



and its Controlled Entities

ABN 12 145 184 667

Half Year Financial Report

30 JUNE 2021

CRITICAL RESOURCES LIMITED AND CONTROLLED ENTITIES

CORPORATE INFORMATION

DIRECTORS

Mr Robert Martin	Non-executive Chairman
Mr Jihad Malaeb	Non-executive Director
Mr Michael Leu	Non-executive Director
Mr Jeremy Whybrow	Non-executive Director

COMPANY SECRETARY

Mr Chris Achurch

REGISTERED AND PRINCIPAL OFFICE

45 Ventnor Avenue
West Perth WA 6005
Telephone (08) 9389 4499
Website www.criticalresources.com.au

POSTAL ADDRESS

PO Box 1024
West Leederville WA 6007

AUDITORS

BDO Audit (WA) Pty Ltd
38 Station Street
Subiaco WA 6008

SHARE REGISTER

Computershare Investor Services Pty Limited
GPO Box 2975
Melbourne, VIC 3001
Telephone 1300 850 505
(outside Australia) +61 3 9415 4000

Critical Resources Limited shares are listed on the Australian Securities Exchange (ASX)

ASX Code CRR

ACN 145184667

ABN 12 145184667

In this report, the following definitions apply:

"Board" means the Board of Directors of Critical Resources Limited

"Critical" or the **"Company"** means Critical Resources Limited ABN 12 145184667

"Group" means Critical Resources Limited and its controlled entities

CRITICAL RESOURCES LIMITED AND CONTROLLED ENTITIES

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CRITICAL RESOURCES LIMITED AND CONTROLLED ENTITIES DIRECTORS' REPORT FOR THE HALF YEAR ENDED 30 JUNE 2021

The directors of Critical Resources Limited, formerly Force Commodities Limited ('Critical' or the 'Company') submit the financial report of the Company and its controlled entities (the 'Group') for the half year ended 30 June 2021.

1. BOARD COMPOSITION

The names and details of the directors of Critical Resources Limited in office during the half year and until the date of this report are set out below. Each director was in office for this entire period unless stated otherwise.

The names and particulars of directors who are in office at the date of this report:

Mr Robert Martin	Non-Executive Chairman (appointed 4 February 2021)
Mr Jihad Malaeb	Non-Executive Director
Mr Michael Leu	Non-Executive Director (appointed 4 February 2021)
Mr Jeremy Whybrow	Non-Executive Director (appointed 1 March 2021)

The names and particulars of directors who are not in office at the date of this report but who held office during the period:

Mr Jess Oram	Non-Executive Chairman (appointed 5 February 2019, resigned 4 February 2021)
Mr David Sproule	Non-Executive Director (appointed 24 August 2020, resigned 4 February 2021)

Company Secretary:

Mr Chris Achurch (appointed 15 April 2021)
Mr Henry Kinstlinger (appointed 9 April 2020, resigned 15 April 2021)

2. RESULTS

The result for the half year ended 30 June 2021 attributable to members of the Company was a net loss after tax of \$969,449 (half year ended 30 June 2020 loss: \$260,698).

3. REVIEW OF OPERATIONS

Following shareholder approval, the Company changed its name from Force Commodities Limited to Critical Resources Limited (ASX: CRR), effective 1 June 2021.

During the half year ending 30 June 2021, Critical concentrated its operational activity on a Board and management restructure, reducing corporate overheads, assessing the current assets of the Group and assessing new opportunities for the Company.

Exploration

A brief overview of each of the existing projects and the work conducted during the course of the half year and up to the date of this report is as follows:

HALLS PEAK PROJECT – AUSTRALIA

The Halls Peak-Gibson Project comprises granted Exploration Licenses EL 4474 and EL 7679, located in north-eastern NSW and covering an area of about 84km².

The Halls Peak-Gibson Project area contains several known occurrences of base metals rich in zinc and lead with varying associated levels of copper, silver and gold. The following works have been completed over the past 6-months.

- Reinterpretation of 2012 VTEM data has yielded multiple targets which are to be tested in the upcoming drill program. None of these targets have been previously tested.

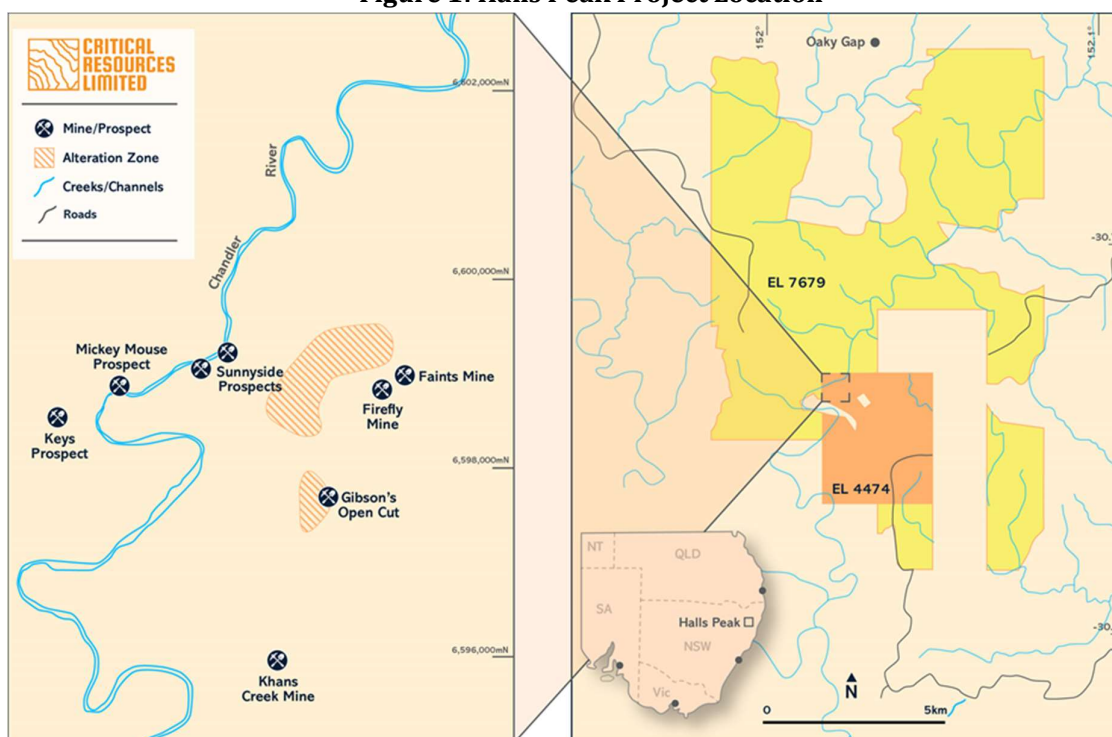
CRITICAL RESOURCES LIMITED AND CONTROLLED ENTITIES

DIRECTORS' REPORT

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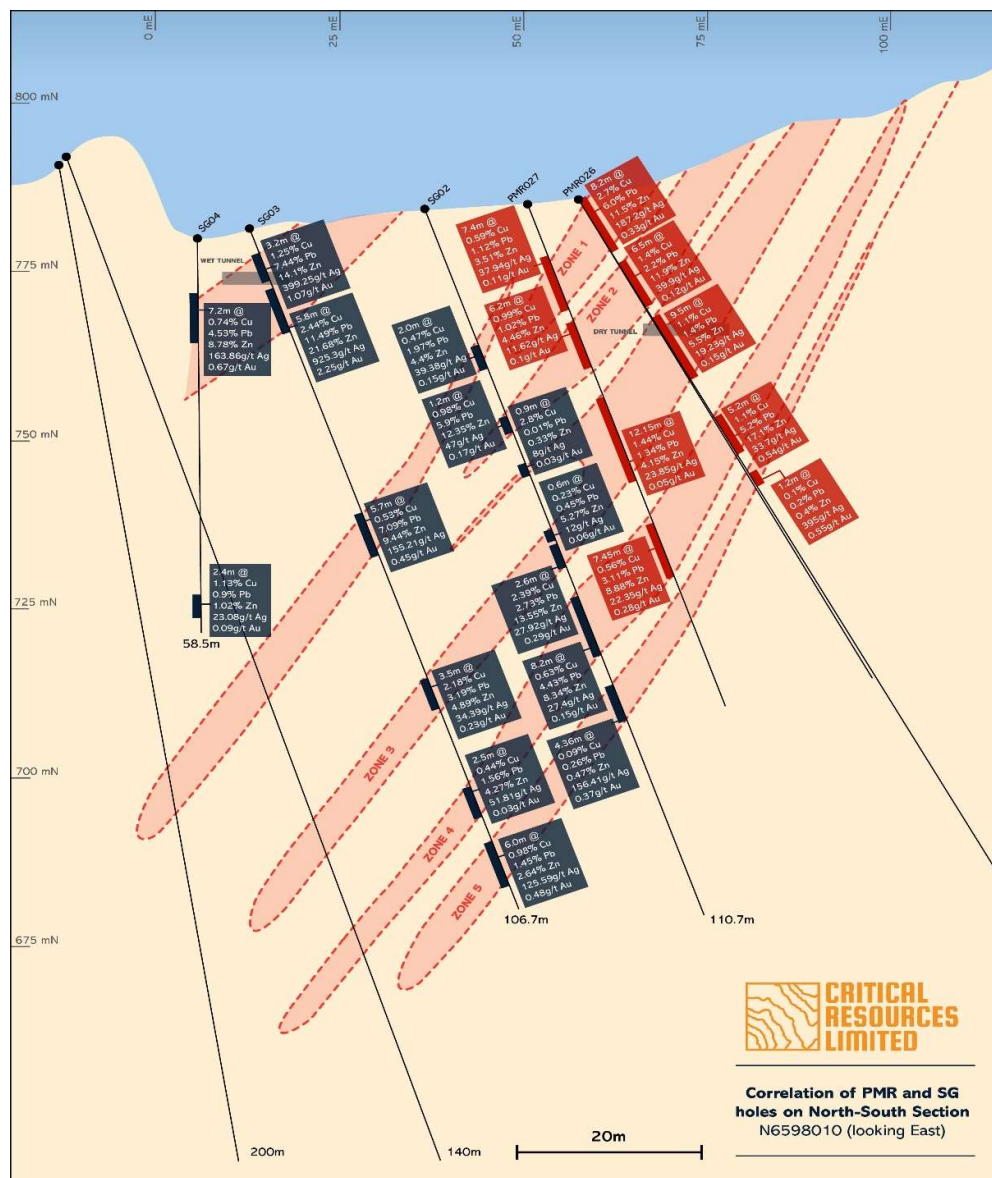
- Near surface drilling around the Gibsons Mine has produced some exceptional high-grade base metal intercepts. The Company is of the opinion that this mineralisation is indicative of a larger and more prospective system at depth.
- This view is supported by large conductive zones defined by a VTEM survey comprising 1,221 line kilometres conducted in 2012. Of particular interest is the fact that large, flat lying conductive zones are bounded by faults, these features are known to be important in sedimentary exhalative deposits. Numerous conductors defined by this survey remain untested, by further geophysical methods to better define them, or by drilling.
- A drill program has been designed to test the identified geophysical targets at Gibsons and Sunnyside and permitting has been submitted in August 2021.
- The Company is actively ensuring appropriate resources are available for the upcoming drill program such as drilling contractors and support services, all of which are in an evaluation or tendering phase.

Figure 1: Halls Peak Project Location



CRITICAL RESOURCES LIMITED AND CONTROLLED ENTITIES DIRECTORS' REPORT FOR THE HALF YEAR ENDED 30 JUNE 2021

Figure 2: Historical Drilling at Gibsons Prospect



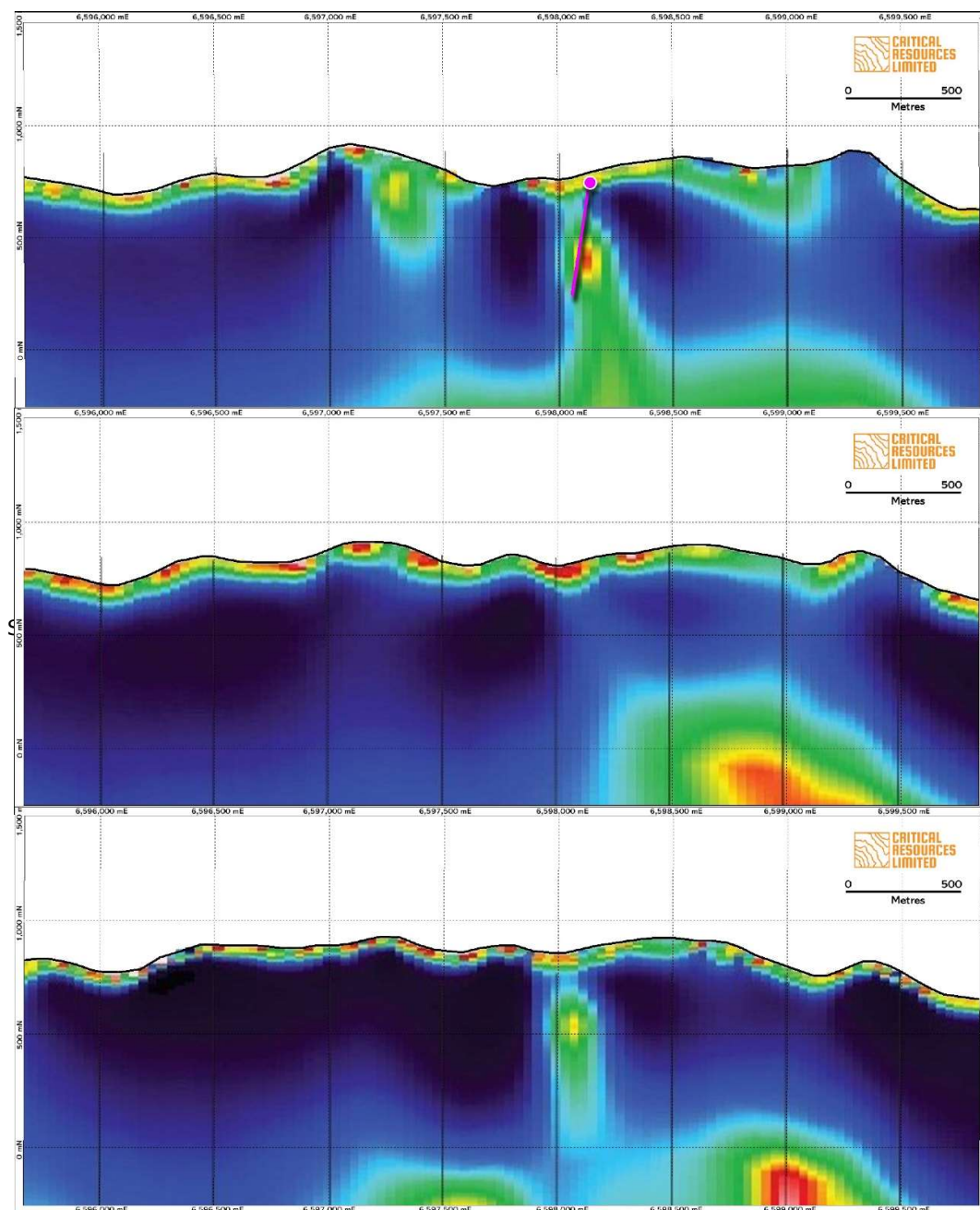
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Figure 3: Gibsons geophysical targets demonstrating three sections at 100m intervals

Section 407500mE

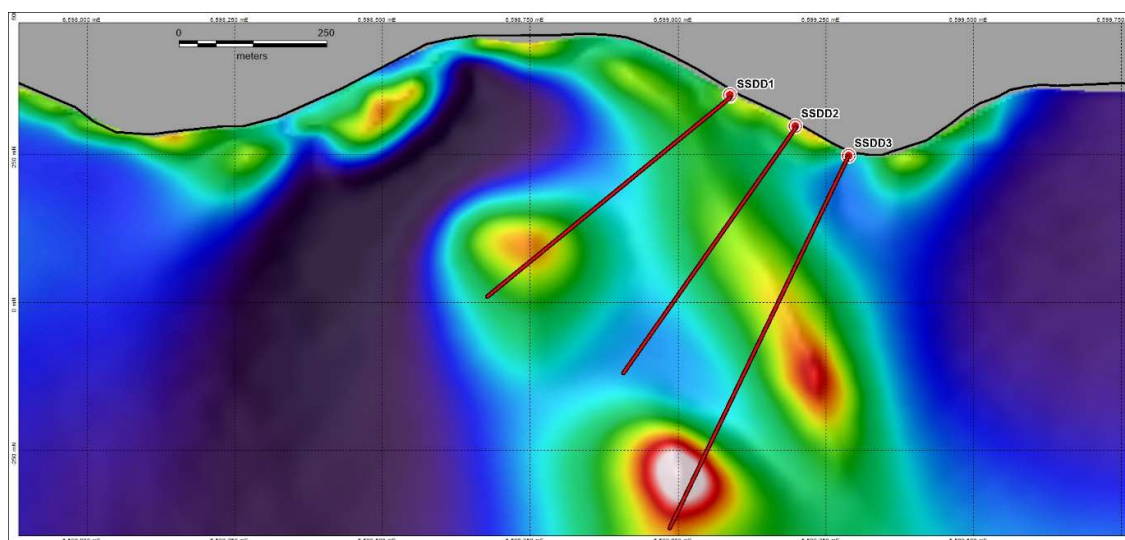
Section 407600mE

Section 407700mE



CRITICAL RESOURCES LIMITED AND CONTROLLED ENTITIES DIRECTORS' REPORT FOR THE HALF YEAR ENDED 30 JUNE 2021

Figure 4: Sunnyside geophysical targets and planned drill holes



Sohar Copper Project (Block 4 and 5), Oman

Following the acquisition on 4 November 2020 to acquire 100% of Savannah's subsidiary, Savannah Resources B.V.'s interest in the Block 4 and Block 5 copper projects in Oman (the "Projects") from Savannah Resources plc ("Savannah") work has continued to focus on developing further targets for future exploration as well as investigate further joint venture and commercial opportunities in Oman.

Project highlights

- The Company acquired 100% of Savannah's subsidiary, Savannah Resources B.V., which via its subsidiaries has a 51% interest in Block 4 (granted Exploration Licence), a 65% interest in Block 5 (granted Exploration Licence and 2 Mining Lease applications) and a 70% interest in two Exploration Licence applications near Block 10 to the west of Blocks 4 and 5.
- The Projects cover 1,006 km² of the copper-rich Ophiolite belt, proven to host clusters of relatively high grade VHMS copper deposits. Ores within these deposits are metallurgically simple and contain gold and silver credits.
- Measured, Indicated and Inferred Mineral Resources (2012 JORC) of 0.82Mt at 3.4% Cu (including a high-grade zone of approximately 0.5Mt at 4.5% Cu) are in two deposits within Block 5. Contained metal is reported at 28,000 tonnes of Copper, 5,900 ounces of Gold and 220,000 ounces of Silver (Table 1-3).
- On completion of the Oman Copper Project acquisition, the Company immediately commenced metallurgical diamond drilling to:
 - provide samples for further metallurgical test work
 - provide grade confirmation within the high-grade massive sulphide and lower grade disseminated sulphide zones hosted within the known VMS copper deposits of Block 5
- The Company was advised that following its Block 4 license renewal application applied for on 22 March 2021 that renewal of the exploration license over Block 4 of which the Company holds a 51%

CRITICAL RESOURCES LIMITED AND CONTROLLED ENTITIES

DIRECTORS' REPORT

FOR THE HALF YEAR ENDED 30 JUNE 2021

interest will be subject to public tender. This reflects the Minerals Department's latest strategy of producing new concession blocks for various mineral ores and then offering them for public tender. No official correspondence was received prior to 30 June 2021 regarding the renewal process or fees associated with it.

- The Company has since been advised in July 2021 that renewal of the exploration license over Block 4 will now be granted and no longer subject to public tender. However, the fees that have been applied to the renewal of Block 4 are considered to be onerous and unreasonable. The Company advises that it has not yet been able to reach a mutually agreeable outcome with the Ministry of Energy and Minerals, Sultanate of Oman (Minerals Department) regarding payment of fees for the ongoing exploration of Block 4 as at September 2021. The Company has not yet received official correspondence with regards to future tenure of Block 4 and at this stage is unsure of how the situation will unfold. The Company unequivocally disputes exploration fees as calculated by the Minerals Department on the basis they are unfounded. Discussions regarding the future tenure of Block 4 are ongoing and the company will update the market in due course.
- Focus continues to be on Block 5 exploration activities upon which the Hara Kilab project, Mahab 4 project and additional exploration targets are located. The Company again confirms the existing mining and exploration licenses in Block 5 (Critical Resources interest 65%) and two further exploration licenses near Block 10 (Critical Resources interest 70%) remain unaffected.
- Block 5 expenditure has been achieved for the year, the annual report for activities has been submitted after which an expenditure amount will be set for the upcoming year.
- Critical Resources geologists and external consultants have been working on prospectivity reviews for both Block 4 and Block 5 in Oman with areas being delineated for future work programs based on aerial magnetics and ground checking of areas previously unexplored.
- A number of joint venture and commercialisation opportunities have also been evaluated over the period with the goal of continuing to improve the value proposition of the Oman assets.

This drilling completed at the end of the calendar year 2020 at Maqail South, Mahab 4 and Hara Kilab (Table 4 and 5, Figures 2 and 3);

Table 1: Mahab 4 Deposit JORC Resources

Domain	Tonnes t	Cu %	Au ppm	Ag ppm	Cu tonnes	Au Ounces	Ag Ounces
Oxide Domain*							
Measured							
Indicated	22,000	0.2	1.4	14	40	1,000	10,000
Inferred							
Total Oxide	22,000	0.2	1.4	14	40	1,000	10,000
Supergene Domain							
Measured							
Indicated	11,000	14.8	1.1	41	1,700	400	15,000
Inferred							
Total Supergene	11,000	14.8	1.1	41	1,700	400	15,000
Massive Sulphide Domain							
Measured	307,000	5.3	0.3	14	16,300	3,000	143,000
Indicated	60,000	4.6	0.3	15	2,800	600	29,000

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Inferred							
Total Massive Sulphide	367,000	5.2	0.3	15	19,100	3,600	172,000
Disseminated Domain							
Measured							
Indicated	64,000	0.6	0.05	2	400	100	4,000
Inferred	234,000	0.7	0.02	1	1,700	200	6,000
Total Disseminated	298,000	0.7	0.03	1	2,100	300	10,000
All Domains							
Measured	307,000	5.3	0.3	14	16,300	3,000	143,000
Indicated	157,000	3.1	0.4	11	4,900	2,100	58,000
Inferred	234,000	0.7	0.2	1	1,700	200	6,000
Total Mahab 4 Deposit	698,000	3.3	0.2	9	22,900	5,300	207,000

* Oxide reported at 0.5 ppm Au Cut-off

Table 2: Maqail South Mineral Resource Estimate 0.5% Cu Cut-off

Domain	Tonnes t	Cu %	Au ppm	Ag ppm	Cu tonnes	Au Ounces	Ag Ounces
Massive Sulphide Domain							
Measured							
Indicated	121,000	4.2	0.2	3	5,100	600	13,000
Inferred							
Total Maqail South Deposit	121,000	4.2	0.2	3	5,100	600	13,000

Table 3: Total Mineral Resource Estimate 0.5% Cu Cut-off

Classification	Tonnes t	Cu %	Au ppm	Ag ppm	Cu tonnes	Au Ounces	Ag Ounces
Measured	307,000	5.3	0.3	14	16,300	3,000	143,000
Indicated	279,000	3.6	0.3	8	10,000	2,700	70,000
Inferred	234,000	0.7	0.02	1	1,700	200	6,000
Total Project	820,000	3.4	0.2	8	28,000	5,900	219,000

Please refer to JORC Statement

Significant copper results include:

- Massive sulphide intersection of 20.8 metres at 4.65% Cu from 49.55 metres, including 11 metres at 6.38% Cu from 54 metres from hole 20B5DD003 at Maqail South
- Massive sulphide intersection of 13 metres at 5.60% Cu from 24 metres including 2 metres at 15.70% Cu from 25 metres downhole from hole 20B5DD001 at Mahab 4
- Disseminated copper sulphide intersections of 23 metres at 0.79% Cu from 37 metres and 46 metres at 0.99% Cu from 78 metres in hole 20B5DD001 at Mahab 4
- Massive sulphide intersection of 8.3 metres at 1.34% Cu from 18 metres in hole 20B5DD002 at Hara Kilab

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Hole ID	Prospect	Northing WGS84_40N	Easting WGS84_40N	RL (m AMSL)	Dip (Deg)	Azimuth (Deg)	EOH (m)		From (m)	To (m)	Interval (m)	Grade (% Cu)	Cu Sulphide (Type)
20B5DD003	Maqail South	2661239	453579	403	-55	270	100						
								incl	54	65	11	6.38	Massive
20B5DD001	Mahab 4	2656158	468753	226	-61	250	42		25	31.8	6.8	3.44	Massive
								incl	25	27	2	8.07	Massive
									35.65	41	5.35	3.43	Massive
20B5DD001R	Mahab 4	2656157	468757	226	-60	250	132		24	37	13	5.60	Massive
								incl	25	27	2	15.70	Massive
								and	35	37	2	9.11	Massive
									37	60	23	0.79	Disseminated
									78	124	46	0.99	Disseminated
20B5DD002	Hara Kilab	2659947	464563	214	-90	0	50		18	26.3	8.3	1.34	Massive
20B5DD004	Hara Kilab	2659938	464559	214	-70	360	41.5		Assays Pending				
20B5DD005	Mahab 4	2656101	468765	224	-62	216	70		Assays Pending				
20B5DD006	Mahab 4	2656101	468765	224	-66	270	77.5		Assays Pending				

Table 4: Significant Copper Assay Results

Significant gold results include:

- 32 metres at 1.05 g/t Au from 5 metres in hole 20B5DD001 at Mahab 4

Table 5: Significant Gold Assay Results

Hole ID	Prospect	Northing WGS84_40N	Easting WGS84_40N	RL (m AMSL)	Dip (Deg)	Azimuth (Deg)	EOH (m)		From (m)	To (m)	Interval (m)	Grade (g/t Au)
20B5DD001R	Mahab 4	2656157	468757	226	-60	250	132		5	37	32	1.05
								incl	16	25	9	2.22
20B5DD002	Hara Kilab	2659947	464563	214	-90	0	50		No Significant Assays			
20B5DD004	Hara Kilab	2659938	464559	214	-70	360	41.5		Assays Pending			
20B5DD005	Mahab 4	2656101	468765	224	-62	216	70		Assays Pending			
20B5DD006	Mahab 4	2656101	468765	224	-66	270	77.5		Assays Pending			

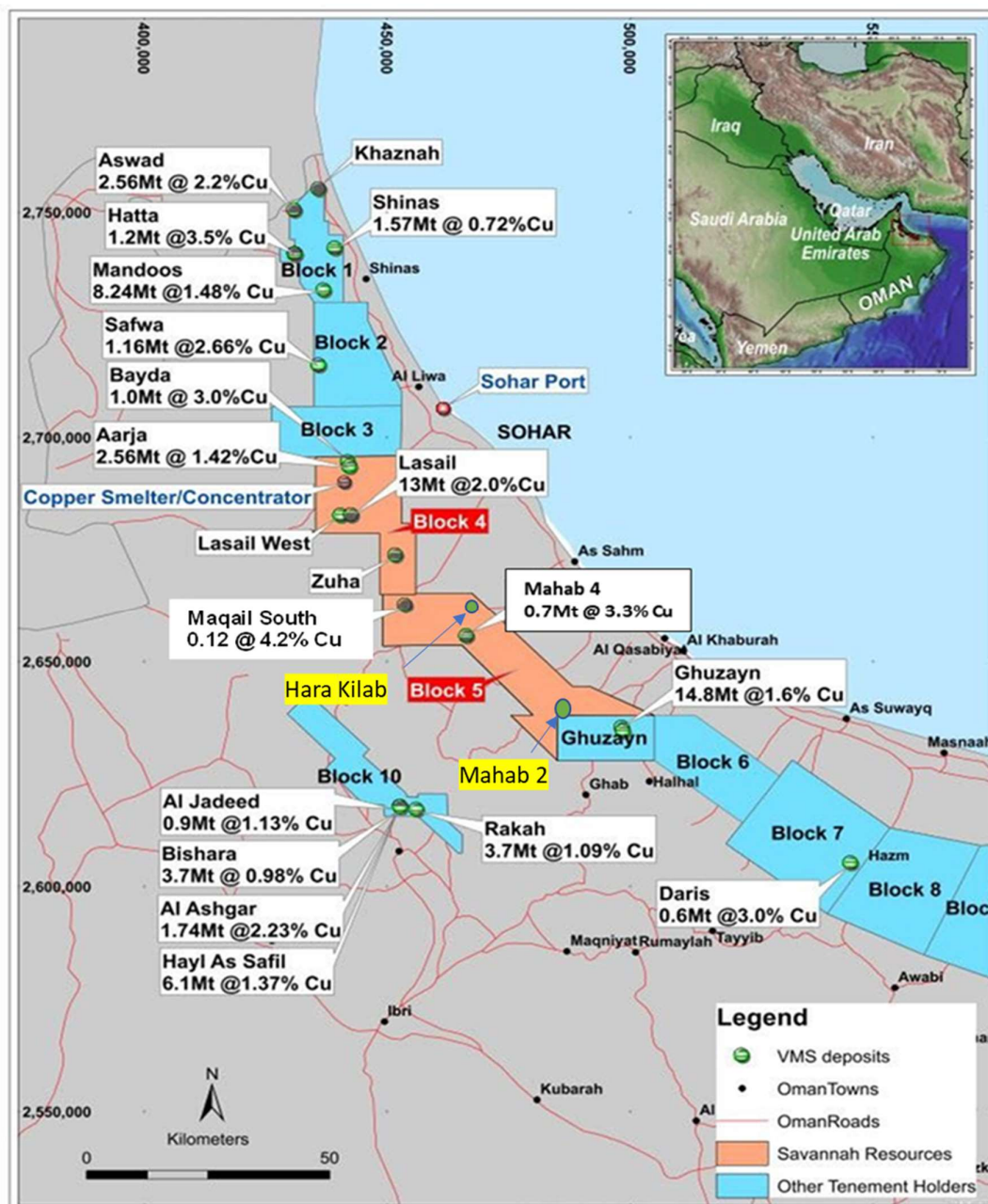
The Company completed a 1,200 metre infill and extensional drill programme at Mahab 4, Hara Kilab and Mahab 2, with final results report in March.

In late October 2020, the Company entered into a contract with Kenex Pty Ltd to collate and interpret the geology, geophysics, geochemistry and drilling from the high-quality database acquired from Savannah Plc. This database covers both Block 4 and Block 5. The output from this work is to generate a prospectivity map that highlights potential VMS targets as either massive sulphide, disseminated sulphide or a combination of both. This work was done in 5 stages.

Stages 1 to 5 were completed during the year. The more prospective areas have now been refined, targeting the geological units known to host VMS copper deposits. During the March 2021 quarter, these areas were interpreted via 3D geological modelling (Stage 4) and prospectivity mapping (Stage 5). Prospectivity mapping defined 26 targets for follow up work. The report was not received from Kenex until after period end.

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Figure 5: Oman Tenement Location Plan



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Figure 6: Cross Section Maqail South with completed diamond drill hole 20B5DD003. Orebody in red.

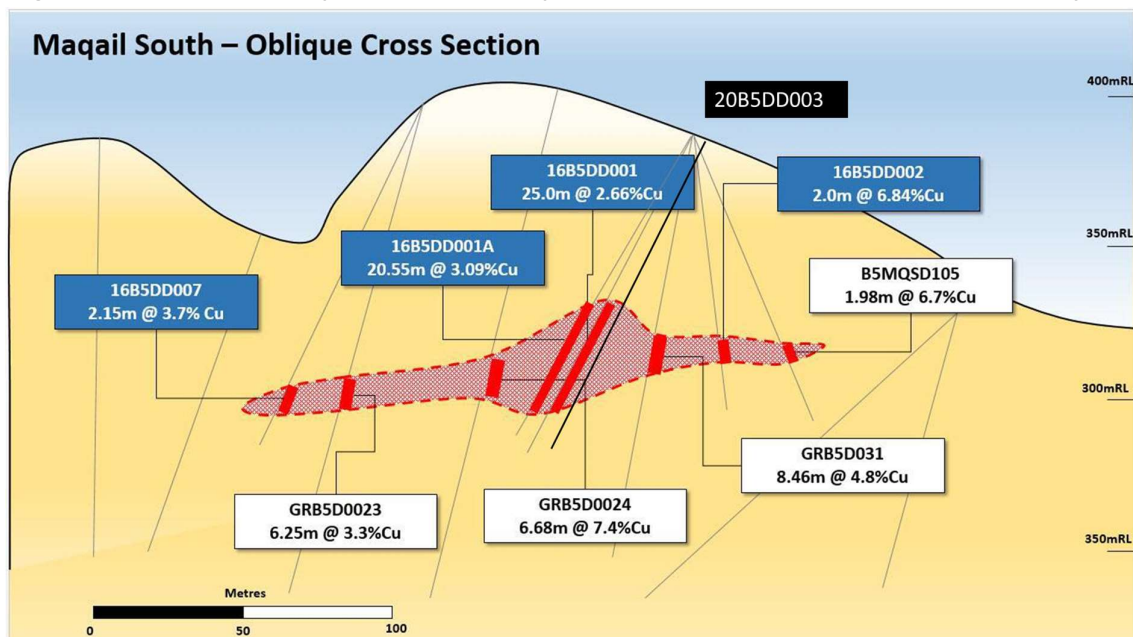
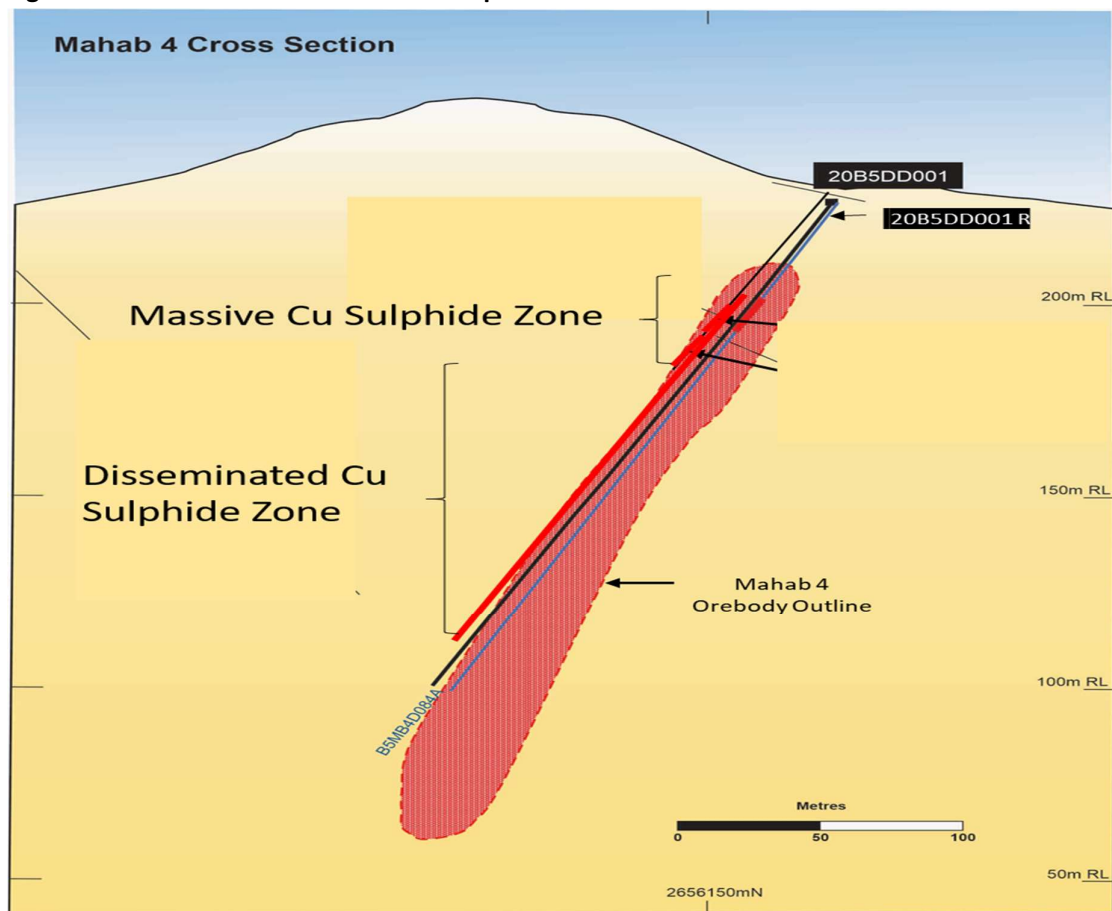


Figure 7: Cross Section Mahab 4 with completed diamond drill holes 20B5DD001 and 20B5DD001R



CRITICAL RESOURCES LIMITED AND CONTROLLED ENTITIES DIRECTORS' REPORT FOR THE HALF YEAR ENDED 30 JUNE 2021

TSHIMPALA PROJECT – MALAWI

During the period, no field work was completed at the Tshimpala Project.

KITOTOLO-KATAMBA PROJECT – DEMOCRATIC REPUBLIC OF CONGO

No work was completed on the project during the period.

KANUKA PROJECT – DEMOCRATIC REPUBLIC OF CONGO

No work was completed on the project during the period.

PROJECT GENERATION

The Company continues to assess additional exploration projects capable of rapid value uplift to be realised with judicious exploration activity. Through the acquisition of such projects the Company aims to add further value for shareholders.

Qualifying Statements

Competent Person Statement

The Information in this ASX Announcement that relates to Exploration Results is based on information compiled by Mr Jeremy Whybrow, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Whybrow is a full-time employee of Critical Resources Limited. Mr Whybrow has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Whybrow consents to the inclusion in this ASX Announcement of the matters based on his information in the form and context in which it appears.

The Information in this report that relates Mineral Resources is based on information compiled by Mr Paul Payne, a Competent Person who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Payne is a full-time employee of Payne Geological Services. Mr Payne has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Payne consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

JORC Code Compliant Reports

The information regarding the Mineral Resource is extracted from the report entitled "Force to Acquire High Grade Copper Projects in Oman" created 1 September 2020 and is available to view on www.criticalresources.com.au. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Forward looking statements

Information included in this release constitutes forward-looking statements. Often, but not always, forward looking statements can generally be identified by the use of forward looking words such as "may", "will", "expect", "intend", "plan", "estimate", "anticipate", "continue", and "guidance", or other similar words and may include, without limitation, statements regarding plans, strategies and

CRITICAL RESOURCES LIMITED AND CONTROLLED ENTITIES DIRECTORS' REPORT FOR THE HALF YEAR ENDED 30 JUNE 2021

objectives of management, anticipated production or construction commencement dates and expected costs or production outputs.

Forward looking statements inherently involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance and achievements to differ materially from any future results, performance or achievements. Relevant factors may include, but are not limited to, changes in commodity prices, foreign exchange fluctuations and general economic conditions, increased costs and demand for production inputs, the speculative nature of exploration and project development, including the risks of obtaining necessary licences and permits and diminishing quantities or grades of reserves, political and social risks, changes to the regulatory framework within which the company operates or may in the future operate, environmental conditions including extreme weather conditions, recruitment and retention of personnel, industrial relations issues and litigation.

Forward looking statements are based on the Company and its management's good faith assumptions relating to the financial, market, regulatory and other relevant environments that will exist and affect the Company's business and operations in the future. The Company does not give any assurance that the assumptions on which forward looking statements are based will prove to be correct, or that the Company's business or operations will not be affected in any material manner by these or other factors not foreseen or foreseeable by the Company or management or beyond the Company's control.

Although the Company attempts and has attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in forward looking statements, there may be other factors that could cause actual results, performance, achievements or events not to be as anticipated, estimated or intended, and many events are beyond the reasonable control of the Company. Accordingly, readers are cautioned not to place undue reliance on forward looking statements. Forward looking statements in these materials speak only at the date of issue. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rules, in providing this information the company does not undertake any obligation to publicly update or revise any of the forward-looking statements or to advise of any change in events, conditions or circumstances on which any such statement is based.

4. SIGNIFICANT EVENTS AFTER THE BALANCE DATE

The following significant events have arisen since the end of the half-year which may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years:

- The Company was advised that following its Block 4 license renewal application applied for on 22 March 2021 that renewal of the exploration license over Block 4 of which the Company holds a 51% interest will be subject to public tender. This reflects the Minerals Department's latest strategy of producing new concession blocks for various mineral ores and then offering them for public tender. No official correspondence was received prior to 30 June 2021 regarding the renewal process or fees associated with it.

The Company has since been advised in July 2021 that renewal of the exploration license over Block 4 will now be granted and no longer subject to public tender. However, the fees that have been applied to the renewal of Block 4 are considered to be onerous and unreasonable. The Company advises that it has not yet been able to reach a mutually agreeable outcome with the Ministry of Energy and Minerals, Sultanate of Oman (Minerals Department) regarding payment of fees for the ongoing exploration of Block 4 as at September 2021. The Company has not yet received official correspondence with regards to future tenure of Block 4 and at this stage is unsure of how the situation will unfold. The Company unequivocally disputes exploration fees as calculated by the Minerals Department on the basis they are unfounded.

CRITICAL RESOURCES LIMITED AND CONTROLLED ENTITIES DIRECTORS' REPORT FOR THE HALF YEAR ENDED 30 JUNE 2021

Discussions regarding the future tenure of Block 4 are ongoing and the company will update the market in due course.

- The impact of the Corona virus (COVID-19) pandemic is ongoing and while it has not had a material impact on the business up to 30 June 2021, 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.

5. PROCEEDINGS ON BEHALF OF COMPANY

Other than disclosed in this report, no other 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 those proceedings.

Other than disclosed in this report, no other proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the *Corporations Act 2001*.

6. AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration under section 307C of the *Corporations Act 2001* is set out on page 15 for the half year ended 30 June 2021.

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



Mr Robert Martin
Non-Executive Chairman
Perth, Western Australia
8 September 2021

DECLARATION OF INDEPENDENCE BY GLYN O'BRIEN TO THE DIRECTORS OF CRITICAL RESOURCES LIMITED

As lead auditor for the review of Critical Resources Limited for the half-year ended 30 June 2021, I declare that, to the best of my knowledge and belief, there have been:

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

This declaration is in respect of Critical Resources Limited and the entities it controlled during the period.



Glyn O'Brien

Director

BDO Audit (WA) Pty Ltd

Perth, 8 September 2021

CRITICAL RESOURCES LIMITED AND CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 30 JUNE 2021

		30 Jun 2021	30 Jun 2020
	Notes	\$	\$
Continuing Operations			
Interest income	3	2,242	258
Administrative expenses		(268,974)	(151,334)
Consulting and staff costs		(351,238)	(33,000)
Depreciation		(11,154)	(43,436)
Share based payments	8	(35,193)	-
Finance costs	7	(305,132)	(33,186)
Loss before income tax expense		(969,449)	(260,698)
Income tax expense		-	-
Loss for the period		(969,449)	(260,698)
Other comprehensive income			
Exchange difference on translating foreign operations		(4,467)	88
Total other comprehensive, income/(loss) for the period, net of tax		(973,916)	(260,610)
Net loss for the period attributable to:			
Owners		(975,577)	(260,698)
Non-controlling interests		6,128	-
Net loss for the period		(969,449)	(260,698)
Total comprehensive loss for the period attributed to:			
Owners		(978,346)	(260,653)
Non-controlling interests		4,430	43
Total comprehensive loss for the period		(973,916)	(260,610)
Loss per share			
Basic and diluted loss per share (cents per share)		(0.10)	(0.05)

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

CRITICAL RESOURCES LIMITED AND CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2021

		30 Jun 2021	31 Dec 2020
	Notes	\$	\$
ASSETS			
Current assets			
Cash and cash equivalents		1,503,643	1,846,553
Trade and other receivables		23,852	52,426
Prepayments		47,526	14,846
Total current assets		1,575,021	1,913,825
Non-current assets			
Plant and equipment		1,472	11,066
Exploration and evaluation assets	4	1,943,943	1,398,797
Total non-current assets		1,945,415	1,409,863
Total assets		3,520,436	3,323,688
LIABILITIES			
Current liabilities			
Trade and other payables	5	1,021,625	949,200
Financial liabilities		-	301,562
Provisions		16,361	29,435
Total current liabilities		1,037,986	1,280,197
Total liabilities		1,037,986	1,280,197
Net assets		2,482,450	2,043,491
Equity			
Issued capital	6	46,626,192	45,277,303
Reserves		54,366	4,647,064
Accumulated losses		(44,674,046)	(48,372,673)
		2,006,512	1,551,694
Non-Controlling interest		475,938	491,797
Total equity		2,482,450	2,043,491

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

CRITICAL RESOURCES LIMITED AND CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 30 JUNE 2021

		30 Jun 2021	30 Jun 2020
	Notes	\$	\$
Cash flows from operating activities			
Interest received		2,242	258
Payments to suppliers and employees		(637,379)	(84,842)
Interest paid		(6,658)	-
GST refunds		52,762	-
Net cash flows used in operating activities		(589,033)	(84,584)
Cash flows from investing activities			
Payments for exploration and evaluation		(501,205)	-
Purchase of plant and equipment		(1,561)	-
Net cash flows (used in) investing activities		(502,766)	-
Cash flows from financing activities			
Proceeds from issue of shares – exercise of options	6	748,889	-
Proceeds from loans		-	383,000
Repayment of loans		-	(250,000)
Net cash flows from financing activities		748,889	133,000
Net (decrease)/increase in cash and cash equivalents		(342,910)	48,416
Cash and cash equivalents at beginning of period		1,846,553	8,772
Cash and cash equivalents at end of period		1,503,643	57,188

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

CRITICAL RESOURCES LIMITED AND CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEARENDED 30 JUNE 2021

	Issued Capital	Reserves	Accumulated Losses	Non-Controlling Interest	Total Equity
	\$	\$	\$		\$
Balance at 1 January 2020	41,020,252	4,561,060	(47,565,285)	(60,521)	(2,044,494)
Comprehensive loss for the period	-	-	(260,698)	-	(260,698)
Other comprehensive loss for the period	-	4,382	-	(4,294)	88
Total comprehensive loss for the period	-	4,382	(260,698)	(4,294)	(260,610)
Transactions with owners in their capacity as owners	-	-	-	-	-
Balance at 30 June 2020	41,020,252	4,565,442	(47,825,983)	(64,815)	(2,305,104)
Balance at 1 January 2021	45,277,303	4,647,064	(48,372,673)	491,797	2,043,491
Comprehensive loss for the period	-	-	(975,577)	6,128	(969,449)
Other comprehensive loss for the period	-	(2,769)	-	(1,698)	(4,467)
Total comprehensive loss for the period	-	(2,769)	(975,577)	4,430	(973,916)
Transactions with owners in their capacity as owners					
Shares issued – exercise of options	748,889	-	-	-	748,889
Shares issued – settlement of debt	600,000	-	-	-	600,000
Options issued	-	13,195	-	-	13,195
Performance rights issued	-	21,998	-	-	21,998
Reserve transfer	-	(4,625,122)	4,674,204	(20,289)	28,793
Balance at 30 June 2021	46,626,192	54,366	(44,674,046)	475,938	2,482,450

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

CRITICAL RESOURCES LIMITED AND CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED 30 JUNE 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

This consolidated interim financial report for the half-year reporting period ended 30 June 2021 has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporation Act 2001*.

This financial report complies with Australian Accounting Standards which include International Financial Reporting Standards as adopted in Australia. Compliance with these standards ensures that the consolidated financial statements and notes as presented comply with the International Reporting Standards (**IFRS**).

(b) New accounting standard and interpretations

Adoption of new and amended accounting standards

The principal accounting policies adopted are consistent with those of the previous financial year ended 31 December 2020 and corresponding interim reporting period, unless otherwise stated.

(c) Going Concern

The financial report has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

During the half year the Group incurred a net loss of \$969,449 (2020: \$260,698) and incurred net cash outflows from operating activities of \$589,033 (2020: \$84,584). The Group had a net working capital surplus of \$537,035 (31 December 2020: surplus of \$633,628), trade and other payables of \$1,021,625 (31 December 2020: \$949,200) at reporting date.

These conditions indicate a material uncertainty that may cast a significant doubt about the Group's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

Management believe that as at the date of this report there are reasonable grounds to believe that the Group will continue as a going concern.

The Company plans to issue additional equity securities under the Corporations Act 2001, to raise further working capital. The Company has been successful in raising capital previously.

Should the entity not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements. The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts and liabilities that might be necessary should the entity not continue as a going concern.

The Group had cash reserves of \$1,503,643 at 30 June 2021 and has prepared a budget taking into consideration the plans for the Company as detailed above. Management are confident that the Group has the ability to raise further capital based on the Company's quality assets.

(d) Critical accounting estimates and judgements

The preparation of financial reports requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reporting amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. In preparation the interim consolidated financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were consistent with those that applied to the annual consolidated financial statements as at and for the year ended 31 December 2020.

CRITICAL RESOURCES LIMITED AND CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED 30 JUNE 2021

2. SEGMENT INFORMATION

The consolidated entity has identified its operating segments based on geographical location, with the consolidated entity having only operated in two locations: Australia and Sultanate of Oman, during the half year.

Unallocated results, assets and liabilities represent corporate amounts that are not core to the reportable segments.

Activity by segment

Exploration Australia

The Exploration Australia segment includes the following exploration projects:

- Halls Peak Base Metals Project in New South Wales

Exploration Sultanate of Oman

The Exploration in The Sultanate of Oman segment includes the following exploration projects:

- Block 4
- Block 5

Exploration DRC

The Exploration DRC segment includes the following exploration projects:

- Kitotolo Lithium Project in DRC; and
- Kanuka Lithium Production Project in DRC

Exploration Malawi

The Exploration Malawi segment includes the following exploration projects:

Rights to exclusively explore for lead, silver and zinc on Exploration Licenses EPL479, EPL483 and EPL484 and has also secured the rights to develop and mine on Mining License AML 0029.

The following table presents the revenue and results information for the half year ended 30 June 2021 and selected balance sheet information as at 30 June 2021 for the Group's reportable segments.

2021	Exploration Australia \$	Sultanate of Oman \$	Exploration DRC \$	Malawi \$	Corporate \$	Total \$
Segment performance						
Segment income	-	-	-	-	2,242	2,242
Segment result	(20,072)	(141,195)	-	-	(808,182)	(969,449)
Segment assets						
Cash	-	282,057	-	-	1,221,586	1,503,643
Exploration and evaluation assets	65,693	1,878,250	-	-	-	1,943,943
Plant and equipment	-	-	-	-	1,472	1,472
Other assets	-	20,576	-	-	50,802	71,378
Total segment assets	65,693	2,180,883	-	-	1,273,860	3,520,436
Segment liabilities						
Trade payables	-	121,355	-	527,889	260,250	909,494
Other liabilities	-	16,362	-	-	112,130	128,492
Total segment liabilities	-	137,717	-	527,889	372,380	1,037,986

CRITICAL RESOURCES LIMITED AND CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED 30 JUNE 2021

The following table presents the revenue and results information for the half year ended 30 June 2020 and selected balance sheet information as at 31 December 2020 for the Group's reportable segments.

2020	Exploration Australia \$	Sultanate of Oman \$	Exploration DRC \$	Malawi \$	Corporate \$	Total \$
Segment performance						
Segment income	-	-	-	-	258	258
Segment result	-	-	-	-	(260,698)	(260,698)
Segment assets						
Cash	-	198,920	-	-	1,647,633	1,846,553
Exploration and evaluation assets	-	1,398,797	-	-	-	1,398,797
Plant and equipment	-	-	-	-	11,066	11,066
Other assets	-	17,258	-	-	50,014	67,272
Total segment assets	-	1,614,975	-	-	1,708,713	3,323,688
Segment liabilities						
Trade payables	-	100,377	-	527,889	320,934	949,200
Other liabilities	-	29,435	-	-	301,562	330,997
Total segment liabilities	-	129,812	-	527,889	622,496	1,280,197

	30 Jun 2021 \$	30 Jun 2020 \$
3. INTEREST AND OTHER INCOME		
Other income		
Interest income	2,242	258
Total other revenue	2,242	258

4. EXPLORATION & EVALUATION

	\$
Balance as at 1 January 2020	-
Capitalised exploration acquisition – Oman	1,264,026
Capitalised exploration expenditure – Oman	245,549
Capitalised exploration expenditure – Kitotolo	50,350
Capitalised exploration expenditure – Kanuka	50,350
Impairment expense	(100,700)
Foreign exchange adjustment	(110,778)
Balance as at 31 December 2020	1,398,797
Capitalised exploration expenditure – Oman	435,512
Capitalised exploration expenditure – New South Wales, Australia	65,693
Foreign exchange adjustment	43,941
Balance as at 30 June 2021	1,943,943

CRITICAL RESOURCES LIMITED AND CONTROLLED ENTITIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 30 JUNE 2021

The value of the Group's interest in exploration expenditure is dependent upon:

- the continuance of the consolidated entity's rights to tenure of the areas of interest;
- the results of future exploration;
- the recoupment of costs through successful development and exploitation of the areas of interest, or alternatively, by their sale; and
- no significant changes in laws and regulations that greatly impact the company's ability to maintain tenure.

The Group's exploration properties may be subjected to claim(s) under native title, or contain sacred sites, or sites of significance to indigenous people. As a result, exploration properties or areas within the tenements may be subject to exploration restrictions, mining restrictions and/or claims for compensation. At this time, it is not possible to quantify whether such claims exist, or the quantum of such claims.

	30 Jun 2021	31 Dec 2020
	\$	\$
5. TRADE AND OTHER PAYABLES		
Trade payables	909,495	804,037
Employee related payables	4,977	22,625
Accruals and other payables	107,153	122,538
Total trade and other payables	1,021,625	949,200

	30 Jun 2021	31 Dec 2020
	\$	\$
6. ISSUED CAPITAL		
a) Issued and paid up capital		
Ordinary shares fully paid	46,626,192	45,277,303
	Number of Shares	Number of Shares
Ordinary shares fully paid	1,053,345,302	985,900,858
b) Movement in shares on issue		
	Number of Shares	\$
Balance at 1 January 2020	557,654,757	41,020,252
Share issue – capital raise 14/9/2020	154,500,000	1,545,000
Share issue – capital raise 30/10/2020	145,500,000	1,455,000
Capital raising costs	-	(180,000)
Share issue – settlement of creditors 10/11/2020	31,578,101	448,371
Share issue – conversion of loans ³ 10/11/2020	37,000,000	392,000
Share issue – acquisition of Savannah BV – refer to note 12 10/11/2020	50,000,000	500,000
Share issue – convertible loan fees ³ 10/11/2020	9,668,000	96,680
Balance as at 31 December 2020	985,900,858	45,277,303
Share issue – exercise of options 22/02/2021	3,000,000	60,000
Share issue – conversion of loan (refer Note 7) 2/03/2021	30,000,000	600,000
Share issue – exercise of options 30/06/2021	34,444,444	688,889
Balance as at 30 June 2021	1,053,345,302	46,626,192

CRITICAL RESOURCES LIMITED AND CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED 30 JUNE 2021

7. RELATED PARTY TRANSACTIONS

During the financial year ended 31 December 2020, Major shareholder and Non-Executive Director, Mr Jihad Malaeb, provided a loan to the Company for \$300,000. The loan was settled in shares on 2 March 2021 (refer Note 6), with interest paid in cash on settlement of \$6,658. A loss of \$300,000 has been recognised for the current period within Finance Costs in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

On 8 June 2021, the Company entered into a services agreement with Mr Alex Biggs, to be employed as Chief Executive Officer. The terms of the agreement are as follows:

- No fixed term, with an initial 3-month probationary period
- Fixed salary of \$200,000 per annum, plus superannuation
- Options and Performance Rights, please see Note 8 for further details.

During the current period, the Company awarded its Board of Directors and Company Secretary certain Performance Rights. Please refer to Note 8 for details.

All other related party transactions are in line with the Company's 2020 Annual Report.

8. SHARE BASED PAYMENTS

Options

During the current period, the following Options were issued to the Company's Chief Executive Officer, Mr Alex Biggs:

- Tranche A: 1,300,000 options, exercisable at \$0.05 each, with an expiry date of 30 June 2024. The options vest upon the Company's 30 day volume weighted average price of its fully paid ordinary shares being equal to or above 5 cents at any time after the date of issue.
- Tranche B: 1,300,000 options, exercisable at \$0.07 each, with an expiry date of 30 June 2024. The options vest upon the Company's 30 day volume weighted average price of its fully paid ordinary shares being equal to or above 7 cents at any time after the date of issue.
- Tranche C: 5,000,000 options, exercisable at \$0.10 each, with an expiry date of 30 June 2024. The options vest upon Mr Biggs completing his 3 month probationary period with the Company. Subsequent to 30 June 2021, these options have vested.

The barrier up-and-in trinomial pricing model has been used to value Tranche A and B options. The Black Scholes pricing model has been used to value Tranche C options. The following inputs were used in the valuation models:

Tranche	Number of options	Grant date	Grant date share price	Exercise price	Expiry date	Estimated vesting date	Volatility %	Risk free rate %	Fair Value	Fair value per option
A	1,300,000	8 Jun 2021	\$0.028	\$0.05	30 Jun 2024	30 Jun 2024	100	0.115	\$18,200	\$0.014
B	1,300,000	8 Jun 2021	\$0.028	\$0.07	30 Jun 2024	30 Jun 2024	100	0.115	\$15,600	\$0.012
C	5,000,000	8 Jun 2021	\$0.028	\$0.10	30 Jun 2024	8 Sep 2021	100	0.115	\$50,000	\$0.010

As at 30 June 2021, no options have vested. The fair value of the options of \$83,800 will be recognised over the estimated vesting dates. An amount of \$13,195 has been recognised within Share based

CRITICAL RESOURCES LIMITED AND CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED 30 JUNE 2021

payments expense in the Consolidated Statement of Profit or Loss and Other Comprehensive Income for the current period, in respect of these awards.

Performance Rights

During the current period, the following Performance Rights were issued to the Company's Chief Executive Officer, Mr Alex Biggs, and the Board of Directors:

CEO Performance Rights

- Tranche A: 2,500,000 performance rights, with an expiry date of 30 June 2024. The performance rights will vest upon the Company successfully announcing on the ASX Markets Announcements platform JORC 2012 compliant Mineral Resource with a minimum tonnage of 0.5 million tonnes and a minimum grade of 5% zinc (or 5% zinc equivalent) at the Company's Halls Peak project in NSW.
- Tranche B: 2,500,000 performance rights, with an expiry date of 30 June 2024. The performance rights will vest upon the Company successfully announcing on the ASX Markets Announcements platform JORC 2012 compliant Mineral Resource with a minimum tonnage of 1.0 million tonnes and a minimum grade of 5% zinc (or 5% zinc equivalent) at the Company's Halls Peak project in NSW.
- Tranche C: 5,000,000 performance rights, with an expiry date of 30 June 2024. The performance rights will vest upon the Company's 30 day volume weighted average price of it's fully paid ordinary shares being equal to or above \$0.125 at any time after the date of issue.

The fair value of Tranche A and B performance rights as been calculated using the share price on the grant date, of 8 June 2021, being \$0.028.

The barrier up-and-in trinomial pricing model has been used to value Tranche C performance rights. The following inputs were used in the valuation model:

Tranche	Number of performance rights	Grant date	Grant date share price	Expiry date	Estimated vesting date	Volatility %	Risk free rate %	Fair Value	Fair value per performance right
C	5,000,000	8 Jun 2021	\$0.028	30 Jun 2024	30 Jun 2024	100	0.115	\$80,000	\$0.016

As at 30 June 2021, no performance rights have vested. The total fair value of the performance rights of \$220,000 will be recognised over the estimated vesting dates. An amount of \$6,795 has been recognised within Share based payments expense in the Consolidated Statement of Profit or Loss and Other Comprehensive Income for the current period, in respect of these awards.

Director & Company Secretary Performance Rights

- Tranche A: 10,000,000 performance rights, with an expiry date of 30 June 2026. The performance rights will vest upon the Company's VWAP being at least \$0.05 over 20 consecutive trading days on which the Company's shares have actually traded.
- Tranche B: 10,000,000 performance rights, with an expiry date of 30 June 2026. The performance rights will vest upon the Company's VWAP being at least \$0.075 over 20 consecutive trading days on which the Company's shares have actually traded.

CRITICAL RESOURCES LIMITED AND CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED 30 JUNE 2021

Tranche C: 10,000,000 performance rights, with an expiry date of 30 June 2026. The performance rights will vest upon the Company's VWAP being at least \$0.10 over 20 consecutive trading days on which the Company's shares have actually traded.

The barrier up-and-in trinomial pricing model has been used to value the performance rights. The following inputs were used in the valuation model:

Tranche	Number of performance rights	Grant date	Grant date share price	Expiry date	Estimated vesting date	Volatility %	Risk free rate %	Fair Value	Fair value per performance right
A	8,000,000	27 May 2021	\$0.032	27 May 2026	27 May 2026	100	0.665	\$240,000	\$0.030
A	2,000,000	27 April 2021	\$0.015	27 Apr 2026	27 Apr 2026	100	0.725	\$26,000	\$0.013
B	8,000,000	27 May 2021	\$0.032	27 May 2026	27 May 2026	100	0.665	\$224,000	\$0.028
B	2,000,000	27 April 2021	\$0.015	27 Apr 2026	27 Apr 2026	100	0.725	\$22,000	\$0.011
C	8,000,000	27 May 2021	\$0.032	27 May 2026	27 May 2026	100	0.665	\$216,000	\$0.027
C	2,000,000	27 April 2021	\$0.015	27 Apr 2026	27 Apr 2026	100	0.725	\$22,000	\$0.011

As at 30 June 2021, no performance rights have vested. The total fair value of the performance rights, of \$750,000, will be recognised over the estimated vesting dates. An amount of \$15,203 has been recognised within Share based payments expense in the Consolidated Statement of Profit or Loss and Other Comprehensive Income for the current period, in respect of these awards.

9. EVENTS SUBSEQUENT TO REPORTING DATE

The following significant events have arisen since the end of the half-year which may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years:

- The Company was advised that following its Block 4 license renewal application applied for on 22 March 2021 that renewal of the exploration license over Block 4 of which the Company holds a 51% interest will be subject to public tender. This reflects the Minerals Department's latest strategy of producing new concession blocks for various mineral ores and then offering them for public tender. No official correspondence was received prior to 30 June 2021 regarding the renewal process or fees associated with it.

The Company has since been advised in July 2021 that renewal of the exploration license over Block 4 will now be granted and no longer subject to public tender. However, the fees that have been applied to the renewal of Block 4 are considered to be onerous and unreasonable. The Company advises that it has not yet been able to reach a mutually agreeable outcome with the Ministry of Energy and Minerals, Sultanate of Oman (Minerals Department) regarding payment of fees for the ongoing exploration of Block 4 as at September 2021. The Company has not yet received official correspondence with regards to future tenure of Block 4 and at this stage is unsure of how the situation will unfold. The Company unequivocally disputes exploration fees as calculated by the Minerals Department on the basis they are unfounded.

Discussions regarding the future tenure of Block 4 are ongoing and the company will update the market in due course.

- The impact of the Corona virus (COVID-19) pandemic is ongoing and while it has not had a material impact on the business up to 30 June 2021, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly

CRITICAL RESOURCES LIMITED AND CONTROLLED ENTITIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 30 JUNE 2021

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.

10. CONTINGENT ASSETS AND LIABILITIES

From time to time the Company may be party to claims from suppliers and service providers arising from operations in the ordinary course of business.

As at the date of this report there are no claims or contingent liabilities that are expected to materially impact, either individually or in aggregate the company's financial position or results from operations.

There has been no change in contingent assets and liabilities from 31 December 2020.

11. DIVIDENDS

No dividends have been paid or provided for the period.

**CRITICAL RESOURCES LIMITED AND CONTROLLED ENTITIES
DIRECTORS' DECLARATION
FOR THE HALF YEAR ENDED 30 JUNE 2021**

In the directors' opinion:

- (a) The attached financial statements and notes comply with the *Corporations Act 2001*, Australian Accounting Standard AASB 134 *'Interim Financial Reporting'*, 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 consolidated entity's financial position as at 30 June 2021 and of its performance for the financial half-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

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001



Mr Robert Martin
Non-Executive Chairman
Perth, Western Australia
8 September 2021

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Critical Resources Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Critical Resources Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2021, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

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

- (i) Giving a true and fair view of the Group's financial position as at 30 June 2021 and of its financial performance for the half-year ended on that date; and
- (ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

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

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

Material uncertainty relating to going concern

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

Responsibility of the directors for the financial report

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

Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 30 June 2021 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 Interim Financial Reporting and the *Corporations Regulations 2001*.

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

BDO Audit (WA) Pty Ltd



Glyn O'Brien

Director

Perth, 8 September 2021