.

(b) Liquidity risk

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

The Group manages liquidity risk by maintaining adequate cash reserves from funds raised in the market and by continuously monitoring forecast and actual cash flows. The Group does not have any external borrowings.

The following are the contractual maturities of financial liabilities:

NOTES TO THE FINANCIAL STATEMENTS

NOTE 13 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

	1 year or less \$	Total \$
2022		
Trade and other payables	86,817	86,817
2021		
Trade and other payables	32,870	32,870

Accounting Policy

Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Impairment of financial assets

The consolidated entity recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the consolidated entity's assessment at the end of each reporting year as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

NOTE 14 RELATED PARTY DISCLOSURE

(a) Key Management Personnel Compensation

The aggregate compensation made to directors and other members of key management personnel of the Group is set out below.

	2022 \$	2021 \$
Short-term employee benefits	306,048	-
Post-employment employee benefits	22,600	-
Share-based payments	217,125	-
	545,773	-

NOTES TO THE FINANCIAL STATEMENTS

NOTE 14 RELATED PARTY DISCLOSURE (continued)

(b) Transactions with related parties

During the year, the Company incurred office rental fees payable to Albion Resources Limited (Mark Major is a director) and charged Krakatoa Resources Limited (Mark Major as the CEO) for C29's exploration manager David Nelson's hours according to the Secondment Agreement signed on 18 January 2021.

	2022 \$	2021 \$
Albion Resources Ltd	6,031	-
Krakatoa Resources Ltd	49,969	-

At 30 June 2022, there were no outstanding payables to key management personnel and their related parties. All transactions were made on normal commercial terms and conditions and at market rates. There were no other transactions with KMP during the year ended 30 June 2022.

NOTE 15 SHARE BASED PAYMENTS

	2022 \$	2021 \$
Recognised share-based payment transactions		
Unlisted options	433,525	-
	433,525	-
<i>Reconciliation:</i>		
Share based payment expense ⁽ⁱ⁾	217,125	-
IPO listing fees	22,833	-
Share issue cost ⁽ⁱⁱⁱ⁾	193,567	-
	433,525	-

The unlisted options that were issued are as follows:

- (i) On 1 July 2021, the Company issued 2,250,000 unlisted options to Directors as part of appointment remuneration package.
- (ii) On 26 October 2021, the Company issued 2,000,000 unlisted options to Trident Capital Pty Ltd, the Lead Manager, as part of the capital raising fee of the IPO placement.

The options issued to Directors and the Lead Manager of the Company, have been valued using the Hoadley ES02 model. The model and assumptions are shown in the table below:

Hoadley ES02 model		
	Directors	Lead Manager
Grant Date	1/07/2021	26/10/2021
Expiry Date	1/07/2024	26/10/2026
Strike (Exercise) Price	\$0.25	\$0.25
Underlying Share Price (at date of issue)	\$0.20	\$0.20
Risk-free Rate (at date of issue)	0.195%	1.230%
Volatility	100%	100%
Number of Options Issued	2,250,000	2,000,000
Dividend Yield	0%	0%
Fair value per option	\$0.0965	\$0.1082

NOTES TO THE FINANCIAL STATEMENTS

NOTE 15 SHARE BASED PAYMENTS (continued)

The weighted average exercise price of the options is \$0.25. The weighted average remaining contractual life of options outstanding at the end of the financial year was 3.59 years.

Accounting Policy

Share-based payments

Equity-settled and cash-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using Hoadley ESO2 valuation model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the consolidated entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

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 year is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

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.

If the non-vesting condition is within the control of the consolidated entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the consolidated entity 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.

NOTE 16 COMMITMENTS

Tenement Commitments

Below are the commitments in relation to its exploration and evaluation assets:

	2022 \$	2021 \$
Within one year	297,813	-
Later than one year but not later than five years	1,085,933	-
	1,383,746	-

NOTES TO THE FINANCIAL STATEMENTS

NOTE 17 CONTINGENT ASSETS AND CONTINGENT LIABILITIES

There are no contingent assets as of 30 June 2022.

Other contingent liabilities as of 30 June 2022 includes:

- i. A 2% net smelter return royalty in respect of any production within the area of the Tenement comprising the Sampson Tank Project (Sampson Tank Royalty). The Company will enter into a separate royalty deed with Gilmore Metals to document the terms of the Sampson Tank Royalty and which shall include a term which gives the Company the right (but not obligation) to purchase 50% of the Sampson Tank Royalty from Gilmore Metals for either (at the Company's election):
 - 1) \$1,000,000 in cash; or
 - 2) that number of Shares equal in value to \$1,000,000 based on a deemed issue price per Share equal to the 30-day VWAP of Shares as at the date of the Company's election.
- ii. A 2 % net smelter return royalty in respect of any production within the area of the Tenement comprising the Reedy Creek Project (Reedy Creek Royalty). The Company will enter into a separate royalty deed with shareholders of Oberon Gold to document the terms of the Reedy Creek Royalty and which shall include a term which gives the Company the right (but not obligation) to purchase 50% of the Reedy Creek Royalty from the shareholders of Oberon Gold for either (at the Company's election):
 - 1) \$1,000,000 in cash; or
 - 2) that number of Shares equal in value to \$1,000,000 based on a deemed issue price per Share equal to the 30-day VWAP of Shares as at the date of the Company's election.
- iii. A 2 % net smelter return royalty in respect of any production within the area of the Tenement comprising the Mayfield Project payable to Alcrest Royalties Australia Pty Ltd.

Accounting Policy

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

NOTE 18 AUDITOR'S REMUNERATION

Amounts received or due and receivable by RSM Australia Partners for:

	2022 \$	2021 \$
- Audit and review of the financial report of the Company	32,000	4,000
- Independent Accountant's Report	12,500	-
	44,500	4,000

NOTE 19 INTERESTS IN SUBSIDIARIES

The consolidated financial statements incorporate the assets, liabilities and results of the following wholly-owned subsidiaries in accordance with the accounting policy described in note 1:

Name	Principal place of business / Country of incorporation	2022 %	2021 %
Phoenix Minerals Pty Ltd	Australia	100%	-
Oberon Gold Pty Ltd	Australia	100%	-

NOTES TO THE FINANCIAL STATEMENTS

NOTE 20 RESERVES

	2022 \$	2021 \$
Share based payment reserve	433,525	-
Movement reconciliation		
Balance at beginning of the year	-	-
Issue of unlisted options	433,525	-
Balance at the end of the year	433,525	-

NOTE 21 ACCUMULATED LOSSES

	2022 \$	2021 \$
Balance at beginning of the year	(58,808)	-
Loss after income tax for the year	(1,002,239)	(58,808)
Balance at end of the year	(1,061,047)	(58,808)

NOTE 22 PARENT ENTITY INFORMATION

	2022 \$	2021 \$
Assets		
Current assets	3,195,337	407,083
Non-current assets	2,255,887	2,080
Total assets	5,451,224	409,163
Liabilities		
Current liabilities	86,817	32,870
Total liabilities	86,817	32,870
Equity		
Contributed equity	5,991,929	435,101
Reserves	433,525	-
Accumulated losses	(1,061,047)	(58,808)
Total equity	5,364,407	376,293
Loss for the year	(1,061,047)	(58,808)
Total comprehensive loss	(1,061,047)	(58,808)

Contingent liabilities

The contingent liabilities for the parent entity is as disclosed in Note 17.

Capital commitments - Property, plant and equipment

The parent entity had no capital commitments for property, plant and equipment as at 30 June 2022 and 30 June 2021.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 22 PARENT ENTITY INFORMATION (continued)

Exploration and evaluation commitments

The parent entity had exploration and evaluation commitments as disclosed in Note 16.

Significant accounting policies

The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed through the report, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

NOTE 23 EVENTS AFTER THE REPORTING DATE

C29 completed the acquisition by paying \$210,000 in cash and issued GBM Resources Limited or nominee 1,558,963 C29 shares on 29 August 2022.

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

Apart from the matters noted above, no other matter or circumstance has arisen since 30 June 2022 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

DIRECTORS' DECLARATION

In the Directors' opinion:

- a) the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- b) the attached financial statements and notes give a true and fair view of the Group's financial position as at 30 June 2022 and of its performance for the financial year ended on that date; and
- c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors



David Lees
Non-Executive Chairman
29 September 2022



RSM Australia Partners

Level 32, Exchange Tower
2 The Esplanade Perth WA 6000
GPO Box R1253 Perth WA 6844

T +61 (0) 8 9261 9100

F +61 (0) 8 9261 9111

www.rsm.com.au

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF C29 METALS LIMITED

Opinion

We have audited the financial statements of C29 Metals Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2022, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

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

- (i) Giving a true and fair view of the Group's financial position as at 30 June 2022 and of its financial performance for the year then ended; and
- (ii) Complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for Opinion

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

THE POWER OF BEING UNDERSTOOD AUDIT | TAX | CONSULTING

RSM Australia Partners is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Australia Partners ABN 36 965 185 036

Liability limited by a scheme approved under Professional Standards Legislation

Key Audit Matters

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

Key Audit Matter	How our audit addressed this matter
Exploration and Evaluation Expenditure – refer to Note 9	
<p>The Group has capitalised exploration and evaluation expenditure with a carrying value of \$2,250,752 as at 30 June 2022.</p> <p>We considered this to be a key audit matter due to the significant management judgments involved in assessing the carrying value of the asset including:</p> <ul style="list-style-type: none"> • Determination of whether the expenditure can be associated with finding specific mineral resources, and the basis on which that expenditure is allocated to an area of interest; • Determination of whether exploration activities have progressed to the stage at which the existence of an economically recoverable mineral reserve may be assessed; and • Assessing whether any indicators of impairment are present, and if so, judgments applied to determine and quantify any impairment loss. 	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> • Assessing the Group's accounting policy for compliance with Australian Accounting Standards; • Assessing whether the Group's right to tenure of each relevant area of interest is current; • Agreeing, on a sample basis, additions of capitalised exploration and evaluation expenditure to supporting documentation, including assessing whether amounts are capitalised in accordance with the Group's accounting policy; • Assessing and evaluating management's assessment that no indicators of impairment existed at the reporting date; • Assessing management's determination that exploration and evaluation activities have not yet reached a stage where the existence or otherwise of economically recoverable reserves may be reasonably determined; and • Enquiring with management and reading budgets and other supporting documentation to corroborate that active and significant operations in, or relation to, each relevant area of interest will be continued in the future.
Share Based Payments – refer to Note 15	
<p>During the year, the Group issued 4,250,000 options with a fair value of \$433,525.</p> <p>This is a key audit matter as the valuation of share-based payments are complex and subject to significant management estimates and judgement.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> • Assessing the Group's accounting policy for compliance with Australian Accounting Standards; • Assessing the terms and conditions of the instruments issued; • Assessing the appropriateness of the valuation methodology and valuation models adopted by management to determine the grant date fair value of the instruments issued; • Testing for reasonableness the inputs to the valuation models and challenging the assumptions and judgments made by management; • Checking the mathematical accuracy of the valuation models used; • Recalculating the amount of the share-based payment expense to be recognised for the year ended; and • Assessing the appropriateness of the disclosures in financial report.

Other Information

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

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

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

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

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 Corporation 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 have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of 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/auditors_responsibilities/ar2.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 within the directors' report for the year ended 30 June 2022.

In our opinion, the Remuneration Report of C29 Metals Limited, for the year ended 30 June 2022, 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.

RSM

RSM AUSTRALIA PARTNERS



TUTU PHONG
Partner

Perth, WA
Dated: 29 September 2022

Corporate Governance Statement

The Board of Directors of C29 Metals Limited is responsible for the corporate governance of the Company. The Board guides and monitors the business and affairs of the Company on behalf of the shareholders by whom they are elected and accountable. The Board continuously reviews its governance practices to ensure they remain consistent with the needs of the Company.

The Company complies with each of the recommendations set out in the Australian Securities Exchange Corporate Governance Council's Corporate Governance Principles and Recommendations 4th Edition ("the ASX Principles"). This statement incorporates the disclosures required by the ASX Principles under the headings of the eight core principles. All of these practices, unless otherwise stated, are in place.

The Company's Corporate Governance Statement and policies can be found on its website at <https://c29metals.com.au>.

ASX Additional Information

Additional information required by the Australian Securities Exchange and not shown elsewhere in this Annual Report is as follows. The information is current as of 29 September 2022.

1. Fully paid ordinary shares

- There is a total of 40,850,630 fully paid ordinary shares on issue which are listed on the ASX.
- The number of holders of fully paid ordinary shares is 353.
- Holders of fully paid ordinary shares are entitled to participate in dividends and the proceeds on winding up of the Company.
- There are no preference shares on issue.

2. Distribution of fully paid ordinary shareholders is as follows:

The number of shareholders, by size of holding, is:

Range	Total holders	Units	% of Issued Capital
1 - 1,000	8	2,203	0.01%
1,001 - 5,000	26	89,442	0.22%
5,001 - 10,000	64	604,181	1.48%
10,001 - 100,000	194	8,430,902	20.64%
100,001 - 9,999,999,999	61	31,723,902	77.66%
Total	353	40,850,630	100.00%

3. Holders of non-marketable parcels

Holders of non-marketable parcels are deemed to be those whose shareholding is valued at less than \$500.

There are 24 shareholders who hold less than a marketable parcel of shares, amount to 0.11% of issued capital.

4. Substantial shareholders of ordinary fully paid shares

The names of substantial shareholders who have notified the Company in accordance with section 671B of the Corporations Act 2001 are:

	Holding Balance	% of Issued Capital
PETERS INVESTMENTS PTY LTD	2,500,000	6.12%

5. Restricted Securities

There are 12,408,964 shares on issue that are subject to voluntary escrow restrictions or mandatory escrow restrictions under ASX Listing Rules Chapter 9.

6. Share buy-backs

There is currently no on-market buyback program for any of C29 Metals Limited's listed securities.

7. Voting rights of Shareholders

All fully paid ordinary shareholders are entitled to vote at any meeting of the members of the Company and their voting rights are on:

- Show of hands – one vote per shareholders; and
- Poll – one vote per fully paid ordinary share.

ASX Additional Information

8. Tax Status

The Company is treated as a public company for taxation purposes.

9. Major Shareholders

The Top 20 largest fully paid ordinary shareholders together held 61.58% of the securities in this class and are listed below:

Rank	Shareholders	Number Held	Percentage
1	PETERS INVESTMENTS PTY LTD	2,500,000	6.12%
2	SEATTLE CAPITAL PTY LTD <SEATTLE A/C>	1,750,000	4.28%
3	GBM RESOURCES LIMITED	1,558,963	3.82%
4	BNP PARIBAS NOMS PTY LTD <DRP>	1,450,359	3.55%
5	MS XIAODAN WU	1,385,704	3.39%
6	CALADENIA MINERALS PTY LTD	1,250,000	3.06%
6	MIO ENTERPRISES PTY LTD <MMJB FAMILY A/C>	1,250,000	3.06%
6	ARQ CAPITAL PTY LTD <THE NITSCHKE FAMILY A/C>	1,250,000	3.06%
7	SAINTER NOMINEES PTY LTD <MAXIMUS SUPER FUND 2 A/C>	1,187,500	2.91%
8	MR BENJAMIN LEIGH HARPER	1,166,667	2.86%
8	MR DARREN CRAIG GLOVER	1,166,667	2.86%
9	PROVIDENCE GOLD AND MINERALS PTY LTD	1,166,666	2.86%
10	MISHTALEM PTY LTD	889,514	2.18%
11	MR PAVLE TOMASEVIC	739,173	1.81%
12	BUSHWOOD NOMINEES PTY LTD	700,790	1.72%
13	KEBIN NOMINEES PTY LTD	610,000	1.49%
14	NAUTILUS SUPER NOMINEES PTY LTD <THE NITSCHKE SF A/C>	608,581	1.49%
15	GOO TECK BING	600,000	1.47%
16	MRS LILY MAH <MJ A/C>	583,333	1.43%
17	MR NARINDER SINGH SUDAGAR SINGH <SIDHU A/C>	533,334	1.31%
17	ANGKOR IMPERIAL RESOURCES PTY LTD <TURKISH BREAD S/F A/C>	533,334	1.31%
18	MR RONNIE GIN PUAY SONG & MRS LAY HOON LEYAU <RSCL SUPERANNUATION A/C>	500,000	1.22%
18	MINING EQUITIES PTY LTD	500,000	1.22%
18	GOO TECK BING	500,000	1.22%
19	MR DAMIEN MICHAEL ANTHONY TRINDER	400,500	0.98%
20	HIGHLAND COMPANY PTY LTD <HIGHLAND A/C>	375,000	0.92%
Total: Top 20 holders of ORDINARY FULLY PAID SHARES		25,156,085	61.58%

10. Listed Options

The Company does not have listed options on issue as at 29 September 2022.

ASX Additional Information

11. Unlisted Options

Number of Options	Exercise Price	Expiry Date	Holders
5,000,000	\$0.20	29 January 2026	4
2,250,000	\$0.25	1 July 2024	3
2,000,000	\$0.25	26 October 2026	5

12. Franking Credits

The Company has no franking credits.

13. Securities Exchange Listing

Quotation has been granted for all the ordinary shares of the Company on all Member Exchanges of the Australian Securities Exchange Limited under Security Code C29.

14. Registered Office

Suite 11, 12, Level 2, 23 Railway Road
Subiaco WA 6008
Telephone: 08 6559 1792
Website: <https://c29metals.com.au>

15. Company Secretary

Mr Mauro Piccini

16. Share Registry

Automatic Share Registry
Level 5, 191 St Georges Terrace
Perth WA 6000
Telephone: 1300 288 664

17. Tenement Schedule

Mining tenement interests held at 29 September 2022 and their location

Tenement	Location	Holder	Status	Grant Date	Expiry Date	Interest Contractual Rights
EL 8525	NSW	C29 Metals Limited	Granted	6-Mar-17	6-Mar-23	100%
EL 8541	NSW	Oberon Gold Pty Ltd	Granted	24-Mar-17	24-Mar-23	100%
EL 6804	SA	Phoenix Minerals Pty Ltd	Granted	19-Jul-22	18-Jul-28	100%
EL 6805	SA	Phoenix Minerals Pty Ltd	Granted	19-Jul-22	18-Jul-28	100%
EL 6740	SA	Phoenix Minerals Pty Ltd	Granted	6-May-22	5-May-28	100%
EL 6741	SA	Phoenix Minerals Pty Ltd	Granted	6-May-22	5-May-28	100%
ELA 2022/00004	SA	Phoenix Minerals Pty Ltd	Application	N/A		100%
EL 08/3122	WA	C29 Metals Limited	Granted	7-Sep-20	6-Sep-25	100%
EPM 19483	QLD	C29 Metals Limited	Granted	10-Mar-25	9-Mar-25	100%

18. STATEMENT IN ACCORDANCE WITH ASX LISTING RULE 4.10.19

The Company confirms in the period from admission to the official list of the ASX on 1 November 2021, that it used its cash and assets in a form readily convertible to cash, in a manner consistent with its business objectives.