ANNUAL REPORT 2023

SOLSTICE MINERALS LIMITED

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2023 ANNUAL REPORT
ACN 150 154 162

Contents

Corporate Directory

Directors	Mr Matthew Yates: Non-Executive Chairman Mr Nick Castleden: Managing Director Mr Alastair Morrison: Non-Executive Director Mr Michael Klessens: Non-Executive Director Mr Michael Emery: Non-Executive Director
Joint Company Secretary	Mr James Doyle Mrs Silfia Morton
Registered and Principal Office	Unit 2, 454 Roberts Road Subiaco WA 6008 PO Box 273 Subiaco WA 6904
Contact Details	www.solsticeminerals.com.au Telephone: +61 9200 1838
Share Registry	Automic Pty Ltd Level 5, 126 Phillip Street Sydney NSW 2001 Telephone: 1300 288 664 International: +61 9698 5414
Securities Exchange	Australian Securities Exchange (ASX) Level 40, Central Park 152-158 St Georges Terrace Perth WA 6000
Solicitors	Steinpreis Paganin 16 Milligan Street Perth WA 6000
Auditor	William Buck Audit (WA) Pty Ltd Level 3, 15 Labouchere Road South Perth WA 6151

Letter from the Chairman

Dear Shareholder,

On behalf of the Board, it gives me great pleasure to welcome you to the second Annual Report of Solstice Minerals Limited.

The Company's highly credentialed Board and management with extensive industry experience, particularly in the development and operation of large-scale copper and gold mines in both Africa and Australia has been bolstered further by the appointment of Nick Castleden as CEO and Managing Director. Nick is a veteran geologist with vast experience both in Western Australia and overseas. He has with him a dedicated and skilled technical team in place who over the past three years have assembled an enviable ground position with some outstanding targets. The technical team have hit the ground running since Solstice listed with extensive work programs completed and currently underway. This has seen the search broaden in scope to cover not only gold and base metals, but also platinum group elements (PGE's), battery metals such as lithium and rare earth elements (REE's) mineralisation.

The Company began the year with three project areas: Yarri, Ringlock and Ponton (the Projects) located within 250km of Kalgoorlie (see Figure 1). The Projects comprise approximately 2,900km^2 and are prospective for orogenic-style gold mineralisation, with the Ringlock Project also prospective for komatiite hosted nickel sulphide mineralisation and all for lithium and REE's. The recent addition of a fourth project area Nanutarra in the Ashburton has seen the search broaden to PGE's.

A significant year in operation has seen the maiden Mineral Resource Estimate (MRE) of 177,000 oz gold delivered for the Hobbes Gold Project, diamond drilling at the Ringlock Project that intersected high grade nickel mineralisation and exploration advancement over the remainder of the Company's tenement package that has identified a suite of gold, base and battery metal targets. The Ponton Project, whilst at an earlier stage, has identified prospects that can be quickly advanced and will provide a pipeline of opportunities for the Company going forward.

The Company is in an enviable cash position of $9.9m at 30 June 2023 which also allows it to identify business development opportunities that may further enhance shareholder value.

Solstice is poised for growth and on behalf of the Board, we welcome you as a shareholder and look forward to continue sharing the exciting journey ahead.

Yours sincerely
Matthew Yates
Non-Executive Chairman

Corporate Overview

Company Profile

Solstice Minerals Limited (Solstice or the Company) is a recently established exploration company focusing on gold and base metal exploration, with recent expansion into REE's and PGE's. The Company is listed on the Australian Securities Exchange (ASX) with the trading code SLS. The Company became independent from OreCorp Limited in April 2022 through a demerger process.

Solstice's Board and management have been responsible for the exploration and development of several large and diverse mining and exploration projects, domestically and overseas covering every aspect of exploration and mining process, starting from the initial stages of exploration to development and operation.

Solstice has assembled an extensive tenement holding (licences and applications) to the north and northeast of Kalgoorlie, covering approximately 2,900km^2 over four project areas: Yarri, Ringlock, Ponton and Ashburton. The tenement holding has been largely under-explored, with modern exploration previously restricted by disjointed tenement ownership and limited funding. Through the consolidation of ownership, Solstice now has the opportunity to apply cutting-edge targeting methodologies using a belt-scale approach.

Solstice's Vision

The Company's ultimate vision is to be a Western Australian based mid-tier mining company, generating superior returns for its shareholders, while providing positive benefits for its stakeholders, through exploration, acquisition, development and mining with a focus on gold and base metals.

Solstice's Values

- Teamwork – collaborating and working safely and responsibly in partnership with all stakeholders
- Integrity – acting lawfully, ethically and responsibly with fairness and transparency
- Respect – valuing diversity and inclusiveness, treating others with care and dignity
- Innovation – encouraging innovation and entrepreneurship
- Commitment – giving our all to all that we do
- Delivery – doing what we say we will do

Solstice's Mission

The Company will achieve this vision through a purposeful focus on the following themes in its business:

- Identifying and/or acquiring projects within prospective mineral provinces;
- Exploring in a scientifically rigorous, innovative, environmentally and socially responsible manner;
- Developing and mining in a cost-effective, sustainable, efficient and responsible manner to realise stakeholder value;
- Respecting the rights and interests of native title holders and Traditional Custodian groups to protect and promote Indigenous history and culture;
- Upholding the Company's strong principles of governance and adherence to Company policies;
- Safeguarding the health and safety of all stakeholders;
- Continuously improving its systems and processes;
- Developing its people and recognising superior performance; and
- Fostering mutually beneficial relationships with its stakeholders.

Corporate Overview (Continued)

Sustainable Development

Solstice believes the success of its business is underpinned by a strong commitment to all aspects of sustainable development with an integrated approach to economic, social and environmental management and effective corporate governance.

Health and Safety

The Company believes that sound occupational health and safety management practices are in the best interests of its employees, its business, its shareholders, and the communities in which it operates. Solstice is committed to achieving the highest performance in occupational health and safety to create and maintain a safe and healthy environment at the workplace.

The Company seeks to eliminate work-related incidents, illnesses and injuries by identifying, assessing and where reasonably practical, eliminating or otherwise controlling hazards. Solstice is pleased to report that there were no Lost Time Injuries sustained during the year ended 30 June 2023.

Environment

Solstice regards caring for the environment as an integral part of its business and is committed to operating in a responsible manner which minimises its impact on the environment.

The Company seeks to ensure that throughout all phases of activity personnel and contractors give proper consideration to the care of the community, flora, fauna, land, air and water. To fulfil this commitment Solstice will:

- Comply with applicable environmental laws and regulations;
- Implement and maintain effective environmental management systems;
- Integrate environmental factors into decision-making throughout the mining lifecycle;
- Assess the potential environmental effects of its activities and manage environmental risk;
- Regularly monitor and strive to continually improve its environmental performance;
- Rehabilitate the environment affected by Company activities;
- Promote environmental awareness among personnel and contractors to increase understanding of their roles and responsibilities in relation to environmental management; and
- Consult and communicate openly with host communities, governments and other stakeholders.

During the year, there were no reportable environmental incidents.

Stakeholder Relations

Solstice seeks to develop and maintain positive, enduring relationships with its host communities by striving for mutual understanding of each other's needs and aspirations.

Commensurate with the level of its activities Solstice commits to support:

- Ongoing consultation with local communities and public authorities;
- Open and transparent communication about activities that might affect the host community;
- Mitigation, management and monitoring plans that meet applicable standards;
- Local sourcing of supplies, services and labour as much as possible;
- Technology transfer and training to both individuals and related institutions; and

Review of Operations

Introduction

Solstice is actively exploring for gold, base and battery metals in the Eastern Goldfields of Western Australia, with a focus on defining and testing new exploration targets of standalone scale. The Company considers the Eastern Goldfields as the premier exploration and project development terrain in Australia and believes that there are still important discoveries to be made on the back of careful compilation and targeting work.

The Company currently has granted licences and licence applications covering approximately 2,900km^2 (Figure 1), allowing a large canvas to define and test new exploration ideas. The tenement package contains an established 177,000-ounce Mineral Resource at the Hobbes Gold Project, multiple gold occurrences, and also covers advanced nickel-sulphide prospects at the Ringlock Project.

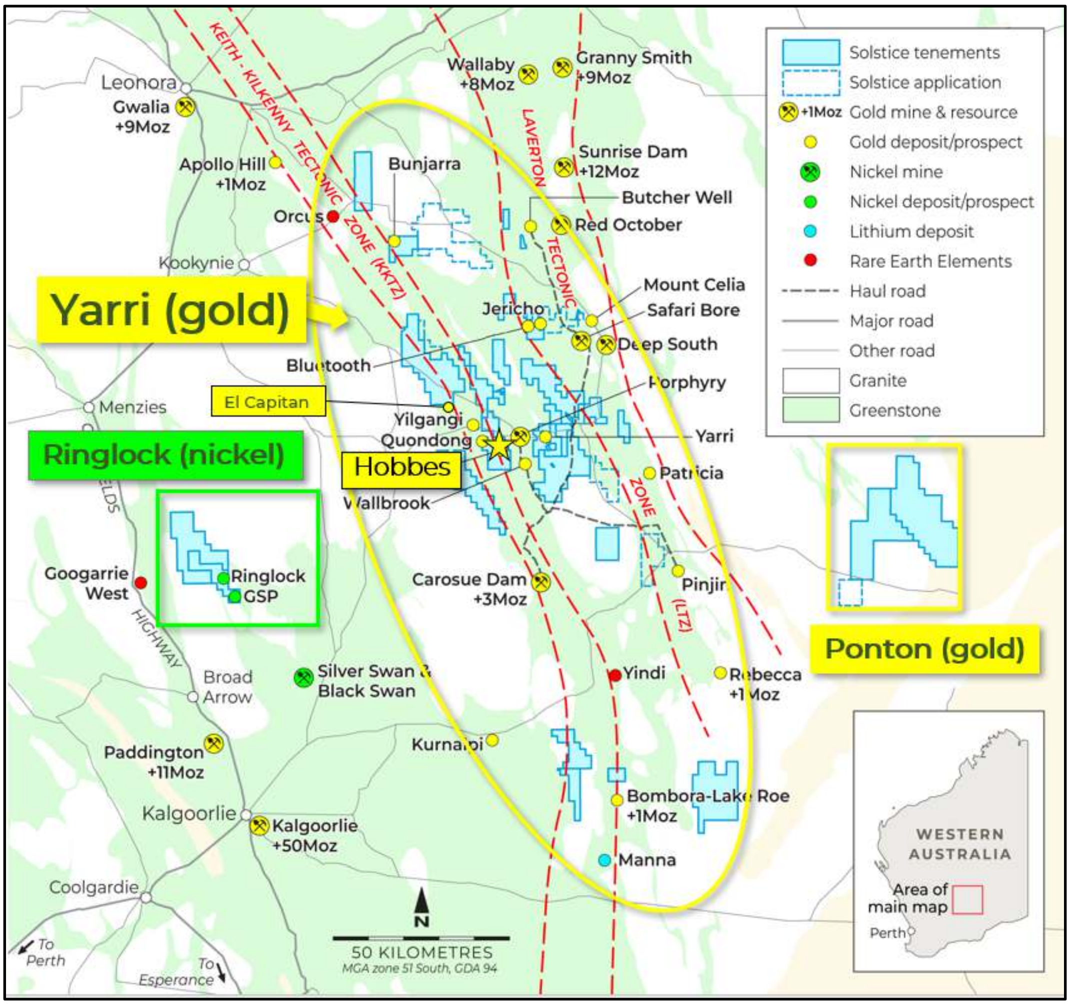

Figure 1. Location of Solstice's Eastern Goldfields WA Projects with Regional Geology (applications in ballot are not shown)

Yarri Project (Gold, Battery Metals)

The Yarri Project is located approximately 150km northeast of Kalgoorlie between the Keith-Kilkenny Tectonic Zone (KKTZ) and the Laverton Tectonic Zone (LTZ), both of which are major craton-scale structural features known to control significant gold endowment in this part of the Eastern Goldfields. The tenement holdings extend over more than 100km of strike and surround the Carosue Dam, Porphyry and Deep South Projects that form part of Northern Star Resources' Carosue Dam Operations (Figure 2), reported as hosting 4.2Moz gold at 2.1g/t.

Review of Operations (Continued)

The Yarri Project is anchored by the Hobbes Gold Project, where a maiden Mineral Resource Estimate (MRE) of 177, 000 ounces of gold was reported during the year.

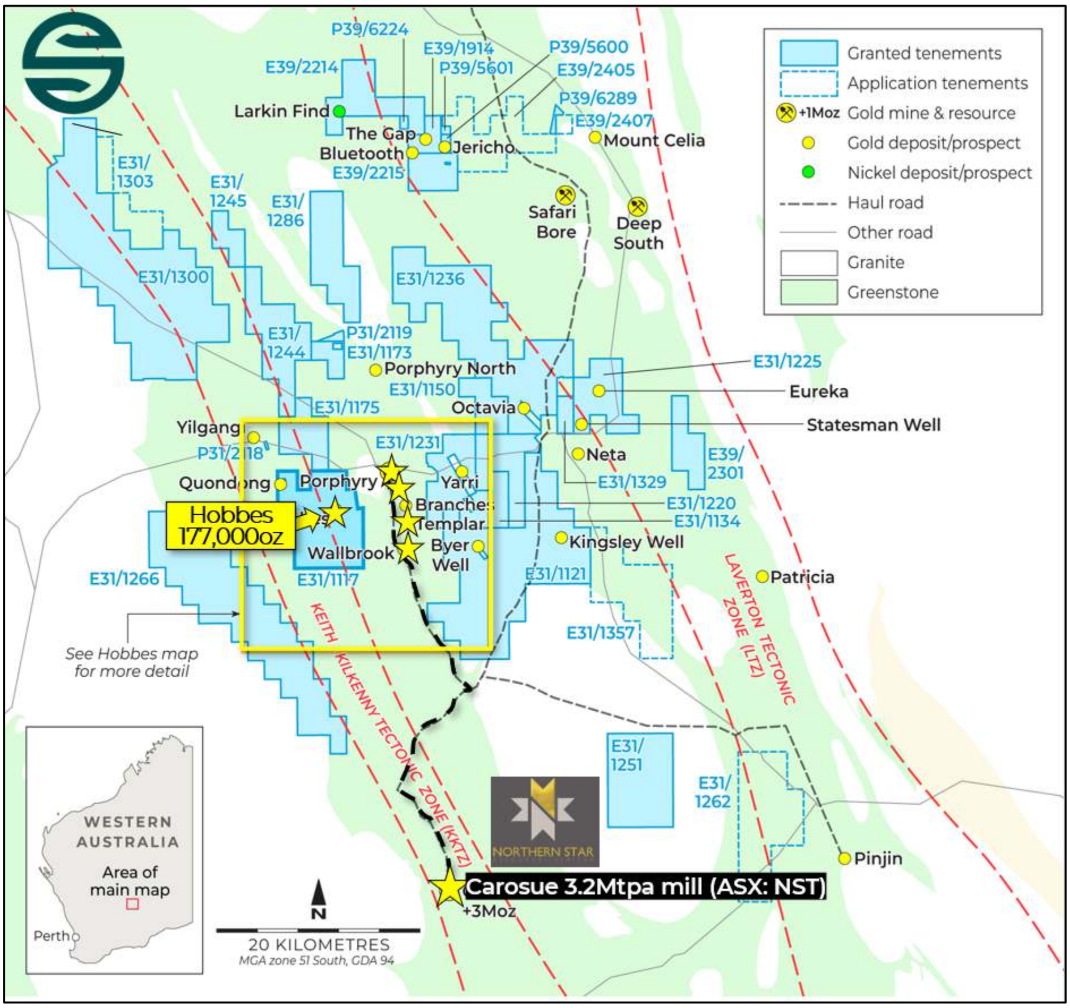

Figure 2: Yarri Project (Northern Portion) with Regional Geology Showing Solstice's Core Tenements and Gold Prospects Within a 50km Radius of the Hobbes MRE

Hobbes Gold Project (E31/1117– Solstice 80%)

The Hobbes Project is well situated close to established mining and haul road infrastructure approximately 5km southwest of Northern Star Limited's Porphyry Mining Centre (Figure 3). Northern Star operates open-pit and underground gold mines at Porphyry and is hauling material to its Carosue Dam operations located 36km to the south.

Solstice completed and released a maiden pit constrained MRE at the **Hobbes** deposit in March 2023, comprising 4.6Mt at 1.2g/t Au for 177,000 ounces of gold (Table 1). The MRE followed significant RC and diamond drilling campaigns by the Company over the period 2021-2022. The MRE was completed by independent consultant Cube Consulting Pty Ltd using high level economic parameters and was reported at a 0.6g/t Au cut-off and constrained within an A$2,500/oz optimised pit shell.

The Hobbes MRE has supergene and fresh rock components (Table 2). Supergene gold mineralisation forms a shallow, flat-lying blanket with broader dimensions of up to 1km in strike, 400m width and is in places up to 30m thick (Figure 4).

Review of Operations (Continued)

Optimisation using a $2500/oz gold price produced a pit shell that incorporates a significant area of supergene mineralisation as well as the core of an underlying primary gold system. The pit has a maximum depth of 160m from surface, and the combination of supergene (Figure 4) and fresh rock material (Figure 5) offers potential for a modest strip ratio in a commercial development.

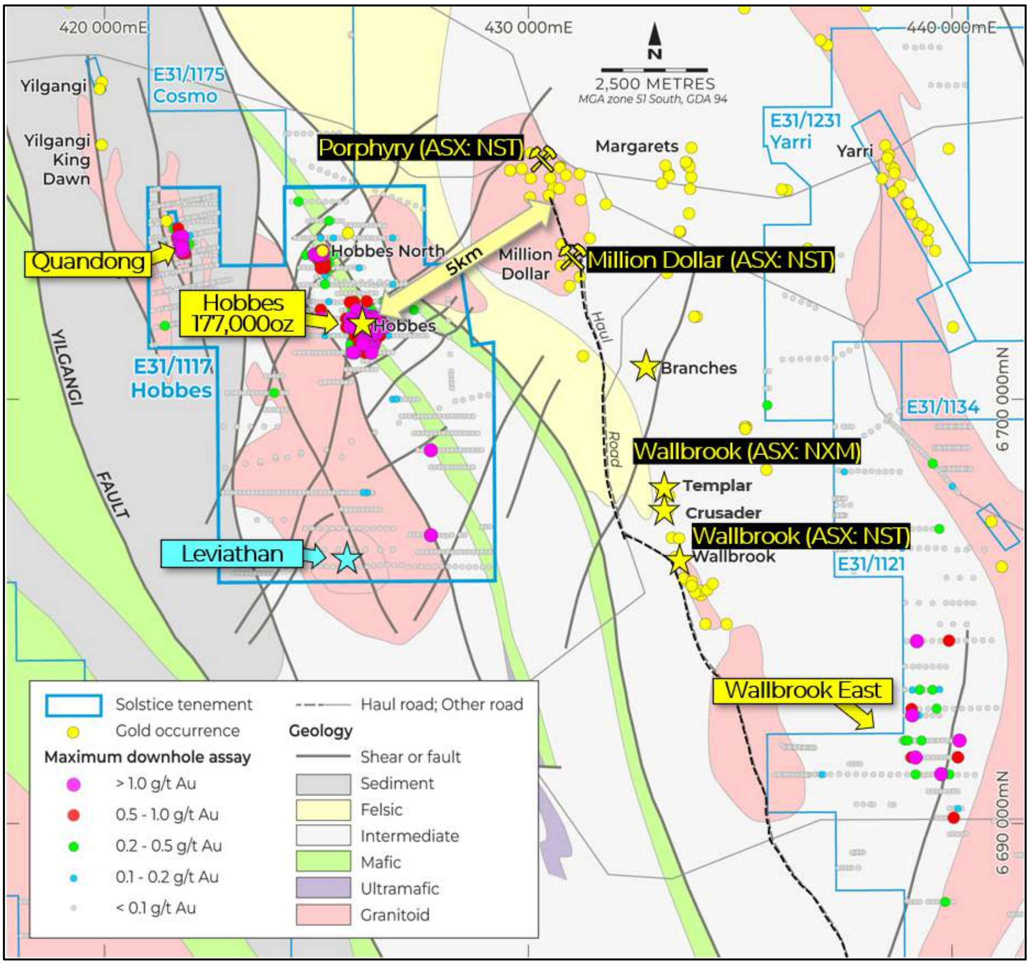

Figure 3: Geology Drilling and Gold Mineralisation of the Hobbes Project Area

Fresh rock gold mineralisation sits in multiple west-dipping lodes that initiate from and are controlled by local cross-faulting (Figure 5).

Table 1: Hobbes Gold Project maiden JORC Mineral Resource Estimate.

JORC 2012 Classification	Tonnes	Gold Grade (g/t)	Gold Metal (oz)
Indicated	-	-	-
Inferred	4,600,000	1.2	177,000
Total Indicated & Inferred	**4,600,000**	**1.2**	**177,000**

Notes: *The Mineral Resources are reported at a lower cut-off grade of 0.6 g/t Au and are constrained within A$2,500/oz optimised pit shells based on mining parameters and operating costs typical for Australian open pit extraction of deposits of similar scale and geology. All numbers are rounded to reflect appropriate levels of confidence. Apparent differences may occur due to rounding.*

Review of Operations (Continued)

Table 2: Hobbes Gold Project JORC Mineral Resource Estimate Components

Weathering Domain	Category	Tonnes	Grade (g/t Au)	Ounces
Supergene & Transitional	Inferred	2,500,000	1.2	92,000
Fresh	Inferred	2,100,000	1.2	85,000
Total		**4,600,000**	**1.2**	**177,000**

Notes: *The Mineral Resources are reported at a lower cut-off grade of 0.6 g/t Au and are constrained within A$2,500/oz optimised pit shells based on mining parameters and operating costs typical for Australian open pit extraction of deposits of similar scale and geology. All numbers are rounded to reflect appropriate levels of confidence. Apparent differences may occur due to rounding.*

Hobbes mineralisation is located under 30-40m of transported cover and was discovered and delineated by a combination of aircore then RC and DD drilling. There is no outcrop in the immediate prospect area so geological interpretation is based on drillhole logging and litho-geochemical data collected from recent and historical drilling. Gold mineralisation is interpreted to be located within a north-northwest trending package of intermediate volcanic rocks sandwiched between a basalt hanging wall and rhyodacite volcanic to volcaniclastic footwall package. The stratigraphic sequence dips steeply to the west and is offset by a series of broadly northeast trending, strike-slip faults (Figure 5).

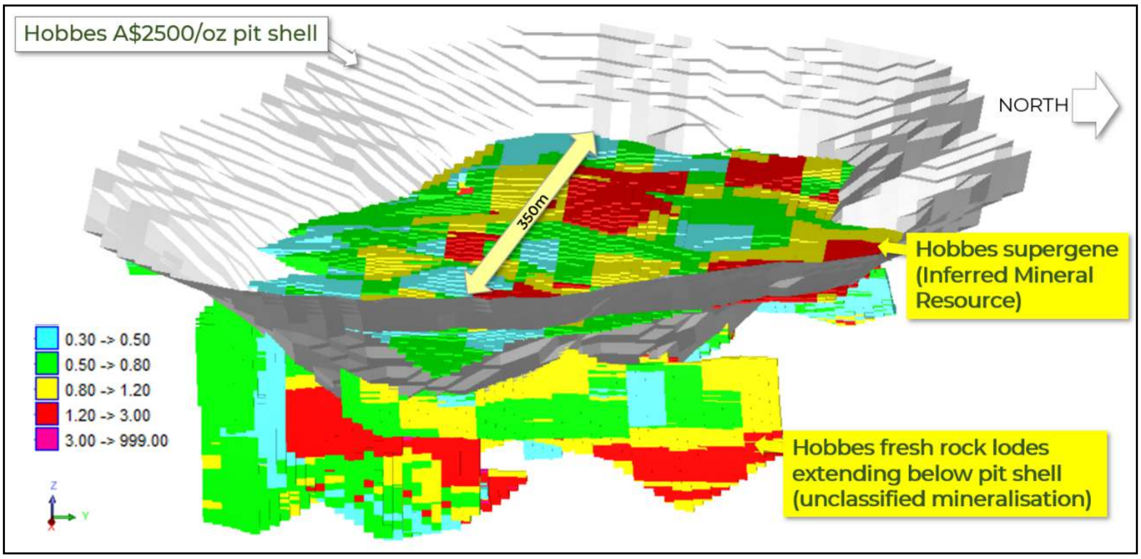

Figure 4.: Oblique view of the Hobbes A$2500/oz optimised pit shell looking west, showing the flat- lying blanket of supergene (oxide) mineralised resource blocks, as well as fresh rock mineralised material extending below the pit boundaries. The Hobbes MRE only reports material that falls inside the A$2500/oz pit shell.

Significant intercepts of supergene gold mineralisation include:

- 19.8m @ 1.13g/t gold from 59.2m (HOBDD0004)
- 12m @ 1.21g/t gold from 57m (HOBRCDD0027)
- 13m @ 1.34/t gold from 58m (HOBRC0037)
- 17m @ 1.18g/t gold from 56m (HOBRC0032)
- 20m @ 1.55g/t gold from 53m (HOBRC0038)
- 10m @ 4.18g/t gold from 78m (HOBDD0002)

Review of Operations (Continued)

Geological modelling suggests that primary gold mineralisation is controlled by stacked WSW dipping NNW-striking zones in a fault block immediately south of the North Boundary Fault (Figure 5). There is potential for the North Boundary Fault to deliver new mineralisation across sequence, and for other 'lookalike' NE-striking faults to control new mineralised positions elsewhere on the Hobbes Licence and adjoining Solstice tenure.

Significant primary gold intercepts beneath the supergene blanket include:

- 27m @ 2.67g/t gold from 113m (including 20m @ 3.25g/t gold from 120m); 4.8m @ 3.19g/t gold from 150m and 7.2m @ 1.30g/t gold from 190.8m (HOBRCDD0003)
- 13m @ 4.04g/t gold from 96m (HOBRC0030)
- 8m @ 2.05g/t gold from 110m and 8m @ 2.32g/t gold from 187m (HOBRC0033)
- 31m @ 1.71g/t gold from 118m (HOBDD0002)
- 11m @ 4.47g/t gold from 264m and 4.30m @ 3.38g/t gold from 395m (HOBRCDD0027)

The primary gold results add confidence to the geometry of gold lodes and complement historical RC and DD drilling results at the Project. Primary gold mineralisation remains open down-dip and in places along strike, while parts of the supergene blanket remain open toward the north-east.

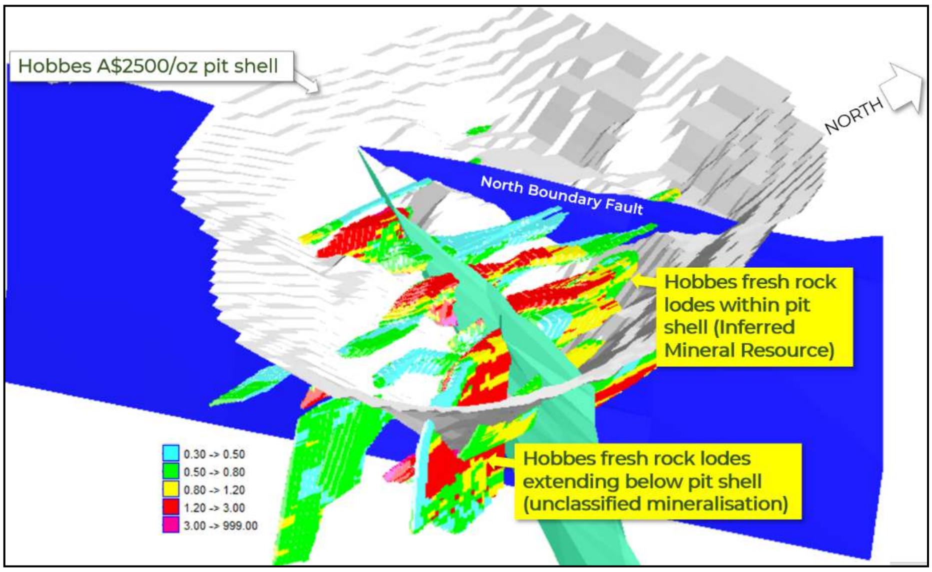

Figure 5.: Oblique view of the Hobbes A$2500/oz optimised pit shell looking northwest with supergene (oxide) mineralised resource blocks removed to allow viewing of fresh rock mineralised material within and extending below the pit boundaries, and the main controlling structures. The Hobbes MRE only reports material that falls inside the A$2500/oz pit shell.

The Hobbes gold deposit provides a solid foundation for further resource growth through exploration, and this work is continuing.

In June 2023 the Company drilled 143 aircore holes for 6,645m testing an array of 'lookalike' structural targets. This program identified new gold anomalism as well as promising rare earth oxide mineralisation at the **Leviathan Prospect** (Figure 3).

The Leviathan Prospect is centred around a highly anomalous end-of-hole (EOH) result of 0.97% rare earth oxides + Yttrium (TREOY) in a 2023 aircore hole LVNAC0152. The prospect is associated with a prominent strongly magnetic syenitic intrusion over 1km in diameter located in the south of the tenement (Figure 3).

In August 2023 the Company drilled a further 31 aircore holes at 200m line spacing to extend the aircore and resampling coverage, this work while still at a reconnaissance scale, has shown that

Review of Operations (Continued)

there are widespread >0.1% TREOY values at or close to fresh rock over much of the western half of the intrusion, including spot results to 0.72% TREOY (Figure 6). Importantly, the freshest (least weathered) samples contain the highest TREOY readings, suggesting potential for a primary (fresh rock), syenite intrusive related system. Samples at the Prospect also have elevated neodymium and praseodymium, with LVNAC0152 containing up to 0.28% Nd+Pr oxides.

The Company believes there is sufficient encouragement at this prospect to consider a next phase of work, which may involve angled RC drilling to test deeper into the fresh rock profile.

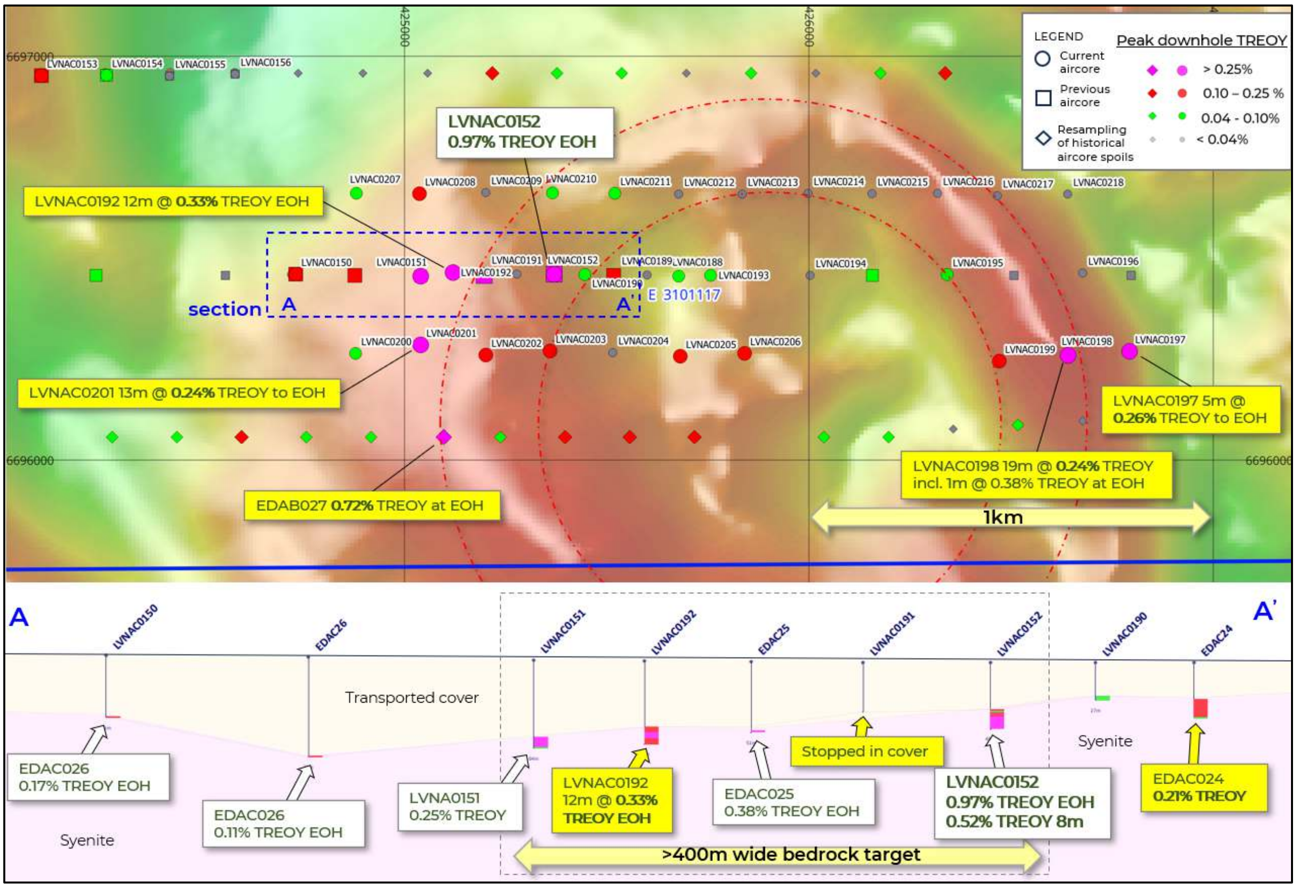

Figure 6: Aeromagnetic image and cross section of the Leviathan Prospect showing ringed magnetic responses and peak downhole rare earth oxide (TREOY) values in Solstice aircore and historical drilling. Follow-up aircore holes are labelled, and only drillholes that have full or partial suite rare earth oxide analysis are shown.

Yarri Regional Gold Exploration (Solstice 100%)

Solstice's highly experienced geological team continued an active field exploration, compilation, and target validation program throughout the regional tenement holdings to bring forward the next tier of high-quality targets on the Yarri tenure for prioritisation and first-pass aircore drill-testing.

The Company sees excellent potential to identify new standalone-scale gold systems in under-explored structural and lithological targets, particularly below the widespread transported cover at the **Bunjarra**, **Kildare**, **Boyce**, **Lake Roe** and **Wallbrook East** Prospect areas (Figure 7).

Other known but under-drilled gold systems such as **Statesman Well** and **Bluetooth** offer strong potential for 'bolt-on' ounces to support the Hobbes MRE. New gold, rare earth, and lithium targets will continue to emerge as the geological team works through historical data.

Review of Operations (Continued)

Further heritage clearances are planned in coming months, with aircore drilling to commence as each target area is cleared and prepared.

The Company notes that its large Boyce tenement is located within 500m along strike from new gold mineralisation reported by M3 Mining Ltd at its **El Capitan** discovery (refer to ASX: M3M announcements 7 June and 10 July 2023). Solstice has generated several promising structural and geochemical targets for first pass drilling on this tenement which is located 18km northwest of Hobbes (Figure 7).

Yarri Regional Lithium Exploration (Solstice 100%)

The Company has instigated and continues to undertake systematic ground truthing of areas of the Yarri tenement group considered to have potential for LCT pegmatite development. There is no evidence of any historical lithium exploration on Solstice's tenure despite the southern Yarri tenements being located within 20km of Global Lithium's (ASX: GL1) Manna lithium pegmatite deposit (32Mt @ 1.0% Li2O1) and in a similar geological setting.

Prospecting during the year has located areas of previously un-mapped pegmatite on tenure. While this has shown that pegmatites sampled to date have low pathfinder chemistry, the field work demonstrates that new and potentially LCT mineralised pegmatite intrusions may exist elsewhere in the tenement group. Lithium exploration work is ongoing, and additional ground may be acquired in the Yarri area to compliment the current portfolio.

Review of Operations (Continued)

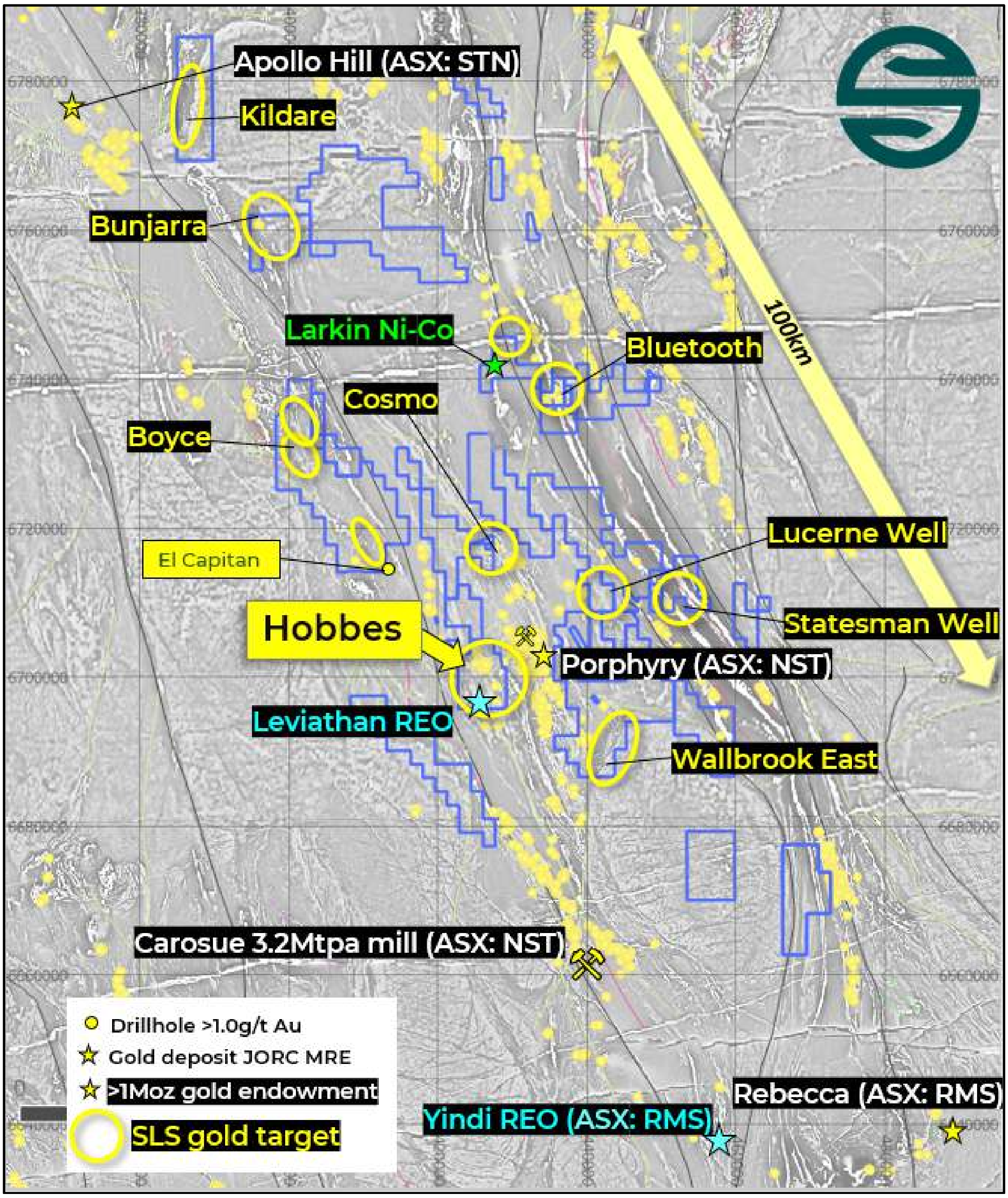

Figure 7: Yarri regional tenement group showing current high-priority gold targets.

Review of Operations (Continued)

Ringlock Project (Nickel)

The Kalgoorlie Project hosts two established Ni-Cu-PGE sulphide prospects (**GSP** and **Ringlock**) located approximately 30km northwest of the high-grade Silver Swan massive nickel sulphide deposit (historical underground production 2.7Mt @ 5.1% Ni for 137.5kt Ni – refer to ASX: POS) and is within the interpreted strike extension of the same Black Swan Komatiite Complex (Figure 8).

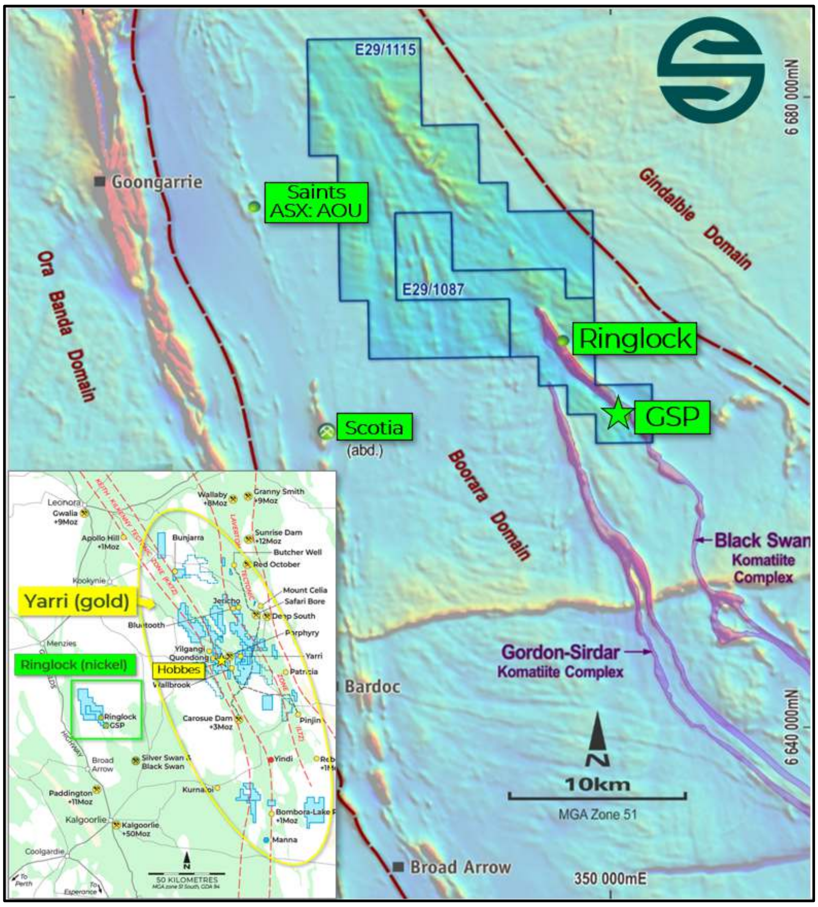

Figure 8: Ringlock Project over regional aeromagnetic imagery

Massive nickel sulphides (pyrrhotite–pentlandite +/- violarite) intersections at the **GSP Prospect** take the form of sulphide veins and veinlets, usually located at or below the basal footwall contact, while zones of disseminated sulphides are found several overlying ultramafic flows. Solstice completed six DD holes for 1747m at GSP in late 2022 (Figure 9) with the objectives of adding confidence to historical drillhole assay data from the late 1960s and 1970s, including around partially sampled drillholes, gathering structural and litho-geochemical data, and providing platforms for downhole electromagnetic (DHEM) geophysical surveys.

All six of Solstice's diamond holes hit nickel mineralised veins or stringers, at or just within the basal footwall contact including 1.81m @ 18.1% nickel, 19.06g/t palladium, 2.22g/t platinum, and 2.21g/t gold in GSPDD005 (Figure 10), 2.22m @ 2.27% Ni in GSPDD0001, and several >1% Ni intercepts in the remaining holes.

The new results support similar intercepts in historical drilling results that include:

- 8.01m @ 2.4% Ni from 113.39m (incl. 1.52m @ 6.8% Ni from 113.39m) in GS033;
- 2.86m @ 2.9% Ni from 166m (incl. 2.13m @ 3.5% Ni from 166.73m) in GS013;
- 4.0m @ 2.3% Ni from 104m in MJRC047; and
- 4.0m @ 1.4% Ni from 145m in MJRC048.

Review of Operations (Continued)

Subsequent detailed compilation and interpretation work has revealed evidence that the GSP mineralised ultramafic flows and associated remobilised vein style massive nickel sulphide occurrences form an overlapping channel of mineralisation that plunges moderately to grid south toward a local N-S trending fault ('Owen Fault' or 'Fault') and associated cross-cutting porphyry intrusions (Figure 9).

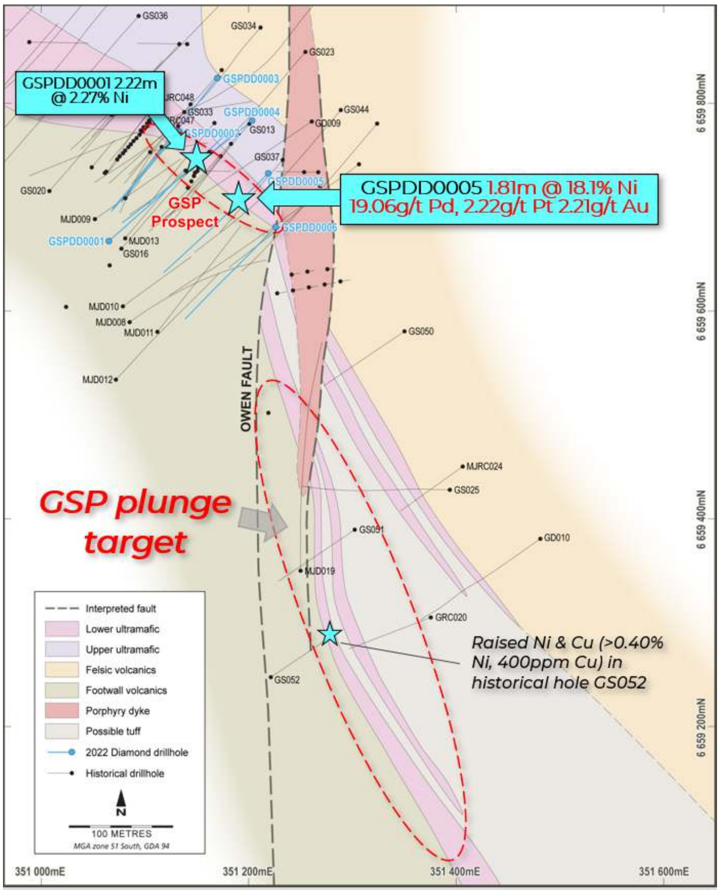

Figure 9: Plan view of GSP geology and all drilling. Solstice's diamond collars and key intercepts in blue. Emerging GSP plunge target also shown.

Figure 10: Core photo showing sample intervals through massive sulphides in GSPDD0005. The combined intercept is 18.1% Ni, 19.06g/t Pd, 2.22g/t Pt and 2.21g/t Au.

When examined in long-section view (Figure 11), the Fault is interpreted as a boundary separating the GSP footwall ultramafic contact from a fault-offset panel of equivalent footwall ultramafic contact to the south. Importantly the previous drilling into this southern panel remains very sparce, with only three holes interpreted to have pierced the footwall contact, one of which (GSP052) contains minor nickel and copper anomalism consistent with disseminated nickel sulphides. There has been no drilling undertaken to test the proposed GSP plunge target, and the Company intends to progress this exciting target during the coming year.

Review of Operations (Continued)

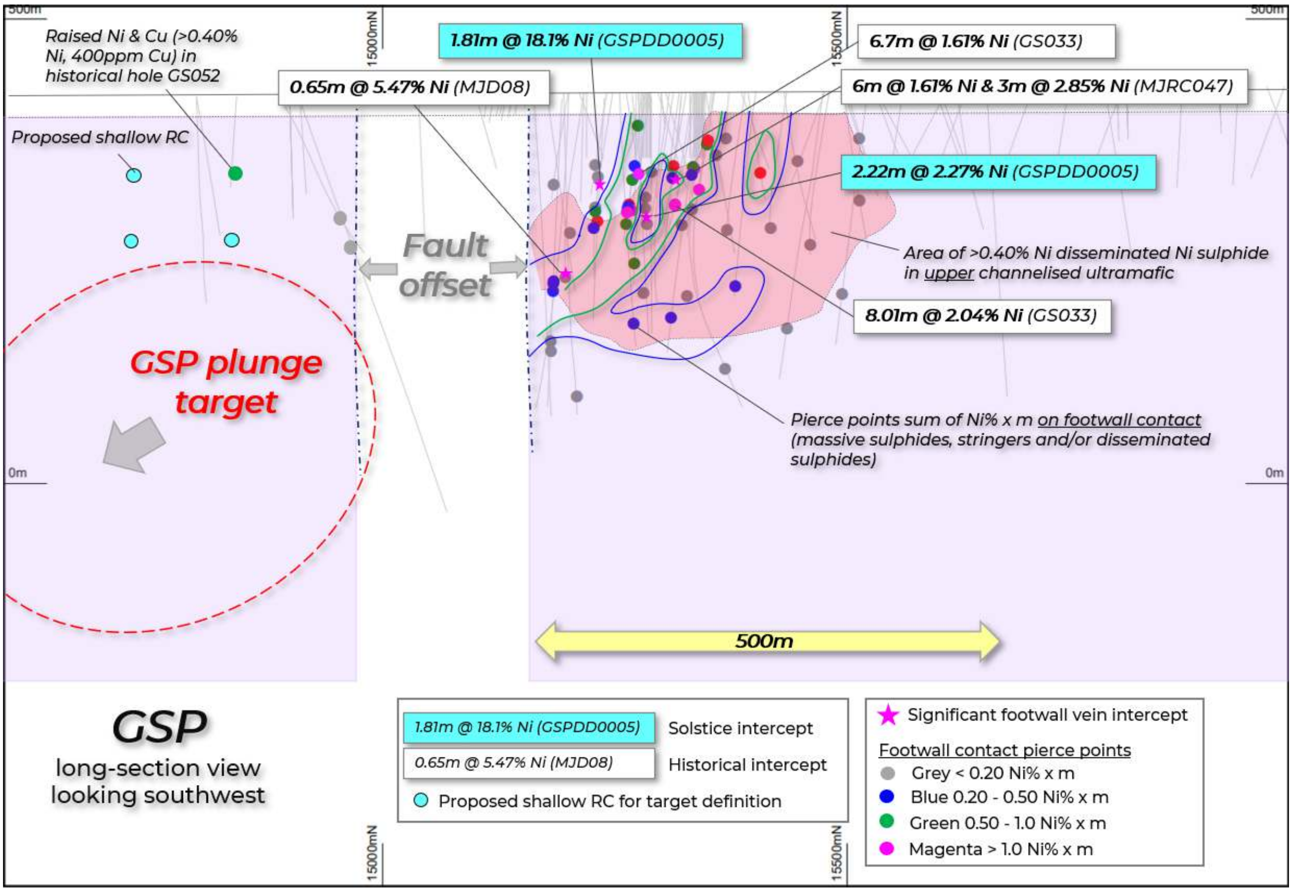

Figure 11: Long-section view of GSP footwall contact looking grid west (magnetic SW) showing mineralised footwall contact pierce points, footwall vein pierce points, and overlying area of disseminated sulphides that together form an overlapping corridor plunging south to the Owen Fault. The continuation of the mineralised corridor into the southern panel of ultramafic presents a high-value exploration target.

Ponton Project (Gold, Nickel, and Rare Earth Oxides)

The Company continued its surface geochemical exploration and targeting at the Ponton Project, a greenfield exploration landholding located 200km northeast of Kalgoorlie and immediately to the south and southeast of Western Mines Group's (ASX: WMG) Mulga Tank Ni-Cu-PGE Project (Figure 12).

The Project is considered to have good greenfield gold, nickel and rare earth oxide prospectivity, with gold geochemical anomalism defined by Solstice's soil sampling during 2021 and 2022 (Figure 13) awaiting first-pass drilling, as well as a series of unexplored geophysical targets.

Coincident aeromagnetic and gravity features on the tenements are for the most part below transported cover, and the source of these features is uncertain. Potential options include slices of mafic, ultramafic and iron-rich sedimentary rocks in gneissic terrain extending from the Minigwal greenstone belt, or local intrusions (mafic/ultramafic, alkaline or carbonatite) that have utilised the structural corridors evident in regional magnetics. This setting offers a range of mineral styles including Ni-Cu-PGE mineralisation, rare earth oxides and shear-hosted gold.

Review of Operations (Continued)

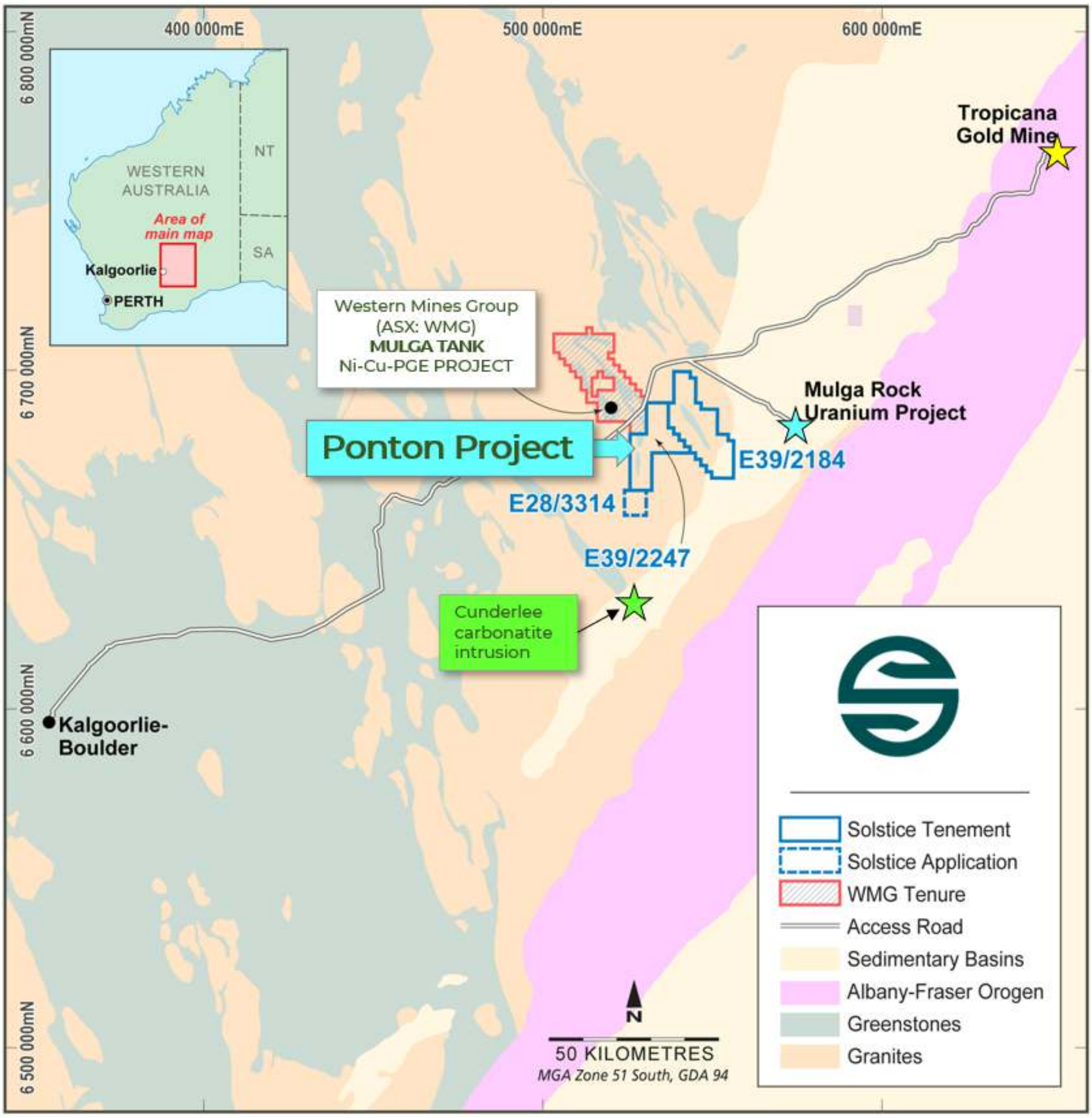

Figure 12: Ponton Project regional geological setting.

The Company notes that the prominent Cunderlee carbonatite intrusion and associated REE-bearing dykes are located immediately south of the Project, and it is possible that related intrusions extend into the adjacent Yilgarn Craton. Solstice has applied for an exploration licence (ELA28/3314) specifically to cover discrete, high-intensity aeromagnetic anomalies on a north-south structure that extend to the Cunderlee carbonatite intrusion (Figure 13).

Solstice initiated surface sampling in 2021 targeting discrete aeromagnetic anomalies in the north-eastern part of the Project, and follow-up sampling was carried out during 2022. This work defined several subtle but coherent gold-in-soil anomalies that are coincident with magnetic features (Figure 14).

The Company is progressing the required environmental, heritage and access approvals ahead of initial, cost-effective aircore drill-testing. Compilation of historical exploration data, regolith profiles and structural interpretation utilising airborne magnetic, gravity and radiometric data is ongoing.

Review of Operations (Continued)

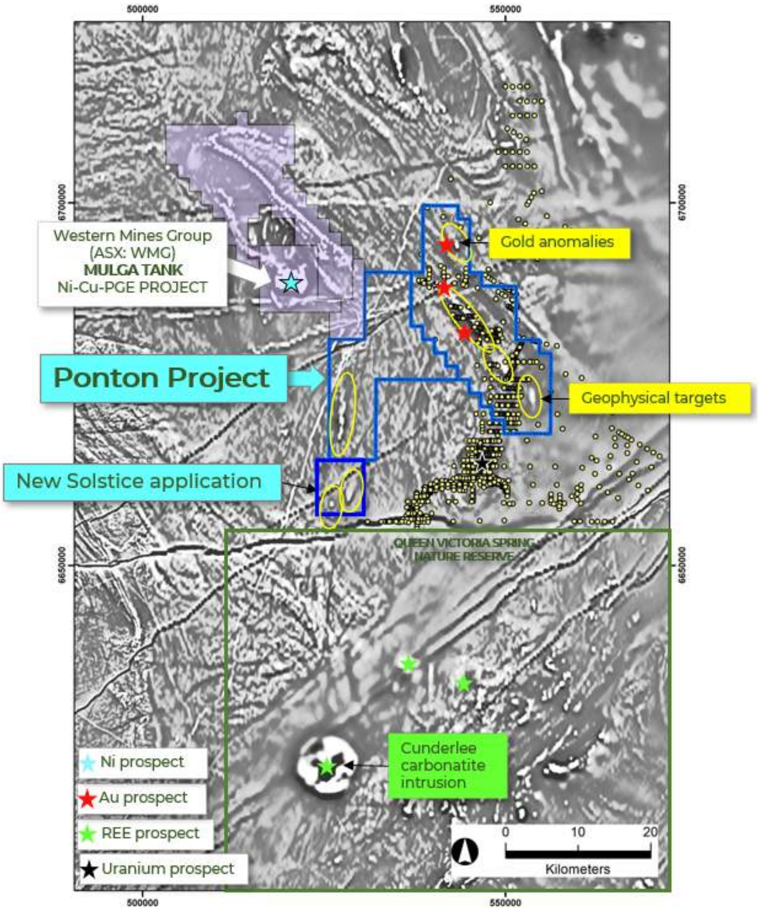

Figure 13: Ponton Project (blue outlines), geophysical targets (yellow outlines), regional metals prospects (stars) and all historical drill collars (yellow dots) on TMI imagery.

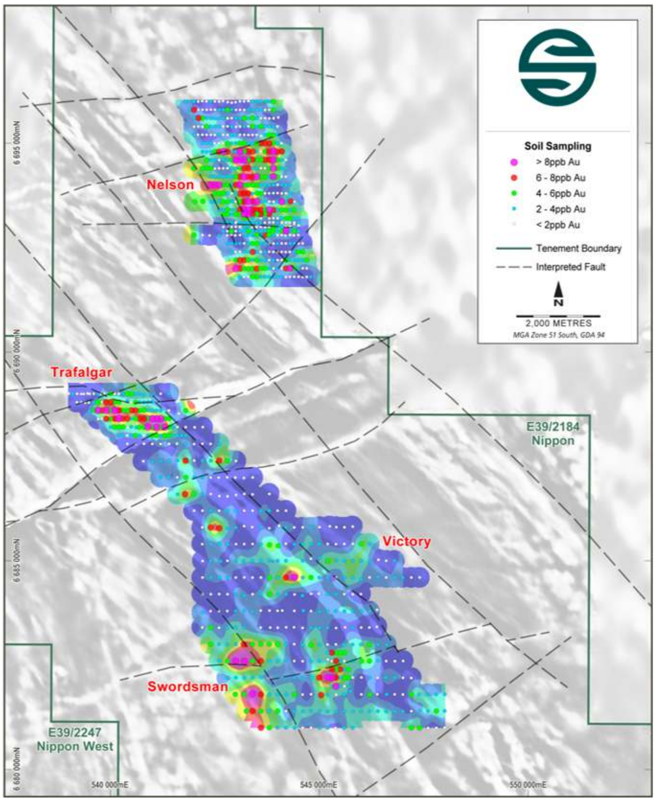

Figure 14: Surface geochemical sampling Ponton Project showing untested gold anomalies on aeromagnetic imagery.

Review of Operations (Continued)

Nanutarra Project (Nickel Copper PGE)

During the year a greenfield Ni-Cu-PGE opportunity at **Nanutarra** was secured under a 12-month Option to Purchase arrangement. The Project is located in the Ashburton Mineral Field approximately 90km southeast of Onslow, and covers an ovoid layered ultramafic intrusion some $9km^2$, within the western end of the Capricorn Orogen. The intrusion has pronounced layering comprising alternating pyroxenite and serpentinised peridotite sheets around a core of peridotite.

Historical exploration has focussed on identifying massive Ni-Cu sulphide systems, but the Company considers the intrusion may also have untested potential for discrete, laterally (and depth) extensive PGE-Au mineralisation associated with Ni-Cu sulphides. No systematic soil or rock-chip geochemical sampling has been carried out to date.

Initial soil sampling has been carried out with results expected early Q4 2023.

Directors' Report

The Directors of Solstice Minerals Limited (the Company or Solstice) present their report on the consolidated entity consisting of the Company and the entity it controlled at the end of, or during, the year ended 30 June 2023 (Consolidated Entity or Group).

Directors

The names of the directors in office at any time during the year and until the date of this report are:

Mr Craig Williams	Non-Executive Chairman (resigned 16 November 2022)
Mr Matthew Yates	Non-Executive Chairman (appointed 16 November 2022, previously Non-Executive Director)
Mr Nick Castleden	Chief Executive Officer and Managing Director (appointed 25 January 2023)
Mr Alastair Morrison	Non-Executive Director (appointed 31 January 2023, previously Executive Director)
Mr Michael Klessens	Non-Executive Director (appointed 28 January 2022)
Mr Robert Rigo	Non-Executive Director (resigned 30 June 2023)
Mr Michael Emery	Non-Executive Director (appointed 1 July 2023)

Unless otherwise noted, all Directors held their office from 1 July 2022 until the date of this report.

Board of Directors

Mr Matthew Yates (Non-Executive Chairman)
Non-Executive Chairman; Member of Remuneration and Nomination Committee
Qualifications – B.Sc. (Hons.) Geology: MAIG

Mr Yates is an accomplished exploration geologist with over 35 years industry experience, covering all facets of exploration from generative work to project development. This includes nine years in the Goldfields of WA. He managed highly successful exploration teams at Nimary-Jundee in WA and also completed extensive gold exploration programs in the Murchison, Wheat Belt and Pilbara regions of WA.

Prior to founding OreCorp Limited, he was the Managing Director of OmegaCorp and Joint Managing Director of Mantra Resources Limited. He has been instrumental in the acquisition of key assets in all the companies he has managed, including the assets of Solstice Minerals. Mr Yates has planned, managed and executed significant gold, base metal and mineral sand projects in Australia, Central Asia, the Gulf Region and Southern, East and West Africa.

Mr Yates was appointed as a Director of the Company on 27 February 2013 and became non-executive Chairman of Solstice on 16 November 2022. During the three-year period to the end of the financial year, Mr Yates was also a director of OreCorp Limited.

Mr Nick Castleden (Managing Director and Chief Executive Officer)
Qualifications – BSc (Hons) Geology

Mr Castleden is a geologist with over 25 years of experience in the mineral exploration and development industry. He has worked with respected Australian mining companies including Mt Isa Mines, Perilya Mines, MPI Mines, and LionOre in various exploration, project generation and management capacities and has had operational experience in Africa, North and South America and across Australia, as well as holding advisory roles in Perth-based capital investment firms.

Mr Castleden has particular experience in Western Australian gold, nickel and base metal exploration and has participated in the discovery and delineation of new gold and nickel sulphide deposits that have progressed through feasibility to successful mining.

Directors' Report (Continued)

Most recently he was the managing director of Apollo Consolidated Ltd from 2010 to 2021, during which time Apollo acquired, discovered, and delineated the Rebecca Gold Project in Western Australia (1.2Moz I&I Au) which progressed through to a A$180M corporate takeover by Ramelius Resources Limited. Apollo also discovered and successfully divested several gold deposits in the West African country of Cote d'Ivoire.

Mr Castleden was appointed Managing Director and CEO 25 January 2023. He is currently also a non-executive director of Enegex Limited.

Mr Alastair Morrison (Independent Non-Executive Director)
Non-Executive Director; Member of Remuneration and Nomination Committee (until 21 July 2022)
Qualifications – MSc (Hons), Grad Dip App Fin & Inv, MAIG, GAICD

Mr Morrison is a geologist and finance professional with more than 30 years' experience in mineral exploration and investment. After initially working as an exploration geologist in WA and the NT, he was the Exploration Manager in Tanzania for East African Gold Mines Limited at the North Mara Gold Project. During that time, the exploration team delineated more than 5 million ounces of resources, including the discovery of the high-grade Gokona gold deposit. East African Gold Mines was acquired by Placer Dome Inc. in mid-2003.

Since 2004, he has worked as a portfolio manager for a family office investment fund, as well as being on the board of various private companies with exploration interests in South America.
Mr Morrison was appointed as a Director on 24 September 2021, and took on the role of Executive Director from 28 April 2022. On 31 January 2023 Mr Morrison reverted to Non-Executive Director for the Company.

During the three-year period to the end of the financial year, Mr Morrison held a non-executive directorship with OreCorp Limited (February 2013-current) and E2 Metals Limited (February 2019-May 2021).

Mr Michael Klessens (Independent Non-Executive Director)

Non-Executive Director; Chair of the Audit and Risk Committee; Member of Remuneration and Nomination Committee
Qualifications – B.Bus, CPA, MAICD

Mr Klessens is a CPA with over 30 years' practical financial and management experience, particularly within the resources industry. This experience has involved all areas of corporate and treasury management, project financing, capital raisings, mergers and acquisitions, dual listings, feasibility studies and establishment of systems and procedures for new mining operations.

Mr Klessens held senior financial positions in a number of Australian listed companies involved in the development and enhancement of new and ongoing mining operations from exploration, feasibility and to construction and production including projects in Laverton, Leonora, Katherine and the Tanami Desert between 1991 to 2001. From 2002 - 2011, Mr Klessens was Vice President - Finance and Chief Financial Officer of Equinox Minerals Limited where he was responsible for finance, debt and equity financings, treasury and all financial functions of the Company and its operations.

Mr Klessens was appointed as a Director on 28 January 2022. During the three-year period to the end of the financial year Mr Klessens was also a non-executive director of OreCorp Limited.

Directors' Report (Continued)

Mr Michael Emery (Independent Non-Executive Director)
Non-Executive Director;.
Qualifications – B.Eng (Mining) (Hons), MBA (Finance) (Hons)

Mr Emery is a mining engineer with an MBA having spent the early part of his career with BHP in Western Australia. Working across multiple BHP assets, Mr Emery was responsible for managing greenfields developments and brownfields expansion, as well as introducing autonomous technology to the mining giant.

Afterward, he became a resource analyst at Euroz Hartleys, a prominent resources-focused stockbroking firm based in Perth. Subsequently, he transitioned to the dealing desk, where he played a crucial role in assisting various ASX-listed companies with marketing and corporate activities at Euroz Hartleys. His broad experience in both the mining and corporate industries provides a unique skill set with a broad understanding of the technical, corporate and marketing side of the mining industry.

Mr Emery was appointed as Director on 1 July 2023, and he will resume the Chair of the Remuneration and Nomination Committee and Member of Audit and Risk Committee, replacing Mr Rigo.

Mr Emery held no other directorships in the three-year period to the end of 30 June 2023.

Mr Craig Williams (Independent Non-Executive Director)
Non-Executive Chairman; Member of Audit and Risk Committee
Qualifications – B.Sc. (Hons)

Mr Williams is a geologist with over 40 years' experience in mineral exploration and mine development.

He was the President and CEO of Equinox Minerals Limited (Equinox), a dual listed TSX – ASX resources company which he co-founded in 1993 with the late Dr Bruce Nisbet. Mr Williams was instrumental in the financing and development of the major Lumwana Copper mine in Zambia which resulted in Equinox being one of the world's top 20 copper producers. Following the ramp up of Lumwana, Equinox embarked on an acquisition program that resulted in the takeover of the Citadel Resource Group for $1.2 billion, targeting development of the Jabal Sayid Mine in Saudi Arabia. Equinox was taken over in mid-2011 by Barrick Gold Corporation (Barrick) for $7 billion, ending a challenging and exciting 18-year history at Equinox.

Mr Williams was appointed as a Director on 24 September 2021 and resigned 16 November 2022. During the three-year period to the end of the financial year Mr Williams was also a non-executive director if Liontown Resources Limited (November 2006 – current), a non-executive chairman of Orecorp Limited (February 2013-November 2022) and a non-executive director of Minerals 260 Limited (August 2021- November 2022).

Mr Robert Rigo (Independent Non-Executive Director)
Non-Executive Director; Chair of the Remuneration and Nomination Committee; Member of Audit and Risk Committee
Qualifications – B.App Sc, FAusIMM, MIEAust, GAICD

Mr Rigo is an engineer with over 40 years' experience. He has previously held a number of executive and senior management positions with publicly listed mining companies. He was Vice President – Project Development at Equinox from 2002 – 2011, where he managed the feasibility study, related technical studies and engineering design and construction contracts for the Lumwana Copper Mine in Zambia, which commenced production in 2008.

Directors’ Report (Continued)

He also established Lumwana’s copper concentrate off-take and logistics contracts. Following Lumwana, Mr Rigo managed the construction of the Jabal Sayid (underground) Copper Mine in Saudi Arabia initially for Equinox and then Barrick.

Amongst Mr Rigo’s roles prior to Equinox, he was the Mill Manager at the Boddington Gold Mine, at the time Australia’s largest gold mine. He then became General Manager – Technical Services for Newcrest Mining Ltd, Australia’s major gold producer. His particular expertise lies in the management of mining operations, feasibility studies and construction of mining and mineral processing projects.

Mr Rigo was appointed as a Director on 28 January 2022 and resigned 30 June 2023. During the three-year period to the end of the financial year, Mr Rigo was also a non-executive director of OreCorp Limited.

Joint Company Secretary

Mr James Doyle
Qualifications – GDippAppFin

Mr Doyle is an experienced company secretary and corporate advisor with over 15 years’ experience advising public and private companies across a range of sectors including resources, oil and gas, industrials and technology. He has extensive experience providing corporate governance and compliance support as well as managing and executing corporate transactions including equity and debt capital raisings, IPO’s, ASX listings and mergers and acquisitions.

Mrs Silfia Morton
Qualifications – B.Com, M.Com, CA

Mrs Morton is a Chartered Accountant with a Masters Degree in Commerce, specialises in financial management, financial reporting services and risk compliance and management. She has served as CFO and company secretary for a number of ASX listed and unlisted public companies. She has previously spent twelve years as senior audit manager at one of the leading international Audit, Tax & Advisory firms where she was focused on engagements across the mining, technology and manufacturing sectors.

Ms Jessica O'Hara
Qualifications – LLB, BCom

Ms O’Hara is a corporate lawyer with extensive experience advising clients on general corporate law and regulatory/compliance issues. She has previously held senior positions at both Clayton Utz and Allen & Overy and more recently, had experience acting as in-house legal counsel. Ms O’Hara has advised a significant number of ASX-listed clients with operations in Australia and overseas, with specific experience within the mining and resources sectors.

Ms O’Hara joined OreCorp as legal counsel in August 2021 and was appointed joint company secretary on 6 December 2021 (and subsequently became sole company secretary as from 31 January 2022), resigning 9 February 2023. Ms O’Hara provided services to Solstice by way of the Transitional Services Agreement (TSA) between the Company and OreCorp Limited.

Directors' Report (Continued)

Principal Activities

The principal activities of the Company during the year consisted of mineral exploration for gold and base metals. Solstice's key projects are the Yarri (including the Hobbes Prospect), Ponton, Kalgoorlie and Ashburton Projects in Western Australia (WA).

Dividends

No dividends have been declared, provided for or paid in respect of the financial year ended 30 June 2023.

Review of Operations and Activities

A review of the Group's operations during the year ended 30 June 2023 is provided in the section of this report headed 'Review of Operations', which immediately precedes the Director's Report.

Operating Results and Financial Position

The net loss of the Consolidated Entity for the year ended 30 June 2023 was $6,912,994 (2022: $3,742,945). This loss is largely attributable to the accounting policy of expensing exploration and evaluation expenditure incurred by the Consolidated Entity subsequent to the initial acquisition of the rights to explore and up to the successful completion of the final investment decision as set out in Note 1(g).

The increase in expenditure was due to increased exploration activities at the Company's prospects in the current year as well as recognition of the Company's first full year of corporate and administration costs, with costs previously borne by the Company's former parent company OreCorp Limited.

Corporate and administration expenditure of $2,236,875 (30 June 2022: $884,402) includes $1,019,658 share-based payments expense.

At 30 June 2023, the Consolidated Entity had net assets of $15,650,760 (30 June 2022: $21,544,096) and cash of $9,973,240 (30 June 2022: $15,917,248).

Significant Changes in the State of Affairs

On 16 November 2022, Mr Craig Williams resigned his directorship and Mr Matthew Yates was appointed as Chairman.

On 16 November 2022, Deloitte Touche Tohmatsu resigned as auditor; and William Buck were appointed as auditor for the Company.

Effective 22 December 2022, Mrs Tania Cheng resigned from her role as Chief Financial Officer.

On 25 January 2023, Mr Nick Castleden was appointed Managing Director.

Effective 31 January 2023, Mr Alastair Morrison reverted to Non-Executive Director after serving as the Company's Executive Director since 28 April 2022.

On 9 February 2023 Mrs Silfia Morton was appointed Chief Financial Officer, and both Mrs Morton and Mr James Doyle were appointed Joint Company Secretary. Accordingly, Ms Jessica O'Hara resigned as Company Secretary effective 9 February 2023.

Effective 30 June 2023, Mr Robert Rigo resigned as a director.

On 1 July 2023, Mr Michael Emery was appointed as Non-Executive Director, replacing Mr Rigo.

Directors' Report (Continued)

Business Development

During the year, a number of business and corporate development opportunities were identified and reviewed. Those which may enhance shareholder value will continue to be pursued.

Business Strategy and Prospects

The Company currently has the following business strategies and prospects over the medium-to-long-term:

- continue to undertake regional generative exploration programs at the Yarri, Kalgoorlie, Ponton and Ashburton Projects in Western Australia;
- continue to refine its WA targeting initiative; and
- continue to review other resource opportunities which may enhance shareholder value.

The successful completion of these activities will assist the Company to achieve its strategic objective of making the transition from explorer to producer.

The Company and its subsidiary are exploration companies operating in Australia.

Material Business Risks

The Company considers the following to be the key material business risks:

Risk of exploration failure

Exploration activities are inherently risky, and the Board is unable to provide certainty that any or all of these objectives, as outlined as Business Strategies above, will be able to be achieved. In the opinion of the Directors, any further disclosure of information regarding likely developments in the operations of the Group and the expected results of these operations in subsequent financial years may prejudice the interests of the Company and accordingly, further information has not been disclosed.

Additional requirement for capital

The Company's current capital is sufficient, at the issue date of this report, to meet its current planned exploration activities. Future activity that is unable to be planned for has the potential to draw down available capital. While unplanned activity will be considered and align with shareholders requirements, it could require additional funding to be obtained. Funding via additional equity will dilute shareholdings, and if debt financing is a viable option, it would likely be subject to restrictions. Depending if unplanned activity are undertaken, the Company may need to reduce the scope of its exploration programmes to ensure sufficient capital is maintained. There is no guarantee that suitable, additional funding will be able to be secured by the Company.

Environmental

With the Group's tenure residing within Western Australia, the Company is subject to the state and federal laws and regulations concerning the environment. Mechanised exploration will impact the local environment along with any advanced development and production activities. In undertaking exploration activities, the Company intends to comply with all environmental laws.

Inherent risks when completing exploration activities include, but are not limited to, land disturbance and the disposal of waste products. An incident involving incorrect disposal of waste products could result in delays to exploration, additional costs to remediate the location and any legislative penalties.

Directors' Report (Continued)

The Company has procedures implemented to minimise the occurrence of environmental impacts and any subsequent penalties; however the nature of the activity does involve environmental risks.

Heritage

With the Group's tenure residing within Western Australia, the Company is subject to the state and federal laws and regulations concerning Native Title and Heritage rights and interests. The Company is required to ensure that tenure has been adequately surveyed and considered before commencing any activity that would disturb the natural environment and its surroundings.

The Company complies with required legislation regarding Native Title and Heritage requirements, and where suitable, engages a third party to ensure that all requirements are met.

While all care is taken to ensure rights and interests are maintained, there is a level of risk inherent in the exploration activity that is unable to be fully mitigated.

Environmental Regulation and Performance

The Group's operations are subject to various environmental laws and regulations in Western Australia. The Group aims for full compliance with these laws and regulations and regards them as a minimum standard for all operations to achieve.

No instances of environmental non-compliance by an operation were identified during the year.

Significant Post-Balance Date Events

Since the end of the financial year and to the date of this financial report, the following significant events have occurred:

On 1 July Mr Michael Emery was appointed as a Non-Executive Director.

On 18 July 2023, the Company issued 2,256,376 performance rights to employees.

Share Options and Rights

At the date of this report, the Company has on issue 14,713,191 listed options and 16,150,000 unlisted options, providing a total of 30,863,191 options. The options have the following exercise prices and expiry dates:

Security Class	Exercise Price	Expiry Date	# of Securities
SLSO	$0.20	22 April 2026	14,713,191
SLSAB and SLSAA	$0.29	22 April 2026	10,650,000
SLSAE	$0.29	24 January 2027	4,500,000
SLSAF	$0.29	27 June 2027	1,000,000

There were no options exercised during the year ended 30 June 2023.

As at the date of this report, the Company has a total of 3,068,876 performance rights on issue with the following terms:

Security Class	Exercise Price	Expiry Date	# of Securities
SLSAC	Nil	9 September 2027	812,500
SLSAG	Nil	18 July 2027	2,256,376

SOLSTICE MINERALS LIMITED

Directors' Report (Continued)

Meetings of Directors

The following table sets out the number of meetings of the Company's Directors held during the year ended 30 June 2023, and the number of meetings attended by each Director.

	Board Meetings(i)		Audit & Risk Committee Meetings		Remuneration & Nomination Committee Meetings	
Directors	Number Eligible to Attend	Number Attended	Number Eligible to Attend	Number Attended	Number Eligible to Attend	Number Attended
Matthew Yates	9	9	-	-	3	3
Craig Williams	4	4	1	1	-	-
Alastair Morrison	9	9	1	1	1	1
Michael Klessens	9	9	2	2	4	4
Robert Rigo	9	9	2	2	4	4
Nick Castleden	4	4	-	-	-	-

Notes

(i) In addition to the Board Meetings held during the year, there were a number of matters resolved by way of Circular Resolution that are not reflected in the table above.

Remuneration Report (Audited)

This Remuneration Report, which forms part of the Directors' Report, sets out information about the remuneration of Key Management Personnel (KMP) of the Group for the financial year ended 30 June 2023. The information in the Remuneration Report has been prepared in accordance with Section 300A of the Corporations Act 2001 and has been audited as required by Section 308(3C) of the Corporation Act 2001.

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

(A) Details of Key Management Personnel
(B) External Advice on Remuneration
(C) Remuneration Policy
(D) Principles Used to Determine the Nature and Amount of Remuneration
(E) Remuneration Framework and Link to Performance
(F) Group Performance
(G) Details of Remuneration
(H) Additional Statutory information
(I) Shareholdings of Key Management Personnel
(J) Options Issued and Holdings of Key Management Personnel
(K) Performance Rights Issued and Holdings of Key Management Personnel
(L) Employment Contracts with Key Management Personnel
(M) Other Transactions with Key Management Personnel

(A) Details of Key Management Personnel

The Remuneration Report details the remuneration arrangements for KMP who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Group, directly or indirectly, including any director (whether executive or otherwise) of the Group. For the purpose of this report, the term 'executive' encompasses the Executive Director and other executives.

Directors' Report (Continued)

Details of the KMP during or since the end of the financial year are set out below:

Mr Craig Williams	Non-Executive Chairman (resigned 16 November 2022)
Mr Matthew Yates	Non-Executive Chairman (appointed 16 November 2022, previously Non-Executive Director)
Mr Nick Castleden	Managing Director and Chief Executive Officer (appointed 25 January 2023)
Mr Alastair Morrison[1]	Non-Executive Director (appointed 31 January 2023, previously Executive Director)
Mr Michael Klessens	Non-Executive Director
Mr Robert Rigo	Non-Executive Director (resigned 30 June 2023)
Mr Michael Emery	Non-Executive Director (appointed 1 July 2023)
Mrs Tania Cheng[2]	Chief Financial Officer (resigned 22 December 2022))
Mrs Silfia Morton[3]	Chief Financial Officer and Joint Company Secretary (appointed on 9 February 2023)

All KMPs held their position from the dates noted above until the date of this report, except as indicated.

Other than the Directors and Executives above, there were no other KMP of the Company or Group during the year.

(B) External Advice on Remuneration

Under the Corporations Act 2001, remuneration consultants (if appointed) must be engaged by the Non-Executive Directors and reporting of remuneration recommendations (if any) must be made directly to the Remuneration and Nomination Committee. There were no remuneration consultants engaged in the 2023 financial year.

(C) Remuneration Policy

The Company's remuneration policy is designed to ensure that the level and form of compensation meets best practice in corporate governance principles and achieves certain objectives including:

- Attracting and retaining talented, qualified and effective personnel;
- Being transparent and easily understood;
- Comprising an appropriate balance of fixed remuneration and performance-based remuneration;
- Providing fair and reasonable fixed remuneration relative to the scale of the Group's business;
- Motivating short-term and long-term performance by linking clearly specified performance targets with the Group's short- and long-term objectives; and
- Aligning employee interests with those of the Group's shareholders.

[1] Mr Alastair Morrison was previously appointed as Executive Director on 28 April 2022, until reverting to Non-Executive Director on 31 January 2023.
[2] Mrs Tania Cheng was appointed as Chief Financial Officer of OreCorp on 22 July 2021 and was providing her services by way of the Transitional Services Agreement between the Company and OreCorp. Mrs Tania Cheng resigned on 22 December 2022.
[3] Mrs Silfia Morton renders her services as Chief Financial Officer and Joint Company Secretary under a consulting agreement between the Company and Grange Consulting Group Pty Ltd.

Directors' Report (Continued)

(D) Principles Used to Determine the Nature and Amount of Remuneration

The Remuneration and Nomination Committee and ultimately the Board are responsible for determining and reviewing remuneration arrangements for the Directors and senior management. Generally, compensation is provided by the Company to its executive directors and senior management by way of base salary, superannuation, short term incentives (STI) and long-term incentives (LTI). The overall objective is to ensure maximum stakeholder benefit from the retention of a high quality and high performing executive team.

The STI and LTI are dependent upon the achievement of a weighting of corporate and/or individual KPIs and are "at risk" depending on successful achievement of the KPIs. The Remuneration and Nomination Committee sets corporate and individual KPIs for the Executive Director, approves the KPIs for senior management at the start of the financial year and assesses achievement of the KPIs at the completion of the financial year.

The Group's remuneration policy for its KMP has been developed by the Board taking into account the size of the Group, the size of the management team for the Group, the nature and stage of development of the Group's current operations, and the competitive market conditions and comparable salary levels for companies of a similar size and operating in similar sectors.

In addition to considering the above general factors, the Board has also placed emphasis on the following specific issues in determining the remuneration policy for KMP:

- the Group is currently concentrating on exploration activities at its WA projects and reviewing other mineral resource opportunities. The Board considers that the experience of its KMP in the resources industry will greatly assist the Group in achieving its strategic objectives and progressing its exploration properties over the next 12 – 24 months;
- risks associated with resource companies whilst exploring and developing projects, particularly at the 'grass roots' stage; and
- other than profit which may be generated from asset sales, the Group does not expect to be undertaking profitable operations until after the commencement of commercial production on any of its projects.

(E) Remuneration Framework and Link to Performance

Non-Executive Director Remuneration

In line with corporate governance principles, Non-Executive Directors are remunerated by way of fees and superannuation. Non-Executive Directors may, from time to time and subject to obtaining all requisite shareholder approvals, be issued with securities as part of their remuneration where it is considered appropriate to do so as a means of aligning their interests with shareholders. Non-executive directors do not receive retirement benefits (other than in the form of superannuation) or bonuses, nor do they participate in any incentive programs.

An aggregate cash remuneration of $500,000 may be applied to pay the Non-Executive Directors of the Company. The following fees were paid to the Non-Executive Directors during the financial year. This fee structure is comparable to and has been benchmarked against peer entities with a similar market capitalisation.

Directors' Report (Continued)

Name	Position Held During the Year	Base Salary Amount
Craig Williams	Non-Executive Chairman	$50,000 plus superannuation guarantee
Matthew Yates	Non-Executive Chairman	$45,000 plus superannuation guarantee (from 16 Nov 2022)
Alastair Morrison	Non-Executive Director	$40,000 plus superannuation guarantee (from 31 Jan 2023)
Michael Klessens	Non-Executive Director	$40,000 plus superannuation guarantee
Robert Rigo	Non-Executive Director	$40,000 plus superannuation guarantee

Executive Remuneration

The Board aims to reward its executives and senior management with a level and mix of remuneration commensurate with their position and responsibilities to ensure consistency with the remuneration objectives identified above. The Group has entered into standard contracts of employment with its senior management. Remuneration under these contracts consists of fixed and variable remuneration.

Fixed Remuneration

Fixed remuneration is reviewed annually by the Remuneration and Nomination Committee with recommendations made to the Board. This process consists of a review of both the Company's and individual's performance, a comparison of current and proposed remuneration with data attained from industry relevant peers or industry associations and where appropriate, advice or input from external parties.

Variable Remuneration – Short Term Incentive (STI) arrangements

The objective of the STI is to link the achievement of the Group's short-term performance objectives with the remuneration received by senior management and employees charged with achieving those measures. STI payments are dependent on the extent to which performance measures are achieved and are "at risk" set by the Board. The measures represent the key drivers for the short-term success of the business and provide a framework for delivering longer term value.

Key features of the STI Plan (STIP) are provided in the following table.

Directors' Report (Continued)

Plan Feature	Details
STIP Objective	The STIP motivates and rewards employees for their contribution to the Company's performance. The STIP is also designed to retain staff over the vesting period of the award.
Alignment with Shareholder Interests	The STIP sets safety, exploration and financial targets to enhance shareholder value.
STIP Nature	The award will be settled in cash.
STIP Vesting	The award is to be determined on an annual basis after the financial year has closed and once the Board has assessed the performance of the Company and the individual against the defined KPIs.
STIP Performance Measures	The Board has set a scorecard to measure the Company's and individual's performance which is broken into the core components that the Board believes are key to delivering the Company's strategy over the year.
Current Year Award	The award opportunity for the financial year ending 30 June 2023 is up to 40% of fixed remuneration for the Executive Director and 10%-40% of fixed remuneration for other personnel. The STIP opportunity for KMPs is comprised of 60% Corporate KPIs and 40% Individual KPIs reflecting stretch targets for the current financial year which were selected as they are linked to the Company's future aims, objectives and value generators.
STIP Award Opportunity FY 2024	The STIP has been suspended for financial year ending 30 June 2024, with a revision of the Long-Term Incentive.

Variable Remuneration – Long Term Incentives (LTI)

The objective of the LTI program is to reward employees in a manner that aligns remuneration with the creation of shareholder wealth. These LTIs are granted under the Company's Employee Incentive Plan (LTIP or Plan). Performance rights as outlined in the *Details of Remuneration* table were issued under the plan during the financial year.

The Company's Security Trading policy prohibits speculative trading in the Company's securities or hedging of options granted under the Incentive Plan. Prohibited hedging practices include put/call arrangements over "in-the-money" options to hedge against a future drop in share price. The Board considers such hedging to be against the spirit of the Plan and inconsistent with shareholder objectives.

Key features of the LTIP are provided in the following table.

Directors' Report (Continued)

Plan Feature	Details
LTIP Objective	The LTIP is intended to incentivise employees for achievement of the Company's long-term objectives and increases in the Company's long-term value.
LTIP Nature	The Plan allows the Board to grant either options or performance rights, which will vest dependent on the achievement of the LTIP performance measures.
LTIP Vesting	The award will vest and become exercisable upon satisfaction of any vesting conditions set out by the respective award.
Current Year Award	All permanent employees are eligible to participate in the LTIP. In the 2023 financial year, a banded approach to LTIP awards has been adopted with the maximum award opportunity being for the Executive Director of up to 250,000 performance rights (subject to approval by Shareholders at the Company's AGM). For the FY2023 award, the performance rights will vest upon the later of: • a Final Investment Decision being made with respect to any of the Group's mining projects; and • the date that is three years after the date on which the Performance Rights are granted. All permanent employees are eligible to participate in the LTIP. In the 2024 financial year, LTIP will be 30 percent of Pro Rata Base Remuneration has been adopted with the maximum award opportunity being for the Managing Director of up to 722,222 performance rights (subject to approval by Shareholders at the Company's AGM). For the FY2024 award, vesting will occur evenly per condition, outlined below: 1. Quantified exploration success, over 24 months from the issue date. 2. Acquisition of significant new mineral project, over 24 months from the issue date. 3. The Company achieving quantified share price, over 24 months from the issue date. 4. Continuous service by employee for 36 months from the issue date.

Directors' Report (Continued)

(F) Group Performance

The remuneration framework detailed above aims to align future executive remuneration to the creation of shareholder wealth. The Group's earnings and movements in shareholder wealth for the last five financial years have not had any impact upon executive remuneration.

	Year Ended 30 June 2023 $	Year Ended 30 June 2022 $	Year Ended 30 June 2021 $	Year Ended 30 June 2020 $	Year Ended 30 June 2019 $
Interest income	323,651	23,812	-	-	-
Loss before tax	(6,912,994)	(3,742,945)	(890,088)	(165,960)	(68,900)
Loss after tax	(6,912,994)	(3,742,945)	(890,088)	(165,960)	(68,900)
Dividends	-	-	-	-	-
Share Price(i)	0.165	0.16	N/A	N/A	N/A
Basic and diluted loss per share from continuing operations (cents per share)	(6.89)	(23.11)	N/A	N/A	N/A
Basic and diluted loss per share (cents per share)	(6.89)	(23.11)	N/A	N/A	N/A

Note

(i) IPO share price was $0.20 per share

Directors' Report (Continued)

(G) Details of Remuneration

Details of the nature and amount of each element of the remuneration of each KMP of the Company or Group for the financial year are as follows:

		Cash					Non-Cash				
		Short-term		Post-employment			Short-term	Share Based Payments			
		Base Salary / Fee	Bonus	Super-annuation	Long Service Leave Paid Out	Total Cash Payment	Movement in Annual Leave Provision	Expense Recognised	Total Non-Cash Payments	Total (Cash & Non-Cash)	Performance Based
		$	$	$	$	$	$	$	$	$	%
Non-Executive Chairman											
Craig Williams	2023	18,846	-	1,979	-	20,825	-	109,946	109,946	130,771	-
Craig Williams	2022	8,334	-	833	-	9,167	-	82,204	82,204	91,371	-
Matthew Yates	2023	43,125	-	4,528	-	47,653	-	83,923	83,923	131,576	-
Matthew Yates	2022	6,667	-	666	-	7,333	-	82,204	82,204	89,537	-
Managing Director & CEO											
Nick Castleden	2023	142,917	-	12,646	-	155,563	12,809	301,436	314,245	469,808	-
Nick Castleden	2022	-	-	-	-	-	-	-	-	-	-
Non-Executive Director											
Alastair Morrison	2023	109,054	-	11,451	-	120,505	-	91,398	91,398	211,903	-
Alastair Morrison	2022	27,734	-	2,773	-	30,507	2,493	82,204	84,697	115,204	-
Non-Executive Director											
Michael Klessens	2023	40,000	-	4,200	-	44,200	-	55,949	55,949	100,149	-
Michael Klessens	2022	6,667	-	666	-	7,333	-	54,803	54,803	62,136	-
Non-Executive Director											
Robert Rigo	2023	40,000	-	4,200	-	44,200	-	73,297	73,297	117,497	-
Robert Rigo	2022	6,667	-	666	-	7,333	-	54,803	54,803	62,136	-
Non-Executive Director											
Michael Emery	2023	-	-	-	-	-	-	1,137	1,137	1,137	-
Michael Emery	2022	-	-	-	-	-	-	-	-	-	-
Chief Financial Officer											
Tania Cheng	2023	-	-	-	-	-	-	36,649	36,649	36,649	-
Tania Cheng	2022	-	-	-	-	-	-	27,401	27,401	27,401	-
Chief Financial Officer											
Silfia Morton	2023	23,571	-	-	-	23,571	-	-	-	23,571	-
Silfia Morton	2022	-	-	-	-	-	-	-	-	-	-
TOTAL	**2023**	**417,513**	**-**	**39,004**	**-**	**456,517**	**12,809**	**753,735**	**766,544**	**1,223,061**	**-**
TOTAL	2022	56,069	-	5,604	-	61,673	2,493	383,619	386,112	447,785	-

Directors’ Report (Continued)

Notes

(i) The value of options granted during the year is recognised in compensation over the vesting period of the grant, in accordance with Australian accounting standards.

(ii) Details of unlisted options granted as remuneration to each KMP of the Company or Group during the financial year are outlined in further detail separately below.

(iii) Mrs Tania Cheng’s services were provided by way of the Transitional Services Agreement with OreCorp. Other than the grant of the unlisted options, Mrs Cheng did not receive any remuneration from the Company.

(iv) Mr. Craig Williams retired on 16 November 2022, Mr Robert Rigo retired on 30 June 2023, and Mr Michael Emery joined the Board as Non-Executive Director effective on 1 July 2023.

(v) Mrs Silfia Morton’s services were provided by way of a Service Agreement with Grange Consulting.

Directors' Report (Continued)

(H) Additional Statutory information

Performance-based remuneration granted and forfeited during the year

No performance-based remuneration was provided by the Company to KMP during the financial year.

Loans given to key management personnel

No loans were made to directors or KMPs of the Company, including their close family members and entities related to them during the financial year.

(I) Share-based compensation

Listed Options

No listed options were granted during the year ended 30 June 2023.

Unlisted Options

The following unlisted options were granted during the year ended 30 June 2023.

Security code	Option quantity	Grant date	Exercise price	Expiry date	Fair Value 2023	Fair Value 2022	Remaining Life 2023 Years	Remaining Life 2022 Years
SLSAB	500,000	23/08/22	$0.29	22/04/26	$0.103	-	2.8	-
SLSAE	4,500,000	24/01/23	$0.29	24/01/27	$0.122	-	3.6	-
SLSAF	1,000,000	27/06/23	$0.29	27/06/27	$0.119	-	4.0	-

Management have valued 500,000 options issued on 23 August 2022 using the Binomial Option Valuation Model and the remaining 5,500,000 options were valued using the Black Scholes Model. Both are detailed in the following table:

Valuation Model Input	Binomial Option Model SLSAB(i)	Black Scholes Model SLSAE	Black Scholes Model SLSAF
Exercise price	$0.29	$0.29	$0.29
Share price	$0.16	$0.18	$0.18
Dividend yield	Nil	Nil	Nil
Volatility	110%	110%	110%
Risk-free interest rate	3.27%	3.08%	3.88%
Grant date	23-Aug-22	24-Jan-23	27-Jun-23
Expiry date	22-Apr-26	24-Jan-27	27-Jun-27
Expected life of option (years)	3.67	4.00	4.00
Number of options granted	500,000	4,500,000	1,000,000
Fair value at grant date	$0.103	$0.122	$0.119
Total valuation	$51,700	$549,900	$118,900

Note:

- The dividend yield reflects the assumption that the current dividend pay-out will remain unchanged.
- The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur.

Directors' Report (Continued)

Performance Rights

The following performance rights were granted during the year ended 30 June 2023. Management valued the performance rights based on the share price at the grant date. A 100% probability of achieving the vesting condition has been applied to the expense in the current reporting period.

Security code	Performance Right quantity	Valuation date	Exercise price	Expiry date	Share price at Valuation Date	Fair Value 2023	Share price at Valuation Date	Fair Value 2022
SLSAC	525,000	09/09/22	Nil	09/09/27	$0.163	$85,313	-	-
SLSAC(i)	250,000	16/11/22	Nil	09/09/27	$0.145	$36,250	-	-
SLSAC	37,500	12/01/23	Nil	09/09/27	$0.190	$7,125	-	-
	812,500							

Note:

- Performance rights authorised by shareholders and granted 16 November 2022.
- Performance rights will vest upon the later of:
  - A Final Investment Decision being made with respect to any of the Group's mining projects; and
  - 9 September 2025.
- Performance rights are subject to continuous service, unless otherwise determined by the Board.

(J) Shareholdings of Key Management Personnel

The aggregate number of ordinary shares of the Company held directly, indirectly or beneficially by KMP of the Company or Group or their related entities at balance date is as follows:

Key Management Person 2023	Opening Balance at 1 July 2022	On exercise of options	Net change other(i)	Balance held at 30 June 2023
Craig Williams(ii)	914,683	-	(914,683)	-
Matthew Yates	2,662,410	-	-	2,662,410
Nick Castleden	-	-	-	-
Alastair Morrison	1,291,510	-	-	1,291,510
Michael Klessens	630,812	-	-	630,812
Robert Rigo(iii)	272,272	-	(272,272)	-
Michael Emery(iv)	-	-	2,000,000	2,000,000
Tania Cheng(v)	257,961	-	(257,961)	-
Silfia Morton(vi)	-	-	-	-

Note:

(i) Cease to be KMP during the year, net movement represents KMP's final holding on resignation date.
(ii) Resigned 16 November 2022
(iii) Resigned 30 June 2023
(iv) Appointed on 1 July 2023, net movement represents holding on appointment date.
(v) Resigned 22 December 2022
(vi) Appointed 9 February 2023

Directors' Report (Continued)

(K) Options Issued and Holdings of Key Management Personnel

Share Options Holdings

The number of options over ordinary shares of the Company held directly, indirectly or beneficially by KMP of the Company or Group at balance date is as follows:

Unlisted Options

Key Management Person 2023	Balance at beginning of year 1 July 2022	Granted as remuneration[iv]	Exercised or Lapsed	Balance at end of year 30 June 2023	Not vested and not exercisable	Vested and exercisable
Craig Williams[i]	1,500,000	-	-	1,500,000	-	1,000,000
Matthew Yates[i]	1,500,000	-	-	1,500,000	-	1,000,000
Nick Castleden[ii]	-	4,500,000	-	4,500,000	-	1,500,000
Alastair Morrison[i]	1,500,000	-	-	1,500,000	-	1,000,000
Michael Klessens[i]	1,000,000	-	-	1,000,000	-	1,000,000
Robert Rigo[i]	1,000,000	-	-	1,000,000	-	1,000,000
Michael Emery[iii]	-	1,000,000	-	1,000,000	-	-
Tania Cheng*[i]	500,000	-	-	500,000	-	333,333

Note

(i) Unlisted options $0.29; expiring 22 April 2026.
(ii) Unlisted options $0.29; expiring 24 January 2027.
(iii) Unlisted options $0.29; expiring 27 June 2027.
(iv) Unlisted options are subject to continuous service, unless otherwise determined by the Board.

Listed Options

Key Management Person 2023	Balance at beginning of year 1 July 2022[i]	Grant of Options	Exercised or Lapsed	Balance at end of year 30 June 2023	Not vested and not exercisable	Vested and exercisable
Craig Williams*	137,271	-	-	137,271	-	137,271
Matthew Yates	399,360	-	-	399,360	-	399,360
Nick Castleden	-	-	-	-	-	-
Alastair Morrison	193,725	-	-	193,725	-	193,725
Michael Klessens	94,621	-	-	94,621	-	94,621
Robert Rigo**	40,840	-	-	40,840	-	40,840
Michael Emery	-	-	-	-	-	-
Tania Cheng***	62,500	-	-	62,500	-	62,500

Note

(i) Listed options $0.20; expiring 22 April 2026. The listed options were issued to all those (including KMP) who subscribed for shares under the IPO on the basis of 1 listed option for every 4 shares subscribed for.

* Mr Craig Williams resigned on 16 November 2022. The closing balances presented in the tables above represent the balances held as of his resignation date.
** Mr Robert Rigo resigned on 30 June 2023. The closing balances presented in the tables above represent the balances held as of his resignation date.
*** Mrs Tania Cheng resigned as Chief Financial Officer on 22 December 2022. The closing balances presented in the tables above represent the balances held as of her resignation date.

Directors' Report (Continued)

(L) Performance Rights Issued and Holdings of Key Management Personnel

The number of performance rights held directly, indirectly or beneficially by KMP of the Company or Group at the balance date is as follows:

Key Management Person 2023	Balance at beginning of year 1 July 2022	Grant of Performance Rights	Exercised or Lapsed	Balance at end of year 30 June 2023	Not vested and not exercisable	Vested and exercisable
Alastair Morrison(i)	-	250,000	-	250,000	250,000	-

Note

(i) Performance rights authorised by shareholders and granted 16 November 2022, vesting upon the later of:
   a. A Final Investment Decision being made with respect to any of the Group's mining projects; and
   b. 9 September 2025.

(ii) Performance rights are subject to continuous service, unless otherwise determined by the Board.

No other Solstice performance rights were held by, nor issued to KMPs during the financial year.

(M) Employment Contracts with Key Management Personnel

Remuneration and other terms of employment for KMP are formalised in service agreements. Details of agreement with the Executive Director and Managing Director are as follows:

	Alastair Morrison Executive Director(i)	Nick Castleden Managing Director
Base salary (ii)	$166,400(iii)	$350,292
Resignation Notice	3 months	3 months
Termination for cause	None	None
Termination without cause	3 months	3 months
Eligible to receive 'at risk' bonus, share or other incentive plans approved by the Board	Yes	Yes
Term of Contract	No fixed term	No fixed term

Note:

(i) Held Executive Director position between 28 April 2022 and 30 January 2023.

(ii) Total fixed remuneration per annum is comprised of base salary plus required superannuation guarantee contributions of 10.5% effective 1 July 2022, capped at the maximum Company contribution level.

(iii) Base salary for the equivalent of 2 days per week.

In addition, Mrs Tania Cheng, Chief Financial Officer, had a contract of employment with OreCorp and was providing her services by way of the Transitional Services Agreement between the Company and OreCorp. She allocated approximately 2 days per week performing services for the Group, whilst the remainder of her time is spent in her role with OreCorp. Mrs Cheng resigned effective 22 December 2022.

Directors' Report (Continued)

(N) Other transactions with Key Management Personnel

Post-demerger, the Group had entered into a Transitional Services Agreement with OreCorp Limited (in which Craig Williams, Matthew Yates, Alastair Morrison, Michael Klessens, Robert Rigo and Mrs Tania Cheng were KMPs during the year). The Group has incurred $350,852 (2022: $100,308) for services provided under the Transitional Services Agreement. The Agreement was terminated on 7 March 2023.

Mrs Silfia Morton was appointed as Chief Financial Officer and together with Mr James Doyle as Joint Company Secretaries. Their services were provided under a consulting agreement between the Company and Grange Consulting Group Pty Ltd. The Group has incurred $47,143 (2022: nil) for services provided by Grange Consulting Group Pty Ltd.

The Group's Nanutarra project option is with Cratonix Pty Ltd, which is controlled by Nick Castleden, the CEO. At the date of this report, the sum of $5,000 has been paid to Cratonix Pty Ltd for the Nanutarra option.

There were no other transactions with KMPs during the 2023 financial year.

(O) Voting and comments made at the Company's Annual General Meeting (AGM)

The Company received 80.61% of votes cast in favour of the resolution to adopt the Company' remuneration report for the year ended 30 June 2022. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

End of Remuneration Report

Insurance of Officers and Auditors

The Constitution of the Company requires the Company, to the extent permitted by law, to indemnify any person who is or has been a director or officer of the Company or Group for any liability caused as such a director or officer and any legal costs incurred by a director or officer in defending an action for any liability caused as such a director or officer.

During the financial year, the Company paid a premium in respect of a contract insuring the directors and the company secretary of the Company (as named above) or any related body corporate against a liability incurred as such a director or secretary to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

The Company has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the company or of any related body corporate against a liability incurred as such an officer or auditor. It is noted that there were no such liabilities during the financial year.

Directors' Report (Continued)

Non-Audit Services

The Group may decide to use its auditor to provide non-audit services where the auditor's expertise and experience with the Group is important.

During the year, the following fees were paid or payable for services provided by the auditor of the Group:

Services provided by the Company's auditors	Year Ended 30 June 2023 $	Year Ended 30 June 2022 $
Deloitte Touche Tohmatsu (Australia):		
- Audit and review of financial report	-	55,500
- Other audit or review of financial reports	-	28,000
Total remuneration for Deloitte Touche Tomatsu (Australia)	**-**	**83,500**
William Buck Audit (WA) Pty Ltd:		
-Audit and review of financial report	30,000	**-**
Total remuneration for William Buck Audit (WA) Pty Ltd	**30,000**	**-**
Total remuneration for auditors	**30,000**	**83,500**

There were no non-audit services provided by the Group auditor (or by another person or firm on the auditor's behalf) during the financial year.

Auditor's Independence Declaration

The auditor's independence declaration is on page 76 of the Annual Report.

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

For and on behalf of the Directors

Nick Castleden
Chief Executive Officer & Managing Director
25 September 2023

Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Notes	Year Ended 30 June 2023 A$	2022 A$
Interest income		323,651	23,812
Corporate and administration costs		(2,236,875)	(884,402)
ASX Listing and IPO expenses	2(d)	-	(237,859)
Exploration and evaluation costs		(4,999,770)	(2,644,496)
Loss before income tax		**(6,912,994)**	**(3,742,945)**
Income tax expense	3	-	-
Loss for the year		**(6,912,994)**	**(3,742,945)**
Other comprehensive income, net of income tax			
Items that may be reclassified subsequently to profit or loss			
Other comprehensive income/(loss) for the year		-	-
Total comprehensive loss for the year, net of income tax		**(6,912,994)**	**(3,742,945)**
Earnings per share			
Weighted average number of shares	21	100,286,809	16,199,513
Basic loss per share ($ per share)	21	(0.069)	(0.231)
Diluted loss per share ($ per share)	21	(0.069)	(0.231)

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunctions with the accompanying notes.

Consolidated Statement of Financial Position

	Notes	As at 30 June 2023 A$	2022 A$
ASSETS			
Current Assets			
Cash and cash equivalents	22(b)	9,973,240	15,917,248
Trade and other receivables	4	99,522	142,931
Other financial assets	24	24,344	-
Other current assets	5	5,000	-
Total Current Assets		**10,102,106**	**16,060,179**
Non-current Assets			
Plant and equipment	7	194,835	207,919
Right-of-use assets	6	170,319	48,381
Exploration and evaluation assets	8	5,893,170	5,893,170
Other non-current assets	25	30,000	-
Total-Non-current Assets		**6,288,324**	**6,149,470**
TOTAL ASSETS		**16,390,430**	**22,209,649**
LIABILITIES			
Current Liabilities			
Trade and other payables	9	456,996	570,914
Intercompany payables		-	-
Lease liability	6	79,994	46,118
Provisions	10	92,787	43,310
Total Current Liabilities		**629,777**	**660,342**
Non-current Liabilities			
Lease liability	6	104,019	3,670
Provision	11	5,874	1,541
Total Non-current Liabilities		**109,893**	**5,211**
TOTAL LIABILITIES		**739,670**	**665,553**
NET ASSETS		**15,650,760**	**21,544,096**
EQUITY			
Equity attributable to equity holders of the Company			
Issued capital	12	25,850,263	25,850,263
Reserves	13(b)	1,581,384	561,726
Accumulated losses	14	(11,780,887)	(4,867,893)
TOTAL EQUITY		**15,650,760**	**21,544,096**

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

Consolidated Statement of Change in Equity

	Issued Capital A$	Share Based Payment Reserve A$	Accumulated Losses A$	Total Equity A$
Year Ended 30 June 2023				
Balance at 1 July 2022	25,850,263	561,726	(4,867,893)	21,544,096
Net loss for the year			(6,912,994)	(6,912,994)
Other comprehensive income				
Total other comprehensive income / (loss)	-	-	-	-
Total comprehensive loss for the year	-	-	(6,912,994)	(6,912,994)
Transactions with owners, recorded directly in equity				
Share based payment expense	-	1,019,658	-	1,019,658
Total transactions with owners	-	1,019,658	-	1,019,658
Balance at 30 June 2023	25,850,263	1,581,384	(11,780,887)	15,650,760
Year Ended 30 June 2022				
Balance at 1 July 2021	1	-	(1,124,948)	(1,124,947)
Net loss for the year	-	-	(3,742,945)	(3,742,945)
Other comprehensive income				
Total other comprehensive income / (loss)	-	-	-	-
Total comprehensive loss for the year	-	-	(3,742,945)	(3,742,945)
Transactions with owners, recorded directly in equity				
Capital raising	12,000,000	-	-	12,000,000
Exercise of listed options	57,362	-	-	57,362
Cost of capital raising	(842,129)	-	-	(842,129)
Securities issued to OreCorp associated with the demerger (note 16(b))	14,635,029	-	-	14,635,029
Share based payment expense	-	561,726	-	561,726
Total transactions with owners	25,850,262	561,726	-	26,411,988
Balance at 30 June 2022	25,850,263	561,726	(4,867,893)	21,544,096

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows

	Notes	Year Ended 30 June 2023 A$	2022 A$
Cash flows from operating activities			
Interest received		323,266	235
Interest and other costs of finance paid		(4,895)	(535)
Payments to suppliers and employees		(1,403,930)	(483,501)
Payments for exploration expenditure		(4,730,284)	
Net cash outflow from operating activities	22(a)	**(5,815,843)**	**(483,801)**
Cash flows from investing activities			
Purchase of plant and equipment	7(b)	(86,423)	(17,604)
Payment for exploration and evaluation	5 & 25	(35,000)	-
Net cash outflow from investing activities		(121,423)	**(17,604)**
Cash flows from financing activities			
Payment on principal portion of lease liabilities		(53,301)	(5,505)
Proceeds from issue of IPO shares		-	12,000,000
Proceeds from exercise of listed options		-	57,362
Proceeds/(Payments) for share issue transaction costs		46,559	(633,205)
Cash proceeds from share issue to OreCorp	16(b)	-	5,000,000
Net cash inflow from financing activities		**(6,742)**	**16,418,652**
Net decrease in cash and cash equivalents held		(5,944,008)	15,917,247
Cash and cash equivalents at the beginning of the financial year		15,917,248	1
Cash and cash equivalents at the end of the financial year	22(b)	**9,973,240**	**15,917,248**

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

Notes to and Forming Part of the Consolidated Financial Statements

1. Summary of Significant Accounting Policies

The principal accounting policies adopted in preparing the financial report of the Company and its consolidated entities (Consolidated Entity or Group) for the year ended 30 June 2023 are stated to assist in a general understanding of the financial report. For the purposes of preparing the consolidated financial statements, the Company is a for profit entity.

Solstice (formerly named OreCorp Holdings Pty Ltd) is a company limited by shares incorporated in Australia and from 2 May 2022 (refer Note 1(b)) the Company's shares have been publicly traded on the Australian Securities Exchange.

The financial report of the Company for the year ended 30 June 2023 was authorised for issue in accordance with a resolution of the Directors on 22 September 2023.

a) Basis of Preparation

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards (AASs) and interpretations adopted by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001 (Cth).

In the application of AASs management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of AASs that have significant effects on the financial statements and estimates with a significant risk of material adjustments in the next year are disclosed, where applicable, in the relevant notes to the financial statements.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The financial report has also been prepared on a historical cost basis.

The financial report is presented in Australian dollars.

b) The Demerger

On 22 April 2022, Solstice and its wholly owned subsidiary separated from OreCorp by way of an in-specie distribution to OreCorp shareholders of the shares held by OreCorp. In connection with the demerger, Solstice issued 39,999,999 shares to OreCorp. The consideration for the issue of the shares totalled $14,635,029. Refer to Note 16(b) for further information.

The demerger was undertaken to divest OreCorp's interest in the Western Australia exploration assets, comprising the Yarri, Kalgoorlie, Yundamindra (now consolidated under Yarri) and Ponton Projects. In conjunction with the demerger, and subsequent to an IPO, on 2 May 2022, the Company's shares started to separately trade on the ASX under the code "SLS".

Prior to the demerger, the Group's ultimate parent was OreCorp and from 22 April 2022 upon completion of the demerger, the Group's ultimate parent is Solstice.

Notes to and Forming Part of the Consolidated Financial Statements (continued)

c) Statement of Compliance

The financial report complies with Australian Accounting Standards.

The financial report, which includes the financial statements and the notes of the Group, also complies with International Financial Reporting Standards (IFRS).

d) New Standards, Interpretations and Amendments

In the current year, the Group has adopted all of the new and revised standards, interpretations and amendments that are relevant to its operations and effective for the current reporting period. The adoption of the new and revised standards, interpretations and amendments has not had a material impact on the Group's financial statements.

e) Issued Standards and Interpretations Not Early Adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted by the Group for the year ended 30 June 2023. These are not expected to have any significant impact on the Group's financial statements.

f) Principles of Consolidation

The financial statements incorporate the assets and liabilities of all subsidiaries of Solstice as at year end and the results of all subsidiaries for the year then ended.

Subsidiaries are all entities (including structured entities) over which the group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity.

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:
- The contractual arrangement(s) with the other vote holders of the investee;
- Rights arising from other contractual arrangements; and
- The Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of OCI are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Notes to and Forming Part of the Consolidated Financial Statements (continued)

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

g) Exploration and Evaluation Expenditure

Exploration and evaluation expenditure encompasses expenditures incurred by the Group in connection with the exploration for and evaluation of mineral resources before the technical feasibility and commercial viability of extracting a mineral resource are demonstrable.

Where the Group acquires an area of interest (through direct purchase or purchase of an entity), expenditure incurred in the acquisition of the area of interest is capitalised, classified as tangible or intangible, and recognised as an exploration and evaluation asset. Exploration and evaluation assets are measured at cost at recognition.

Exploration and evaluation expenditure incurred by the Group subsequent to acquisition of the rights to explore is expensed as incurred up to the final investment decision. Expenditure in relation to the activities prior to the final investment decision is expensed as incurred.

Capitalised exploration is only carried forward if the Group has rights to tenure and the Group expects to recoup the expenditures through successful development or sale.

Capitalised exploration costs are reviewed each reporting date to establish whether an indication of impairment exists. If any such indication exists, the recoverable amount of the capitalised exploration costs is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

Where a decision is made to proceed with development, accumulated expenditure is tested for impairment and transferred to development properties, and then amortised over the life of the reserves associated with the area of interest once mining operations have commenced.

Recoverability of the carrying amount of the exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

h) Other Income

Interest Income
Interest income is recognised on a time proportionate basis that takes into account the effective yield on the financial asset.

Government Grants
Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate.

Notes to and Forming Part of the Consolidated Financial Statements (continued)

i) Income Tax

The Group has formed a tax consolidated group with Solstice as the head entity. Prior to the demerger, the Group was a member of the tax consolidated group in which OreCorp was the head entity.

The income tax expense or income for the period is the tax payable or recoverable on the current period's taxable income or tax loss based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered, or liabilities are settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. No deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

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

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

The Group recognises deferred tax assets arising from unused tax losses to the extent that it is probable that future taxable profits of the Group will be available against which the assets can be utilised. The Group assesses the recovery of its unused tax losses and tax credits only in the period in which they arise, and before assumption by the head entity. Any subsequent period adjustments to deferred tax assets arising from unused tax losses as a result of revised assessments of the probability of recoverability are recognised by the head entity only.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

j) Impairment of Non-Financial Assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to depreciation or amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

k) Cash and Cash Equivalents

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

Notes to and Forming Part of the Consolidated Financial Statements (continued)

l) Financial Instruments

Recognition and measurement
Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are expensed immediately.

Classification and subsequent measurement
Financial instruments are subsequently measured at fair value or amortised cost using the effective interest rate method. Fair value represents the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Quoted prices in an active market are used to determine fair value where possible. The Company does not designate any interest in subsidiaries, associates or joint venture entities as being subject to the requirements of accounting standards specifically applicable to financial instruments.

Amortised Cost
Amortised cost amounts are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost using the effective interest rate method.

Financial liabilities
Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Fair value through other comprehensive income (FVOCI)
FVOCI financial assets include any financial assets not included in the above categories.

Fair value
Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Expected Credit Losses
The Group recognises a loss allowance for expected credit losses on trade receivables. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group recognises lifetime expected credit losses (ECL) for trade receivables. The expected credit losses are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument.

m) Fair Value Estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The fair value of financial instruments traded in active markets (such as publicly traded derivatives is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the Group is the current bid price; the appropriate quoted market price for financial liabilities is the current ask price.

Notes to and Forming Part of the Consolidated Financial Statements (continued)

The fair value of financial instruments that are not traded in an active market (for example, over the counter derivatives) is determined using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as discounted cash flows, are used to determine fair value for the remaining financial instruments.

n) Property, Plant and Equipment

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

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of profit or loss during the financial period in which they are incurred.

Plant and equipment are depreciated on a straight-line basis at rates based upon their expected useful lives as follows:

	Life
Plant and equipment	2-15 years

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 1(j)).

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of profit or loss.

o) Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee
The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i. Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. The Group's right-of-use assets relates to office premises which is depreciated over the term of the lease agreements.

Notes to and Forming Part of the Consolidated Financial Statements (continued)

The right-of-use assets are also subject to impairment. Refer to the accounting policies in note 1(j) Impairment of assets.

ii. Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii. Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

p) Employee Benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within twelve months of the reporting date are recognised in provisions in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable. Employee benefits payable later than one year, including long service leave, are measured at the present value of the estimated future cash flows to be made for those benefits. Contributions to defined contribution super plans are expensed when the employees have rendered the services entitling them to the contributions.

q) Contributed Equity

Issued and paid up capital is recognised at the fair value of the consideration received by the Company.

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

Notes to and Forming Part of the Consolidated Financial Statements (continued)

of new shares or options, for the acquisition of a business are not included in the cost of the acquisition as part of the purchase consideration.

r) Dividends

Provision is made for the amount of any dividend declared on or before the end of the year but not distributed at balance date.

s) Earnings per Share

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

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

t) Goods and Services Tax (GST)

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

i. 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
ii. 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 components of cash flows arising from investing and financing activities, which are recoverable from, or payable to, the taxation authority are classified as operating cash flows.

u) Share Based Payments

Share based payments are provided to directors, employees, consultants and other advisors and to acquire assets such as mineral exploration licences.

The Company's former Ultimate Parent entity, OreCorp, has issued its securities in consideration or part-consideration for the acquisition of tenements by the Company. The fair value of the securities as determined in accordance with accounting standards was recognised by the Company as an intercompany liability owing to OreCorp.

The fair value of share-based payments granted is determined using an appropriate option pricing model. Share-based payments are valued at fair value at the date of grant.

v) Segment Information

Operating segments are identified in accordance with AASB 8 on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker, being the Board of Directors, in order to allocate resources to the segment and to assess its performance. See note 18.

Notes to and Forming Part of the Consolidated Financial Statements (continued)

w) Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, as described above, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The estimates and assumptions that have a risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Recoverability of exploration and evaluation assets
The application of the Group's accounting policy for exploration and evaluation expenditure requires judgement to determine whether it is likely that future economic benefits are likely, from future either exploitation or sale, or whether activities have not reached a stage which permits a reasonable assessment of the existence of reserves. This requires management to make certain estimates and assumptions as to future events and circumstances, including the maintenance of title, ongoing expenditure and whether an economically viable extraction operation can be established. Any such estimates and assumptions may change as new information becomes available.

If, after expenditure is capitalised, information becomes available suggesting that the recovery of the expenditure is unlikely, the relevant capitalised amount is written off in profit or loss in the period when the new information becomes available. See note 8 for the disclosure on the carrying values of exploration and evaluation assets as at reporting date.

Share-based payments
Share-based payments are recorded at fair value, calculated using both the Black-Scholes Option Valuation and the Binomial Option Pricing Model. Both valuation methods require judgement to determine the probability of the option or performance right vesting. The Binomial Option Pricing model requires volatility to be estimated. Details on these estimates can be found in Note 17.

Notes to and Forming Part of the Consolidated Financial Statements (continued)

2. Expenses and Losses

Loss from ordinary activities before income tax expense includes the following specific expenses:

	Year Ended 30 June	
	2023 A$	2022 A$
(a) Depreciation & Amortisation		
Depreciation of plant and equipment	99,506	11,832
Amortisation of right-of-use assets	65,588	6,912
(b) Share based payment expense		
Share based payments	1,019,658	561,726
(c) Personnel expenses		
Personnel expenses[(i)]	1,982,155	362,996
(d) ASX listing and IPO expenses		
ASX Listing fees	-	99,011
IPO related expenses[(ii)]	-	138,848
(e) Exploration expenditure		
Exploration expenditure	4,999,770	2,644,496

Notes

(i) Includes wages and salaries for the Executive Director, Managing Director and Exploration Staff and allocation of corporate and administration wages and salaries under the Transitional Services Agreement with OreCorp including services performed by the Chief Financial Officer and Company Secretary. The Transitional Services Agreement was terminated on 7 March 2023.

(ii) The Company incurred ASX listing and IPO expenses, and capital raising costs, in connection with the IPO prospectus and capital raising. These costs have been apportioned between "ASX listing fees and IPO expenses" and "share issue costs" respectively depending on the specific nature of the activity or as otherwise apportioned on the ratio of shares on issue relative to new shares issued pursuant to the entitlement offer.

Notes to and Forming Part of the Consolidated Financial Statements (continued)

3. Income Tax

		Year Ended 30 June 2023 A$	2022 A$
(i)	Recognised in profit or loss		
	Current income tax – Current income tax benefit	-	-
	Deferred income tax – Deferred tax assets not recognised	-	-
	Income tax expense reported in the statement of profit or loss	**-**	**-**
(ii)	Recognised directly in equity		
	Deferred income tax related to items charged or credited directly to equity	-	-
	Income tax expense recognised directly in equity	-	**-**
(iii)	Reconciliation between Tax Expense and Accounting Loss before Income Tax		
	Accounting loss before income tax	(6,912,994)	(3,742,295)
	At the domestic income tax rate of 25% (2022: 25%)	(1,728,248)	(935,736)
	Expenditure not allowable for income tax purposes	255,728	140,633
	Deferred tax assets assumed by the Ultimate Parent Company	-	-
	Deferred tax assets not brought into account this year	1,472,520	795,103
	Income tax expense reported in the statement of profit or loss	-	**-**
(iv)	Deferred Income Tax		
	Deferred income tax at 30 June relates to the following:		
	Deferred Tax Liabilities		
	Exploration and evaluation assets	110,424	101,008
	Accrued interest	5,991	5,894
	Right-of-use asset	42,580	12,095
	Deferred tax assets used to offset deferred tax liabilities	(158,995)	(118,997)
			-
	Deferred Tax Assets		
	Accruals	5,000	27,285
	Provisions	24,666	11,213
	Business related costs	166,856	215,998
	Lease liability	46,003	12,447
	Tax losses available to offset against future taxable income	2,407,105	857,257
	Deferred tax assets used to offset deferred tax liabilities	(158,995)	(118,997)
	Deferred tax assets not recognised	(2,490,635)	(1,005,203)
		-	-

The benefit of deferred tax assets not brought to account will only be brought to account if:

(i) future assessable income is derived of a nature and of an amount sufficient to enable the benefit to be realised;
(ii) the conditions for deductibility imposed by tax legislation continue to be complied with; and
(iii) no changes in tax legislation adversely affect the Company in realising the benefit.

Notes to and Forming Part of the Consolidated Financial Statements (continued)

(v) Tax losses

At the reporting date the Group has unrecognised tax losses of $2,407,105 (2022: $857,257) that are available for offset against future taxable profits. Tax losses in Australia do not expire but subject to continuity of ownership test or same business test. No deferred tax asset has been recognised in respect of the tax losses due to the uncertainty of future profit streams.

(vi) Tax Consolidation

Solstice and its 100% owned Australian resident subsidiary formed a tax consolidation group effective from 22 April 2022. Prior to this the Company was previously in the OreCorp's consolidated tax group, accordingly, the Company does not recognise deferred tax assets for taxation losses that have been assumed by OreCorp.

(vii) Franking Account

In respect to the payment of dividends (if any) by Solstice in subsequent financial years, no franking credits are currently available, or are likely to become available in the next 12 months.

4. Current Assets – Trades and Other Receivables

	Year Ended 30 June	
	2023 A$	2022 A$
GST receivable	56,185	21,377
Interest receivable	23,963	23,577
Other assets [(i)]	19,374	97,977
Total Trade and Other Receivables	**99,522**	**142,931**

Notes

(i) Other assets includes invoices raised to OreCorp in providing Chief Geologist services.

5. Current Assets – Other Assets

Other current assets include a 12-month option to purchase 100% interest in granted mineral exploration tenure. The sum of $5,000 was paid upfront, with four deferred consideration payments due after the exercise of the option.

Notes to and Forming Part of the Consolidated Financial Statements (continued)

6. Right-of-Use Asset and Liability

	Year Ended 30 June 2023 A$	2022 A$
Right-of-use asset	215,172	86,395
Accumulated amortisation	(44,853)	(38,014)
Net carrying amount	**170,319**	**48,381**
Lease liability		
Current	79,994	46,118
Non-Current	104,019	3,670
Total Liabilities	**184,013**	**49,788**
Amounts recognised in statement of comprehensive income		
Amortisation charge of right-of-use asset	65,588	6,912
Net finance expenses	4,895	535

7. Non-Current Assets – Plant and Equipment

	Year Ended 30 June 2023 A$	2022 A$
(a) Plant and Equipment		
Cost	396,768	219,751
Accumulated amortisation	(201,933)	(11,832)
Net carrying amount	**194,835**	**207,919**
(b) Reconciliation		
Carrying amount at beginning of year	207,919	-
Additions	87,256	17,604
Assets transferred from OreCorp as part of consideration for share issue	-	202,147
Disposals	(834)	-
Depreciation charge for the year	(99,506)	(11,832)
Net carrying amount	**194,835**	**207,919**

Notes to and Forming Part of the Consolidated Financial Statements (continued)

8. Non-Current Assets – Exploration and Evaluation Assets

	Year Ended 30 June 2023 A$	2022 A$
(a) Exploration & Evaluation Assets		
Eastern Goldfields, Western Australia – Yarri	3,941,685	3,941,685
Eastern Goldfields, Western Australia – Kalgoorlie	1,797,256	1,797,256
Eastern Goldfields, Western Australia - Yundamindra	154,229	154,229
Net carrying amount	**5,893,170**	**5,893,170**
(b) Reconciliation – Exploration & Evaluation Assets		
Carrying amount at beginning of year	5,893,170	2,928,859
Add: acquisition of exploration and evaluation assets during the year (i)	-	2,964,311
Net carrying amount	**5,893,170**	**5,893,170**

Notes:

(i) Acquisitions for the prior period were settled through the issue of fully paid ordinary OreCorp shares and payment of cash consideration, and stamp duties, all of which was funded by and recorded through the intercompany loan with OreCorp. Significant additions during the prior year included the cost of acquisition of the Ringlock Dam tenement in the Kalgoorlie Project (2022: $1,797,256) and consideration of $936,000 related to the issue of 1,200,000 fully paid ordinary OreCorp shares to a nominee of Crosspick which was made as consideration for removal / satisfactions of the earn-in agreement of the contractual obligation to issue 2,000,000 OreCorp fully paid ordinary shares to Crosspick upon OreCorp announcing a JORC 2012 Code compliant mineral resource at the Hobbes Project, as a subset of the Yarri Project Area, of at least 500,000oz Au with a lower cut-off of at least 0.5g/t Au.

The recovery of exploration expenditure carried forward is dependent upon the discovery of commercially viable mineral and other natural resource deposits, their development and exploration, or alternatively their sale.

9. Current Liabilities – Trade and Other Payables

	Year Ended 30 June 2023 A$	2022 A$
Trade and other creditors (i)	456,996	570,914
Total Trade and Other Payables	**456,996**	**570,914**

Note:

(i) Payables are non-interest bearing and generally settled on 30-day terms. Due to the short-term nature of these payables, their carrying value is assumed to approximate their fair value.

Notes to and Forming Part of the Consolidated Financial Statements (continued)

10. Current Liabilities – Provisions

	Year Ended 30 June	
	2023	2022
	A$	A$
Annual leave provision	92,787	43,310
Total Current Provisions	**92,787**	**43,310**

11. Non-Current Liabilities – Provisions

	Year Ended 30 June	
	2023	2022
	A$	A$
Long service leave provision	5,874	1,541
Total Non-Current Provisions	**5,874**	**1,541**

12. Issued Capital

	Year Ended 30 June	
	2023	2022
	A$	A$
(a) Issued and Paid Up Capital		
100,286,809 (30 June 2022: 100,286,809) fully paid ordinary shares	25,850,263	25,850,263

(b) Movements in Ordinary Share Capital

There were no movements in ordinary share capital in the year ended 30 June 2023.

Date	Details	Number of Shares	Issue Price $A	$
1 July 2022	Opening Balance	100,286,809	-	25,850,263
30 June 2023	**Closing Balance**	**100,286,809**		**25,850,263**

(c) Rights Attaching to Shares

(i) Ordinary shares entitle the holder to participate in dividends, and to share in the proceeds of winding up the company in proportion to the number of and amounts paid on the shares held.
(ii) On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.
(iii) Ordinary shares have no par value and the company does not have a limited amount of authorised capital.

Notes to and Forming Part of the Consolidated Financial Statements (continued)

(d) Listed Options

The Listed Options ('Options') are granted based on the following terms and conditions:

- Each Option entitles the holder to subscribe for one Share upon exercise of each Option.
- 14,713,191 listed options have an exercise price of $0.20 each and expire on 22 April 2026.
- The Options are exercisable at any time prior to the Expiry Date.
- Shares issued on exercise of the Options rank equally with the then shares of the Company.
- Application will be made by the Company for official quotation (if applicable) of the Shares issued upon the exercise of the Options.
- If there is a reconstruction of the issued share capital of the Company, the rights of the Option holders will be varied to comply with the Corporations Act 2001 (Cth) and Listing Rules (if applicable) which apply to the reconstruction at the time of the reconstruction.
- The Options are listed on the ASX.

13. Reserves

(a) Nature and purpose of reserves

Share-Based Payments Reserve
The share-based payments reserve is used to recognise the share-based payment expense compensation at the grant date and record the grant fair value of share-based payments and other option grants made by the Company.

(b) Movements in Share-Based Payments Reserve

	Year Ended 30 June	
	2023	**2022**
	A$	**A$**
Opening share-based payment reserve	561,726	-
Unlisted options granted[i]	988,058	561,726
Performance rights issued[i]	31,600	-
Closing share-based payments reserve	**1,581,384**	**561,726**

Note:
(i) Refer to note 17 for details of options and performance rights granted.

14. Accumulated Losses

	Year Ended 30 June	
	2023	**2022**
	A$	**A$**
Balance at beginning of year	(4,867,893)	(1,124,948)
Net loss	(6,912,994)	(3,742,945)
Balance at end of year	**(11,780,887)**	**(4,867,893)**

Notes to and Forming Part of the Consolidated Financial Statements (continued)

15. Key Management Personnel Compensation

The aggregate compensation made to Directors and other members of key management personnel of the Company and the Group is set out in the following table:

	Year Ended 30 June	
	2023 A$	2022 A$
Short-term employee benefits	393,942	56,069
Movement in annual leave provision	12,809	2,493
Post-employment benefits	39,004	5,604
Share-based payments	753,735	383,619
Balance at end of year	**1,199,490**	**447,785**

16. Related Party Disclosures

(a) Transactions with Related Parties in the Group

The Group consists of Solstice Minerals Limited (the parent entity) and its controlled entities (see note 19). Balance and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note.

(b) Transactions with former Ultimate Parent Company

Prior to the demerger, OreCorp (the former ultimate parent company of the Company) provided loan funding to the Company. The Company had no active bank account. All of the costs incurred in connection with the Company's activities were paid for by OreCorp and recorded in the Company through the intercompany loan. A reconciliation of the intercompany loan balances is provided below:

	Year Ended 30 June	
	2023 A$	2022 A$
Opening Balance	-	4,053,807
Company expenses paid by OreCorp	-	2,445,601
Cash received from OreCorp	-	5,000,000
Employee entitlements on transfer from OreCorp (former OreCorp employees)	-	(30,837)
Plant and equipment (net book value)	-	202,147
Tenement acquisition costs paid by OreCorp	-	118,311
Fair value of OreCorp shares issued in consideration for tenement acquisitions	-	2,846,000
Fair value of OreCorp unlisted options issed in consideration for tenement acquisitions	-	-
Conversion of loan to equity as consideration for issue of 39,999,999 shares to OreCorp	-	(14,635,029)
Closing Balance	**-**	**-**

Post-demerger, the Group entered into a Transitional Services Agreement with OreCorp in which all directors, except for Michael Emery and Nick Castleden; and Ms Tania Cheng were KMPs during the year). The Group incurred $350,852 of expense until the termination of the agreement on 7 March 2023.

Notes to and Forming Part of the Consolidated Financial Statements (continued)

(c) Transactions with Other Related Parties

During the year ended 30 June 2023 a total of $47,143 was paid to Grange Consulting Pty Ltd for Chief Financial Officer and Company Secretarial services.

The Group's Nanutarra project option is with Cratonix Pty Ltd, which is controlled by Nick Castleden, the CEO. At the date of this report, the sum of $5,000 has been paid to Cratonix Pty Ltd for the Nanutarra option.

There were no transactions with other related parties during the years ended 30 June 2023 and 30 June 2022.

17. Share-based payment

Share-based payment expense recorded by the Group during the year was $1,019,658 (2022: $561,726).

All share-based payments were accounted for as equity-settled share-based payment transactions.

The following table illustrates the number and weighted average exercise prices (WAEP of, and movements in, unlisted share options issued as share based payments during the current and prior year:

Unlisted Options	2023 Quantity	2023 WAEP	2022 Quantity	2022 WAEP
Outstanding at beginning of year	10,250,000	0.29	-	-
Options expired during the year	100,000	0.29	-	-
Options granted during the year	6,000,000	0.29	10,250,000	0.29
Options exercised during the year	-	-	-	-
Outstanding at end of year	**16,150,000**	**0.29**	**10,250,000**	**0.29**
Exercisable at end of year	**8,616,667**	**0.29**	**3,416,667**	**0.29**

The outstanding balance of options issued as share based payments as at 30 June 2023 is represented by:

Security code	Option quantity	Grant date	Exercise price	Expiry date	Fair Value 2023	Fair Value 2022	Remaining Life 2023 Years	Remaining Life 2022 Years
SLSAA	6,500,000	22/04/22	$0.29[(i)]	22/04/26	$0.128	$0.128	2.8	3.8
SLSAB	3,650,000	22/04/22	$0.29	22/04/26	$0.128	$0.128	2.8	3.8
SLSAB	500,000	23/08/22	$0.29	22/04/26	$0.103	-	2.8	-
SLSAE	4,500,000	24/01/23	$0.29	24/01/27	$0.126	-	3.6	-
SLSAF	1,000,000	27/06/23	$0.29	27/06/27	$0.119	-	4.0	-
	16,150,000							

Note:

(i) To be held in escrow until 24 months from the date of the Company's listing on the ASX.

Notes to and Forming Part of the Consolidated Financial Statements (continued)

The Unlisted Options ('Options') are granted based on the following terms and conditions:

a. Each Option entitles the holder to subscribe for one Share upon exercise of each Option.
b. The Options have exercise prices and expiry dates as follows:
    i. 6,500,000 unlisted options at an exercise price of $0.29 each that expire on 22 April 2026, classified as restricted securities and to be held in escrow until 2 May 2024, being 24 months from the date of the Company's listing on the ASX.
    ii. 4,150,000 unlisted options at an exercise price of $0.29 each that expire on 22 April 2026.
    iii. 4,500,000 unlisted options at an exercise price of $0.29 each that expire on 24 January 2027.
    iv. 1,000,000 unlisted options at an exercise price of $0.29 each that expire on 27 June 2027.
c. The Options are exercisable at any time prior to the Expiry Date, subject to the vesting conditions being satisfied (if applicable). The Options vest in 3 equal portions on the date of issue, and the first and second anniversary, respectively, of the date of issue.
d. Share issued on exercise of the Options rank equally with the then shares of the Company.
e. Application will be made by the Company for official quotation (if applicable) of the Shares issued upon the exercise of the Options.
f. If there is any reconstruction of the issued share capital of the Company, the rights of the Options holders will be varied to comply with the Corporates Act 2001 (Cth) and Listing Rules (if applicable) which apply to the reconstruction at the time of the reconstruction.
g. No application for quotation (if applicable) of the Options will be made by the Company.
h. The Options are not transferrable except with the prior written approval of the Board and subject to compliance with the Corporations Act 2001 (Cth).
i. The Options are subject to continuous service, or alternatively the Board can approve for the Option to not lapse.

Modifications to the terms and conditions noted above include:

a. Board approval to not lapse options for Key Management Personnel no longer providing continuous service has been granted.
b. Board approval to not lapse options held in the Company, for OreCorp Ltd employees upon demerger has been granted.

The fair value of the equity settled share options granted is estimated as at the date of grant using the both the Black Scholes and Binomial Option valuation models and take into account the terms and conditions upon which the options were granted.

Notes to and Forming Part of the Consolidated Financial Statements (continued)

The following table lists the inputs to the Black Scholes valuation model used for share options granted by the Company during the year ended 30 June 2022 and 30 June 2023:

Black Scholes Valuation Model Input	Security Code SLSAA	SLSAB(i)	SLSAE	SLSAF
Exercise price	$0.29	$0.29	$0.29	$0.29
Share price	$0.20	$0.20	$0.18	$0.18
Dividend yield	Nil	Nil	Nil	Nil
Volatility	100%	100%	110%	110%
Risk-free interest rate	2.86%	2.86%	3.08%	3.88%
Grant date	22-Apr-22	22-Apr-22	24-Jan-23	27-Jun-23
Expiry date	22-Apr-26	22-Apr-26	24-Jan-27	27-Jun-27
Expected life of option (years)	4.00	4.00	4.00	4.00
Number of options granted	6,500,000	3,650,000	4,500,000	1,000,000
Fair value at grant date	$0.128	$0.128	$0.122	$0.119
Total valuation	$1,313,025	$465,430	$549,900	$118,900

Note:

(i) Total unlisted options issued under security code SLSAB is 4,150,000, with 3,650,000 being valued based on the Black Scholes valuation model and 500,000 being valued based on the Binomial valuation model.

Binomial Option Valuation Model Input	Security Code SLSAB(i)
Exercise price	$0.29
Share price	$0.16
Dividend yield	Nil
Volatility	110%
Risk-free interest rate	3.29%
Grant date	23-Aug-22
Expiry date	22-Apr-26
Expected life of option (years)	3.67
Number of options granted	500,000
Fair value at grant date	$0.103
Total valuation	$51,700

Note:

- Total unlisted options issued under security code SLSAB is 4,150,000, with 3,650,000 being valued based on the Black Scholes valuation model and 500,000 being valued based on the Binomial valuation model.
- The dividend yield reflects the assumption that the current dividend pay-out will remain unchanged.
- The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur.

Notes to and Forming Part of the Consolidated Financial Statements (continued)

The following table illustrates the number and movements in performance rights issued as share based payments during the current and prior year:

Performance rights	2023 Quantity	2023 WAEP	2022 Quantity	2022 WAEP
Outstanding at beginning of year	-	-	-	-
Granted during the year	902,500	Nil	-	-
Expired during the year	90,000	Nil	-	-
Exercised during the year	-	-	-	-
Outstanding at end of year	**812,500**	**Nil**	**-**	**-**

The outstanding balance of performance rights issued as share based payments as at 30 June 2023 is represented by:

Security code	Performance Right quantity	Grant date	Exercise price	Expiry date	Fair Value 2023	Fair Value 2022	Remaining Life 2023 Years	Remaining Life 2022 Years
SLSAC	525,000	09/09/22	Nil	09/09/27	$0.163	-	5.0	-
SLSAC(i)	250,000	16/11/22	Nil	09/09/27	$0.145	-	4.8	-
SLSAC	37,500	12/01/23	Nil	09/09/27	$0.190	-	4.7	-
	812,500							

Note:

(i) Issued to Executive Director

The Performance Rights are granted based on the following terms and conditions:

- Each Performance Right entitles the holder to subscribe for one Share upon exercise of each Performance Right.
- A Performance Right may be exercised not later than its Expiry Date, and may only be exercised after the Performance Right has vested and all conditions associated with the exercised of the Performance Right have been satisfied.
- Performance Rights are granted with an exercise price of nil and an expiry date of 9 September 2027.
- Performance Rights will vest upon the later of:
  - A final investment decision being made with respect to any of the Group's mining projects; and
  - 9 September 2025.
- The Performance Rights are subject to continuous service, or alternatively the Board has discretion to approve and provide notice to a Good Leaver.
- Shares issued on exercise of the Performance Rights rank equally with the then shares of the Company.
- Application will be made by the Company for official quotation (if applicable) of the Shares issued upon the exercise of the Performance Rights.
- If there is an reconstruction of the issued share capital of the Company, the rights of the Performance Rights holders will be varied to comply with the Corporations Act 2001 (Cth) and Listing Rules (if applicable) which apply to the reconstruction at the time of the reconstruction.

Notes to and Forming Part of the Consolidated Financial Statements (continued)

The fair value of the equity settled performance rights granted is estimated using the share price as at the date of grant. The valuation assumes 100% probability of achieving the vesting conditions. The following table lists the inputs used to value the performance rights at 30 June 2023.

Security code	Performance Right quantity	Valuation date	Exercise price	Expiry date	Share price at Valuation Date	Fair Value 2023	Share price at Valuation Date	Fair Value 2022
SLSAC	525,000	09/09/22	Nil	09/09/27	$0.163	$85,313	-	-
SLSAC(i)	250,000	16/11/22	Nil	09/09/27	$0.145	$36,250	-	-
SLSAC	37,500	12/01/23	Nil	09/09/27	$0.190	$7,125	-	-
	812,500							

18. Segment Information

AASB 8 requires operating segments to be identified on the basis of internal reports about components of the Consolidated Entity that are regularly reviewed by the chief operating decision makers, being the Board of Directors and executives of the Group, in order to allocated resources to the segment and to assess it's performance.

The Group operates in one operating segment being mineral exploration and one geographical segment being Western Australia.

19. Controlled Entity

The controlled entity is included in the consolidated financial statements. The parent entity does not guarantee to pay the deficiency of its controlled entity in the event of a winding up of the controlled entity. The financial year end of the controlled entity is the same as that of the parent entity.

Name of Controlled Entity	Place of Incorporation	% of Shares Held 2023	% of Shares Held 2022
GreenCorp Metals Pty Ltd	Australia	100%	100%

20. Remuneration of Auditors

During the year, the following fees were paid or payable for services provided by the auditor of the Group:

	Year Ended 30 June 2023 A$	2022 A$
Deloitte Touche Tomatsu (Australia):		
- Audit and review of financial report	-	55,500
- Other audit or review of financial report	-	28,000
William Buck Audit (WA) Pty Ltd:		
- Audit and review of financial report	30,000	-

Notes to and Forming Part of the Consolidated Financial Statements (continued)

21. Earnings per Share

	Year Ended 30 June 2023 A$	2022 A$
Basic and diluted loss per share ($ per share):		
From continuing operations	(0.069)	(0.231)
Basic and diluted loss per share ($ per share)	(0.069)	(0.231)

The following table reflects the income and share data used in the calculations of basic and diluted loss per share:

	Year Ended 30 June 2023 A$	2022 A$
Net loss used in calculating basic and diluted loss per share:		
Net loss from continuing operations	(6,912,994)	(3,742,945)
Net loss used in calculations of basic and diluted loss per share	(6,912,994)	(3,742,945)

	Year Ended 30 June 2023 A$	2022 A$
Weighted average number of ordinary shares used in calculating basic loss per share, adjusted to reflect the Company restructure	100,286,809	16,199,513
Effect of dilutive securities(i)		
Adjusted weighted average number of ordinary shares used in calculating diluted loss per share	100,286,809	16,199,513

Notes:

(i) Non-dilutive securities: As at balance date the below options and securities, which together represent 31,675,691 potential ordinary shares were not considered dilutive for the purposes of calculating the diluted loss per share for the year ended 30 June 2023 as they would decrease the loss per share.
   a. 16,150,000 unlisted options
   b. 14,713,191 listed options
   c. 812,500 performance rights

(ii) Other than as disclosed in note 27, there have been no conversions, calls, subscriptions or issue of shares or options subsequent to balance date.

Notes to and Forming Part of the Consolidated Financial Statements (continued)

22. Statement of Cash Flows

(a) Reconciliation of Net Loss after Income Tax to net Cash Outflow from Operating Activities

	Year Ended 30 June 2023 A$	2022 A$
Net loss after income tax	(6,912,994)	(3,742,945)
Adjustment for non-cash income and expense items		
Depreciation of plant and equipment	99,507	11,832
Amortisation of right-of-use asset	65,588	6,912
Provision for annual leave	49,478	13,846
Provision for long service leave	4,333	1,541
Share based payments	1,019,658	561,726
IPO and ASX listing costs	-	237,859
Exploration expenditure paid by OreCorp pre-demerger	-	1,998,817
Changes in working capital		
Decrease in trade and other receivables	(27,494)	(144,303)
(Decrease) in trade and other payables	(113,919)	570,914
Net cash outflow from operating activities	(5,815,843)	(483,801)

(b) Reconciliation of Cash and Cash Equivalents

	Year Ended 30 June 2023 A$	2022 A$
Cash at bank and on hand	1,973,240	80,636
Bank short-term deposits	8,000,000	15,836,612
Cash and cash equivalents at 30 June	9,973,240	15,917,248

(c) Credit Standby Arrangements with Banks

At balance date, the Company had no used or unused financing facilities.

(d) Non-cash Financing and Investing Activities

During the year ended 30 June 2022, the Company acquired interests in exploration and evaluation assets for which OreCorp shares and unlisted options were issued as part of the consideration. The shares were valued at market price at the date of grant and the fair value of the equity-settled share options granted is estimated as at the date of the grant using the Black-Scholes option valuation model taking into account the terms and conditions upon which the options were granted. The Company recognised a liability to OreCorp for the fair value of the share-based payments as determined in accordance with accounting standards. Refer note 8 for further details.

During the year ended 30 June 2022, the Company issued shares to OreCorp for which, in addition to the consideration of $5m cash, non-cash consideration included the conversion of the loan balance to equity (refer to note 16(b)), which included the consideration arising associated from the transfer of plant and equipment, and other assets from OreCorp to the Company, and the assumption of employee liabilities by the Company from OreCorp.

Notes to and Forming Part of the Consolidated Financial Statements (continued)

23. Parent Entity Disclosures

	Year Ended 30 June 2023 A$	2022 A$
(a) Parent Entity – Financial Position		
Assets		
Current Assets	10,102,106	16,060,179
Non-Current Assets	4,491,070	4,352,214
Total Assets	14,593,176	20,412,393
Liabilities		
Current Liabilities	629,777	664,012
Non-Current Liabilities	109,893	1,541
Total Liabilities	739,670	665,553
Net Assets / (Liabilities)	13,853,506	19,746,840
Equity		
Issued Capital	25,850,264	25,850,263
Reserves	1,581,384	561,726
Accumulated Losses	(13,578,142)	(6,665,149)
Total Equity	13,853,506	19,746,840
(b) Parent Entity – Financial Performance		
Loss for the Year	(5,789,779)	(5,540,201)
Other Comprehensive (Loss)	-	-
Loss Attributable to Members of the Parent	(5,789,779)	(5,540,201)

(c) Guarantees Entered into by the Parent Entity in Relation to the Debts of its Subsidiaries

As at 30 June 2023 and 2022, the Parent had not entered into any guarantees in relation to debts of its subsidiaries.

(d) Contingent Liabilities of the Parent Entity

As at 30 June 2023 and 2022, the Parent did not have any contingent liabilities. Refer to Note 26 for details of Group contingent liabilities.

(e) Commitments for the Acquisition of Property, Plant and Equipment by the Parent Entity

At at 30 June 2023 and 2022, the Parent did not have any commitments for the acquisition of property, plant and equipment.

Notes to and Forming Part of the Consolidated Financial Statements (continued)

24. Financial Instruments

	Year Ended 30 June	
	2023	2022
	A$	A$
Financial Assets		
Cash and cash equivalents	9,973,244	15,917,248
Other financial assets	24,344	
Other current receivables	99,522	142,931
Total Financial Assets	10,097,110	16,060,179
Financial Liabilities		
Trade and other payables	456,996	570,914
Lease liability	79,994	49,788
Intercompany payables	-	-
Total Financial Liabilities	536,990	620,702

The Group has exposure to the following risks from their use of financial instruments:

(a) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as and when they fall due. The Board's approach to liquidity is to ensure, as far as possible, that the Group will have sufficient liquidity to meet its obligations as they fall due. The Group's liquidity and associated risk is outlined in the following table:

Notes to and Forming Part of the Consolidated Financial Statements (continued)

Group	Carrying Amount $	Less than 6 months $	6 – 12 months $	1 - 2 years $
2023				
Financial Assets				
Non-interest bearing	187,195	187,195	-	-
Fixed interest rate instruments(i)	8,024,344	8,000,000	24,344	-
Variable interest rate instruments(ii)	1,885,571	1,885,571	-	-
Total financial assets	**10,097,110**	**10,072,766**	**24,344**	**-**
Financial Liabilities				
Trade and other payables	456,996	456,996	-	-
Lease liability	79,994	44,997	34,997	-
Total financial liabilities	**536,990**	**501,993**	**34,997**	**-**
2022				
Financial Assets				
Non-interest bearing	232,734	232,734	-	-
Fixed interest rate instruments(i)	13,012,210	-	13,012,210	-
Variable interest rate instruments(ii)	2,815,235	2,815,235	-	-
Total financial assets	**16,060,179**	**3,047,969**	**13,012,210**	**-**
Financial Liabilities				
Trade and other payables	570,914	570,914	-	-
Lease liability	49,788	42,466	7,322	-
Total financial liabilities	**620,702**	**613,380**	**7,322**	**-**

Notes

(i) Interest rates – 2023:4.90%; 2022: 1.18%

(ii) Interest rates – 2023: 0.13%; 2022: 0.11%

(b) Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the cash and short-term deposits with a floating interest rate.

These financial assets with variable rates expose the Group to cash flow interest rate risk. All other financial assets and liabilities, in the form of receivables and payables are non-interest bearing.

The Group currently does not engage in any hedging or derivative transactions to manage interest rate risk.

Cash flow sensitivity analysis for variable rate instruments
Assuming all other variables remain unchanged, a change of 10% in interest rates at the reporting date would have increased/(decreased) equity and profit or loss by $32,365 (2022: $2,381).

(a) Net Fair Value of Financial Assets and Liabilities

The net fair value of cash, cash equivalents and financial assets and financial liabilities approximates their carrying value.

Notes to and Forming Part of the Consolidated Financial Statements (continued)

(b) Commodity Risk

The Group is exposed to commodity price risk. These commodity prices can be volatile and are influenced by factors beyond the Group's control. As the Group is currently engaged in exploration and business development activities, no sales commodity products are forecast for the next 12 months, and accordingly, no hedging or derivative transactions have been used to manage price risk.

(c) Capital Management

The Board's policy is to maintain a strong capital base to maintain investor, creditor and market confidence and to sustain future development of the business. Given the stage of development of the Group, the Board's objective is to minimise debt and to raise funds as required through the issue of new shares. The Group may also examine new business opportunities, where acquisition/working capital requirements of a new project may involve additional funding in some format.

The Group is not definitively committed to any specific exploration spend on its exploration licences, apart from the minimum expenditure requirements for the next 12 months, and will continue to assess ongoing exploration results on the licences, prior to making any decisions on future exploration programs and expenditures.

There were no changes to the Group's approach to capital management during the year.

The Group is not subject to externally imposed capital requirements.

25. Commitments for Expenditure

As a condition of retaining the current rights to tenure to exploration tenements, the Group is required to pay an annual rental charge and meet minimum expenditure requirements for each tenement. These obligations are not provided for in the financial statements and are at the sole discretion of the Group. Minimum expenditure requirements for the current licence period are as per the following:

Minimum expenditure for licences	2023 A$	2022 A$
Not longer than 1 year	1,197,391	878,963
Longer than 1 year and shorter than 5 years	2,251,080	2,466,790
Longer than 5 years	-	-
	3,448,471	3,345,753

The Group also has royalty obligations as part of the agreements for the acquisition of its WA assets. The royalty obligations are not provided for in the financial statements as the likelihood of any payments is considered remote due to the early-stage nature of the exploration assets.

During the year ended 30 June 2023, the Group entered into an agreement and paid $30,000 cash to acquire tenure. The final consideration will fall due upon the tenure being granted.

26. Contingent Liabilities

Other than as disclosed, the Company and Group have no known contingent liabilities requiring disclosure as at 30 June 2023 and 30 June 2022.

Notes to and Forming Part of the Consolidated Financial Statements (continued)

27. Significant Post Balance Date Events

Since the end of the financial year and to the date of this financial report, the following significant events have occurred:

- On 1 July 2023, Mr Michael Emery was appointed Non-Executive Director.
- On 18 July 2023, 2,256,376 performance rights, expiring 18 July 2027, were issued to employees.

Directors' Declaration

In accordance with a resolution of the Directors of Solstice Minerals Limited, I state that:

1. In the opinion of the Directors:
   a. the financial statements and notes thereto of the Consolidated Entity are in accordance with the Corporations Act 2001 including:
      (i) giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2023 and of its performance for the year ended on that date; and
      (ii) complying with accounting standards and the Corporations Act 2001; and
   b. there are reasonable grounds to believe that the Consolidated Entity will be able to pay its debts as and when they become due and payable.
2. The attached financial statements are in compliance with International Financial Reporting Standards, as stated in note 1 to the financial statements.
3. The Directors have been given a declaration required by section 295A of the Corporations Act 2001 for the financial year ended 30 June 2023.

On behalf of the Board

Nick Castleden
Chief Executive Officer & Managing Director
25 September 2023

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF SOLSTICE MINERALS LIMITED

I declare that, to the best of my knowledge and belief during the year ended 30 June 2023 there have been:

- no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

William Buck

William Buck Audit (WA) Pty Ltd
ABN 67 125 012 124

CM

Conley Manifis
Director
Dated this 25th day of September 2023

Level 3, 15 Labouchere Road, South Perth WA 6151
PO Box 748, South Perth WA 6951

+61 8 6436 2888

wa.info@williambuck.com
williambuck.com

Solstice Minerals Limited
Independent auditor's report to members

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Solstice Minerals Limited (the Company and its subsidiary (the Group)), which comprises the consolidated statement of financial position as at 30 June 2023, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the directors' declaration.

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

i. giving a true and fair view of the Group's financial position as at 30 June 2023 and of its financial performance for the year ended on that date; and

ii. complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the 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 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. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Level 3, 15 Labouchere Road, South Perth WA 6151
PO Box 748, South Perth WA 6951
+61 8 6436 2888
wa.info@williambuck.com
williambuck.com

CARRYING VALUE OF EXPLORATION COST

Area of focus
Refer also to notes 1(g), 1(w) and 8

The Group has capitalised the acquisition costs of tenements for which licences have been granted comprising the Gold and Base Metals Projects located in the Eastern Goldfields of Western Australia. The carrying value of $5,893,170, represents a significant asset of the Group.

This is a key audit matter due to the fact that significant judgement is applied in determining whether the capitalised exploration costs continue to meet the recognition criteria of AASB 6 *Exploration for and Evaluation of Mineral Resources*.

How our audit addressed it

Our procedures focussed on evaluating management's assessment of whether the exploration assets meet the recognition criteria of AASB 6, including:

- Obtaining evidence that the Group has valid rights to explore the areas represented by the capitalised exploration costs.
- Enquiring of management and reviewing the cashflow forecast to verify that substantive expenditure on further exploration for and evaluation of the mineral resources in the Group's areas of interest was planned.
- Enquiring with management, reviewing ASX announcements made and reviewing minutes of director meetings to verify that the Group had not decided to discontinue activities in any of its areas of interest.
- Reviewing management's impairment assessment on the carrying value of exploration assets as at 30 June 2023.

VALUATION OF OPTIONS AND PERFORMANCE RIGHTS

Area of focus
Refer also to notes 1(u), 13(b), 15 and 17

The Group reported $1,019,658 of expenses for the year in respect of the following share-based payments:

Details	Amount $
Options granted to Directors and Employees	988,058
Performance rights granted to Directors and Employees	31,600

How our audit addressed it

Our audit procedures included:

- Assessing management's / external consultant's calculation of fair value, including the appropriateness of the valuation models used, inputs applied and verified the conditions of the performance

1,019,658 Significant judgement and estimation by management is required in determining the share-based payment expense in the period for options and performance rights granted. Therefore, considered to be key audit matter.	rights and options granted agrees to the relevant ASX Announcements and signed agreements. — Critically reviewing management's assumptions regarding the likelihood of meeting the performance conditions for non-market-based conditions; and — Assessing whether management's reporting and disclosure of share-based payments was in accordance with AASB 2 *Share Based Payments.*

Other Information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2023, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Responsibilities of the Directors for the Financial Report

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

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

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

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

This description forms part of our independent auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 28 to 41 of the directors' report for the year ended 30 June 2023.

In our opinion, the Remuneration Report of Solstice Minerals Limited, for the year ended 30 June 2023, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

William Buck

William Buck Audit (WA) Pty Ltd
ABN 67 125 012 124

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Conley Manifis
Director
Dated this 25th day of September 2023

Corporate Governance Statement

Solstice Minerals Limited and the Board are committed to achieving and demonstrating the highest standards of corporate governance appropriate for a company of its size and nature of activities. Solstice Minerals Limited has reviewed its corporate governance practices against the Corporate Governance Principles and Recommendations (4th edition) published by the ASX Corporate Governance Council.

The 2022 corporate governance statement is dated as at, and was approved by the Board on, 23 September 2022 and reflects the corporate governance practices in place throughout the 2023 financial year (noting the Company was only admitted to the official list of the ASX on 28 April 2022). A description of the group's current corporate governance practices is set out in the group's corporate governance statement which has been platformed on ASX Online and can also be viewed at: https://solsticeminerals.com.au/who-we-are/corporate-governance.

ASX Additional Information

Twenty Largest Holders of Listed Securities

The names of the twenty largest holders of Ordinary Shares are listed below:

Name	No of Ordinary Shares Held	Percentage of Issued Shares
Treasury Services Group Pty Ltd <Nero Resource Fund A/C>	8,535,501	8.51%
Precision Opportunities Fund Ltd <Investment A/C>	5,364,167	5.35%
HSBC Custody Nominees (Australia) Limited	2,835,992	2.83%
BNP Paribas Nominees Pty Ltd HUB24 Custodial Serv Ltd <DRP A/C>	2,745,662	2.74%
Citicorp Nominees Pty Limited	2,542,826	2.54%
Third Reef Pty Ltd <Back Reef A/C>	2,000,000	1.99%
Aston Investment Group Pty Ltd <Aston Family A/C>	2,000,000	1.99%
Mr Glyn Evans & Mrs Thi Thu Van Evans <GVan Superannuation Plan A/C>	1,990,252	1.98%
Mutual Investments Pty Ltd <The Mitchell Super Fund A/C>	1,943,399	1.94%
Beacon Exploration Pty Ltd	1,381,534	1.38%
Lotaka Pty Ltd <A/C No 2>	1,281,384	1.28%
Meto Pty Ltd <Yates Family A/C>	1,256,890	1.25%
Garry Warren Pty Ltd	1,153,599	1.15%
Jedi Street Pty Ltd <Jedi Super Fund A/C>	1,100,510	1.10%
Wersman Nominees Pty Ltd	1,000,000	1.00%
Argonaut Partners Pty Limited	1,000,000	1.00%
Morgan Stanley Australia Securities (Nominee) Pty Limited	997,905	1.00%
Cairnglen Investments Pty Ltd	895,000	0.89%
Alastair Donald Morrison <Tongariro Investment A/C>	845,367	0.84%
Mrs Rachelle Diederichs <Terra Firma A/C>	825,138	0.82%
Mr Dermot Woods & Mrs Emma Woods <Woods Family Super A/C>	815,683	0.81%
Invia Custodian Pty Limited <Orpheus Geoscience S/F A/C>	788,992	0.79%
Total Top 20	43,299,801	43.18%
Others	56,987,008	56.82%
Total Ordinary Shares on Issue	100,286,809	100.00%

ASX Additional Information (Continued)

Distribution of Equity Securities

Analysis of numbers of shareholders by size of holding:

Distribution	Ordinary Shares Number of Shareholders	Number of Shares
1 – 1,000	317	91,962
1,001 – 5,000	242	566,791
5,001- 10,000	125	875,563
10,001 – 100,000	405	16,292,102
More than 100,000	168	82,460,391
Totals	1,257	100,286,809

Voting Rights

See note 12 of the Notes to the Financial Statements.

Substantial Shareholders

As at 22 September 2023, Substantial Shareholder notices have been received from the following shareholders:

Substantial Shareholder	Number of Shares	Percentage of Issued Shares
Treasury Services Group Pty Ltd ATF Nero Resource Fund	8,535,501	8.51%
Precision Opportunities Fund Ltd	5,364,167	5.35%

On-Market Buy Back

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

Unquoted Securities

The number of equity securities on issue, and number of holders, for each class of unquoted equity securities are listed below:

Security Code	Security	Exercise Price	Expiry Date	Number of Securities	Number of Holders
SLSAA	Unlisted options - restricted	$0.29	22/04/2026	6,500,000	6
SLSAB	Unlisted options	$0.29	22/04/2026	4,150,000	12
SLSAC	Unlisted performance rights	-	09/09/2026	812,500	7
SLSAE	Unlisted options	$0.29	24/01/2027	4,500,000	1
SLSAF	Unlisted options	$0.29	27/06/2027	1,000,000	1
SLSAG	Unlisted performance rights	-	18/07/2023	2,256,376	8

There were no holders of 20% or more of the equity securities in an unquoted class other than those who were issued their securities under an employee incentive scheme except for Non-Executive Directors for whom details of their unlisted options can be found on page 35 of the remuneration report.

ASX Additional Information (Continued)

Exploration Interests

As at 22 September 2023, the Company has an interest in the following granted licences:

Project	Licence/Tenement Number	Registered Holder	Beneficial Interest at end of Quarter
Yarri	E28/2583	Solstice Minerals Limited	100%
	E28/2650	Solstice Minerals Limited	100%
	E28/3124	Solstice Minerals Limited	100%
	E28/3161	Solstice Minerals Limited	100%
	E31/1117	Solstice Minerals Limited	80%
	E31/1121	Solstice Minerals Limited	100%
	E31/1134	Solstice Minerals Limited	100%
	E31/1150	Solstice Minerals Limited	100%
	E31/1173	Solstice Minerals Limited	100%
	E31/1175	Solstice Minerals Limited	100%
	E31/1220	Solstice Minerals Limited	100%
	E31/1225	Solstice Minerals Limited	100%
	E31/1231	Solstice Minerals Limited	100%
	E31/1236	Solstice Minerals Limited	100%
	E31/1244	Solstice Minerals Limited	100%
	E31/1245	Solstice Minerals Limited	100%
	E31/1251	Solstice Minerals Limited	100%
	E31/1262	Solstice Minerals Limited	0% - pending application
	E31/1266	Solstice Minerals Limited	0% - pending application
	E31/1286	Solstice Minerals Limited	100%
	E31/1300	Solstice Minerals Limited	100%
	E31/1303	Solstice Minerals Limited	0% - pending application
	E31/1329	Solstice Minerals Limited	100%
	E31/1341	Solstice Minerals Limited	0% - pending application
	E31/1357	Solstice Minerals Limited	0% - pending application
	P31/2118	Solstice Minerals Limited	100%
	P31/2119	Solstice Minerals Limited	100%
	E39/1914	Solstice Minerals Limited	95%
	E39/1976	Solstice Minerals Limited	95%
	E39/2187	Solstice Minerals Limited	100%
	E39/2214	Solstice Minerals Limited	100%
	E39/2215	Solstice Minerals Limited	100%
	E39/2293	Solstice Minerals Limited	100%
	E39/2301	Solstice Minerals Limited	100%
	E39/2323	Solstice Minerals Limited	100%
	E39/2371	Solstice Minerals Limited	0% - pending application
	E39/2388	Solstice Minerals Limited	0% - pending application
	E39/2405	Solstice Minerals Limited	0% - pending application
	E39/2407	Solstice Minerals Limited	0% - pending application

Project	Licence/Tenement Number	Registered Holder	Beneficial Interest at end of Quarter
	P39/5600	Solstice Minerals Limited	100%
	P39/5601	Solstice Minerals Limited	100%
	P39/6224	Solstice Minerals Limited	100%
	P39/6289	Solstice Minerals Limited	100%
Ponton	E28/3314	Solstice Minerals Limited	0% - pending application
	E39/2184	Solstice Minerals Limited	100%
	E39/2247	Solstice Minerals Limited	100%
Ringlock	E29/1087	GreenCorp Metals Pty Ltd	100%
	E29/1115	GreenCorp Metals Pty Ltd	100%
Ashburton	E08/2942	Cratonix Pty Ltd	0%
	E08/3603	Solstice Minerals Limited	0% - pending application

MINERAL RESOURCES STATEMENT

The Hobbes Gold Project hosts an Inferred Mineral Resource Estimate (MRE) of 4.6 million tonnes at 1.2g/t Au for 177,000 ounces of gold, (refer to Table A below).

The MRE has been compiled in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code 2012 Edition), Chapter 5 of the ASX Listing Rules and ASX Guidance Note 31.

Table A: Hobbes Gold Project maiden JORC Mineral Resource Estimate.

JORC 2012 Classification	Tonnes	Gold Grade (g/t)	Gold Metal (oz)
Indicated	-	-	-
Inferred	4,600,000	1.2	177,000
Total Indicated & Inferred	**4,600,000**	**1.2**	**177,000**

Notes: *The Mineral Resources are reported at a lower cut-off grade of 0.6 g/t Au and are constrained within A$2,500/oz optimised pit shells based on mining parameters and operating costs typical for Australian open pit extraction of deposits of similar scale and geology. All numbers are rounded to reflect appropriate levels of confidence. Apparent differences may occur due to rounding.*

Weathering Domain	Category	Tonnes	Grade (g/t Au)	Ounces
Transitional	Inferred	2,500,000	1.2	92,000
Fresh	Inferred	2,100,000	1.2	85,000
Total		**4,600,000**	**1.2**	**177,000**

Notes: *The Mineral Resources are reported at a lower cut-off grade of 0.6 g/t Au and are constrained within A$2,500/oz optimised pit shells based on mining parameters and operating costs typical for Australian open pit extraction of deposits of similar scale and geology. All numbers are rounded to reflect appropriate levels of confidence. Apparent differences may occur due to rounding.*

COMPARISON WITH PREVIOUS YEAR

The company did not have a MRE the previous year. The Maiden MRE was released on 22 March 2023.

GOVERNANCE OF RESOURCES

The Company engages employees, external consultants and competent persons (as determined pursuant to the JORC 2012 Code) to assist with the preparation and calculation of estimates for its mineral resources.

Management and the Board review these estimates and underlying assumptions for reasonableness and accuracy. The results of the MRE are then reported in accordance with the requirements of JORC 2012 and other applicable rules (including ASX Listing Rules).

Where material changes occur during the year to a project, including the project's size, title, exploration results or other technical information, previous MRE and market disclosures are reviewed for completeness.

The Company reviews its MRE annually each year, for inclusion in the Company's Annual Report. If a material change has occurred in the assumptions or data used in previously reported mineral resources, where possible a revised MRE will be prepared as part of the annual review process. However, there are circumstances where this may not be possible (e.g. an ongoing drilling programme), in which case a revised MRE will be prepared and reported as soon as practicable.

MINERAL RESOURCES REPORTING REQUIREMENTS

As an Australian company with securities listed on the Australian Securities Exchange (ASX), Solstice is subject to Australian disclosure requirements and standards, including the requirements of the Corporations Act and the ASX Listing Rules. Investors should note that it is a requirement of the ASX Listing Rules that the reporting of Mineral Resources in Australia comply with JORC 2012 and that Solstice's Mineral Resources Statements comply with JORC 2012.

Additional information for the "Hobbes Gold Project Annual Mineral Resource Statement as at 22 March 2023" is available on the Solstice website at www.solsticeminerals.com.au and lodged with the ASX (refer to the announcement dated 22 March 2023).

JORC COMPLIANCE STATEMENT

The information in this report that relates to Exploration Results is extracted from the ASX announcements (**Original Announcements**) dated 3 July 2023 (“Drilling Delivers REO Results Up to 0.97% & New Au Anomalism”), 29 June 2023 (“New Drill Target Takes Shape at High-Grade Nickel Prospect”), 31 March 2023 (“High Grade PGE in Nickel Sulphides at GSP Prospect”), 22 March 2023 (“Robust Maiden Gold Mineral Resource at Hobbes”), 10 March 2023 (“High Grade Nickel Sulphide Drill Results at GSP Prospect”), 19 December 2023 (“Massive Sulphide Intersected at the GSP Nickel Prospect”), 8 December 2022 (“Final Assay Results at Hobbes Return 20m at 3.25g/t Gold”) and 14 July 2022 (“Significant Gold Anomalies Confirmed by Infill Soil Sampling at the Nippon Licence, Ponton Project”), which are available to view on the Company’s website www.solsticeminerals.com.au

Solstice confirms that it is not aware of any new information or data that materially affects the information included in the Original Announcements and that all material assumptions and technical parameters underpinning the Exploration Results in the Original Announcements continue to apply and have not materially changed. Solstice confirms that the form and context in which the Competent Persons’ findings are presented have not been materially modified from the Original Announcements.

The information contained in this report that relates to the Annual Mineral Resource Estimate for the Hobbes Gold Project is based on, and fairly represents, information compiled by Mr Mark Zammit, who is a full-time employee of Cube Consulting Pty Ltd (Cube) and is a Member of the AIG. Mr Zammit has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which is an undertaking 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 Zammit consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

DISCLAIMER/FORWARD-LOOKING INFORMATION

This report may contain certain forward-looking statements, guidance, forecasts, estimates, prospects or projections in relation to future matters that may involve risks or uncertainties and may involve significant items of subjective judgement and assumptions of future events that may or may not eventuate (Forward-Looking Statements). Forward-Looking Statements can generally be identified by the use of forward-looking words such as "anticipate", "estimates", "will", "should", "could", "may", "expects", "plans", "forecast", "target" or similar expressions and may include, without limitation, statements regarding plans, strategies and objectives of management, anticipated production and expected costs. Indications of, and guidance on future earnings, cash flows, costs, financial position and performance are also Forward-Looking Statements.
Persons reading this report are cautioned that such statements are only predictions, and that actual future results or performance may be materially different. Forward-Looking Statements, opinions and estimates included in this report are based on assumptions and contingencies which are subject to change, without notice, as are statements about market and industry trends, which are based on interpretation of current market conditions. Forward-Looking Statements are provided as a general guide only and should not be relied on as a guarantee of future performance.

No representation or warranty, express or implied, is made by Solstice that any Forward-Looking Statement will be achieved or proved to be correct. Further, Solstice disclaims any intent or obligation to update or revise any Forward-Looking Statement whether as a result of new information, estimates or options, future events or results or otherwise, unless required to do so by law.