CASTILE RESOURCES LTD
ANNUAL REPORT

ASX : CST | OTCQB : CLRSF

For the Year Ended 30 June 2024

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CORPORATE DIRECTORY

DIRECTORS

Peter Cook	Non-Executive Chairman
Mark Hepburn	Managing Director
Michael Poepjes	Executive Director
Jake Russell	Non-Executive Director

SECRETARY
Sebastian Andre

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CHAIRMAN’S LETTER

Dear Shareholders

It’s my pleasure to present you the Castile Annual Report for the year ending June 30, 2024.

It’s been a very successful year, including gaining Major Project Status with the NT Government, as we progress the future approval and commercialisation of our Rover 1 discovery

Rises in commodity prices over the past year present a great opportunity for the Company. We have received solid support from the pro-development and critical minerals agencies within government and the Northern Australian focussed entities that support economic development.

We have progressed through the processes toward permitting approval and have altered our strategic plan to de-couple the downstream metal production side of our plan to a government funded purpose-built facility in Darwin where the availability of skilled technical and labour will not be as challenging as it is within the Barkly Region.

The Tennant Creek region is a beacon for copper-gold production history and new discoveries, historically holding the mantle as Australia’s richest goldfield. We remain focussed on being a major part of the re-invigoration of the rich history of the region and the economic output it can generate.

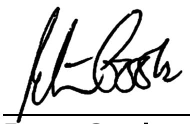
I thank our team, led by Mark Hepburn and Michael Poepjes for their resilience and commitment during a challenging year for development companies.

I thank our shareholders for their continued belief in the Company and I look forward with great optimism for what the new year can bring.

Yours faithfully

Peter Cook

Non-Executive Chairman



Peter Cook

Non-Executive Chairman

26 September 2024

MANAGING DIRECTOR'S LETTER

Dear Shareholders,

I am pleased to present the Annual Report for Castile Resources Limited for the 2024 Financial Year.

Thank you for your continued support over the last year. The 2024 financial year has been a transformative one for Castile Resources, marked by significant milestones in the development of the Rover 1 Project as we advance through the Bankable Feasibility Study. Our efforts have led to substantial optimisations across various facets of the project, including operational, environmental and metallurgical. Along the way we have attracted significant governmental support, positioning us for future success.

Project Advancements and Achievements

One of the most significant accomplishments this year was the awarding of Major Project Status (MPS) to the Rover 1 Project by the Northern Territory Government. This designation underscores the importance of Rover 1 to the economic development of the Barkly Region and the Northern Territory, placing Castile Resources among an elite group of companies recognised for their contribution to the region's growth. MPS ensures that all relevant government departments prioritise Rover 1, further accelerating our progress.

Another key development is our engagement with Northern Territory Landcorp on securing land at the Middle Arm Sustainable Development Precinct (MASDP) near Darwin. This precinct, designed for critical minerals processing and clean energy production, aligns perfectly with our strategic objectives. We have made significant strides in planning the relocation of the refining section of our plant to MASDP, while maintaining the beneficiation section in Tennant Creek. This strategic move not only reduces the environmental footprint at Rover 1 but also opens opportunities to process third-party concentrates from across Australia, thereby enhancing our operational flexibility and potential revenue streams. The processing pathway created by Castile presents the opportunity for commercialisation of smaller otherwise subeconomic deposits in the region.

The global market has been favourable, with gold and copper prices experiencing strong gains. Gold is now trading approximately 40% higher than the value used in our Pre-Feasibility Study. This bolsters the economic viability of Rover 1, where gold and LME-grade copper are the primary metals, supported by co-products cobalt metal and a 96.5% magnetite product.

Stakeholders and Community Engagement

Our collaboration with the Central Land Council and the Traditional Owners on whose land the Rover Project is located remains a cornerstone of our approach. The relocation of the refining section to Darwin is a significant step in minimising the environmental impact on the Rover 1 site, and we are committed to continuing our efforts to further reduce our footprint.

In the broader industry context, the closure of Glencore's Mt Isa copper refining smelter in Queensland underscores the strategic importance of our project.

MANAGING DIRECTOR'S LETTER continued

Once operational, Castile will be one of only two companies in Australia capable of producing significant quantities of pure copper metal. This positions Castile enviably in the Australian market, particularly as global demand for copper is set to rise with the transition to electrification and renewable energy sources.

Exploration and Government Support

Despite challenges posed by inclement weather, which delayed drilling at Pathfinder 35 during the field season, we have received increased funding from the Northern Territory Government's Geophysics and Drilling Collaborations (GDC) Program. The grant has been increased to $95,540, enabling us to proceed with exploration drilling at this highly prospective target near Rover 1.

Castile was awarded the honour of giving the keynote presentation for the Northern Territory Geological Survey (NTGS) at the Prospectors and Developers Association of Canada (PDAC) conference in Toronto. Additionally, our involvement in the Australian Trade and Investment Commission (Austrade) Business Delegation to India allowed us to engage with some of the largest corporations in India, discussing financing and off-take opportunities for copper and critical minerals. India's projected demand for copper, driven by its transition to clean energy, presents a significant market opportunity for Castile.

Castile's flagship asset, the Rover 1 Iron Oxide Copper Gold (IOCG) Project, was included in the Austrade's 2023 Critical Minerals Prospectus. Rover 1's inclusion in the prospectus has generated interest from both domestic and international critical mineral end users and financiers. The Company is working to capitalise on that interest and believes that there are significant opportunities among medium to large scale critical minerals consumers both domestically and internationally.

Leadership and Acknowledgements

This year also saw important changes in our leadership team. We welcomed Mr. Michael Poepjes to the Board of Castile Resources as an Executive Director and Chief Technical Officer. His expertise as a mining engineer has been invaluable in advancing the Rover 1 Project over the past four years. At the same time, we bid farewell to Mr. John Braham, who left the Board as of 1 January 2024, as we transition into the next phase of the project.

In closing, I extend my sincere thanks to our shareholders, stakeholders, study partners, board members, and employees. Your support and dedication have been instrumental in our progress, and I am confident that together we will continue to capitalise on the opportunities that the Rover 1 Project now presents.

Yours Sincerely,

Mark Hepburn
Managing Director

The Rover Mineral Field – Project Overview

Project Location and Ownership

Castile Resources' flagship asset, the Rover 1 Project, is strategically located within the 100% owned Rover Mineral Field, approximately 75 km west-southwest of Tennant Creek in the Northern Territory. The Rover Mineral Field comprises seven granted tenements situated on the Aboriginal freehold lands of the Karlantijpa South Land Trust and Karlantijpa North Land Trust. This area is recognised as a stratigraphic repeat of the renowned Tennant Creek goldfield, lying beneath approximately 200 metres of younger, unconformable rocks. The region is highly prospective for copper, gold, and base metals mineralisation, particularly associated with Iron Oxide Copper-Gold (IOCG) mineralising systems.

Exploration and Resource Highlights of the Rover Mineral Field

The Rover Mineral Field has yielded four significant discoveries from extensive drilling programs, all in close proximity to each other:

- **Rover 1 Ore Reserve**: A high-grade IOCG deposit that will produce copper, gold, cobalt, and magnetite, serving as the cornerstone of our development plans.
- **Explorer 108 Mineral Resource**: A large Copper-Lead-Zinc-Silver deposit, characterised by "Mt Isa" style mineralisation, which further emphasises the field's diverse resource potential.
- **Explorer 142 Mineral Resource**: A high-grade copper-gold deposit with geological similarities to Rover 1, reinforcing the region's potential for additional high-value discoveries.
- **Rover 4 Mineral Resource**: A copper-gold deposit located within 2 km of Rover 1, enhancing the overall resource base and future development synergies.

These discoveries underscore the significant potential of the Rover Mineral Field and align with Castile's long-term strategy of exploring and developing high-value Mineral Resources close to our planned development infrastructure.

The Rover 1 Project Development

Castile Resources is advancing the Rover 1 Project, located in the prolific gold-copper mining province of Tennant Creek in the Northern Territory. The project is set to produce high-purity products, including 99% copper, 99% cobalt, gold, and a high-grade (96.5%) magnetite concentrate. The downstream processing capabilities of the planned plant will allow the 99% copper and 99% cobalt products to be sold directly to electric vehicle (EV) and battery manufacturers, tapping into the growing demand for critical minerals in the clean energy sector.

DIRECTORS' REPORT continued

Transition from Pre-Feasibility Study (PFS) to Definitive Feasibility Study (DFS)

Since the completion of the Rover 1 Pre-Feasibility Study (PFS) in December 2022, Castile has transitioned into the Rover 1 Definitive Feasibility Study (DFS). This phase is focused on further optimising the production and processing pathways for the project.

The DFS will refine cost estimates and enhance the already strong financial outcomes highlighted in the PFS, ensuring the project is positioned for success as it moves toward development.

Key Financial Highlights from the Rover 1 PFS

The Rover 1 Project Pre-Feasibility Study delivered robust financial metrics, underscoring the project's economic viability:

- **Pre-tax NPV$_{6.5}$**: $451.7 million with an Internal Rate of Return (IRR) of 46%.
- **Total Revenues**: A$1.94 billion.
- **Pre-tax Cash Flow**: A$1.02 billion.
- **Undiscounted Pre-tax Net Cash Flow**: A$686 million.
- **Capital Cost Estimate**: A$279.5 million, including A$160.7 million for the Processing Plant.
- **Payback Period**: Simple payback post-tax is expected after 2 years and 7 months of production.

These strong financial indicators demonstrate the potential of the Rover 1 Project to deliver significant returns and contribute to Castile's growth and value creation strategy.

Major Project Status

In April 2024, Castile's Rover 1 Project was granted Major Project Status (MPS) by the Northern Territory Government. This designation offers multiple strategic advantages:

- **Strategic Alignment**: The status reflects the shared vision of Castile and the Northern Territory Government to establish the NT as a hub for downstream processing of critical minerals, promising widespread economic and social benefits.
- **Economic Contribution**: The robust financials of the Rover 1 Project position Castile as a significant contributor to the economic development of the Barkly Region and the Northern Territory, with direct employment and business opportunities for local service providers.
- **Government Support**: The NT Government's assistance will be crucial in facilitating Castile's Final Investment Decision, accelerating the project's development.

DIRECTORS' REPORT continued

- **Global Credibility**: Now that Castile has completed the stringent award requirements of MPS - the NT Government promotes Castile's Rover 1 Project to a global audience of investors, metal end users and financiers.

Middle Arm Sustainable Development Precinct (MASDP)

Castile Resources is actively engaging with the Northern Territory Land Development Corporation regarding a parcel of land at the $2 billion Middle Arm Sustainable Development Precinct (MASDP) near Darwin. Situated 40 km from Darwin City and 6 km from Palmerston City, MASDP presents a strategically advantageous location for refining operations.

As part of the Rover 1 Bankable Feasibility Study (BFS), Castile is evaluating the environmental, operational, financial, social, and stakeholder implications of situating the "back-end" refining section of the processing plant at MASDP.

The "front-end" mining and beneficiation operations will remain at Tennant Creek, with the bulk concentrate (containing gold, copper, and cobalt) transported via the existing rail network to MASDP for refining.

Figure 1: The proposed Middle Arm Sustainable Development Precinct (MASDP) near Darwin

At MASDP, gold from Rover 1 will be processed into gold doré, while strategic outputs such as copper and cobalt metals will be available for direct sale to end-users. The precinct, purpose-built for critical minerals processing and clean energy production, will provide substantial benefits to Castile's development strategy.

Strategic Benefits of MASDP Development

- **Environmental Impact**: Relocating refining operations to MASDP reduces the overall site footprint and environmental impact, enabling more efficient management within a dedicated precinct.
- **Infrastructure and Workforce**: The move reduces the capital infrastructure and construction complexity required in a remote location, while also alleviating competition for skilled labour in a region with a tightening labour market.
- **Regulatory Streamlining**: MASDP offers a framework for streamlined environmental approvals, potentially reducing the time to construction.
- **Logistics and Connectivity**: The precinct provides immediate access to road, rail, port, and logistics infrastructure, significantly enhancing the efficiency of consumable transport and waste removal.
- **Renewable Energy**: The proximity to giga-scale renewable energy providers at MASDP offers opportunities to significantly reduce project emissions.
- **Workforce Proximity**: With Darwin and Palmerston nearby, Castile's operations will benefit from a stable, highly skilled local workforce, with employees able to reside with their families in vibrant, established communities.
- **Third-Party Processing Potential**: Castile is also exploring the potential to expand the downstream facility at MASDP to process third-party concentrates, thereby enhancing critical mineral production within Australia and safeguarding national resource sovereignty.

Figure 2: The proposed refining plant at MASDP near Darwin

Bankable Feasibility Study

The Rover 1 Bankable Feasibility Study (BFS) progressed and included several significant milestones:

- Approval from the Northern Territory EPA on the submitted Terms of Reference for the Rover 1 Environmental Impact Study
- Completion of final testing on the proposed gravity gold, pressure oxidation and magnetic separation circuits to further optimise recoveries of metal products
- Continued discussions around financing options with government departments and end users of critical minerals
- Engagement with the Northern Territory Land Development Corporation on a parcel of land at the $2billion Middle Arm Sustainable Development Precinct (MASDP) located in Darwin

NT Government Co-Funded Exploration Programs

Castile has been successful in obtaining Northern Territory Government co-funding support for two of its exploration activities during the reporting period. This support is a testament to the innovative approach and robust scientific basis of Castile exploration program. Co-funding was made available for:

- A co-funded Passive Seismic Survey deploying the latest geophysical technology on the Rover Mineral Field.
- Exploration Drilling at Pathfinder 35.

Rover Mineral Field Passive Seismic Program

Castile undertook a Passive Seismic Trial Program with Odyssey Geophysics over the period late December 2023 through to April 2024.

The program was a proof-of-concept trial over the known Rover 1 IOCG deposit to validate and calibrate passive seismic geophysical techniques against known geology such as depth to basement and location of subsurface high density/high velocity material (IOCG alteration zones).

One sensor successfully collected data for the whole deployment, while the other two sensors captured intermittent data due to hardware issues. Results to-date have important applications for regional exploration under cover, specifically for identification of deep crustal faulting which has a spatial relationship with mineralisation of all styles. Castile's current view is that implementing a broad grid of sensors could help to evaluate the mineral potential of faults identified from magnetic and gravity data. An expanded survey over the whole of Rover 1 is planned for October 2024.

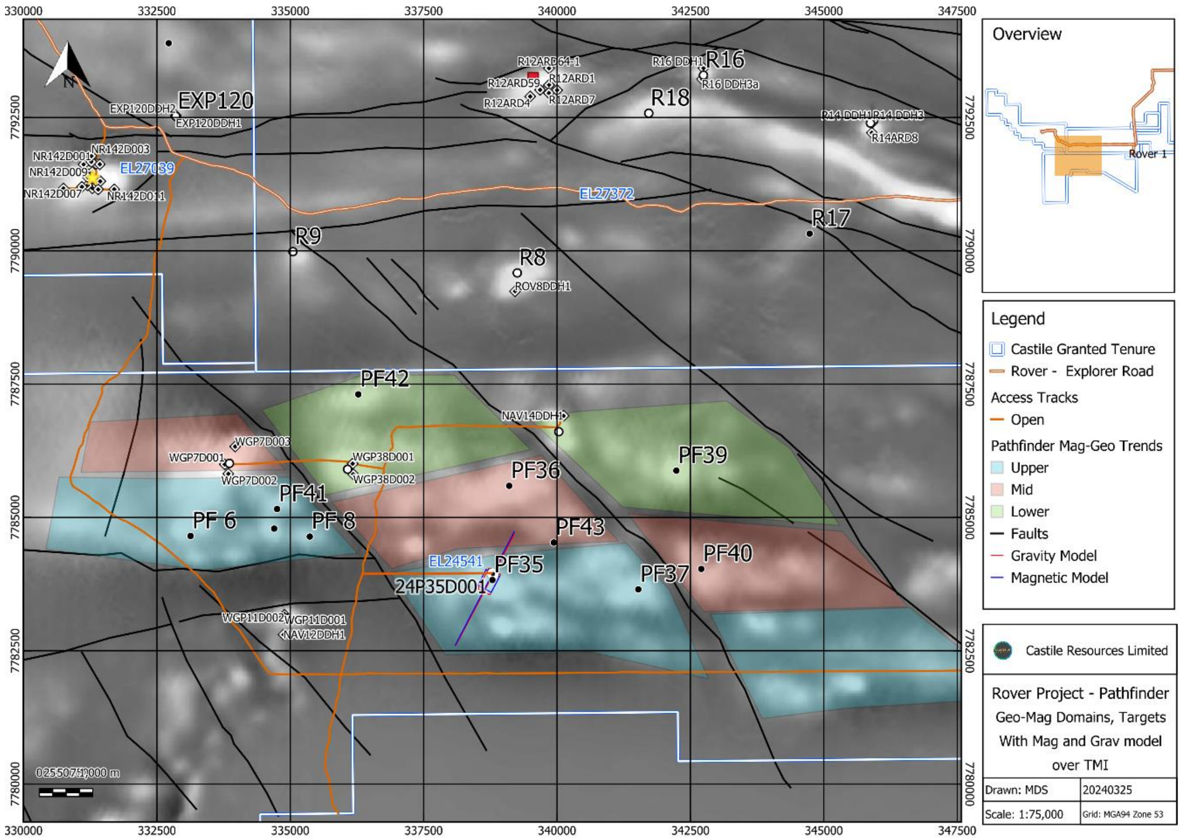


Figure 3: Pathfinder Geo-mag domains

Rover Mineral Field Pathfinder 35 Drilling

The Pathfinder 35 target is considered prospective for copper, gold and cobalt associated with Tennant Creek style Iron Oxide Copper Gold (IOCG) mineral systems and massive sulphide base metal mineralisation. Pathfinder 35 target is located approximately 40km to the south-west of Castile's flagship asset, the Rover 1 Project (Figure 3).

The 2022-2023 and 2023-2024 wet seasons severely affected the road and track access required for the program resulting in its subsequent suspension. Castile was successful in re-submitting a proposal for co-funding grant for the 2024-25 season, drilling is now planned to commence in late October 2024.

Metallurgical Testing

Metallurgical test work completed consisted of a review of the gravity gold circuit, pressure oxidisation circuits and the low-intensity magnetic separation (LIMS) of magnetite. Results obtained to-date are consistent with historical testing previously released. Ongoing testing through 2024 considers a shorter residence time within the pressure oxidation autoclave with a view to reducing the capital requirement for the processing facility.

DIRECTORS' REPORT continued

ROVER PROJECT REGIONAL EXPLORATION

Gaining Major Project Status lays the foundation for Castile to capitalise on the other exploration opportunities within the Rover Mineral Field which is potentially an undercover repetition of the neighbouring Tennant Creek Mineral Fields that yielded approximately 5.5Moz of gold and 350kt of copper (nt.gov.au/ntgs) over its operating period.

Castile has defined multiple coincident magnetic and gravity anomalies within the Rover Mineral Field pointing to mineralisation under west Wiso basin cover. This includes previously drilling six targets and making four significant discoveries, Rover 1, Explorer 108, Explorer 142 and Rover 4 displaying the strong prospectivity of the tenements. Our focus on downstream processing rather than a typical concentrate production and shipping to overseas markets strategy - provides an infrastructure pathway for these opportunities to be advanced.

With Rover 1, Castile has development ready copper-gold asset that can re-ignite mining activity in the prolific Tennant Creek Region. The attractiveness of Rover 1 has been enhanced by the strong rebound in copper and gold prices supported by co-products revenue from cobalt and magnetite.

MILGUN LITHIUM NIOBIUM PROJECT

The Milgun Project is located approximately 150km north-northwest of Meekatharra in the Peak Hill Mineral field and comprises tenements E52/4206 and E52/4235.

The Milgun tenements contain Lithium and Niobium anomalies which were not acknowledged by the previous owners who completed 9,000 soil samples between 2011 and 2012.

At the time critical minerals were not a priority, with exploration focused on gold and copper in the region. Both Lithium and Niobium are now classified as Critical Minerals in Australia and the USA.

In March 2024, 771 soil samples and 36 rock chip samples were collected over E52/4235, along with 20Ha of detailed geological mapping. The mapping identified a shallow dipping quartz-feldspar-muscovite pegmatite swarm comprising three main pegmatites to 3m thick, striking over 200m (refer to Figure 3) that intruded into a mafic schist unit within gneiss of the Yarlarweelor Gneiss Complex. 21 of the 36 rock chip samples were taken of the pegmatite (refer to Figure 4).

The rock chip analytical results indicate the pegmatites are not evolved enough to host Lithium-Caesium-Tantalum (LCT) mineralisation. No additional soil geochemical anomalies were identified associated with LCT or Rare Earth Elements (REE) mineralisation. In addition, Au, Cu, Co, Pb and Zn was also examined with no anomalies identified and therefore no further work is planned on E52/4235.

DIRECTORS' REPORT continued

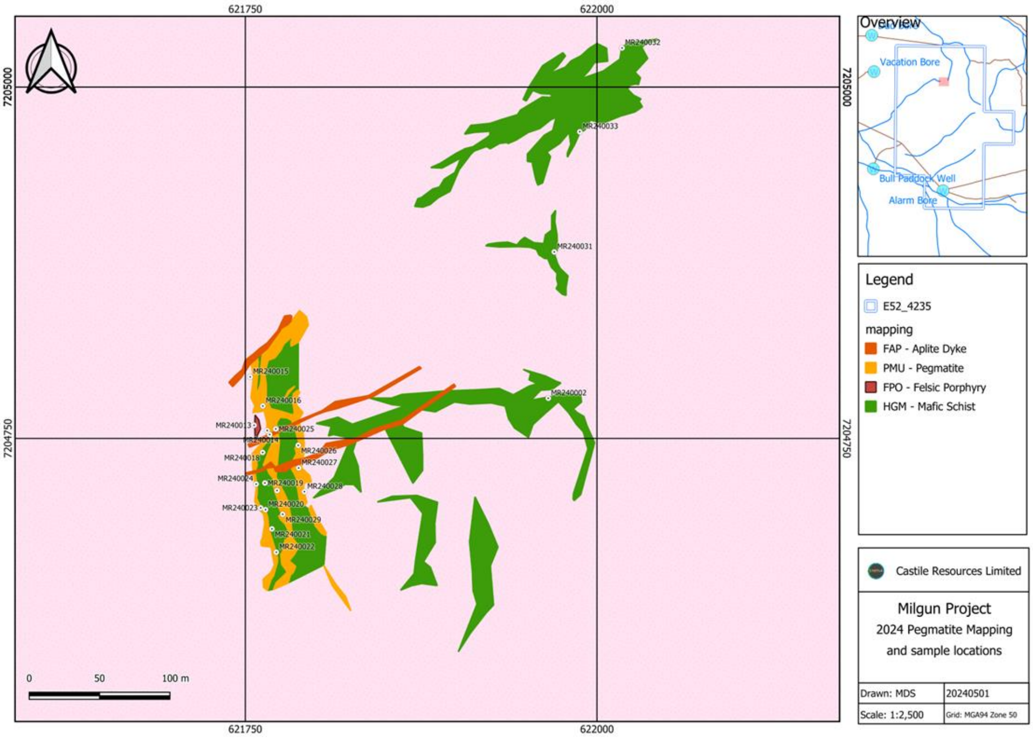


Figure 4: Milgun Project geological mapping

Figure 5: Milgun rock chip sampling - shallow dipping pegmatite

Ongoing exploration effort on the Milgun Project will be directed to E52/4206 to verify the GSWA interpretation of the basement as being intrusive rocks of the Durlacher Supersuite which are associated with known LCT and REE mineralisation elsewhere in the Gascoyne such as the Yinnetharra Lithium and Yangibana REE Projects.

WARUMPI PROJECT – TECHNICAL OVERVIEW

The Company's tenement package also includes the Warumpi Project which is a prospective grass-roots exploration project located approximately 300km west of Alice Springs and approximately 500km southwest of the Rover Project.

Activities at Warumpi were limited for the year due to Native Title access constraints.

Further geophysical surveys are being considered for the Warumpi tenements in the NT in the upcoming 2024 field season.

DIRECTORS' REPORT continued

TECHNICAL OVERVIEW – ANNUAL MINERAL RESOURCES ESTIMATE AND ORE RESERVES INVENTORY

The Mineral Resource and Reserve inventory for the Rover Project has remained consistent throughout 2024. There have been no changes to the Company's Mineral Resources in the period between its annual review of mineral resources and its end of financial year balance date.

Table 1: Rover 1 Project Resource Summary

2.0g/t AuEq COG		Grade				Metal Content			
Class	Tonnes (Mt)	Au (g/t)	Cu (%)	Co (%)	Fe_3O_4 (%)	Au (oz)	Cu (t)	Co (t)	Fe_3O_4 (t)
Measured									
Indicated	3.97	1.83	1.59	0.07	23.64	233,800	63,100	2,900	938,000
Inferred	1.61	1.57	1.25	0.07	22.13	81,400	20,100	1,100	357,000
Total	5.58	1.76	1.49	0.07	23.20	315,200	83,200	4,000	1,295,000

Table 2: Rover 4 Project Resource Summary

2.0g/t AuEq COG		Grade				Metal Content			
Class	Tonnes (kt)	Au (g/t)	Cu (%)	Co (%)	Fe_3O_4 (%)	Au (oz)	Cu (t)	Co (t)	Fe_3O_4 (t)
Measured									
Indicated	50.6	0.38	1.90	0.03		600	1,000	10	
Inferred	307.6	0.60	1.81	0.01		5,900	5,600	50	
Total	358.2	0.56	1.82	0.01		6,500	6,500	60	

Table 3: Explorer 108 Project Resource Summary

2.5% Pb + Zn COG		Grade					
Class	Tonnes (Mt)	Ag (g/t)	Pb (%)	Zn (%)	Ag (koz)	Pb (t)	Zn (t)
Measured							
Indicated	8.44	14.32	2.05	3.41	3,886	172,800	288,100
Inferred	3.43	3.32	1.88	2.81	365.6	64,400	96,500
Total	11.87	11.14	2.00	3.24	4,251.6	237,200	384,600

0.1% Cu COG		Grade	Metal Content
Class	Tonnes (Mt)	Cu (%)	Cu (t)
Measured			
Indicated	5.69	0.36	20,300
Inferred			
Total	5.69	0.36	20,300

DIRECTORS' REPORT continued

Table 4: Explorer 142 Project Resource Summary

2.5% Cu COG		Grade		Metal Content	
Class	Tonnes (kt)	Au (g/t)	Cu (%)	Au (oz)	Cu (t)
Measured					
Indicated					
Inferred	175.6	0.21	5.21	1,200	9,150
Total	175.6	0.21	5.21	1,200	9,150

Table 5: Rover Project Ore Reserve Summary

Class	Tonnes (Mt)	Au (g/t)	Cu (%)	Co (%)	Fe_3O_4 (%)	Au (oz)	Cu (t)	Co (t)	Fe_3O_4 (t)
Proven									
Probable	3.11	2.02	1.52	0.07	22.92	201,800	47,400	2,200	713,300
Total	3.11	2.02	1.52	0.07	22.92	201,800	47,400	2,200	713,300

This annual Mineral Resource Estimate statement is based on, and fairly represents, information and supporting documentation prepared and compiled by Mr Mark Savage BSc (Hons) MAusIMM who has sufficient experience which is relevant to the styles of mineralisation, the types of deposit under consideration and to the activities which he is undertaking to qualify as a Competent Person as defined in the 2012 Editions of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC 2012)". Mr Savage consents to the inclusion in this report of the matters based on this information in the form and context in which it appears. Mr Savage is a full-time employee of Castile Resources Limited. The Annual Review Statement is approved by Mr Savage.

This annual Ore Reserve statement is based on, and fairly represents, information and supporting documentation prepared and compiled by Mr Michael Poepjes, MAusIMM who has sufficient experience which is relevant to the styles of mineralisation, the types of deposit under consideration and to the activities which he is undertaking to qualify as a Competent Person as defined in the 2012 Editions of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC 2012)". Mr Poepjes consents to the inclusion in this report of the matters based on this information in the form and context in which it appears. Mr Poepjes is a full-time employee of Castile Resources Limited. The Annual Review Statement is approved by Mr Poepjes.

The metallurgical results are based on, and fairly and accurately represents, information and supporting documentation prepared by Damian Connelly. Mr Connelly is a full-time employee of METS Engineering, a Contractor to Castile, and is a Fellow of The Australasian Institute of Mining and Metallurgy.

DIRECTORS' REPORT continued

Mr Connelly has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Exploration Targets, Mineral Resources and Ore Reserves. Mr Connelly consents to the inclusion in the report of the matters based on the results in the form and context in which they appear.

Governance Arrangements

The Company stores all primary geological data in a database management system located on a secure SQL server. As new data is acquired it passes through a validation system designed to pick up any significant errors before the information is loaded into the master database.

Geological interpretation of any given deposit is carried out using a systematic approach to ensure that the resultant estimated Mineral Resource figure is both sufficiently constrained, and representative of the expected sub-surface conditions. In all aspects of resource estimation, the factual and interpreted geology are used to guide the development of the interpretation. Geological matrixes are established to assist with interpretation and construction of the estimation domains.

All modelling and estimation work undertaken by the Company is carried out in three dimensions using appropriate software. After validating the drillhole data to be used in the estimation, interpretation of the orebody is undertaken in sectional and / or plan view to create the outline strings which form the basis of the three-dimensional orebody wireframe. Wireframing is then carried out using a combination of automated stitching algorithms and manual triangulation to create an accurate three-dimensional representation of the sub-surface mineralised body.

Drillhole intersections within the mineralised body are defined, these intersections are then used to flag the appropriate sections of the drillhole database tables for compositing purposes. Drillholes are subsequently composited to allow for grade estimation.

Once the sample data has been composited, a statistical analysis is undertaken to assist with determining estimation search parameters, top cuts etc. Variographic analysis of individual domains is undertaken to assist with determining appropriate search parameters, which are then incorporated with observed geological and geometrical features to determine the most appropriate search parameters.

An empty block model is then created for the area of interest. This model contains attributes set at background values for the various elements of interest as well as density, and various estimation parameters that are subsequently used to assist in resource categorisation. The block sizes used in the model will vary depending on orebody geometry, minimum mining units, estimation parameters and levels of informing data available.

Grade estimation is then undertaken, using estimation techniques appropriate to the domain being estimated.

Both by-product and deleterious elements are estimated at the time of primary grade estimation if required. Estimation results are validated against primary input data, previous estimates and mining output (if available).

A resource is then depleted for mining voids (if required), and subsequently classified in line with JORC guidelines utilising a combination of estimation derived parameters and geological / mining knowledge. This approach considers all relevant factors and reflects the Competent Person's view of the deposit.

The cut off grades used for the reporting of the mineral resource estimates have been selected based on the style of mineralisation, depth from surface of the mineralisation and the most probable extraction technique.

Resource estimates are peer reviewed by the Corporate technical team prior to reporting, and where appropriate external consultants are engaged to provide additional technical review.

All currently reported mineral resources estimates are considered robust, and representative on both a global and local scale.

HEALTH, SAFETY AND FINANCIAL EFFECTS OF COVID-19

The Castile Resources COVID-19 Business Management Plan (CBMP) has continued to provide protection for our employees and contractors and the communities in which we interact. All employees of Castile are provided with ongoing state and federal government health department recommendations and information regarding testing, vaccinations and boosters as they become available.

As the restrictions and regulations around vaccinations, interstate and local travel, isolation requirements and mask wearing have largely been discontinued, the impact on operations and the financial position of the Company has been extremely low. Castile continues to monitor developments and government recommendations of COVID-19 variants and refresh hygiene protocol supplies as required according to the CBMP.

Castile maintains the distribution of federal and state government policies and procedures to employees as part of the protocols of the plan with cases reported as per the appropriate channels.

ENVIRONMENTAL SOCIAL AND GOVERNANCE RESPONSIBILITIES

Environmental Impact Study

Castile referred a proponent initiated Environmental Impact Study (EIS) for the Rover 1 project in October 2023. This work included a Terms of Reference and Statement of Reasons. These documents were approved by the Northern Territory Environmental Protection Agency (NTEPA) in January 2024. Castile also submitted a referral to the Federal Environmental Protection Agency (EPA) under the Environmental Protection and Biodiversity Act. This referral was also accepted as presented.

DIRECTORS' REPORT continued

Work continued throughout the year on the Waste Rock Characterisation study and a hydrogeological assessment for the local aquifers. A Green House Gas emissions report was included as part of the submission to the NTEPA. Studies are continuing for inclusion within the EIS submission.

Traditional Owner Engagement

Castile continues to work closely with the Central Land Council (CLC) who represent the Traditional Owners of the land on which the Rover Mineral Field is situated. Castile continues to consult with the CLC on clearances for field works and facilitating engagement with local communities regarding future training and employment opportunities

The CLC remain supportive of Castile's development and exploration activities in the region. Interaction over the course of the year culminated in a range of Traditional Owner Meetings in conjunction with the Central Land Council in Tennant Creek in early July 2023. The meetings were well attended by Traditional Owners who continue to offer their strong support for the development of the Rover 1 Mining Project.

Castile maintained its focus on ESG outcomes with continued participation in stakeholder and community support programs. Progressive rehabilitation of inactive drill sites and the management of any pollutants and waste materials continued. Castile continues to engage with local communities in Tennant Creek and will be part of a coordinated approach to conducting discussions around employment opportunities for Traditional Owner groups and the business sector of the local Tennant Creek area. Castile is in discussions with peer group resources companies located in the region regarding coordinated efforts within the resources sector for training and employment programs.

Planning the Rover 1 development involves minimising the environmental impact of the operation on Trust land. The removal of the refining section of the plant from the Rover 1 site to the purpose-built processing precinct in Darwin is one such strategy.

Castile was granted two tenements in the Peak Hill Mineral Field which it named the "Milgun Project". The tenements are located near Milgun approximately 425km north-northwest of Meekatharra, Western Australia. The tenements are considered prospective for critical minerals including Rare Earth Elements ("REE") and Lithium-Caesium-Tantalum (LCT) pegmatites. The "Milgun Project" comprises two granted tenements E52/4206 and E52/4235.

On 5 December 2023, a Heritage Agreement was entered into with the Jidi Jidi Aboriginal Corporation which represents the interests of the Nharnuwangga, Wajarri and Ngarlawangga people, allowing Castile to complete its first field program on the Milgun Project.

The surface program was completed in February 2024 with more work planned for 2025.

Community and Social Responsibility

Castile continues to support Tennant Creek business and service providers and engage with the local community members through employment and training discussions.

DIRECTORS' REPORT continued

Castile was once again honoured to be the major sponsor of the 2024 Tennant Creek Memorial Club ANZAC Roll Call and Dinner to show support and thanks to the service men and women from the region. Castile attends Chamber of Commerce events

Financial Report

Castile continued to focus the majority of expenditure into advancing the development of the Rover 1 Mining Project. This included metallurgical testing, environmental studies and plant design conducted by third party specialist contractors. Metallurgical testing to ensure recoveries are maximised in all metals was performed by ALS under the supervision of MACA Interquip. MACA Interquip also provided metallurgical consultation and optimisation of the proposed flow sheet for Rover 1. MACA Interquip provided an updated image for the relocation of the refining components of the processing plant at MASDP.

EcOz have continued assisting Castile for the NT EIS and Federal EPBC referrals that were completed and approved. Castile and EcOz continue to work together collating the information required for these key approval documents. Activities carried out during the year include a greenhouse gas assessment and waste rock characterisation.

Funds used on the surrounding tenements within the Rover Mineral Field portfolio, including the groundwork and preparations to drill Pathfinder 35 later in the 2024 calendar year. Some of the larger costs involved in development in the PFS. Castile has received a co-funding grant of $95,450 from the NTGS to assist in funding this drilling.

Funds were spent drilling at Rover 4 which resulted in a maiden Mineral Resource Estimate for that deposit. Geophysical studies were financed in several tenements seeking further prospects to analyse. This concurs with the Company's "hub and spoke" strategy which aims to commit funds to explore for mineral deposits near the planned development at Rover 1. The longer strategy is committing funds to early exploration, creating a regional hub and extending the use of the infrastructure from the original Rover 1 development with new deposits. The latter half of the year saw the company commit to funding a Bankable Feasibility Study on the Rover 1 Project with further metallurgical testing to finalise processing parameters and optimise metal recoveries.

Exploration activities that were carried out within the Milgun tenements were also funded. Activities included mapping the outcropping pegmatites and conducting soil sampling activities.

Business Development – Government and Corporate

Major Project Status

In April 2024, Castile's Rover 1 Project was granted Major Project Status (MPS) by the Northern Territory Government. This designation reflects the shared vision and alignment of Castile and the Northern Territory Government to establish the NT as a hub for downstream processing of critical minerals.

DIRECTORS' REPORT continued

Projects selected for MPS promise widespread economic and social benefits to the NT and in return the NT Government commits to prioritising all of Castile's engagement with government to ensure the project is developed and financed as quickly as possible.

Castile is strongly aligned with the Federal Government's strategy regarding critical minerals. The Federal Government's Critical Minerals Accelerator Initiative (CMAI) is tasked with bringing new sources of critical mineral online within Australia by supporting early and mid-stage projects that contribute to robust global supply chains, build domestic capability and create high-paying regional jobs for Australians now and into the future.

The Company has a broad strategy of producing pure metals which can be sold directly to the customer. This will improve margins for Castile by significantly expanding our potential customer base to seek the highest prices for our metal and avoiding offshore third-party smelting costs.

Middle Arm Sustainable Development Precinct

Consequently, the NT Government has engaged with Castile on a parcel of land at the $2 billion Middle Arm Sustainable Development Precinct (MASDP) near Darwin with the multiple benefits listed earlier in this Annual Report.

Northern Territory Election

The Northern Territory held an election in August 2024 with both of the two major parties endorsing mining as a key component to the economic recovery of the Territory. The Country Liberal Party (CLP) was elected to government, pledging to stimulate the economy through supporting the mining industry.

Critical Minerals Trade Delegation to India

Castile's Managing Director, Mark Hepburn, attended The Australian India Business Exchange (AIBX) Critical Minerals Trade Mission in November 2023 – the Australian Government and Austrade's flagship trade and investment program for India.

The purpose of the meetings was to discuss Indian companies' Critical Mineral requirements and how they could shore-up supply chains from Australian producers. From the meetings, it was obvious that India will require a vast amount of copper, cobalt and high-grade magnetite (for "green steel" production) to meet their decarbonisation goals. Castile's strategy of producing end-user 99% copper means we can negotiate directly with these large companies.

Rover 1 Project in Federal Government's 2023 Critical Minerals Prospectus

The Company's Rover 1 Project was originally included in Austrade's 2022 Critical Minerals Prospectus and was selected again in 2023 based on the strong enquiry rate received the previous year particularly from India. The Prospectus is used widely across international markets by potential investors, off-takers and foreign governments as the go-to source for Australian-based projects that have satisfied major development milestones.

Castile selected again by Northern Territory Geological Survey (NTGS) to present at the Prospectors and Developers of Canada (PDAC) Conference in Toronto

Castile's Managing Director, Mark Hepburn, gave the keynote presentation for NTGS at this conference in March 2024. The Hon Madeleine King, Federal Minister for Resources and Northern Australia attended the Conference and discussed the Rover 1 Project with Mr Hepburn.

Figure 6: The Hon Madeleine King discusses the Rover 1 Project with Mark Hepburn and representatives of the NTGS at PDAC

Copper added to Australian Strategic Materials List

During the period the Company's Rover 1 Project also received a boost with copper added to Australia's Strategic Materials List, underlying the importance of the metal to the global transition to net zero emissions.

Northern Territory Government

Castile remains in regular consultation with Northern Territory government representatives to ensure application and permitting requirements will be dealt with in a timely manner according to the priority associated with Major Project Status. The Northern Territory Government Mineral Development Task Force's final report published in 2023 was heavily in favour of mine development and downstream processing. The mining sector currently contributes close to a quarter of the Territory's gross state product and is a key contributor to the Northern Territory Government's vision of a $40 billion economy by 2030.

INVESTOR RELATIONS

OTCQB Exchange in New York

In March 2024, Mark Hepburn the Managing Director of Castile, presented at a function hosted by the OTCQB New York for investors in Australian mining companies

During the year Castile conducted investor update roadshow presentations in Perth, Brisbane, Melbourne, Sydney New York and Toronto. Managing Director, Mark Hepburn presented at the Market Talk Event in Sydney prior to the Sydney RIU Conference.

Castile's social media outreach campaigns on the back of announcements generated coverage in Proactive, Stockhead, Mining.com.au and Oz Mining. Castile continued discussions with various parties on the funding for the Rover 1 project development and the potential for third party users of facilities regarding the MASDP refining section of Castile's processing plant.

DECLARATION OF SIGNIFICANT SUBSEQUENT EVENTS

Other than references to ongoing events reported here there have been no significant events post the financial year ended 30 June 2024 other than the following:

- On 9 August 2024 14,064,082 unquoted options exercisable at $0.20 expired.

CHANGES IN THE STATE OF AFFAIRS

Other than the developments reported here and elsewhere in this report there were no significant changes in the state of affairs of the Company during the financial year ended 30 June 2024.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

There are no likely developments of which the Directors are aware other than those disclosed in this report which could be expected to significantly affect the results of the Company's operations in subsequent financial periods not otherwise disclosed in the 'Principal Activities' and 'Review of Operations' or the 'Significant Events after the Balance Date' sections of the Directors' report.

DIRECTORS' REPORT continued

COMPETENT PERSON STATEMENT

The information contained in this announcement was previously disclosed to the market ("Announcements"). Castile is not aware of any new information or data that materially affects the information in the Announcements.

The Mineral Resources contained in this report were first disclosed in the prospectus dated 3 December 2019 and released on the ASX market announcements platform on 12 February 2020 ("Prospectus"). A further announcement on the 8 of March 2022 provided an update to the Rover 1 Mineral Resource Estimate. The Company has provided a further update to the Rover 1 Mineral Resource on 16 September 2022. The Company announced on 14 November 2022 the maiden Rover 4 Mineral Resource Estimate. Castile is not aware of any new information or data that materially affects the Mineral Resource Estimates included in these announcements. All material assumptions and technical parameters underpinning the estimates in the Prospectus continue to apply and have not materially changed.

The Ore Reserve contained in this report were announced on the 5 December 2022 as part of the Rover 1 Preliminary Feasibility Study Outcomes. Castile is not aware of any new information or data that materially affects the Ore Reserves included in this report.

MATERIAL BUSINESS RISKS

Key risk factors

The Board of Directors review the key risks associated with conducting exploration and evaluation activities in Australia and steps to manage those risks. The key material risks faced by the Company include:

Exploration and Development

Mineral exploration and development is a speculative and high-risk undertaking that may be impeded by circumstances and factors beyond the control of the Company. There can be no assurance that exploration on the projects, or any other exploration properties that may be acquired in the future, will result in the discovery of an economic mineral resource. Even if an apparently viable mineral resource is identified, there is no guarantee that it can be economically exploited.

Climate Change Regulation

Mining of mineral resources is relatively energy intensive and is dependent on the consumption of fossil fuels. Increased regulation and government policy designed to mitigate climate change may adversely affect the Company's cost of operations and adversely impact the financial performance of the Company.

The efforts of the Australian government to transition towards a lower-carbon economy may also entail extensive policy, legal, technology and market changes to address mitigation and adaption requirements related to climate change that could significantly impact the Company.

Depending on the nature, speed and focus of these changes, transition risks may pose varying levels of financial and reputational risk to the company.

Furthermore, the physical risks to the Company resulting from climate change can be event driven (acute) or longer-term shifts (chronic) in climate patterns. These physical risks may have financial implications for the Company, such as direct damage to assets and indirect impacts from supply chain disruption.

Future Funding Needs

Current funds are considered sufficient to meet the immediate objectives of the Company. However, further funding may be required by the Company in the event costs exceed estimates or revenues do not meet estimates, to support its ongoing operations and implement.

Operational risks

The operations of the Company may be affected by various factors, including, among other things:

- failure to locate or identify mineral deposits.
- failure to achieve predicted grades in exploration and mining; and
- operational, metallurgical and technical difficulties encountered in mining.

In the event that any of these potential risks eventuate, the Company's operational and financial performance may be adversely affected.

Commodity prices and exchange rates

The value of the Company's assets and potential earnings may be affected by fluctuations in commodity prices and exchange rates, such as the USD and AUD denominated cobalt and copper prices (among other commodities) and the AUD/USD exchange rate.

These prices can significantly fluctuate and are exposed to numerous factors beyond the control of the Company such as world demand for precious and other metals, forward selling by producers, and production cost levels in major metal producing regions.

Conditions to Tenements

Interests in tenements in Australia are governed by legislation of States and Territories and are evidenced by the granting of leases and licences by the Territory and Western Australia. The Company is subject to the relative Mining Act and the Company has an obligation to meet conditions that apply to the Tenements, including the payment of rent and prescribed annual expenditure commitments.

The Tenements are subject to annual review and periodic renewal. While it is the Company's intention to satisfy the conditions that apply to the Tenements, there can be no guarantees made that, in the future, the Tenements that are subject to renewal will be renewed or that minimum expenditure and other conditions that apply to the Tenements will be satisfied.

Land Access

There is a substantial level of regulation and restriction on the ability of exploration and mining companies to have access to land in Australia. Negotiations with both Native Title and landowners/occupiers are generally required before the Company can access land for exploration or mining activities. Inability to access, or delays experienced in accessing, the land may impact on the Company's activities.

Mineral Resource and Ore Reserve Estimates

Whilst the Company intends to undertake exploration activities with the aim of upgrading existing resources or defining new resources, no assurances can be given that the exploration will result in the determination of a Mineral Resource. Even if a Mineral Resource is identified, no assurance can be provided that this can be economically extracted. Mineral Resource Estimates and Ore Reserves are expressions of judgement based on knowledge, experience and industry practice. Estimates which were valid when initially calculated may alter significantly when new information or techniques become available. In addition, by their very nature, Mineral Resource and Ore Reserve estimates are imprecise and depend to some extent on interpretation which may prove to be inaccurate.

Cyber Security

Our projects increasingly rely on information (IT) systems, including infrastructure, networks, and applications. We are live to the ever-present risk of cyber threats, particularly in the context of large-scale data breaches in other organisations, and the increasing sophistication of malicious cyber-attacks. Castile has engaged an external third party to ensure a robust cybersecurity risk management strategy, to proactively identify potential emerging vulnerabilities, and continuously strengthen associated risk controls and security measures. During FY24 we undertook assurance activities over our cyber security control environment, including via Internal Audit, through internal risk reviews and audits supported by external specialists. Internally, the Company provides information security training to promote cyber safety awareness and actively encourage employees to report all suspicious activity to our IT provider. The Company has experienced no material cyber or data security breaches in the past three years.

DIRECTORS' REPORT continued

Your Directors submit the financial report of the Company for the period ended 30 June 2024.

DIRECTORS WHO HELD OFFICE DURING OR SINCE THE END OF THE YEAR

Name	Title
Peter Cook	Independent Non-Executive Chairman
Mark Hepburn	Managing Director
Michael Poepjes	Executive Director (appointed 1 January 2024)
John Braham	Independent Non-Executive Director (resigned 1 January 2024)
Jake Russell	Independent Non-Executive Director

COMPANY SECRETARY

Name	Title
Sebastian Andre	Company Secretary

PRINCIPAL ACTIVITIES

The principal activity of the Company is minerals exploration and project development.

REVIEW OF RESULTS

The loss after tax for the period ended 30 June 2024 was $684,036 (2023: loss of $1,392,385). The earnings of the Company for the past three years are summarised below:

	30 June 2024 $	30 June 2023 $	30 June 2022 $
Revenue	270,821	201,418	60,128
EBITDA	(1,471,284)	(1,312,625)	(1,028,937)
EBIT	(1,614,781)	(1,509,331)	(2,785,449)
Loss after income tax	(684,036)	(1,392,385)	(1,536,603)

The factors that are considered to affect total shareholders return are summarised below:

	30 June 2024 $	30 June 2023 $	30 June 2021 $
Share price at financial period end	0.073	0.085	0.145

DIRECTORS’ REPORT continued

DIRECTORS QUALIFICATIONS AND EXPERIENCE

The current Directors’ qualifications and experience follow:

Director	Details
Peter Cook	**Independent Non-Executive Chairman**
Qualifications	BSc (Applied Geology), MSc (Min. Econ), WASM, MAusIMM
Appointment Date	7 June 2011
Resignation Date	N/A
Length of Service	13 years
Biography	Mr Cook has over 35 years’ experience in the fields of exploration, project, operational and corporate management of mining companies.
Committee Memberships	Member of Board in its capacity as Audit and Risk Management Committee Member of Board in its capacity as Nomination and Remuneration Committee
Other Current Directorships	Nico Resources Limited – Non-Executive Chairman Titan Minerals Ltd – Non-Executive Chairman Santana Minerals Ltd – Non-Executive Chairman
Former ASX Listed Directorships (3 years)	Breaker Resources NL – Non-Executive Chairman Westgold Resources Limited – Executive Chairman

Mark Hepburn	**Managing Director**
Qualifications	B.Econ. & Fin, AICD
Appointment Date	29 November 2019
Resignation Date	N/A
Length of Service	4 years 7 months
Biography	Mr Hepburn has significant experience in the management and corporate development of public companies, their interaction with small, institutional investors and their servicing through communication and management. Mark brings substantial market aptitude and understanding of the risk aspects of exploration and development combined with the intricacies of capital markets.
Committee Memberships	N/A
Other Current Directorships	Firefinch Limited – Non-Executive Director
Former ASX Listed Directorships (3 years)	Leo Lithium Limited – Non-Executive Director

DIRECTORS' REPORT continued

Michael Poepjes	Executive Director
Qualifications	B Eng (Mining) MSc (Min Econ) MBA AusIMM GAICD
Appointment Date	1 January 2024
Resignation Date	N/A
Length of Service	6 months
Biography	Mr Poepjes is the Chief Technical Officer for Castile Resources. Mr Poepjes has over twenty years of experience in the mining industry working in gold, copper and tin across Australia in both Corporate and Operational roles. Mr Poepjes previous role was the Chief Operating Officer for Millennium Minerals with the focus on operations at their flagship Nullagine operations. Prior to Millennium Minerals, he was the Group Mining Engineer for Metals X (which included the Westgold assets).
Committee Memberships	Member of Board in its capacity as Audit and Risk Management Committee Member of Board in its capacity as Nomination and Remuneration Committee
Other Current Directorships	None
Former ASX Listed Directorships (3 years)	None

Jake Russell	Independent Non-Executive Director
Qualifications	B.Sc. (Hons) MAIG
Appointment Date	28 November 2019
Resignation Date	N/A
Length of Service	4 years 7 months
Biography	Mr Russell is a geologist with 20+ years of experience in exploration, mining, resource development and management. He is currently the General Manager Technical Services of Westgold Resources Limited. Mr Russell has an expert knowledge of Castile's assets and a high degree of technical expertise
Committee Memberships	Member of Board in its capacity as Audit and Risk Management Committee Member of Board in its capacity as Nomination and Remuneration Committee
Other Current Directorships	None
Former ASX Listed Directorships (3 years)	None

DIRECTORS' REPORT continued

The former Directors' qualifications and experience follow:

Director	Details
John Braham	**Independent Non-Executive Director**
Qualifications	
Appointment Date	29 November 2019
Resignation Date	1 January 2024
Length of Service	4 years 1 month
Biography	Mr Braham is an experienced Mining Finance and Investment professional. He had 24 years with Macquarie Bank until 2017 and for the last 11 years of his service was an Executive Director of the bank's Global Mining and Finance Division. John has vast experience in the provision of debt and equity to mining, exploration and development companies worldwide, and brings a set of finance and corporate skills to greatly assist Castile.
Committee Memberships	Member of Board in its capacity as Audit and Risk Management Committee Member of Board in its capacity as Nomination and Remuneration Committee
Other Current Directorships	Equus Mining Limited
Former ASX Listed Directorships (3 years)	None

The Current Company Secretary's qualifications and experience are set out below.

Company Secretary	Details
Sebastian Andre	
Qualifications	BCom, BA, GradDip AppCorpGov
Appointment Date	11 December 2020
Resignation Date	N/A
Length of Service	3 years 6 months
Biography	Mr Andre is a Chartered Secretary with over 10 years of experience in corporate advisory, governance and risk services. He has previously acted as an adviser at the ASX and has a thorough understanding of the ASX Listing Rules, specialising in providing advice to companies and their boards in respect to capital raisings, IPOs, backdoor listings, corporate compliance and governance matters. Mr Andre holds qualifications in accounting, finance, and corporate governance and is a member of the Governance Institute of Australia.

DIRECTORS' REPORT continued

MEETINGS OF DIRECTORS

Meetings and attendance for the year was as follows:

	Board
Number of Meetings held	**4**
Number of Meetings attended	
Peter Cook	4
Mark Hepburn	4
Michael Poepjes[1]	2
John Braham[2]	2
Jake Russell	4

The Company does not have an Audit, Remuneration or Nomination Committee with the full Board carrying out the functions that would otherwise be dealt with by such Committees. All Directors were eligible to attend all Board Meetings held when they were in office.

SHARE OPTIONS

As at the date of this report:

Number of Options	Exercise Price	Expiry Date	Listed/Unlisted
600,000	$Nil	21-Dec-24	Unlisted
1,000,000	$0.2392	02-Dec-24	Unlisted

No shares as a result of the exercise of the options were issued as at the date of this report.

REMUNERATION REPORT

<u>Introduction</u>

The Directors present the Remuneration Report for the Company for the year ended 30 June 2024. This Remuneration Report forms part of the Directors' Report in accordance with the requirements of the Corporations Act 2001 and its regulations. For the purposes of this report, Key Management Personnel ("KMP") of the Company are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

[1] Appointed 1 January 2024.
[2] Resigned 1 January 2024.

DIRECTORS' REPORT continued

The current Directors of the Company are considered to be the Key Management Personnel of the Company, being:

Name	Appointment Date
Peter Cook	7 June 2011
Mark Hepburn	29 November 2019
Michael Poepjes	1 January 2024
John Braham	29 November 2019 (resigned 1 January 2024)
Jake Russell	28 November 2019

Remuneration Policy

The remuneration policy of the Company has been designed to align KMP objectives with Shareholders' interests and business objectives by providing a fixed remuneration component and offering specific long-term incentives based on key performance areas affecting the Company's financial results. The Board believes that the remuneration policy is appropriate and effective in its ability to attract and retain the best KMP to run and manage the Company, as well as create goal congruence between Directors, Executives and Shareholders.

Executive Directors and Key Management Personnel

The Board's policy for determining the nature and amount of remuneration for Executive Directors and Key Management Personnel of the Company was in place for the year ended 30 June 2024. The Board is responsible for evaluating the performance of the Company's senior executives in accordance with the Company's Board Performance Evaluation Policy. The Chair is responsible for evaluating the performance of the Company's Managing Director in accordance with the Company's Board Performance Evaluation Policy. During the financial year an evaluation of the performance of the Board and its members was not formally carried out. However, a general review of the Board and executives occurs on an on-going basis to ensure that structures suitable to the Company's status as a listed entity are in place.

Non-Executive Directors

The Board's policy is to remunerate Non-Executive Directors based on market practices, duties and accountability, and not to award options or performance rights to Non-Executive Directors. Independent external advice is sought when required. The fees paid to Non-Executive Directors will be reviewed annually. The maximum aggregate amount of fees that can be paid to Non-Executive Directors is subject to approval by Shareholders at the Annual General Meeting ("AGM"). The maximum aggregate amount of fees payable has been set at $300,000pa.

Use of Remuneration Consultants

To ensure the Remuneration Committee (of which the function is performed by the Board as a whole at this stage) is fully informed when making remuneration decisions, it may seek external remuneration advice. The Board did not engage external remuneration advice in 2024.

Remuneration Report Approval at FY2024 AGM

The remuneration report for the year ended 30 June 2024 will be put to shareholders for approval at the Company's AGM which will be held during November 2024. The remuneration report for the year ended 30 June 2023 was approved by shareholders with 99.83% support votes at the AGM held on 21 November 2023.

Details of Remuneration

Details of remuneration of the Directors and KMP of the Company (as defined by AASB 124 Related Party Disclosures) and specified executives are set out as follows:

		Fixed				STI	LTI	Total	Proportion of Remuneration		
	Year	Salary fees and leave $	Other Fees $	Super-annuation $	Share Based Payments $	Incentive Payments $	Fair value of Share Options (equity settled) $	$	Fixed %	STI %	LTI %
Executive and Non-Executive Directors											
Peter Cook	**2024**	**72,072**	**-**	**7,928**	**-**	**-**	**-**	**80,000**	**100%**	**-**	**-**
	2023	72,398	-	7,602	-	-	-	80,000	100%	-	-
Mark Hepburn	**2024**	**297,423**	**-**	**27,500**	**-**	**-**	**-**	**324,923**	**100%**	**-**	**-**
	2023	368,462[3]	-	31,500	76,592	-	-	476,554	84%	-	16%
Michael Poepjes[4]	**2024**	**235,000**	**-**	**25,850**	**-**	**-**	**-**	**260,850**	**100%**	**-**	**-**
	2023	-	-	-	-	-	-	-	-	-	-
John Braham[5]	**2024**	**27,027**	**-**	**2,973**	**-**	**-**	**-**	**30,000**	**100%**	**-**	**-**
	2023	54,299	-	5,701	-	-	-	60,000	100%	-	-
Jake Russell	**2024**	**54,054**	**-**	**5,946**	**-**	**-**	**-**	**60,000**	**100%**	**-**	**-**
	2023	54,299	-	5,701	-	-	-	60,000	100%	-	-
Total Remuneration	**2024**	**685,576**	**-**	**70,197**	**-**	**-**	**-**	**755,773**	**100%**	**-**	**-**
	2023	549,458	-	50,504	76,592	-	-	676,554	89%	-	11%

[3] Includes annual leave provision.
[4] Appointed 1 January 2024.
[5] Resigned 1 January 2024.

DIRECTORS' REPORT continued

Service Agreements

The Company has entered into an employment agreement with Mark Hepburn on the following material terms:

- Position: Managing Director.
- Commencement Date: 29 November 2019.
- Term: Until agreement is validly terminated.
- Notice period: Either party may terminate the agreement without cause by providing the other party with no less than three months' notice in writing, or by payment of the Company to Mark Hepburn of three months' salary in lieu of such notice, as the case may be. The Company may terminate the agreement by summary notice to Mr Hepburn with cause in circumstances considered standard for agreements of this nature in Australia, including serious or persistent breaches of the agreement, grave misconduct, or wilful neglect in the discharge of his duties under the agreement.
- Salary: Upon the Company listing on the Official List, Mark Hepburn received a salary of $300,000 per annum (exclusive of statutory superannuation). Mr Hepburn has also been issued 4,600,000 options.
- Expenses: The Company will reimburse Mark Hepburn for all reasonable expenses incurred by him in the performance of his duties in connection with the Company.
- Leave: The agreement otherwise contains leave entitlements, termination and confidentiality provisions and general provisions considered standard for an agreement of this nature.

The Company has entered into agreements with its Non-Executive Directors. Remuneration has been agreed as follows:

Director	Annual Remuneration inclusive of Superannuation
Peter Cook	$80,000
John Braham	$60,000 ($30,000 up to resignation date)
Jake Russell	$60,000
Total	**$200,000**

Cash Bonuses included in Remuneration

There were no cash bonuses issued during the year ended 30 June 2024.

Share Based Payments Granted as Compensation

The options that were granted as compensation during the year ended 30 June 2024 are detailed in the following tables.

DIRECTORS' REPORT continued

DIRECTORS' INTERESTS AND BENEFITS

The movement during the reporting year in the number of ordinary shares of the Company and the number of options over ordinary shares of the Company held directly, indirectly or beneficially, by each Director or key management personnel, including their personally related entities is as follows:

Director	No. Shares Held at 30 June 2024	No. Shares Held at Date of this Report	No. Options Held at 30 June 2024	No. Options Held at Date of this Report
Peter Cook				
Directly	3,377,783	3,377,783	-	-
Indirectly	12,555,498	12,555,498	1,282,051	-
Mark Hepburn				
Directly	-	-	-	-
Indirectly	3,103,846	3,103,846	1,984,615	1,600,000
Michael Poepjes[6]				
Directly	10,000	10,000	-	-
Indirectly	-	-	-	-
John Braham[7]				
Directly	-	-	-	-
Indirectly	-	-	-	-
Jake Russell				
Directly	-	-	-	-
Indirectly	76,923	76,923	25,641	-
Total	**19,124,050**	**19,124,050**	**3,292,307**	**1,600,000**

The following table sets out the details of unlisted share option movements during the year ended 30 June 2024:

	Balance at 30 June 2023	Granted	Exercised	Net Other Change	Balance at 30 June 2024	Vested and Unexercised at 30 June 2024
Executive and Non-Executive Directors						
Peter Cook	1,282,051	-	-	-	1,282,051	1,282,051
Mark Hepburn	2,984,615	-	-	(1,000,000)	1,984,615	1,984,615
John Braham[8]	64,102	-	-	-	N/A	N/A
Jake Russell	25,641	-	-	-	25,641	25,641
Michel Poepjes[9]	-	-	-	-	-	-
Total	**4,356,409**	**-**	**-**	**(1,000,000)**	**3,292,307**	**3,292,307**

[6] Appointed 1 January 2024.
[7] Resigned 1 January 2024.
[8] Resigned 1 January 2024
[9] Appointed 1 January 2024

DIRECTORS' REPORT continued

Loans to Director and their related parties

No loans have been made to any Director or any related parties during the year ended 30 June 2024.

Other transactions with related parties

During the reporting year, there were no related party transactions other than the remuneration and option grants as detailed in the report.

END OF AUDITED REMUNERATION REPORT.

DIVIDENDS

No dividends were paid during the year and no recommendation is made as to payment of dividends.

CORPORATE GOVERNANCE STATEMENT

The Company and its Board of Directors are committed to achieving and demonstrating high standards of corporate governance. The Company has adopted (where suitable for its circumstances) the Corporate Governance Principles and Recommendations (Fourth Edition) published by the ASX Corporate Governance Council.

The Company has reviewed its corporate governance practices against the Fourth Edition for the financial year ended 30 June 2024.

The Company's 2024 Corporate Governance Statement reflects its corporate governance practices for the financial year ended 30 June 2024 and was approved by the Board. The Company's 2024 Corporate Governance Statement and Corporate Governance Plan are available on its website at www.castile.com.au.

INDEMNITY AND INSURANCE OF DIRECTORS AND OFFICERS

The Company has indemnified, to the extent permitted by law, the Directors and officers of the Company against any liability incurred by a Director or officer in or arising out of the conduct of the business of the Company or in or arising out of the discharge of that officer's duties. No amount was paid pursuant to these indemnities during the financial year, nor subsequently to the date of this Annual Report.

During the financial year the Company paid, as permitted by law, a premium in respect of a contract to insure the Directors and officers of the Company against a liability (including legal costs) incurred by a Director or officer in or arising out of the conduct of the business of the Company or in or arising out of the discharge of that officer's duties. Under the terms of that contract, the details of the nature and extent of the liabilities insured against and the amount of premiums paid are confidential.

DIRECTORS' REPORT continued

INDEMNITY AND INSURANCE OF AUDITOR

The Company 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. During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

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 Company, or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings. No proceedings have been brought or intervened in on behalf of the Company pursuant to section 236 with leave of the Court under section 237 of the Corporations Act 2001.

NON-AUDIT SERVICES

Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in Note 5 to the financial statements. The Directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The Directors are of the opinion that the services as disclosed in Note 5 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:

- All non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- None of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as advocates for the Company or jointly sharing economic risks and rewards.

AUDITOR'S DECLARATION OF INDEPENDENCE

The auditor's independence declaration for the year ended 30 June 2024 has been received and is included within the financial statements.

AUDITOR

Hall Chadwick WA Audit Pty Ltd continues in office in accordance with section 327 of the Corporations Act 2001.

DIRECTORS’ REPORT continued

This report is made in accordance with a resolution of Directors, pursuant to section 298(2) of the Corporation Act 2001 and is signed for and on behalf of the Directors.

Peter Cook
Non-Executive Chairman

26 September 2024

HALL CHADWICK

To the Board of Directors

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

As lead audit director for the audit of the financial statements of Castile Resources Ltd for the financial year ended 30 June 2024, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Yours Faithfully,

Hall Chadwick

HALL CHADWICK WA AUDIT PTY LTD

Mark Delaurentis

MARK DELAURENTIS CA
Director

Dated at Perth this 26th day of September 2024

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2024

	Note	30 June 2024 $	30 June 2023 $
Revenue	3	**270,821**	201,418
Accounting fees		**(77,081)**	(75,528)
Compliance fees		**(197,376)**	(191,731)
Consultancy fees		**(73,639)**	(52,310)
Depreciation: other assets	10	**(116,737)**	(115,761)
Depreciation: right of use assets	11	**(26,760)**	(45,824)
Directors' remuneration		**(554,846)**	(462,246)
Exploration expenditure written off	12	**(2,440)**	-
Exploration expenditure impaired	12	**(26,158)**	(35,121)
Insurance expense		**(58,492)**	(70,824)
Interest expense: lease liability		**(3,951)**	(3,281)
IT expenses		**(92,226)**	(88,452)
Legal fees		**(5,014)**	(18,224)
Marketing expense		**(79,064)**	(92,937)
Occupancy expenses		**(19,984)**	(18,351)
Other expenses		**(45,123)**	(70,965)
Share based payments expense	16	**-**	(76,592)
Staff expenses		**(273,645)**	(202,436)
Travel expenses		**(73,438)**	(93,447)
Profit/(loss) before tax		**(1,455,153)**	(1,512,612)
Income tax benefit/(expense)	4	**771,117**	120,227
Net profit/(loss) for the year from operations		**(684,036)**	(1,392,385)
Other comprehensive income		**-**	-
Total comprehensive profit/(loss)for the year		**(684,036)**	(1,392,385)
Basic and diluted profit/(loss) per share (cents)	6	**(0.28)c**	(0.59)c

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024

	Note	30 June 2024 $	30 June 2023 $
ASSETS			
Current Assets			
Cash and cash equivalents	7	**2,425,754**	5,428,817
Trade and other receivables	8	**35,039**	84,565
Other assets	9	**104,339**	126,544
Total Current Assets		**2,565,132**	5,639,926
Non-Current Assets			
Other assets	9	**303,963**	300,893
Property, plant and equipment	10	**351,748**	457,443
Right of use assets	11	**34,599**	61,359
Exploration and evaluation assets	12	**30,970,028**	29,741,456
Total Non-Current Assets		**31,660,338**	30,561,151
Total Assets		**34,225,470**	36,201,077
LIABILITIES			
Current Liabilities			
Trade and other payables	13	**310,652**	842,591
Lease liabilities		**26,491**	25,595
Employee obligations	14	**112,962**	118,014
Total Current Liabilities		**450,105**	986,200
Non-Current Liabilities			
Lease liabilities		**15,635**	37,909
Employee obligations	14	**37,915**	-
Deferred tax liability	4	**1,065,330**	1,758,014
Total Non-Current Liabilities		**1,118,880**	1,795,923
Total Liabilities		**1,568,985**	2,782,123
Net Assets		**32,656,485**	33,418,954
EQUITY			
Contributed equity	15	**23,833,794**	23,912,227
Reserves	16	**219,548**	408,395
Retained earnings		**8,603,143**	9,098,332
Total Equity		**32,656,485**	33,418,954

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2024

	Contributed Equity $	Share Based Payments Reserve $	Retained Earnings $	Total $
Balance at 1 July 2023	**23,912,227**	**408,395**	**9,098,332**	**33,418,954**
Equity issues	-	-	-	-
Equity issue expenses (tax adjusted)	(78,433)	-	-	(78,433)
Share based payments	-	-	-	-
Reversal of expired share based payments	-	(188,847)	188,847	-
Profit/(loss) for the year	-	-	(684,036)	(684,036)
Other comprehensive income	-	-	-	-
Total comprehensive profit/(loss) for the year	-	-	(684,036)	(684,036)
Balance at 30 June 2024	**23,833,794**	**219,548**	**8,603,143**	**32,656,485**
Balance at 1 July 2022	**18,754,081**	**561,802**	**10,260,717**	**29,576,600**
Equity issues	5,485,001	-	-	5,485,001
Equity issue expenses (tax adjusted)	(326,855)	-	-	(326,855)
Share based payments	-	76,593	-	76,593
Reversal of share based payments	-	(230,000)	230,000	-
Profit/(loss) for the year	-	-	(1,392,385)	(1,392,385)
Other comprehensive income	-	-	-	-
Total comprehensive profit/(loss) for the year	-	-	(1,392,385)	(1,392,385)
Balance at 30 June 2023	**23,912,227**	**408,395**	**9,098,332**	**33,418,954**

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2024

	Note	30 June 2024 $	30 June 2023 $
Cash flows from operating activities			
Payments to suppliers and employees		**(1,362,061)**	(1,429,208)
Interest received		**163,578**	188,385
Interest paid: leases		**(3,951)**	(3,281)
Refunds of/(payments for) tenement and other deposits		**35,540**	345,974
Net cash used in operating activities	17	**(1,166,894)**	(898,130)
Cash flows from investing activities			
Payments for property, plant and equipment		**(6,661)**	(3,663)
Payment for exploration and evaluation assets		**(1,811,182)**	(3,241,241)
Proceeds from tenement deposits		**3,053**	-
Net cash used in investing activities		**(1,814,790)**	(3,244,904)
Cash flows from financing activities			
Proceeds from equity issues		**-**	5,490,001
Payment for costs of equity issues		**-**	(333,771)
Proceeds from borrowings		**-**	26,461
Repayment of borrowings		**(21,379)**	(41,665)
Net cash from/(used in) from financing activities		**(21,379)**	5,141,026
Net increase/(decrease) in cash held		**(3,003,063)**	997,992
Cash and cash equivalents at beginning of the year		**5,428,817**	4,430,825
Cash and cash equivalents at year end	7	**2,425,754**	5,428,817

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 30 JUNE 2024

1. *Corporate information*

This annual report covers Castile Resources Limited (the "Company"), a company incorporated in Australia for the year ended 30 June 2024. The presentation currency of the Company is Australian Dollars ("$"). A description of the Company's operations is included in the review and results of operations in the Directors' Report. The Directors' Report is not part of the financial statements. The Company is a for-profit entity and limited by shares incorporated in Australia whose shares are traded under the ASX code "CST" and OTCQB code CLRSF. The financial statements were authorised for issue on 26 September 2024 by the Directors. The Directors have the power to amend and reissue the financial statements. The principal accounting policies adopted in the preparation of the financial statements are set out below.

2. *Material accounting policies*

a. Basis of preparation

The general-purpose financial statements of the Company have been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board. Compliance with Australian Accounting Standards results in full compliance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). The financial report has also been prepared on a historical cost base. It is recommended that the annual financial report be considered together with any public announcements made by the Company up to the issue date of this report, which the Company has made in accordance with its continuous disclosure obligations arising under the *Corporations Act 2001.* The financial statements have been prepared on an accruals basis and is based on historical costs, modified where applicable, by the measurement at fair value of financial assets and financial liabilities.

b. 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 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 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.

2. *Material accounting Policies (continued)*

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

c. Comparatives

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

d. Significant management judgement in applying accounting policies and estimate uncertainty

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgements, estimates and assumptions made by management and will seldom equal the estimated results. Information about significant judgements, estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expense is provided below.

i. Exploration and evaluation expenditure

Exploration and evaluation costs have been capitalised and are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. Key judgements are applied in considering the costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised.

ii. Leases – incremental borrowing rate

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the Company estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

2. *Material accounting Policies (continued)*

iii. Share based payment transactions

The Company 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 the options issued are determined by using the Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. 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.

e. Accounting Standards that are mandatorily effective for the current reporting year

The Company has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for an accounting period that begins on or after 1 July 2023.

The Directors have determined that there is no material impact of the new and revised Standards and Interpretations on the Company and, therefore, no material change is necessary to Company accounting policies.

f. Standards and Interpretations on issue not yet adopted

At the date of authorisation of the financial statements, the Company has not applied the new and revised Australian Accounting Standards, Interpretations and amendments that have been issued but are not yet effective. Based on a preliminary review of the standards and amendments, the Directors do not anticipate a material change to the Company's accounting policies, however further analysis will be performed when the relevant standards are effective.

	30 June 2024 $	30 June 2023 $
3. *Revenue*		
Interest revenue	**163,581**	188,228
Other revenue	**107,240**	13,190
	270,821	201,418

Accounting policy:
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.

4. *Income tax benefit/(expense)*

	30 June 2024 $	30 June 2023 $
Income statement		
a. Major components of income tax expense:		
Statement of profit or loss and other comprehensive income: current income tax benefit	**-**	-
Deferred income tax – relating to origination and reversal of temporary differences in current year	**(763,573)**	120,227
Adjustment in respect of deferred income tax of prior year	**(7,544)**	-
Income tax benefit/(expense)	**(771,117)**	120,227
Statement of changes in equity		
a. Deferred income tax: capital raising costs	**78,434**	(1,767)
Income tax expense reported in equity	**78,434**	(1,767)

4. *Income tax benefit/(expense) (continued)*

	30 June 2024 $	30 June 2023 $
b. A reconciliation of income tax benefit and the product of accounting loss before income tax multiplied by the Company's applicable income tax rate is as follows:		
Profit/(loss) before tax	**(1,455,153)**	(1,512,612)
At statutory income tax rate of 25% (2023: 30%)	**(363,788)**	(453,784)
Non-deductible expenses (non-assessable income)	**1,045**	25,760
Adjustments in respect of previous year	**(7,544)**	(242)
Adjustments in respect of previous deferred income tax as a result of change in tax rate	**(314,591)**	403,017
Capital raising costs	**(86,239)**	(94,978)
	(771,117)	(120,227)

4. *Income tax benefit/(expense) (continued)*

c. Deferred income tax relates to the following:

	Statement of Financial Position		Statement of Profit or Loss and Other Comprehensive Income	
	30 June 2024 $	30 June 2023 $	30 June 2024 $	30 June 2023 $
<u>Deferred tax liabilities</u>				
Trade and other receivables	**(238)**	(285)	**47**	(8)
Other assets	**(26,085)**	(37,963)	**11,878**	(6,236)
Exploration and evaluation assets	**(7,066,510)**	(8,033,851)	**967,341**	(2,017,315)
Property, plant and equipment	**(71,120)**	(112,946)	**41,826**	6,035
Gross deferred tax liabilities	**(7,163,953)**	(8,185,045)		
<u>Deferred tax assets</u>				
Trade and other payables	**13,126**	16,882	**(3,756)**	1,620
Employee obligations - current	**28,240**	35,404	**(7,164)**	3,658
Right of use assets	**1,882**	644	**1,238**	(2,385)
Employee obligations – non-current	**9,479**	-	**9,479**	
Business related costs – profit/loss	**-**	300	**(300)**	(201)
Business related cost - equity	**58,642**	137,076	**-**	-
Tax losses	**5,987,254**	6,236,725	**(249,470)**	2,135,059
Gross deferred tax assets	**6,098,623**	6,427,031		
Net deferred tax liabilities	**(1,065,330)**	(1,758,014)		
Deferred income tax benefit/(expense)			**771,117**	120,227

d. Unrecognised losses
At 30 June 2024, there were no unrecognised losses for the Company (2023: Nil).

4. *Income tax benefit/(expense) (continued)*

Accounting policy:

Income taxes

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from, or paid to, the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Company operates and generates taxable income. Current income tax relating to items recognised directly in other comprehensive income or equity is recognised in other comprehensive income or equity and not in profit or loss.

Management periodically evaluates positions taken in the tax returns with respect to situations where applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax is provided for using the full liability balance sheet approach. The tax rates and tax laws used to compute the amount of deferred tax assets and liabilities are those that are enacted or substantively enacted at the reporting date in the countries where the Company operates and generates taxable profits.

Deferred tax liabilities are recognised for all taxable temporary differences except to the extent that the deferred tax liability arises from:

- the initial recognition of goodwill;
- the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit (or tax loss); and
- taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures when the timing of the reversal of the temporary differences can be controlled by the Company and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, including carry-forward tax losses and tax credits, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised except when:

- the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit (or tax loss); and
- the deductible temporary difference is associated with investments in subsidiaries, associates and interests in joint ventures and it is not probable that the temporary difference will reverse in the foreseeable future.

4. *Income tax benefit/(expense) (continued)*

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets and deferred tax liabilities are reassessed at each reporting date and are recognised to the extent that they satisfy the requirements for recognition. Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity. Income taxes relating to transactions recognised outside profit and loss (for example, directly in other comprehensive income or directly in equity) are also recognised outside profit and loss.

<u>Other taxes</u>
Revenues, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on purchase of goods or services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Statement of Financial Position. Cash flows are included in the Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows. Commitments and contingencies are disclosed net of amounts of GST recoverable from, or payable to, the taxation authority.

	30 June 2024 $	**30 June 2023 $**
5. *Auditor's remuneration*		
Audit of the financial statements	**44,878**	45,024
	44,878	45,024

	30 June 2024	30 June 2023
6. *Earnings per share*		
Basic and diluted profit/(loss) per share (cents per share)	**(0.28)c**	(0.59)c
Net profit/(loss) attributable to ordinary shareholders ($)	**$(684,036)**	$(1,392,385)
	Shares	**Shares**
Weighted average number of ordinary shares used in the calculation of basic and diluted earnings per share	**241,902,427**	**236,384,248**

	30 June 2024 $	30 June 2023 $
7. *Cash and cash equivalents*		
Cash at bank	**2,425,754**	5,428,817
	2,425,754	5,428,817

Included in cash and cash equivalents is $183,500 which is deemed to be restricted cash and relates to money held in term deposits in relation to exploration licenses held by the Company.

Accounting policy:
Cash and cash equivalents in the statement of financial position comprise cash at bank and in hand and short-term deposits that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

8. *Trade and other receivables*

Accrued interest revenue	**952**	950
GST receivable	**23,314**	78,929
Other receivables	**10,773**	4,686
	35,039	84,565

Trade and other receivables are non-interest bearing and are generally receivable within 3 months. The net carrying value of trade and other receivables is considered a reasonable approximation of fair value.

	30 June 2024 $	30 June 2023 $
9. *Other assets*		
Current		
Prepaid expenses	**104,339**	126,544
	104,339	126,544
Non-Current		
Tenement and other deposits	**303,963**	300,893
	303,963	300,893

10. *Plant and equipment*

	30 June 2024 $	30 June 2023 $
Opening written down value at beginning of year	**457,443**	569,631
Additions	**11,042**	3,663
Write-offs		(186,422)
Accumulated depreciation on write-offs		186,332
Depreciation	**(116,737)**	(115,761)
Closing written down value at end of year	**351,748**	457,443

Accounting policy:

Property, plant and equipment is stated at historical cost less accumulated depreciation and any impairment in value. Depreciation is calculated on a straight-line basis over the estimated useful life of the asset, or where appropriate, over the estimated life of the mine. Major depreciation periods are:

- Mine specific plant and equipment is depreciated using – the shorter of life of mine and useful life. Useful life ranges from 2 to 25 years.
- Buildings – the shorter of life of mine and useful life. Useful life ranges from 5 to 40 years.
- Office plant and equipment is depreciated at 20% per annum for computers, office machines and other office equipment and furniture.

Impairment

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount.

10. *Plant and equipment (continued)*

<u>Derecognition</u>
An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the profit and loss in the year the item is derecognised.

	30 June 2024 $	30 June 2023 $
11. *Right of use assets*		
Balance at beginning of year	**61,359**	66,594
Recognition	**-**	65,279
De-recognition	**-**	(24,690)
Depreciation	**(26,760)**	(45,824)
Balance at end of year	**34,599**	61,359

	30 June 2024	30 June 2023 $
12. *Exploration and evaluation assets*		
Balance at beginning of year	**29,741,456**	27,285,361
Exploration and evaluation expenditure incurred during the year	**1,257,170**	2,491,216
Impairment and write-off	**(28,598)**	(35,121)
Balance at end of year	**30,970,028**	29,741,456

12. *Exploration and evaluation assets (continued)*

Accounting policy:
Expenditure on acquisition, exploration and evaluation relating to an area of interest is carried forward at cost where rights to tenure of the area of interest are current and:

- it is expected that expenditure will be recouped through successful development and exploitation of the area of interest or alternatively by its sale; and/or
- exploration and evaluation activities are continuing in an area of interest but at reporting date have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. Where uncertainty exists as to the future viability of certain areas, the value of the area of interest is written off to the profit and loss or provided against.

Impairment
The carrying value of capitalised exploration and evaluation expenditure is assessed for impairment on a regular basis or whenever impairment indicators are present. When information becomes available suggesting that the recovery of expenditure which had previously been capitalised is unlikely or that the Company no longer holds tenure, the relevant capitalised amount is written off to the profit or loss in the period when the new information becomes available.

	30 June 2024 $	30 June 2023 $
13. *Trade and other payables*		
Accrued expenses	**58,294**	42,450
Employee payables	**49,043**	52,054
Trade payables[10]	**203,315**	748,087
	310,652	842,591

[10] Trade payables are non-interest bearing and are normally settled on 30-day terms. All amounts are short-term. The net carrying value of trade payables is considered a reasonable approximation of fair value.

	30 June 2024 $	30 June 2023 $
14. *Employee obligations*		
<u>Current</u>		
Annual leave provision	**112,962**	118,014
	112,962	118,014
<u>Non-Current</u>		
Long service leave provisions	**37,915**	-
	37,915	-

	30 June 2024 No.	30 June 2024 $	30 June 2023 No.	30 June 2023 $
15. *Contributed equity*				
Balance at beginning of year	**241,902,427**	**23,912,227**	199,710,121	18,754,081
Equity issue: 08-Aug-22	**-**	**-**	36,923,077	4,800,001
Equity issue: 11-Oct-22	**-**	**-**	5,269,229	685,000
Equity issue expenses (tax adjusted)	**-**	**(78,433)**	-	(326,855)
Balance at end of year	**241,902,427**	**23,833,794**	241,902,427	23,912,227

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

Accounting policy:
Issued and paid-up capital is recognised at the fair value of the consideration received by the Company. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction in the proceeds received.

	30 June 2024 $	30 June 2023 $
16. *Reserves*		
Share based payments reserve		
Balance at beginning of year	**408,395**	561,802
Share based payments expense[11]	**-**	76,593
Reversal of lapsed share-based payments	**(188,847)**	(230,000)
Balance at end of year	**219,548**	408,395

Inputs used to calculate the option valuations are as follows:

Non-performance based options

Inputs	Short Term Director Options (T1)	Short Term Director Options (T2)
Number of options	500,000	500,000
Exercise price	$0.313	$0.313
Expiry date	21-Dec-23	21-Dec-23
Grant date	26-Nov-20	26-Nov-20
Vesting date	21-Dec-21	21-Dec-22
Share price at grant date	$0.29	$0.29
Risk free interest rate	0.09%	0.09%
Volatility	108%	108%
Option value	$0.1848	$0.1848

The following table illustrates the number and weighted average exercise prices of and movements in share options issued during the year:

	30 June 2024		30 June 2023	
	Number	Weighted Average Exercise Price $	Number	Weighted Average Exercise Price $
Outstanding at beginning of year	16,664,082	$0.1803	4,600,000	$0.2287
Granted during the year	-	-	14,064,082	$0.20
Exercised during the year	-	-	-	-
Expired during the year	(1,000,000)	$0.313	(2,000,000)	$0.25
Outstanding at end of year	**15,664,082**	**$0.1948**	**16,664,082**	**$0.1803**
Exercisable at end of year	**15,664,082**	**$0.1948**	**16,664,082**	**$0.1803**

[11] The reserve is used to record the value of equity benefits to employees and Directors.

16. *Reserves (continued)*

Accounting policy:

The Company 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 is determined by using the Black-Scholes model taking into account the terms and conditions upon which the instruments were granted.

17. *Reconciliation of cashflows from operating activities*

	30 June 2024 $	30 June 2023 $
Profit/(loss)	**(684,034)**	(1,392,385)
Depreciation	**143,497**	161,585
Exploration expenditure written off	**2,440**	-
Exploration expenditure impaired	**26,158**	35,121
Income tax benefit/(expense)	**(771,117)**	(120,227)
Share based payments	**-**	76,593
Tax effect on capital raising costs	**-**	93,977
Change in trade & other receivables	**49,526**	77,659
Change in other assets	**19,135**	163,561
Change in trade & other payables	**14,639**	14,957
Change in employee obligations	**32,862**	(8,971)
	(1,166,894)	(898,130)

18. *Operating segments*

The Company has determined operating segments based on the information provided to the Board of Directors. The Company operates predominantly in one business segment being the exploration for minerals in one geographic segment, being Australia.

19. *Events after the end of the reporting year*

There are no matters or circumstances have arisen since the end of the year which will significantly affect, or may significantly affect, the state of affairs or operations of the reporting entity in future financial years other than the following:

- On 9 August 2024 14,064,082 unquoted options exercisable at $0.20 expired.

	30 June 2024 $	30 June 2023 $

20. *Related party transactions*

a. KMP compensation

	30 June 2024 $	30 June 2023 $
Short-term employee benefits	**685,576**	549,458
Post-employment benefits	**70,197**	50,504
Share based payments	**-**	76,592
Total	**755,773**	676,554

b. Transactions with related parties

During the reporting year, there were the following related party transactions:

- During the year a total of $261 (2023: $2,520) plus GST was paid to Westgold Resourced Limited (former parent entity) in relation to reimbursement of costs.

Refer to Note 16 for details of share-based payments to Directors and further detail in the remuneration report.

21. *Financial risk management*

The Company's principal financial instruments comprise receivables, payables, cash and cash equivalents, deposits and borrowings. The Company manages its capital to ensure that entities in the Company will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Company's overall strategy remains unchanged from 2019. The capital structure of the Company consists of cash and cash equivalents and equity attributable to equity holders of the parent, comprising issued capital, reserves and retained earnings. None of the Company's entities are subject to externally imposed capital requirements. Operating cash flows are used to maintain and expand operations, as well as to make routine expenditures such as tax, dividends and general administrative outgoings. Gearing levels are reviewed by the Board on a regular basis in line with its target gearing ratio, the cost of capital and the risks associated with each class of capital.

21. *Financial risk management (continued)*

Risk exposures and responses

The Company manages its exposure to key financial risks in accordance with the Company's financial risk management policy. The objective of the policy is to support the delivery of the Company's financial targets while protecting future financial security. The main risks arising from the Company's financial instruments are interest rate risk, credit risk, equity price risk and liquidity risk. The Company uses different methods to measure and manage different types of risks to which it is exposed. These include monitoring levels of exposure to interest rate, foreign exchange risk and assessments of market forecasts for interest rate, foreign exchange and commodity prices. Ageing analysis and monitoring of receivables are undertaken to manage credit risk, liquidity risk is monitored through the development of future rolling cash flow forecasts. The Board reviews and agrees policies for managing each of these risks as summarised below. Primary responsibility for identification and control of financial risks rests with the Board. The Board reviews and agrees policies for managing each of the risks identified below, including for interest rate risk, credit allowances and cash flow forecast projections.

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed below.

a. Interest rate risk

The Company's exposure to risks of changes in market interest rates relate to the Company's interest-bearing liabilities and cash balances. Therefore, the Company does not have any variable interest rate risk on its debt. The Company constantly analyses its interest rate exposure. Within this analysis, consideration is given to potential renewals of existing positions, alternative financing positions and the mix of fixed and variable interest rates. There is no significant exposure to changes in market interest rates at the reporting date.

21. *Financial risk management (continued)*

At the reporting date the Company's exposure to interest rate risk for classes of financial assets and financial liabilities is set out below:

	Variable interest $	Fixed interest $
30 June 2024		
Financial assets		
Cash and cash equivalents	2,092,554	183,500
Total	**2,092,554**	**183,500**
Financial liabilities		
Lease liabilities	-	42,126
Total	**-**	**42,126**
30 June 2023		
Financial assets		
Cash and cash equivalents	5,428,817	-
Total	**5,428,817**	**-**
Financial liabilities		
Lease liabilities	-	63,504
Total	**-**	**63,504**

The following table illustrates the estimated sensitivity to a 1.0% increase and decrease to interest rate movements.

Impact on pre-tax profit/(loss)	$
30 June 2024	
Interest rates + 1.0%	**(17)**
Interest rates – 1.0%	**17**
30 June 2023	
Interest rates + 1.0%	(13)
Interest rates – 1.0%	13

b. Credit risk

Credit risk arises from the financial assets of the Company, which comprises cash and cash equivalents, trade and other receivables and other financial assets held as security and loans. Cash and cash equivalents are held with National Australia Bank, which is an Australian Bank with an AA- credit rating (Standard & Poor's). The Company's exposure to credit risk arises from potential default of the counter party, with the maximum exposure equal to the carrying amount of the financial assets (as outlined in each applicable note). The Company does not hold any credit derivatives to offset its credit exposure. The Company trades only with recognised, creditworthy third parties and as such collateral is not requested nor is it the Company's policy to securitise its trade and other receivables.

21. *Financial risk management (continued)*

Receivable balances are monitored on an ongoing basis with the result that the Company does not have a significant exposure to bad debts. Significant concentrations of credit risk are in relation to cash and cash equivalents with Australian banks.

c. Liquidity risk

Liquidity risk arises from the financial liabilities of the Company and the subsequent ability to meet the obligations to repay the financial liabilities as and when they fall due. The table below reflects all contractually fixed payables for settlement, repayment and interest resulting from recognised financial liabilities as of 30 June 2024.

Cash flows for financial liabilities without fixed amount or timing are based on the conditions existing as 30 June 2024 and 30 June 2023. The remaining contractual maturities of the Company's financial liabilities are:

	30 June 2024 $	30 June 2023 $
<6 months	**13,246**	12,797
6-12 months	**13,246**	12,798
1-5 years	**15,634**	37,909
>5 years	**-**	-

Maturity analysis of financial assets and liabilities based on management's expectation

The risk implied from the values shown in the table below reflects a balanced view of cash inflows and outflows. Trade payables and other financial liabilities mainly originate from the financing of assets used in our ongoing operations such as property, plant, equipment and investments of working capital e.g. inventories and trade receivables. To monitor existing financial assets and liabilities, as well as to enable effective controlling of future risks, management monitors its Company's expected settlement of financial assets and liabilities on an ongoing basis.

21. *Financial risk management (continued)*

Details	<6 months $	6-12 months $	1-5 Years $	>5 Years $	Total $
30 June 2024					
Financial assets					
Trade and other receivables	35,039	-	-	-	35,039
Total	**35,039**	**-**	**-**	**-**	**35,039**
Financial liabilities					
Trade and other payables	310,652	-	-	-	310,652
Lease liabilities	13,246	13,245	15,635	-	42,126
Total	**323,898**	**13,245**	**15,635**	**-**	**352,778**
30 June 2023					
Financial assets					
Trade and other receivables	84,565	-	-	-	84,565
Total	**84,565**	**-**	**-**	**-**	**84,565**
Financial liabilities					
Trade and other payables	842,591	-	-	-	842,591
Lease liabilities	12,797	12,798	37,909	-	63,504
Total	**855,388**	**12,798**	**37,909**	**-**	**906,195**

Accounting policy:

Financial instruments - initial recognition and subsequent measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

Financial assets are classified at initial recognition, and subsequently measured at amortised cost, or fair value through profit or loss or fair value through OCI. The classification of financial assets at initial recognition that are debt instruments depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. In order for a financial asset to be classified and measured at amortised cost, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Trade receivable that do not contain a significant financing component or for which the Company has applied the practical expedient for contracts that have a maturity of one year or less, are measured at the transaction price determined under AASB 15. The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows.

21. *Financial risk management (continued)*

The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Subsequent measurement
For purposes of subsequent measurement, the Company's financial assets are classified in these categories:
- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)
The Company's financial assets at amortised cost include cash, short-term deposits, and trade and other receivables. The Company measures financial assets at amortised cost if both of the following conditions are met:
- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Interest received is recognised as part of other income in the Statement of Comprehensive Income. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets at fair value through profit or loss
Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value, i.e., where they fail the SPPI test. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets with cash flows that do not pass the SPPI test are required to be classified, and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch. Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

21. *Financial risk management (continued)*

Impairment of financial assets
The Company recognises an allowance for ECLs for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original EIR. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms. ECLs are recognised in two stages.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL).

For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL). For trade receivables, the Company applies the simplified approach in calculating ECLs, as permitted by AASB 9. Therefore, the Company does not track changes in credit risk, but instead, recognises a loss allowance based on the financial asset's lifetime ECL at each reporting date.

For any other financial assets carried at amortised cost (which are due in more than 12 months), the ECL is based on the 12-month ECL. The 12-month ECL is the proportion of lifetime ECLs that results from default events on a financial instrument that are possible within 12 months after the reporting date. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment including forward-looking information. The Company considers a financial asset in default when contractual payments are 90 days past due.

However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows and usually occurs when past due for more than one year and not subject to enforcement activity. At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

21. *Financial risk management (continued)*

Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, and payables as appropriate. All financial liabilities are recognised initially at fair value and, in the case of trade and other payables, net of directly attributable transaction costs.

Subsequent measurement

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the statement of profit or loss and other comprehensive income. After initial recognition, trade and other payables are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the statement of comprehensive income when the liabilities are derecognised, as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of comprehensive income.

22. *Commitments and contingencies*

	30 June 2024 $	30 June 2023 $
Committed expenditure for the Company comprises:		
<1 year	**661,586**	1,671,352
1-5 years	**1,248,571**	41,509
>5 years	**-**	-
	1,910,157	1,712,861

The Company's contingent liabilities are:

- Pursuant to the Deed of Assignment and Assumption – Rover Royalty and Tenement Transfer Agreement, the Company granted a perpetual royalty, payable by the Company at a rate of 1.5% where gold is not the product; and as outlined in the table below where the product is gold:

22. *Commitments and contingencies (continued)*

Average Spot Price per Ounce	Cumulative Gold Production (Ounces): <500,000	Cumulative Gold Production (Ounces): >500,000
> $600	1.50%	1.75%
$601 to $700	1.75%	2.00%
>$700	2.00%	2.50%

The Company has bank guarantees totalling $163,127 as at 30 June 2024.
There are no subsidiaries in Castile Resources Limited.

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

Subsection 295(3A)(a) of the Corporations Act 2001 does not apply to the Company, because the Company is not required to prepare consolidated financial statements by Australian Accounting Standards.

DIRECTORS' DECLARATION

The Directors of the Company declare that:

In the Directors' opinion, the financial statements and notes are in accordance with the *Corporations Act* 2001 and:

- comply with Australian Accounting Standards;
- are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board, as stated in Note 2 to the financial statements;
- give a true and correct view of the Company's financial position as at 30 June 2024 and of the performance for the year ended 30 June 2024; and
- The attached Consolidated Entity Statement is true and correct.

In the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

This declaration is signed in accordance with a resolution of the Directors made pursuant to section 295(5)(a) of the *Corporations Act* 2001.

On behalf of the Directors

Peter Cook
Non-Executive Chairman
26 September 2024

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

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Castile Resources Ltd ("the Company"), which comprises the statement of financial position as at 30 June 2024, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the director's declaration.

In our opinion:

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

   (i) giving a true and fair view of the Company's financial position as at 30 June 2024 and of its financial performance for the year then ended; and

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

b. the financial report also complies with International Financial Reporting Standards as disclosed in Note 2(a).

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

<table>
<tr><th>Key Audit Matter</th><th>How our audit addressed the Key Audit Matter</th></tr>
<tr><td>

Exploration and evaluation assets

(Refer to Note 12)

The Company has capitalised exploration and evaluation assets of $30,970,028 as at 30 June 2024.

Exploration and evaluation assets is a key audit matter due to:

- The significance of the balance to the Company's financial position.
- The level of judgement required in evaluating management's application of the requirements of AASB 6 *Exploration for and Evaluation of Mineral Resources ("AASB 6")*. AASB 6 is an industry specific accounting standard requiring the application of significant judgements, estimates and industry knowledge. This includes specific requirements for expenditure to be capitalised as an asset and subsequent requirements which must be complied with for capitalised expenditure to continue to be carried as an asset.

The assessment of impairment of exploration and evaluation expenditure requires judgement.

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Our procedures included, amongst others:

- Assessing management's determination of its areas of interest for consistency with the definition in AASB 6. This involved analysing the tenements in which the Company holds an interest and the exploration programmes planned for those tenements.
- For each area of interest, we assessed the Company's rights to tenure by corroborating to government registries and evaluating agreements in place with other parties as applicable.
- We considered the activities in each area of interest to date and assessed the planned future activities for each area of interest by evaluating budgets.
- Substantiated a sample of expenditure by agreeing to supporting documentation.
- We assessed each area of interest for one or more of the following circumstances that may indicate impairment of the capitalised expenditure:
  - the licenses for the right to explore expiring in the near future or are not expected to be renewed;
  - substantive expenditure for further exploration in the specific area is neither budgeted or planned
  - decision or intent by the Company to discontinue activities in the specific area of interest due to lack of commercially viable quantities of resources; and
  - data indicating that, although a development in the specific area is likely to proceed, the carrying amount of the exploration asset is unlikely to be recovered in full from successful development or sale.
- Examined the disclosures made in the financial report.

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</table>

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon.

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

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

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

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error and the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error. In Note 2(a), the directors also state in accordance with Australian Accounting Standard *AASB 101 Presentation of Financial Statements*, that the financial report complies with International Financial Reporting Standards.

In preparing the financial report, the directors are responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company'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 Company'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 Company 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.

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

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

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

Report on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2024. The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with s 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.

Auditor's Opinion

In our opinion, the Remuneration Report of the Company, for the year ended 30 June 2024, complies with section 300A of the *Corporations Act 2001*.

Hall Chadwick
HALL CHADWICK WA AUDIT PTY LTD

Mark Delaurentis
MARK DELAURENTIS CA
Director

Dated this 26th day of September 2024
in Perth, Western Australia

ADDITIONAL INFORMATION FOR PUBLIC LISTED COMPANIES

As at 19 August 2024

Issued Securities

	Listed on ASX	Unlisted	Total
Fully paid ordinary shares	241,902,427	-	241,902,427
$0.2392 unlisted options expiring 2 Dec 2024		1,000,000	1,000,000
$Nil unlisted options expiring 21 Dec 2024		600,000	600,000
Total	**241,902,427**	**1,600,000**	**243,502,427**

Distribution of Listed Ordinary Fully Paid Shares

Spread of Holdings	Number of Holders	Number of Units	% of Total Issued Capital
1 - 1,000	363	112,330	0.05
1,001 - 5,000	681	1,977,891	0.82
5,001 - 10,000	339	2,674,401	1.11
10,001 - 100,000	711	26,662,986	11.02
100,001 - and over	191	210,474,819	87.01
Rounding			-0.01
Total	**2,285**	**241,902,427**	**100**

The number of holders holding less than marketable parcels: 1,184.

ADDITIONAL INFORMATION FOR PUBLIC LISTED COMPANIES continued

Top 20 Listed Ordinary Fully Paid Shareholders

Rank	Shareholder	Shares Held	% Issued Capital
1	CITICORP NOMINEES PTY LIMITED	16,455,782	6.80
2	PETER GERARD COOK	15,902,392	6.57
3	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED <GSCO CUSTOMERS A/C>	15,568,996	6.44
4	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	15,291,766	6.32
5	MR RAM SHANKER KANGATHARAN	14,383,765	5.95
6	MR RAM SHANKER KANGATHARAN	10,000,000	4.13
7	GOLDEN ENERGY AND RESOURCES PTE LTD	8,978,353	3.71
8	BNP PARIBAS NOMS PTY LTD <GLOBAL MARKETS>	7,625,987	3.15
9	BNP PARIBAS NOMS PTY LTD	7,565,827	3.13
10	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	7,143,625	2.95
11	THE TRUST COMPANY (AUSTRALIA) LIMITED <MOF A/C>	6,500,000	2.69
12	NO BULL HEALTH PTY LTD	5,772,373	2.39
13	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	3,390,299	1.40
14	MR MARK STEVEN HEPBURN + MRS AMANDA JANE HEPBURN <HEPBURN SUPERFUND A/C>	3,103,846	1.28
15	NEWBALL PTY LIMITED	3,100,000	1.28
16	PHH PTY LIMITED	2,810,000	1.16
17	ALL-STATES FINANCE PTY LIMITED	1,885,981	0.78
18	MR DARYL LINDSAY ALLEN	1,800,000	0.74
19	MR ADAM ANDREW MACDOUGALL	1,719,000	0.71
20	GREENHILL ROAD INVESTMENTS PTY LTD	1,708,586	0.71
Total		**150,706,578**	**62.29**

Distribution of Unlisted Options

Spread of Holdings	Number of Holders	Number of Units	% of Total Issued Capital
1 - 1,000	-	-	-
1,001 - 5,000	-	-	-
5,001 - 10,000	-	-	-
10,001 - 100,000	-	-	-
100,001 - and over	2	1,600,000	100
Total	**2**	**1,600,000**	**100**

ADDITIONAL INFORMATION FOR PUBLIC LISTED COMPANIES continued

Substantial Holders

The following entities have disclosed a substantial shareholder notice to the Company.

Name	Number of Shares	% of Voting Power
Ram Shanker Kangatharan	22,383,765[A]	9.25% [A]
Samarang UCITS – Samarang Asian Prosperity	14,119,831[B]	5.97%[B]
Kingdon Capital Management, LLC	15,568,996[C]	6.644%[C]
CQS (UK) LLP	15,083,621[D]	6.37%[D]
Mr Peter Gerard Cook	15,793,301[E]	6.57%[E]

Notes: figures are based on notices lodged by the respective holders on the ASX Market Announcements Platform. Shareholders may also refer to the list of top 20 shareholders set out in this report for further details.

A) As of 24 July 2023
B) As of 14 October 2022
C) As of 10 August 2022
D) As of 17 August 2022
E) As of 11 October 2022

Ordinary Shares Voting Rights - Subject to any rights or restrictions for the time being attached to any class or classes of Shares, at general meetings of Shareholders or classes of Shareholders:

- each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for the Share, but in respect of partly paid Shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder’s name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

Class	Number of Holders	Name	Number of Securities
$Nil unlisted options expiring 21 December 2024	1	MH Cornerstone Pty Ltd <The Mulligan Family A/C>	600,000
$0.2392 unlisted options expiring 2 December 2024	1	MH Cornerstone Pty Ltd <The Mulligan Family A/C>	1,000,000

The Company has no restricted securities on issue as at the date of this report.

ADDITIONAL INFORMATION FOR PUBLIC LISTED COMPANIES continued

Other

The Company is not currently conducting an on-market buy-back. There are no issues of securities approved for the purposes of item 7 of section 611 of the Corporations Act which have not yet been completed. No securities were purchased on-market during the reporting period in respect of an employee incentive scheme.

Electronic Communications

Castile encourages shareholders to receive information electronically. Electronic communications allow Castile to communicate with shareholders quickly and reduce the Company's paper usage. Shareholders who currently receive information by post can log in at https://www.computershare.com.au/easyupdate/CST to provide their email address and elect to receive electronic communications.

Castile email shareholders when important information becomes available such as financial results, notices of meeting, voting forms and annual reports.

Castile will issue notices of annual and general meetings and the annual report electronically where a shareholder has provided a valid email address, unless the shareholder has elected to receive a paper copy of these documents.

Legislative changes to the Corporations Act 2001 (Cth) effective 1 April 2022 mean there are several options available to shareholders as to how they elect to receive their communications. An important notice regarding these rights is available on Castile's website at https://www.castile.com.au/investors/asx-announcements/

For further information, please contact Castile's share registry, Computershare, at https://www-au.computershare.com/Investor/#Contact/Enquiry

ADDITIONAL INFORMATION FOR PUBLIC LISTED COMPANIES continued

Schedule of Exploration Tenements

Castile held the following tenements as of 30 June 2024:

Tenement	Project	Location	Interest	Status
EL 24541	Rover	Northern Territory	100%	Expiry 17/12/2025
EL 25511	Rover	Northern Territory	100%	Expiry 17/12/2025
EL 27039	Rover	Northern Territory	100%	Expiry 14/05/2025
EL 27292	Rover	Northern Territory	100%	Expiry 26/05/2026
EL 27372	Rover	Northern Territory	100%	Expiry 26/05/2026
ELR 29957	Rover	Northern Territory	100%	Expiry 16/09/2028
ELR 29958	Rover	Northern Territory	100%	Expiry 16/09/2028
EL 33121	Rover	Northern Territory	100%	Expiry 3/11/2028
EL 10397	Warumpi	Northern Territory	100%	Expiry 10/09/2025
EL 31794	Lake Mackay JV	Northern Territory	14%	Expiry 27/02/2026
E52/4206	Milgun	Western Australia	100%	Expiry 19/01/2028
E52/4235	Milgun	Western Australia	100%	Expiry 26/03/2028