Chariot Corporation Ltd

Annual Report

For the year ended 31 December 2021

Contents

Corporate Directory

Directors
Shanthar Pathmanathan
Jasveer Singh Jessy
Frederick Peter Forni

Company Secretary
Shanthar Pathmanathan

Registered office
Suite 3
128 Main Street
Osborne Park WA 6017

Auditor
Moore Australia Audit (WA)
Level 15 Exchange Tower
2 The Esplanade
Perth WA 6000

Share Registry
Automic Pty Ltd
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Perth WA 6000

Bankers
National Australia Bank
Gateway Building
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Directors' Report

The Directors' present their report, together with the financial statements of Chariot Corporation Ltd (**the Company or Chariot**) for the financial year ended 31 December 2021 and the auditor's report thereon.

1. DIRECTORS

The names of Directors in office at any time during or since the end of the year to the date of this report are:

Name	**Status**	**Appointed**	**Resigned**
Shanthar Pathmanathan	Director and Chairman	16 March 2020	-
Jasveer Singh Jessy	Director	5 March 2021	-
Frederick Peter Forni	Non-executive Director	2 August 2021	-
Naim Royden Jones	Director	5 March 2021	27 December 2021
Vincenzo Figliomeni	Director	10 December 2019	27 July 2021
Philip Andrew Nolis	Director	10 December 2019	4 March 2021

Chairman & Company Secretary	Shanthar Pathmanathan
Qualifications	Bachelor of Laws from the University of Western Australia
Experience	Mr Pathmanathan was most recently the Chief Executive Officer and Managing Director of Lithium Consolidated Ltd, an ASX-listed company, which had one of the largest portfolios of Hardrock lithium exploration assets, globally. Mr Pathmanathan also has 14 years investment banking experience, in the metals and mining, oil and gas and chemicals sectors. He was a Vice President with Deutsche Bank's investment banking division and prior to that has held investment banking and principal investment roles with the Macquarie Group's investment banking division in Australia and New York.

Director	Jasveer Singh Jessy
Qualifications	Bachelor of Commerce from Murdoch University
Experience	Mr Jessy is a stockbroker and investor in venture-stage and early-stage companies. Mr Jessy has financed a number of ASX listed and unlisted companies. Mr Jessy contributed to the financing of VGW Holdings Ltd. Mr Jessy was previously the state manager of a stock-broking firm in Perth, Western Australia.

Director	Frederick Peter Forni
Qualifications	B.A in Economics from Connecticut College, J.D., awarded cum laude, from Georgetown University Law Center and an LL.M. in taxation from New York University Law School
Experience	Mr Forni was a senior finance professional with Macquarie Holdings (USA) Inc., a US affiliate of Macquarie Group Limited from October 1997 to October 2012 (and a Senior Managing Director from and after July 2004) where he was involved in (i) developing, marketing, executing and managing structured and conventional financial products transactions for the Macquarie Group, including the establishment of an NYSE listed USD 425m closed-end fund (Macquarie Global Infrastructure Fund; ticker: MGU) and the formation and management of specialized investment portfolios of CLO and CMBS securities aggregating in excess of USD 1 billion and (ii) structuring principal and advisory transactions principally from an income taxation perspective. Mr Forni acted as a non-executive director for numerous Macquarie Group entities, including an investment adviser under the Investment Company Act of 1940 and a fund incubation joint venture with M.D. Sass. From 1995 to 1997 Mr Forni was employed as a tax associate with Morgan, Lewis & Bockius LLP.. Mr Forni held Series 24, Series 7 and Series 63 FINRA licenses and is admitted to practice law in both New York and Connecticut.

Director	Naim Royden Jones (Resigned 27 December 2021)
Qualifications	Bachelor of Commerce from the University of Western Australia
Experience	Mr Jones is the founding Director of a boutique property development firm that focuses on high impact investments that notably funded a portfolio of social housing projects, delivered to the West Australian Government. Mr Jones has over 15 years of experience in financial services, including 6 years as a Senior Advisor with Westpac based in Sydney.

2. COMPANY SECRETARY

The names of persons who held the position of Company Secretary at any time during or since the end of the year to the date of this report are:

Name	Appointed	Resigned
Shanthar Pathmanathan	5 March 2021	-
Philip Andrew Nolis	10 December 2019	5 March 2021

3. PRINCIPAL ACTIVITIES

Chariot's strategy is to identify, evaluate, acquire and develop Tier-1 lithium assets with a view to building a global lithium asset portfolio. To date, the Company has focussed on lithium assets located in the United States of America, Africa and Western Australia.

In order to enable the Company to access the resources required to implement its strategy, the Company is progressing with plans to apply for a public listing on the Australian Securities Exchange (**ASX**).

4. DIVIDENDS PAID OR RECOMMENDED

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

5. REVIEW OF OPERATIONS

The Directors' present their review of operations for FY 2021 in two segments: 1) Lithium portfolio review; and 2) Corporate review.

Lithium Portfolio Review

The Company's objective is to aggregate a global portfolio of Tier-1 lithium assets, which are competitively positioned to accelerate a clean energy future.

Chariot's flagship project, the Resurgent Lithium Project (**Resurgent Lithium Project**) is located in the McDermitt Caldera, in the States of Oregon and Nevada, USA.

During the 2021 financial year, Chariot also held 11 exploration license applications and 3 granted exploration licenses in Western Australia, which are being targeted for hard rock lithium mineralisation.

Subsequent to the end of the 2021 financial year, the Company expanded its global lithium exploration portfolio by acquiring additional lithium exploration assets in the States of Wyoming, and Nevada USA, Western Australia and Zimbabwe (see section 8. Matters Subsequent to the end of the Financial Year).

United States

The Directors believe the most promising lithium asset held by the Company is its interest in FMS Lithium Corporation (FMS Lithium) which was acquired during the financial year. FMS Lithium owns the Resurgent Lithium Project, which comprises of 1,412 claims in the McDermitt Caldera.

The McDermitt Caldera is considered the largest and highest-grade lithium play in North America and hosts the two largest, known lithium resources in the USA: 1) the Thacker Pass project owned by Lithium Americas Corporation and 2) the McDermitt Lithium project owned by Jindalee Resources Ltd. The Caldera features clay-hosted lithium mineralisation and its source, the McDermitt Tuff, has been determined to contain a very high-grade pre-eruptive lithium content, as measured via melt-inclusion analysis at 1,646 +/- 194 ppm Li.

Mr Pathmanathan is the President and a Director of FMS Lithium. Mr Forni is also a Director of FMS Lithium.

Australia

The Company also expanded its footprint in Western Australia by applying to the Western Australia Government Department of Mines, Industry, Regulation and Safety (**DMIRS**) for 10 new exploration licenses. The Company held three granted exploration licenses as of 31 December 2021.

Corporate Review

In this corporate and financial operations review, the Directors describe equity financings and equity compensation transactions completed during the financial year, transactions involving loan financings of the Company for the financial year, financial results and certain other corporate matters that arose or occurred during the financial year. Note that in the discussion below, other than the discussion of the November Placement, the number and pricing of shares, options and performance rights is adjusted to reflect the share consolidation that occurred in October 2021 (see "Certain Other Corporate Matters" below).

Equity Financings and Equity Compensation Transactions

The Company raised a total of $4,650,500 (before costs) through a series of placements at various share issue prices, during the 2021 financial year. Refer to Note 11 for further information.

During July 2021, the Company raised $1,351,500 (before costs) through the placement of 10,812,000 fully paid ordinary shares in the capital of the Company at $0.125 per share together with one free-attaching option, exercisable at $0.25 on or before 20 June 2023.

The following placement fees, being a combination of cash and options, were paid to the Directors in consideration for their services with respect to the July placement.

Director	Cash Fee Amount	No. Options	Valuation on Options
Shanthar Pathmanathan	$20,999	1,199,948	$53,326
Jasveer Singh Jessy	$56,350	3,220,000	$143,098
Naim Royden Jones[1]	$26,005	1,486,000	$66,039

During August 2021, the Company raised a total of $629,000 (before costs) through a placement of 5,032,000 fully paid ordinary shares at $0.125 per share together with one free attaching option, exercisable at $0.25 on or before 30 June 2023. A total of 1,548,000 options, exercisable at $0.25 on or before 30 June 2023 were issued to the brokers for the placement. Philip Nolis, a former director and company secretary of the Company, participated in the Broker placement (refer Note 3 b).

Later in the month of August, the Company raised an additional $190,000 (before costs) though a placement of 1,520,000 fully paid ordinary shares at $0.125 per share together with one free attaching option, exercisable at $0.25 on or before 30 June 2023.

The following placement fees, being a combination of cash and options, were paid to the directors in consideration for their services with respect to the August 2021 placement.

Director	Cash Fee Amount	No. Options	Valuation on Options
Jasveer Singh Jessy	$350	20,000	$853
Naim Royden Jones[1]	$8,540	488,000	$20,824

On 20 September 2021, the Company issued the following performance rights to an employee, at the date of this report the Class A Performance Rights had vested.

Class	Service Condition	Number
Class A	Six months continuous service	200,000
Class B	Twelve months continuous service	400,000
Class C	Twelve months continuous service	400,000

[1] Resigned 27 December 2021

On vesting of the service condition each performance right, subject to being exercised by the holder, converts on a one for one basis into ordinary fully paid securities.

On 3 September 2021, the Company engaged Lodge Corporate Pty Ltd to act as Lead Manager to raise not less than $1,000,000 (before cost), through a placement of fully paid ordinary shares at $0.25 per share. During November 2021, Lodge raised $1,500,000 and as consideration under the mandate, Lodge was issue of 3,200,000 performance options in addition to cash consideration for services.

On 19 November 2021, the Company raised $970,000 (before cost) by issuing 3,880,000 fully paid ordinary shares at $0.25 per share under the additional placement.

The following placement fees, being a combination of cash and options, were paid to the directors in consideration for their services with respect to the September placement.

Director	Cash Fee Amount	No. Options	Valuation on Options
Naim Royden Jones	$22,620	804,267	$126,147
Jasveer Singh Jessy	$34,980	1,243,733	$195,076

For further information refer to **Note 11: Issued Capital.**

Transactions involving loan financing

During the year, the following loans were provided to the Company for working capital requirements prior to the completion of the placements:

Director	Loan Amount	Interest
Jasveer Singh Jessy	$200,000	320,000 fully paid ordinary shares in lieu of cash payment of $40,000 interest accrued
Rajat Dewan[1]	$100,000	80,000 fully paid ordinary shares and 80,000 options in lieu of cash payment of $10,000 interest accrued
Ajaib Singh Dhillon[1]	$75,000	60,000 fully paid ordinary shares and 60,000 Options in lieu of cash payment of $7,500 interest accrued
Matthew Mitchell[1]	$25,000	20,000 fully paid ordinary shares and 20,000 options in lieu of cash payment of $2,500 interest accrued

On 7 July 2021, the Company issued 320,000 fully paid ordinary shares to Jasveer Singh Jessy in lieu of the $40,000 interest accrued on the $200,000 loan and $20,000 cash payment for introducing other lenders to the Company. The principal loan of $200,000 was repaid by cash in full on 14 July 2021.

On 18 August 2021, the Company issued 80,000 fully paid ordinary shares and 80,000 options to Rajat Dewan for the $10,000 interest accrued on the $100,000 loan. The loan of $100,000 was repaid by cash in full on 12 July 2021.

On 18 August 2021, the Company issued 60,000 fully paid ordinary shares and 60,000 options to Ajaib Singh Dhillon for the $7,500 interest accrued on the $75,000 loan. The principal of loan was repaid in full by 600,000 fully paid ordinary shares and 600,000 free attaching options in lieu of cash on 24 June 2021.

On 30 July 2021, the Company issued 20,000 fully paid ordinary shares and 20,000 options to Matthew Mitchell for the $2,500 interest accrued on the $25,000 loan. The principal amount was repaid by 200,000 fully paid ordinary shares and 200,000 free attaching options in lieu of cash on 31 July 2021.

As at the date of this report, no loans remain outstanding.

[1] A fee of 10% of the amount of the loan is payable to Jasveer Singh Jessy in consideration for introducing the lender to the Company.

Financial Results and Certain Other Corporate Matters

Financial Results

The Company incurred a loss for the year of $1,381,482 (2020: $39,974) and had net assets of $3,843,756 (2020: $939) as of 31 December 2021. Significant expenditure items during the financial year include:

- Exploration expenditure of $134,383,
- Legal and Consulting fees of $110,996 and
- Share-based payment expense of $889,248 (**Refer Note 14**).

As of 31 December 2021, the Company had a cash and cash equivalents balance of $2,304,849 and the Company had working capital of $2,124,957.

Certain Other Corporate Matters

On 1 July 2021, the Company changed from proprietary limited to a public company limited by shares.

On 18 October 2021, at the Company's General Meeting shareholder approval was received to consolidate the securities of the Company on a 2.5 for 1 basis and such consolidation was effected on 18 October 2021 (**Share Consolidation**). All ordinary shares and option amounts are disclosed on a post Share Consolidation basis, such that the ordinary shares and option amounts disclosed incorporate the effects of the Share Consolidation, as applicable.

6. SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There were no significant changes in the state of affairs of the Company during the financial year, other than the changes noted and described above in this Directors' report.

7. FUTURE DEVELOPMENTS, PROSPECTS AND BUSINESS STRATEGIES

The Company will continue to pursue its "principal activities" as described above.

Information on other likely developments in the operations of the Company and the expected results of operations have not been included in this report because the Directors believe the provision of such information would be likely to result in unreasonable prejudice to the Company.

8. MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

FMS Lithium acquired 1,090 claims located near Tonopah in Nevada, USA and close to lithium exploration projects operated by American Lithium Corp and American Battery Technology Company, subsequent to the end of the 2021 financial year. These claims are being targeted for claystone hosted lithium mineralisation.

Chariot was granted five new exploration licenses by DMIRS in Western Australia and also applied for three new exploration licenses in Western Australia, subsequent to the end of the 2021 financial year. These exploration licenses are being targeted for hard rock lithium mineralisation.

Chariot filed on 89 lode claim applications at the Black Mountain Lithium Project in Wyoming, USA, subsequent to the end of the 2021 financial year. These claims are being targeted for hard rock lithium mineralisation.

Chariot filed on 30 exploration license applications in the Republic of Zimbabwe subsequent to the end of the 2021 financial year. These exploration licenses are being targeted for hard rock lithium mineralisation.

On 11 February 2022, the Company entered into a subscription agreement with FMS Lithium pursuant to which the Company subscribed for 375 shares of the common stock of FMS Lithium at an issue price of US$800 per share, representing a total subscription amount of US$300,000.

On 18 March 2022, the Company raised $250,000 (before cost) through the issue of 1,000,000 fully paid ordinary shares at $0.25 per share to Mr Jasveer Singh Jessy, one of the Company's directors.

On 15 May 2022, the Company entered into a subscription agreement with FMS Lithium pursuant to which the Company subscribed for 125 shares of the common stock of FMS Lithium at an issue price of US$800 per share, representing a total subscription amount of US$100,000.

As at the date of this Report, following all of the investments by Chariot in FMSL Lithium, Chariot held 2,050 shares in FMS Lithium. These shares in FMS Lithium were purchase at an aggregate cost of US$1,640,000. This represents a 16.84% percent interest in the common shares of FMS Lithium.

On 27 May 2022, the Company raised $2,656,696 (before cost) through the issue of 6,473,418 fully paid ordinary shares at $0.35 per share and 920,222 options exercisable at $0.45 to brokers.

Mr Frederick Forni a Director of the Company was provided as part of the remuneration for FY 2022, 200,000 fully paid ordinary shares.

Other than the matters discussed above, no matters or circumstances have arisen since the end of the reporting period which significantly affected or may significantly affect the operation of the Company, the result of those operations, or the state of affairs of the Company in future financial years.

9. MEETING OF DIRECTORS

The number of formal meetings of Directors (including committees of Directors) held during the year and the number of meetings attended by each Director was as follows:

	DIRECTORS' MEETINGS	
	Number eligible to attend	Number attended
Vincenzo Figliomeni	3	3
Shanthar Pathmanathan	3	3
Naim Royden Jones	1	1
Jasveer Singh Jessy	1	1
Philip Nolis	-	-
Frederick Peter Forni	-	-

10. SHARES UNDER OPTION

At the date of this report the unissued ordinary shares of the Company under option are as follows:

Number of unissued shares under option	Exercise price per option	Expiry date of options	Fair value per option
26,245,948	$0.25	23 June 2023	$0.02
5,290,667	$0.25	31 December 2024	$0.16
920,222	$0.45	30 June 2024	$0.17

No person entitled to exercise the options had or has any right by virtue of the option to participate in any share issue of the Company or of any other body corporate.

11. SHARES ISSUED ON THE EXERCISE OF OPTIONS

There were no ordinary shares of Chariot Corporation Ltd issued on the exercise of options during the period ended 31 December 2021 and up to the date of this report.

12. INDEMNIFICATION OF DIRECTORS, OFFICERS AND AUDITOR

Indemnification

The Company indemnifies each of its Directors, Officers and Company Secretary. The Company indemnifies each director and officer to the maximum extent permitted by the *Corporations Act 2001* from liability to third parties, except where the liability arises out of conduct involving lack of good faith, and cost in defending legal and administrative proceedings and applications for such proceedings.

The Company must use its best endeavours to insure a Director or officer against any liability, which does not arise out of conduct constituting a wilful breach of duty or a contravention of the *Corporations Act 2001*. The Company must also use its best endeavours to insure a Director or officer against liability for costs and expenses incurred in defending proceedings whether civil or criminal.

The Company has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the company or of any related body corporate against a liability incurred as such an officer or auditor.

Insurance Premium

During the financial year the Company paid insurance premiums to insure directors and officers against certain liabilities arising out of their conduct while acting as an officer of the Company. Under the terms and conditions of the insurance contract, the nature of the liabilities insured against, and the premium paid, cannot be disclosed.

13. ENVIRONMENTAL REGULATIONS

The Company endeavours to comply with all regulatory requirements pertaining to the environment in each jurisdiction in which it operates. The directors are not aware of any material breaches by the Company of any of these environmental regulations during the period beginning with the commencement of the financial year and ending on the date of this Directors' report.

14. PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied for leave of Court to bring proceedings on behalf of the Company or 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 any part of those proceedings. The Company was not a party to any such proceedings during the financial year.

15. AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration under section 307C of the *Corporations Act 2001* (Cth) for the year ended 31 December 2021 has been received and directly follows the Directors report.

16. ROUNDING OF AMOUNTS

The Company has applied the relief available to it in ASIC Legislative Instrument 2016/191 and accordingly amounts included in this report and in the financial report have been rounded off to the nearest $1 (where rounding is applicable).

Auditor

Moore Australia Audit (WA) continues in office in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the Directors,

Shanthar Pathmanathan
Director
22 July 2022

Moore Australia Audit (WA)

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AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF CHARIOT CORPORATION LTD

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2021, there have been:

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

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

Neil Pace

NEIL PACE
PARTNER

Moore Australia

MOORE AUSTRALIA AUDIT (WA)
CHARTERED ACCOUNTANTS

Signed at Perth this 22nd day of July 2022.

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2021

	Note	31 December 2021 $	19 November 2019 to 31 December 2020 $
Other Income		12,000	-
Accounting & Company Secretary		(48,042)	(196)
Audit and tax expenses	4	(11,500)	-
Compliance and regulatory expenses		(5,553)	-
Depreciation		(4,170)	
Director fees	3	(48,000)	-
Exploration expenses		(134,383)	(21,711)
Employee wages and contractors		(61,523)	-
Legal and consulting fee		(110,996)	(14,000)
Share based payment expenses	14	(889,248)	-
Other expenses		(79,591)	(4,067)
Operating loss		**(1,381,006)**	**(39,974)**
Finance costs		(475)	-
Loss before income tax		**(1,381,481)**	**(39,974)**
Income tax expense	2	-	-
Loss for the year after income tax		**(1,381,481)**	**(39,974)**
Other comprehensive income/(loss):			
Items that will not reclassified subsequently to profit or loss			
Fair value movement of financial asset at fair value through OCI		6,673	-
Total comprehensive loss for the year		**(1,374,808)**	**(39,974)**
Basic loss per share (cents per share)	5	(4.62)	(0.06)
Diluted loss per share (cents per share)	5	(4.62)	(0.06)

The accompanying notes form part of these financial statements.

Statement of Financial Position

As at 31 December 2021

	Note	31 December 2021 $	19 November 2019 to 31 December 2020 $
CURRENT ASSETS			
Cash and cash equivalents	6	2,304,849	26
Trade and other receivables	7	51,721	913
Other assets		23,206	-
TOTAL CURRENT ASSETS		**2,379,776**	**939**
NON-CURRENT ASSETS			
Financial assets at fair value through OCI	8	1,674,828	-
Plant and Equipment		12,060	-
Rights-of-use asset	10	53,995	-
TOTAL NON-CURRENT ASSETS		**1,740,883**	**-**
TOTAL ASSETS		**4,120,659**	**939**
CURRENT LIABILITIES			
Trade and other payables	9	226,284	-
Lease liabilities	10	28,535	-
TOTAL CURRENT LIABILITIES		**254,819**	**-**
NON-CURRENT LIABILTIES			
Lease liabilities	10	22,084	-
TOTAL NON-CURRENT LIABILITIES		**22,084**	**-**
TOTAL LIABILITIES		**276,903**	**-**
NET ASSETS		**3,843,756**	**939**
EQUITY			
Issued capital	11	4,751,413	40,913
Capital raising costs	11	(748,671)	-
Reserves	13	1,255,797	-
Fair value reserve of financial assets through OCI	13	6,673	-
Accumulated losses		(1,421,456)	(39,974)
TOTAL EQUITY		**3,843,756**	**939**

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

For the year ended 31 December 2021

	Issued Capital $	Share based payment reserve $	Fair value reserve of financial assets through OCI $	Accumulated Losses $	Total $
Loss for the period	-	-	-	(39,974)	(39,974)
Total comprehensive loss for the period	-	-	-	(39,974)	**(39,974)**
Transactions with owners, recognised directly in equity					
Issue of ordinary shares	40,913	-	-	-	40,913
Balance at 31 December 2020	**40,913**	-	-	**(39,974)**	**939**
Balance at 1 January 2021	**40,913**	-	-	**(39,974)**	**939**
Loss for the year	-	-	-	(1,381,481)	(1,381,481)
Other Comprehensive income	-	-	6,673	-	6,673
Total comprehensive income for the year	-	-	**6,673**	(1,381,481)	**(1,374,808)**
Transactions with owners, recognised directly in equity					
Issue of ordinary shares	4,650,500	-	-	-	4,650,500
Issue of ordinary shares – equity settled	60,000				60,000
Capital raising costs	(151,398)	-	-	-	(151,398)
Capital raising costs – equity issued	(597,273)	597,273			-
Share based payment expense	-	658,523	-	-	658,523
Balance at 31 December 2021	**4,002,742**	**1,255,796**	**6,673**	**(1,421,455)**	**3,843,756**

The accompanying notes form part of these financial statements.

Statement of Cash Flows

For the year ended 31 December 2021

	Note	31 December 2021 $	19 November 2019 to 31 December 2020 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers		(101,341)	(18,263)
Payments for staff costs		(109,523)	-
Payments for exploration expenses		(134,383)	(21,711)
Receipt for referral fees		12,000	-
Transaction expense – cash settled share based payment		(170,724)	-
Net cash used in operating activities	6b	**(503,971)**	**(39,974)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of plant and equipment		(12,630)	-
Investment in FMSL		(1,668,155)	-
Loan to a director	3c	(2,043)	-
Net cash used in investing activities		**(1,682,828)**	**-**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowing	6d	400,000	-
Payments to lender	6d	(300,000)	-
Lease repayment		(7,450)	-
Proceeds from issue of shares	11	4,550,470	40,000
Share issue costs	11b	(151,398)	-
Net cash provided by financing activities		**4,491,622**	**40,000**
Net increase in cash and cash equivalents		2,304,823	26
Cash and cash equivalents at the beginning of the financial year		26	-
Cash and cash equivalents at the end of the financial year	6a	**2,304,849**	**26**

The accompanying notes form part of these financial statements.

These financial statements cover Chariot Corporation Ltd (**the Company**). Chariot Corporation is a company limited by shares, incorporated and domiciled in Australia. The Company is a for-profit entity. The Company's financial statements are presented in Australian dollars, which is also the Company's functional currency.

The financial statements were issued in accordance with a resolution by the Board on 22 July 2022.

The following is a summary of the material accounting policies adopted by the Company in the preparation and presentation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Statement of Compliance

These financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (**AASBs**) (including Australian interpretations) adopted by the Australian Accounting Standard Board (**AASB**) and the *Corporations Act 2001*.

The financial statements and notes of the Company comply with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (**AIFRS**). Compliance with AIFRS ensures that the financial statements and notes comply with International Financial Reporting Standards.

b) Basis of Preparation

In the Directors' opinion, the Company is a reporting entity because there are users dependent on general purpose financial statements. The financial statements are therefore general-purpose financial statements that have been prepared in order to meet the needs of members and the requirements of an Initial Public Offering as part of its process to be admitted to the official list of the ASX.

The financial statements have been prepared in accordance with Australian Accounting Standards issued by the Australian Accounting Standards Board (AASB) and the Corporations Act of 2001, as appropriate for for-profit oriented entities. Australian Accounting Standards adopted by the AASB are consistent with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board. Unless otherwise stated, the accounting policies of the Consolidated Entity have been consistently applied throughout the periods presented.

The directors have determined that the accounting policies are appropriate to meet the needs of members and the requirements of an Initial Public Offering. The financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes.

c) Going concern

The 31 December 2021 financial report has been prepared on the going concern basis that contemplates the continuity of normal business activities and the realisation of assets and extinguishment of liabilities in the ordinary course of business.

For the year ended 31 December 2021, the Company recorded a net loss $1,381,481 and at 31 December 2021 had a net working capital of $2,124,957. The Company also had cash balances of $2,304,849 and reported a net cash outflow in operating activities for the year ended 31 December 2021 of $503,971.

Based on the Company's cash flow forecast, and agreements signed subsequent to 31 December 2021, the Company successfully raise additional working capital for the next 12 months for its exploration projects, acquisition costs and to ensure extinguishment of liabilities as and when they fall due.

The Company is currently in the process of preparing for an Initial Public Offering (IPO) on the ASX. The Directors are confident that the Company will be successful in raising additional funds through the issue of new equity. However, factors beyond the Company's control, including the COVID-19 pandemic, may affect the stock markets and may in turn have a negative impact on any fund raising. Subsequent to balance date the Company raised additional capital of $2,656,696 (before cost) through the issue of 6,473,418 fully paid ordinary shares at $0.35 per share.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

c) Going concern (Continued)

Based on the above facts, the Directors consider the going concern basis of preparation to be appropriate for this financial report.

The financial statements do not include any adjustments relative to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the Company not continue as a going concern.

d) New and amended accounting standards and interpretation

The Company has considered the implications of new or amended AASBs which have become applicable for the current annual financial reporting period beginning on or after 1 January 2021. It has been determined by the Company that there is no impact, material or otherwise, of the new or amended AASBs and therefore no changes to Company accounting policies. No retrospective change in accounting policy of material reclassification has occurred during the financial year.

Accounting standards issued but not yet effective

The Australian Accounting Standards Board has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the Company. The Company has decided not to early adopt any of these new and amended pronouncements. The Company is currently in the process of assessing the following new and amended pronouncements:

- AASB 2020-1 *Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current,*
- AASB 2020-6 *Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date*
- AASB 2021-2 Amendments to Australian Accounting Standards –Disclosure of Accounting Policies and Definition of Accounting Estimates
- AASB 2021-5 Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction

e) Income tax

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

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses. Current and deferred income tax expense (income) is charged or credited directly to equity instead of profit or loss when the tax relates to items that are credited or charged directly to equity.

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

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

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

e) Income tax (continued)

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

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

f) Cash and Cash equivalents
Cash and cash equivalents include cash on hand, deposits available on demand with banks with original maturity of three months or less.

g) Trade receivables
Trade receivables are amounts due from customers for good and services performed in the ordinary course of business. They are generally due for settlement within 30 days and therefore are classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional which is considered to be fair value; none of the Company's trade receivables contain financing components. The Company holds the trade receivables with the objective to collect the contractual cashflows and therefore measures them subsequently at amortised cost using the effective interest method.

The Company applies the AASB 9 *Financial Instruments* simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets.

To measure the expected credit losses, trade receivables have been grouped based on share credit risk characteristics and the days past due. The expected loss rates are based on the Company's past history, existing market conditions and forward-looking estimates at the end of each reporting period.

h) Operating expenses
Operating expenses are recognised in profit or loss upon utilisation of the service or at the date of their origin.

i) Goods and Services Tax (GST)
Revenues, expenses, and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office (**ATO**).

Receivable and payables are stated inclusive of the amount of GST receivable or payable. The net amount of the GST recoverable from, or payable to, the ATO is included with other receivables and payables in the Consolidated Statement of Financial Position.

Cash flows are presented in the Consolidated Statement of Cash Flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

j) Equity-settled compensation
The Company operates an employee share and option plan under which it may issue options to employees, directors and/or consultants. Where the value of services received cannot be determined by reference to an external market value, share-based payments to employees, directors and/or consultants are measured at the fair value of the instruments issued and amortised over the vesting periods.

The number of share options and performance rights expected to vest is reviewed and adjusted at the end of each reporting period based on the number of equity instruments that may eventually vest, unless market conditions are attached to the share options and performance rights, in which case no adjustment is required. The fair value is determined using either a Black Scholes, Hoadley's Hybrid ESO or Monte Carlo simulation model depending on the type of share-based payment.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

k) Exploration and evaluation expenditure

Accounting for exploration and evaluation expenditure is assessed separately for each area of interest. Each area of interest is an individual geological area which considered to constitute a favourable environment for the presence of a mineral deposit or has been proved to contain such deposit.

The Company has adopted the 'successful efforts' method of accounting whereby only those costs that lead directly to the discovery, acquisition, or development of specific discrete mineral reserves within an area of interest are capitalised. Costs that are known to fail the meet this criterion (at the time of occurrence) are generally expensed to profit or loss in the period they are incurred.

License costs paid in connection with a right to explore an existing area of interest are capitalised and reviewed at each reporting period to confirm that there is no indication that the carrying amount exceeds the recoverable amount. Acquisition costs are carried forward where the right to explore an area of interest is current and they are expected to be recouped through the sale or successful development of an area of interest.

Exploration and evaluation expenditure is carried forward on the basis that the exploration and evaluation activities in the area of interest have not reached a stage that permits reasonable assessment of the existence or otherwise of economically recoverable reserves and active and significant operations in, or in relation, to the area of interest is continuing. The future recoverability of the carrying amount of capitalised exploration and evaluation expenditure is dependent on successful development and commercial exploitation or, alternatively, the sale of an area of interest.

l) Trade and other payables

Liabilities for trade creditors and other amounts carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Company. Interest, when charged by the lender, is recognised as an expense on an accrual basis.

m) Provisions

Provisions are recognised when the Company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result, and that outflow can be reliably measured. Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

n) Leases

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

Company as a lessee

Operating lease payments, where substantially all the risk and benefits remain with the lessor, are recognised as an expense in the statement of profit or loss and other comprehensive income on a straight-line basis over the lease term. Operating lease incentives are recognised as a liability when received and subsequently reduced by allocating lease payments between rental expense and reduction of the liability.

From 1 January 2021, leases are recognised as a right-of-use asset and corresponding liability at the date at which the leased asset is available for use by the Company. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable
- Variable lease payment that are based on an index or a rate
- Amount expected to be payable by the lessee under residual value guarantees
- The exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- Payments of penalties for termination the lease, if the lease term reflects the lessee exercising that option.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

n) Leases (continued)
The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use of assets are measured at cost comprising the following:

- The amount of the initial measurement of lease liability
- Any lease payments made at or before the commencement date less any lease incentives received
- Any initial direct costs
- Restoration cost

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short term leases have a lease term of 12 months or less. Low-value assets comprise IT equipment and office furniture.

o) Equity and reserves
Share capital represents the fair value of shares that have been issued. Any transaction costs associated with the issuing of shares are deducted from share capital, net of any related income tax benefits. The option reserve records the value of share-based payments.

p) Segment Information
Identification of reportable segments
The Company has identified its operating segments based on the internal reports that are reviewed and used by the Board (the chief operating decision makers) in assessing performance and in determining the allocation of resources.

In respect to the Company's current operations, the financial information presented to the chief operating decision maker is consistent with that presented in the Statement of Profit or Loss and Other Comprehensive Income, Statement of Financial Position and Statement of Cash Flows.

During the current year the Company only had one segment being the exploration and the location of the segments assets is in Australia and United States. Accordingly, all significant operating disclosures are based upon analysis of the Company as one segment. The financial results from this segment are equivalent to the financial statements of the Company as a whole.

q) Earnings per share
Basic earnings per share is calculated by dividing:
- the profit attributable to members of the Company, excluding any costs of servicing equity other than ordinary shares
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year (if any).

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:
- the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares; and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

r) Foreign Currencies
The Company's financial statements are presented in Australian dollars, which is also the Company's functional currency. For each entity, the Company determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions and balances
Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognised in profit or loss.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

s) Fair value measurement

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

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

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

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

Recognition and derecognition

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred.

A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and initial measurement

Financial assets

Financial assets are classified according to their business model and the characteristics of their contractual cash flows. Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with AASB 15 *Revenue from Contracts with Customers*, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Classification of financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income (**FVOCI**) comprise of equity securities which are not held for trading, and which the Company has irrevocably elected at initial recognition to recognise in this category. These are strategic investments, and the Company considers this classification to be most relevant.

Financial assets at fair value through profit or loss

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Financial liabilities

Financial liabilities are classified as measured at amortised cost using effective interest method. Interest expense is recognised in profit or loss.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

s) Fair value measurement (Continued)

Impairment of financial assets

The Company recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the Company's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured based on the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

t) Critical accounting estimates, judgements and assumption

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of asset or liabilities affected in future periods.

Key Judgement

Following are significant management judgements in applying the accounting policies of the Company that have the most significant effect on the financial statements.

Measurement of fair value financial instruments

The Company's financial investment in the unquoted equity shares of FMS Lithium are not traded in an active market. Given the investments are considered level 3 investments, there is a significant level of Director judgment required to determine fair value as at any given reporting date. The investments have been fair valued using significant unobservable inputs for which market data is not available and developed using the best information available about the assumptions that market participants would use when pricing the asset. The following table provides the fair value of the financial assets held by the Company as at 31 December 2021.

31 December 2021	Date of valuation	Total	Quoted prices in active markets (level 1)	Significant observable inputs (level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value – unquoted equity shares		$	$	$	$
Investment in FMSL	31 Dec 2021	1,674,828	-	-	1,674,828
Total financial assets		**1,674,828**	**-**	**-**	**1,674,828**

In determining the fair value of its investments in FMS Lithium, the Directors have concluded that cost is an appropriate estimate of fair value in the absence of any more reliable information to determine the investment's fair value.

In the absence of any other more reliable indicators of the fair value of the investment, and the potential range of results possible from applying generally accepted valuation techniques, the Directors conclude that cost represents the best estimate of fair value within that range.

Assessment of control or significant influence

At each reporting date the Company assesses the nature of the arrangement that exists with each of the entities that it invests in (**investee**) to determine the appropriate accounting treatment in the Consolidated financial report. Significant judgment is required to be applied in considering the level of influence that the Company may have in directing the operational and decision making of the investees. Factors that determine the level of influence include, but are not limited to, percentage of equity holding in the investee, board representation and voting rights. Depending on the Company's conclusion as to the level of influence that exists at each reporting date, the Company may consolidate the results of the investee, equity account the results of the investee or hold the investee as a financial asset at fair value through other comprehensive income in the Company's Consolidated Statement of Financial Position.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

t) Critical accounting estimates, judgements and assumption (continued)

COVID-19

Judgement has been exercised in considering the impacts that COVID-19 has had, or may have, on the Company based on known information.

As the date of this report, the Company's operations have not been materially impacted by the COVID-19 crisis during the year ended 31 December 2021. The Company has taken action to minimise the risk that COVID-19 presents and as a result of this action, the Company has continued to maintain its operations.

The challenges presented by COVID-19 are fluid and continue to change. The Company will continue to assess and update the Company's response.

Key Estimates

Impairment of assets

In assessing impairment, management estimates the recoverable amount of each asset based on expected future cash flows and uses an interest rate to discount them.

Utilisation of Tax Losses

A company cannot carry forward losses unless it satisfies either the "continuity of ownership" test (ITAA97 s 165-12) or the "same business" test (ITAA97 s 165-13) as described in the Income *Tax Assessment Act 1997*. The Company has determined that it satisfies these tests for the current reporting period and will continue to reassess its conclusion at each subsequent reporting date.

Where forward-looking information (such as a significant change in economic conditions) may provide evidence that there may be an increasing number of defaults, historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

Share-based payments

The grant date fair value of share-based payment is recognised as an expense with a corresponding increase in equity, over the period that the recipient unconditionally become entitled to the awards.

The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market vesting conditions are expected to be met, such that, the amount ultimately recognised as an expense is based on the number of awards that do not meet the related service and non-market performance conditions at the vesting date.

The Company follows the guidelines of AASB 2 'Share-based payments' and takes into account all performance conditions and estimates the probability and expected timing of achieving these performance conditions. Accordingly, the expense recognised over the vesting period may vary based upon information available and estimates made at each reporting period, until the expiry of the vesting period.

u) Rounding

The Company has applied the relief available to it in ASIC Legislative Instrument 2016/191 and accordingly amounts included in the Directors' report and in the financial report have been rounded off to the nearest $1.

NOTE 2: INCOME TAX	31 December 2021 $	19 November 2019 to 31 December 2020 $
a) Income tax expense		
Current tax	-	-
Deferred tax	-	-
	-	-
b) The prima facie tax payable on loss from ordinary activities before income tax is reconciled to the income tax expense as follows		
Income tax (benefit) calculated at 27.5%	(379,908)	(10,993)
Non-deductible items		
Non-deductible expenditure	234,428	-
Temporary differences not recognised	145,480	10,993
Income tax attributable to operating income/(loss)	-	-
c) Deferred taxes		
Deferred tax asset balance comprises:		
Tax losses	-	-
Accrued expenses	-	-
Unrecognised deferred tax asset	-	-
Deferred tax liabilities balance comprises:	-	-
Unrecognised deferred tax liability	-	-
d) Deferred income tax (revenue)/expense included in income tax expense comprises:		
(Increase) in deferred tax asset	-	-
Increase/(Decrease) in deferred tax liability	-	-
Offset against deferred tax asset/deferred tax liability not recognised	-	-
	-	-
e) Deferred income tax related to items charged or credited directly to equity comprises:		
Decrease/(increase) in deferred tax assets	-	-
(Decrease)/increase in deferred tax liabilities	-	-
Offset against deferred tax asset/deferred tax liability not recognised	-	-
	-	-

Carry forward losses

Potential future income tax benefits attributable to tax losses carried forward have not been brought to account at 31 December 2021, because the Directors do not believe it is appropriate to regard realisation of the future income tax benefits as probable.

NOTE 3: KEY MANAGEMENT PERSONNEL	31 December 2021 $	19 November 2019 to 31 December 2020 $
The totals of remuneration paid to KMP during the year are as follows:		
Short-term employee benefits	48,000	-
Share based payment	-	-
Total KMP Compensation	**48,000**	-

Effective from 1 September 2021, it was agreed that the Directors be compensated with a monthly Director fee of $2,000 for their services, alongside this the Directors are paid an additional $1,000 per month for their assistance to Mr Pathmanathan in relation to investor relations and strategic planning.

Effective from 1 September 2021, it was agreed that the Chairman is to be paid a monthly fee of $3,000 for services.

a) Remuneration paid to the Chairman and Directors during the financial year were as follows:

	Director Fee	Chairman Fee	Consultant Fee	Total
Shanthar Pathmanathan	-	12,000	-	**12,000**
Jasveer Singh Jessy	8,000	-	4,000	**12,000**
Frederick Peter Forni	8,000	-	4,000	**12,000**
Naim Royden Jones[1]	8,000	-	4,000	**12,000**
[1](resigned 27 December 2021)				
Philip Andrew Nolis[2]	-	-	-	-
[2](resigned 5 March 2021)				
Total KMP Compensation	**24,000**	**12,000**	**12,000**	**48,000**

b) Share based Payments

Refer to note 14 for further information on share based payments to related parties.

	Note	Cash Settled	Equity Settled	Total
Shanthar Pathmanathan	14 b	20,999	53,326	**74,325**
Jasveer Singh Jessy	14 b	56,350	143,098	**199,448**
Jasveer Singh Jessy	14 c	350	853	**1,203**
Jasveer Singh Jessy	14 d	-	3,489	**3,489**
Jasveer Singh Jessy	14 f	34,980	195,076	**230,056**
Naim Royden Jones[1]	14 b	26,005	66,039	**92,044**
Naim Royden Jones[1]	14 c	8,540	20,824	**29,364**
Naim Royden Jones[1]	14 f	22,620	126,147	**148,767**
Philip Andrew Nolis[2]	14 c	-	40,452	**40,452**
		169,844	**649,304**	**819,148**

c) Loans to/ from KMP and their related parties

At 31 December 2021 there was an amount owing of $2,043 by Mr Shanthar Pathmanathan, the amount of $2,043 was repaid subsequent to year end.

During the year Mr Jasveer Singh Jessy provided the Company with loans of $200,000 for working capital. The loan of $200,000 was repaid by cash in full by 14 July 2021. On 6 July 2021, the Company issued 320,000 fully paid ordinary shares to Mr Jasveer Singh Jessy in lieu of the $40,000 interest accrued on the $200,000 loan, refer to Note 14 a.

NOTE 3: KEY MANAGEMENT PERSONNEL (CONTINUED)

d) Other transactions with related parties

Refer to note 16 for other transactions with related parties.

Related Party	Nature of Transaction	Transaction value		Payable Balance	
		2021	**2020**	**2021**	**2020**
Jasveer Singh Jessy	Consulting fee payment for capital raising management	5,000	-	-	-
Jasveer Singh Jessy	Facilitation fee for introducing lenders to the Company	20,000	-	-	-
Philip Andrew Nolis	Consulting fee payment for Secretarial and Administrative assistance	8,780	-	-	-
Philip Andrew Nolis	Broker fees paid for placements	16,680	-	-	-
		50,460	**-**	**-**	**-**

NOTE 4: AUDITOR'S REMUNERATION	31 December 2021 $	19 November 2019 to 31 December 2020 $
Remuneration of the auditor of the Company Moore Australia Audit (WA) for:		
- Audit or review of the financial reports	11,500	-
	11,500	-

NOTE 5: LOSS PER SHARE	31 December 2021 $
(Loss)/Earnings per share (**EPS**)	
a) (Loss) used in calculation of basic EPS and diluted EPS	(1,381,481)
	No.
b) Weighted average number of ordinary shares outstanding during the year used in calculation of basic earnings/(loss) per share	29,920,823

NOTE 6: CASH AND CASH EQUIVALENTS	31 December 2021 $	19 November 2019 to 31 December 2020 $
NOTE 6a: CASH AND CASH EQUIVALENTS		
Cash at bank	2,274,849	26
Term deposit	30,000	-
Total cash and cash equivalents in the statement of cash flows	**2,304,849**	**26**
NOTE 6b: CASH FLOW INFORMATION		
Loss after income tax	(1,381,481)	(39,974)
Non-cash flows in loss after income tax		
Share based payment expense	718,524	-
Amortisation, depreciation, and impairment expense	4,170	-
Interest on ROU asset	475	-
		-
Changes in assets and liabilities		
(Increase)/Decrease in receivables	(48,737)	-
(Increase)/Decrease in other assets	(23,206)	-
Increase/(Decrease) in payables	226,284	-
Cash flows used in operating activities	**(503,971)**	**(39,974)**

NOTE 6: CASH AND CASH EQUIVALENTS (CONTINUED)

6c: Credit Standby Facilities
There were no credit facilities offered by a related party.

6d: Non-Cash Financing Activities
During the year related and non related parties provided the Company with loans of $400,000 for working capital.

Lender	Securities	Non-Cash
Related Party	Principal amount	$200,000
Non Related Party	Principal amount	$200,000
		$400,000

Refer to Note 14 (a) Share Based Payments, $100,000 was recognised as non-cash investing and financing.

During the period the Company received a $75,000 loan from non-related party. The principal of loan was repaid in full by 600,000 fully paid ordinary shares and 600,000 free attaching options in lieu of cash on 24 June 2021.

During the period the Company received a $25,000 loan from non-related party. The principal amount was repaid by 200,000 fully paid ordinary shares and 200,000 free attaching options in lieu of cash on 31 July 2021.

There were no other non-cash investing and financing activities other than disclosed above.

NOTE 7: TRADE AND OTHER RECEIVABLES	31 December 2021 $	19 November 2019 to 31 December 2020 $
CURRENT		
GST receivables	49,678	-
Related Party Loan – Refer Note 3 c	2,043	913
	51,721	**913**

All amounts are short-term. The net carrying value of other receivables is considered a reasonable approximation of fair value. All receivables are expected to be recovered in full.

NOTE 8: FINANCIAL ASSETS AT FAIR VALUE THROUGH OCI	31 December 2021 $	19 November 2019 to 31 December 2020 $
NON-CURRENT		
Investment in FMSL	1,674,828	-
	1,674,828	**-**

On 18 June 2021, the Company entered into a subscription agreement with FMS Lithium pursuant to which the company subscribed for 800 shares of the common stock of FMS Lithium at an issue price of USD$800, representing a total subscription of US$640,000.

On 27 December 2021, the Company entered into a subscription agreement with FMS Lithium pursuant to which the company subscribed for 750 shares of the common stock of FMS Lithium at an issue price of USD$800, representing a total subscription of US$600,000.

The Company has applied significant judgment in determining that it does not exercise control or have significant influence over any entities it invests in. The determination includes, amongst other factors, level of equity interest held, board representation and voting rights.

The fair value of the financial assets at fair value through OCI has been determined in accordance with the fair value hierarchy disclosed in Note 15 d and the judgments disclosed in note 1s.

NOTE 9: TRADE AND OTHER PAYABLES	31 December 2021 $	19 November 2019 to 31 December 2020 $
CURRENT		
Trade payables	22,671	-
Other payables	203,613	-
	226,284	**-**

All amounts are short-term. The carrying values of trade payables and other payables are considered to approximate fair value.

NOTE 10: LEASE LIABILITIES

The right of use asset and lease liabilities have arisen upon adoption of AASB 16 Leases from 1 January 2021.

(i) AASB 16 related amounts recognised in the statement of financial position

	31 December 2021 $	19 November 2019 to 31 December 2020 $
Right of use assets		
Leased buildings:		
Opening balance	-	-
Additions	57,595	-
Depreciation expense	(3,600)	-
Net carrying amount	**53,995**	**-**
Lease liabilities		
Maturity analysis – contractual undiscounted cash flows		
Less than one year	29,800	-
One to five years	22,350	-
More than five years	-	-
Total undiscounted lease liabilities at 31 Dec 2021	**52,150**	**-**
Lease liabilities included in the statement of financial position as at 31 Dec 2021		
Current	28,535	-
Non-current	22,084	-
Total	**50,619**	**-**
(ii) AASB 16 related amounts recognised in the statement of profit or loss		
Depreciation charge related to right-of-use assets	3,600	-
Interest expense on lease liabilities (under finance cost)	475	-
Short-term leases expense	15,870	-
(iii) AASB 16 related amounts recognised in the statement of cash flows		
Annual cash outflows for leases	14,900	-

NOTE 10: LEASE LIABILITIES (CONTINUED)

Short-term leases and leases of low-value assets

The Company applies the low-value assets recognition exemption to leases of office equipment that are considered low value ($10,000 or less). Lease payments on short-term leases and leases of low-value assets are recognised as expenses on a straight-line basis over the lease term.

Significant judgment in determining the lease term of contracts with renewal options

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company applied judgment in evaluating whether it is reasonably certain to exercise the option to renew. That is, it considered all relevant factors that create an economic incentive to exercise the renewal.

NOTE 11: ISSUED CAPITAL

	31 December 2021 $
(a) Share Capital	
68,123,576 fully paid ordinary shares (include Class A and Class B Shares)	**4,751,413**

(b) Movements in fully paid Ordinary Capital	**Date**	**Number**	**$**
Balance at the beginning of the reporting year	**31 December 2020**	**40,359,577**	**40,913**
Issue of Ordinary Shares	24 June 2021	1,300,000	65,000
Issue of Ordinary Shares – refer to **Note 14 (a)**	24 June 2021	2,000,000	100,000
Issue of Ordinary Shares	6 July 2021	23,730,000	1,186,500
Issue of Ordinary Shares – refer to **Note 14 (a)**	6 July 2021	800,000	40,000
Issue of Ordinary Shares	4 August 2021	12,580,000	629,000
Issue of Ordinary Shares	17 August 2021	3,800,000	190,000
Issue of Ordinary Shares – refer to **Note 14 (a)**	17 August 2021	400,000	20,000
Consolidation of share capital (2.5 for 1 basis)	18 November 2021	(26,766,001)	-
Issue of Ordinary Shares	23 November 2021	3,880,000	970,000
Issue of Ordinary Shares	23 November 2021	6,000,000	1,500,000
Issue of Ordinary Shares	26 November 2021	40,000	10,000
Capital raising costs – cash settled		-	(151,398)
Capital raising costs – equity settled		-	(597,273)
Balance at the end of the reporting year	**31 December 2021**	**68,123,576**	**4,002,742**

Capital Management

Due to the nature of the Company's activities, the Company does not have ready access to credit facilities, with the primary source of funding being equity raisings. Therefore, the focus of the Company's capital risk management is the current working capital position against the requirements of the Company to meet due diligence programs and corporate overheads. The Company's strategy is to ensure appropriate liquidity is maintained to meet anticipated operating requirements, with a view to initiating appropriate capital raisings as required. Any surplus funds are invested with major financial institutions.

NOTE 12: OPERATING SEGMENTS

Segment Information
Identification of reportable segments
The Company has identified its operating segments based on the internal reports that are reviewed and used by the Board (the chief operating decision makers) in assessing performance and in determining the allocation of resources.

The financial information presented to the chief operating decision maker is consistent with that presented in the Statement of Profit or Loss and Other Comprehensive Income, Statement of Financial Position and Statement of Cash Flows.

NOTE 13: RESERVES		31 December 2021 $	19 November 2019 to 31 December 2020 $
(a) Reserves			
Option reserve	13 b	1,213,763	-
Performance right reserve	13 c	42,034	-
		1,255,797	**-**
FV Reserve		6,673	
Total reserves		**1,262,470**	**-**

(b) Option Reserve	**Note**		**No**	**$**
Opening balance at 1 January 2021			-	-
Issue of free attaching options		24 June 2021	3,300,000	-
Issue of options for consideration of services	14(b)	2 July 2021	14,764,870	262,463
Issue of free attaching options		6 July 2021	23,730,000	-
Issue of free attaching options		4 August 2021	12,580,000	-
Issue of director options	14(c)	4 August 2021	1,270,000	21,677
Issue of broker options	14(c)	4 August 2021	3,870,000	66,055
Issue of free attaching options		17 August 2021	3,800,000	-
Issue of options to director	14(d)	17 August 2021	200,000	3,489
Issue of options to broker	14(d)	17 August 2021	1,700,000	29,977
Issue of options in lieu of cash payment on loan	14 (a)	17 August 2021	400,000	
Consolidation of share capital (2.5 for 1 basis)		18 November 2021	(39,368,922)	-
Issue of broker options	14 (e)	23 November 2021	3,200,000	502,187
Issue of director options	14 (e)	23 November 2021	2,090,667	327,915
Balance at 31 December 2021			**31,536,615**	**1,213,763**

(c) Performance Rights Reserve			
Opening balance at 1 January 2021		-	-
Issue of performance rights to employee	20 September 2021	625,000	42,034
Balance at 31 December 2021		**625,000**	**42,034**

NOTE 14: SHARE BASED PAYMENTS

On 18 October 2021, at the Company's General Meeting shareholder approval was received to consolidate the securities of the Company on a 2.5 for 1 basis and such consolidation was effected on 18 October 2021 (Share Consolidation). All ordinary shares and option amounts are disclosed on a post Share Consolidation basis, such that the ordinary shares and option amounts disclosed incorporate the effects of the Share Consolidation, as applicable.

The following share-based payment arrangements were entered into during the year ended 31 December 2021:

a) Share based payment - Non Cash Investing and Financing Activities

On 7 July 2021, the Company issued 320,000 fully paid ordinary shares to Director and Related Party, Jasveer Singh Jessy in lieu of the $40,000 interest accrued on the $200,000 loan. The principal of the loan was repaid in cash.

On 30 July 2021, the Company issued 20,000 fully paid ordinary shares and 20,000 options to Matthew Mitchell for the $2,500 interest accrued on the $25,000 loan. The principal amount of the loan was repaid through 200,000 fully paid ordinary shares and 200,000 free attaching options in lieu of cash on 31 July 2021.

On 18 August 2021, the Company issued 80,000 fully paid ordinary shares and 80,000 options to Rajat Dewan for the $10,000 interest accrued on the $100,000 loan. The loan of $100,000 was repaid by cash in full on 12 July 2021.

On 18 August 2021, the Company issued 60,000 fully paid ordinary shares and 60,000 options to Ajaib Singh Dhillon for the $7,500 interest accrued on the $75,000 loan. The principal of loan was repaid in full by 600,000 fully paid ordinary shares and 600,000 free attaching options in lieu of cash on 24 June 2021.

The amount of $100,000 was recognized as a non-cash financing activity and $60,000 was recognized on the profit and loss.

b) Share Based Payment – Director Options "A"

During July 2021, the Company raised $1,351,500 (before costs) through the placement of 10,812,000 fully paid ordinary shares in the capital of the Company at $0.125 per share together with one free-attaching option, exercisable at $0.25 on or before 20 June 2023.

The following placement fees were made to the Directors in consideration for their services in respect of the Placement, the sum of $365,817 was recognised in the profit and loss.

Director	Cash settled share based payment	No. Options	Equity Settled Valuation on Options
Shanthar Pathmanathan	$20,999	1,199,948	$53,326
Jasveer Singh Jessy	$56,350	3,220,000	$143,098
Naim Royden Jones	$26,005	1,486,000	$66,039
	$103,354		$262,463

c) Share Based Payment – Director Options "B" and Broker Options "B"

During August 2021, the Company raised a total of $629,000 (before costs) through a placement of 5,032,000 fully paid ordinary shares at $0.125 per share together with one free attaching option, exercisable at $0.25 on or before 30 June 2023.

Director Options ''B''

The following placement fees were made to the directors in consideration for their services in respect of the Placement, the sum of $30,567 was recognised in the profit and loss.

Director	Cash settled share based payment	No. Options	Valuation on Options
Jasveer Singh Jessy	$350	20,000	$853
Naim Royden Jones	$8,540	488,000	$20,824
	$8,890		$21,677

NOTE 14: SHARE BASED PAYMENTS (CONTINUED)

Broker Options "B"

A total of 1,548,000 options, exercisable at $0.25 on or before 30 June 2023 were issued to the brokers for the Placement, a sum of $66,055 was recognised directly in equity as a cost of raising capital. Of the 1,548,000 options issued for broker services a former director received 948,000 options valued at $40,452.

d) Share Based Payment – Service Options "C"

During August, the Company also raised 190,000 (before costs) though a placement of 1,520,000 fully paid ordinary shares at $0.125 per share together with one free attaching option, exercisable at $0.25 on or before 30 June 2023.

The following placement fees, through the issue of 80,000 options were made to the Director Jasveer Singh Jessy, in consideration for their services in respect of the Placement, the sum of $3,489 was recognised in the profit and loss.

Options were also issued to brokers in consideration of their service for placements related to June and July 2021, 680,000 options were issued and $29,977 was recognised directly in equity as a cost of capital.

e) Share Based Payment – Service Options "D"

During November 2021, Lodge raised $1,500,000 and as consideration under the mandate, Lodge was issued of 3,200,000 performance options in addition to cash consideration for services and $502,187 was recognised directly in equity as a cost of capital.

f) Share Based Payment – Service Options "E"

On 19 November 2021, the Company raised $970,000 (before cost) by issuing 3,880,000 fully paid ordinary shares at $0.25 per share under the additional placement. The following placement fees were made to the directors in consideration for their services in respect of the Placement, the sum of $386,715 was recognised in the profit and loss.

Parties	Cash settled share based payment	No. Options	Valuation on Options
Naim Royden Jones	$22,620	804,267	$126,147
Jasveer Singh Jessy	$34,980	1,243,733	$195,076
Other	$1,200	42,667	$6,692
	$58,800		$327,915

Fair value of options

The fair value of share options granted have been valued using a Black Scholes Methodology, taking into account the terms and conditions upon which the unlisted share options were granted.

A summary of the inputs used in the valuation of the options is as follows:

Unlisted Share Options	*Directors Options "A"*	*Directors Options "B"*	*Broker Options "B"*
Exercise price	0.25	0.25	0.25
Share price at date of issue	0.125	0.125	0.125
Grant date	02/07/2021	30/07/2021	30/07/2021
Expected volatility	100%	100%	100%
Expiry date	23/06/2023	23/06/2023	23/06/2023
Risk free interest rate	0.05%	0.02%	0.02%
Value per option	0.0444	0.04267	0.04267
Number of options	5,905,948	508,000	1,548,000
Total value of options	**$262,463**	**$21,677**	**$66,055**

NOTE 14: SHARE BASED PAYMENTS (CONTINUED)

Unlisted Share Options	*Service Options "C"*	*Broker Options "D"*	*Director Options "E"*
Exercise price	0.25	0.25	0.25
Share price at date of issue	0.125	0.25	0.25
Grant date	17/08/2021	23/11/2021	19/11/2021
Expected volatility	100%	100%	100%
Expiry date	23/06/2023	31/12/2024	31/12/2024
Risk free interest rate	0.03%	1.01%	0.95%
Value per option	0.0426	0.1569	0.1568
Number of options	760,000	3,200,000	2,090,667
Total value of options	**$33,147**	**$502,187**	**$327,915**

Performance Rights	*Class A*	*Class B*	*Class C*
Share price at date of issue	0.125	0.125	0.125
Grant date	20/9/21	20/9/21	20/9/21
Service condition	6 months from continuous service	12 months from continuous service	12 months from continuous service
Expiry date	20/9/2024	20/9/2024	20/9/2024
Value per rights	0.125	0.125	0.125
Number of rights	200,000	400,000	400,000
Total value of performance rights	**$25,000**	**$50,000**	**$50,000**
Total value vested and recognised as at 31 December 2021	**$14,088**	**$13,973**	**$13,973**

For the year ended 31 December 2021 a share-based payment expense of $889,248 was recognised in profit or loss statement (consisting of cash settled expense of $170,724) and $597,274 was recognised in equity as capital raising cost.

Details of share-based payment arrangements entered into during the year period 31 December 2020
No share-based payment arrangement entered during the period ended 31 December 2020.

NOTE 15: FINANCIAL INSTRUMENTS

Financial Risk Management Policies
Other than investments held at a fair value, the Company's financial instruments consist mainly of deposits with banks, trade and other receivables, trade and other payables and borrowings.

The main purpose of non-derivative financial instruments is to raise finance for Company's operations. The Company does not speculate in the trading of derivative instruments.

Specific Financial Risk Exposures and Management
The main risk the Company is exposed to through its financial instruments are market risk (including fair value and interest rate risk) and cash flow interest rate risk, credit risk, liquidity risk and foreign currency risk. The Group has determined that its exposure to commodity price risk would not have a material impact on its operating results.

NOTE 15: FINANCIAL INSTRUMENTS (CONTINUED)

(a) Interest rate risk

From time to time the Group has significant interest-bearing assets, but they are as a result of the timing of equity raising and capital expenditure rather than a reliance on interest income. The interest rate risk arises on the rise and fall of interest rates. The Group's income and operating cash flows are not expected to be materially exposed to changes in market interest rates in the future and the exposure to interest rates is limited to the cash and cash equivalents balances. The Group's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is below:

2021		Fixed interest rate maturing in:			
	Floating interest rate $	1 year or less $	Non-interest Bearing $	Total $	Weighted average effective interest rate
Financial Assets					
Cash and Cash equivalents	2,304,849	-	-	**2,304,849**	-
Loan to a director	-	-	2,043	**2,043**	-
Financial assets at fair value through OCI	-	-	1,674,828	**1,674,828**	-
Total financial assets	**2,304,849**	**-**	**1,676,871**	**3,981,720**	
Financial Liabilities					
Trade and other payables	-	-	(217,950)	**(217,950)**	-
Lease liabilities	(50,619)	-	-	**(50,619)**	0.82%
Total financial liabilities	**(50,619)**	**-**	**(217,950)**	**(268,569)**	
Net financial assets	**2,254,230**	**-**	**1,458,921**	**3,713,151**	

2020		Fixed interest rate maturing in:			
	Floating interest rate $	1 year or less $	Non-interest Bearing $	Total $	Weighted average effective interest rate
Financial Assets					
Cash and Cash equivalents	26	-	-	26	-
Net financial assets	**26**	**-**	**-**	**26**	-

(b) Credit Risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the Company.

Credit risk exposures

The maximum exposure to credit risk is limited to the carrying amount, net of any provisions for impairment of those assets, as disclosed in the Statement of Financial Position and notes to the financial statements.

Credit risk related to balances with banks and other financial institutions is managed by the Company in accordance with approved Board policy. Such policy requires that surplus funds are only invested with counterparties with a Standard and Poor's rating of at least AA-. The following table provides information regarding the credit risk relating to cash and money market securities based on Standard and Poor's counterparty credit ratings.

	Note	31 December 2021 $	19 November 2019 to 31 December 2020 $
Cash and cash equivalents – AA Rated		2,304,849	26
		2,304,849	**26**

NOTE 15: FINANCIAL INSTRUMENTS (CONTINUED)

(c) Liquidity Risk

Liquidity risk arises from the possibility that the Company might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The financial liabilities of the Company are confined to trade and other payables as disclosed in the Statement of Financial Position. All trade and other payables are non-interest bearing and due within 12 months of the reporting date.

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the end of the reporting period to the contractual maturity date. The amounts disclosed in the table are gross and undiscounted and include contractual interest payments.

2021	Interest rate	Less than 12 months $	1-2 years $	2-5 years $	Over 5 years $	Carrying amount assets/ (liabilities) $	Total contractual cash flows $
Financial liabilities at amortised cost							
Trade and other payables		(217,950)	-	-	-	**(217,950)**	-
Lease liabilities	3.6%	(246,484)	(22,084)	-	-	**(268,568)**	(59,600)
		(464,434)	**(22,084)**	-	-	**(486,518)**	(59,600)

(d) Net fair value of financial assets and liabilities

Fair value hierarchy

Assets and liabilities measured and recognised at fair value have been determined by the following fair value measurement hierarchy:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3: Inputs for the asset or liability that are not based on observable market data.

Measurement of fair value financial instruments

The Company's financial investment in the unquoted equity shares of FMS Lithium Corporation and is not traded in an active market. Given the investments are considered level 3 investments, there is a significant level of Director judgment required to determine fair value as at any given reporting date. The investments have been fair valued using significant unobservable inputs for which market data is not available and developed using the best information available about the assumptions that market participants would use when pricing the asset. The following table provides the fair value of the financial assets and liabilities held by the Company as at 31 December 2021.

2021	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value – unquoted equity shares		$	$	$	$
Investment in FMSL	31 Dec 2021	1,674,828	-	-	1,674,828
Total financial assets		**1,674,828**	-	-	**1,674,828**

The fair value of the financial assets at fair value through OCI has been determined in accordance with the fair value hierarchy disclosed above and the judgments disclosed in note 1t.

NOTE 15: FINANCIAL INSTRUMENTS (CONTINUED)

The carrying value of the financial assets and financial liabilities recorded in the financial statements approximates their fair value in accordance with the accounting policies disclosed in note 1. The fair value of financial instrument of the Company approximates their carrying value.

Reconciliation of level 3 fair value movements

	31 December 2021 $	19 November 2019 to 31 December 2020 $
Financial investment in unquoted equity shares		
Opening balance	-	-
Addition	1,668,155	-
Fair value movement recognised in other comprehensive income	6,673	-
Closing balance 31 December	**1,674,828**	**-**

(e) Financial arrangements

The Company has no other financial arrangements in place.

NOTE 16: RELATED PARTY TRANSACTIONS

FMS Lithium investment

FMS Lithium owns the Resurgent Project which comprises of 1,412 claims located in Oregon and Nevada, USA. Mr Pathmanathan is the President and a Director of FMS Lithium and Rosepoint Holdings Pty Ltd, which has a 41.06% interest in the common stock of FMS Lithium and is controlled by Shanthar Pathmanathan, Jasveer Singh Jessy and Naim Royden Jones.

On 18 June 2021, the Company entered into subscription agreement with FMS Lithium pursuant to which the Company subscribed for 800 shares of the common stock of FMS Lithium at an issue price of US$800 per share, representing a total subscription amount of US$640,000.

Subsequent to the Notice of General meeting on 11 October 2021, the Company subscribed for an additional 750 shares at an issue price of US$800, representing a total subscription amount of US$600,000.

On 11 February 2022, the Company entered into a subscription agreement with FMS Lithium pursuant to which the Company subscribed for 375 shares of the common stock of FMS Lithium at an issue price of US$800 per share, representing a total subscription amount of US$300,000.

On 15 May 2022, the Company entered into a subscription agreement with FMS Lithium pursuant to which the Company subscribed for 125 shares of the common stock of FMS Lithium at an issue price of US$800 per share, representing a total subscription amount of US$100,000.

As at the date of this Report, following all of the investments by Chariot in FMSL Lithium, Chariot held 2,050 shares in FMS Lithium. These shares in FMS Lithium were purchase at an aggregate cost of US$1,640,000. This represents a 16.84% percent interest in the common shares of FMS Lithium.

Refer to Note 3 for transactions with Other Related Parties, Key Management Personnel.

NOTE 17: COMMITMENTS

There are no commitments at the end of the reporting period.

NOTE 18: CONTINGENT LIABILITIES

On 1 March 2022, the Company engaged the Divzero Group Limited Liability Company to act as a consultant to assist with prospectus and preparing the investor presentation. In consideration for the service provided, the Company shall pay the Consultant a fee of US$10,000 per month for 3 months and issue the consultant 250,000 fully paid ordinary shares and 250,000 unquoted options exercisable at AUD$0.50 on or before 31 March 2024 upon the Company's successful admission to the official list of ASX.

There are no other contingent liabilities at the end of the reporting period.

NOTE 19: EVENTS SUBSEQUENT TO REPORTING DATE

FMS Lithium acquired 1,090 claims located near Tonopah in Nevada, USA and close to lithium exploration projects operated by American Lithium Corp and American Battery Technology Company, subsequent to the end of the 2021 financial year. These claims are being targeted for claystone hosted lithium mineralisation.

Chariot was granted five new exploration licenses by DMIRS in Western Australia and also applied for three new exploration licenses in Western Australia, subsequent to the end of the 2021 financial year. These exploration licenses are being targeted for hard rock lithium mineralisation.

Chariot filed on 89 lode claim applications at the Black Mountain Lithium Project in Wyoming, USA, subsequent to the end of the 2021 financial year. These claims are being targeted for hard rock lithium mineralisation.

Chariot filed on 30 exploration license applications in the Republic of Zimbabwe subsequent to the end of the 2021 financial year. These exploration licenses are being targeted for hard rock lithium mineralisation.

On 11 February 2022, the Company entered into a subscription agreement with FMS Lithium pursuant to which the Company subscribed for 375 shares of the common stock of FMS Lithium at an issue price of US$800 per share, representing a total subscription amount of US$300,000.

On 18 March 2022, the Company raised $250,000 (before cost) by issue of 1,000,000 fully paid ordinary shares at $0.25 per share to Mr Jasveer Singh Jessy, one of the Company's directors.

On 15 May 2022, the Company entered into a subscription agreement with FMS Lithium pursuant to which the Company subscribed for 125 shares of the common stock of FMS Lithium at an issue price of US$800 per share, representing a total subscription amount of US$100,000.

On 27 May 2022, the Company raised $2,656,696 (before cost) by issue of 6,473,418 fully paid ordinary shares at $0.35 per share and 920,222 options exercisable at $0.45 to brokers.

Mr Frederick Forni a Director of the Company was provided as part of the remuneration for FY 2022, 200,000 fully paid ordinary shares.

Other than the matters discussed above, no matters or circumstances have arisen since the end of the reporting period which significantly affected or may significantly affect the operation of the Company, the result of those operations, or the state of affairs of the Company in the future financial years.

Directors' Declaration
For the year ended 31 December 2021

In the opinion of the Directors of Chariot Corporation (the **Company**):

1. The financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including:
   (a) Giving a true and fair view of the Company's financial position as at 31 December 2021 and of its performance for the financial year ended on that date; and
   (b) Complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001

2. The financial report also complies with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial report.

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

Signed in accordance with a resolution of Directors made pursuant to section 295(5)(a) of the *Corporations Act 2001* for the financial year ended 31 December 2021.

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

____

Dated 22 July 2022

MOORE

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF CHARIOT CORPORATION LTD

Opinion

We have audited the financial report of Chariot Corporation Ltd (the Company), which comprises the statement of financial position as at 31 December 2021, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, other explanatory information and the declaration by those charged with governance.

In our opinion 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 31 December 2021 and of its performance for the period then ended; and

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

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Company in accordance with 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 confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

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 *Corporations Act 2001*, and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

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.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF CHARIOT CORPORATION LTD (CONTINUED)

Auditor's Responsibility 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 include the economic decisions of the users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standard Board website at https://www.auasb.gov.au/auditors_responsibilities/ar3.pdf. This description forms part of our audit report.

Neil Pace

NEIL PACE
PARTNER

Moore Australia

MOORE AUSTRALIA AUDIT (WA)
CHARTERED ACCOUNTANTS

Signed at Perth this 22nd day of July 2022.