



ACN: 652 352 228

Annual Report

For the Period from Incorporation Date
28 July 2021 to 30 June 2022

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Corporate Directory

Directors	Mr Stephen Woodham (Non-Executive Chairman) Mr Cameron Provost (Managing Director) Mr David Ward (Non-Executive Director)
Company Secretary	Mr Alan Armstrong
Registered and Principal Office	Level 8 216 St Georges Terrace Perth Western Australia 6000 Telephone: +61 (8) 9481 0389 Facsimile: +61 (8) 9463 6103
Auditors	Hall Chadwick WA Audit Pty Ltd 283 Rokeby Road Subiaco Western Australia 6008
Bankers	National Australia Bank Limited Ground Floor, 100 St Georges Terrace Perth Western Australia 6000
Share Registry	Automic Pty Ltd Level 5, 191 St Georges Terrace Perth Western Australia 6000 Telephone: 1300 288 664 (within Australia) +61 (8) 9698 5414 (outside Australia)
Stock Exchange Listing	Australian Securities Exchange ('ASX') ASX code: CBH
ACN	652 352 228
Website	www.coolabahmetals.com.au

Directors' Report

The Directors present their report together with the financial statements of Coolabah Metals Limited (referred to hereafter as 'Coolabah' or the 'Company') for the period from incorporation date 28 July 2021 to 30 June 2022.

Directors

The following persons were directors of Coolabah during the whole period up to the date of this report, unless otherwise stated:

- Mr Stephen Woodham – Non- Executive Chairman (appointed 28 July 2021);
- Mr Cameron Provost – Managing Director (appointed 28 July 2021);
- Mr David Ward – Non-Executive Director (appointed 18 August 2021); and
- Mr Richard Maish – Non-Executive Director (appointed 28 July 2021; resigned 18 August 2021).

Principal Activity

The principal activity of the Company during the financial period was the evaluation of resource projects.

Operating Results

The operating result of the Company for the financial period was a loss of 669,439.

Review of Operations

Coolabah Metals Limited commenced trading on the ASX at 2:00pm, 28th July 2022, as a well-funded entity following the successful completion of its \$6 million Initial Public Offering. With the support of corporate advisors, CPS Capital and Barclay Pearce Capital, the \$6 million dollar raising closed with support from the Australian Investment Community.

This capital will be utilised to execute its copper, gold and polymetallic exploration strategy with key projects located in Central NSW and Queensland.

Coolabah Metals Limited have secured licence agreements for three prospective copper, gold and polymetallic projects situated in two proven mineralised terrains in the Lachlan Fold Belt and Mt Isa Regions.

Coolabah Metals Limited flagship Coolabah Project covers large-scale terrain 1,177km² prospective for deformed and remobilised Besshi-type Volcanic associated Massive Sulphide (VMS) Cu-Au deposits similar to Tritton, Avoca Tank and Constellation (ASX: AIS).

The Nymagee Project, also located in the Lachlan Fold Belt is home to high-grade polymetallic Cobar Style Deposits such as the well-known Hera & Federation deposits (ASX: AMI).

Following completion of the offers and the admission of Coolabah Metals Limited to the ASX, the company will now be focussed on increasing shareholder returns by undertaking systematic exploration activities in accordance with its exploration program and the acquisition, exploration and development resource projects throughout Australia.

We are pleased to reiterate that Coolabah Metals Ltd secured the exploration licences in the Lachlan Fold Belt due to the major mining province that holds a long history of mineral production including gold (Au), copper (Cu), lead (Pb), zinc (Zn), silver (Ag) and tin (Sn). The Mount Isa region represents one of the largest accumulations of lead (Pb), zinc (Zn) and silver (Ag) in the world.

A key objective for the year ahead, is to build strong relationships with our team, partners, stakeholders, governments, local communities and Traditional Owners. This will be achieved through site visits, in-person, investor updates, and stakeholder engagement.

A core ethos of Coolabah Metals Limited is to ensure staff safety and wellbeing, transparency, stakeholder communication and sustainability.

Operationally, since listing, we have achieved a 996-line km HeliTEM2 survey that was completed covering an area of over 210 square kilometres, well over half the entire tenement (EL9287).

The airborne gravity survey covered approximately one third of the Nymagee Project tenements. The whole of EL8657, and smaller portions of EL8638 and EL8785 totalling 169 square kilometres.

In addition, we have completed a first pass rock-chip sampling program consisting of 251 rock-chip samples at the Gunpowder Creek Project in Northwest Queensland. The report has signified high-grade rock chip samples returning gold grades up to 21.6g/t, situated in and around the historic workings of the Gunpowder Creek Project.

Significant Changes in State of Affairs

The Company signed an agreement with Bacchus Resources to acquire several exploration licences in NSW and Qld subject to certain conditions precedent, including a successful ASX listing of the Company.

On 31 December 2021, the Company issued 7,000,000 ordinary shares at \$0.10 per share, raising \$700,000 before costs.

Planning commenced for an initial public offering on the ASX in Q3 2022, with the proposed \$6,000,000 raise to fund exploration across the exciting projects held by the Company. The Company lodged its IPO Prospectus on 29 April 2022.

Other than those disclosed in this annual report, no significant changes in the state of affairs of the Company occurred during the financial period.

Events after Reporting Date

Subsequent to year-end, the Company completed the raising of \$6,000,000 (before costs) in order to progress towards listing on the ASX.

On 22 July 2022, the Company issued 6,000,000 fully paid ordinary shares to Bacchus Resources as consideration for the acquisition of the exploration licences.

On 28 July 2022, the Company was listed on the ASX under ticker code ASX:CBH.

No other matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial periods.

Information on Directors

- **Mr Stephen Woodham**

Non-Executive Chairman / Appointed 28 July 2021

Mr Woodham has over 15 years' experience in the mining and exploration industry in Western Australia and New South Wales. His area of specialisation includes field logistics and support and land access in rural and remote environments. He also has an extensive track record of tenement acquisition, mining investment and commercial and cross-cultural negotiation. Mr Woodham was a founding director of Centaurus Resources, Kingwest Resources and managing director of Tellus Resources.

Directorships of other ASX listed companies in the last 3 years	- Kingwest Resources Ltd (13 March 2018 to 26 November 2019) - Locksley Resources Ltd (since 8 July 2021)
Interest in securities	75,001 Ordinary Fully Paid Shares 2,100,000 Ordinary Fully Paid Shares (escrowed until 28 July 2024) 2,200,000 Unlisted options exercisable at \$0.25 on or before 31 March 2025 (escrowed until 28 July 2024)

- **Mr Cameron Provost**

Managing Director / Appointed 28 July 2021

Mr Provost has over 25 years' of diverse experience in executive management, company secretary and directorships crossing over various Limited and Proprietary Limited entities. His broad skillset and learnings include manufacturing, engineering, mining, water management, design & construction, general agriculture, project management, hospitality, gaming, accommodation, training, corporate governance & international patents.

Directorships of other ASX listed companies in the last 3 years	N/A
Interest in securities	500,000 Ordinary Fully Paid Shares (escrowed until 28 July 2024) 1,000,000 Unlisted options exercisable at \$0.25 on or before 31 March 2025 (escrowed until 28 July 2024)

- **Mr David Ward**

Non-Executive Director / Appointed 18 August 2021

Mr Ward is a geologist with over 25 years' experience in mineral exploration and mining in NSW, QLD and NT. He has extensive experience in a wide range of deposit styles and commodities with expertise in NSW geology, particularly intrusive related mineralisation. Previously in exploration and operational roles for several companies including Newcrest Mining, Clancy Exploration, Tellus Resources and Thomson Resources. David is currently the Chief Geologist for private company, Bacchus Resources Pty Ltd.

Directorships of other ASX listed companies in the last 3 years	N/A
Interest in securities	50,000 Ordinary Fully Paid Shares 700,000 Ordinary Fully Paid Shares (escrowed until 28 July 2024) 1,000,000 Unlisted options exercisable at \$0.25 on or before 31 March 2025 (escrowed until 28 July 2024)

Company Secretary

Mr Alan Armstrong (Appointed 28 July 2021)

Mr Armstrong is a Chartered Accountant and a member of the Australian Institute of Directors with a demonstrated history of working in the mining and metals industry. He has strong business development and professional experience as a director and company secretary across various listed and unlisted entities in the resource sector.

Meetings of Directors

The number of Directors' meetings and the number of meetings attended by each of the Directors of the Company for the time the Director held office during the financial period are as follows:

Director	Number Eligible to Attend	Number Attended
Stephen Woodham	-	-
Cameron Provost	-	-
David Ward	-	-

Remuneration Report (Audited)

This report outlines the remuneration arrangements in place for the Directors of Coolabah Metals Limited in accordance with the requirements of the Corporation Act 2001 and its Regulations. For the purpose of this report, Key Management Personnel ('KMP') of the Company are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

Details of Key Management Personnel are as follows:

- Mr Stephen Woodham - Non-Executive Chairman
- Mr Cameron Provost - Managing Director
- Mr David Ward - Non-Executive Director
- Mr Richard Maish – Non-Executive Director (appointed 28 July 2021; resigned 18 August 2021)

Remuneration Policy

The Board, in capacity as a Remuneration Committee, is responsible for determining and reviewing remuneration compensation arrangements for the executive and non-executive Directors. The Remuneration Committee assesses the appropriateness of the nature and amount of emoluments of such officers on a periodic basis by reference to relevant employment market conditions and individual's experience and qualifications with the overall objective of ensuring maximum stakeholder benefit from the retention of a high quality board and executive team. The Company does not directly link the nature and amount of the emoluments of such officers to the Company's financial or

operational performance. The expected outcome of the remuneration policy is to attract and retain the best executives and directors to run and manage the Company, as well as create goal congruence between directors, executives and shareholders.

As part of its Corporate Governance Policies and Procedures, the Board has adopted a formal Remuneration Committee Charter.

The rewards for Directors' have no set or pre-determined performance conditions or key performance indicators as part of their remuneration due to the current nature of the business operations. The Remuneration Committee determines appropriate levels of performance rewards as and when they consider rewards are warranted.

The Company has not paid the Directors any cash remuneration or provided any other interests since incorporation. The Directors were only entitled to receive a salary and/or any director's fees commencing upon the official admission of the Company to the ASX, which occurred subsequent to year end on 28 July 2022.

Directors' Fees

The Company's Constitution provides that the remuneration of non-executive Directors will not be more than the aggregate fixed sum per annum (not to exceed \$350,000 per annum) as may be determined by a general meeting. This amount of the aggregate fixed sum may only be increased with the approval of shareholders at a general meeting. Fees for non-executive directors are not dependant on the satisfaction of performance conditions. However, to align Directors' interests with shareholder interests, the Directors are encouraged to hold shares in the Company and are able to participate in the employee incentive plan.

Directors are entitled to be paid all travelling, accommodation and other expenses incurred in consequence of their attendance at meetings of Directors and otherwise in the execution of their duties as Directors. A Director may also be paid additional amounts as fees or as the Directors determine where a Director performs extra services or makes any special exertions, which in the option of the Directors are outside the scope of the ordinary duties of a Director.

Directors Proposed Cash Remuneration upon ASX Listing (exclusive of superannuation)

- Mr Stephen Woodham - \$60,000 per annum
- Mr Cameron Provost - \$195,000 per annum
- Mr David Ward - \$48,000 per annum

Directors' Interests Held in Coolabah Metals Limited Shares

Directors	Incorporation Date 28 July 2021	Net Change Other¹	30 June 2022
	No.	No.	No.
Stephen Woodham	1	2,175,000	2,175,001
Cameron Provost	-	500,000	500,000
David Ward	-	750,000	750,000
Richard Maish ²	-	-	N/A
Total	1	3,425,000	3,425,001

- 1) The movement in Net Change Other includes the Directors' participation in the Company's seed capital raises.
- 2) Mr Maish resigned as Non-Executive Director and was replaced by Mr Ward effective from 18 August 2021.

Directors' Interests Held in Coolabah Metals Limited Options

Directors	Incorporation Date 28 July 2021	Net Change Other¹	30 June 2022
	No.	No.	No.
Stephen Woodham	-	2,200,000	2,200,000
Cameron Provost	-	1,000,000	1,000,000
David Ward	-	1,000,000	1,000,000
Richard Maish ²	-	-	N/A
Total	-	4,200,000	4,200,000

- 1) The movement in Net Change Other relates to the options issued to the Directors on 20 August 2021 with an exercise price of \$0.25 and an expiry of 31 March 2025. As the value of the shares at the date of issue were \$0.0001, the issue had nil impact on the financials for the reporting period.
- 2) Mr Maish resigned as Non-Executive Director and was replaced by Mr Ward effective from 18 August 2021.

Other Transactions with Key Management Personnel

There were no other transactions with Key Management Personnel during the period.

END OF REMUNERATION REPORT (AUDITED)

Indemnification and Insurance of Officers

The Company has entered into deeds of indemnity with each Director whereby, to the extent permitted by the Corporations Act 2001, the Company agreed to indemnify each director against all loss and liability incurred as an officer of the Company, including all liability in defending any relevant proceedings.

The Company paid insurance premiums in respect of Directors' and Officers' Liability Insurance contracts for current officers of the Company. The liabilities insured are damages and 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 the Company. The total amount of insurance premiums paid has not been disclosed due to confidentiality reasons.

Indemnity and Insurance of Auditor

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

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

Proceedings on Behalf of the Company

No person has applied for leave of court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company or any part of those proceedings.

Shares under Option

At the date of this report, Coolabah Metals Limited has issued 4,200,000 options to Directors and 3,350,000 options to other parties, all options with an exercise price of \$0.25 and an expiry of 31 March 2025.

Dividends

No dividends have been paid, and the Directors do not recommend the payment of a dividend for the period ended 30 June 2022.

Environmental Regulation

The Directors are mindful of the regulatory regime in relation to the impact of the Company's activities on the environment. There have been no known breaches of any environmental regulation by the Company during the financial period.

Future Developments

Further information, other than as disclosed this report, about likely developments in the operations of the Company and the expected results of those operations in future periods, has not been included in this report as disclosure of this information would be likely to result in unreasonable prejudice to the Company.

Corporate Governance

In recognising the need for the highest standards of corporate behaviour and accountability, the Directors support, and adhere to, good corporate governance practices. Refer to the Company's Corporate Governance Statement at: <https://coolabahmetals.com.au/corporate-policies>

Non-Audit Services

During this financial period, \$12,000 was paid to Hall Chadwick WA Audit Pty Ltd to provide Independent Assurance service in relation to the Company's prospectus.

The Board of Directors is satisfied that the provision of non-audit services during the period is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Directors are satisfied that the services disclosed below did not compromise the external auditor's independence for the following reasons:

- all non-audit services are reviewed and approved by the Board prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- the nature of the services provided does not compromise the general principles relating to auditor independence in accordance with APES 110: Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board.

Auditor's Independence Declaration

Section 307C of the Corporations Act 2001 requires our auditors, Hall Chadwick WA Audit Pty Ltd to provide the Directors of the Company with an Independence Declaration in relation to the audit of this financial report. The Directors have received the Independence Declaration which has been included within this financial report.

Signed in accordance with a resolution of the Directors.



Cameron Provost

Managing Director

Dated this 30 day of September 2022

To the Board of Directors

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

As lead audit director for the audit of the financial statements of Coolabah Metals Limited for the financial period ended 30 June 2022, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Yours Faithfully



HALL CHADWICK WA AUDIT PTY LTD



D M BELL CA
Director

Dated this 30th day of September 2022
Perth, Western Australia

Statement of Profit or Loss and Other Comprehensive Income

For the Period from Incorporation Date

28 July 2021 to 30 June 2022

	Notes	30 June 2022 \$
Revenue		-
Expenses		
Administration expenses		(203,915)
Consulting and corporate advisory fees		(70,400)
Legal expenses		(94,270)
Exploration and evaluation expenses		(283,225)
Travel expenses		(17,629)
Total expenses		<u>(669,439)</u>
Finance costs		-
Loss before income tax		<u>(669,439)</u>
Income tax expense		-
Net loss for the period		<u>(669,439)</u>
Other comprehensive income, net of income tax		-
Total comprehensive loss for the period		<u><u>(669,439)</u></u>
Basic and diluted loss per share (cents)		(6.50)

The accompanying notes form part of these financial statements.

Statement of Financial Position

As at 30 June 2022

	Notes	30 June 2022 \$
ASSETS		
Current Assets		
Cash and cash equivalents	5	114,478
Trade and other receivables		67,683
Prepayments		21,651
Total Current Assets		<u>203,812</u>
Total Assets		<u>203,812</u>
LIABILITIES		
Current Liabilities		
Trade and other payables	6	214,630
Total Current Liabilities		<u>214,630</u>
Net Deficiency		<u>(10,818)</u>
EQUITY		
Issued capital	7	658,621
Accumulated losses		<u>(669,439)</u>
Total Equity		<u>(10,818)</u>

The accompanying notes form part of these financial statements.

Statement of Cash Flows

For the Period from Incorporation Date
28 July 2021 to 30 June 2022

	Notes	30 June 2022 \$
Cash flows from operating activities		
Payments to suppliers and employees		(260,917)
Payments for exploration and evaluation expenditure		(283,226)
Net cash used in operating activities		<u>(544,143)</u>
Cash flows from financing activities		
Proceeds from applications for shares in the Company		720,620
Payment for capital raising costs		(62,000)
Net cash from financing activities		<u>658,620</u>
Net increase in cash and cash equivalents		114,477
Cash and cash equivalents at incorporation date		<u>1</u>
Cash and cash equivalents at the end of the period		<u>114,478</u>

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

For the Period from Incorporation Date

28 July 2021 to 30 June 2022

	Issued Capital	Accumulated Losses	Total
	\$	\$	\$
Balance at Incorporation Date	1	-	1
Loss for the period	-	(669,439)	(669,439)
Other comprehensive income	-	-	-
	1	(669,439)	(669,438)
Transactions with equity holders in their capacity as owners			
Issue of ordinary shares	720,620	-	720,620
Capital raising costs	(62,000)	-	(62,000)
Total transactions with equity holders in their capacity as owners	658,620	-	658,620
Balance at 30 June 2022	658,621	(669,439)	(10,818)

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Period from Incorporation Date

28 July 2021 to 30 June 2022

Note 1. Corporate Information

This financial report of Coolabah Metals Limited ('Company') was authorised for issue in accordance with a resolution of the directors on 30 September 2022.

Coolabah Metals Limited is a public non-listed company, incorporated and domiciled in Australia. The Company was incorporated on 28 July 2021 and as such this is the first annual report and there are no comparatives.

Note 2. Summary of Significant Accounting Policies

(a) Basis of Preparation

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

Except for cash flow information, the financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets.

(b) Going Concern

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

The Company incurred a loss for the period of \$669,439 and net cash inflows of \$114,478. As at 30 June 2022, the Company has a working capital deficit of \$10,818.

Subsequent to year-end, the Company completed the raising of \$6,000,000 (before costs) and successfully completed listing on the ASX.

At the date of this report, the Directors are satisfied there are reasonable grounds to believe that, having regard to the Company's financial position and its ability to raise capital, the Directors' believe that the Company will be able to meet its obligations as and when they fall due.

(c) New and Amended Accounting Policies Adopted by the Company

During the year ended 30 June 2022, the Company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are

mandatory for the current reporting period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

(d) Segment Reporting

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), whose operating results are regularly reviewed by the entity's chief operating decision makers to make decisions about resources to be allocated to the segments and assess their performance and for which discrete financial information is available. This includes start-up operations which are yet to earn revenues.

Operating segments have been identified based on the information presented to the chief operating decision makers – being the Board of Directors.

Information about other business activities and operating segments that do not meet the quantitative criteria set out in AASB 8 “Operating Segments” are combined and disclosed in a separate category called “other”.

(e) Cash and Cash Equivalents

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

(f) Trade and Other Receivables

Trade 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. Trade receivables are generally due for settlement within 30 days. The Company has applied the simplified approach to measuring expected credit losses.

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

(g) Impairment of Assets

At each reporting date, the Company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed in profit and loss.

Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(h) Exploration and Evaluation Assets

Exploration and evaluation expenditure is expensed as incurred in respect of each identifiable area of interest with the exception of costs acquiring projects which are capitalised. These costs are only

carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

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

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

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to capitalise costs in relation to that area of interest.

(i) Trade and Other Payables

Liability for trade creditors and other amounts are carried at amortised cost, which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed.

(j) Employee Benefits

Provision is made for the Company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Company's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position. The Company's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

(k) Provisions

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

(l) Contributed Equity

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

(m) Revenue Recognition

The Company recognises revenue as follows:

Interest

Revenue is recognised as the interest accrues (using the effective interest method) to the net carrying amount of the financial asset.

Other revenue

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

(n) Finance Costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

(o) Income Tax

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

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

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

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

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

Income taxes relating to items recognised directly in equity are recognised in equity.

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

(p) Goods and Services Tax ('GST')

Revenues, expenses and assets are recognised net of the amount of GST except:

- Where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority, are classified as operating cash flows.

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

(q) Earnings Per Share ('EPS')

Basic EPS is calculated by dividing the net profit/(loss) attributable to members of the Company for the reporting period, after excluding any costs of servicing equity, by the weighted average number of ordinary shares of the Company, adjusted for any bonus issue.

Diluted EPS is calculated by dividing the basic EPS earnings/(loss), adjusted by the after tax effect of financing costs associated with dilutive potential ordinary shares and the effect on revenues and expenses of conversion to ordinary shares associated with dilutive potential ordinary shares, by the weighted average number of ordinary shares and dilutive ordinary shares adjusted for any bonus issue.

(r) New Accounting Standards for Application in Future Periods

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Company for the annual reporting period ended 30 June 2022. The Company has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

(s) Critical Accounting Estimates and Judgments

The Directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company. In the opinion of the Directors, there are no critical accounting estimates or judgments in this financial report. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial period are discussed below.

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 Company 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 Company 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 Company unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

Note 3. Segment Information

The Company has identified its operating segments based on the internal reports that are used by the Board (the chief operating decision makers) in assessing performance and in determining the allocation of resources.

The Board as a whole will regularly review the identified segments in order to allocate resources to the segment and to assess its performance.

During this financial period, the Company had no development assets. The Board considers that it has only operated in one segment, being mineral exploration.

Note 4. Income Tax Expense

Major components of income tax expense are:

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

A reconciliation of income tax expense applicable to accounting loss before income tax at the statutory income tax rate to income tax expense at the Company's effective income tax rate is as follows:

Loss before income tax	(669,439)
Prima facie tax calculated at 25%	(167,359)
Tax losses not recognised	167,359
Income tax expense	-

Availability of Tax Losses

The availability of the tax losses for future years is uncertain and will be dependent on the Company satisfying strict requirements with respect to continuity of ownership and the same business test imposed by income tax legislation.

The recoupment of available tax losses as at 30 June 2022 is contingent upon the following:

- (a) the Company deriving future assessable income of a nature and of an amount sufficient to enable the benefit from the losses to be realised;
- (b) the conditions for deductibility imposed by income tax legislation continuing to be complied with; and
- (c) there being no changes in income tax legislation which would adversely affect the Company from realising the benefit from the losses.

Given the Company is currently in a loss making position, a deferred tax asset has not been recognised with regard to unused tax losses, as it has not been determined that the Company will generate sufficient taxable profit against which the unused tax losses can be utilised.

Note 5. Cash and Cash Equivalents

	2022
	\$
Cash at bank and in hand	<u>114,478</u>

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

Reconciliation from net loss after tax to net cash flows from operation:

	2022
	\$
Net loss for the period	(669,439)
<i>Non-cash flows in loss:</i>	
Depreciation and amortisation	-
<i>Changes in assets and liabilities:</i>	
Increase in trade and other receivables	(67,683)
Increase in prepayments	(21,651)
Increase in trade and other payables	214,630
Net cash used in operating activities	<u><u>(544,143)</u></u>

Note 6. Trade and Other Payables

	2022
	\$
Trade Payables	203,130
Accruals	11,500
	<u>214,630</u>

Trade creditors are expected to be paid on 30-day terms.

Note 7. Contributed Equity

	2022
	\$
14,200,001 Ordinary shares – issued and fully paid	658,621

	Number of Shares	\$
Movement in Ordinary Shares on Issue		
On issue at Incorporation Date	1	1
Issue of promoter shares	6,200,000	620
Issue of seed shares	1,000,000	20,000
Issue of seed shares	7,000,000	700,000
Share issue costs	-	(62,000)
On issue at 30 June 2022	14,200,001	658,621

Share Options

At 30 June 2022, Coolabah Metals Limited had the following shares under option on issue:

- 7,050,000 unlisted options exercisable at \$0.25 on or before 31 March 2025

Note 8. Related Party Disclosures

(a) Remuneration of Key Management Personnel

	2022
	\$
Short-term employment benefits	
Directors' fees	-
Total short-term employment benefits	-

(b) Related Party Transactions

On 20 August 2021, 4,200,000 options with an exercise price of \$0.25 and an expiry of 31 March 2025 were issued to the Directors of Coolabah Metals or their associated entities. As the value of the shares at the date of issue were \$0.0001, the issue had nil impact on the financials for the reporting period.

There are no other related party transactions during the period.

Note 9. Auditor's Remuneration

	2022
	\$
Remuneration of the auditor for:	
Preparation of an Independent Assurance Report	12,000
Auditing the financial statements	12,750
Total auditor's remuneration	24,750

Note 10. Loss Per Share

	2022
	\$
Basic and diluted EPS (cents)	(6.50)
Loss used to calculate basic EPS	(669,439)
Weighted average number of ordinary shares outstanding during the period used in calculating basic and diluted EPS	10,301,776

Note 11. Financial Risk Management Objectives and Policies

The Company's principal financial instruments comprise receivables, payables and cash which arise directly from its operations.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. Management monitors and manages the financial risks relating to the operations of the Company through regular reviews of the risks.

The main risks arising from the Company's financial instruments are interest rate risk, liquidity risk, and credit risk. The Board reviews and agrees policies for managing each of these risks and they are summarised below.

Risk Exposures and Responses

Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair value of financial instruments. The Company's exposure to market risk for changes to interest rate risk relates primarily to its earnings on cash.

Interest rate sensitivity analysis

The Company has no material interest rate risk.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Company. The Company's potential concentration of credit risk consists mainly of cash balances with banks. The Company's short term cash surpluses are placed with banks that have investment grade ratings. The maximum credit risk exposure relating to the financial assets is represented by the carrying value as at the reporting date. The Company considers the credit standing of counterparties when making deposits to manage the credit risk.

Liquidity risk

The responsibility with liquidity risk management rests with the Board of Directors. The Company manages liquidity risk by monitoring forecast cash flows and ensuring that adequate working capital is maintained. The Company's policy is to ensure that it has sufficient cash reserves to carry out its planned exploration activities over the next 12 months.

Fair values

Fair values of financial assets and liabilities are equivalent to carrying values due to their short terms to maturity.

Note 12. Commitments

The Company's minimum expenditure commitments in relation to its tenements are as follows:

	2022
	\$
Within 1 year	528,035
Between 2 and 5 years	1,066,827
More than 5 years	-
Total commitments	1,594,862

Note 13. Contingent Liabilities

The Company has no contingent liabilities as at 30 June 2022.

Note 14. Events after Reporting Date

Subsequent to year-end, the Company completed the raising of \$6,000,000 (before costs) upon listing on the ASX.

On 22 July 2022, the Company issued 6,000,000 fully paid ordinary shares to Bacchus Resources as consideration for the acquisition of the exploration licences.

On 28 July 2022, the Company was listed on the ASX under ticker code ASX:CBH.

Directors' Declaration

In accordance with a resolution of the directors of Coolabah Metals Limited, I state that:

1. In the opinion of the directors:

- (a) the financial statements and notes are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the Company's financial position as at 30 June 2022 and of its performance for the period ended on that date.
 - (ii) complying with Australian Accounting Standards, International Financial Reporting Standards as issued by the International Accounting Standards Board and *Corporations Regulations 2001*.
- (b) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

2. This declaration has been made after receiving the declarations required to be made to the directors in accordance with section 295A of the *Corporations Act 2001*.

Signed in accordance with a resolution of the Board of Directors.



Cameron Provost
Managing Director

Dated this 30 day of September 2022

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

Opinion

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

In our opinion:

- a. the accompanying financial report of the Company is in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the Company's financial position as at 30 June 2022 and of its financial performance for the period then ended; and
 - (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.
- b. the financial report also complies with International Financial Reporting Standards as disclosed in Note 2(a).

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. No key audit matters were noted during the period ended 30 June 2022.

Other Information

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

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

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

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

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 2(a), the directors also state in accordance with Australian Accounting Standard *AASB 101 Presentation of Financial Statements*, that the financial report complies with International Financial Reporting Standards.

In preparing the financial report, the directors are responsible for assessing the Company's ability 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 Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the period ended 30 June 2022. The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with s 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's Opinion

In our opinion, the Remuneration Report of the Company, for the period ended 30 June 2022, complies with section 300A of the *Corporations Act 2001*.


HALL CHADWICK WA AUDIT PTY LTD


D M BELL CA
Director

Dated this 30th day of September 2022
Perth, Western Australia

ASX Additional Information

Additional information required by the Australia Securities Exchange Ltd ('ASX') and not shown elsewhere in this report is as follows. The information is current as at 29 September 2022.

(a) Distribution of Shareholders

Range of Shares Held	Number of Shareholders	Number of Shares
1 – 1,000	4	533
1,001 – 5,000	1	2,156
5,001 – 10,000	90	884,700
10,001 – 100,000	196	10,012,039
100,001 and over	85	40,050,573
Total	376	50,950,001

The number of shareholders with an unmarketable parcel of shares is 5, with a total of 2,689 shares.

(b) Top 20 Shareholders

	Shareholder	Number of Shares	%
1	Bacchus Resources Pty Ltd	6,000,000	11.78
2	Citicorp Nominees Pty Limited	3,507,000	6.88
3	BNP Paribas Nominees Pty Ltd Barclays <DRP A/C>	2,516,980	4.94
4	M Carless & Sons Pty Ltd <M Carless & Sons PL SF No2 A/C>	2,500,000	4.91
5	Alphda Pty Ltd <Alphda Family A/C>	2,175,000	4.27
6	Netwealth Investments Limited <Super Services A/C>	1,615,625	3.17
7	Shriver Nominees Pty Ltd	1,200,000	2.36
8	Mrs Judith Suzanne Piggin & Mr Damien Jaye Piggin & Mr Glenn Adam Piggin <Piggin Family S/F A/C>	965,000	1.89
9	King Corporate Pty Ltd	815,000	1.60
10	Netwealth Investments Limited <Wrap Services A/C>	780,398	1.53
11	Mr Timothy James Tyler & Mrs Anna-Marie Tyler <Salt Super Fund A/C>	750,000	1.47
11	Mr David Anthony Ward	750,000	1.47
12	Graham Holdings Pty Ltd <Hooker Family Super Fund A/C>	600,000	1.18
13	Goldpark Nominees Pty Ltd <The Dilena Super A/C>	550,000	1.08
14	The CDPVL Group Pty Ltd <Provost Family A/C>	500,000	0.98
14	Mr Denny Nehme	500,000	0.98
14	Mr Steve Noble	500,000	0.98
15	JAPL Nominees Pty Ltd <JAPL Investment A/C>	475,000	0.93
15	Lazarus Securities Pty Ltd <Client A/C>	475,000	0.93
16	Mr Peter Francis Scanlan	450,000	0.88
17	Cheran Enterprises Pty Ltd <Rajendran Family A/C>	400,000	0.79
17	DND Investments (WA) Pty Ltd	400,000	0.79
17	Watershore Holdings Pty Ltd	400,000	0.79
18	Simon and Brooke Pty Ltd <Simon Pizzinato Family A/C>	380,000	0.75
19	Stevsand Pty Ltd	375,000	0.74
20	JKNB Investments Pty Ltd	360,000	0.71
	Total	29,940,003	58.76
	Total Issued Capital	50,950,001	100.00

(c) Substantial Shareholder (Holding not less than 5%)

	Shareholder	Number of Shares	%
1	Bacchus Resources Pty Ltd	6,000,000	11.78

(d) Voting Rights

The voting rights attached to each class of equity security are as follows:

Ordinary shares:

- Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.

(e) Restricted Securities

The Company has the following restricted securities on issue as at 29 September 2022:

- 3,500,000 fully paid ordinary shares - restricted to 31 December 2022;
- 13,750,000 fully paid ordinary shares - restricted to 28 July 2024; and
- 7,550,000 unlisted options exercisable at \$0.25 on or before 31 March 2025 - restricted to 28 July 2024

(f) Unquoted Securities

The Company has the following unquoted securities on issue as at 29 September 2022:

Options	Number	Expiry Date	Exercise Price
Unlisted options	7,550,000	31 March 2025	\$0.25
Total	7,550,000		

(g) On-Market Buy Back

There is no current on-market buy back of ordinary shares.