

Gullewa Limited

ABN 30 007 547 480

Interim Financial Report

For the Half – year ended 31 December 2022

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General Information

The interim financial report covers Gullewa Limited as a consolidated entity consisting of Gullewa Limited and the entities it controlled. The interim financial report is presented in Australian dollars, which is Gullewa Limited's functional and presentation currency.

The interim financial report consists of the consolidated financial statements, consolidated notes to the financial statements and the directors' declaration.

Gullewa Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Suite 1 Level 2
49-51 York Street
Sydney NSW 2000

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the interim financial report.

The interim financial report was authorised for issue, in accordance with a resolution of directors, on 14 March 2023. The directors have the power to amend and reissue the interim financial report.

Directors' Report

31 December 2022

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Gullewa Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled for the half-year ended 31 December 2022.

Directors

The following persons were directors of Gullewa Limited during the period and up to the date of this report, unless otherwise stated:

Anthony Howland-Rose - Chairman
David Deitz
Kevin Howland-Rose (appointed 26 July 2022)
Eddie Lee (deceased 16 June 2022)

Principal activities

The continuing principal activities of the consolidated entity during the financial period were derivation of royalties, exploration and mining, investments in equities, managed funds and property.

Review of operations

The profit for the consolidated entity before providing for income tax amounted to \$533,598 (31 December 2021 profit: \$2,257,239).

Gullewa Gold Royalty

The company has a 1% Royalty on the project called Deflector owned by Silver Lake Resources Limited (ASX: SLR) and received \$1,105,868 in royalties from SLR during the half-year. SLR has had outstanding exploration success at Deflector.

Central Iron Ore Limited ('CIO') Gullewa has a 36.10% holding.

The assets of CIO are:

The Red 5 Joint Venture

South Darlot Mines Pty Ltd (SDM) has a 70% interest in a joint venture with Darlot Mining Company Pty Ltd (Darlot). The joint venture has a 100% interest in M37/1045, M37/0709, M37/0631 and M37/0552.

Darlot is holding a 70% interest in a portion of two additional tenements, M37/0421 and M37/0632, on trust for SDM.

RC Drilling

The RC drill programme commenced. It targets two of the prospects located on M37/0631 including Endeavour and Mermaid. A total of 15 holes for approximately 900 metres has been designed to test for extensions to the west and down dip of the existing mineralisation at Endeavour.

A total of 15 shallow RC holes have also been designed targeting short scale gold mineralisation at the Mermaid prospect.

Mining Studies

Once the RC drilling programme is completed, CIO intends to commission a suite of studies required to meet Western Australia Department of Mining Industry Regulation and Safety (DMIRS) requirements to commence open pit mining at Endeavour. These studies include waste rock characterisation, a hydrogeological and geotechnical assessment. A metallurgical test work programme will also be implemented at the completion of the RC drilling programme.

Soil Sampling Programme

CIO commenced the Phase 2 of soil sampling in November on tenements M37/0631 and M37/0632 to expand upon the successful Phase 1 programme announced in June 2022. The June 2022 programme identified five coincident gold-copper-lead in soil anomalies on or about the Emperor Structure and along strike of the Endeavour Mineral Resource. In addition to the gold anomalism, two lithium targets were identified characterised by the presence of elevated Li and other elements associated with LCT pegmatites (Rb, Cs, Be, Ta).

The Phase 2 programme consists of 3,870 soil samples to be collected on the same tight sample density of 20mN x 30mE and will target potential mineralised systems with a similar size footprint of the Endeavour and Mermaid prospects located on M37/0631.

British King Gold Mine

This mine which was 49% owned by CIO and which is National Instrument 43-101 – Standards of Disclosure for Mineral Projects (“NI43-101”) compliant is 5km southwest of Red 5 Limited’s Darlot Mine and is currently in care and maintenance. Under the terms of Tenement Acquisition Agreement dated 30 October 2014 regarding the sale of British King by CIO to BK Gold Mines Pty Limited, the British King Mine has now reverted to 100% beneficial ownership by CIO. CIO is registered on title for 49% and has received signed transfer forms from BK Gold Mines Pty Limited to CIO for the transfer of a further 51% interest.

The registration of unencumbered title of the 51% interest is being delayed by SilverStream SEZC, who provided funding to BK Gold Mines Pty Limited to fund their acquisition under the Tenement Acquisition Agreement. SilverStream SEZC has refused to remove the caveats which prevent registration of the transfers. CIO has commenced action in the Supreme Court of Western Australia to have the caveats removed.

Kingwest Resources Limited

CIO holds 2,095,830 shares in Kingwest Resources Limited (ASX: KWR).

Property (Hunter Valley Solutions Joint Venture 69.47%)

The Company has loaned approximately \$7.9 million secured by a first mortgage to the project. The details of the equity are set out in Note 9 of this report. Civil construction of stage 3 (16 Lots) is expected to be complete at 24 March 2023. 11 blocks have been exchanged and 2 others are the subject of Put and Call Agreements. Settlement of the sale of these blocks is expected to occur in April 2023. Selling of this stage of the remaining 3 blocks continues. This will be followed by the sale of stage 4 (14 lots) after civil construction.

Significant Changes in the State of Affairs

There were no significant changes in the state of affairs of the consolidated entity during the financial period.

Corporate Governance

A statement disclosing the extent to which the company has followed the best practice recommendations set by the ASX Corporate Governance Council during the period is displayed on the company’s website.

Risk Management

Details of the Company's Risk Management policies are contained within the Corporate Governance Statement in the Directors' Report as outlined in the 30 June 2022 Annual Report and at the company's website <http://www.gullewa.com.au>.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on the following page.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors



David Deitz
Director
14 March 2023



**DECLARATION OF INDEPENDENCE UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 BY
SCS AUDIT & CORPORATE SERVICES PTY LTD TO THE DIRECTORS OF GULLEWA LIMITED**

As lead auditor of Gullewa Limited for the half-year ended 31 December 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 review; and
- No contravention of any applicable code of professional conduct in relation to the review.

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

Didarul Khan
Director
SCS Audit & Corporate Services Pty Ltd
(An Authorised Audit Company)
Chartered Accountant, Registered Company Auditor

Sydney
14 March 2023

Consolidated Statement of profit or loss and other comprehensive income

For the half year ended 31 December 2022

	Note	31 Dec 2022 \$	31 Dec 2021 \$
Income			
Revenue	3	1,196,367	1,281,986
Other income	4	378,355	1,704,356
Expenses			
General and administration expenses		(269,383)	(260,869)
Employee benefits expense	5	(503,114)	(462,825)
Depreciation and amortisation expense	5	(4,432)	(5,409)
Profit/(losses) of associates accounted for using the equity method		(264,195)	-
Profit before income tax expense		533,598	2,257,239
Income tax expense	6	(229,340)	(713,005)
Profit after income tax expense for the period		304,258	1,544,234
Other comprehensive income for the period, net of tax		-	-
Total comprehensive income for the period		304,258	1,544,234
Profit for the period is attributable to:			
Non-controlling interest		-	-
Owners of Gullewa Limited		304,258	1,544,234
Total comprehensive income for the period		304,258	1,544,234
		Cents	Cents
Basic earnings per share (cents per share)		0.1554	0.8089
Diluted earnings per share (cents per share)		0.1237	0.6607

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

Consolidated Statement of financial position

as at 31 December 2022

	Note	31 Dec 2022 \$	30 Jun 2022 \$
Assets			
Current assets			
Cash and cash equivalents	7	3,539,732	5,078,599
Trade and other receivables		971,171	1,098,020
Other financial assets	8	2,893,756	3,527,157
Total current assets		7,404,659	9,703,776
Non-current assets			
Investments accounted for using the equity method	9	8,795,614	6,396,382
Other financial assets	11	79,140	2,603
Property, plant and equipment		10,422	14,853
Exploration and evaluation	10	32,780	32,780
Total non-current assets		8,917,956	6,446,618
Total assets		16,322,615	16,150,394
Liabilities			
Current liabilities			
Trade and other payables		102,656	189,884
Provision for income tax		666,108	1,099,335
Total current liabilities		768,764	1,289,219
Total liabilities		768,764	1,289,219
Net assets		15,553,851	14,861,175
Equity			
Issued capital	12	22,377,827	22,247,307
Reserves		2,675,792	2,417,894
Accumulated losses		(9,398,060)	(9,702,318)
Equity attributable to the owners of Gullewa Limited		15,655,559	14,962,883
Non-controlling interest		(101,708)	(101,708)
Total equity		15,553,851	14,861,175

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

Consolidated Statement of changes in equity

For the half year ended 31 December 2022

	Issued Capital \$	Reserves \$	Accumulated losses \$	Non-controlling interest \$	Total equity \$
Balance at 1 July 2021	22,018,527	2,100,434	(11,131,893)	(101,708)	12,885,360
Profit after income tax expense for the period	-	-	1,544,234	-	1,544,234
Other comprehensive income for the period, net of tax	-	-	-	-	-
Total comprehensive income for the period	-	-	1,544,234	-	1,544,234
	22,018,527	2,100,434	(9,587,659)	(101,708)	14,429,594
<i>Transactions with owners in their capacity as owners:</i>					
Share-based payments	228,780	317,460	-	-	546,240
Balance at 31 December 2021	22,247,307	2,417,894	(9,587,659)	(101,708)	14,975,834

	Issued Capital \$	Reserves \$	Accumulated losses \$	Non-controlling interest \$	Total equity \$
Balance at 1 July 2022	22,247,307	2,417,894	(9,702,318)	(101,708)	14,861,175
Profit after income tax expense for the period	-	-	304,258	-	304,258
Other comprehensive income for the period, net of tax	-	-	-	-	-
Total comprehensive income for the period	-	-	304,258	-	304,258
	22,247,307	2,417,894	(9,398,060)	(101,708)	15,165,433
<i>Transactions with owners in their capacity as owners:</i>					
Share-based payments	130,520	257,898	-	-	388,418
Balance at 31 December 2022	22,377,827	2,675,792	(9,398,060)	(101,708)	15,553,851

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

Consolidated Statement of cash flows

For the half year ended 31 December 2022

	Note	31 Dec 2022 \$	31 Dec 2021 \$
Cash flows from operating activities			
Payments to suppliers and employees (inclusive of GST)		(1,352,465)	(781,888)
Interest and dividends received		95,046	695
Other revenue		2,020,979	2,095,962
Net cash provided by operating activities		<u>763,560</u>	<u>1,314,769</u>
Cash flows from investing activities			
Payments for property joint venture		(1,368,500)	(206,363)
Payments for other financial assets		(200,552)	(1,431,436)
Other property and security deposits		(11)	(8)
Net cash (used in) investing activities		<u>(1,569,063)</u>	<u>(1,637,807)</u>
Cash flows from financing activities			
Proceeds from issue of securities		130,520	228,780
Loans to other entities		(863,884)	(2,071)
Net cash (used in) / provided by financing activities		<u>(733,364)</u>	<u>226,709</u>
Net (decrease) / increase in cash and cash equivalents		(1,538,867)	(96,329)
Cash and cash equivalents at the beginning of the period		<u>5,078,599</u>	<u>4,142,693</u>
Cash and cash equivalents at the end of the period		<u><u>3,539,732</u></u>	<u><u>4,046,364</u></u>

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

Notes to the consolidated financial statements

31 December 2022

Note 1. Significant accounting policies

Statement of compliance

The half-year interim financial report is a general-purpose financial report prepared in accordance with the Corporations Act 2001 and AASB 134 'Interim Financial Reporting'. The Group is a for-profit entity for financial reporting purposes under the Australian Accounting Standards. Compliance with AASB 134 ensures compliance with the International Financial Reporting Standards IAS 34 'Interim Financial Reporting'. The interim report does not include notes of the type normally included in an annual financial report and shall be read in conjunction with the annual financial report of the Company for the year ended 30 June 2022 together with any of the public announcements that were made during the following half-year.

The interim financial report was authorised for issue by directors on 14 March 2023.

Basis of preparation

The consolidated financial statements have been prepared on the basis of the historical cost. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise stated.

The accounting policies and methods of computation adopted in the preparation of the interim financial report are consistent with those adopted and disclosed in the Company's 2022 annual financial report for the financial year ended 30 June 2022, except for the impact of the Standards and Interpretations described below. These accounting policies are consistent with the Australian Accounting Standards and with the International Financial Reporting Standards.

Significant accounting judgements and key estimates

The preparation of the interim financial report requires management to make judgements, estimates and assumptions that will affect the application of the accounting policies and the reported amounts of the assets, liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim financial report, the significant judgements that were made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual financial report for the year ended 30 June 2022.

Going concern

The interim financial report has been prepared on a going concern basis.

For the period ended 31 December 2022, the consolidated entity derived a profit from continuing operations before tax of \$533,598 (31 December 2021: \$2,257,239). In the same period the consolidated entity had operating cash inflows of \$763,560 (31 December 2021 cash inflow of: \$1,314,769) and outflows due to investing activities of \$1,569,063 (31 December 2021 cash outflow of: \$1,637,807) and outflows due to financing activities of \$733,364 (31 December 2021 cash inflow of: \$226,709).

A cash flow forecast for the next 12 months has been prepared by management which has indicated that the consolidated entity will have sufficient cash assets to be able to meet its debts as and when they fall due.

The consolidated entity has commitments for exploration and evaluation for the next three years. Due to the current market conditions the company will not be committing to all of the minimum expenditure for the next three years.

No adjustments have been made relating to the recoverability and classification of the other asset amounts and classification of the liabilities that might be necessary should the consolidated entity not be able to continue as a going concern.

Notes to the consolidated financial statements

31 December 2022

Loans and receivables

Trade receivables, loans and other receivables that have been fixed or determinable payments that are not quoted in any of the active markets are classified as 'loans and receivable'. Loans and receivables are measured at the amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for the short-term receivables when the effect of discounting is immaterial.

Adoption of new and revised Accounting Standards

In the period ended 31 December 2022, the company has reviewed all the new and revised Standards and Interpretations that were issued by the AASB that are relevant to its operations and effective for the annual reporting periods beginning on or after 1 July 2022.

It has been determined by the Company that there is no impact, material or otherwise, of the new and revised Standards and Interpretations of its business and, therefore, no change is necessary to the Company accounting policies.

The Company has also reviewed all the new standards and interpretations that have been raised but are not yet effective for the half-year ended 31 December 2022. As a result of this review the Directors have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations of its business and, therefore, no change has been necessary to the Company accounting policies.

Note 2. Operating segments

The operating segments are identified by the management based on the nature of the type of investment. Discrete financial information about each of these operating segments is reported to the directors on a monthly basis. The reportable segments are based on the similarity of the investments made and the common regulatory environment applicable to each of the reportable segments. There is a clear designation of the responsibility and accountability for the management and performance of these reportable segments.

Types of products and services

The principal products and services of each of these operating segments are as follows:

Exploration and evaluation	The consolidated entity is involved in exploration and evaluation for minerals. The receipt of the royalty income stream is attached.
Property development	The consolidated entity acquires properties with a view to development and sale.
Investments	The consolidated entity invests in shares in listed and unlisted entities and managed funds.

Intersegment transactions

Intersegment transactions were made at market rates. Intersegment transactions are eliminated on consolidation.

Intersegment receivables, payables and loans

Intersegment loans are initially recognised at the consideration received. Intersegment loans receivable and loans payable that earn or incur non-market interest are not adjusted to the fair value based on the market interest rates. Intersegment loans are eliminated on consolidation.

Notes to the consolidated financial statements

31 December 2022

Note 2. Operating segments (cont'd)

	Exploration and evaluation	Property development	Investments	Intersegment eliminations/ unallocated	Total
December 2022	\$	\$	\$	\$	\$
Revenue					
Royalty revenue	1,105,868	-	-	-	1,105,868
Interest revenue	-	-	350,719	-	350,719
Other revenue	-	-	92,317	25,818	118,135
Total revenue	1,105,868	-	443,036	25,818	1,574,722
Segment net profit/(losses) before tax from continuing operations	1,105,868	(116,866)	295,707	(751,111)	533,598
Assets					
Segment Assets	1,361,038	7,369,243	3,039,935	4,552,399	16,322,615
Total assets	1,361,038	7,369,243	3,039,935	4,552,399	16,322,615
Liabilities					
Segment liabilities	-	-	-	768,764	768,764
Total liabilities	-	-	-	768,764	768,764

	Exploration and evaluation	Property development	Investments	Intersegment eliminations/ unallocated	Total
December 2021	\$	\$	\$	\$	\$
Revenue					
Royalty revenue	1,194,619	-	-	-	1,194,619
Interest revenue	-	-	1,414,817	-	1,414,817
Other revenue	-	-	289,539	87,367	376,906
Total revenue	1,194,619	-	1,704,356	87,367	2,986,342
Segment net profit/(losses) before tax from continuing operations	1,194,619	-	1,704,356	(641,736)	2,257,239
Assets					
Segment Assets	203,138	5,857,885	7,360,687	3,069,726	16,491,436
Total assets	203,138	5,857,885	7,360,687	3,069,726	16,491,436
Liabilities					
Segment liabilities	-	-	-	1,515,602	1,515,602
Total liabilities	-	-	-	1,515,602	1,515,602

Notes to the consolidated financial statements

31 December 2022

Note 3. Revenue

	31 Dec 2022	31 Dec 2021
	\$	\$
Management fees	25,818	19,523
Royalties	1,105,868	1,194,619
Other revenue	64,681	67,844
Total Revenue	1,196,367	1,281,986

Note 4. Other income

	31 Dec 2022	31 Dec 2021
	\$	\$
Interest income	350,719	1,414,817
Gain on share trading	27,636	289,539
Other income	378,355	1,704,356

Note 5. Expenses

	31 Dec 2022	31 Dec 2021
	\$	\$
Profit before income tax includes the following specific expenses:		
<i>Depreciation and amortisation</i>		
Plant and equipment	1,103	2,080
Motor vehicles	3,329	3,329
Total depreciation	4,432	5,409
Total depreciation and amortisation	4,432	5,409
<i>Employee benefits expense</i>		
Superannuation expense	23,301	12,612
Share-based payments expense	257,898	317,460
Other wages and salaries	221,915	132,753
Total employee benefits expense	503,114	462,825

Notes to the consolidated financial statements

31 December 2022

Note 6. Income tax expense

	31 Dec 2022 \$	31 Dec 2021 \$
Numerical reconciliation of income tax expense / benefit and tax at the statutory rate		
Profit before income tax expense	533,598	2,257,239
Tax at the statutory tax rate of 25% (2022) 25% (2021)	133,399	564,310
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Non – deductible expenses	102,850	152,456
Non – assessable income	(6,909)	(3,761)
	95,941	148,695
Income tax expense	229,340	713,005
The major components of income tax expense are:		
Current income tax	236,249	500,887
Deferred income tax	-	-
Relating to origination of temporary differences	(6,909)	212,118
Income tax expense	229,340	713,005

Note 7. Current assets – cash and cash equivalents

	31 Dec 2022 \$	30 Jun 2022 \$
Cash on hand	100	100
Cash at bank	3,539,632	3,078,499
Cash on deposit	-	2,000,000
	3,539,732	5,078,599

Note 8. Current assets – other financial assets

	31 Dec 2022 \$	30 Jun 2022 \$
Shares, managed funds and convertible notes designated at fair value through profit or loss	2,893,756	3,527,157
	2,893,756	3,527,157

Notes to the consolidated financial statements

31 December 2022

Note 9. Non-current assets - investments accounted for using equity method

	31 Dec 2022 \$	30 Jun 2022 \$
Investment in associates		
Central Iron Ore Limited	1,475,587	273,437
Hunter Valley Solutions Joint Venture		
Equity (including equity accounted profit/loss)	(364,389)	709,223
Loan secured by first mortgage	7,948,611	6,272,205
	9,059,809	7,254,865
Equity accounted profit		
Central Iron Ore Limited	(147,328)	338,266
Hunter Valley Solutions Joint Venture	(116,867)	(1,196,749)
	(264,195)	(858,483)
	8,795,614	6,369,382

The Company has a 69.47% interest in a joint venture to subdivide land in the Hunter Valley held by the Hunter Valley Solutions Joint Venture.

Investments in associates are accounted for using the equity method of accounting. Information relating to associates that is material to the consolidated entity is set out below:

Name	Activity	Ownership	
		31 Dec 2022	30 Jun 2022
Hunter Valley Solutions Joint Venture	Property development	69.47%	69.00%
Central Iron Ore Limited	Mineral exploration	36.10%	36.10%

Note 10. Non-current assets – exploration and evaluation

	Consolidated	
	31 Dec 2022 \$	30 Jun 2022 \$
Exploration, evaluation and development assets – at cost	32,780	32,780
Less: impairment	-	-
	32,780	32,780

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial half-year are set out below:

	Exploration, evaluation, development	Total
	\$	\$
Consolidated		
Balance at 1 January 2022	32,780	32,780
Balance at 30 June 2022	32,780	32,780
Balance at 1 July 2022	32,780	32,780
Balance at 31 December 2022	32,780	32,780

Notes to the consolidated financial statements

31 December 2022

Note 11. Other financial assets

	Consolidated	
	31 Dec 2022	30 Jun 2022
	\$	\$
Sundry loans	79,140	2,603
	79,140	2,603

Note 12. Equity issued capital

	Consolidated	
	31 Dec 2022	30 Jun 2022
	\$	\$
Ordinary shares fully paid	22,377,827	22,247,307
	22,377,827	22,247,307

During the period the company directors and an employee exercised 4,870,000 options by paying \$126,620.

Equity - dividends

There were no dividends paid, recommended or declared during the current or previous financial period.

Note 13. Fair value measurement

Fair value hierarchy

The following tables detail the consolidated entity's assets and liabilities, measured or disclosed at the fair value, using a three-level hierarchy, that is based on the lowest level of input that is significant to the entire fair value measurement, being:

- Level 1: Quoted prices (unadjusted) in the active markets for the identical assets or liabilities that the entity can access at the measurement date
- Level 2: Inputs other than the quoted prices that are included within the Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: Unobservable inputs for the asset or liability

31 Dec 2022	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
<i>Assets</i>				
Financial assets at fair value through profit or loss – marketable securities	1,369,658	-	-	1,369,658
Total assets	1,369,658	-	-	1,369,658

30 June 2022	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
<i>Assets</i>				
Financial assets at fair value through profit or loss – marketable securities	2,827,801	-	-	2,827,801
Total assets	2,827,801	-	-	2,827,801

There were no transfers between levels during the financial period.

Notes to the consolidated financial statements

31 December 2022

Note 14. Related party transactions

Parent entity

Gullewa Limited is the parent entity.

Transactions with related parties

The following transactions occurred with related parties:

	Consolidated	
	31 Dec 2022	31 Dec 2021
	\$	\$
<i>Other income:</i>		
Management fees from associate - Central Iron Ore Limited	25,818	19,523

	Consolidated	
	31 Dec 2022	31 Dec 2021
	\$	\$

Other transactions:

Directors fees paid to David Deitz, a director of the parent entity	127,882	87,600
Consultant fees paid to Jabiru Quill Pty Ltd, associated with a director of the company	-	35,000
Directors fees paid to Eddie Lee, a director of the parent entity	-	18,545

Receivable from and payable to related parties

The following balances are outstanding at the reporting date in relation to transactions with related parties:

Current receivables:

Receivables from other related parties	4,957	4,957
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Loans to related parties

The following balances are outstanding at the reporting date in relation to loans with related parties:

Current receivables

Loan to David Deitz, a director of the parent entity	224,672	156,044
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Terms and conditions

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

Notes to the consolidated financial statements

31 December 2022

Note 15. Events after the reporting period

No matter or circumstance has arisen since 31 December 2022, that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Note 16. Share-based payments

Employee Option Scheme

Details of the Employee Option Scheme are disclosed in the annual financial report.

Set out below are the summaries of options that were granted under the plans:

31 December 2022

Grant date	Expiry date	Exercise Price	Balance at the start of the half-year	Granted	Exercised	Expired/forfeited/other	Balance at the end of the half-year
23/12/2017	23/12/2022	0.02600	4,870,000	-	4,870,000	-	-
24/12/2018	24/12/2023	0.02800	9,000,000	-	-	-	9,000,000
29/12/2019	28/12/2024	0.03500	15,000,000	-	-	-	15,000,000
14/12/2020	14/12/2025	0.12200	6,540,000	-	-	-	6,540,000
20/12/2021	20/12/2026	0.10000	7,400,000	-	-	-	7,400,000
07/12/2022	30/11/2027	0.07900	-	12,165,000	-	-	12,165,000
			42,810,000	12,165,000	4,870,000	-	50,105,000

Director declaration

31 December 2022

In the option of the directors of Gullewa Limited (the company):

1. The consolidated financial statements and notes are in accordance with the Corporations Act 2001, including:
 - (i) complying with Accounting Standards AASB 134: Interim Financial Reporting and the Corporations Regulations 2001; and other mandatory professional reporting requirements; and
 - (ii) giving a true and fair view of the consolidated entity's financial position as at 31 December 2022 and of its performance for the half-year ended on that date.
2. in the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with a resolution of the Board of Directors made pursuant to s303(5) of the Corporations Act 2001.

On behalf of the directors



David Deitz
Director
14 March 2023
Sydney



Independent Auditor's Review Report to the members of Gullewa Limited

We have reviewed the accompanying half-year financial report of Gullewa Limited, which comprises the consolidated statement of financial position as at 31 December 2022, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of cash flows and the consolidated statement of changes in equity for the half-year ended on that date, notes comprising a statement of accounting policies and selected explanatory notes and the directors' declaration of the consolidated entity comprising the Company and the entities it controlled at the end of the half-year end or from time to time during the half-year.

Directors' Responsibility for the Half-Year 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

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standards on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, 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 consolidated entity's financial position as at 31 December 2022 and its performance for the half-year ended on that date; and complying with Accounting Standard AASS 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Gullewa Limited ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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.

Auditor's Independence Declaration

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Gullewa Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.



Independent Auditor's Review Report to the members of Gullewa Limited

Conclusion

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

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2022 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

SCS Audit & Corporate Services Pty Ltd
(An Authorised Audit Company)

A handwritten signature in black ink, appearing to read 'Didarul Khan'.

Didarul Khan
Director

Sydney
14 March 2023