KINGSLAND MINERALS LTD

ABN 53 647 904 014

General Purpose Financial Report
31 December 2021

General information

The financial statements cover Kingsland Minerals Ltd as an individual entity for the period from incorporation on 12 February 2021 to 31 December 2021. The financial statements are presented in Australian dollars, which is Kingsland Minerals Ltd's functional and presentation currency.

Kingsland Minerals Ltd is limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered office	**Principal place of business**
Level 1, 43 Ventnor Avenue West Perth WA 6005	Level 1, 43 Ventnor Avenue West Perth WA 6005

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

The financial statements were authorised for issue, in accordance with a resolution of directors, on 24 March 2022.

The Directors have the power to amend and reissue the financial statements.

The Directors present their report, together with the financial statements, on Kingsland Minerals Ltd ("the Company") and its controlled entities ("the Group") for the period from incorporation on 12 February 2021 to 31 December 2021.

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

Richard Maddocks: Appointed 12 February 2021

Bruno Seneque: Appointed 12 February 2021

Nicholas Revell: Appointed 12 February 2021

Malcolm Randall: Appointed 24 November 2021

Principal activities
During the financial period the principal continuing activities of the Group was resource exploration. There have been no significant changes in the nature of those principal activities during the financial period.

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

Review of operations
The loss for the Group after providing for income tax amounted to $52,830.

Significant changes in the state of affairs
There were no significant changes in the state of affairs of the Group during the financial period.

Matters subsequent to the end of the financial period
No matter or circumstance has arisen since 31 December 2021 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial periods.

Likely developments and expected results of operations
The Group is seeking to be admitted to the official list of the Australian Securities Exchange and will lodge a prospectus to raise the required funds to conduct its activities as a resource exploration Group.

Environmental regulation
The Group holds participating interests in a number of exploration licences. The various authorities granting such licences require the holder to comply with directions given to it under the terms of the grant of the licence.

The Board is not aware of any breaches of the Group's licence conditions.

Information on directors

Richard Maddocks – Managing Director (appointed 12 February 2021)

MSc (Mineral Economics), BAppSc (Geology), Grad Dip (Finance and Investment), FAusIMM, GAICD

Mr Maddocks is a geologist and has extensive experience in development and production in open pit and underground gold and nickel mines in Australia, Papua New Guinea and South America. He has previously been Chief Geologist at several large open pit and underground gold and nickel mines in Western Australia. Mr Maddocks has significant experience in Mineral Resource estimation, grade control, exploration, business development and asset identification. Mr Maddocks meets the requirements of a Competent Person as defined by the JORC Code 2012 for several commodities and mineralisation styles relevant to the Group.

Malcolm Randall – Non-Executive Chairman (appointed 24 November 2021)

Dip Applied Chem, MAICD

Mr Randall holds a Bachelor of Applied Chemistry Degree, is a Fellow of the Australian Institute of Company Directors, and has more than 45 years' of extensive experience in corporate, management and marketing in the resource sector, including more than 25 years with the Rio Tinto group of companies. His experience has covered a diverse range of mineral activities including Iron Ore, Base Metals, Uranium, Minerals Sands and Lithium. Mal has held the position of Chairman and director of multiple ASX listed companies and is currently also on the board of Hastings Technology Metals Ltd, Argosy Minerals Ltd, Magnetite Mines Ltd and Ora Gold Ltd (formerly Thundelarra Ltd).

Bruno Seneque – Director, CFO and Company Secretary (appointed 12 February 2021)

BBus (Accounting), CPA Australia and GIA

Mr Seneque has 26 years' experience as a qualified accountant and has accumulated extensive experience in the mining industry over 24 years in various roles including executive general management (Managing Director, Finance Director), CFO, company secretarial, corporate and mine site accounting for ASX listed companies.

He was most recently a Director and CFO for Kairos Minerals Ltd (ASX: KAI), and prior to that role he was the Managing Director of Tyranna Resources Ltd from December 2015 to October 2019 (ASX: TYX). Mr Seneque has also held various roles (CFO, Finance Director, Managing Director) with Fox Resources Ltd, which operated the Radio Hill nickel-copper mine in Karratha, producing nickel and copper concentrates. He was also Financial Controller/Company Secretary for Haddington Resources Ltd which produced tantalum concentrates from the Bald Hill tantalum mine. Mr Seneque commenced his career in 1996 in the audit division with Ernst and Young (Perth office) prior to moving to Titan Resources NL as Group Accountant in 1998.

Nicholas Revell - Non-Executive Director (appointed 12 February 2021)

BAppSc (Geology)

Mr Revell is a geologist and has over 30 years' experience as an exploration/mine geologist specialising in gold, iron ore and base metals. He has held several senior positions in mining, exploration geology and project evaluation, working for ASX and TSX mineral exploration companies across a range of minerals. Mr Revell was previously a director of ASX listed companies including, Tyranna Resources Ltd (ASX: TYX) and Orinoco Gold Ltd (ASX: OGX). Mr Revell meets the requirements of a Competent Person as defined by the JORC Code 2012 for several commodities and mineralisation styles relevant to the Group.

Meetings of directors

During the period from incorporation on 12 February 2021 to 31 December 2021, 3 meetings of Directors were held. Attendances by each Director during the year were as follows:

	Directors' Meetings	
	Number attended	Number eligible to attend
Mr Richard Maddocks	3	3
Mr Bruno Seneque	3	3
Mr Nicholas Revell	3	3
Mr Malcolm Randall	-	-

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

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

On behalf of the Directors

Bruno Seneque
Director and Company Secretary

24 March 2022
Perth

To the Board of Directors,

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

As lead audit Director for the audit of the financial statements of Kingsland Minerals Ltd for the financial year ended 31 December 2021, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Yours Faithfully

Hall Chadwick

HALL CHADWICK WA AUDIT PTY LTD

Mark Delaurentis

MARK DELAURENTIS CA
Director

Dated Perth, Western Australia this 24th day of March 2022

Kingsland Minerals Ltd
Consolidated statement of profit or loss and other comprehensive income
From 12 February 2021 to 31 December 2021

	Note	12 February 2021 to 31 December 2021 $
Revenue		
Other income		-
Interest revenue		-
Expenses		
Corporate administrative expenses		(4,348)
Audit fees		(6,000)
Initial public offering expense		(42,482)
Administration		-
Finance costs		-
Profit/(loss) before income tax (expense)/benefit		(52,830)
Income tax (expense)/benefit	3	-
Profit/(loss) after income tax (expense)/benefit for the period attributable to the owners of Kingsland Minerals Ltd		(52,830)
Other comprehensive income for the period, net of tax		-
Total comprehensive income for the period attributable to the owners of Kingsland Minerals Ltd		(52,830)
Loss per share for the period attributable to owners of Kingsland Minerals Ltd		
Basic (loss) per share (cents per share)	11	(1.06)
Diluted (loss) per share (cents per share)	11	(1.06)

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

	Note	2021 $
Assets		
Current assets		
Cash and cash equivalents	4	369,953
Trade and other receivables	6	5,000
Total current assets		374,953
Non-current assets		
Exploration and evaluation expenditure	5	68,010
Total non-current assets		68,010
Total assets		442,963
Liabilities		
Current liabilities		
Trade and other payables	7	24,442
Total current liabilities		24,442
Total liabilities		24,442
Net assets		418,521
Equity		
Issued Capital	8	471,351
Reserves	9	-
Accumulated Losses		(52,830)
Total equity		418,521

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

Kingsland Minerals Ltd
Consolidated statement of changes in equity
From 12 February 2021 to 31 December 2021

	Issued capital $	Reserves $	Accumulated losses $	Total $
Balance at 12 February 2021	6	-	-	6
Loss after income tax benefit for the year	-	-	(52,830)	(52,830)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive (loss) for the year	-	-	(52,830)	(52,830)
Transactions with owners in their capacity as owners:				
Shares issued (net of costs)	471,345	-	-	471,345
Balance at 31 December 2021	471,351	-	(52,830)	418,521

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

Kingsland Minerals Ltd
Consolidated statement of cash flows
From 12 February 2021 to 31 December 2021

	Note	12 February 2021 to 31 December 2021 $
Cash flows from operating activities		
Cash paid to suppliers		(31,456)
Net cash used in operating activities	18	(31,456)
Cash flows from investing activities		
Exploration and evaluation		(38,591)
Short term deposits		(5,000)
Net cash used in investing activities		(43,591)
Cash flows from financing activities		
Proceeds from share issues		445,000
Net cash from financing activities		445,000
Net increase in cash and cash equivalents		369,953
Cash and cash equivalents at the beginning of the financial period		-
Cash and cash equivalents at the end of the financial period	4	369,953

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

Note 1. Basis of Preparation

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

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

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

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group.

Basis of preparation
These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

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

Interest
Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

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

Government grants
Grants from Government are recognised at their fair value where there is a reasonable assurance that the grant will be received, and the Group will comply with all attached conditions.

- The Group received government grants from the Australian Federal Government's JobKeeper Payment scheme. There are no unfilled conditions or other contingencies attaching to these grants. Grants related to income are presented as part of profit or loss as a deduction in reporting the related expense.

Note 1. Basis of Preparation (continued)

Going concern
The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

As disclosed in the financial statements, the Group incurred a loss of $52,830 and had net cash outflows from operating and investing activities of $75,047 for the period ended 31 December 2021. As at that date, the Group has net asset of $418,521.

The ability of the Group to continue as a going concern is dependent upon the success of the fundraising under a prospectus yet to be issued. This requirement gives rise to a material uncertainty that may cast a significant doubt over the Group's ability to continue as a going concern and therefore that it will be able to realise its assets and discharge its liabilities in the normal course of business, and at the amount stated in the financial report.

The Group has prepared a cash flow forecast, which has allowances for further capital to be raised and indicates that the Group will have sufficient cash flows to meet all commitments and working capital requirements for the 12 months period from the date of signing this financial report. The Directors believe it is appropriate to prepare these accounts on a going concern basis:

- the Group plans to undertake a capital raising via the issue of shares in an initial public offering in conjunction with a proposed listing on the Australian Securities Exchange;

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

Income tax
The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:
- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

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

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Current and non-current classification
Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

Note 1. Basis of Preparation (continued)

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

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

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

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

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

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

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

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

Employee benefits

Short-term employee benefits
Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Fair value measurement
When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on 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; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Issued capital
Ordinary shares are classified as equity.

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

Note 1. Basis of Preparation (continued)

Exploration and evaluation expenditure

Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

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

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

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

The costs of restoration obligations are provided for in full at the time of the activities which give rise to the need of restoration. Restoration costs include reclamation, site closure and monitoring of those activities, and are based on undiscounted prospective current cost estimates which satisfy anticipated legal requirements. Estimates of future costs are measured at least annually.

Where part of a tenement/area of interest is farmed out in consideration of the farminee undertaking to incur further expenditure on behalf of both the farminee and the farmor, exploration expenditure incurred and carried forward prior to farmout continues to be carried forward without adjustment, unless the terms of the farmout are excessive based on the diluted interest retained. A decision is then made to reduce exploration expenditure to its recoverable amount.

Note 2. Segment information

The Directors determined that the Group has one reportable segment, being mineral exploration activities in Australia, consequently the Group does not report segmented operations.

Kingsland Minerals Ltd
Notes to the consolidated financial statements
31 December 2021

Note 3. Income tax expense/(benefit)

	2021 $
a. Income tax benefit	
Current tax	-
Deferred tax	-
b. Reconciliation of income tax benefit to prima facie tax payable	
The prima facie tax benefit on loss from ordinary activities before income tax is reconciled to the income tax expense as follows:	
Prima facie tax on operating loss at 25%	(13,208)
Timing Differences	6,110
Deferred tax assets not brought to account	7,097
Income tax benefit attributable to operating loss	-

c. The applicable weighted average effective tax rates attributable to the operating result are as follows:

The tax rate used in the above reconciliations is the corporate tax rate of 25% payable by the Australian corporate entity on taxable profits under Australian tax law.

d. Balance of franking account at year end of the legal parent	Nil
e. Tax losses carried forward	96,398

Potential deferred tax assets attributable to tax losses have not been brought to account at 31 December 2021 because the directors do not believe it is appropriate to regard the realisation of the deferred tax assets as probable at this point in time. These benefits will only be obtained if:

i. the Group derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the loss to be realised;
ii. the Group continues to comply with conditions for deductibility imposed by law; and
iii. no changes in tax legislation adversely affect the Group in realising the benefit from the deductions for the loss.

Note 4. Cash and cash equivalents

	2021 $
Current assets	
Cash on hand	-
Cash at bank	369,953
Cash on deposit	-
Total cash and cash equivalents	369,953

Note 5. Exploration and evaluation expenditure

	2021 $
Opening balance	-
Acquisition costs	46,351
Capitalised exploration expenditure	21,659
Closing balance	68,010

Capitalised exploration expenditure by project:	2021 $
Allamber Project [3]	16,713
Lake Johnson Project [1]	32,908
Mt Davis Project [2]	4,124
Shoobridge Project [2]	12,017
Woolgni Project [2]	2,248
Total capitalised exploration expenditure	68,010

[1] Kingsland Minerals Ltd acquired the Lake Johnson Project by acquiring all the shares in Kingsland Gold Pty Ltd via a Share Sale Agreement. The consideration was 263,514 shares at a deemed price of $0.10.

[2] On 8 July 2021, the Group entered into an Option Agreement with Bacchus Resources Pty Ltd to acquire the Pine Creek Project. Under the agreement, Bacchus grants the Group a twelve-month option from the date of agreement to purchase the tenements at an option fee of $10,000 in cash, which had been paid on 12 August 2021. This will be owned 100% on the successful admission of Kingsland Minerals Ltd to the official list of the ASX.

[3] On 8 July 2021, the Group entered into an Option Agreement with Trafalgar Resources Pty Ltd to acquire the Allamber Project. Under the agreement, Trafalgar grants the Group a twelve-month option from the date of agreement to purchase the tenements at an option fee of $10,000 in cash, which had been paid on 13 September 2021. The option can be extended for a further twelve-month period for $10,000 in cash. This will be owned 100% on the successful admission of Kingsland Minerals Ltd to the official list of the ASX.

Ultimate recovery of exploration costs is dependent upon the Group maintaining appropriate funding through success in its exploration activities or by capital raising, or sale/farm-out of its exploration tenement interests to support continued exploration activities.

Note 6. Trade and other receivables

	2021 $
Current assets	
Other receivables	5,000
Total trade and other receivables	5,000

Note 7. Trade and other payables

	2021 $
Current liabilities	
Other payables	24,442
Total trade and other payables	24,442

Note 8. Issued Capital

	2021 (Number)	2021 ($)
Ordinary shares - fully paid	8,763,514	471,351

Incorporation shares	6	6
Founder's shares	4,499,994	44,994
Issue of Shares on acquisition of Kingsland Gold Pty Ltd	263,514	26,351
Issue of shares – placement	4,000,000	400,000
Balance at 31 December 2021	8,763,514	471,351

Ordinary shares
Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Group in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Group does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Note 9. Reserves

	2021 (Number)	2021 ($)
Options	4,500,000	-

	Date issued	2021 (Number)	2021 ($)
Balance at 12 February 2021		-	-
Founder options	11/05/2021	4,500,000	-
Balance at 31 December 2021		4,500,000	-

Options on issue
The Group at year end had 4,500,000 options on issue with exercise price of 25 cents per options and expiry date of five years from issuance.

Note 10. Key management personnel disclosures

Directors
The following persons were directors of Kingsland Minerals Ltd during the financial period:

Richard Maddocks	Managing Director
Bruno Seneque	Director/Company Secretary
Nicholas Revell	Non-Executive Director
Malcolm Randall	Non-Executive Chairman

Compensation
No compensation has been paid to the directors since incorporation to 31 December 2021.

Note 11. Earnings per share

	2021
Basic (loss) per share (cents)	(1.06)
Diluted (loss) per share (cents)	(1.06)
Net (loss) used in the calculation of basic and diluted loss per share	(52,830)
Weighted average number of ordinary shares outstanding during the period used in the calculation of basic and diluted loss per share	4,978,893

Note 12. Commitments and contingencies

Contingencies
As at 31 December 2021, the Group has no material contingencies.

Exploration Commitments
The Group has no material commitments as at 31 December 2021. Exploration commitments have not been included as the Group is in the process of listing on the ASX. The Group will continue to assess each tenement annually and has the option to relinquish, sell, or divest a tenement should it not meet the expectations of the Group. The Group may apply for exemptions from expenditure if necessary.

Note 13. Related party transactions

Key management personnel
Disclosures relating to key management personnel are set out in Note 10.

Transactions with related parties
During the period, the Group entered into an Option Agreement with Trafalgar Resources Pty Ltd, a company where Bruno Seneque and Nicholas Revell are directors, to acquire the Allamber Project. Under the agreement, Trafalgar grants the Group a twelve-month option from the date of agreement to purchase the tenements at an option fee of $10,000 in cash, which had been paid on 13 September 2021.

Note 14. Financial instruments

Financial risk management objectives
The Group's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks, ageing analysis for credit risk and beta analysis in respect of investment portfolios to determine market risk.

Risk management is carried out by senior finance executives ('finance') under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the Group and appropriate procedures, controls and risk limits. Finance identifies, evaluates and hedges financial risks within the Group's operating units. Finance reports to the Board on a monthly basis.

Market risk

Foreign currency risk
The Group is not exposed to any significant foreign currency risk.

Price risk
The Group is not exposed to any significant price risk.

Interest rate risk
Changes in interest rates have an insignificant effect on the Group’s results.

Credit risk
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The Group obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The Group does not hold any collateral.

The Group has adopted a lifetime expected loss allowance in estimating expected credit losses to trade receivables through the use of a provisions matrix using fixed rates of credit loss provisioning. These provisions are considered representative across all customers of the Group based on recent sales experience, historical collection rates and forward-looking information that is available.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year.

Liquidity risk
Vigilant liquidity risk management requires the Group to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The Group manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Note 14. Financial instruments (continued)

Remaining contractual maturities
The following tables detail the Group's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

2021	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Trade payables	-	24,442	-	-	-	-
Total non-derivatives		24,442	-	-	-	-

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Note 15. Controlled Entities

	Country of Incorporation	Percentage Owned (%) 2021
Parent Entity		
Kingsland Minerals Limited	Australia	
Subsidiaries of Kingsland Minerals Limited		
Kingsland Gold Pty Ltd	Australia	100%

Note 16. Parent Entity Information

The following table sets out selective financial information relating to Kingsland Minerals Limited, the parent entity of the Group:

	2021 $
Financial position	
Current Assets	374,953
Non-current Assets	68,010
Current Liabilities	24,442
Non-current Liabilities	-
Net assets	418,521
Issued Capital	471,351
Accumulated losses	(52,830)
Total Equity	418,521
Financial performance	
Loss for year	(52,830)
Other comprehensive income	-
Total comprehensive loss	(52,830)
Guarantees entered into by the parent entity for debts of controlled entities	Nil

Note 17. Events after the reporting period

No other matters or circumstances have arisen since the end of the reporting period which significantly affected or may significantly affect the operations of the Group, the result of those operations or the state of affairs of the Group in subsequent financial years.

Note 18. Reconciliation of profit/(loss) after income tax to net cash from operating activities

	2021 $
Profit/(loss) after income tax (expense)/benefit for the year	(52,830)
Adjustments for:	
Share based payments	-
Change in operating assets and liabilities:	
Increase/(Decrease) in trade and other payables	21,374
Net cash used in operating activities	(31,456)

Kingsland Minerals Ltd
Directors' declaration
31 December 2021

In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in Note 1 to the financial statements;

- the attached financial statements and notes give a true and fair view of the Group's financial position as at 31 December 2021 and of its performance for the financial period ended on that date; and

- there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

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

On behalf of the Directors

Bruno Seneque
Director and Company Secretary

24 March 2022
Perth

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF Kingsland Minerals Ltd

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Kingsland Minerals Ltd ("the Company") and its subsidiaries ("the Consolidated Entity"), which comprises the consolidated statement of financial position as at 31 December 2021, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion:

a. the accompanying financial report of the Consolidated Entity is in accordance with the Corporations Act 2001, including:

   (i) giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2021 and of its financial performance for the year then ended; and

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

b. the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Basis for Opinion

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial report which indicates that the Consolidated Entity incurred a net loss of $52,830 during the year ended 31 December 2021. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern. Our opinion is not modified in this respect of this matter.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Consolidated Entity's annual report for the year ended 31 December 2021, but does not include the financial report and our auditor's report thereon.

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

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

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

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state in accordance with Australian Accounting Standard *AASB 101 Presentation of Financial Statements*, that the financial report complies with International Financial Reporting Standards.

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

Auditor's Responsibilities for the Audit of the Financial Report

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Consolidated Entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Consolidated Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Consolidated Entity to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Consolidated Entity audit. We remain solely responsible for our audit opinion.

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

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

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

Hall Chadwick

HALL CHADWICK WA AUDIT PTY LTD

Mark Delaurentis

MARK DELAURENTIS CA
Director

Dated Perth, Western Australia this 24th day of March 2022