LANTHANEIN RESOURCES

(FORMERLY FRONTIER RESOURCES LTD)

ABN 96 095 684 389

ANNUAL REPORT

FOR THE YEAR ENDED 30 JUNE 2022

LANTHANEIN RESOURCES LTD

ABN 96 095 684 389

CONTENTS

CORPORATE DIRECTORY

Non-Executive Chairman David Frances **Non-Executive Directors** Brian Thomas Peter Swiridiuk **Company Secretary** Matthew Foy **Stock Exchange** Australian Securities Exchange – LNR	**Registered Office** Level 8 99 St Georges Terrace Perth, WA, 6000 Australia Telephone: (08) 9486 4036 Facsimile: (08) 9486 4799 Email: matt.foy@ftcorporate.com.au Website: www.lanthanein.com **Postal Address**: PO Box 5638 St Georges Terrace Perth, WA, 6831 Australia	**Share Registry** Automic Group Pty Ltd Level 5,191 St Georges Terrace Perth, Western Australia 6000 **Auditors** Moore Australia Audit (WA) Level 15, 2 The Esplanade Perth, WA, 6000 Australia **Bankers** Westpac Banking Corp. Level 13, 109 St Georges Tce Perth, WA, 6000 Australia

DIRECTORS' REPORT

Your Directors present their report together with the financial statements of the Group consisting of Lanthanein Resources Ltd ("**Lanthanein**" or "**the Company**") and its controlled entities for the financial year ended 30 June 2022, the notes to the financial statements and the auditor's report thereon.

DIRECTORS

The following persons were Directors of Lanthanein Resources Ltd during the financial year and up to the date of this report unless otherwise stated:

David Frances (Non-Executive Chairman) (appointed 4 February 2022)
Brian Thomas (Non-Executive Director) (appointed 22 October 2021)
Peter Swiridiuk (Non-Executive Director)
Alec Pismiris (Non-Executive Chairman) (resigned 4 February 2022)
Jessica O'Neil (Non-Executive Director) (resigned 22 October 2021)

PRINCIPAL ACTIVITIES

The principal activities of the Group during the financial year were exploration and evaluation of economic minerals in Australia and Papua New Guinea.

RESULTS AND DIVIDENDS

The consolidated loss of the Group after tax (including discontinued operations) amounted to $2,101,860 (2021: $801,389). There were no dividends paid or recommended during the financial year ended 30 June 2022.

REVIEW OF OPERATIONS

Acquisition of Gascoyne Rare Earth Element, High Purity Alumina and Gold Projects, Western Australia

During the Period the Company advised it had entered into a conditional agreement to acquire all of the shares in Dalkeith Capital Pty Ltd (**Dalkeith**) which holds two granted exploration licences in the Gascoyne Region of Western Australia that are considered to be prospective for REE's (**Gascoyne Project**), two granted exploration licences prospective for bright white kaolin and High Purity Alumina (**HPA**) located 460km east of Perth (**Koolya Project**) and one exploration licence application prospective for gold 50km east of Kalgoorlie (**Kalgoorlie** Project).

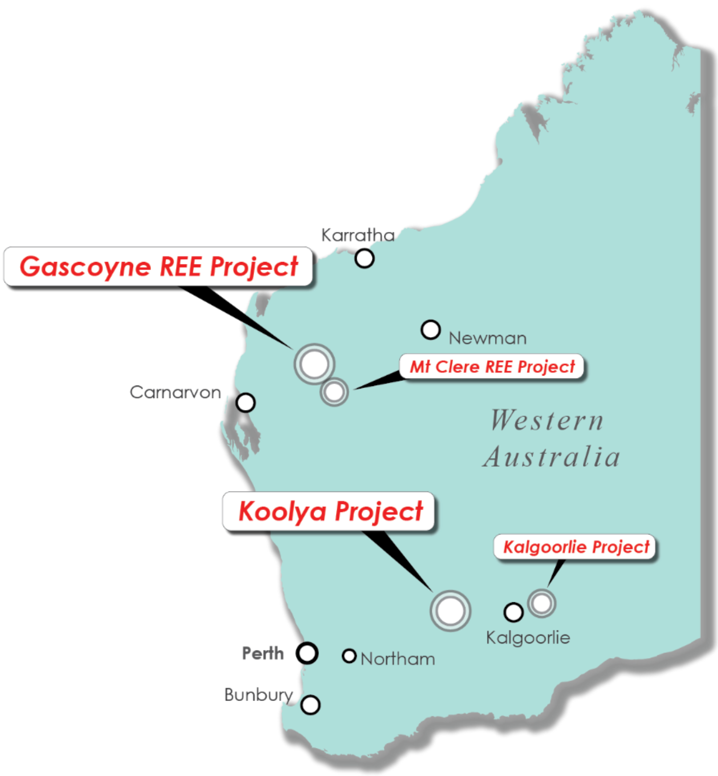

Figure 1. Location Map of the Projects in Western Australia.

The Gascoyne REE Project (Figures 1 and 2) adjoins the world-class Yangibana Deposit (ASX.HAS ~A$460 million market capitalisation) in the Gascoyne Region of Western Australia, set to be the next REE producer outside of China by 2023. The project area is also proximal to recent discoveries made by Dreadnought Resources[1] at their Mangaroon Project located ~15kms southwest of the Yangibana REE Resource (ASX.DRE ~A$104 million market capitalisation).

The REE-bearing Yangibana ironstones within the Durlacher Supersuite lithology were first targeted by prospectors in 1972 as base metal bearing gossans with the REE potential of the ironstones not assessed until 1985 and remained underexplored until Hastings Technology Metals (ASX.HAS) acquired the project in 2011. Hastings has since delineated a world-class JORC 2012 Mineral Resource[2] of 27.42Mt @ 0.97% TREO with 0.33% Nd_2O_3+Pr_6O_{11} and a ratio of 52% Nd Pr:TREO making it one of the highest value REE projects for ore value per kg. Access into the project area is very good with a combination of well-maintained gazetted and station roads located on Edmund and Wanna Pastoral Leases which will greatly assist exploration work programs.

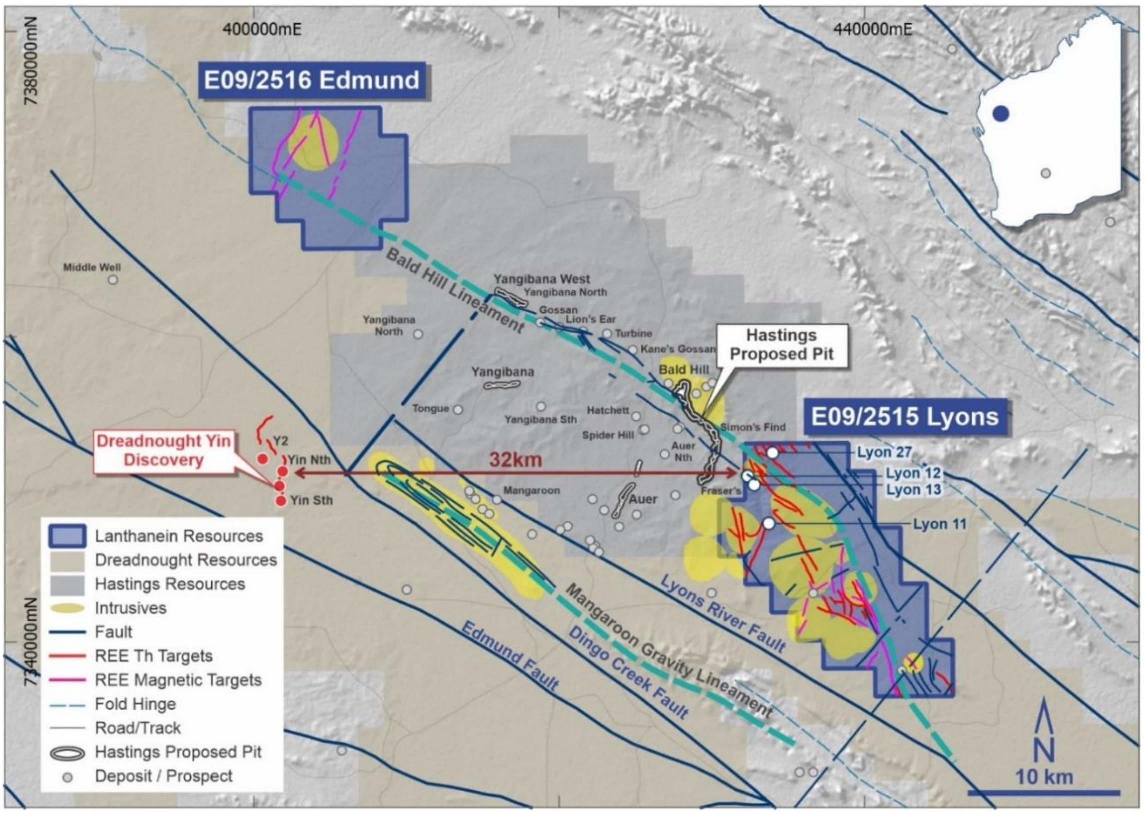

Figure 2. Location Map of the Edmund and Lyons tenements which make up the Gascoyne Project in Western Australia.

Koolya High Purity Alumina Project

The Koolya High Purity Alumina Project, which covers 240km², is prospective for bright white kaolin and High Purity Alumina (HPA) located 460km east of Perth (Figure 1). The region is a proven high quality kaolin producing region with Tellus Holdings Sandy Ridge kaolin mine 30km away to the northeast and Kula Gold's (ASX.KGD) recent discovery 80km south.

The Sandy Ridge open pit mine is very high-grade with an ISO Brightness of 84-86% (Optical Unfired), up to 36m thick and an initial 25 year mine life (Reference: KulaGold | Kaolin discovered by Kula Gold at Southern Cross).

DIRECTORS' REPORT

Kaolin is a platy white clay derived from the mineral Kaolinite formed by hydrothermal weathering of igneous rock such as granite. Whilst it is a common mineral, it rarely occurs in large high-grade and low impurity deposits. Kaolin deposits with low impurities are an optimal feedstock for High Purity Alumina (HPA) production via the direct synthesis of HPA 4N and 5N from kaolin ore.

The market for HPA is witnessing dramatic consumer driven growth, with the HPA market forecast to be US$4.49Bn by 2022 (Reference: Premium Kaolin for Ceramic Applications - Tellus Holdings). HPA growth has been invigorated in response to global investment in new applications and technologies such as electric vehicles (EV), static energy storage sector and LED lighting have created increased demand and market opportunities.

Mt Clere REE and Lithium Pegmatite Project, Western Australia

During the Period the Company advised of the strategic application for the Mt Clere Project consisting of one exploration licence application E52/4012 in the Gascoyne Region of Western Australia (Figure 3), considered to be prospective for REE's and lithium pegmatites (**Mt Clere Project**).

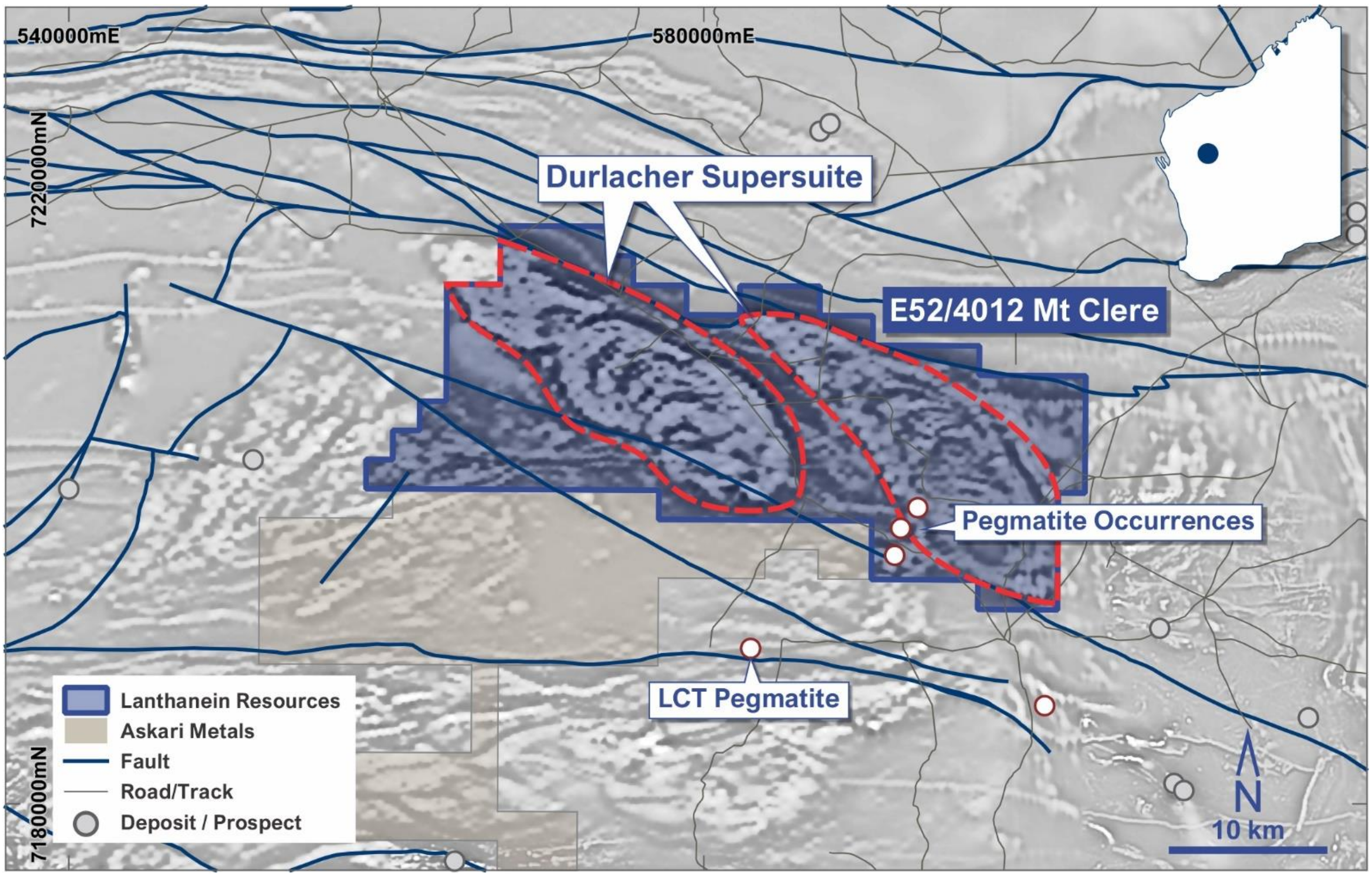

Figure 3. Mt Clere Project covering ~350km² of Durlacher Supersuite prospective for rare earths and lithium bearing pegmatites.

The Mt Clere project comprises one exploration licence application E52/4012 covering approximately 350km², located on the major Ti Tree Shear Zone which may be analogous to the relationship between the Lyons River Fault and the Gifford Creek Carbonatite Complex, host to Hastings Technology Metals Yangibana mine. Mt Clere is located along the northern margin of the Yarlarweelor Gneiss Belt, with major bodies of Proterozoic Durlacher Supersuite and Moorarie Supersuite granites also prospective for lithium bearing pegmatites. The review of publicly available data recorded fifty-one (51) pegmatites mapped across the Mt Clere Project area by the Geological Survey of Western Australia (GSWA). The surface extent and potential for these pegmatites to host lithium mineralisation will be a primary focus of initial work programs.

Murraydium Ionic Clay Hosted REE Project, South Australia

The Murraydium Project is located in the south-eastern region of Naracoorte in South Australia's Murray Basin, consisting of four exploration licence blocks, covering an area of 873km², owned 100% by Southern Rare Earths (SRE) a wholly owned subsidiary of Lanthanein (Figure 4). The region is seeing a renewed focus for REE minerals with the success of Australian Rare Earths (ASX:AR3) at their 100% owned Koppamurra Project, host to an inferred mineral resource[3] of 39.9 Mt @ 725 ppm TREO.

During April, the South Australian Department of Mines and Energy granted the Exploration Licence EL6717. The Company proceeded to finalise an Exploration Programme for Environment Protection and Rehabilitation (EPEPR) with the Department of Mines and Energy for approval for a drilling programme.

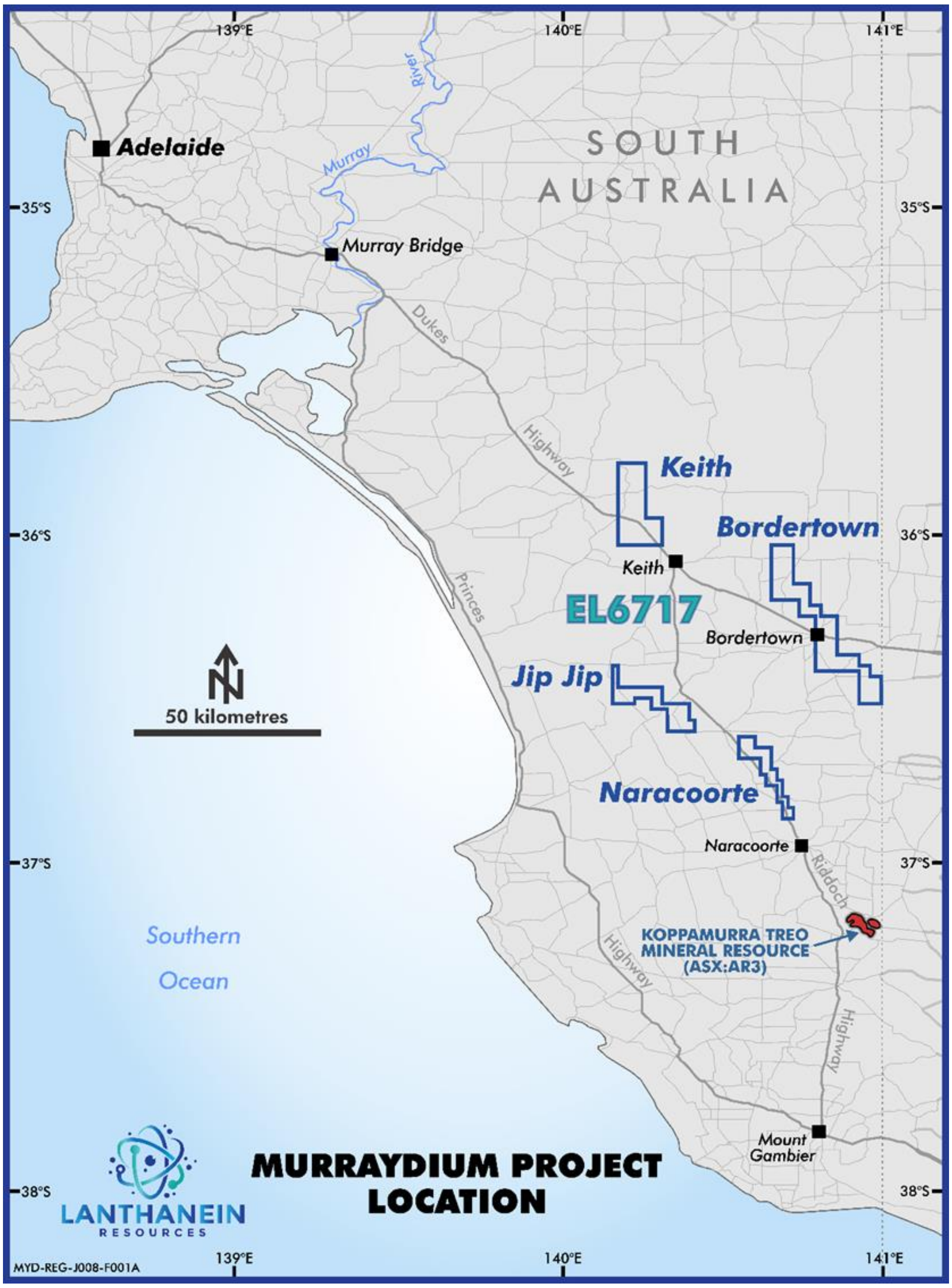

Figure 4: Location Map of Murraydium Ionic Clay Hosted REE Exploration Project.

The Company's focus on REE's is directly in line with global push for carbon neutrality driven by renewable energy (particularly wind turbine) installations and Electric Vehicle adoption driving global demand for the combination of rare earths.

The project area forms part of an extensive Tertiary strand plain comprising a series of sandstone-dominant fluvial and beach-dune strand complexes. The sand units commonly form undulating sand ridges interspersed with low lying areas of clay, mud and sand. The ASX listed Australian Rare Earths Limited (AR3) REE-bearing clays occur within the lower part of the Loxton-Parilla Sand unit which covers an extensive area of the SW Murray Basin in eastern South Australia. This is Lanthanein's main exploration target.

On 24 June 2022, the Company advised that South Australia's Department for Energy and Mining had granted an Exploration Program through its Environment Protection and Rehabilitation (EPEPR) approval for EL6717. The approval allows for a total of 307 Air Core drill holes to be drilled on roadside verges within the four tenement blocks Naracoorte, Bordertown, Jip Jip and Keith (Figure 4) to investigate the project area for the presence of laterally extensive shallow clay hosted REE mineralisation.

Tolukuma, Papua New Guinea (PNG)

Lanthanein's tenement in Papua New Guinea (EL2531) surrounds the Tolukuma gold Mining Lease ML104 in the Central Province, 70km North of the national Capital of Port Moresby (Figure 5).

The Company has previously announced the signing of an agreement with PNG based Lole Mining Limited for the sale of its wholly owned subsidiary Frontier Copper PNG Ltd, the holder of the Tolukuma Exploration Licence EL2531. In addition, Frontier Copper (PNG) Ltd is also the applicant for an Exploration Licence ELA2529 which covers the old Sinivit Gold Mine in the Gazelle Peninsula on New Britain Island.

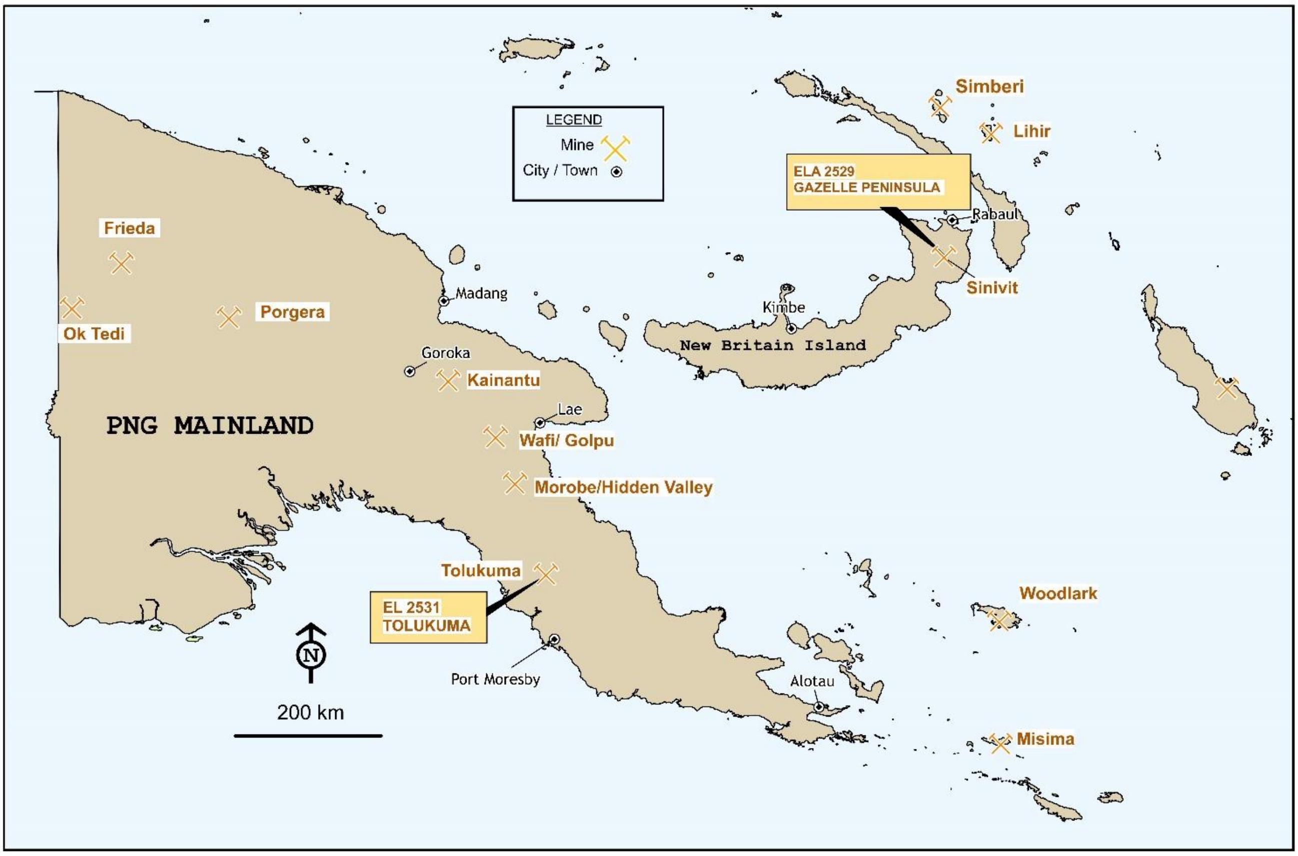

Figure 5. Location of Tolukuma EL2531 and Gazelle ELA2529.

Under a binding terms sheet, Lole has agreed to pay to Lanthanein A$2m comprised of A$500,000 cash and a further A$1.5m either in cash or by way of the issue of fully paid ordinary shares in Lole. Further consideration of A$1m is payable to Lanthanein if, within 5 years, an aggregate minimum of 500,000 oz of gold of not less than JORC (2012) indicated category of resource is identified on the tenements. The additional consideration is payable in either cash or shares (or a combination of cash and Lole Shares, at the election of Lole).

The information referred to in this report relates to the following sources:

[1] ASX.DRE: 28 July 2022 "Assays Confirm Yin as a High Grade Rare Earth Discovery"
5a699d6e-eab.pdf (investi.com.au)
[2] ASX.HAS: 5 May 2021 "Yangibana Project updated Measured and Indicated Resource tonnes up by 54%"
b07ebf9d-03c.pdf (investi.com.au). The HAS Resource estimate comprises 4.9Mt @1.01% TREO in the Measured category, 16.24Mt @0.95% TREO Indicated and 6.27Mt @0.99% TREO Inferred.
[3] 29/6/21 - Prospectus - Australian Rare Earths Limited (ar3.com.au)

CORPORATE

Murraydium Rare Earth Project Acquisition Terms
During the Period the Company completed the acquisition of 100% of the issued capital of Southern Rare Earths from the shareholders of the entity, none of whom were related parties to the Company (**Acquisition**). The consideration (**Consideration**) payable for the Acquisition was approved by shareholders at a meeting held on 16 September 2021 and comprised of:

- 57,692,307 fully paid ordinary shares at a deemed issue price of $0.013;
- Class A Performance Shares vest if within 24 months of the date of issue the Company achieves at least one drill intercept grading a minimum of 400ppm TREO over at least 10 metres.
- The Class B Performance Shares vest if within 36 months of the date of issue the Company delineates a JORC compliant resource of a minimum of 15 million tonnes grading a minimum of 500ppm TREO.

In addition to the Consideration, Lanthanein has reimbursed Project Risk Pty Ltd, a shareholder of Southern Rare Earths, $35,000 (plus GST) being expenses incurred in applying for and maintaining the tenement applications.

Capital Raisings & Underwritten Rights Issue
In conjunction with the Acquisition the Company received firm commitments for a capital raising of $1,300,000 (before costs) at a price of $0.013 per share by way of a placement to professional and sophisticated investors (**Capital Raising**). CPS Capital and Inyati Capital acted as Joint Lead Managers (**JLMs**) to the Capital Raising. The JLM's were issued 10,000,000 options over Lanthanein Shares at an issue price of $0.00001 (each exercisable at $0.02 and expiring 3 years from the date of issue).

The Capital Raising and issue of new shares and options was completed on 6 August 2021. The funds raised from the Capital Raising will be applied to exploration and development work on the Company's Tolukuma Gold Tenement, the Murraydium Project, general working capital purposes and business development purposes.

In conjunction with the Placement the Company undertook a fully underwritten non-renounceable entitlement offer of 73,637,743 new Shares at an issue price of $0.013 per new Share on the basis of one (1) new Share for every eight (8) existing shares held to raise $957,291 (**Rights Issue**).

The Rights Issue closed on 15 September 2021 heavily oversubscribed. A total of 52,339,544 new Shares were issued and allotted on 22 September 2021 to eligible shareholders who subscribed under the offer. On 1 October 2021 allotment of the shortfall Shares was completed. In accordance with the terms of the Underwriting agreement, the Underwriter, CPS Capital was issued 10,000,000 options over Lanthanein Shares at an issue price of $0.00001 (each exercisable at $0.02 and expiring 3 years from the date of issue).

Subsequent to the Period on 2 August 2022 the Company announced it had received firm commitments from sophisticated investors to raise $1,750,000 (before costs) via a placement (**Placement**) of 125 million shares at an issue price of $0.014 per share.

The subscribers to the Placement were offered 1 free attaching option exercisable at $0.03 expiring 31 December 2024 (**Placement Options**) for every two Placement Shares subscribed for. Quotation of 75,000,000 Placement Options was sought on ASX and official quotation commenced under the ticker code "LNRO" on 17 August 2022.

Allotment of the Placement Shares occurred on 10 August 2022. The funds raised from the Placement are to be used primarily to fund up-coming drilling campaigns at the Company's Gascoyne Rare Earth Elements (REE) Project and the Murraydium Ionic Clay REE Project.

The Placement was managed by Inyati Capital Pty Ltd (**Inyati**). Pursuant to the mandate with Inyati the Company paid 6% commission on funds raised under the Placement. Inyati also received 12.5 million options at an issue price of $0.00001 per option and otherwise on the same terms as the Placement Options.

Dalkeith Capital Acquisition

Following shareholder approval in December 2021 the Company completed the acquisition of Dalkeith Capital Pty Ltd on 4 January 2022 and issued the shareholders of Dalkeith 75,000,000 ordinary shares and 37,500,000 unquoted Performance Shares as follows:

18,750,000 Class C Performance Shares (expiring 4 January 2027); and
18,750,000 Class D Performance Shares (expiring 4 January 2027).

Lole Mining Ltd Sale Agreement General Meeting

Under the Binding Terms Sheet entered into with Lole on 18 March 2022, in consideration for the acquisition of the Tolukuma Gold Project, Lole has agreed to pay Lanthanein A$2 million comprised of A$500,000 cash and a further A$1.5m either in cash or by way of the issue of fully paid ordinary shares in Lole (**Lole Shares**), at the same issue price as the initial public offering to be conducted by Lole, or a combination of Lole Shares and cash, at the election of Lole (**Initial Consideration**).

Further consideration of A$1m is payable to the Company if within 5 years of payment of the Initial Consideration an aggregate minimum of 500,000 oz of gold of not less than JORC (2012) indicated category of resource is identified on the Tenements (**Milestone**). The additional consideration is payable in either cash or Lole Shares (or a combination of cash and Lole Shares, at the election of Lole). The Lole Shares will be issued at the volume weighted average price of Lole Shares over the 30 days in which trading in Lole Shares occurred prior to the announcement of the achievement of the Milestone.

Completion under the Binding Terms Sheet is conditional on:

- completion of due diligence enquiries by Lole in relation to Frontier PNG the Tenements and the proposed transaction generally;
- Lole obtaining renewal of ML 104;
- Lole either successfully completing its planned initial public offering and listing on the ASX or some other recognised securities exchange or the securities in Lole being sold to another company that is listed on ASX or some other recognised securities exchange; and
- Lanthanein obtaining the approval of its shareholders including under ASX Listing Rule 11.4 (if required) and Lanthanein obtaining all other required approvals and authorisations required for the proposed transaction. Accordingly, on 12 May 2022, Lanthanein obtained conditional approval under Listing Rule 11.4 to dispose of the Tolukuma assets to Lole Mining,

In the event that the securities in Lole are sold to another company, then to the extent Lanthanein is to be issued securities in that entity (rather than Lole) the issue price calculated in the same manner as set out above.

On 5 August 2022 ASX listed Tempest Minerals Ltd (ASX:TEM) (**Tempest**) announced an agreement to acquire Lole Mining and the Tolukuma Mine in a transformative deal (**Acquisition**). The Acquisition remains subject to the satisfaction of certain conditions, including Tempest shareholder approval and completion of a capital raising.

Company Name Change

Following shareholder approval at a General Meeting on 12 May 2022, the Company proceeded to officially change its name with the Australian Securities and Investments Commission. On 24 May 2022, the Company commenced trading under the name "Lanthanein Resources" with ASX ticker code LNR.

Change of Share Registry

The Company advised on 6 June 2022 that it had changed its provider for shareholder registry services from Computershare Limited to Automic Pty Ltd (**Automic**).

Shareholders can easily and efficiently manage their holdings via Automic's secure and highly accessible online investor portal. The portal provides, among other things, an online interface to update and manage shareholder details, view balances and transaction history.

Shareholder registration online

Shareholders that are not already a user of Automic's investor portal may visit https://investor.automic.com.au and signup to register their details using the two simple steps provided in the setup process. Shareholders with any queries in relation to their Lanthanein Resources Limited holding are advised to contact Automic at hello@automicgroup.com.au or on 1300 288 664 (within Australia) or +61 2 9698 5414 (outside Australia).

For additional information please visit our website at http://www.lanthanein.com/

Board Changes

On 22 October 2021 the Company announced that Mr Brian Thomas had accepted an invitation to join the Board of Lanthanein and was appointed as a Non-Executive Director.

Mr Thomas is a very experienced Director and Corporate Executive with significant domestic and international resources management experience. He is the principal of a boutique corporate advisory practice working with small to mid-market capitalisation companies and investor groups predominantly in the resources industry overseeing market oriented technical reviews plus advising on corporate finance, mergers & acquisitions and investor relations. He has held both Executive and Non-Executive Director roles with numerous ASX listed and unlisted companies after an extensive career in the financial services sector in corporate stockbroking, investment banking, funds management and corporate banking. He has more than 35 years of mining and exploration industry experience in a broad range of commodities from precious and base metals, bulk and industrial minerals, diamonds plus oil and gas.

The Board further advised that Ms Jessica O'Neil had resigned as a Director of the Company.

On 4 February 2022 the Company advised of the appointment of Mr David Frances as Non-Executive Chairman. Mr Frances is an international executive of nearly 30 years with a track record of transacting, discovering, funding, developing and operating assets in Australia and Africa. He has been a key figure in the transformation of several companies including Province Resources and their proposed 8GW green hydrogen project in Western Australia.

The Company further advised that Mr Alec Pismiris had resigned as Non-Executive Chairman of the Company.

Appointment of Technical Consultant

During the Period the Company announced the appointment of Mr Thomas Langley, through his geological consulting company Gascoyne Geological Services, as a Technical Consultant of the Company, providing geological input assisting in the planning of exploration programs and logistics to enable the greatest potential for discovery of economic resources.

Mr Langley holds a BSc Geology from the University of Western Australia and a MSc Economic Geology from the University of Tasmania (CODES). He has worked for several resource companies including BHP Nickel West, Northern Star Resources and Creasy Group, with extensive experience in both exploration and mining geology, across multiple commodities and deposit types in the Proterozoic Albany - Fraser Range, Proterozoic Paterson Province and the Archean Yilgarn Craton.

Mr Langley is currently the COO of ASX listed Province Resources and a Member of following organisations; The Australasian Institute of Mining and Metallurgy (MAusIMM), the Australian Institute of Company Directors (MAICD) and the Australian Institute of Geoscientists (MAIG).

ESG

Lanthanein is happy to announce that the Company has adopted the ESG reporting framework created by the World Economic Forum's Stakeholder Capitalism Metrics. In January 2022, the Company also engaged in the impact monitoring platform SocialSuite to monitor the progress and development of the frameworks 21 core metrics.

The metrics have been organised into four pillars – Principles of Governance, Planet, People and Prosperity – which are aligned with the essential elements of the UN Sustainable Development Goals. Each pillar is comprised of, up to 7 themes, considered to be the most important to society, the planet and the economy and the most universally relevant to all companies. Each critical in providing comprehensive understanding in measuring corporate performance and sustainable value creation.

By benchmarking our ESG progress against WEF's framework we look forward to clearly demonstrating our commitment and progress towards the benchmarks provided in the WEF ESG reporting framework and to clearly communicate our ongoing progress.

We will be sharing the Company's ESG reporting updates in our Quarterly and Annual Reports, and will make these available on our website.

Since January we have been working towards setting an ESG baseline, we look forward to sharing the baseline report once completed. In the meantime please see the comparison report below, showing the progress made so far.

Lanthanein

ASX:LNR

Period Comparison (Period 1 vs 2)

Progress	
P	In progress
C	Completed
N	Not applicable

Governance

Code	Description	Period 1 (Jan to Mar 2022) Status	Period 1 Progress (A1-A5)	Period 2 (Apr to Jun 2022) Status	Period 2 Progress (A1-A5)
GOVERNING PURPOSE					
GO-01-C1	Setting purpose	DRAFT	P P	REPORTED	P P
QUALITY OF GOVERNING BODY					
GO-02-C1	Governance body composition	DRAFT	P P C C P	REPORTED	P C C C C
STAKEHOLDER ENGAGEMENT					
GO-03-C1	Material issues impacting stakeholders	DRAFT	P	DRAFT	C C C
ETHICAL BEHAVIOUR					
GO-04-C1	Anti-corruption practices	REPORTED	C P C	REPORTED	C C C
GO-04-C2	Mechanisms to protect ethical behaviour	REPORTED	C C	REPORTED	C C
RISK AND OPPORTUNITY OVERSIGHT					
GO-05-C1	Integrating risk and opportunity into business process	DRAFT	P P P P P	REPORTED	C C C C C

Planet

Code	Description	Period 1 (Jan to Mar 2022) Status	Period 1 Progress (A1-A5)	Period 2 (Apr to Jun 2022) Status	Period 2 Progress (A1-A5)
CLIMATE CHANGE					
PL-01-C1	GHG emissions	REPORTED	C N N	REPORTED	C N N
PL-01-C2	TCFD implementation	REPORTED	N N N	REPORTED	N N N
NATURE LOSS					
PL-02-C1	Land use and key biodiversity areas	DRAFT		DRAFT	N N N
FRESHWATER AVAILABILITY					
PL-03-C1	Water consumption	DRAFT		DRAFT	

People

Code	Description	Period 1 (Jan to Mar 2022) Status	Period 1 Progress (A1-A5)	Period 2 (Apr to Jun 2022) Status	Period 2 Progress (A1-A5)
DIGNITY AND EQUALITY					
PE-01-C1	Diversity and inclusion	REPORTED	P P P P C	REPORTED	C C C C C
PE-01-C2	Pay equality	REPORTED	P P P C	REPORTED	C C C C
PE-01-C3	Wage level	REPORTED	P P	REPORTED	N N
PE-01-C4	Child, forced or compulsory labour	REPORTED	P	REPORTED	C
HEALTH AND WELL-BEING					
PE-02-C1	Health and safety	REPORTED	P N	REPORTED	C C
SKILLS FOR THE FUTURE					
PE-03-C1	Training provided	DRAFT	P P	REPORTED	C N

Prosperity

Code	Description	Period 1 (Jan to Mar 2022) Status	Period 1 Progress (A1-A5)	Period 2 (Apr to Jun 2022) Status	Period 2 Progress (A1-A5)
EMPLOYMENT AND WEALTH GENERATION					
PR-01-C1	Rate of employment	DRAFT	P P	VERIFIED	N N
PR-01-C2	Economic contribution	REPORTED	C C	VERIFIED	C C
PR-01-C3	Financial investment contribution	REPORTED	C C	VERIFIED	C C
INNOVATION OF BETTER PRODUCTS AND SERVICES					
PR-02-C1	Total R&D expenses	REPORTED	C	VERIFIED	C
COMMUNITY AND SOCIAL VITALITY					
PR-03-C1	Total tax paid	REPORTED	C	VERIFIED	C

Lanthanein | Period Comparison | Published on 28 Jul 2022

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Schedule 1 – Tenement Information

Lanthanein Resources Limited Tenement Information (Australia) as at 30 June 2022

Tenement Number and Name	Ownership	Sub-blocks	Area (sq.km)	Application /Grant Date	Expiry Date
E 09/2515 - Gascoyne (WA)	100% Dalkeith Capital Pty Ltd	47	147.02	17-Dec-21	16-Dec-26
E 09/2516 - Gascoyne (WA)	100% Dalkeith Capital Pty Ltd	25	78.35	17-Dec-21	16-Dec-26
E 77/2796 - Koolya (WA)	100% Dalkeith Capital Pty Ltd	47	138.78	05-Nov-21	04-Nov-26
E 77/2797 - Koolya (WA)	100% Dalkeith Capital Pty Ltd	28	82.68	05-Nov-21	04-Nov-26
E 27/648 - Kalgoorlie (WA)	100% Dalkeith Capital Pty Ltd	5	14.76	10-Jun-21	
E 52/4012 - Mt Clere (WA)	100% Dalkeith Capital Pty Ltd	191	591.63	23-Mar-22	22-Mar-27
EL6717 - Murraydium (SA)	100% Southern Rare Earths Pty Ltd	78	876.00	06-Apr-22	05-Apr-28
	Total of Granted Tenements	**421**	**1,929.22**		

Lanthanein Resources Limited Exploration Licence Information (Papua New Guinea)

Exploration Licence Number and Name	Ownership	Sub-blocks	Area (sq.km)*	Grant Date	Expiry Date
EL2531 - Tolukuma	100% Frontier Copper PNG Ltd	65	223.00	25-Feb-19	24-Feb-23
ELA2529 - Gazelle	*100% Frontier Copper PNG Ltd*	*211*	*719.51*	*N/A*	*N/A*
	Total of Granted EL's	65	223.00		

*1 sub-block approximately 3.41 sq.km

Notes: The PNG Mining Act-1992 stipulates that EL's are granted for a renewable 2 year term (subject to satisfying work and expenditure commitments).
The PNG Government maintains the right to purchase up to 30% project equity at "Sunk Cost" if/when a Mining Lease is granted.

Competent Person Statements:
The information in this document that relates to Australian exploration results, Mineral Resources or Ore Reserves is based on information compiled by Mr. Thomas Langley who is a member of the Australian Institute of Geoscientists (MAIG) and a member of the Australasian Institute of Mining and Metallurgy (MAusIMM). Mr. Thomas Langley is a consultant of Lanthanein Resources Limited, and is a shareholder, however Mr. Thomas Langley believes this shareholding does not create a conflict of interest, and Mr. Langley has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is 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. Langley consents to the inclusion in this presentation of the matters based on his information in the form and context in which it appears. Additionally, Mr Langley confirms that the entity is not aware of any new information or data that materially affects the information contained in the ASX releases referred to in this report

The information in this report that relates to PNG geophysical and exploration results and Mineral Resources is based on information compiled by or compiled under the supervision of Peter Swiridiuk - Member of the Aust. Inst. of Geoscientists. Peter Swiridiuk is a Technical Consultant and Non-Executive Director for Lanthanein Resources. Peter Swiridiuk has sufficient experience which is relevant to the type of mineralisation and type of deposit under consideration to qualify as Competent Person as defined in the 2012 Edition of the Australasian Code of Reporting Exploration Results, Mineral Resources and Ore Resources. Peter Swiridiuk consents to the inclusion in the report of the matters based on the information in the form and context in which it appears. Additionally, Mr Swiridiuk confirms that the entity is not aware of any new information or data that materially affects the information contained in the ASX releases referred to in this report.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

In the opinion of the Directors there were no significant changes in the state of affairs of the Group that occurred during the financial year not otherwise disclosed in this report.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

Subsequent to the Period on 18 August 2022 the Company advised that heritage avoidance surveys had been completed ahead of the maiden drill program at the Lyons Rare Earths Project.

Subsequent to the Period on 2 August 2022 the Company announced it had received firm commitments from sophisticated investors to raise $1,750,000 (before costs) via a Placement of 125 million shares at an issue price of $0.014 per share. The subscribers to the Placement were offered 1 free attaching option exercisable at $0.03 expiring 31 December 2024 (Placement Options) for every two Placement Shares subscribed for. Quotation of 75,000,000 Placement Options was sought on ASX and official quotation commenced under the ticker code "LNRO" on 17 August 2022.

Other than the above no matter or circumstance has arisen since 30 June 2022 that has significantly affected, or may significantly affect:

(i) the Group's operations in future financial years; or
(ii) the results of those operations in future financial years; or
(iii) the Group's state of affairs in future financial years.

CORPORATE GOVERNANCE

The Company's Corporate Governance Statement is available on its website www.lanthanein.com

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

Likely future developments in the operations of the Group and the expected results of those operations in subsequent financial years are consistent with those reported for the current period.

ENVIRONMENTAL REGULATIONS

The Group is subject to significant environmental regulation in respect of its mineral exploration activities.

The Group has exploration and mining tenements in Papua New Guinea. The Group is not aware of any breach of environmental regulations during or since the end of the financial year.

The Directors have considered the National Greenhouse and Energy Reporting Act 2007 (the NGER Act) which introduces a single national reporting framework for the reporting and dissemination of information about the greenhouse gas emissions, greenhouse gas projects, and energy use and production of corporations. At the current stage of development, the directors have determined that the NGER Act will have no effect on the company for the current, nor subsequent, financial years. The Directors will reassess this position as and when the need arises.

INFORMATION ON DIRECTORS
Director and Experience
David Frances (appointed 4 February 2022) **Non-Executive Chairman** Mr Frances is an international executive of nearly 30 years with a track record of transacting, discovering, funding, developing and operating assets in Australia and Africa. He has been a key figure in the transformation of several companies including Province Resources and their proposed 8GW green hydrogen project in Western Australia. Mr Frances has served as Chairman both Executive and Non-Executive, President, Managing Director and Non-Executive Director for a variety of ASX and TSX listed and private Companies across a diverse range of business. He has dealt with multiple governments at all levels and specialises in the delivery of tough projects in complex jurisdictions. He is committed to seeing companies move towards adopting the global standard for Environmental, Social and Governance (ESG) metrics and disclosures as released by the World Economic Forum. Particulars of Directors Interest in Securities in the Company: 11,250,000 options exercisable at $0.045 expiring 13/05/2025
Brian Thomas (appointed 22 October 2021) **Non-Executive Director** Mr Thomas is a very experienced Director and Corporate Executive with significant domestic and international resources management experience. He is the principal of a boutique corporate advisory practice working with small to mid-market capitalisation companies and investor groups predominantly in the resources industry overseeing market oriented technical reviews plus advising on corporate finance, mergers & acquisitions and investor relations. He has held both Executive and Non-Executive Director roles with numerous ASX listed and unlisted companies after an extensive career in the financial services sector in corporate stockbroking, investment banking, funds management and corporate banking. He has more than 35 years of mining and exploration industry experience in a broad range of commodities from precious and base metals, bulk and industrial minerals, diamonds plus oil and gas. Mr Thomas graduated from the University of Adelaide with a BSc in Geology and Mineral Economics, the University of Western Australia Business School with an MBA and the Securities Institute of Australia (now FinSIA) with a certificate in Applied Finance and Investment. Particulars of Directors Interest in Securities in the Company: 7,500,000 options exercisable at $0.03 expiring 31/12/2024

Peter Swiridiuk (appointed 1 December 2014)
Non-Executive Director
Peter Swiridiuk holds a BSc (Hons), DipEd, MAIG. Peter has over 32 years' experience exploring for copper, gold, diamonds, coal, REE and base metals. In 2007 he spent six years as Managing Director of ASX listed Coppermoly Limited where he attracted over $32 million through an IPO, capital raisings and joint venture partner Barrick Gold Corp. While leading Coppermoly, over 2 billion pounds of copper, in two separate JORC resources, were delineated on New Britain Island, Papua New Guinea.

Since 1997, he spent substantial amounts of time managing exploration, discovery and resource definition for projects in Australia, PNG, Solomon Islands, Philippines, Cyprus, Mexico and Oman, where his exploration led to the discovery of two copper mines. Peter has acted as a technical consultant to Lanthanein Resources since 2003. He has authored numerous independent technical reports for the purpose of capital raisings.

Peter was geophysicist for DeBeers diamond services during the 1990's where he managed geophysical surveys for the exploration of diamonds in Australia. Peter was previously a Director of Coppermoly Ltd.

Particulars of Directors Interest in Securities in the Company:
770,000 ordinary shares
7,500,000 options exercisable at $0.03 expiring 31/12/2024

Alec Pismiris (appointed 5 July 2019 and resigned 4 February 2022)
Non-Executive Chairman
Mr Pismiris is currently a director and company secretary for several ASX listed companies as well as a number of unlisted public and private companies. Mr Pismiris is a director of Pacton Gold Inc., a company listed on the TSX Venture Exchange. Mr Pismiris is also a Director of ASX Listed Sunshine Gold Limited, Agrimin Limited and The Market Herald Limited.

Mr Pismiris completed a Bachelor of Commerce degree at the University of Western Australia, is a member of the Australian Institute of Company Directors and a Fellow of The Governance Institute of Australia. Mr Pismiris has over 30 years' experience in the securities, finance and mining industries and has participated numerous times in the processes by which boards have assessed the acquisition and financing of a diverse range of assets and has participated in and become familiar with the range of evaluation criteria used and the due diligence processes commonly adopted in the commercial assessment of corporate opportunities. Mr Pismiris has a sound knowledge of ASX corporate governance guidelines, board processes and the regulatory environment in which public companies operate.

Jessica O'Neil (appointed 13 May 2020 and resigned 22 October 2021)
Non-Executive Director

Jessica holds a BBA, LLB, Masters of Applied Law (Family Law) and GDLP. Jessica has more than a decade's experience in legal practice, having worked principally in Family Law, and is currently a Consultant Family and Relationship Lawyer at Leach Legal.

Her legal practice involves principally complex property disputes involving trusts, corporate structures and third party interests. Jessica is also a Director of MSWA.

COMPANY SECRETARY – QUALIFICATIONS & EXPERIENCE

Matthew Foy - BCom, GradDipAppFin, GradDipACG, SAFin, FGIA, FCG
Matthew is a professional company secretary with over 15 years' experience facilitating Public Company compliance with core strengths in the ASX Listing Rules, operational and governance disciplines.

DIRECTORS' MEETINGS

The number of Directors' meetings (including meetings of committees of Directors) and number of meetings attended by each of the Directors of the Company during the financial year (and the number each Director was entitled to attend):

	Directors' Meetings	
	Number eligible to attend	**Number attended**
David Frances[1]	1	1
Brian Thomas[2]	4	4
Peter Swiridiuk	8	8
Alec Pismiris[3]	7	7
Jessica O'Neil[4]	4	4

1. Appointed 4 February 2022
2. Appointed 22 October 2021
3. Resigned 4 February 2022
4. Resigned 22 October 2021

REMUNERATION REPORT (Audited)

The information in this remuneration report has been audited as required by s.308 (3C) of the *Corporations Act 2001.*

(a) Principles used to determine the nature and amount of remuneration

The objective of the Group's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. As there is no remuneration committee the role is assumed by the full Board of Directors. The Board ensures that director and executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness;
- acceptability to shareholders;
- transparency; and
- capital management.

The Group has structured an executive remuneration framework that is market competitive and complementary to the reward strategy of the organisation.

Alignment to shareholders' interests:

- has economic profit as a core component of plan design;
- focuses on sustained growth in share price and delivering constant return on assets as well as focusing the executive on key non-financial drivers of value;
- attracts and retains high calibre executives;
- rewards capability and experience;
- reflects competitive reward for contribution to shareholder growth;
- provides a clear structure for earning rewards; and
- provides recognition for contribution.

REMUNERATION REPORT (continued)

(a) Principles used to determine the nature and amount of remuneration (continued)

Relationship between remuneration and Group performance

During the past year and since listing on 9 April 2003 the Group has generated losses because it is still involved in mineral exploration, not in production.

Given that the remuneration is commercially reasonable / appropriate / benchmarked, the link between remuneration, Group performance and shareholder wealth generation is tenuous, particularly in the exploration stage of a minerals company. Since listing the Group has recorded significant losses as it carries out exploration activities on its tenements, and no dividend has been paid. Share prices are subject to the influence of international metal prices and market sentiment toward the sector, and increases or decreases may occur quite independent of executive performance or remuneration. Share prices, largely unrelated to profit and loss, have fluctuated between \$0.014 and \$0.068 during the last twelve months, and at 30 June 2022 the price was \$0.017.

Non-Executive Directors

Fees and payments to Non-Executive Directors reflect their responsibilities and the demands placed on individual Directors. Non-Executive Directors' fees and payments are reviewed annually by the Board. The Board seeks to ensure Non-Executive Directors' fees and payments are appropriate and in line with the market.

Directors' fees

The current base remuneration was last reviewed with effect from February 2022. Directors' fees are inclusive of committee fees.

Non-Executive Directors' fees are determined within the Non-Executive Directors' fee pool limit, which is periodically recommended for approval by shareholders. The pool currently stands at \$300,000 per annum for Non-Executive Directors has approved at the Company's Annual General Meeting on 26 November 2019.

Retirement allowances for Directors

The Company provides no retirement allowances for Non-Executive Directors.

Executive pay

The executive pay and reward framework has four components:

- base pay and benefits;
- short-term incentives;
- long-term incentives through Directors options (refer Note 19); and
- other remuneration such as superannuation.

The combination of these comprises the executive's total remuneration.

Base pay

Structured as a total employment cost package which may be delivered as a mix of cash and prescribed non-financial benefits at the executive's discretion.

Executives are offered a competitive base pay that comprises the fixed component of pay and rewards. Base pay for senior executives is reviewed annually by the Board to ensure the executive's pay is competitive with the market. An executive's pay is also reviewed on promotion.

There are no guaranteed base pay increases fixed in any senior executives' contracts.

Benefits

Executives receive no benefits outside of the base pay, options and superannuation disclosed in this report.

(a) Principles used to determine the nature and amount of remuneration (continued)

Retirement benefits
Other than statutory superannuation contributions, no retirement benefits are provided for executives except statutory entitlements.

Short-term incentives
Key management personnel are entitled to short term incentives (STI's) based on performance that is agreed by the board from time to time.

Performance Conditions
There are no performance conditions on remuneration. The Board may from time to time pay a cash bonus to employees on the achievement of agreed individual performance indicators.

(b) Details of remuneration

Details of the nature and amount of each element of the emoluments of each of the key management personnel of the Group are set out in the following tables:

	Short-term employee benefits			Post-employment benefits		Share-based payment		Total
	Cash salary and fees	Cash bonus	Non-Monetary benefits	Super-annuation	Retirement benefits	Options*	Shares	$
2022	$	$	$	$	$	$	$	
Non-Executive Directors								
David Frances (i)	24,250	-	-	-	-	198,405	-	222,655
Brian Thomas (ii)	82,801	-	-	-	-	83,005	-	165,806
Peter Swiridiuk	199,619	-	-	-	-	83,005	-	282,624
Alec Pismiris (iii)	24,000	-	-	-	-	83,005	-	107,005
Jessica O'Neil (iv)	11,129	-	-	-	-	-	-	11,129
Total	341,799	-	-	-	-	447,420	-	789,219

(i) Appointed 4 February 2022
(ii) Appointed 22 October 2021
(iii) Resigned 4 February 2021
(iv) Resigned 22 October 2021

2021								
Non-Executive Directors								
Peter Swiridiuk	155,025	-	-	-	-	-	-	155,025
Alec Pismiris	36,000	-	-	-	-	-	-	36,000
Jessica O'Neil	36,000	-	-	-	-	-	-	36,000
Total	227,025	-	-	-	-	-	-	227,025

REMUNERATION REPORT (continued)

Remuneration that is performance based % is that percentage of remuneration that consisted of options.

The relative proportions of remuneration that are linked to performance and those that are fixed are as follows:

	Fixed Remuneration		At risk - STI		At risk – LTI *	
	2022	**2021**	**2022**	**2021**	**2022**	**2021**
Peter Swiridiuk	71%	100%	-	-	29%	-
David Frances (i)	11%	-	-	-	89%	-
Brian Thomas (ii)	50%	-	-	-	50%	-
Alec Pismiris (iii)	22%	100%	-	-	78%	-
Jessica O'Neil (iv)	100%	100%	-	-	-	-

* Long-term incentives reflect the value of remuneration consisting of options expensed during the year.

(i) Appointed 4 February 2022
(ii) Appointed 22 October 2021
(iii) Resigned 4 February 2022
(iv) Resigned 22 October 2021

(c) Service agreements

The Company has in place with each Director a Non-Executive Director appointment letter There are no service agreements in place for executive or non-executive Directors.

(d) Share-based Compensation

Options

Options may be granted to key management personnel under the Lanthanein Resources Ltd Employee Securities Incentive Plan (the **Plan**) last approved by shareholders on 26 November 2019.

In the last three years the Company has issued the following options pursuant to the Plan:

1. 33,000,000 options exercisable at $0.03 expiring 31/12/2024
2. 11,250,000 options exercisable at $0.045 expiring 3/05/2025

Options granted under the Plan carry no dividend or voting rights. All options were provided at no cost to the recipients. When exercisable, each option is convertible into one ordinary share of Lanthanein Resources Ltd. Further information on options is set out in Note 20 to the Financial Statements.

REMUNERATION REPORT (continued)

(e) Equity Instrument disclosures relating to KMP

(i) Options provided as remuneration and shares issued on exercise of such options

Details of options over ordinary shares in the Company provided as remuneration and shares issued on the exercise of such options, together with terms and conditions of the options, can be found in the Remuneration Report, if applicable.

(ii) Option holdings

The number of options over ordinary shares held by each KMP of the Group during the financial year is as follows:

2022 Name	Balance at the start of the year	Granted during the year as remuneration	Exercised during the year	Other changes during the year	Balance at the end of the year	Vested and exercisable at the end of the year
Directors -						
David Frances[1]	-	11,250,000	-	-	11,250,000	11,250,000
Brian Thomas[2]	-	7,500,000	-	-	7,500,000	7,500,000
Peter Swiridiuk	-	7,500,000	-	-	7,500,000	7,500,000
Alec Pismiris[3]	-	7,500,000	-	(7,500,000)	(7,500,000)	-
Jessica O'Neil[4]	-	-	-	-	-	-
Total	**-**	**33,750,000**	**-**	(7,500,000)	**26,250,000**	**26,250,000**

1. Appointed 4 February 2022
2. Appointed 22 October 2022
3. Resigned 4 February 2022
4. Resigned 22 October 2022

(e) Equity Instrument disclosures relating to KMP (continued)

The number of options over ordinary shares held by each KMP of the Group during the previous financial year is as follows:

2021 Name	Balance at the start of the year	Granted during the year as remuneration	Exercised during the year	Other changes during the year	Balance at the end of the year	Vested and exercisable at the end of the year
Directors -						
Alec Pismiris	-	-	-	-	-	-
Peter Swiridiuk	-	-	-	-	-	-
Jessica O'Neil[1]	-	-	-	-	-	-
Nathan Lude[2]	-	-	-	-	-	-
Fenix Dong[3]	-	-	-	-	-	-
Fei Peng[4]	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**

1. Appointed 13 May 2020.
2. Resigned 13 May 2020.
3. Resigned 5 July 2019. Interest in options held via Forise Investment Sydney Pty Ltd that Mr Dong was a director.
4. Resigned 3 July 2019. Interest in options held via Forise Investment Sydney Pty Ltd that Mr Peng was a director.

(iii) Share holdings

The numbers of shares in the Company held during the financial year by each Director of Lanthanein Resources Ltd and other key management personnel of the consolidated group are set out below.

REMUNERATION REPORT (continued)

(e) Equity Instrument disclosures relating to KMP (continued)

2022	Balance at the start of the year	Received during the year on the exercise of options	Purchases of Securities	Other changes during the year	Balance at the end of the year
Directors					
David Frances[1]	-	-	-	-	-
Brian Thomas[2]	-	-	-	-	-
Peter Swiridiuk	-	-	-	770,000	770,000
Alec Pismiris[3]	9,000,000		4,925,000	(13,925,000)	-
Jessica O'Neil[4]	-	-	-	-	-
Total	**9,000,000**	**-**	**4,9250,000**	**(13,155,000)**	**770,000**

1. Appointed 4 February 2022
2. Appointed 22 October 2022
3. Resigned 4 February 2022. Acquisitions comprised the following

a. 22 September 2021 purchased 1,125,000 ordinary shares at $0.013 in the rights entitlement issue announced 17 August 2021.

b. 1 October 2022 purchased 3,800,000 ordinary shares at $0.013 following shareholder approval on 16 September 2021.

4. Resigned 22 October 2022

2021	Balance at the start of the year	Received during the year on the exercise of options	Other changes during the year	Balance at the end of the year
Directors				
Alec Pismiris	9,000,000	-	-	9,000,000
Peter Swiridiuk	-	-	-	-
Jessica O'Neil[2]	-	-	-	-
Total	**9,000,000**			**9,000,000**

1. Acquisition of 1,000,000 shares on 13 January 2020 at $0.01 each, acquisition of 8,000,000 shares on 12 May 2020 at $0.008 each.
2. Appointed 13 May 2020.
3. Resigned 13 May 2020.
4. Resigned 5 July 2019. Interest in Shares held via Forise Investment Sydney Pty Ltd that Mr Dong was a director.
5. On 27 June 2019 Forise Investment Sydney disposed of 309,294,903 ordinary shares via an on-market special crossing.
6. Resigned 3 July 2019. Interest in Shares held via Forise Investment Sydney Pty Ltd that Mr Peng was a director.

(f) *Loans to Directors and executives*

No loans were made to Directors of Lanthanein Resources Ltd or other key management personnel of the consolidated group, including their personally-related entities (2021: Nil).

(g) *Other transactions with Directors and other key management personnel*

No transactions occurred between the Group and other key management personnel except for the reimbursement at cost of expenditure incurred on behalf of the Group.

REMUNERATION REPORT (continued)

(g) Other transactions with Directors and other key management personnel (continued)

Aggregate amounts of each of the above types of other transactions with Directors and key management personnel of Lanthanein Resources Ltd:

	2022 $	2021 $
Amounts recognised as expense		
Consulting fees:		
Administration	-	-
Exploration	-	-
Provision of office space	-	-
	-	-
Outstanding balance at year end	-	-

(h) Additional information

Share-based compensation: Options

The Company has a share trading policy which imposes basic trading restrictions on all employees of the Company with 'insider information', and additional trading restrictions on the Directors of the Company.

Full details of the Share Trading Policy can be found on the Company's website.

No options provided as remuneration were exercised during the year.

Relationship between remuneration and the Group's performance

The following table shows key performance indicators for the Group over the last five years:

	2022	2021	2020	2019	2018
Loss for the year	$2,101,860	$801,389	$783,940	$892,900	$726,546
Closing Share Price	1.7 cents	1.4 cents	1.1 cents	1.3 cents	1.3 cents
KMP Incentives	$447,421	$nil	$nil	$nil	$nil
Total KMP Remuneration	$789,220	$227,025	$293,381	$217,648	$194,967

Remuneration Consultants

The Group did not engage the services of any remuneration consultants during the year.

END OF AUDITED REMUNERATION REPORT

SHARES UNDER OPTION

The following unissued ordinary shares of Lanthanein Resources Ltd under option are on issue as at the date of this report:

1. 75,000,000 options exercisable at $0.03 expiring 31 December 2024
2. 20,000,000 options exercisable at $0.02 expiring 24 August 2024
3. 33,000,000 options exercisable at $0.03 expiring 31 December 2024
4. 11,250,000 options exercisable at $0.045 expiring 31 May 2025

SHARES ISSUED ON THE EXERCISE OF OPTIONS

During the financial year ended 30 June 2022, there were nil shares of Lanthanein Resources Ltd issued upon the exercise of options. None have been issued since the end of the financial year.

INSURANCE OF OFFICERS

Since the end of the previous financial year the consolidated group has paid insurance premiums in respect of directors' and officers' legal expenses and liability insurance. The policies prohibit disclosure of details of the policies or the premiums paid. The Company has not otherwise, during or since the end of the year, except at the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the company or any of its controlled entities against a liability incurred as such an officer or auditor.

NON-AUDIT SERVICES

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company and/or the Consolidated Group are important.

Details of the amounts paid or payable to the auditor (Moore Australia Audit (WA)) for audit and non-audit services provided during the year are set out below.

The Board of Directors has considered the position and is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001.* The Directors are satisfied that the provision of non-audit services by the auditor, as set out below, did not compromise the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- All non-audit services have been reviewed by the Board in its capacity as the Audit Committee to ensure they do not impact the impartiality and objectivity of the auditor; and

- None of the services undermine the general principles relating to the auditor independence as set out in APES 110 Code of Ethics for Professional Accountants, including reviewing or auditing the auditor's own work, acting in a management or a decision-making capacity for the Company, acting as advocate for the Company or jointly sharing economic risk and rewards.

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 26.

During the year the following fees were paid or payable for services provided by the auditor of the parent entity, its related practices and non-related audit firms.

	2022 $	2021 $
Assurance services		
Audit Services		
Moore Australia Audit (WA)	27,860	25,193
Sinton Spence Chartered Accountants (PNG)	-	-
Total remuneration for audit and assurance services	27,860	25,193
Taxation and Accounting Services		
Moore Australia (WA)	5,750	8,050
Sinton Spence Chartered Accountants (PNG)	4,353	7,024
Total remuneration for taxation services	10,103	15,074

PROCEEDINGS ON BEHALF OF COMPANY

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party, for the purpose of taking responsible on behalf of the company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the company with leave of the Court under Section 237 of the *Corporations Act 2001*.

This report is made in accordance with a resolution of the Directors.

David Frances
Non-Executive Chairman

23 September 2022

Moore Australia Audit (WA)

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

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2022, there have been:

a) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit, and

b) no contraventions of any applicable code of professional conduct in relation to the audit.

S Williams

SHAUN WILLIAMS
PARTNER

Moore Australia

MOORE AUSTRALIA AUDIT (WA)
CHARTERED ACCOUNTANTS

Signed at Perth this 23rd day of September 2022.

FINANCIAL REPORT – 30 JUNE 2022

This financial report includes the consolidated financial statements and notes of Lanthanein Resources Ltd and its controlled entities ('Consolidated Group' or 'Group'). The financial report is presented in the Australian currency.

Lanthanein Resources Ltd is a company limited by shares, incorporated and domiciled in Australia. Its principal place of business is:

Lanthanein Resources Ltd
Level 8, 99 St Georges Terrace
Perth WA 6000

Its registered office is:

Lanthanein Resources Ltd
Level 8, 99 St Georges Terrace
Perth WA 6000

A description of the nature of the Group's operations and principal activities is included in the Managing Director's Review of Operations in the Directors' report.

The financial report was authorised for issue by the Directors on 23 September 2022. The Company has the power to amend and reissue the financial report.

Through the use of the internet, we have ensured that our corporate reporting is timely, complete, and available globally at minimum cost to the Company. All press releases, financial reports and other information are available on our website: www.lanthanein.com.

For queries in relation to our reporting please call +61 8 9486 4036 or email matt.foy@ftcorpprate.com.au.

LANTHANEIN RESOURCES LTD
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022	2021
		$	$
Revenue from Continuing Operations			
Revenue	4	3,845	22,724
Other income	4	-	-
		3,845	22,724
Exploration expenditure	5	(479,729)	(518,344)
Administration and insurance expenses		(234,795)	(148,439)
Corporate compliance and shareholder		(190,990)	(49,178)
Gross employee benefit expense		(570,433)	(108,000)
Depreciation	9	-	(152)
Consultancy	5	(557,057)	-
Travelling expenses		(72,701)	-
Loss before income tax		(2,101,860)	(801,389)
Income tax expense/(benefit)	6	-	-
Loss after tax from continuing operations		(2,101,860)	(801,389)
Loss for the year attributable to ordinary equity holders of Lanthanein Resources Ltd		(2,101,860)	(801,389)
Other comprehensive income			
Items that may be subsequently reclassified to profit or loss:			
Movement in foreign currency translation		37,717	(47,493)
Other comprehensive income for the year		37,717	(47,493)
Total comprehensive loss for the year attributable to ordinary equity holders of Lanthanein Resources Ltd		(2,064,143)	(848,882)
Loss per share for the year attributable to members of Lanthanein Resources Ltd			**Cents**
Continuing operations		(0.28)	(0.16)
Total basic and diluted (loss) per share	15	(0.28)	(0.16)

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

LANTHANEIN RESOURCES LTD
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022

	Notes	2022 $	2021 $
ASSETS			
Current Assets			
Cash and cash equivalents	7	4,026,924	3,087,727
Trade and other receivables	8	92,547	34,881
Total Current Assets		4,119,471	3,122,608
Non-Current Assets			
Trade and other receivables	8	153	140
Plant and equipment	9	-	-
Exploration and evaluation expenditure	10	3,314,638	-
Total Non-Current Assets		3,314,791	140
Total Assets		7,434,262	3,122,748
LIABILITIES			
Current Liabilities			
Trade and other payables	11	312,397	87,028
Total Current Liabilities		312,397	87,028
Total Liabilities		312,397	87,028
Net Assets		7,121,865	3,035,720
EQUITY			
Contributed equity	14	44,247,249	39,219,988
Reserves	15	4,634,823	3,474,079
Accumulated losses	15	(41,760,207)	(39,658,347)
Total Equity		7,121,865	3,035,720

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

LANTHANEIN RESOURCES LTD
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2022

	Contributed Equity	Accumulated Losses	Share Based Payment Reserve	Options Premium Reserve	Foreign Currency Translation Reserve	Total
	$	$	$	$	$	$
Balance at 1 July 2020	39,219,988	(38,856,958)	3,939,885	179,640	(597,953)	3,884,602
Loss attributable to ordinary equity holders of Lanthanein Resources Ltd	-	(801,389)	-	-	-	(801,389)
Other comprehensive income -						
Foreign currency translation	-	-	-	-	(47,493)	(47,493)
Total comprehensive loss for the year	-	(801,389)	-	-	(47,493)	(848,882)
Transaction with owners, in their capacity as owners -						
Options issued during the year	-	-	-	-	-	-
Shares issued during the year, net of costs	-	-	-	-	-	-
Balance at 30 June 2021	39,219,988	(39,658,347)	3,939,885	179,640	(645,446)	3,035,720
Balance at 1 July 2021	39,219,988	(39,658,347)	3,939,885	179,640	(645,446)	3,035,720
Loss attributable to ordinary equity holders of Lanthanein Resources Ltd	-	(2,101,860)	-	-	-	(2,101,860)
Other comprehensive income -						
Foreign currency translation	-	-	-	-	37,717	37,717
Total comprehensive loss for the year		(2,101,860)	-	-	37,717	(2,064,143)
Transaction with owners, in their capacity as owners -						
Options issued during the year	-	-	-	785,550	-	785,550
Performance rights issued during the year	-	-	337,477	-	-	337,477
Shares issued during the year, net of costs	5,027,261	-	-	-	-	5,027,261
Balance at 30 June 2022	44,247,249	(41,760,207)	4,277,362	965,190	(607,729)	7,121,865

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

LANTHANEIN RESOURCES LTD
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022	2021
		$	$
Cash Flows From Operating Activities			
Payments to suppliers and employees		(557,851)	(320,370)
Interest received		3,845	22,724
Payments to exploration expenditure		(450,404)	(572,185)
Net cash outflow from operating activities	**21**	**(1,004,410)**	**(869,831)**
Cash Flows From Investing Activities			
Payments for exploration and evaluation		(583,562)	-
Net cash inflow/(outflow) from investing activities		**(583,562)**	**-**
Cash Flows From Financing Activities			
Proceeds from the issue of shares		2,718,702	-
Payments for capital raising costs		(192,596)	-
Net cash inflow/(outflow) from financing activities		**2,526,106**	**-**
Net increase/(decrease) in cash and cash equivalents		**938,134**	**(869,831)**
Cash at 1 July		3,087,727	3,956,910
Effect of exchange rates on cash holdings in foreign currencies		1,063	648
Cash at 30 June	**7**	**4,026,924**	**3,087,727**

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial report includes the consolidated financial statements and notes of Lanthanein Resources and controlled entities ('Consolidated Group' or 'Group).

Basis of preparation
This general purpose financial report has been prepared in accordance with Australian Accounting Standards and Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001.* Lanthanein Resources Ltd is a for profit entity for the purposes of preparing the financial statements.

Compliance with IFRS
These consolidated financial statements also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Historical cost convention
These financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain classes of plant and equipment.

Critical accounting estimates
The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(a) Principles of consolidation
The consolidated financial statements incorporate all of the assets, liabilities and results of the parent (Lanthanein Resources Ltd) and all of the subsidiaries (including any structured entities). Subsidiaries are entities the parent controls. The parent controls an entity when it 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 over the entity. A list of the subsidiaries is provided in Note 23.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealized gains or losses on transactions between group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

Equity interests in a subsidiary not attributable, directly or indirectly, to the Group are presented as "non-controlling interests". The Group initially recognizes non-controlling interests that are present ownership interests in subsidiaries and are entitled to a proportionate share of the subsidiary's net assets on liquidation at either fair value or at the non-controlling interests' proportionate share of the subsidiary's net assets. Subsequent to initial recognition, non-controlling interests are attributed their share of profit or loss and each component of other comprehensive income. Non-controlling interests are shown separately within the equity section of the statement of financial position and statement of comprehensive income.

Business combinations
Business combinations occur where an acquirer obtains control over one or more businesses.

A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. The business combination will be accounted for from the date that control is attained, whereby the fair value of the identifiable assets acquired and liabilities (including contingent liabilities) assumed is recognised (subject to certain limited exemptions).

When measuring the consideration transferred in the business combination, any asset or liability resulting from a contingent consideration arrangement is also included. Subsequent to initial recognition, contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability is remeasured in each reporting period to fair value, recognizing any change to fair value in profit or loss, unless the change in value can be identified as existing at acquisition date.

All transaction costs incurred in relation to business combinations, other than those associated with the issue of a financial instrument, are recognised as expenses in profit or loss when incurred.

The acquisition of a business may result in the recognition of goodwill or a gain from a bargain purchase.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(a) Principles of consolidation (continued)

Goodwill

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is calculated as the excess of the sum of:

(i) the consideration transferred;

(ii) any non-controlling interest (determined under either the full goodwill or proportionate interest method); and

(iii) the acquisition date fair value of any previously held equity interest;

over the acquisition date fair value of net identifiable assets acquired.

The acquisition date fair value of the consideration transferred for a business combination plus the acquisition date fair value of any previously held equity interest shall form the cost of the investment in the separate financial statements.

Fair value premeasurements in any pre-existing equity holdings are recognised in profit or loss in the period in which they arise. Where changes in the value of such equity holdings had previously been recognised in other comprehensive income, such amounts are recycled to profit or loss.

The amount of goodwill recognised on acquisition of each subsidiary in which the Group holds less than a 100% interest will depend on the method adopted in measuring the non-controlling interest. The Group can elect in most circumstances to measure the non-controlling interest in the acquire either at fair value *(full goodwill method)* or at the non-controlling interest's proportionate share of the subsidiary's identifiable net assets *(proportionate interest method).* In such circumstances, the Group determines which method to adopt for each acquisition and this is stated in the respective notes to these financial statements disclosing the business combination.

Under the full goodwill method, the fair value of the non-controlling interests is determined using valuation techniques which make the maximum use of market information where available. Under this method, goodwill attributable to the non-controlling interests is recognised in the consolidated financial statements.

Goodwill on acquisition of subsidiaries is included in intangible assets. Goodwill on acquisition of associates is included in investments in associates.

Goodwill is tested for impairment annually and is allocated to the Group's cash-generating units or groups of cash-generating units, representing the lowest level at which goodwill is monitored being not larger than an operating segment. Gains and losses on the disposal of an entity include the carrying amount of goodwill related to the entity disposed of.

Changes in the ownership interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions and do not affect the carrying amounts of goodwill.

(b) Cash and cash equivalents

For statement of cash flows presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Exploration and evaluation expenditure

Exploration, evaluation and development expenditures incurred are capitalised in respect of each identifiable area of interest. These costs are only capitalised to the extent that they are expected to be recovered 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 period 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 capitalise costs in relation to that area.

Costs of site restoration are provided for over the life of the project from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with local laws and regulations and clauses of the permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

Any changes in the estimates for the costs are accounted for on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly, the costs have been determined on the basis that the restoration will be completed within one year of abandoning the site.

(d) Plant and equipment

All 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 Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of profit or loss and other comprehensive income during the financial period in which they are incurred.

Items of plant and equipment are depreciated over their estimated useful lives. The diminishing balance method is used. Assets are depreciated from the date of acquisition or, in respect of internally constructed assets, from the time an asset is completed and held ready for use. Estimates of useful lives are made at the time of acquisition and varied as required.

Expected useful lives are: Plant and Equipment between 4 years and 7 years.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position 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.

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Impairment of assets

Assets 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 inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

(f) Employee benefits

Short-term employee benefits

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

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

Other long-term employee benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

The Group's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Group does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

Retirement benefit obligations

Defined benefit obligations

The Group provides defined benefit superannuation entitlements to select employees of the Group.

The difference, if any, between the Group's obligation for employees' defined benefit entitlements at the end of the reporting period and the fair value of plan assets attributable to the employees at the same date is presented as a net defined benefit liability (asset) in the statement of financial position. The Group's obligation for defined benefit entitlements, as well as the related current service cost and, where applicable, past service cost, is calculated at the end of each reporting period by an independent and suitably qualified actuary using the projected unit credit method. In determining the Group's obligation for defined benefits, the actuary discounts the present value of the estimated future cash flows attributable to providing the defined benefit entitlements at rates determined by reference to market yields at the end of the reporting period on Australian government bonds that have maturity dates that approximate the terms of the obligation.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Employee benefits (continued)

Any net defined benefit asset recognised by the Group is limited to the present value of economic benefits available in the form of any future refunds from the employees' defined benefit plan or reductions in future contributions in respect of employees with defined benefit entitlements. In calculating the present value of any such potential economic benefits, consideration is given to any minimum funding requirements that apply in respect to the employees' defined benefit entitlements. An economic benefit is considered available to the Group if it is realizable during the period of the employees' membership of the plan or on settlement of all of the employees' entitlements from plan assets.

The periodic cost of providing defined benefit entitlements is disaggregated and accounted for as follows:

- service cost (including current and past service costs and any gains or losses on settlements or curtailments) is recognised in profit or loss in the period in which it arises as a part of employee benefits expense;
- interest on the net defined benefit liability (asset) is calculated by multiplying the average balance of the liability (asset) during the reporting period by the discount rate applied to the defined benefit obligation and is recognised in profit or loss in the period in which it arises as a part of finance costs; and
- remeasurements of the net defined benefit liability (asset) (including actuarial gains and losses, the return on plan assets less amounts included in the net interest on the net defined benefit liability (asset), and any changes in the limit on a net defined benefit asset (excluding interest)) are recognised in other comprehensive income (retained earnings) in the periods in which they occur.

Defined contribution superannuation benefits

All employees of the Group other than those that receive defined benefit entitlements receive defined contribution superannuation entitlements, for which the Group pays the fixed superannuation guarantee contribution (currently 10.00% of the employee's average ordinary salary) to the employee's superannuation fund of choice. All contributions in respect of employees' defined contribution entitlements are recognised as an expense when they become payable. The Group's obligation with respect to employees' defined contribution entitlements is limited to its obligation for any unpaid superannuation guarantee contributions at the end of the reporting period. All obligations for unpaid superannuation guarantee contributions are measured at the (undiscounted) amounts expected to be paid when the obligation is settled and are presented as current liabilities in the Group's statement of financial position.

Termination benefits

When applicable, the Group recognises a liability and expense for termination benefits at the earlier of: (a) the date when the Group can no longer withdraw the offer for termination benefits; and (b) when the Group recognises costs for restructuring pursuant to AASB 137: *Provisions, Contingent Liabilities and Contingent Assets* and the costs include termination benefits. In either case, unless the number of employees affected is known, the obligation for termination benefits is measured on the basis of the number of employees expected to be affected. Termination benefits that are expected to be settled wholly before 12 months after the annual reporting period in which the benefits are recognised are measured at the (undiscounted) amounts expected to be paid. All other termination benefits are accounted for on the same basis as other long-term employee benefits.

Equity-settled compensation

Share-based payments to employees are measured at the fair value of the instruments issued and amortised over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The corresponding amount is recorded to the option reserve. The fair value of options is determined using the Black-Scholes pricing model. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognised for services received as consideration for the equity instruments granted is based on the number of equity instruments that eventually vest.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

Revenue from the drilling contract is recognised based on the terms of the contract that provide for revenue recognition on the basis of actual meters drilled at contract rates. Revenue from ancillary charges, primarily relating to extra services to the customer, is recorded when the services are rendered. Revenue in relation to the reimbursable expenditure is recognised in the period in which the expenditure was incurred,

All revenue is stated net of the amount of goods and services tax (GST).

(h) Interest income

Interest income is recognised on a time proportion basis using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loans is recognised using the original effective interest rate.

(i) Income tax

The income tax expense (benefit) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting period. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at the end of the reporting period. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Income tax (continued)
Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur.

Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

(j) Goods and Services Tax (GST)
Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flow.

(k) Provisions
Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will results and that outflow can be reliably measured.

(l) Borrowing costs
Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in income in the period in which they are incurred.

(m) Earnings per share

Basic earnings per share
Basic earnings per share is calculated by dividing the profit after tax attributable to equity holders of the company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year.

Diluted earnings per share
Potential shares as a result of options outstanding at the end of the year are not dilutive and therefore have not been included in the calculation of diluted earnings per share.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(n) Foreign currency transactions and balances

The functional currency of each of the group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

Transaction and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the statement of profit or loss and other comprehensive income, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity, otherwise the exchange difference is recognised in the statement of profit or loss and other comprehensive income.

Group companies

The financial results and position of foreign operations whose functional currency is different from the group's presentation currency are translated as follows:

a. Assets and liabilities are translated at year-end exchange rates prevailing at that reporting date;
b. Income and expenses are translated at average exchange rates for the period; and
c. Share capital and retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations are transferred directly to the group's foreign currency translation reserve in the statement of financial position. These differences are recognised in the statement of profit or loss and other comprehensive income in the period in which the operation is disposed.

(o) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors.

(p) Comparative Figures

Where required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current financial year.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(q) New, revised or amending Accounting Standards and Interpretations adopted

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

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

(r) New Accounting Standards for Application in Future Periods

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

(s) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions to the instrument. For financial assets, this is the date that the Group commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments (except for trade receivables) 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 to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component or if the practical expedient was applied as specified in AASB 15.63.

Classification and subsequent measurement

Financial liabilities

Financial instruments are subsequently measured at:

- amortised cost; or
- fair value through profit or loss.

A financial liability is measured at fair value through profit and loss if the financial liability is:

- a contingent consideration of an acquirer in a business combination to which AASB 3: Business Combinations applies;
- held for trading; or
- initially designated as at fair value through profit or loss.

All other financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in profit or loss over the relevant period. The effective interest rate is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

A financial liability is held for trading if:

- it is incurred for the purpose of repurchasing or repaying in the near term;
- part of a portfolio where there is an actual pattern of short-term profit taking; or
- a derivative financial instrument (except for a derivative that is in a financial guarantee contract or a derivative that is in an effective hedging relationships).

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(s) Financial Instruments (continued)
Any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship are recognised in profit or loss.

The change in fair value of the financial liability attributable to changes in the issuer's credit risk is taken to other comprehensive income and are not subsequently reclassified to profit or loss. Instead, they are transferred to retained earnings upon derecognition of the financial liability. If taking the change in credit risk in other comprehensive income enlarges or creates an accounting mismatch, then these gains or losses should be taken to profit or loss rather than other comprehensive income.

A financial liability cannot be reclassified.
Financial guarantee contracts
A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Financial guarantee contracts are initially measured at fair values (and if not designated as at fair value through profit or loss and do not arise from a transfer of a financial asset) and subsequently measured at the higher of:
- the amount of loss allowance determined in accordance with AASB 9.3.25.3; and
- the amount initially recognised less the accumulative amount of income recognised in accordance with the revenue recognition policies.

Financial assets
Financial assets are subsequently measured at:
- amortised cost;
- fair value through other comprehensive income; or
- fair value through profit or loss.

Measurement is on the basis of two primary criteria:
- the contractual cash flow characteristics of the financial asset; and
- the business model for managing the financial assets.

A financial asset that meets the following conditions is subsequently measured at amortised cost:
- the financial asset is managed solely to collect contractual cash flows; and
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

A financial asset that meets the following conditions is subsequently measured at fair value through other comprehensive income:
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates; and
- the business model for managing the financial assets comprises both contractual cash flows collection and the selling of the financial asset.

By default, all other financial assets that do not meet the measurement conditions of amortised cost and fair value through other comprehensive income are subsequently measured at fair value through profit or loss.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(s) Financial Instruments (continued)

The Group initially designates a financial instrument as measured at fair value through profit or loss if:
- it eliminates or significantly reduces a measurement or recognition inconsistency (often referred to as “accounting mismatch”) that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases; and
- it is in accordance with the documented risk management or investment strategy, and information about the groupings was documented appropriately, so that the performance of the financial liability that was part of a group of financial liabilities or financial assets can be managed and evaluated consistently on a fair value basis;

it is a hybrid contract that contains an embedded derivative that significantly modifies the cash flows otherwise required by the contract.

The initial designation of the financial instruments to measure at fair value through profit or loss is a one-time option on initial classification and is irrevocable until the financial asset is derecognised.

Equity instruments

At initial recognition, as long as the equity instrument is not held for trading and not a contingent consideration recognised by an acquirer in a business combination to which AASB 3: Business Combinations applies, the Group made an irrevocable election to measure any subsequent changes in fair value of the equity instruments in other comprehensive income, while the dividend revenue received on underlying equity instruments investment will still be recognised in profit or loss.

Regular way purchases and sales of financial assets are recognised and derecognised at settlement date in accordance with the Group's accounting policy.

Derecognition

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

Derecognition of financial liabilities

A liability is derecognised when it is extinguished (i.e. when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Derecognition of financial assets

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All of the following criteria need to be satisfied for derecognition of financial asset:
- the right to receive cash flows from the asset has expired or been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and
- the Group no longer controls the asset (i.e. the Group has no practical ability to make a unilateral decision to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(s) Financial Instruments (continued)

On derecognition of a debt instrument classified as at fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss.

On derecognition of an investment in equity which was elected to be classified under fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Derivative financial instruments

The Group enters into various derivative financial instruments (ie foreign exchange forward contracts and interest rate swaps) to manage its exposure to interest rate and foreign exchange rate risks.

Derivative financial instruments are initially and subsequently measured at fair value. All gains and losses subsequent to the initial recognition are recognised in profit or loss.

Impairment

The Group recognises a loss allowance for expected credit losses on:

- financial assets that are measured at amortised cost or fair value through other comprehensive income;
- lease receivables;
- contract assets (e.g. amounts due from customers under construction contracts);
- loan commitments that are not measured at fair value through profit or loss; and
- financial guarantee contracts that are not measured at fair value through profit or loss.

Loss allowance is not recognised for:

- financial assets measured at fair value through profit or loss; or
- equity instruments measured at fair value through other comprehensive income.

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

The Group uses the following approaches to impairment, as applicable under AASB 9: Financial Instruments:

- the general approach;
- the simplified approach;
- the purchased or originated credit impaired approach; and
- low credit risk operational simplification.

General approach

Under the general approach, at each reporting period, the Group assesses whether the financial instruments are credit-impaired, and if:

- the credit risk of the financial instrument has increased significantly since initial recognition, the Group measures the loss allowance of the financial instruments at an amount equal to the lifetime expected credit losses; or
- there is no significant increase in credit risk since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(s) Financial Instruments (continued)

Simplified approach

The simplified approach does not require tracking of changes in credit risk at every reporting period, but instead requires the recognition of lifetime expected credit loss at all times. This approach is applicable to:

- trade receivables or contract assets that result from transactions within the scope of AASB 15: Revenue from Contracts with Customers and which do not contain a significant financing component; and
- lease receivables.

In measuring the expected credit loss, a provision matrix for trade receivables was used taking into consideration various data to get to an expected credit loss (ie diversity of customer base, appropriate groupings of historical loss experience, etc).

Purchased or originated credit-impaired approach

For a financial asset that is considered credit-impaired (not on acquisition or origination), the Group measures any change in its lifetime expected credit loss as the difference between the asset’s gross carrying amount and the present value of estimated future cash flows discounted at the financial asset’s original effective interest rate. Any adjustment is recognised in profit or loss as an impairment gain or loss.

Evidence of credit impairment includes:

- significant financial difficulty of the issuer or borrower;
- a breach of contract (eg default or past due event);
- a lender granting to the borrower a concession, due to the borrower's financial difficulty, that the lender would not otherwise consider;
- high probability that the borrower will enter bankruptcy or other financial reorganisation; and
- the disappearance of an active market for the financial asset because of financial difficulties.

Low credit risk operational simplification approach

If a financial asset is determined to have low credit risk at the initial reporting date, the Group assumes that the credit risk has not increased significantly since initial recognition and accordingly it can continue to recognise a loss allowance of 12-month expected credit loss.

In order to make such a determination that the financial asset has low credit risk, the Group applies its internal credit risk ratings or other methodologies using a globally comparable definition of low credit risk.

A financial asset is considered to have low credit risk if:

- there is a low risk of default by the borrower;
- the borrower has strong capacity to meet its contractual cash flow obligations in the near term; and
- adverse changes in economic and business conditions in the longer term may, but not necessarily will, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

A financial asset is not considered to carry low credit risk merely due to existence of collateral, or because a borrower has a risk of default lower than the risk inherent in the financial assets, or lower than the credit risk of the jurisdiction in which it operates.

Recognition of expected credit losses in financial statements

At each reporting date, the Group recognises the movement in the loss allowance as an impairment gain or loss in the statement of profit or loss and other comprehensive income.

The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(s) Financial Instruments (continued)

Assets measured at fair value through other comprehensive income are recognised at fair value, with changes in fair value recognised in other comprehensive income. Amounts in relation to change in credit risk are transferred from other comprehensive income to profit or loss at every reporting period.

For financial assets that are unrecognised (eg loan commitments yet to be drawn, financial guarantees), a provision for loss allowance is created in the statement of financial position to recognise the loss allowance.

NOTE 2 FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks; market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group is engaged in mineral exploration and evaluation, and does not currently sell product and derives only limited revenue from interest earned.

Risk management is carried out by the board as a whole and no formal risk management policy has been adopted but is in the process of development.

(a) Market risk

(i) Foreign exchange risk

Foreign exchange risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the entity’s functional currency.

The Group operates internationally and is exposed to foreign exchange risk arising from currency exposures to the PNG Kina. Since the Group has not yet commenced mining operations or to sell products the exposure is limited to the movement in loan accounts between the Parent and the Subsidiaries located in Papua New Guinea.

The Group limits its foreign currency risk by limiting funds held in overseas bank accounts and paying its creditors promptly. The Group’s exposure to foreign currency risk on PNG Kina, translated into Australian Dollars at 30 June, was as follows:

	2022 AUD	2022 Kina	2021 AUD	2021 Kina
Foreign currency assets and liabilities				
Cash and cash equivalents	5,150	12,492	12,935	34,120
Trade and other receivables	-	-	-	-
Prepayments	-	-	-	-
Intercompany loans payable	(18,286,438	(44,357,414)	(16,395,436)	(43,249,521)
Trade and other payables	(2,736)	(6,636)	(2,232)	(5,888)

NOTE 2 FINANCIAL RISK MANAGEMENT (continued)

(ii) Interest rate risk

From time to time the Group has significant interest bearing assets, but they are as a result of the timing of equity raising and capital expenditure rather than a reliance on interest income. Exposure to interest rates is limited to the cash and cash equivalents balances.

The Group's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates, and the effective weighted average interest rate for each class of financial assets and financial liabilities comprises:

2022	**Floating Interest Rate**	**Non-interest bearing**	**Total**
	$	**$**	**$**
Financial assets			
Cash and cash equivalents	4,026,924	-	4,026,924
Trade and other receivables		92,547	92,547
Prepayments	-	-	-
	4,026,924	92,547	4,119,471
Weighted average interest rate			
Financial liabilities			
Trade and other payables	-	312,397	312,397
	-	312,397	312,397
Net financial assets	4,026,924	(219,850)	3,807,074

2021	**Floating Interest Rate**	**Non-interest bearing**	**Total**
	$	**$**	**$**
Financial assets			
Cash and cash equivalents	3,087,727	-	3,087,727
Trade and other receivables		34,881	34,881
Prepayments	-	-	-
	3,087,727	34,881	3,122,608
Weighted average interest rate			
Financial liabilities			
Trade and other payables	-	87,028	87,028
	-	87,028	87,028
Net financial assets	3,087,727	(52,147)	3,035,580

NOTE 2 FINANCIAL RISK MANAGEMENT (continued)

Sensitivity analysis
The following table illustrates sensitivities of the Group's exposure to changes in interest rates. The table indicates the impact on how profit reported at balance date would have been affected by changes in the interest rate risk variable that management considers to be reasonably possible.

	2022 $	2021 $
Net financial assets subject to variable interest rates	4,026,924	3,087,727
Increase in profits resulting from a 1% pa increase in variable interest rates	40,269	30,877
Decrease in profits resulting from a 1% pa decrease in variable interest rates	(40,269)	(30,877)

The following table illustrates sensitivities of the Group's exposure to changes in foreign exchange rates. The table indicates the impact on how other comprehensive income reported at balance date would have been affected by changes in the foreign exchange rate variable that management considers to be reasonably possible.

	2022 $	2021 $
Decrease in other comprehensive income resulting from a 10% increase in Australian Dollar against the Kina	(515)	(1,643)
Increase in other comprehensive income resulting from a 10% decrease in Australian Dollar against the Kina	515	1,643

The entity is not exposed to material price risk.

Net Fair Value
Cash and cash equivalents, trade and other receivables, and trade and other payables are short-term investments in nature whose carrying value is equivalent to fair value.

(b) Credit risk
Credit risk exposure represents the extent of credit related losses that the Group may be subject to on amounts to be received from financial assets. Credit risk arises principally from trade and other receivables including intercompany loans and cash. The objective of the Group is to minimise the risk of loss from credit risk. Although revenue from operations is minimal, the Group trades only with creditworthy third parties. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is insignificant. Credit terms are generally 30 days from the invoice date. The Group has no concentrations of credit risk, other than holding all its cash with Westpac Bank. The Group's maximum credit risk exposure is limited to the carrying value of its financial assets as indicated on the statement of financial position, which has not changed materially from the prior year.

Receivables also include $153 (2021: $140) in bonds, primarily mines department deposits.

Credit risk exposures
Credit risks related to balances with bank and other financial institutions is managed by the Board in accordance with Board policy. Such policy requires that surplus funds are only invested with counterparties with a Standard and Poor's rating of at least AA-. Cash is held with Westpac Banking Corporation, which is AA Rated.

NOTE 2 FINANCIAL RISK MANAGEMENT (continued)

(b) Credit risk (continued)

The maximum exposure to credit risk is as follows:

	2022 $	2021 $
Current Assets:		
Cash and cash equivalents	4,026,924	3,087,727
Trade and other receivables	92,547	34,881
Non-Current Assets:		
Trade and other receivables	153	140
	4,119,624	3,122,748

(c) Liquidity risk

Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities.

The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and ensuring sufficient cash and marketable securities are available to meet the current and future commitments of the Group. Due to the nature of the Group's activities, being mineral exploration, the Group does not have ready access to credit facilities, with the primary source of funding being equity raisings. The Board of Directors constantly monitor the state of equity markets in conjunction with the Group's current and future funding requirements, with a view to initiating appropriate capital raisings as required. Any surplus funds are invested with major financial institutions.

The Group's current financial assets and liabilities are summarised as follows:

	2022 $	2021 $
Cash and cash equivalents	4,026,924	3,087,727
Trade and other receivables	92,547	34,881
Trade and other payables	(312,397)	(87,028)
	3,807,074	3,035,580

The financial liabilities of the Group are confined to trade and other payables as disclosed in the statement of financial position. All trade and other payables are non-interest bearing and due within 30 days from the reporting date.

The contractual amounts payable are equal to the carrying amounts in the accounts.

NOTE 3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Judgements, estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Group makes assumptions concerning the future. All judgments, estimates and assumptions made are believed to be reasonable based on the most current set of circumstances available to management. The resulting accounting estimates will, by definition, seldom equal the related actual results. The judgments, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts and assets and liabilities within the next financial year are discussed below.

(a) Impairment of assets

The Group assesses impairment at each reporting date by evaluating conditions specific to the Group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

(b) Share based payments

The Group measures the cost of equity settled transactions with employees by reference to the fair value of equity instruments at the date at which they are granted. The fair value is determined by an external valuer using a Black-Scholes option pricing model, using the assumptions detailed in Note 20.

	2022 $	2021 $
NOTE 4 REVENUE AND OTHER INCOME		
From continuing operations		
Interest – unrelated parties	3,845	22,724
Total Revenue	3,845	22,724

NOTE 5 EXPENSES AND SIGNIFICANT ITEMS

	2022 $	2021 $
Depreciation of plant & equipment	-	152
Significant Items		
Exploration and evaluation expenditure	479,729	518,344
Consulting fees	440,850	-
Consultants benefits expense	116,207	-

NOTE 6: INCOME TAX EXPENSE

	2022 $	2021 $
a. The components of tax expense comprise:		
Current tax	-	-
Deferred tax	-	-
Income tax expense / (benefit) reported in Statement of Profit and Loss and Other Comprehensive Income	-	-
b. The prima facie tax benefit on loss from ordinary activities before income tax is reconciled to the income tax as follows:		
Loss from continuing operations before income tax	(2,101,860)	(801,389)
Prima facie tax benefit on loss from continuing operations at 30% (2020: 30%)	(630,558)	(240,417)
Add / (less) tax effect of:		
- Revenue losses not recognised	210,328	83,421
Capital losses not recognised		
- Other non-allowable items	426,777	158,795
	6,547	1,799
Less tax effect of:		
- Other non-assessable items	6,547	1,799
- Other deferred tax balances not recognised	-	-
Income tax expense / (benefit) recorded in Statement of Profit and Loss and Other Comprehensive Income	-	-

c. Deferred tax recognised at 30% (2021: 30%) (Note 1):		
Deferred tax liabilities:		
Capitalised exploration	(131,486)	-
Property, plant & equipment	(57,527)	-
Deferred tax assets:		
Revenue losses	189,013	-
Net deferred tax	-	-

d. Unrecognized deferred tax assets at 30% (2021: 30%) (Note 1):		
Carry forward revenue losses	4,484,319	4,273,991
Carry forward capital losses	529,850	529.850
Financial assets	304,840	304,840
Other	58,631	7,977
	5,377,639	5,116,658

The tax benefits of the above deferred tax assets will only be obtained if:

(a) the company derives future assessable income of a nature and of an amount sufficient to enable the benefits to be utilised;
(b) the company continues to comply with the conditions for deductibility imposed by law; and
(c) no changes in income tax legislation adversely affect the company in utilising the benefits.

NOTE 6: INCOME TAX EXPENSE (continued)

Note 1 - the corporate tax rate for eligible companies will reduce from 30% to 25% by 30 June 2022 providing certain turnover thresholds and other criteria are met. Deferred tax assets and liabilities are required to be measured at the tax rate that is expected to apply in the future income year when the asset is realised or the liability is settled. The Directors have determined that the deferred tax balances be measured at the tax rates stated.

NOTE 7 CASH AND CASH EQUIVALENTS

	2022 $	2021 $
Cash and cash equivalents	4,026,924	3,087,727
Reconciliation of Cash Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:		
Cash at bank	4,026,924	3,087,727
Bank deposits at call	-	-
Cash on hand	-	-
Cash and cash equivalents	4,026,924	3,087,727

Cash at bank earns an interest rate of 0.5% (2020: 1.8%). Refer to note 2 for the Group's exposure to interest rate risk.

NOTE 8 TRADE AND OTHER RECEIVABLES

CURRENT		
Other receivables (a)	92,547	34,881
	92,547	34,881
NON-CURRENT		
Deposits – tenements and premises (b)	153	140
	153	140

(a) Other current receivables are all non-interest bearing.
(b) Deposits – tenements and premises deposits for performance and private land and are non-interest bearing.

No receivables were past due but not impaired.

NOTE 9 PLANT AND EQUIPMENT

Plant and equipment		
Plant and equipment at cost	2,170	2,170
Less accumulated depreciation	(2,170)	(2,170)
Carrying amount at the end of the financial year	-	-

NOTE 9 PLANT AND EQUIPMENT (continued)

Reconciliation
Reconciliations of the carrying amount of plant and equipment at the beginning and end of the financial year are set out below:

Carrying amount at the beginning of the financial year	-	152
Depreciation expense	-	(152)
Impairment of carrying values	-	-
Foreign currency exchange differences	-	-
Carrying amount at the end of the financial year	-	-

NOTE 10 EXPLORATION AND EVALUATION EXPENDITURE

	2022 $	2021 $
Exploration and evaluation assets	3,314,638	-
Reconciliation:		
Balance at beginning of the year	-	-
Issue of ordinary shares – project acquisitions	2,348,077	-
Issue of performance rights – project acquisitions	337,477	-
Exploration expenditure	629,084	-
	3,314,638	-

NOTE 11 TRADE AND OTHER PAYABLES

	2022 $	2021 $
CURRENT		
Trade and sundry creditors (a)	294,397	71,028
Accrued expenses	18,000	16,000
	312,397	87,028

(a) All creditors are non-interest bearing and are normally settled on 30 day terms.

Refer to note 2 for the Group's exposure to liquidity risk.

NOTE 12 COMMITMENTS

Exploration Expenditure Commitments
In order to maintain rights of tenure to exploration tenements the Group is required to perform exploration work to meet the minimum expenditure requirements as specified by various governments.

Outstanding obligations are not provided for in the accounts and are payable:

Not later than 1 year	1,006,751	522,000
Later than 1 year but not later than 5 years	491,751	394,000
Any greater than 5 years	-	-
	1,498,502	916,000

NOTE 13 CONTINGENT LIABILITIES

The Group had no contingent liabilities at 30 June 2022 (2021: nil).

NOTE 14 CONTRIBUTED EQUITY

	2022 Shares	2021 Shares	2022 $	2021 $
(a) Paid Up Capital				
Ordinary shares – fully paid of no-par value	837,825,570	489,101,938	44,247,249	39,219,988

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held.

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 in a poll each share is entitled to one vote.

(b) Movements in ordinary share capital of the Company:

Date	Details	Number of Shares	Issue Price $	$
30 Jun 2020	Closing Balance	489,101,938		39,219,988
30 Jun 2021	Closing Balance	489,101,938		39,219,988
9 Aug 2021	Shares issued – placement	100,000,000	0.013	1,300,000
22 Sep 2021	Share issued – rights entitlement	52,339,544	0.013	680,414
4 Oct 2021	Shares issued to vendor – Southern Rare Earths Pty Ltd	57,692,307	0.016	923,077
4 Oct 2021	Shares issued - rights entitlement and placement	25,868,199		738,288
23 Dec 2021	Shares issued to vendor	100,000,000	0.01425	1,425,000
21 Mar 2022	Shares issued to supplier	12,823,582		375,000
	Share capital raising costs			(414,518)
30 June 2018	Closing Balance	837,825,570		44,247,249

(c) Option Issues

Options to purchase ordinary shares	Jun 2022 Options	Jun 2021 Options
Balance at 1 July	-	-
Issue of directors and consultant's options	44,250,000	-
Issue of brokers options	20,000,000	-
Less expired options	-	-
Balance at 30 June	64,250,000	-

(d) Option Exercise

During the financial year nil options were exercised.

(e) Option Expiry

During the financial year the no options expired unexercised.

(f) Option Cancellation and Lapse

During the financial year nil options lapsed.

NOTE 14 CONTRIBUTED EQUITY (continued)

(g) Performance Rights Issues

Options to purchase ordinary shares	**Jun 2022 Rights**	**Jun 2021 Rights**
Balance at 1 July	-	-
Issue of vendor performance rights – Southern Rare Earths Pty Ltd acquisition	26,923,076	-
Issue of vendor performance rights – Dalkeith Capital Pty Ltd acquisition	37,500,000	-
Balance at 30 June	64,423,076	-

(h) Capital Management

The Group's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they may continue to provide returns for shareholders and benefits for other stakeholders.

The capital structure of the Group consists of equity attributable to equity holders of the parent comprising issued capital, reserves and accumulative losses.

Due to the nature of the Group's activities, being mineral exploration, the Group does not have ready access to credit facilities, with the primary source of funding being equity raisings. Therefore, the focus of the Group's capital risk management is the current working capital position against the requirements of the Group to meet exploration programmes and corporate overheads. The Group's strategy is to ensure appropriate liquidity is maintained to meet anticipated operating requirements, with a view to initiating appropriate capital raisings as required.

The working capital position of the Group at 30 June 2022 and 30 June 2021 was as follows:

	2022 $	**2021 $**
Cash and cash equivalents	4,026,924	3,087,727
Trade and other receivables	92,547	34,881
Prepayment	-	-
Trade and other payables	(312,397)	(87,028)
Working capital position	3,807,074	3,035,580

The Group is not subject to any externally imposed capital requirements.

Refer to note 2 for Financial Risk Management.

	2022 $	2021 $
NOTE 15 RESERVES AND ACCUMULATED LOSSES		
(a) Reserves		
Share based payment reserve	4,277,362	3,939,885
Options premium reserve	965,190	179,640
Foreign currency translation reserve	(607,729)	(645,446)
	4,634,823	3,474,079
Movements		
Share based payment reserve		
Balance 1 July	3,939,885	3,939,885
Option expense	337,477	-
Balance 30 June	4,277,362	3,939,885
Options premium reserve		
Balance 1 July	179,640	179,640
Options issued	785,550	-
Balance 30 June	965,190	179,640
Foreign currency translation reserve		
Balance 1 July	(645,446)	(597,953)
Currency translation differences arising during the year	37,717	(47,493)
Balance 30 June	(607,729)	(645,446)
(b) Accumulated losses		
Movements in accumulated losses were as follows:		
Balance 1 July	(39,658,347)	(38,856,958)
Net loss for the year	(2,101,860)	(801,389)
Balance 30 June	(41,760,207)	(39,658,347)

(c) Nature and purpose of reserves

Share based payment reserve
This reserve is used to recognise the fair value of share-based payments.

Options premium reserve
This reserve is used to recognise the fair value of options issued.

Foreign currency translation reserve
Exchange differences arising on translation of the foreign controlled entity are taken to the foreign currency translation reserve, as described in Note 1(n). The reserve is recognised in profit or loss when the net investment is disposed of.

	2022 $	2021 $
NOTE 16 LOSS PER SHARE ("EPS")		
Earnings per share from continuing operations Loss after income tax	(2,101,860)	(801,389)
Weighted average number of shares used in the calculation of the basic EPS.	736,304,934	489,101,938
The number of potential ordinary shares relating to options not exercised at the end of the year. These potential ordinary shares are anti-dilutive in both years and so have not been included in the EPS calculations.	-	-
Basic and diluted loss per share	0.28 cents	0.16 cents

NOTE 17 DIVIDENDS

There were no dividends paid or recommended during the financial year ended 30 June 2022 (2021: nil).

NOTE 18 RELATED PARTY TRANSACTIONS

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Directors and specified executives

Disclosures relating to Directors and specified executives are set out in Directors' Remuneration Report.

Wholly-owned group

The consolidated group consists of Lanthanein Resources Ltd and its wholly-owned subsidiaries, Frontier Gold (PNG) Ltd, and Frontier Copper (PNG) Ltd, Southern Rare Earths Pty Ltd and Dalkeith Capital Pty Ltd. Ownership interests in these subsidiaries are set out in Note 23.

Other related parties

There were no transactions or balances with other related parties including director related entities during the year.

NOTE 19 KEY MANAGEMENT PERSONNEL DISCLOSURES

Key Management Personnel (KMP) Compensation

Refer to the Remuneration Report contained in the Director's Report for details of the remuneration paid to each member of the Group's KMP for the year ended 30 June 2022.

The totals of remuneration paid to KMP during the year are as follows:

	2022 $	2021 $
Short term employee benefits	341,799	227,025
Post-employment benefits	-	-
Share based payments	447,420	-
	789,219	227,025

NOTE 20 SHARE-BASED PAYMENTS

The total expense arising from share based payment transactions recognised during the period in relation to the performance rights was $337,477, options issued to directors and consultants was $563,628, and options issued to brokers was $221,922, totalling $1,123,027 in share based payment expenses for the year (2021: nil).

Performance Rights – Southern Rare Earths Pty Ltd acquisition

On 28 October 2021, the Company issued 26,923,076 performance rights to vendors in respect to the acquisition of Southern Rare Earths Pty Ltd. These performance rights were issued in two tranches, each with different performance milestones. Each performance right will convert into 1 ordinary share of Lanthanein Resources Limited upon achievement of the performance milestone.

The company has assessed the probability of achievement of each class being achieved and have recognised an expense accordingly. The details of each class are tabled below:

Tranche	Number of Performance Shares	Grant Date	Exercise Price	Probability of achievement of milestone	Expiry Date of Performance Right	Expected Date of Milestone Achievements	Underlying Share Price	Total Fair Value
A	13,461,538	29/07/21	Nil	50%	29/07/23	29/07/23	$0.016	$92,735
B	13,461,538	29/07/21	Nil	20%	29/07/24	29/07/24	$0.016	$34,422

These performance rights were valued at their issue dates at $127,157 which has been recognised immediately. This expense has been capitalised as part of the acquisition cost of Southern Rare Earths Pty Ltd, refer to Note 10.

Performance Rights – Dalkeith Capital Pty Ltd acquisition

On 28 October 2021, the Company issued 37,500,000 performance rights to vendors in respect to the acquisition of Dalkeith Capital Pty Ltd. These performance rights were issued in two tranches, each with different performance milestones. Each performance right will convert into 1 ordinary share of Lanthanein Resources Limited upon achievement of the performance milestone.

NOTE 20 SHARE-BASED PAYMENTS (continued)

The company has assessed the probability of achievement of each class being achieved and have recognised an expense accordingly. The details of each class are tabled below:

Tranche	Number of Performance Shares	Grant Date	Exercise Price	Probability of achievement of milestone	Expiry Date of Performance Right	Expected Date of Milestone Achievements	Underlying Share Price	Total Fair Value
C	18,750,000	28/10/21	Nil	50%	28/10/23	28/10/23	$0.019	$153,385
D	18,750,000	28/10/21	Nil	20%	28/10/24	28/10/24	$0.019	$56,934

These performance rights were valued at their issue dates at $210,319 which has been recognised immediately. This expense has been capitalised as part of the acquisition cost of Dalkeith Capital Pty Ltd, refer to Note 10.

Broker Options– 13 August 2021

On 13 August 2021, the Company issued 10,000,000 options to brokers, each exercisable at $0.02 with a three-year expiry period. These options were valued using a Black-Scholes valuation model and the capital-raising cost recognised in full at their issue date is $120,912. For the options issued during the period, a Black-Scholes valuation model was used with the valuation model inputs used to determine the fair value at the grant date as follows:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Risk free rate	Dividend yield	Number of options	Value per Option	Total Value $	Vesting terms
13/08/2021	13/08/24	$0.024	$0.02	69%	0.25%	0%	10,000,000	$0.012091	120,912	Immediately

Broker Options– 4 October 2021

On 4 October 2021, the Company issued 10,000,000 options to brokers, each exercisable at $0.02 with a 2.86 year expiry period. These options were valued using a Black-Scholes valuation model and the capital-raising cost recognised in full at their issue date is $101,010. For the options issued during the period, a Black-Scholes valuation model was used with the valuation model inputs used to determine the fair value at the grant date as follows:

Grant date	Expiry date	Share price at grant date	Exercise Price	Expected volatility	Risk free rate	Dividend yield	Number of options	Value per Option	Total Value $	Vesting terms
04/10/2021	13/08/24	$0.017	$0.02	105%	0.25%	0%	10,000,000	$0.010101	101,010	Immediately

Director and Consultant Options– 23 December 2021

On 23 December 2021, the Company issued 33,000,000 options to directors and consultants, each exercisable at $0.03 with a 3.02 year expiry period. These options were valued using a Black-Scholes valuation model and the expense recognised in full at their issue date is $365,223. For the options issued during the period, a Black-Scholes valuation model was used with the valuation model inputs used to determine the fair value at the grant date as follows:

Grant date	Expiry date	Share price at grant date	Exercise Price	Expected volatility	Risk free rate	Dividend yield	Number of options	Value per Option	Total Value $	Vesting terms
23/12/2021	31/12/24	$0.019	$0.03	110%	0.25%	0%	33,000,000	$0.011067	365,223	Immediately

NOTE 20 SHARE-BASED PAYMENTS (continued)

Director Options– 13 May 2022

On 13 May 2022, the Company issued 11,250,000 options to directors and consultants, each exercisable at $0.045 with a 3.00 year expiry period. These options were valued using a Black-Scholes valuation model and the expense recognised in full at their issue date is $198,405. For the options issued during the period, a Black-Scholes valuation model was used with the valuation model inputs used to determine the fair value at the grant date as follows:

Grant date	Expiry date	Share price at grant date	Exercise Price	Expected volatility	Risk free rate	Dividend yield	Number of options	Value per Option	Total Value $	Vesting terms
13/05/2022	13/05/25	$0.026	$0.045	133%	0.25%	0%	11,250,000	$0.017636	198,405	Immediately

NOTE 21 OPERATING SEGMENTS

Identification of reportable segments
The Group operates predominantly in the mining industry. This comprises exploration and evaluation of gold, silver and base metals projects. Inter-segment transactions are priced at cost to the Consolidated Group.

The Group has identified its operating segments based on the internal reports that are provided to the Board of Directors on a monthly basis. Management has identified the operating segments based on the two principal locations of its projects – Australia and Papua New Guinea.

Corporate expenses include administration and regulatory expenses arising from operating an ASX listed entity.

Segment assets include the costs to acquire tenements and the capitalised exploration costs of those tenements. Cash and cash equivalents are reported in the Treasury segment.

For the Year to 30 June 2022	**Australia $**	**Papua New Guinea Exploration $**	**Treasury $**	**Total $**
Segment Revenue	-	-	3,845	3,845
Segment Results	-	(481,120)	3,845	(477,275)
Amounts not included in segment results but reviewed by Board:				
- Corporate charges				(625,830)
- Share-based payment expenses				(563,628)
- Impairment - Loan				(435,127)
Loss before Income Tax				(2,101,860)
As at 30 June 2022				
Segment Assets	3,314,638	5,303	4,114,321	7,434,262
Segment Liabilities	116,585	2,736	193,076	312,397

NOTE 21 OPERATING SEGMENTS (continued)

For the Year to 30 June 2021	Papua New Guinea Exploration $	Treasury $	Total $
Segment Revenue	-	22,724	22,724
Segment Results	(81,636)	22,724	(58,912)
Amounts not included in segment results but reviewed by Board:			
- Corporate charges			(294,797)
- Impairment - Loan			(565,504)
Loss before Income Tax			(801,389)
As at 30 June 2021			
Segment Assets	13,075	3,109,673	3,122,748
Segment Liabilities	2,232	84,796	87,028

NOTE 22 RECONCILIATION OF LOSS AFTER INCOME TAX TO NET CASH INFLOW FROM OPERATING ACTIVITIES

(a) Reconciliation of operating loss after income tax to the net cash flow from operations:	2022	2021
Operating loss after income tax	(2,101,860)	(801,389)
Adjustment for non-cash items:		
- Depreciation expense	-	152
- Share-based payments expense	938,628	-
Change in operating assets and liabilities:		
- Trade and other payables and provisions	101,156	(61,537)
- Trade and other receivables	57,666	(6,607)
Net cash outflow from operating activities	(1,004,410)	(869,831)

There were no non-cash financing and investing activities during the year (2021: nil).

NOTE 23 SUBSIDIARIES

Name of Entity	Country of Incorporation	Class of Shares	Equity Holding 2022 %	Equity Holding 2021 %
Frontier Gold (PNG) Ltd	Papua New Guinea	Ordinary	100	100
Frontier Copper (PNG) Ltd	Papua New Guinea	Ordinary	100	100
Southern Rare Earths Pty Ltd	Australia	Ordinary	100	-
Dalkeith Capital Pty Ltd	Australia	Ordinary	100	-

NOTE 24 PARENT ENTITY DISCLOSURES

(a) Financial Position of Lanthanein Resources Ltd

	2022 $	2021 $
CURRENT ASSETS		
Cash and cash equivalents	4,021,774	3,074,792
Trade and other receivables	92,547	34,882
TOTAL CURRENT ASSETS	4,114,321	3,109,674
NON-CURRENT ASSETS		
Other financial assets	10,622	10,622
Exploration and evaluation expneses	3,314,638	-
TOTAL NON-CURRENT ASSETS	3,325,260	10,622
TOTAL ASSETS	7,439,581	3,120,296
CURRENT LIABILITIES		
Trade and other payables	309,662	84,796
TOTAL CURRENT LIABILITIES	309,662	84,796
TOTAL LIABILITIES	309,662	84,796
NET ASSETS	7,129,919	3,035,500
EQUITY		
Contributed equity	44,247,249	39,219,988
Reserves	5,242,550	4,119,525
Accumulated losses	(42,359,880)	(40,304,013)
TOTAL EQUITY	7,129,919	3,035,500

(b) Financial Performance of Lanthanein Resources Ltd

	2022 $	2021 $
Loss for the year	(2,055,867)	(837,577)
Total comprehensive loss	(2,055,867)	(837,577)

NOTE 24 PARENT ENTITY DISCLOSURES (continued)

(c) Guarantees entered into by Lanthanein Resources Ltd to the debts of its subsidiaries
There are no guarantees entered into by Lanthanein Resources Ltd for the debts of its subsidiaries as at 30 June 2022 (2021: none).

(d) Contingent liabilities of Lanthanein Resources Ltd
There are no contingent liabilities as at 30 June 2022 (2021: none).

(e) Commitments Lanthanein Resources Ltd
There are no commitments as at 30 June 2022 (2021: none).

NOTE 25 REMUNERATION OF AUDITORS

During the year the following fees were paid or payable for services provided by the auditors of the Group, their related practices and non-related audit firms.

	2022 $	2021 $
Assurance services		
Audit Services		
Moore Australia Audit (WA)	27,860	25,193
Sinton Spence Chartered Accountants (PNG)	-	-
Total remuneration for audit services	27,860	25,193
Non-Assurance services		
Taxation and Accounting Services		
Moore Australia Audit (WA)	5,750	8,050
Sinton Spence Chartered Accountants (PNG)	4,353	7,024
Total remuneration for taxation services	10,103	15,074

NOTE 26 EVENTS OCCURRING AFTER THE BALANCE DATE

Subsequent to the Period on 18 August 2022 the Company advised that heritage avoidance surveys had been completed ahead of the maiden drill program at the Lyons Rare Earths Project.

Subsequent to the Period on 2 August 2022 the Company announced it had received firm commitments from sophisticated investors to raise $1,750,000 (before costs) via a Placement of 125 million shares at an issue price of $0.014 per share. The subscribers to the Placement were offered 1 free attaching option exercisable at $0.03 expiring 31 December 2024 (Placement Options) for every two Placement Shares subscribed for. Quotation of 75,000,000 Placement Options was sought on ASX and official quotation commenced under the ticker code "LNRO" on 17 August 2022.

Other than the above no matter or circumstance has arisen since 30 June 2022 that has significantly affected, or may significantly affect:

(iv) the Group's operations in future financial years; or
(v) the results of those operations in future financial years; or
(vi) the Group's state of affairs in future financial years.

DIRECTORS’ DECLARATION

The directors of the company declare that:

1. The financial statements, comprising the statement of profit or loss and other comprehensive income, statement of financial position, statement of cash flows, statement of changes in equity and accompanying notes, are in accordance with the Corporations Act 2001 and:
    a. comply with Accounting Standards and the Corporations Regulations 2001, and other mandatory professional reporting requirements; and
    b. give a true and fair view of the financial position as at 30 June 2022 and of the performance of the year ended on that date of the consolidated group.

2. In the directors’ opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

3. In the directors’ opinion, the financial statements and notes are prepared in compliance with International Financial Reporting Standards and interpretations adopted by the International Accounting Standards Board.

4. The remuneration disclosures included in pages 17 to 23 within the directors’ report (as part of the audited Remuneration Report), for the year ended 30 June 2022, comply with section 300A of the *Corporations Act 2001*.

5. The directors have been given the declarations by the chief executive officer and chief financial officer required by section 295A.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:

David Frances
Non-Executive Chairman

23 September 2022

Moore Australia Audit (WA)

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF LANTHANEIN RESOURCES LTD

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Lanthanein Resources Limited (the Company) and its subsidiaries (the "Group"), which comprises the consolidated statement of financial position as at 30 June 2022, the consolidated statement of 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, the accompanying financial report of the Group is in accordance with *the Corporations Act 2001*, including:

a) giving a true and fair view of the Group's financial position as at 30 June 2022 and of its financial performance for the year then ended; and

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

Independence

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

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.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF LANTHANEIN RESOURCES LTD (CONTINUED)

Key Audit Matters (continued)

Exploration and Evaluation	
Refer to Note 10 – Exploration and Evaluation Expenditure	
The groups total exploration and evaluation expenditure capitalized for the year was \$3.31 million at balance date. The ability to recognise and defer exploration and evaluation assets under AASB 6: Exploration and Evaluation for Mineral Resources is impacted by the Group's ability and intention to continue to explore the tenements or its ability to realise this value through development or sale. Due to the significance of these assets and the subjectivity involved in assessing the ability to continue to defer these assets, this is considered a key audit matter.	Our procedures included: • Ensuring the Group has the ongoing right to explore in the relevant exploration areas of interests which included performing ownership searches of the tenements to Department of Mines WA & other agreements. • Tested a sample of exploration & evaluation expenditures capitalised during the year to supporting documentation including contracts. • Ensuring the Group is committed to continue exploration and evaluation activity in the relevant exploration areas of interest by assessing their exploration and future development expenditures that have been budgeted for and reviewing minutes of Board meetings and other internal reports. ā Assessing the carrying value of these assets for any indicators of impairment including comparing against the Company's market capitalisation. • We also assessed the appropriateness of the disclosures contained in the financial report

Cash at bank	
Refer to Note 7 Cash & Cash Equivalents	
The Group's total cash at bank holdings of \$4.03 million at balance date makes up 54% of its total assets by value and is considered a critical driver to the Group's ongoing and future operations. We do not generally consider cash to be at a high risk of significant misstatement, or to be subject to a significant level of judgment because it is normally a liquid asset. However, we determined this area to be key audit matter due to the materiality in the context of the financial statements	Our procedures included, amongst others: • Documenting and assessing the processes and controls in place to record cash at bank transactions • Agreeing cash/bank holdings to year-end bank reconciliations, bank statements and sighting the client logging on to their online banking platform and confirming the 30 June 2022 balances to third party confirmations. • Assessed the appropriateness of the disclosures included in the primary financial statements and notes to the financial report The disclosures contained in the financial statements appropriately identify this risk.

Other Information

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

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

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF LANTHANEIN RESOURCES LTD (CONTINUED)

Other Information (continued)

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.

Directors' Responsibilities 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 the financial report is located on 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 auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report as included in the directors' report for the year ended 30 June 2022.

In our opinion, the Remuneration Report of Lanthanein Resources Limited, for the year ended 30 June 2022 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.

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SHAUN WILLIAMS
PARTNER

Moore Australia

MOORE AUSTRALIA AUDIT (WA)
CHARTERED ACCOUNTANTS

Signed at Perth this 23rd day of September 2022

Information required by Australian Securities Exchange Limited and not shown elsewhere in this report is as follows:-

The Company has the following securities on issue

a) Fully Paid Ordinary Shares: Distribution of Shareholders as at 15 August 2022

Holding Ranges	No of Holders	Total Units	% Issued Share Capital
above 0 up to and including 1,000	155	20,812	0.00%
above 1,000 up to and including 5,000	44	124,276	0.01%
above 5,000 up to and including 10,000	21	168,855	0.02%
above 10,000 up to and including 100,000	1,327	64,610,671	6.71%
above 100,000	1,076	897,900,956	93.26%
Totals	**2,623**	**962,825,570**	**100.00%**

b) Based on the price per security of $0.029, there were 368 holders with an unmarketable holding amounting to 0.26% of Issued Capital.

c) Listed Options: Distribution of Option holders as at 18 August 2022

Holding Ranges	No of Holders	Total Units	% Issued Share Capital
above 0 up to and including 1,000	-	-	-
above 1,000 up to and including 5,000	-	-	-
above 5,000 up to and including 10,000	-	-	-
above 10,000 up to and including 100,000	18	1,410,718	1.88%
above 100,000	73	73,589,282	98.12%
Totals	**91**	**75,000,000**	**100.00%**

d) There were no shareholders who hold 5% or more of the issued capital of the Company as per substantial shareholder notices lodged with ASX.

Distribution of Unlisted Equities

	UNL OPTS EXP 13/08/24 @ $0.02		UNL OPTS EXP 31/12/24 @ $0.03	
Holding Ranges	**No of Holders**	**% Issued Capital**	**No of Holders**	**% Issued Capital**
above 0 up to and including 1,000	-	-	-	-
above 1,000 up to and including 5,000	-	-	-	-
above 5,000 up to and including 10,000	-	-	-	-
above 10,000 up to and including 100,000	-	-	-	-
above 100,000	9	100.00%	6	100.00%
Totals	**9**	**100.00%**	**6**	**100.00%**

	UNL OPTS EXP 31/12/24 @ $0.03		CLASS A, B, C and D PERFORMANCE SHARES	
Holding Ranges	**No of Holders**	**% Issued Capital**	**No of Holders**	**% Issued Capital**
above 0 up to and including 1,000	-	-	-	-
above 1,000 up to and including 5,000	-	-	-	-
above 5,000 up to and including 10,000	-	-	-	-
above 10,000 up to and including 100,000	18	1.88%	-	-
above 100,000	73	98.12%	6	100.00%
Totals	**91**	**100.00%**	**6**	**100.00%**

e) Twenty largest shareholders as at 15 August 2022

Position	Holder Name	Holding	% IC
1	BNP PARIBAS NOMINEES PTY LTD HUB24 CUSTODIAL SERV LTD <DRP A/C>	43,416,641	4.51%
2	INYATI FUND PTY LTD	20,000,000	2.08%
3	CS FOURTH NOMINEES PTY LIMITED <HSBC CUST NOM AU LTD 11 A/C>	17,770,015	1.85%
4	CITICORP NOMINEES PTY LIMITED	16,134,708	1.68%
5	TEN BRICKS PTY LTD	14,000,000	1.45%
6	S3 CONSORTIUM HOLDINGS PTY LTD <NEXTINVESTORS DOT COM A/C>	12,823,582	1.33%
7	NATIONAL NOMINEES LIMITED	10,100,001	1.05%
8	PHEAKES PTY LTD <SENATE A/C>	10,000,000	1.04%
8	MELBOR PTY LTD <RJW FAMILY A/C>	10,000,000	1.04%
8	ACP INVESTMENTS PTY LTD <A & L PISMIRIS S/F A/C>	10,000,000	1.04%
9	ATELETA PTY LTD <G & G SUPERANNUATION A/C>	9,000,000	0.93%

9	MR GRAHAM REGINALD CREASEY	9,000,000	0.93%
9	LANGHETTI INVESTMENT PTY LTD <TLE SUPERANNUATION A/C>	9,000,000	0.93%
10	NEWECONOMY COM AU NOMINEES PTY LIMITED <900 ACCOUNT>	8,929,845	0.93%
11	COMSEC NOMINEES PTY LIMITED	8,858,513	0.92%
12	MR TERRY CAMPION	8,250,000	0.86%
13	MR ZHAOYANG LIU	8,002,592	0.83%
14	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	7,820,001	0.81%
15	GOLDEN DAWN LIMITED	7,000,000	0.73%
15	MR SHENG ZHUANG	7,000,000	0.73%
15	MR THOMAS EDWARD LANGLEY <LANGLEY MINERAL HOLDINGS A/C>	7,000,000	0.73%
16	MS JIABING XIN	6,836,922	0.71%
17	HUNTER CAREERS PTY LTD	6,747,777	0.70%
18	MR LARRY JAMES GIBSON	6,490,000	0.67%
19	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	6,227,782	0.65%
20	BEACH 302 PTY LIMITED	5,500,000	0.57%
	Total	**285,908,379**	**29.69%**
	Total Remaining Balance Holders	**676,917,191**	**70.31%**
	Total issued capital - selected security class(es)	**962,825,570**	**100.00%**

f) Twenty Largest Option holders as at 18 August 2022

Position	Holder Name	Holding	% IC
1	INYATI FUND PTY LTD	22,500,000	30.00%
2	GOLDEN DAWN LIMITED	3,500,000	4.67%
2	MR THOMAS EDWARD LANGLEY <LANGLEY MINERAL HOLDINGS A/C>	3,500,000	4.67%
3	MR WILLIAM MAXWELL LANGLEY & MISS SACHA AYTON <CARINYA SUPER A/C>	2,000,000	2.67%
3	TEN BRICKS PTY LTD	2,000,000	2.67%
3	MR MARK JONATHAN SANDFORD & MR CHRISTOPHER JOHN SANDFORD <SANDFORD SUPER FUND A/C>	2,000,000	2.67%
4	GLOBAL CONSORTIUM HOLDINGS PTY LTD <FTW HOLDINGS A/C>	1,750,000	2.33%
4	OKAWARI CONSORTIUM PTY LTD <THE OKA T A/C>	1,750,000	2.33%
5	JOARCH JAGIA INVESTMENTS PTY LTD	1,375,000	1.83%
6	BANSKIN PTY LTD <DE NICOLA FAMILY A/C>	1,000,000	1.33%
6	MR MATTHEW IAN BANKS & MRS SANDRA ELIZABETH BANKS <MATTHEW BANKS S/F A/C>	1,000,000	1.33%
6	YELO RESOURCES PTY LTD	1,000,000	1.33%
6	BORG GEOSCIENCE PTY LTD	1,000,000	1.33%
6	RIDGE STREET CTTR PTY LTD <RIDGE STREET A/C>	1,000,000	1.33%
6	SENECA FINANCIAL SOLUTIONS PTY LTD	1,000,000	1.33%
6	PARTISAN HOLDINGS PTY LTD <DONNA SANDFORD S/F A/C>	1,000,000	1.33%
6	ACP INVESTMENTS PTY LTD	1,000,000	1.33%

Position	Holder Name	Holding	% IC
7	MR CAMERON JAMES PRUNSTER & MRS PATRICIA HELEN PRUNSTER <CJP SUPER FUND A/C>	925,000	1.23%
7	MASSIF HOLDINGS PTY LTD	925,000	1.23%
8	BLUE COASTERS PTY LTD	892,750	1.19%
8	ACACIA EQUITIES PTY LTD	892,750	1.19%
	Total	**52,010,500**	**69.35%**
	Total Remaining Balance Holders	**22,989,500**	**30.65%**
	Total issued capital - selected security class(es)	**75,000,000**	**100.00%**

g) Voting Rights
Registered holders of ordinary shares in the capital of the Company may attend and vote at general meetings of the Company in person or by proxy and may exercise one vote for each share held. Every person present at a general meeting as an ordinary shareholder shall have one vote on a show of hands.

h) There are currently no on-market buybacks in process.

i) There are nil securities currently subject to escrow.

j) As at 15 August 2022 the following class of unquoted securities had a holder with greater than 20% of the class on issue:

Class/Name	Number of Securities Held	% Held
Unquoted options exercisable at $0.024 expiring 13 August 2024		
INYATI FUND PTY LTD	10,000,000	50.00%
Class/Name	**Number of Securities Held**	**% Held**
Unquoted options exercisable at $0.03 expiring 31 December 2024		
PETER SWIRIDIUK	7,500,000	22.73%
MS SABINA MARIE SCHLINK <HENSMAN FAMILY A/C>	7,500,000	22.73%
ACP INVESTMENTS PTY LTD <THE ACP INVESTMENT A/C>	7,500,000	22.73%
LANGHETTI INVESTMENT PTY LTD <TLE SUPERANNUATION A/C>	7,500,000	22.73%
Class/Name	**Number of Securities Held**	**% Held**
Unquoted options exercisable at $0.045 expiring 13 May 2025		
PUISSANCE HOLDINGS PTY LTD <THE GIRO TRUST>	11,250,000	100%
Class/Name	**Number of Securities Held**	**% Held**
Class A Performance Shares		
PROJECT RISK PTY LTD	4,487,183	33.33%
Class/Name	**Number of Securities Held**	**% Held**
Class B Performance Shares		
PROJECT RISK PTY LTD	4,487,183	33.33%
Class/Name	**Number of Securities Held**	**% Held**

Class C Performance Shares		
LANGHETTI INVESTMENT PTY LTD <TLE SUPERANNUATION A/C>	6,250,000	33.33%
Class/Name	**Number of Securities Held**	**% Held**
Class D Performance Shares		
LANGHETTI INVESTMENT PTY LTD <TLE SUPERANNUATION A/C>	6,250,000	33.33%