ASX Announcement

21 September 2022

FULL YEAR FINANCIAL STATEMENTS

Global Lithium Resources Limited (ASX: GL1) is pleased to attach the Consolidated Financial Statements for the year ended 30 June 2022.

Global Lithium Resources Limited
Kevin Hart
Company Secretary

- ENDS -

Approved for release by the Board of Global Lithium Resources Limited.

For more information:

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GLOBAL LITHIUM RESOURCES LIMITED

ABN 58 626 093 150

ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED
30 JUNE 2022

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CORPORATE DIRECTORY

Directors

Warrick Hazeldine
Non-executive Chair

Ron Mitchell
Managing Director

Dianmin Chen
Non-executive Director

Hayley Lawrance
Non-executive Director

Greg Lilleyman
Non-executive Director

Company Secretary

Kevin Hart

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AUSTRALIA
Telephone: +61 8 6103 7488

Auditors

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Perth WA 6005
AUSTRALIA

Share Registry

Computershare Investor Services
Level 11, 172 St Georges Terrace
Perth WA 6000
AUSTRALIA
Telephone: +61 8 9323 2000

Securities Exchange Listing

Global Lithium Resources Limited - shares are listed on the Australian Securities Exchange

(ASX Code: GL1)

Website and e-mail address

W: www.globallithium.com.au
E: info@globallithium.com.au

DIRECTORS REPORT

The Directors present their report on Global Lithium Resources Limited (the Company) and the entities it controlled (the Group) at the end of and during the year ended 30 June 2022.

Directors
The names and details of the Directors of Global Lithium Resources Limited at any time from 1 July 2021 up to the date of this report are:

Warrick Hazeldine, Non-Executive Chair (appointed 1 February 2021)
Mr Hazeldine has more than 20 years of capital markets' experience working with a range of ASX-listed companies on investor relations' activities to attract capital and grow shareholder value. Focusing on IPOs, M&A and secondary capital raisings, he has worked predominately in the natural resources sector and has been at the forefront of a number of lithium, hydrogen and battery metal transactions in recent years.

Mr Hazeldine is a founding Director and current Non-Executive Director of investor and corporate communications firm Cannings Purple. A communications strategist and Board-level advisor, he has an established network across the global resources and generalist funds and a track record in assisting companies build and manage their institutional and retail investor bases.

An Australian Institute of Company Directors graduate, Mr Hazeldine holds a Bachelor of Commerce from Curtin University.

Mr Hazeldine is currently a director of Chemx Material Limited (appointed 3 September 2021).

Dr Dianmin Chen, Non-Executive Director (appointed 26 June 2018)
Dr Chen is a mining engineer with more than 35 years' experience in metal mining. He has had a wide range of roles in mining technical, production and management in Australia, China and Canada. Dr Chen held executive roles with Sino Gold (General Manager), Citic Pacific Mining (Chief Operating Officer), CaNickel (Executive Director and CEO) and Norton Goldfields (Managing Director and CEO) and served as a non-executive Director for a number of publicly listed companies in Australia and Canada including Kalgoorlie Mining Corporation, Bullabulling Gold Mines, Sherwin Iron, Norton Goldfields, NKWE Platinum and CuDeco Limited.

Dr Chen holds a BE in Mining and PhD in Mining Geomechanics.

Dr Chen is a member of the Remuneration Committee.

Ronald Mitchell, Managing Director (appointed as Executive Director Markets and Growth 1 March 2022, appointed Managing Director 1 June 2022)
Mr Mitchell has more than 25 years' experience in senior commercial, strategy, sales and business development roles including more than 10 years in the lithium and battery metals industry with senior roles at Tianqi Lithium Corporation and Talison Lithium. He is also the inaugural Chairman of the London Metal Exchange (LME) Lithium Committee.

Mr Mitchell is a member of the Sustainability Committee.

Greg Lilleyman, Non-Executive Director (appointed 12 January 2022)
Mr Lilleyman was formerly Chief Operating Officer and Director of Operations at Fortescue Metals Group and prior to that, 26 years in various roles with Rio Tinto including President of its Pilbara Iron Ore operations.

Mr Lilleyman holds a degree in Construction Engineering from Curtin University and is a Vincent Fairfax Fellow in Ethical Leadership from the University of Melbourne. He is a member of UWA's Business School Advisory Board, the Australian Institute of Mining and Metallurgy, the Australian Institute of Company Directors and a Fellow of the Australian Institute of Management.

Mr Lilleyman is Chair of the Remuneration Committee.

Hayley Lawrance, Non-Executive Director (appointed 14 February 2022)

Ms Lawrance has over 20 years' experience as a legal executive, director and company secretary gained in private practice and senior, in-house roles. Her experience has focused on the Western Australian mining and resources industries. Ms Lawrance was Partner – Corporate & Resources at Allion Partners, where she spent five years as a senior legal advisor to a client base of mining and exploration companies and foreign investors. In previous roles, Ms Lawrance also advised large resources industry clients on legal and compliance, project development and corporate governance matters.

Ms Lawrance is Chair of the Sustainability Committee and a member of the Remuneration Committee.

Kevin Hart, Company Secretary (appointed 1 February 2021)
Mr Hart has over 30 years' experience in accounting and management and administration of public listed entities in the mining, mining services and exploration sector. Kevin is a director of Endeavour Corporate, an advisory firm that specialises in the provision of Company secretarial and accounting services to ASX listed entities.

Mr Hart holds a Bachelor of Commerce degree from the University of Western Australia and is a Fellow of the Institute of Chartered Accountants.

Jamie Wright, Managing Director (resigned 1 March 2022)
Mr Wright is an accomplished executive with over 20 years' experience across a variety of management and advisory roles. Most recently, Mr Wright served as Managing Director of RJW Capital where he assisted clients in the industrials and resources sectors by providing strategic and corporate advice. Prior to this Mr Wright held C-suite and General Manager roles with ASX listed mining companies.

Mr Wright holds a Bachelor of Engineering (Mining), Bachelor of Applied Science (Geology) and a Graduate Diploma in Applied Finance and Investment.

Directors Interests

Director	Directors' Interests in Ordinary Shares	Directors' Interests in Unlisted Options	Directors' Interests in Performance Rights
Warrick Hazeldine	395,320	1,500,000	1,000,000
Dianmin Chen	9,423,974	3,000,000	1,000,000
Ron Mitchell	74.074	-	800,000
Greg Lilleyman	148,148	-	300,000
Hayley Lawrance	37,038	-	300,000

Directors' Meetings
The number of meetings of the Company's Board of Directors ('the Board') and of each Board committee held during the year ended 30 June 2022 and the number of meetings attended by each Director were:

	FULL BOARD		SUSTAINABILITY COMMITTEE		REMUNERATION COMMITTEE	
Director	**Held**	**Attended**	**Held**	**Attended**	**Held**	**Attended**
Warrick Hazeldine	6	6	-	-	-	-
Jamie Wright	3	3	-	-	-	-
Dianmin Chen	6	6	-	-	1	1
Ronald Mitchell	3	3	2	2	-	-
Greg Lilleyman	3	3	-	-	1	1
Hayley Lawrance	3	3	2	2	1	1

Principal activities
During the period, the principal continuing activity was to explore and evaluate lithium resources on the Group's exploration tenements. The Group's exploration tenements include the 100% owned Marble Bar Lithium Project (MBLP) and an 80% interest in the exploration rights and future mining rights to lithium and lithium associated co-mineral rights in the Manna Lithium Project. The MBLP is located 150km southeast of Port Hedland and 15km northwest of Marble Bar in Western Australia. The Manna Lithium Project is located approximately 100km east of Kalgoorlie in Western Australia.

Results of Operations
The consolidated net loss after income tax for the financial year was $4,252,207 (2021: $1,224,978). This includes non-cash expenditure of $2,109,962 for share-based payments, depreciation and amortisation and interest on lease liabilities.

Dividends
No dividends were paid during the period and no dividend is recommended for the current financial year.

Review of operations

Corporate
Global Lithium successfully completed two capital raisings during the reporting period for a total of $43.5 million and successfully attracted two cornerstone investors through this process – Suzhou TA&A Ultra Clean Technology Co., Ltd the controlling shareholder in leading hydroxide producer Yibin Tianyi Lithium Industry Co Ltd and experienced hard rock lithium processor Mineral Resources Limited (ASX: MIN). Global Lithium signed a 10-year Strategic Offtake Agreement with Suzhou TA&A Ultra Clean Technology Co., Ltd.

In December 2021, Global Lithium, through wholly owned subsidiary GLR Australia Pty Ltd, acquired an 80% interest in the Manna Lithium Project from Breaker Resources NL. Total purchase consideration is up to $33 million comprising $13 million up front consideration ($6.5 million cash and $6.5 million payable in fully paid ordinary shares) and $20 million deferred consideration comprising $10 million payable upon GL1 announcing a JORC Mineral Resource of at least 250,000 tonnes of contained Li_2O metal derived from the Project Area; and $10 million payable upon GL1 announcing the production of 100,000 tonnes of contained Li_2O metal produced from the Project Area.

During the financial year the company welcomed Ron Mitchell as Managing Director, while appointing resources industry veteran Greg Lilleyman and legal executive Hayley Lawrance as Non-Executive Directors. Mr Jamie Wright resigned as Managing Director.

Exploration
Marble Bar Lithium Project
In February 2022 Global Lithium commenced a 380-hole, 60,000m reverse circulation (RC) drilling program at the MBLP. The CY2022 program has continued into FY2022-23. The early success of the CY2022 program indicates strong potential for future growth and provided further evidence that the MBLP is continuing to emerge as a significant spodumene lithium deposit, located in a premier hard rock lithium mining jurisdiction.
At the underexplored Twin Veins gold prospect on E45/4631, Global Lithium received high grade, shallow gold results from its RC drilling program, demonstrating potential for a standalone project. As part of the Company's CY4Q 2021 Exploration Program, 10 RC holes for 1,050m were drilled at Twin Veins targeting gold prospectivity. Twin Veins is a >1km long soil and rock chip geochemical anomaly coinciding with quartz vein outcrops.

Manna Lithium Project
In Q1 CY2022, GL1 undertook a detailed study to specifically target expanding the lithium resource in its proposed CY2022 RC and diamond drilling (DD) programs at the Manna Lithium Project. In May 2022, Global Lithium commenced its maiden drilling campaign at Manna, a 20,000m RC program. From June 2022 Global Lithium commenced a 4,000m DD program which has progressed in parallel with the RC program.
Late in the reporting period, the Company announced its first lithium assay results from the RC program. Whilst they are early stage results, they have provided significant confidence in the Manna Lithium Project and confirm the findings from previous drilling undertaken at the project in 2018.

Significant changes in the state of affairs
The Board of Directors has undergone significant change during the period with the resignation of Managing Director Jamie Wright on 1st March 2022 and the appointment of Ron Mitchell as his replacement. Non-Executive Directors Greg Lilleyman and Hayley Lawrance were appointed in January and February 2022 respectively, joining existing Non-Executive Director Dianmin Chen and Non-Executive Chair Warrick Hazeldine.

In December 2021 the Company acquired through its wholly owned subsidiary GLR Australia Pty Ltd, an 80% interest in the Manna Lithium Project from Breaker Resources NL for up to $33 million. This acquisition has shifted Global Lithium's positioning to become a multi-asset Western Australian lithium company.

Global Lithium Resources Limited completed capital raisings during the year totally $43.5 million before costs.

Other than as stated above, there were no significant changes in the state of affairs of the Company during the year ended 30 June 2022.

Matters subsequent to the end of the financial year
No matters or circumstance has arisen since 30 June 2022 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Likely developments and expected results of operations
The Directors expect that the Group will continue to carry on exploration and evaluation of the tenements in both project areas. It is expected that an updated Mineral Resource Estimate will be released in Q1 2023.

Environmental regulation
The Group holds interests in a number of exploration tenements. The authorities granting such tenements require the tenement holder to comply with the terms of the grant of the tenement. The Group is subject to environmental regulation under Australian Commonwealth and/or State law.

Shares under option
As of the date of this report 9,580,614 unissued ordinary shares of the Company are under option as follows:

Number of options granted	Exercise price	Expiry date
4,780,614	$0.30	4 May 2025
4,800,000	$1.00	12 November 2024

No options on issue are listed. The options expiring on 4 May 2025 vested immediately on issue and are subject to a restriction period of 24 months from the date of official quotation of the Company's securities.

During the financial year 4,800,000 unlisted options were issued to directors (4,500,000) and service providers (300,000). The options issued to directors vested on issue and the options issued to service providers vest 100,000 on issue, 100,000 12 months from issue and 100,000 24 months from issue.

No options were cancelled or expired during the year.

Since the end of the financial year to the date of this report no options have been issued, cancelled or expired.

Shares issued on the exercise of options
There were no ordinary shares of the Company issued on the exercise of options during the year ended 30 June 2022 or since the end of the financial year to the date of this report.

Rights over ordinary shares
As of the date of this report 5,400,000 Performance Rights with the following vesting criteria were on issue to Directors:

Number granted	Vesting criteria	Vested (Y/N)	Last vesting date
1,666,667	Achieving 15-25Mt@>=1.0% Li_2O JORC Compliant resource by 31 December 2022	N	31 December 2022
666,667	Achieving 30-50Mt@>=1.0% Li_2O JORC Compliant resource by 31 December 2023	N	31 December 2023
1,666,666	Achieving 30 Day VWAP share price doubled from original IPO listing price by 31 December 2023	Y	31 December 2023
350,000	Achieving 20-30Mt@>=1.0% Li_2O JORC Compliant resource by 31 December 2022	N	31 December 2022
350,000	Achieving 40-60Mt@>=1.0% Li_2O JORC Compliant resource by 31 December 2023	N	31 December 2023
350,000	Achieving first truck load (at least 50WMT) spodumene concentrate (at least SC=5.5%) Li_2O delivered to the Port for storage by 31 December 2024	N	31 December 2024
350,000	Achieving 80-100Mt@>=1.0% Li_2O JORC Compliant resource by 31 December 2025	N	31 December 2025

During the financial year, 1,000,000 Performance Rights were cancelled.

Shares issued on the exercise of rights
There were no ordinary shares of the Company issued on the exercise of performance rights during the year ended 30 June 2022 or since the end of the financial year to the date of this report.

Issued Capital
Number of shares on issue:

	2022	2021
Ordinary fully paid shares	201,130,699	131,808,339

Remuneration Report (audited)
The remuneration report details the key management personnel remuneration arrangements for the Group, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all Directors.

The remuneration report is set out under the following main headings:

- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Additional information
- Additional disclosures relating to key management personnel

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. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and it is considered to conform to the market best practice for the delivery of reward. The Board of Directors ('the Board') ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness
- acceptability to shareholders
- performance linkage / alignment of executive compensation
- transparency

Non-executive Directors' remuneration
Fees and payments to non-executive Directors reflect the demands and responsibilities of their role. Non-executive Directors' fees and payments are reviewed annually by the Board of Directors ('Board'). The Board may, from time to time, receive advice from independent remuneration consultants to ensure non-executive Directors' fees and payments are appropriate and in line with the market. The Chairman's fees are determined independently to the fees of other non-executive Directors based on comparative roles in the external market. The Chairman is not present at any discussions relating to the determination of his own remuneration.

Total remuneration for non-executive Directors shall not exceed $250,000 as disclosed in the Company Constitution and adopted by special resolution of the members on the 28th January 2021.

Executive remuneration
The Group aims to reward executives based on their position and responsibility, with a level and mix of remuneration which has both fixed and variable components

The executive remuneration and reward framework has four components:

- base pay and non-monetary benefits
- short-term performance incentives
- share-based payments
- other remuneration such as superannuation and long service leave

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

Executives are offered a competitive level of base salary at market rates (based on comparable ASX listed companies) and are reviewed annually by the Board of Directors to ensure market competitiveness.

The company has engaged external remuneration consultants to advise the Board on remuneration matters during the financial year.

Details of remuneration

DIRECTORS AND OTHER KEY MANAGEMENT PERSONNEL REMUNERATION						
	Short-term benefits	Post-employment benefits	Share-based payments		Total	Equity based
	Salary and fees	Superannuation	Options	Performance rights		
2022	$	$	$	$	$	%
Non-Executive Directors:						
Warrick Hazeldine (Chairman)	106,213	-	464,535	109,177	679,925	84%
Dianmin Chen	73,091	-	929,070	109,177	1,111,338	93%
Greg Lilleyman [2]	26,283	2,628	-	27,669	56,580	49%
Hayley Lawrance [3]	23,106	2,311	-	27,669	53,085	52%
Executive Directors:						
Jamie Wright (Managing Director)[4]	212,805	19,419	-	283,781	516,005	55%
Ron Mitchell (Managing Director)[1]	110,917	9,167	-	73,783	193,866	38%
TOTAL	552,414	33,525	1,393,605	631,255	2,610,799	78%

[1] Appointed 1 March 2021
[2] Appointed 12 January 2022
[3] Appointed 14 February 2022
[4] Resigned 1 March 2022

At 30 June 2022 Directors' fees payable (included in the above table) were as follows:

Dianmin Chen	$5,416

DIRECTORS AND OTHER KEY MANAGEMENT PERSONNEL REMUNERATION						
	Short-term benefits	Post-employment benefits	Share-based payments		Total	Equity based
	Salary and fees	Superannuation	Equity-settled	Performance rights		
2021	$	$	$	$	$	%
Non-Executive Directors:						
Warrick Hazeldine (Chairman) [1]	49,853	-	-	3,506	53,359	7%
Dianmin Chen	41,745	-	125,000	3,506	170,251	75%
Mingyan Wang [2]	-	-	125,000	-	125,000	100%
Edward Rigg [2]	-	-	125,000	-	125,000	100%
Executive Directors:						
Jamie Wright (Managing Director) [1]	100,000	9,500	-	10,519	120,019	9%
TOTAL	191,598	9,500	375,000	17,531	593,629	66%

[1] Appointed 1 February 2021
[2] Resigned 1 February 2021

At 30 June 2021 Directors' fees payable (included in the above table) were as follows:

Warrick Hazeldine	$8,296
Dianmin Chen	$7,528

Service agreements

Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

Name:	Ron Mitchell
Title:	Managing Director
Agreement commenced:	1 March 2022
Term of agreement:	5 years
Details:	Base salary for the year ended 30 June 2022 $357,500 plus statutory superannuation to be reviewed annually. Termination notice is 3 months by either party. Annual bonus of up to 50% of base salary payable at absolute discretion of the Board.

Name:	Warrick Hazeldine
Title:	Non-Executive Chairman
Agreement commenced:	1 February 2021
Term of agreement:	Ongoing
Details:	Base salary for the year of $66,000 plus $1,650 per day if work requirement exceeds estimated 3 days per month up to 31 March 2022 and $90,000 per annum from 1 April 2022. The agreement will terminate immediately upon resignation as Director, and in other circumstances 1 month notice from either party is required.

Name:	Dianmin Chen
Title:	Non-Executive Director
Agreement commenced:	1 February 2021
Term of agreement:	Ongoing
Details:	Base salary for the year of $46,200 plus $1,650 per day if work requirement exceeds estimated 3 days per month up to 31 March 2022 and $65,000 per annum from 1 April 2022. The agreement will terminate immediately upon resignation as Director, and in other circumstances 1 month notice from either party is required.

Name:	Greg Lilleyman
Title:	Non-Executive Director
Agreement commenced:	12 January 2022
Term of agreement:	Ongoing
Details:	A Director’s fee of $65,000 per annum inclusive of statutory superannuation. An additional $15,000 per year inclusive of statutory superannuation if appointed as leading independent director or sub-committee chair. The agreement will terminate immediately upon resignation as Director.

Name:	Hayley Lawrance
Title:	Non-Executive Director
Agreement commenced:	14 February 2022
Term of agreement:	Ongoing
Details:	A Director’s fee of $65,000 per annum inclusive of statutory superannuation. An additional $15,000 per year inclusive of statutory superannuation if appointed as leading independent director or sub-committee chair. The agreement will terminate immediately upon resignation as Director.

Share-based compensation
Issue of options
Details of unlisted options issued to Directors and other key management personnel as part of compensation during the year ended 30 June 2022 are set out below:

Name	Date	Options granted	Exercise price	Expiry date	Total value $
Warrick Hazeldine	20-Dec-21	1,500,000	$1.00	12-Nov-24	464,535
Dianmin Chen	20-Dec-21	3,000,000	$1.00	12-Nov-24	929,070

The options have been valued independently using Hoadleys ESO Model, a binomial option pricing model. The table below summarises the variables used in determining the values of options granted during the year as remuneration to key management personnel:

Assumptions	
Spot price	$0.60
Exercise price	$1.00
Vesting date	23 Dec 2021
Expiry date	12 Nov 2024
Expected future volatility	100%
Risk free rate	0.866%
Dividend yield	Nil
Fair value per option	$0.30969

An expense of $1,393,605 has been recognised in the consolidated statement of profit or loss and other comprehensive income in respect of options granted as remuneration to key management personnel during the year.

Issue of performance rights
Performance rights are convertible on the basis of one right to one ordinary share in the Company, under the terms of the performance rights. Details of performance rights granted as remuneration during the year are set out below:

Performance rights	Tranche	Number Granted	Grant Date	Fair value at Grant Date		Vesting Criteria	Last vesting date
Granted				$/right	Full value ($)		
Ron Mitchell **Greg Lilleyman** **Hayley Lawrance**	1	200,000 75,000 75,000	11-May-22	$1.64	$328,000 $123,000 $123,000	Achieving 20-30Mt @>=1.0% Li_2O of inferred, indicated and/or measured JORC Compliant resource by 31 December 2022 or earlier.	31-Dec-22
Ron Mitchell **Greg Lilleyman** **Hayley Lawrance**	2	200,000 75,000 75,000	11-May-22	$1.64	$328,000 $123,000 $123,000	Achieving 40-60Mt @>=1.0% Li_2O of inferred, indicated and/or measured JORC Compliant resource by 31 December 2023 or earlier.	31-Dec-23
Ron Mitchell **Greg Lilleyman** **Hayley Lawrance**	3	200,000 75,000 75,000	11-May-22	$1.64	$328,000 $123,000 $123,000	Achieving first truck load (at least 50WMT) spodumene concentrate (at least SC=5.5%) Li_2O delivered to Port for	31-Dec-24

Performance rights	Tranche	Number Granted	Grant Date	Fair value at Grant Date		Vesting Criteria	Last vesting date
						storage by 31 December 2024.	
Ron Mitchell **Greg Lilleyman** **Hayley Lawrance**	4	200,000 75,000 75,000	11-May-22	$1.64	$328,000 $123,000 $123,000	Achieving 80-100Mt @>=1.0% Li_2O of inferred, indicated and/or measured JORC Compliant resource by 31 December 2025 or earlier.	31-Dec-25

The performance rights have been independently valued. The 'per security' value of the performance rights has been used to arrive at a valuation. The 'per security' value uses the share price as at the grant date and then calculates the total value of performance rights based on the number of instruments that are expected to vest, in accordance with the requirements of AASB 2.

The table below summarises the variables used in determining the values of performance rights granted as remuneration to key management personnel:

Assumptions	Tranche 1	Tranche 2	Tranche 3	Tranche 4
Number of securities	350,000	350,000	350,000	350,000
Value per security ($)	$1.64	$1.64	$1.64	$1.64
Probability of vesting	90%	50%	10%	5%
No. of securities likely to vest	315,000	175,000	35,000	17,500
Total value ($)	$516,600	$287,000	$57,400	$28,700

The fair value of rights issued as remuneration is allocated to the relevant vesting period of the rights. An expense of $631,255 has been recognised in the consolidated statement of profit or loss and other comprehensive income in respect of rights granted as remuneration to key management personnel during the current and prior year.

Additional information and disclosures

Group Performance
In considering the Consolidated Group's performance, the Board provides the following information for the current financial year and previous financial years:

	2022 ($)	2021 ($)
Profit/(loss) for the year attributable to shareholders	(4,252,207)	(1,224,978)
Basic earnings per share for the year ended 30 June	(0.026)	(0.01)

Directors Shareholding
The number of ordinary shares of Global Lithium Resources Limited held directly, indirectly or beneficially by each Director including their personally related entities as at reporting date:

	Opening balance 1 July 2021	Received as remuneration during the year	Other movements during the year	Closing balance 30 June 2022
Warrick Hazeldine	125,000	-	270,320	395,320
Dianmin Chen	9,116,667	-	307,307	9,423,974
Jamie Wright	125,000	-	(125,000)[1]	-
Ron Mitchell	-	-	74,074	74,074
Greg Lilleyman	-	-	148,148	148,148
Hayley Lawrance	-	-	37,038	37,038
TOTAL	**9,366,667**	**-**	**711,887**	**10,078,584**

[1] Resigned 1 March 2022

Directors Option holding
The number of unlisted options of Global Lithium Resources Limited held directly, indirectly or beneficially by each Director including their personally related entities as at report date:

	Opening balance 1 July 2021	Received as remuneration during the year	Other movements during the year	Closing balance 30 June 2022
Warrick Hazeldine	-	1,500,000	-	1,500,000
Dianmin Chen	-	3,000,000	-	3,000,000
TOTAL	**-**	**4,500,000**	**-**	**4,500,000**

Directors Performance Rights holding
The number of performance rights of Global Lithium Resources Limited held directly, indirectly or beneficially by each Director including their personally related entities as at report date:

	Opening balance 1 July 2021	Received as remuneration during the year	Other movements during the year	Closing balance 30 June 2022
Warrick Hazeldine	1,000,000	-	-	1,000,000
Dianmin Chen	1,000,000	-	-	1,000,000
Jamie Wright	3,000,000	-	(3,000,000)[1]	-
Ron Mitchell	-	800,000	-	800,000
Greg Lilleyman	-	300,000	-	300,000
Hayley Lawrance	-	300,000	-	300,000
TOTAL	**5,000,000**	**1,400,000**	**(3,000,000)**	**3,400,000**

[1] Resigned 1 March 2022, 1,000,000 performance rights were cancelled on resignation

END OF AUDITED REMUNERATION REPORT

Indemnity and insurance of officers
The Company has indemnified the Directors and executives of the Company for costs incurred, in their capacity as a Director or Executive, for which they may be held personally liable, except where there is a lack of good faith.

During the year ended 30 June 2022, the Group paid insurance premiums in respect of Directors' and Officers' liability and legal expenses' insurance contracts for current Directors and Officers. The insurance premiums relate to costs and expenses incurred by the relevant officers in defending proceedings, whether civil or criminal and whatever their outcome and other liabilities that may arise from their position, with the exception of conduct involving a wilful breach of duty or improper use of information or position to gain a personal advantage.

Details of the amount of the premium paid in respect of the insurance policies are not disclosed as such disclosure is prohibited under the terms of the contract

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

Non-audit services
During the reporting period PKF performed certain other services in addition to its statutory duties.

The Board has considered the non-audit services provided during the reporting period by the auditor and is satisfied that the provision of those non-audit services is compatible with, and did not compromise, the auditor independence requirements of the Corporations Act 2001 (Cth) for the following reasons:

The non-audit services do not undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants (including Independence Standards) and they did not involve reviewing or auditing the auditor’s own work, acting in a management or decision-making capacity for the Group, acting as an advocate for the Group or jointly sharing risks and rewards.

Proceedings on behalf of the 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 Group, or to intervene in any proceedings to which the Group is a party for the purpose of taking responsibility on behalf of the Group for all or part of those proceedings.

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

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

On behalf of the Directors

Ron Mitchell
Managing Director

21 September 2022
Perth WA

Advisory • Audit
Business Solutions

AUDITOR'S INDEPENDENCE DECLARATION

TO THE DIRECTORS OF GLOBAL LITHIUM RESOURCES LIMITED

In relation to our audit of the financial report of Global Lithium Resources Limited for the year ended 30 June 2022, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 or any applicable code of professional conduct.

PKF Perth

PKF PERTH

SHANE CROSS
PARTNER

21 SEPTEMBER 2022
WEST PERTH,
WESTERN AUSTRALIA

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

	Note	**30 June 2022** **$**	30 June 2021 $
Interest income		**43,217**	377
Total income		**43,217**	377
Administration expenses		**(581,451)**	(140,278)
Employee benefit expenses	3	**(1,055,299)**	(257,614)
Compliance expenses	4	**(256,996)**	(275,777)
Share based payments expenses	5	**(2,082,928)**	(534,979)
Other expenses		**(318,750)**	(16,707)
Total expenses	6	**(4,295,424)**	(1,225,355)
Loss before income tax		**(4,252,207)**	(1,224,978)
Income tax	7	**-**	-
Loss for the year		**(4,252,207)**	(1,224,978)
Other comprehensive income		**-**	-
Total comprehensive loss for the year		**(4,252,207)**	(1,224,978)
		$	$
Basic loss per share	8	**(0.026)**	(0.01)
Diluted loss per share	8	**(0.026)**	(0.01)

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2022

	Note	**30 June 2022 $**	30 June 2021 $
Current assets			
Cash and cash equivalents	9	**32,926,736**	3,627,223
Other receivables	10	**504,447**	5,142,334
Other current assets	11	**238,728**	37,933
Total current assets		**33,669,911**	8,807,490
Non-current assets			
Exploration and evaluation	12	**27,859,806**	4,564,073
Plant and equipment	13	**140,324**	8,498
Right of use asset	14	**188,174**	-
Other assets		**1,951**	1,376
Total non-current assets		**28,190,255**	4,573,947
TOTAL ASSETS		**61,860,166**	13,381,437
Current liabilities			
Trade and other payables	15	**3,587,773**	739,832
Lease liability	16	**41,355**	-
Provisions	17	**33,827**	7,692
Total current liabilities		**3,662,955**	747,524
Non-current liabilities			
Lease liability	16	**148,802**	-
Total current liabilities		**148,802**	-
TOTAL LIABILITIES		**3,811,757**	747,524
NET ASSETS		**58,048,409**	12,633,913
Equity			
Issued capital	18	**60,963,575**	13,379,801
Reserves	19	**2,578,520**	495,592
Accumulated losses		**(5,493,686)**	(1,241,480)
TOTAL EQUITY		**58,048,409**	12,633,913

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

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

	Issued Capital $	Share Based Payment Reserve	Retained Earnings $	Total $
Balance at 30 June 2020	4,065,750	-	(16,502)	4,049,248
Loss for the Period	-	-	(1,224,978)	(1,224,978)
Shares Issued During the Period	10,597,500	-	-	10,597,500
Costs of share issue	(1,283,449)	-	-	(1,283,449)
Performance rights and options issued to officers and consultants during the period	-	495,592	-	495,592
Balance at 30 June 2021	**13,379,801**	**495,592**	**(1,241,480)**	**12,633,913**
Loss for the Period	-		(4,252,207)	(4,252,207)
Shares Issued During the Period	50,084,157	-	-	50,084,157
Costs of share issue	(2,500,383)	-	-	(2,500,383)
Performance rights and options issued to officers and consultants during the period	-	2,082,928	-	2,082,928
Balance at 30 June 2022	**60,963,575**	**2,578,520**	**(5,493,687)**	**58,048,408**

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

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

	Note	**30 June 2022 $**	30 June 2021 $
Cash flows from operating activities			
Payments to suppliers and employees		**(2,047,572)**	(628,763)
Payment for exploration and evaluation		**(7,302,201)**	(611,176)
Interest received		**43,217**	377
Net cash used in operating activities	20	**(9,306,556)**	(1,239,562)
Cash flows from investing activities			
(Deposit)/Withdrawal from term deposit		**5,000,000**	(5,010,000)
Payment for plant and equipment		**(139,500)**	(9,436)
Payment for exploration and evaluation acquisitions		**(7,372,189)**	-
Payment for security deposits		**(24,603)**	-
Net cash used in investing activities		**(2,536,292)**	(5,019,436)
Cash flows from financing activities			
Proceeds from the issue of shares		**43,584,157**	10,000,000
Payments of share issue costs		**(2,441,796)**	(858,191)
Net cash generated by financing activities		**41,142,361**	9,141,809
Net increase/decrease in cash and cash equivalents		**29,299,513**	2,882,811
Cash and cash equivalents at the beginning of the financial yar		**3,627,223**	744,412
Cash and cash equivalents at the end of the financial year	9	**32,926,736**	3,627,223

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

NOTES TO THE FINANCIAL STATEMENTS

Note 1: Significant accounting policies

Global Lithium Resources Limited (the 'Company') is domiciled and incorporated in Australia. These consolidated financial statements and notes for the period ended 30 June 2022 represent those of the Company and its controlled entities (the 'Group'). The Group is involved in resource exploration and development in Western Australia.

The financial report was authorized for issue by the Board of Directors on 21 September 2022.

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

a) **Statement of Compliance**
The financial report is a general-purpose financial report which has been prepared in accordance with Australian Accounting Standards ('AASBs') (including Australian Accounting Interpretations), other authoritative pronouncements of the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001. Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply.

Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with the International Financial Reporting Standards (IFRS).

Global Lithium Resources Limited is a for-profit entity for the purpose of preparing the financial statements.

b) **Basis of consolidation**
The Group financial statements consolidate those of the Company and all of its subsidiaries as of 30 June 2022. The Company controls a subsidiary if it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary.

All transactions and balances between Group Companies are eliminated on consolidation, including unrealised gains and losses on transactions between Group Companies. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

c) **Basis of measurement**
The financial report is prepared on the historical costs basis and on an accrual basis.

d) **Functional and presentation currency**
These consolidated financial statements are presented in Australian dollars, which is the functional currency of the Company and its subsidiaries.

e) **Critical accounting estimates and judgements**
The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. These accounting policies have been consistently applied by each entity in the consolidated group.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described below:

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Coronavirus (COVID-19) pandemic
Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the Group based on known information. This consideration extends to the nature of staffing and geographic regions in which the Group operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the Group unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

Estimation of useful lives of assets
The Group determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Employee benefits provision
The liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Share-based payments
The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value of options is determined by using an appropriate valuation model, such as the Hoadley Trading & Investment Tools ESO2 valuation model, taking into account the terms and conditions upon which the instruments were granted. The Hoadley Trading & Investment Tools ESO2 valuation model, the Hoadley Barrier1 valuation model and the 'per security' valuation model (which uses share price at grant date multiplied by number of instruments expected to vest) were used to value the performance rights. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Exploration and evaluation expenditure
Exploration and evaluation expenditure in relation to separate areas of interest for which rights of tenure are current is carried forward as an asset in the statement of financial position where it is expected that the expenditure will be recovered through the successful development and exploitation of an area of interest, or by its sale; or exploration activities are continuing in an area and activities have not reached a stage which permits a reasonable estimate of the existence or otherwise of economically recoverable reserves. Where a project or an area of interest has been abandoned, the expenditure incurred thereon is written off in the year in which the decision is made.

f) Operating segments
Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers (CODM). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

g) Foreign currency translation
The financial statements are presented in Australian dollars, which is the Group's functional and presentation currency.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

h) Revenue recognition

The Group recognises revenue as follows:

Interest

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

Other revenue

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

i) Income tax

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

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled, and it is probable that the temporary difference will not reverse in the foreseeable future.

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

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

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

j) Current and non-current classification

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

k) Cash and cash equivalents

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

l) Exploration and evaluation assets

Exploration and evaluation expenditure in relation to separate areas of interest for which rights of tenure are current is carried forward as an asset in the statement of financial position where it is expected that the expenditure will be recovered through the successful development and exploitation of an area of interest, or by its sale; or exploration activities are continuing in an area and activities have not reached a stage which permits a reasonable estimate of the existence or otherwise of economically recoverable reserves. Where a project or an area of interest has been abandoned, the expenditure incurred thereon is written off in the year in which the decision is made.

m) Property, plant and equipment

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

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Plant and equipment
3-7 years

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

n) Impairment of non-financial assets

Non-financial 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.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

o) Trade and other payables

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

p) Employee benefits

Short-term employee benefits

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

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Defined contribution superannuation expense
Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Share-based payments
Equity-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options or rights over shares, that are provided to employees in exchange for the rendering of services.

The cost of equity-settled transactions is measured at fair value on grant date. Fair value is independently determined using either the Hoadley Trading & Investment Tools ESO2 valuation model, the Hoadley Barrier1 valuation model, per security valuation model, and Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option or right, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the Group receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions is recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

Market conditions are taken into consideration in determining fair value. Therefore, any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the Group or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Group or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

q) Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

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

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

r) Issued capital

Ordinary shares are classified as equity.

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

s) Earnings per share

Basic earnings per share

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

Diluted earnings per share

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

t) Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the 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 tax authority is included in other receivables or other payables in the statement of financial position.

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

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

u) New Accounting Standards and Interpretations not yet mandatory or early adopted

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 Group for the annual reporting year ended 30 June 2022.

There are no material new or amended accounting Standards which will materially affect the Group.

v) Leases

Right-of-use-assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of-use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Consolidated Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or if that rate cannot be readily determined, the Consolidated Group's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option or lease term extension and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Note 2: Operating segments

Identification of reportable operating segments

The Group is organised into one operating segment, being exploration operations in Australia. This operating segment is based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources.

The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements

The information reported to the CODM is on a monthly basis.

The reportable segment is represented by the primary statements forming these financial statements.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

	2022 $	2021 $
Note 3: Employee benefit expenses		
Salaries and wages, Directors' fees, payments to officers	889,181	254,387
Superannuation expenses	67,713	12,924
Movement in employee entitlements	26,134	7,692
Other employee related expenses	299,330	2,091
Less: transfer to exploration assets	(227,059)	(19,480)
	1,055,299	257,614

	2022 $	2021 $
Note 4: Compliance expense		
Audit fees	37,630	28,000
Legal fees	83,215	8,961
ASX fees	74,023	230,029
Share registry fees	55,176	3,603
ASIC fees	6,952	5,184
	256,996	275,777

Note 5: Share based payments expense

Share based payments expense

	2022 $	2021 $
4,500,000 options issued to Directors	1,393,605	375,000
300,000 options issued to suppliers	58,068	142,500
5,400,000 performance rights issued to Directors	631,255	17,531
	2,082,928	534,979

The Consolidated Group has provided payments to related parties in the form of share-based compensation.

The cost of these equity-settled transactions is measured by reference to the fair value at the date at which they are granted.

On 28 April 2021, 5,000,000 performance rights were issued to Directors under three equal tranches (1, 2 and 3).

On 16 November 2021, the performance rights tranche 3 vesting milestone was achieved (the milestone being that the Company achieved a volume weighted average share price over 30 consecutive trading days of at least $0.40 by 31 December 2023 or earlier). The remaining vesting expense for the tranche 3 performance rights of $262,969 was recognised in the current reporting period.

The tranche 3 performance rights were valued independently using the Hoadley Barrier 1 valuation model.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Note 5: Share based payments expense (continued)

The tranche 1 and 2 performance rights granted at 28 April 2021 were valued independently using the Hoadley Trading & Investment Tools ESO2 valuation model. Management have then estimated the probability that the vesting criteria attached to these performance rights will be achieved and have recognised that percentage of fair value as a share based payment in the Consolidated Statement of Profit and Loss and Other Comprehensive Income for the year ended 30 June 2022. The vesting expense recognised during the period for the tranche 1 and 2 performance rights is $239,167.

On 1 March 2022, 1,000,000 of the Tranche 2 performance rights issued were cancelled by agreement between the entity and the holder. These performance rights had not vested and had non-performance vesting criteria attached to them. They were cancelled on resignation of the Managing Director (Jamie Wright).

On 16 November 2021 the Tranche 3 performance rights fully vested up to expiry date based on market performance conditions.

Rights valuation model assumptions
The table below outlines the inputs used in the fair value calculation for the performance rights issued on 28 April 2021:

Assumptions	**Tranche 1**	**Tranche 2**	**Tranche 3**
Spot price	$0.20	$0.20	$0.20
Exercise price	Nil	Nil	Nil
Vesting date	N/A	N/A	N/A
Expiry date	31 Dec 2022	31 Dec 2023	31 Dec 2023
Expected future volatility	100%	100%	100%
Risk free rate	0.09%	0.10%	0.10%
Dividend yield	Nil	Nil	Nil
Barrier price	Nil	Nil	$0.40
Fair Value	$0.20	$0.20	$0.20
Management probability assessment	90%	50%	N/A

On 23 December 2021, 4,800,000 unlisted options with an exercise price of $1.00 per option and expiring on 12 November 2024 were issued to directors (4,500,000) and service providers (300,000). The options issued to directors vest immediately and the options issued to service providers vest 100,000 immediately, 100,000 12 months from issue and 100,000 24 months from issue.

The options have been valued independently using Hoadleys ESO Model, a binomial option pricing model. The total fair value of these options is $1,486,515.

Options valuation model assumptions
The table below outlines the inputs used in the fair value calculation for the options issued on 23 December 2021:

Assumptions		
Number of options	4,500,000	300,000
Spot price	$0.60	$0.60
Exercise price	$1.00	$1.00
Vesting date	20 Dec 2021	20 Dec 2021 (100,000) 12 Nov 2022 (100,000) 12 Nov 2023 (100,000)
Expiry date	12 Nov 2024	12 Nov 2024
Expected future volatility	100%	100%
Risk free rate	0.866%	0.866%
Dividend yield	Nil	Nil
Fair value	$0.30969	$0.30969

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Note 5: Share based payments expense (continued)

On the 13 May 2022 1,400,000 performance rights were issued to directors under 4 equal tranches. These performance rights all have non-market vesting conditions attached to them and have been valued by obtaining the 'per security' value by using the share price at grant date and then calculating the total value for the performance rights based on the number of instruments management currently expect will vest in accordance with the requirements of AASB 2.

Rights valuation model assumptions
The table below outlines the inputs used in the fair value calculation for the performance rights issued on 13 May 2022**:**

Assumptions	**Tranche 1**	**Tranche 2**	**Tranche 3**	**Tranche 4**
Performance Rights granted	350,000	350,000	350,000	350,000
Grant date	11 May 2022	11 May 2022	11 May 2022	11 May 2022
$/right	$1.64	$1.64	$1.64	$1.64
Probability	90%	50%	10%	5%
Expiry date	31 Dec 2022	31 Dec 2023	31 Dec 2024	31 Dec 2025

The vesting expense recognised during the period for the tranche 1, 2,3 and 4 performance rights granted on 11 May 2022 is $129,120.

	2022	**2021**
	$	**$**
Note 6: Expense		
Loss before income tax from continuing operations includes the following specific expenses not otherwise disclosed:		
Exploration expense	11,166	944
Depreciation	9,284	938
Interest on lease liabilities	1,023	-
Amortisation	16,727	-
	38,200	1.882

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Note 7: Income Tax (expense)/benefit	**2022**	**2021**
	$	**$**
Recognised in the income statement:		
Current tax (expense) / benefit	-	-
Deferred tax (expense) / benefit	-	-
Total income tax (expense) / benefit	-	-
Reconciliation between tax expense and pre-tax net profit		
Profit/ (loss) before income tax	(4,252,207)	(1,224,978)
Income tax calculated at 25% (2021: 26%)	(1,063,052)	(318,494)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Share-based payments	533,102	139,095
Impact of reduction in future corporate tax rate	-	(384)
Deferred tax asset (recouped)/ not brought to account	529,950	179,784
Income tax expense on pre-tax net profit	-	-
Weighted average rate of tax	25%	26%

The following deferred tax balances have not been recognised:

Deferred tax assets (at 25%, 2021 25%)	4,954,955	1,296,454
Deferred tax liabilities (at 25%, 2021 25%)	3,362,332	799,105

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 benefit 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.

Change in Corporate Tax Rate

There has been a legislated change in the corporate tax rate that will apply to future income years. The impact of this reduction in the corporate tax rate has been reflected in the unrecognised deferred tax positions and the prima face income tax reconciliation above.

Tax Consolidation

Global Lithium Resources Ltd and its wholly owned Australian resident subsidiaries formed an income tax consolidated group with effect from 10 June 2021. Global Lithium Resources Ltd is the head entity of the tax consolidated group.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Note 8: Basic and diluted loss per share

	2022 $	2021 $
Basic earnings/(loss) per share	(0.026)	(0.01)
Diluted earnings/(loss) per share	(0.026)	(0.01)
Loss used in calculation of basic and diluted loss per share	(4,252,207)	(1,224,978)
	No.	**No.**
Weighted average number of shares used as the denominator in calculating basic earnings per share	164,369,814	89,914,298

Note 9: Cash and cash equivalents

	2022 $	2021 $
Cash at bank	32,926,736	3,627,223
	32,926,736	3,627,223

Note 10: Other receivables

Term/Security deposits (greater than 3 mths)	34,603	5,010,000
GST refundable	469,844	132,334
	504,447	5,142,334

Note 11: Other current assets

Prepaid insurance	116,398	37,933
Commercial deposits	122,330	-
	238,728	37,933

Note 12: Exploration and evaluation

Exploration and evaluation

Opening balance	4,564,073	3,198,802
Expenditure on Marble Bar Lithium Project for the year	7,433,574	1,004,358
Expenditure on Manna Lithium Project for the year	1,339,594	-
Acquisition of tenements/rights during the year	14,522,565	360,913
Closing balance	27,859,806	4,564,073

During the year ended 30 June 2022 the Company acquired an 80% interest in the exploration and future mining rights to lithium and lithium associated co-minerals in the Manna Lithium Project from Breaker Resources NL for up to $33.0 million total consideration comprising $13.0 million up front consideration and $20.0 million deferred consideration.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

	2022 $	2021 $
Note 13: Plant and equipment		
Plant and equipment		
Opening balance	8,498	-
Acquisitions	141,110	9,436
Depreciation	(9,284)	(938)
Closing balance	140,324	8,498

Note 14: Right of use asset

Opening balance	-	-
Additions	204,901	-
Accumulated depreciation	(16,727)	-
Closing balance	188,174	-

Note 15: Trade and other payables

Trade creditors	2,100,383	93,693
Accrued liabilities	1,373,780	26,190
Employee liabilities	113,610	619,949
	3,587,773	739,832

Note 16: Lease liability

Current lease liability	41,355	-
Non-current lease liability	148,802	-
	190,157	-

The right of use asset is the Company's corporate offices. The asset is measured at cost and is disclosed at note 14. The lease commenced on 1 March 2022. Depreciation of $16,727 and interest of $1,023 have been expensed in relation to the lease in the consolidated Statement of Profit and Loss and other comprehensive income for the year ended 30 June 2022.

	2022 $	2021 $
Note 17: Employee benefits		
Provision for annual leave	33,827	7,692
	33,827	7,692

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Note 18: Issued capital

	Number of shares	2022 $
Movements in fully paid ordinary shares		
Opening balance 1 July 2021	131,808,339	13,379,801
Shares issued during the year	69,322,360	50,084,157
Costs of initial public offer	-	(2,500,383)
Balance at 30 June 2022	201,130,699	60,963,575

	Number of shares	2021 $
Movements in fully paid shares		
Opening balance 1 July 2020	76,233,339	4,065,750
Shares issued as consideration for services	5,175,000	517,500
Shares issued to Great Sandy in satisfaction of obligations under the tenement information agreement	400,000	80,000
Shares issued under initial public offer	50,000,000	10,000,000
Costs of initial public offer	-	(1,283,449)
Balance at 30 June 2021	131,808,339	13,379,801

Ordinary shares have no par value and there is no limit to the authorised capital of the Company.

Note 19: Reserves	2022 $	2021 $
Opening Balance	495,592	-
Options issued during the year	1,451,672	478,061
Performance rights vesting from prior year	502,136	-
Performance rights issued during the year	129,120	17,531
Balance at 30 June 2022	2,578,520	495,592

Share option reserve	Number of options	$	Weighted average Exercise price
Opening Balance 1 July 2021	4,780,614	478,061	$0.30
Issued to directors and advisors during the year	4,800,000	1,451,672	$1.00
Balance at 30 June 2022	9,580,614	1,929,733	$0.65

The weighted average contractual life of the options is 2.37 years.

During the 2022 financial year 4,800,000 unlisted options were issued to the directors (4,500,000) and a service provider (300,000). The options issued to directors vested immediately and are exercisable at $1.00 with an expiry date of 12th November 2024, and the options issued to the services provider vest 100,000 immediately, 100,000 12 months from issue and 100,000 24 months from issue. Refer to note 5 for further details relating to the fair value of these options.

Since the end of the financial year to the date of this report, no options have been granted, exercised or lapsed.

4,780,614 options were issued during the 2021 financial year and no options were exercised or lapsed during the 2021 financial year.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Note 19: Reserves (continued)

Performance rights reserve	**Number of rights**	**$**
Opening Balance 1 July 2021	5,000,000	17,531
Performance rights issued and fair value expensed during the year	1,400,000	631,256
Performance rights cancelled during the year	(1,000,000)	-
Balance at 30 June 2022	5,400,000	648,787
Opening Balance 1 July 2020	-	-
Performance rights issued and fair value expensed during the year	5,000,000	17,531
Balance at 30 June 2021	5,000,000	17,531

During the 2022 financial year, 1,000,000 performance rights were cancelled by mutual agreement between the individual and the entity and 1,400,000 performance rights were issued to Directors of the Company. These issued performance rights are split into 4 tranches.

Tranche 1 (350,000) are subject to the Company achieving between 20-30Mt of Inferred, Indicated and/or Measured resources at a minimum grade of 1.0% Li_2O, reported in accordance with the JORC Code 2012 by 31 December 2022 or earlier.

Tranche 2 (350,000) are subject to the Company achieving between 40-60Mt of Inferred, Indicated and/or Measured resources at a minimum grade of 1.0% Li_2O reported in accordance with the JORC Code 2012 by 31 December 2023 or earlier.

Tranche 3 (350,000) are subject to the Company achieving first truck load (at least 50WMT) spodumene concentrate (at least SC=5.5%) Li_2O delivered to Port for storage by 31 December 2024.

Tranche 4 (350,000) are subject to the Company achieving between 80-100Mt of Inferred, Indicated and/or Measured resources at a minimum grade of 1.0% Li_2O reported in accordance with the JORC Code 2012 by 31 December 2025 or earlier.

Since the end of the financial year to the date of this report, no performance rights have been granted, exercised or lapsed.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Note 20: Cash used in operating activities

	2022 $	2021 $
Net cash used in operating activities		
Loss after tax	(4,252,207)	(1,224,978)
Add/(less) non-cash items:		
Share based payments expense	2,082,928	615,031
Interest – office lease	1,023	-
Depreciation expense	26,011	938
Add/(less) movement in operating assets and liabilities:		
(Increase)/decrease in other current assets	(200,795)	(37,932)
Increase/(decrease) in payables	2,180,402	715,679
(Increase)/decrease in exploration and evaluation assets	(8,773,544)	(1,365,272)
(Increase)/decrease in other receivables	(396,511)	49,280
Increase/(decrease) in provisions	26,135	7,692
Net cash used in operating activities	(9,306,556)	(1,239,562)

Note 21: Financial Instruments

Financial Risk Management Policies

The Company's financial instruments consist mainly of deposits with banks, short-term investments and accounts receivable and payable.

The main purpose of non-derivative financial instruments is to raise finance for Company investments.

Derivatives are not used by the Company for hedging purposes. The Company does not speculate in the trading of derivative instruments.

i. Treasury Risk Management

Senior Executives of the Company meet on a regular basis to analyse financial risk exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

The Senior Executives overall risk management strategy seeks to minimise potential adverse effects on financial performance.

The Senior Executives operate under the guidance of the Board of Directors. Risk management initiatives are addressed by the Board when required.

ii. Financial Risk Exposures and Management

The main risks the Company is exposed to through its financial instruments are interest rate risk, liquidity risk.

Interest rate risk

Interest rate risk is the risk that a financial instruments value will fluctuate as a result of changes in market interest rates. All of the entity's exposure to interest rate risk is limited to cash and cash equivalents.

At 30 June 2022, the Company is exposed to interest rate risk on cash balances and term deposits held in interest bearing accounts. The Board monitors its interest rate exposure and attempts to maximise interest income whilst ensuring sufficient funds are available for the Group's operating activities. Companies' exposure to interest rate risk at 30 June 2022 approximates reasonable interest rate movements applied to the value of cash and cash equivalents and term deposits recorded as other receivables.

Liquidity risk

The Company manages liquidity risk by monitoring forecast cash flows.

Market risk

Market risk is the risk that the value of the Company's investments will fluctuate as a result of changes in market prices.

At 30 June 2022, the Company does not have any market risk exposure.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Note 21: Financial Instruments (continued)

Net fair values of financial assets and liabilities

Assets and liabilities included in the Consolidated statement of financial position are carried at amounts that approximate their fair values. Please refer to Note 1 for the methods and assumptions adopted in determining net fair values for investments.

Credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognise financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the Consolidated statement of financial position and notes to the financial statements.

Credit risk is reviewed regularly by the Senior Executives.

The Senior Executives ensure that the Company deals with:

- Only banks and financial institutions with an "A" rating;

The credit risk for counterparties included in trade and other receivables at 30 June 2022 is detailed below:

	2022 **$**	**2021** **$**
Trade and Other Receivables	504,447	5,142,334

Price risk

The Company does not have any exposure to price risk.

iii. Net Fair Values

As at 30 June 2022, the carrying amounts of all financial assets and liabilities approximated their fair values.

iv. Sensitivity Analysis

Interest rate risk and credit risk

The Company has performed sensitivity analysis relating to its exposures to interest rate risk at balance date. Sensitivity analysis relating to the Company's exposure to interest rate risk is summarised below and demonstrates the effect on the current year results and equity which could result from a change in interest rates:

2022	**Sensitivity** **%**	**Effect on Profit** **$**	**Effect on Equity** **$**
Interest rate	+1.00	+300,665	+300,665
	-1.00	-300,665	-300,665

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Note 21: Financial Instruments (continued)

The Company's effective weighted interest rate for classes of financial assets and liabilities is set out below:

2022	**Note**	**Weighted average interest rate**	**Fixed interest maturing in:** Floating interest	1 year or less	Non-interest bearing	Total
			$	**$**	**$**	**$**
Financial assets						
Cash and cash equivalents	9	0.91%	2,894,792	30,031,944	-	32,926,736
Trade and other receivables	10	-	-	34,603	469,844	504,447
			2,894,792	30,066,547	469,844	33,431,183
Financial liabilities						
Trade and other payables and liabilities	15	-	-	-	3,587,773	3,587,773
Lease liabilities	16				190,157	190,157
			-	-	3,777,930	3,777,930

2021	**Note**	**Weighted average interest rate**	**Fixed interest maturing in:** Floating interest	1 year or less	Non-interest bearing	Total
			$	**$**	**$**	**$**
Financial assets						
Cash and cash equivalents	8	0.26%	1,627,223	2,000,000	-	3,627,223
Trade and other receivables	9	-	-	5,010,000	132,334	5,142,334
			1,627,223	7,010,000	132,334	8,769,557
Financial liabilities						
Trade and other payables and liabilities	13	-	-	-	713,642	713,642
			-	-	713,642	713,642

Note 22: Key management personnel

Key management personnel remuneration includes the following as disclosed in detail in the remuneration report:

	2022 $	2021 $
Short term benefits	552,414	191,598
Post-employment benefits	33,525	9,500
Share based payments	2,024,860	392,531
Total remuneration	2,610,799	593,629

The following transactions occurred with related parties:

	2022 $	2021 $
Payment for professional services to related parties	-	650,000

Note 23: Auditor remuneration

During the year ended 30 June 2022 total fees paid or payable for services provide by PKF and its related practices were as follows:

	2022 $	2021 $
Audit services		
Audit and review of Financial Reports	34,255	28,000
Other services		
Taxation compliance and advisory	7,600	2,100
Investigating accountant report	-	11,275
Total remuneration paid to PKF	41,855	41,375

During the 2022 financial year fees were incurred for audit and review services for prior year financial reports. As the service were initiated during the 2021 financial year they are included in that years charges.

Note 24: Dividends

No dividends were paid or proposed during the financial year ended 30 June 2022 or 30 June 2021.
The Group has no franking credits available as at 30 June 2022 or 30 June 2021.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Note 25: Commitments and contingencies

Commitments
Exploration Commitments – the Company has an obligation to perform a minimum amount of exploration work and spend a minimum amount of money on its tenements. The minimum amounts of expenditure required is set by the DMIRS at the time of each annual renewal.

	2022 $	2021 $
Expenditure required on Exploration Licences		
Within one year	556,598	313,238
More than one year but less than five years	2,413,161	551,698
Greater than five years	-	-
Total commitments	2,969,759	864,936

Contingencies		
Contingent tenement acquisition costs (1)	1,125,000	1,125,000
Contingent deferred payments for lithium rights (2)	20,000,000	-
Total contingencies	21,125,000	1,125,000

(1) Contingent Deferred Tenement Acquisition costs payable to BCI Minerals Limited consists of the following:

(a) $625,000 payable 5 business days after the earlier of:
  (i) the date that a pre-feasibility study is completed in respect of the viability of a commercial mining operation on the Granted Exploration Licences; or
  (ii) the date that a decision to commence mining operations on the Granted Exploration Licences (or any other tenements granted to the Company relating to the same ground) is made; and

(b) $500,000 payable 5 days after the date that the Company first sells any minerals extracted from the area the subject of the Granted Exploration Licences.

(2) Contingent deferred payments for lithium rights – to Breaker Resources NL:

In December 2021 the Company acquired 80% of the lithium rights in the Manna Lithium Project from Breaker Resources NL. Contingent acquisition costs payable to Breaker Resources NL in relation to these assets consist of the following:
(a) A first deferred payment of $10,000,000 payable on the first occasion that Global Lithium parent announces to ASX a Mineral Resource of at least 250,000 tonnes of contained Li2O metal in the Lithium Rights area, with a cut-off grade of at least 0.5%; and
(b) A second deferred payment of $10,000,000 payable on the first occasion that Global Lithium parent announces to ASX the production of 100,000 tonnes of contained Li_2O metal produced from the Lithium Right Area.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Native Title and Aboriginal Heritage
Determinations of native title have been made with respect to areas which include tenements in which the Group has an interest. The native title does not interfere with exercise, by members of the Group, of rights under their tenements and the exercise of those rights takes priority over the exercise of the native title. The Group may be liable to pay compensation in relation to the effect of the grant of its tenements on that native title, which will be determined by the Federal Court if not agreed. The Group is unable to determine the quantum of any future compensation at this time. Native title claims have been made with respect to areas which include tenements in which the Group has an interest. The Group is unable to determine the prospects for success or otherwise of the claims and, in any event, whether or not and to what extent the claims may significantly affect the Group or its projects. Areas of the Group's tenements may be subject to Aboriginal heritage sites protected by State and Federal legislation. In those areas, the agreement of relevant native title holders and certain governmental approvals may be required before members of the Group can exercise rights under their tenements. Agreement is being or has been reached with relevant native title holders in relation to Aboriginal heritage processes regarding areas in which the Group has an interest.

Note 26: Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following wholly-owned subsidiaries in accordance with the accounting policy described in note 1:

	Country of Incorporation	**Ownership 2022 %**	**Ownership 2021 %**
MB Lithium Pty Ltd	Australia	100	100
GLR Australia Pty Ltd	Australia	100	0

MB Lithium Pty Ltd was incorporated on the 10th June 2021 and is a proprietary company registered in the state of Western Australia.
GLR Australia Pty Ltd was incorporated on the 25th August 2021 and is a proprietary company registered in the state of Western Australia.

Note 27: Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income	**2022 $**	**2021 $**
Profit/(loss) after income tax		
Within one year	(4,252,207)	(1,224,978)
Total comprehensive income	(4,252,207)	(1,224,978)
Statement of financial position		
Total current assets	49,158,116	8,807,490
Total non-current assets	11,702,050	4,573,947
Total assets	60,860,166	13,381,437
Total current liabilities	2,662,955	747,524
Total non-current liabilities	148,802	-
Total liabilities	2,811,757	747,524
Net assets	**58,048,409**	**12,633,913**
Equity		
Issued capital	60,963,575	13,379,801
Reserves	2,578,520	495,592
Retained profits/(accumulated losses)	(5,493,686)	(1,241,480)
Total equity	**58,048,409**	**12,633,913**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Note 28: Matters subsequent to the end of the financial year

No matters or circumstance have arisen since 30 June 2022 that have significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

DIRECTOR'S DECLARATION

In the opinion of the Directors of Global Lithium Resources Pty Ltd ("the Company"):

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

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

3. the attached financial statements and notes give a true and fair view of the entity's financial position as at 30 June 2022 and of its performance for the financial year ended on that date; and

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

The Directors have been given the declarations required by section 295A of the Corporations Act 2001.

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

On behalf of the Directors

Ron Mitchell
Managing Director

Dated at Perth this 21st day of September 2022

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

GLOBAL LITHIUM RESOURCES LIMITED

Report on the Financial Report

Opinion

We have audited the accompanying financial report of Global Lithium Resources Limited (the "Company"), which comprises the consolidated statement of financial position as at 30 June 2022 , the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Directors' Declaration of the Company and the consolidated entity comprising the Company and the entities it controlled at the year's end.

In our opinion the accompanying financial report of Global Lithium Resources Limited is in accordance with the Corporations Act 2001, including:

i) Giving a true and fair view of the consolidated entity's financial position as at 30 June 2022 and of its performance for the year ended on that date; and

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

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report.

We 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 consolidated entity in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (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.

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Key Audit Matters

A key audit matter is a matter that, in our professional judgement, was of most significance in our audit of the financial report of the current year. 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. For each matter below, our description of how our audit addressed the matter is provided in that context

1. Carrying value of capitalised exploration expenditure

Why significant

As at 30 June 2022 the carrying value of exploration and evaluation assets was $27,859,806 (2021: $4,564,073), as disclosed in Note 12.

The consolidated entity's accounting policy in respect of exploration and evaluation expenditure is outlined in Note 1.

Significant judgement is required:

- in determining whether facts and circumstances indicate that the exploration and evaluation assets should be tested for impairment in accordance with Australian Accounting Standard AASB 6 Exploration for and Evaluation of Mineral Resources ("AASB 6"); and
- in determining the treatment of exploration and evaluation expenditure in accordance with AASB 6, and the consolidated entity's accounting policy. In particular:
    - whether the particular areas of interest meet the recognition conditions for an asset; and
    - which elements of exploration and evaluation expenditures qualify for capitalisation for each area of interest.

How our audit addressed the key audit matter

Our work included, but was not limited to, the following procedures:

Conducting a detailed review of management's assessment of impairment trigger events prepared in accordance with AASB 6 including:

- assessing whether the rights to tenure of the areas of interest remained current at reporting date as well as confirming that rights to tenure are expected to be renewed for tenements that will expire in the near future;
- holding discussions with the Directors and management as to the status of ongoing exploration programmes for the areas of interest, as well as assessing if there was evidence that a decision had been made to discontinue activities in any specific areas of interest;
- obtaining and assessing evidence of the consolidated entity's future intention for the areas of interest, including reviewing future budgeted expenditure and related work programmes;
- considering whether exploration activities for the areas of interest had reached a stage where a reasonable assessment of economically recoverable reserves existed;
- testing, on a sample basis, exploration and evaluation expenditure incurred during the year for compliance with AASB 6 and the consolidated entity's accounting policy; and
- assessing the appropriateness of the related disclosures in Notes 1 and 12.

2. Share Based Payments

Why significant	How our audit addressed the key audit matter
For the year ended 30 June 2022, the value of share-based payments issued, and recognised in the Statement of Profit and Loss and Other Comprehensive Income, totalled $2,082,928 as disclosed in Note 5 and 19. The consolidated entity's accounting judgement and estimates in respect of share-based payments is outlined in Note 1(f). Significant judgement is required in relation to: • The valuation method used in the model; and • The assumptions and inputs used within the model.	Our work included, but was not limited to, the following procedures: • Reviewing the independent expert's valuations of the equity instruments issued, including: o ensuring the independence of the independent expert; o assessing the credentials of the independent expert; o assessing the appropriateness of the valuation method used; and o assessing the reasonableness of the assumptions and inputs used within the valuation model. • Reviewing Board meeting minutes and ASX announcements as well as enquiring of relevant personnel to ensure all share-based payments had been recognised; • Noting and confirming management's estimated probabilities of achieving the non-market based vesting criteria milestones attached to the share-based payments; • Assessing the allocation and recognition to ensure these are reasonable; and • Assessing the appropriateness of the related disclosures in Notes 1(f), 5 and 19.

Other Information

Those charged with governance are responsible for the other information. The other information comprises the information included in the consolidated entity'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, with the exception of the Remuneration Report.

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

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

Responsibilities of Directors' for the Financial Report

In preparing the financial report, the Directors are responsible for assessing the consolidated entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the consolidated entity or to cease operations, or have 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 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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

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

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

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

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

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

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

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

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

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

Report on the Remuneration Report

Opinion

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

In our opinion, the Remuneration Report of Global Lithium 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.

PKF Perth

PKF PERTH

SHANE CROSS
PARTNER

21 SEPTEMBER 2022
WEST PERTH,
WESTERN AUSTRALIA