Interim Financial Report For the half year ended 31 December 2022

KILLI RESOURCES LIMITED
AND ITS CONTROLLED ENTITIES
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DIRECTORS' REPORT

Your Directors present their half-yearly report on the consolidated entity consisting of Killi Resources Limited ("Killi" or "the Company") and the entities it controlled at the end of, or during, the period 1 July to 31 December 2022 ("Group").

Directors

The persons who were Directors of Killi Resources Limited during the interim reporting period and up to the date of this report are:

Mr Richard Bevan	Non-Executive Chairperson and Director (appointed 18 August 2021)
Mr Gregory Miles	Non-Executive Director (appointed 18 August 2021)
Mr Phil Warren	Non-Executive Director (appointed 18 August 2021)

Chief Executive Officer
Ms Kathryn Cutler (appointed 4 November 2021)

Company Secretary
Ms Emma Wates (appointed 18 August 2021)
Mr Cameron O'Brien (appointed 26 October 2021)

Principal Activities

Killi is a gold, copper and rare earth element explorer with four wholly owned assets in Australia, based in Western Australia and Queensland. The Company focused exploration efforts at the Ravenswood North Project (Charters Towers) and West Tanami Project (Kimberley) during the reporting period (Figure 1).

Results

The Group's operating loss for the period ended 31 December 2022 was $2,721,606 (31 December 2021: $805,298).

The Group's cash at bank was $1,858,523 as at 31 December 2022 (30 June 2022: $4,684,488).

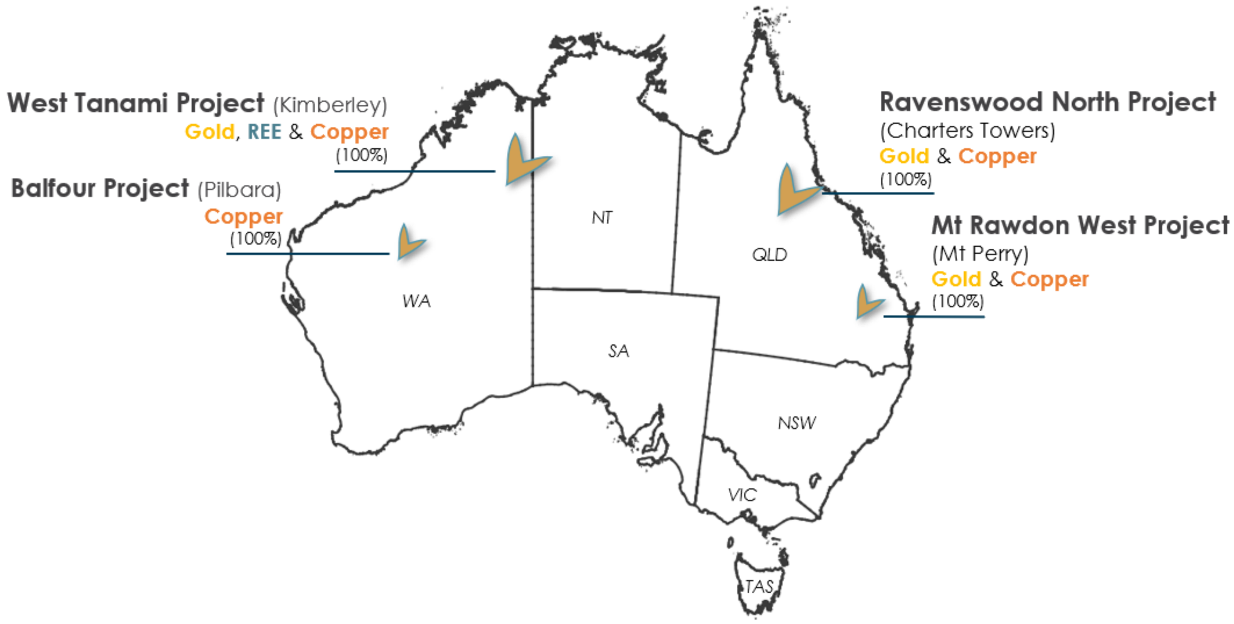

Figure 1. Location of Killi Resources Limited gold and copper projects in Australia

DIRECTORS' REPORT

Review of Operations

During the half year ended 31 December 2022 the Company's exploration programs focused on the Rocky and West Branch prospects at the Ravenswood North Project and regional gold and rare earth exploration at the West Tanami Project, with the following key programs completed:

Ravenswood North - Queensland

- Geochemical program completed over the project, 44 rock chip and 658 soil samples collected.
- VTEM heli-survey geophysical data was received from the contractor, and processing completed on 255km^2.
- Maiden drill program at Rocky prospect was completed, five RC holes were completed for a total 995m.

West Tanami – Western Australia

- Maiden drill program comprising 127 air core and 3 reverse circulation drill holes for 9,728m.
- One 890.4m diamond drill hole as part of the Western Australian governments Exploration Incentive Scheme was completed.
- A geochemical program was completed over the project where 338 soil and 190 rock chip samples were collected program.
- A ~1,000km^2 airborne magnetic and radiometric survey was flown.

Ravenswood North Project (Gold and Copper)

The Company owns 100% of the Ravenswood North Project located near Charters Towers in Queensland. The project consists of five granted tenements totalling ~580km^2, and one exploration tenement in application for an additional 77km^2. Most of the land holding covers the prospective Ravenswood-Charters Towers gold corridor, host to Ravenswood Gold Mine, Golden Valley, Far Fanning, Mt Success and Piccadilly (Figure 2).

The project covers the Devonian to Permian-aged intrusion related mineral province, where the Company is exploring for large-scale Intrusive-related gold and copper systems.

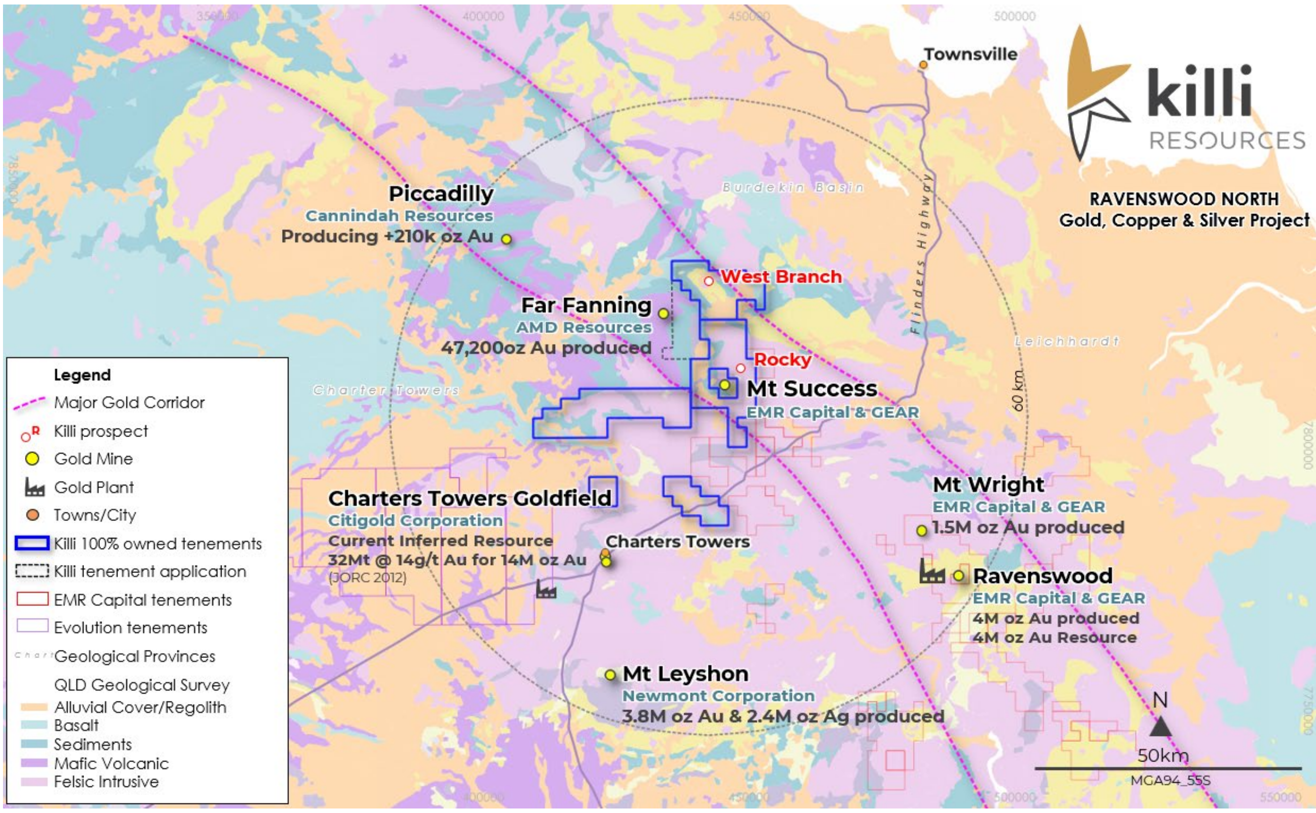

Figure 2. Location of Ravenswood North Project in relation to existing mines in Charter Towers area. Resources quoted from Citigold Corporation Limited, Mineral Resources and Ore Reserves 2020, Charters Towers Gold Project, 8 December 2020. Ravenswood Gold brochure, June 2021.

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Rocky and West Branch are the two key prospects at the Ravenswood North Project. They are both located within the main mineralisation corridor trending south-east to north-west, and from the field work completed within the 2022 field season, have returned surface gold-silver and copper mineralisation.

At Rocky surface results were received and reported, with the Au-Ag-Cu-Mo geochemical footprint extended to a 4km strike (Figure 3). Additional rock chip samples were collected on the eastern side of the prospect and returned results of **5.27g/t Au, 13.05g/t Ag and 0.11% Cu**, with the two best result returning **224g/t Ag & 0.28% Cu** and **173g/t Ag & 0.55% Cu** (Table 1).

At West Branch, high-grade surface rock chip samples were reported which included **6.18% Cu, 8.93g/t Au & 10.1g/t Ag, 5.2% Cu, 8.47g/t Au & 27.3g/t Ag, 0.2% Cu, 17g/t Au & 2.77g/t Ag**, and **32.6g/t Ag, 0.6g/t Au & 15.8% Pb** (Table 1).

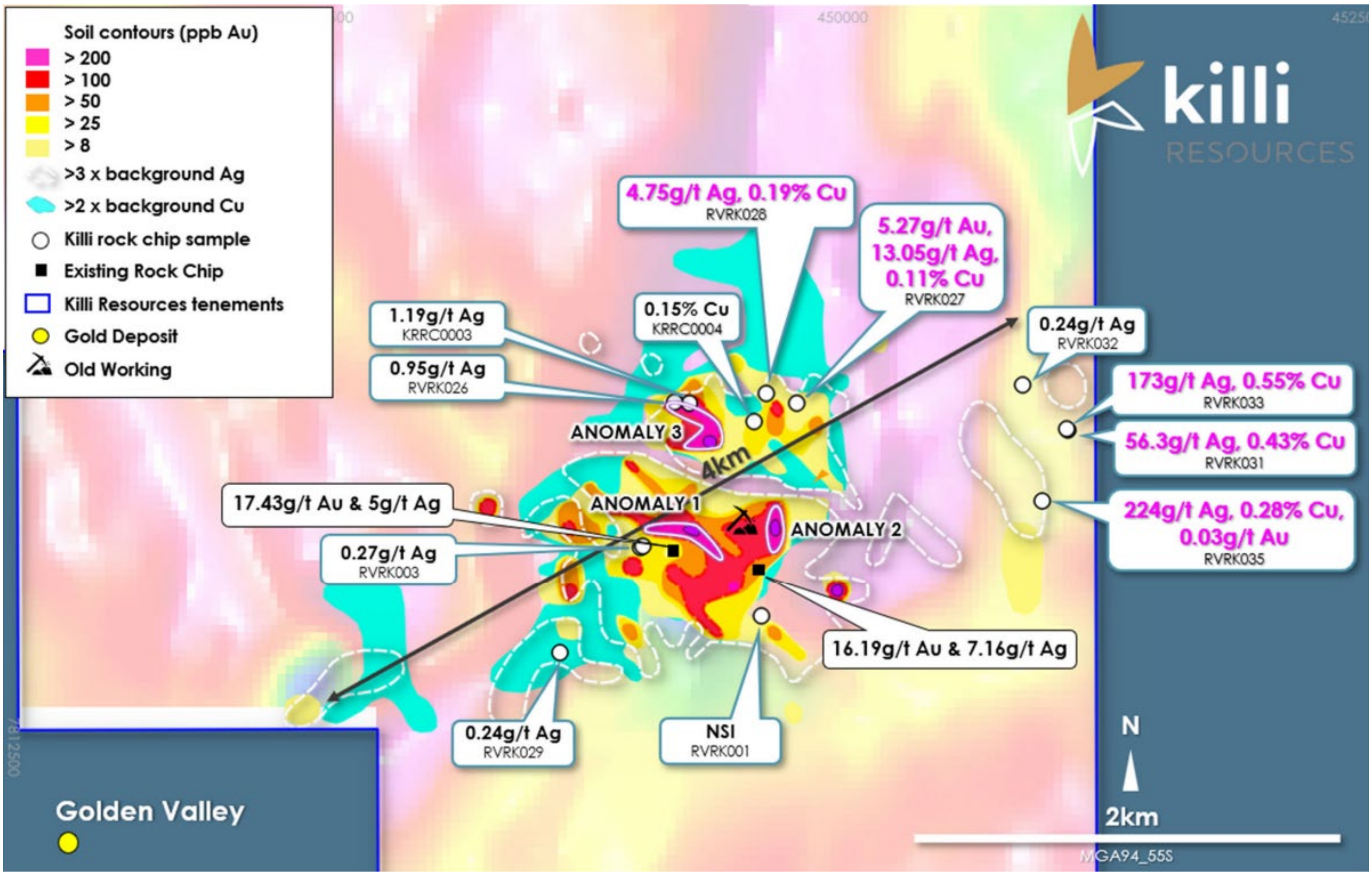

Figure 3. Location of rock chip and soil results at Rocky prospect. Soil results are contoured for various levels of gold mineralisation, copper, silver, molybdenum, tellurium and selenium, with the location of historical and recent rock chip samples, and old workings, overlaying the magnetics from the VTEM survey. Refer to ASX release 15 November 2022.

Before the 2022 field season ended, the Company was able to mobilise an RC drill rig and complete 5 drill holes for 995m at the Rocky prospect to drill beneath the Au-Ag-Cu-Mo soil anomaly. The results were received at the beginning of 2023 and have been released after the end of the reporting period (Refer ASX release 7 March 2023). Holes were drilled on wide-spaced (300m) centres over a strike of 1,000m.

All five holes intersected the Ravenswood granitoids (desired host rocks for gold mineralisation) and significant mineralised intersections of gold and/or silver were returned. The best results included broad zones of anomalous gold, silver, copper and lead.

Results from the first five holes are consistent with first pass drilling results of gold deposits within the district, and likely represent proximity to a potential intrusive gold system (Table 2).

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The drill program was designed to drill beneath the highest surface soil gold anomalies at the prospect on wide spacing, with any gold or silver mineralisation to be considered a positive result.

Significant drill assays were received from veins within the granodiorite, of **2m @ 1.58g/t Au, 9.75g/t Ag, & 0.23% Pb** from 177m (RVRC0005), **7m @ 3.09g/t Ag including 1m @ 2.38g/t Au, 10.2g/t Ag, & 0.28% Pb** from 32m (RVRC0005), **1m @ 4.12g/t Au & 1.3g/t Ag** from 62m (RVRC0002), **1m @ 3.22g/t Au & 2.1g/t Ag** from 105m (RVRC0002). Thin units of rhyolite (5-6m) were also intersected and returned intercepts of **5m @ 6.9g/t Ag & 0.31g/t Au** from 160m (RVRC0005), including **2m @ 15.6g/t Ag**, with the unit also returning anomalous copper and lead, from multi-element analysis (Figure 4).

Mount Success and Golden Valley gold deposits, 2.5 km from Rocky, are similar in size at 500m x 500m and 1,000m x 800m respectively. These deposits are also within a rhyolite unit and historically produced ~5,000oz of gold at an average grade of 60.3g/t.

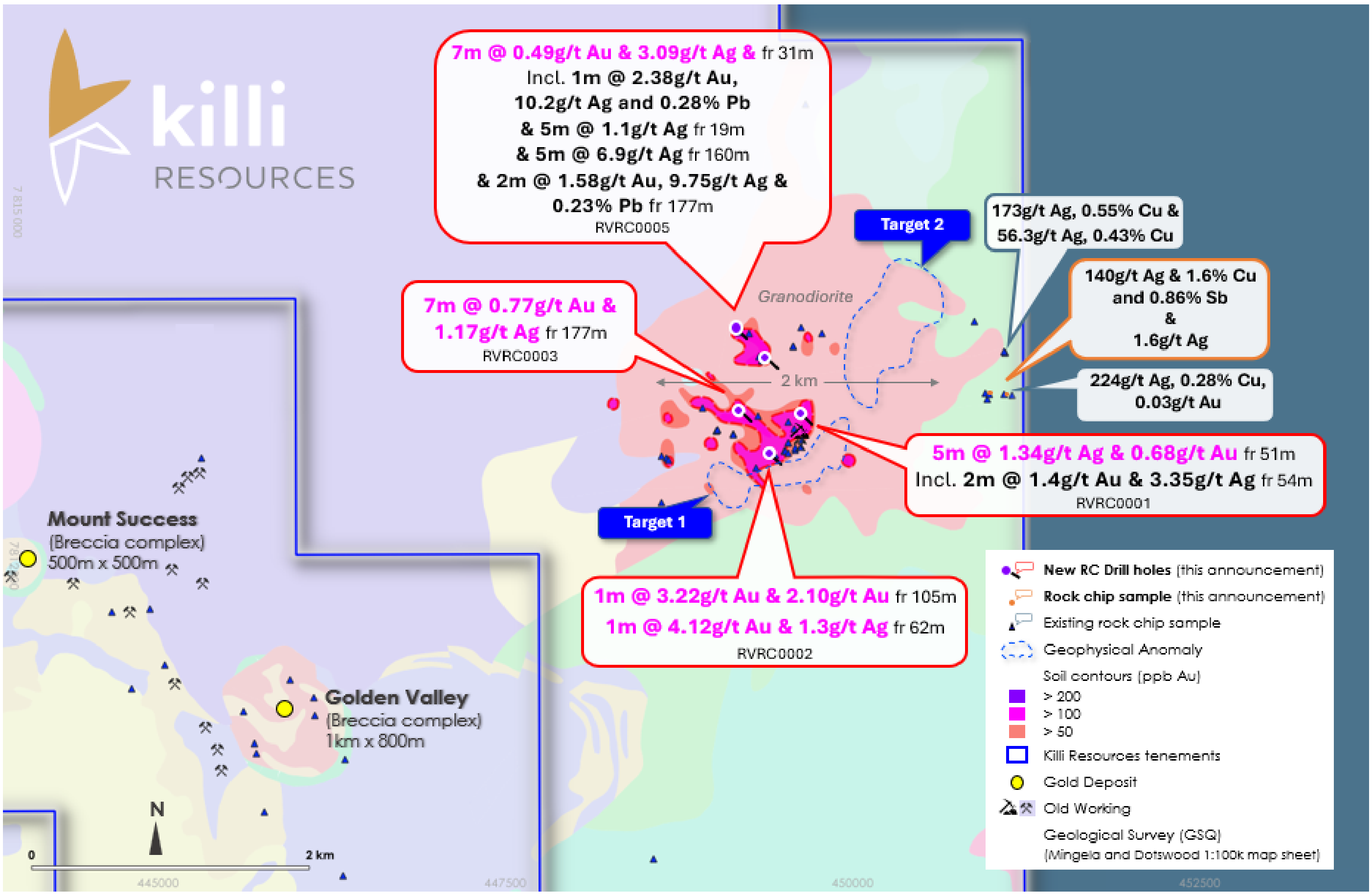

Figure 4. Location of RC drillholes and rock chip results reported, in relation to nearby gold deposits (Golden Valley and Mount Success) overlaying the regional geology (GSQ) Mingela and Dotswood 1:100k map sheets. Refer to ASX release 7 March 2023

Results of the VTEM survey were received from the contractor during the reporting period and initial merging of dataset and generation of GIS layers were completed for interpretation, and further work was completed to prioritise and verify the targets for processing.

Processing generated two potential intrusive targets at the Rocky prospect, adjacent the surface geochemical anomaly, rock chip results and recent drill assay results (Figure 4).

The geophysical data was plotted with the drillhole results and highlights additional structural targets. As the drillholes were only drilled to an average depth of 200m, the results indicate they may have intercepted the alteration zone of a potential intrusive gold system (Figure 5).

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RVRC0005 is a clear example of this, where multiple mineralised zones were intersected downhole, with high-grade silver values returned. The geophysical model suggests the target zone is a further 100 - 200m downhole, where the drillhole was terminated at 207m due to a slow drill rate through the granodiorite (Figure 6).

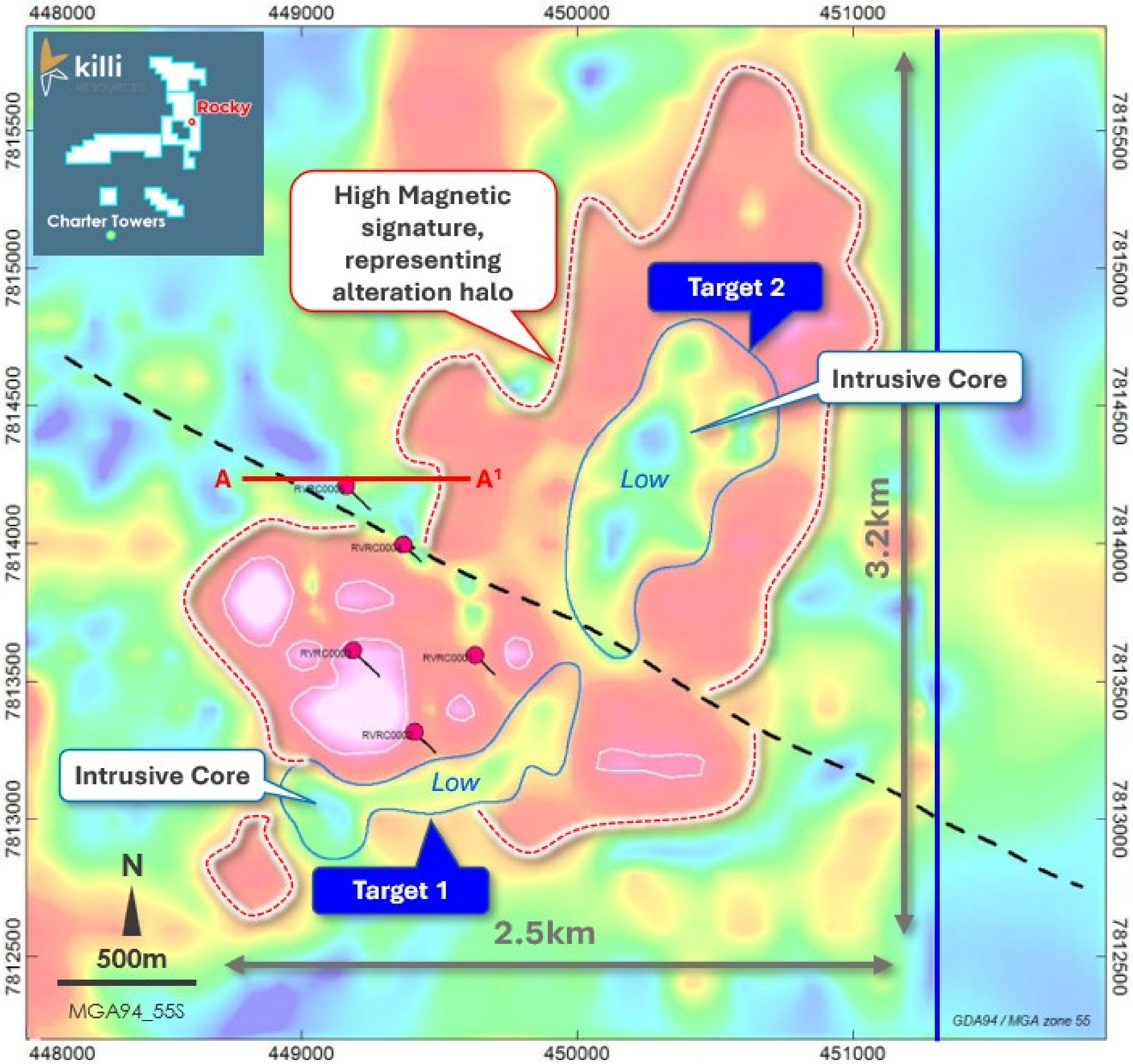

Figure 5. Plan View of Rocky, Analytic Signal, with magnetic high (red) and magnetic low (blue) features outlined, with the drillhole locations. Targets 1 and 2 represent demagnetised zones the interpreted intrusive core, within the remnant magnetic feature (red). The targets likely represent in intrusive unit with more silica-rich minerals. Refer to ASX release 7 March 2023.

In addition to the drilling and geophysical results, surface rock chip assays were received on the eastern edge of the prospect, of **140g/t Ag, 1.6% Cu and 0.86% Sb** (antimony) (Figure 4). These results are 1.3km from the nearest drill hole, again demonstrating the potential scale of the mineralised system. A total of four high-grade surface samples have been received from this area, within the pressure shadow of the granodiorite, and provide an ideal drill target for further exploration.

Within the Charters Towers district many gold deposits have polymetallic signatures that are associated with gold mineralising events. The Ravenswood gold mine (operated by EMR Capital) contains +9Moz of Au total endowment, has a zoned **silver-zinc-copper-arsenic-lead** pathfinder alteration signature, 53 kms along strike from Rocky.

Downhole multi-element analysis and pXRF readings were taken for each metre from drill chips for each of the five holes. The results confirm proximal associations of anomalous **silver-arsenic-copper-molybdenum-antimony-zinc** with elevated gold grades at Rocky. This polymetallic geochemical association with gold is common in intrusive-related gold systems in the region and is often seen as large polymetallic zoned alteration halos in the surrounding wall rock geochemistry. pXRF readings were taken by the Company as a purely qualitative measure, not quantitative, for the use of finding pathfinder elements.

Based on the current understanding of pathfinder element association, geological observation from the drilling, and the grade of silver assays received, indicate the system to be within the porphyry-epithermal category of an intrusive related gold system (Figure 7). Further multi-element analysis will be completed on the drill chips to ascertain positioning within an intrusive system.

The results of the drilling and geophysical modelling have given the Company full confidence to continue with the drill program at Rocky. With the drill program planned to infill between the existing 5 drill holes, drill test Target 1 & Target 2 from the geophysical model, and drill test the high-grade surface geochemical anomalies to the east.

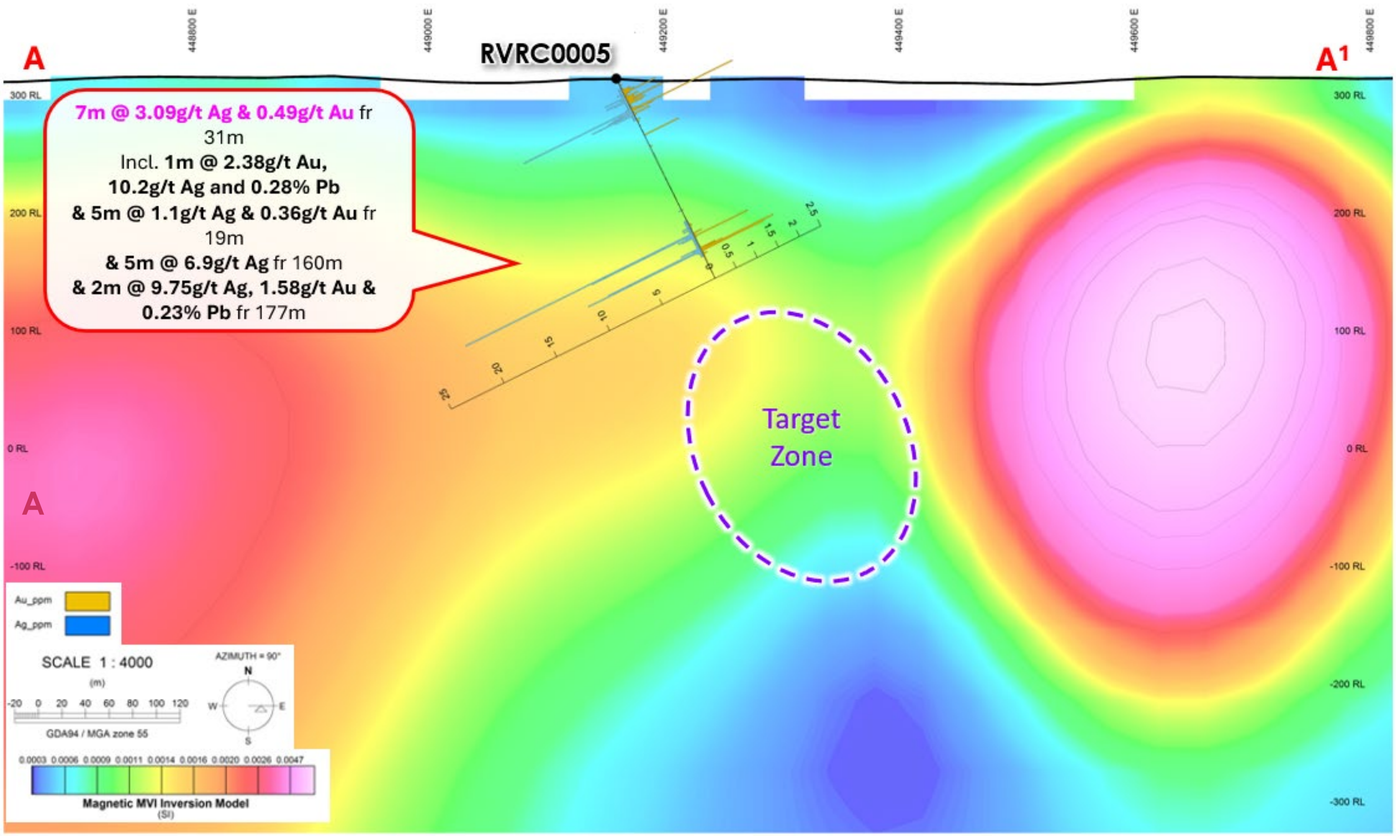

Figure 6. Cross-section of magnetic model with location of RVRC0005 and downhole gold and silver assay results. Target zone located at the interface of the high to low magnetic response. Refer to ASX release 7 March 2023

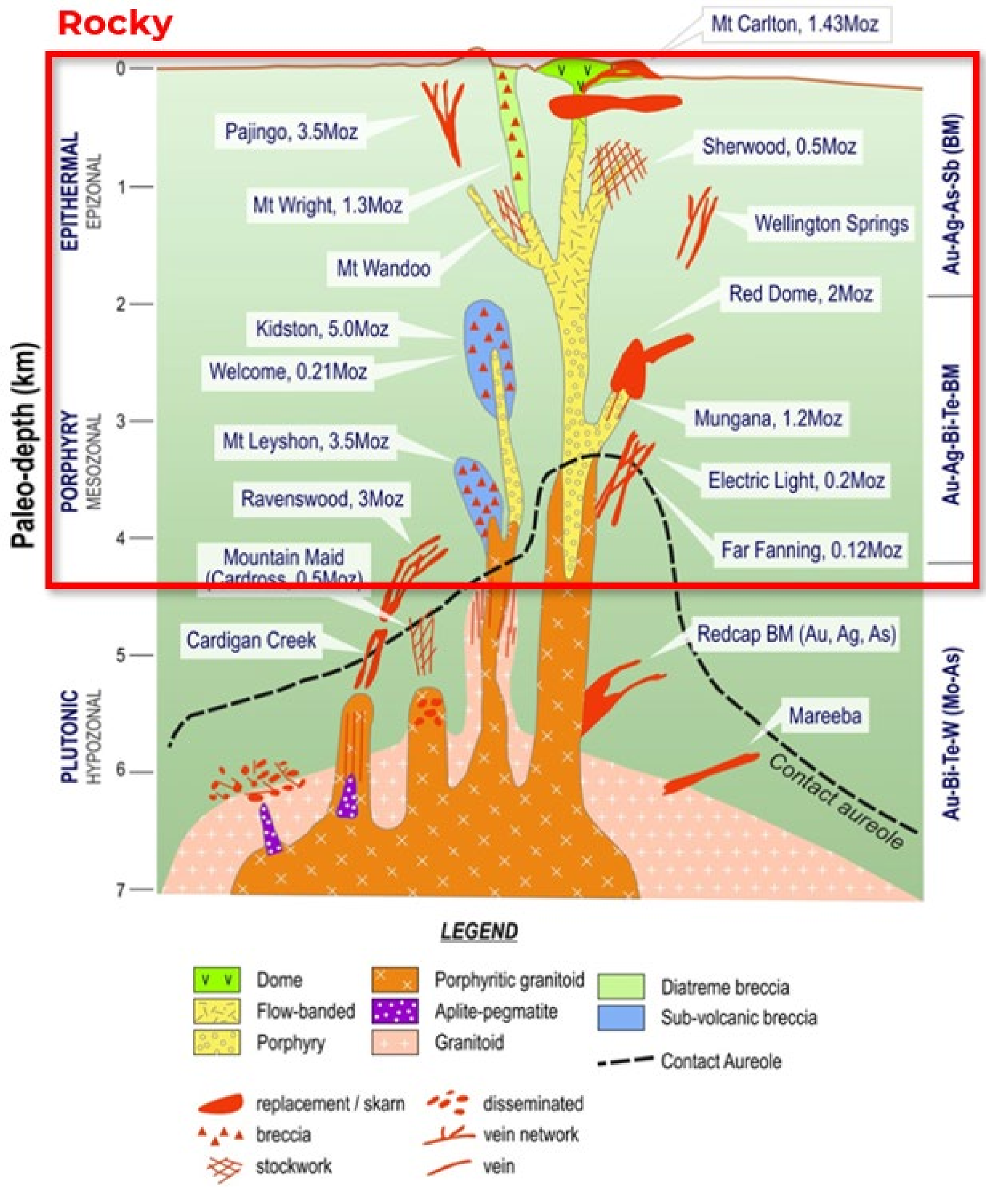

Figure 7. Current understanding of geochemistry of the Rocky prospect within an intrusion-related gold system, from Morrison 2017.

Table 1. Best results from surface rock chip samples released within the reporting period, from the Ravenswood North Project, at the Rocky and West Branch prospects.

Sample ID	Prospect	Easting	Northing	Au (ppm)	Ag (ppm)	Cu (ppm)	Mo (ppm)	Pb (ppm)
RVRK044	Rocky	451,151	7,813,734	0.073	**140**	**16,000**	1.56	14.6
RVRK051	Rocky	449,532	7,813,390	**1.125**	**2.84**	960	2.95	6.5
KRRC0004	Rocky	449,569	7,814,084	0.052	0.19	**1,505**	38.6	24.5
RVRK027	Rocky	449,778	7,814,175	**5.27**	**13.05**	**1,185**	3.45	39.5
RVRK028	Rocky	449,626	7,814,219	0.062	**4.75**	**1,910**	2.08	123.5
RVRK031	Rocky	451,096	7,814,041	0.006	**56.3**	**4,300**	0.47	**1,860**
RVRK033	Rocky	451,090	7,814,047	0.009	**173**	**5,540**	0.62	**2,630**
RVRK035	Rocky	450,971	7,813,701	0.026	**224**	**2,790**	0.42	12.6
KRRC0001	**WEST BRANCH**	**441,357**	**7,831,493**	**0.57**	32.6	2,260	**10.2**	157,500
KRRC0002	West Branch	442,795	7,831,493	**8.93**	**10.1**	**61,800**	15.25	412
RVRK009	West Branch	441,525	7,832,873	**8.47**	**27.3**	**52,100**	7.17	1,625
RVRK021	West Branch	442,689	7,831,495	**17.0**	**2.77**	**2,020**	174.5	9.9

Refer to ASX releases 4 October 2022 & 15 November 2022 (MGA94_55S map grid).

Table 2. Significant RC Drilling results for gold, silver, copper and lead

RVRC0005	449160	7814212	314	207	-55	135	15	**12**	**0.31**	**0.51**	0.02	NSI	Diorite/gabbro, quartz ± epidote + pyrite, chalcopyrite.
						Incl.	19	5	0.36	1.1	0.03	NSI	
							31	7	0.49	3.09	0.01	0.07	Gabbro, silica ± sericite alteration, ± pyrite, disseminated chalcopyrite.
						Incl.	32	1	2.38	10.2	0.03	0.28	
							160	5	0.31	6.9	0.03	0.03	Rhyolite, silica alteration, disseminated pyrite, quartz + pyrite veining.
						Incl.	160	2	0.21	15.6	0.04	0.03	
						Incl.		1	1.26	1.5	0.02	0.04	
							175	5	0.81	4.5	0.03	0.10	Diorite/gabbro contact, quartz ± epidote, disseminated pyrite.
						Incl.	**177**	2	1.58	9.75	0.02	0.23	
RVRC0002	449408	7813318	311	208	-60	135	12	6	0.32	NSI	NSI	NSI	Oxidation front in granodiorite.
							23	2	1.69	1.2	0.04	NSI	
							62	1	4.12	1.3	0.03	NSI	Gabbro with disseminated sulphides and epidote ± calcite alteration
							69	1	2.17	NSI	NSI	NSI	Diorite with quartz-pyrite veining and epidote ± calcite alteration
							95	2	0.54	NSI	0.02	NSI	Diorite/gabbro contact
							105	**6**	**0.83**	**0.47**	0.02	NSI	Rhyolite with quartz & k-feldspar veining, pyrite and silica alteration.
						Incl.	105	1	3.22	2.1	0.05	NSI	
							172	**6**	**0.59**	NSI	NSI	NSI	Diorite with epidote & k-feldspar and disseminated sulphides
RVRC0003	449185	7813615	310	232	-60	135	174	**10**	**0.66**	**0.82**	NSI	NSI	Diorite with epidote ± silica alteration and quartz-k-feldspar veining
						Incl.	177	7	**0.77**	1.17	NSI	NSI	
RVRC0001	449628	7813596	306	196	-60	135	51	5	**0.68**	1.34	0.01	NSI	At contact of Diorite and gabbro unit with trace disseminated pyrite
						Incl.	54	2	1.4	3.35	0.02	0.02	
RVRC0004	449368	7813999	308	152	-55	135	111	1	NSI	0.7	0.05	NSI	Quartz veining

(NSI = No significant intercepts). Gold values determined via 50g charge fire assay. Silver, copper and lead determined via multi-element analysis. Significant intercepts were considered all those results where gold or silver values were >0.2g/t per sample. (MGA94_55S map grid). Refer to ASX release 7 March 2023.

DIRECTORS' REPORT

West Tanami Project (Gold, Copper, and Rare Earth Elements)

The Company owns 100% of the West Tanami Project located in the north-east of Western Australia. The land holding totals 1,634km^2 of granted tenure over 100km strike of the major gold corridor, Tanami Fault System, with existing gold endowment of the Tanami Gold Province greater than 19M oz Au. Within the district there are multiple gold deposits which include Callie Gold Mine (Newmont, ~14Moz Au), the Tanami Goldfields (3M oz Au), Twin Bonanza (1.5M oz Au) and the Coyote and Kookaburra mines (Black Cat Syndicate, ~1M oz Au) (Figure 8).

Aside from the gold opportunity, recent work completed by explorers in the area have highlighted the potential for hydrothermal Rare Earth systems, within the district. The project is located 50kms south-west of the Browns Range REE deposit, and less than 10km along strike from surface REE results in rock chips of 12.45% TREO (Killi Killi East) and 12% TREO (Boulder Ridge) (Figure 8).

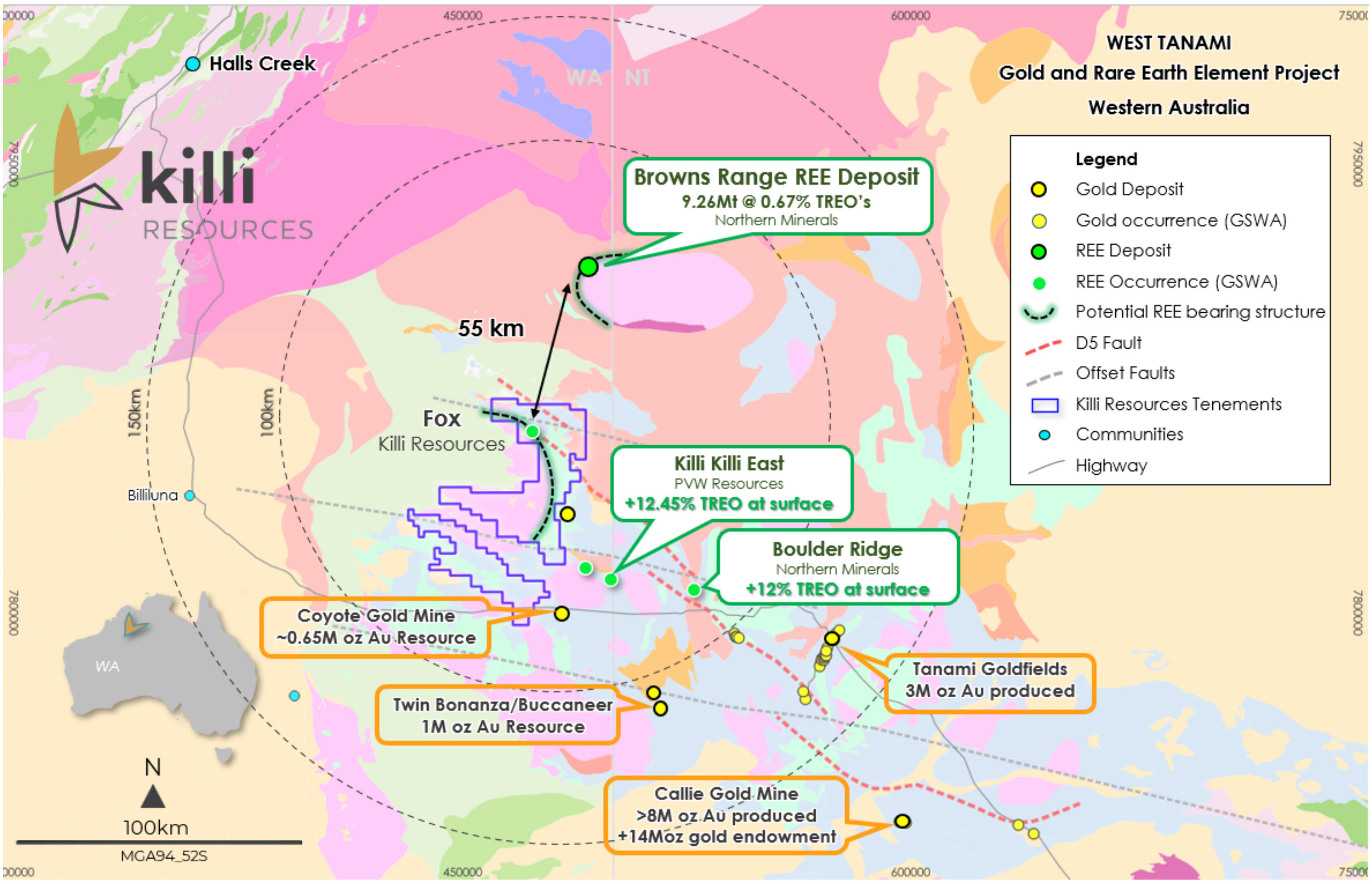

Figure 8. Location of West Tanami Gold Project in relation to existing Gold Mines and Rare Earth deposits in the Tanami Province.

Gold and Rare Earth Exploration

Killi completed four first pass aircore drill lines at the northern end of the project, across the interpreted axial hinge within sediments, at the Fox, Deva, and Trickster prospects, covering 9km of combined stratigraphy (Figure 9). Gold deposits within the Tanami district are generally hosted within the fold-hinges of the Dead Bullock Formation, or in close proximity to the sequence margins and/or contacts.

During the reporting period the Company received the first round of drilling results and established host lithologies from the aircore and diamond drill programs. Multiple intercepts of anomalous gold, arsenic and silver were intersected at the Fox prospect, with all elements aligning with the geochemical fingerprint for a sediment hosted gold systems and similar to those already found in the Tanami.

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The highest result returned was **4m @ 135ppb Au** from 72m, located at the interpreted hinge zone. The total width of the anomalous gold corridor across the sequence is 2.8 km, with the more localised hinge zone 0.7 km in width.

Within the Tanami region low-level gold anomalism is the geochemical fingerprint to sediment hosted gold deposits, such as Callie deposit which was found on a 50ppb Au downhole drill anomaly.

In conjunction with the downhole anomalism, surface rock chips samples at the prospect returned 0.42g/t Au at the northern end of the line, some 2.6km from any historical surface gold results (Figure 9).

The two regional aircore lines completed at Trickster and Deva consisted of 54 holes for 2,201 metres. These two drill lines represent the first drilling over this newly identified prospective gold structure that could represent the main mineralising feature from the Tanami district. A significant result was returned at the eastern end of the southern line of **4m @ 100ppb Au from 8m** depth, in bedrock below alluvial cover. Similarly at the eastern end of the northern line an anomalous result of 4m @ 30ppb Au from 8m was returned. It is interpreted these results could be the first results for the D5 fault structure on the project.

The observed lithologies from the diamond hole and aircore drilling results provide significant encouragment for the Company that the prospects cover the desired lithology which is already host to gold deposits within the region.

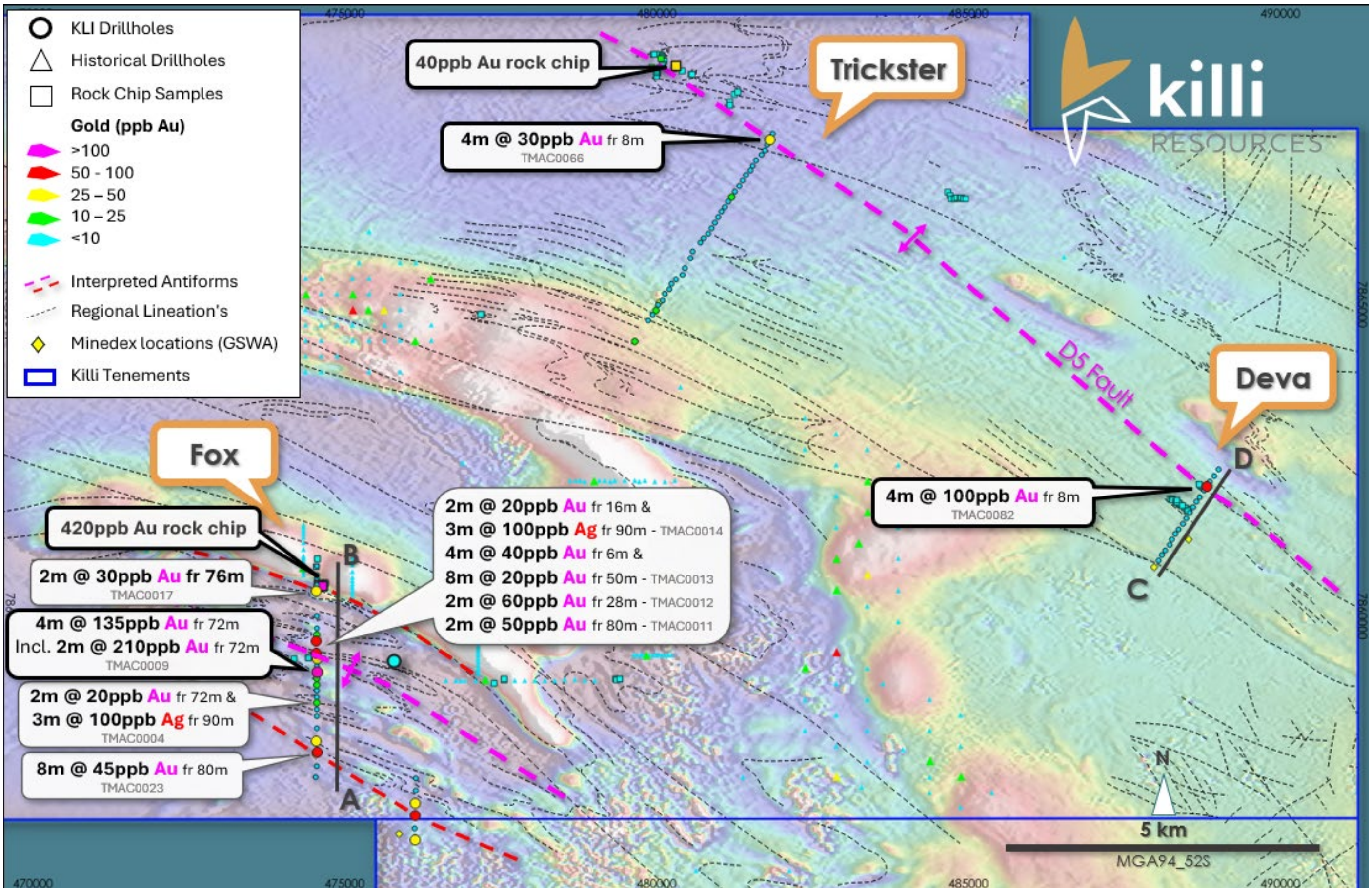

Figure 9. Location of gold and silver results at the West Tanami Project, from the regional aircore drill program, including the gold anomaly at Deva interpreted as the D5 fault structure that extends from the northern territory and is associated with million-ounce gold systems of the Tanami district. Refer ASX release 1 December 2022.

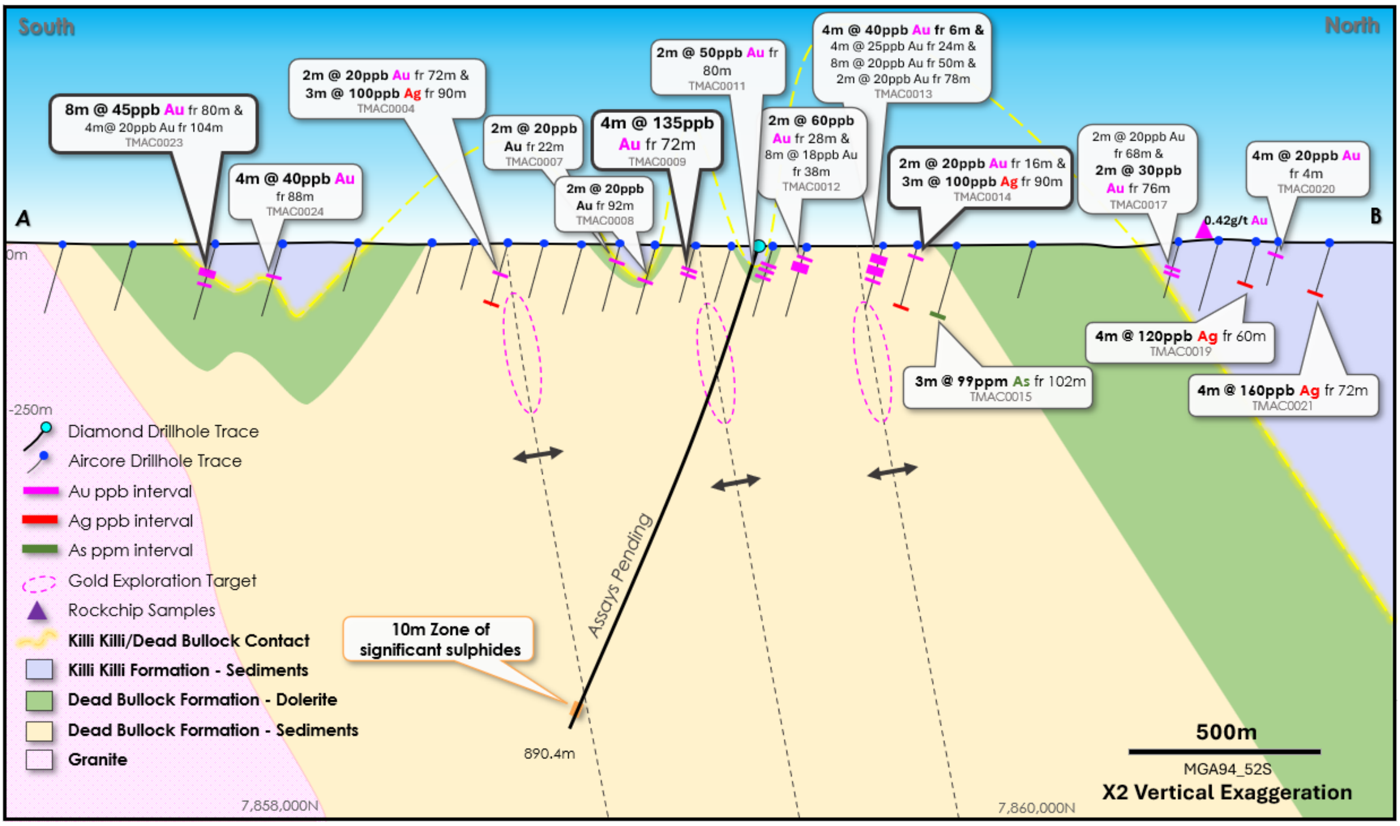

Figure 10. Mineralisation and geological cross-section of the Fox prospect regional aircore drill line including the Diamond drill hole, 2 x vertical exaggeration. Geological interpretation from aircore and diamond logging. Refer ASX release 1 December 2022.

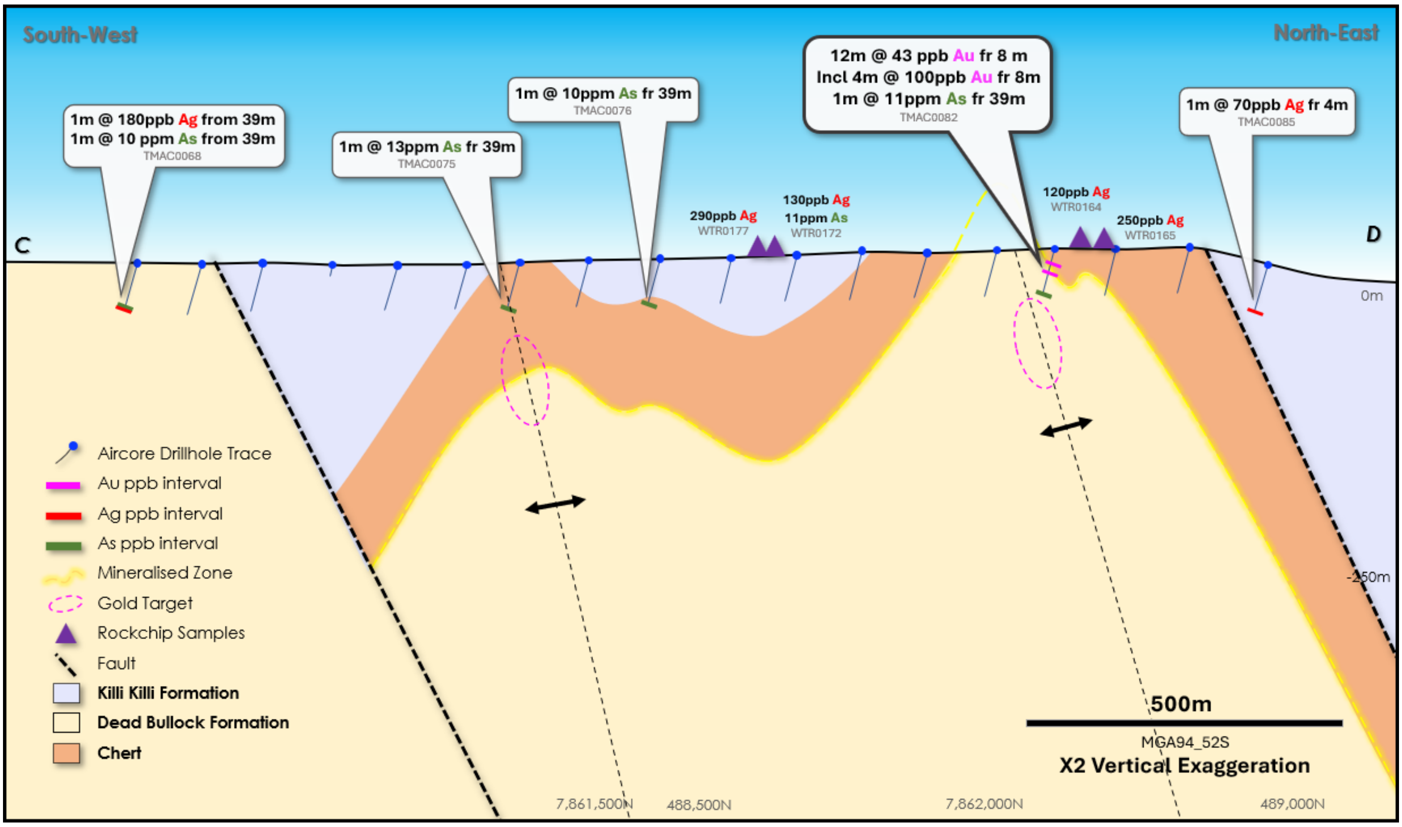

Figure 11. Mineralisation and geological cross-section at the Deva prospect, with significant zone of gold mineralisation at the eastern end in hole TMAC0082. Refer ASX release 1 December 2022.

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A EIS-funded diamond drill hole was completed to a total depth of 890.4m during the field season. Logging and geochemical evaluation of the upper sedimentary sequence by geological logging and portable X-ray fluorescence (pXRF) has confirmed the section of the stratigraphy in which the project resides.

Logging of the upper portion of the diamond drill hole has identified the highly prospective **Dead Bullock Formation** which is the formation host to the +8Moz Callie gold deposit, 120 kms along strike to the south-east, and is the host lithology for gold mineralisation the Company is targeting.

The top of the diamond hole begins within the Killi Killi Formation, which is host to the Coyote and Kookaburra gold mines within the region. The hole then passes through a transitional zone and then into the Dead Bullock Formation, host rock to the Callie gold deposit (Figure 12). The sequence is strongly folded and faulted relating to both extensional and compressional events.

Figure 12. Diamond core photographs of the iron-rich sediments of the Dead Bullock Formation (DBF). A) At approximately 139m, folded iron-rich sediments of the DBF. B) Folded siltstone and shale units of the DBF at ~173m, with multiple folding and shearing events overprinted, with k-feldspar alteration. C) Sediments of the DBF, with increased pyrite and quartz veining. Refer ASX releases 1 December 2022 and 25 October 2022.

Rare Earth Element soil anomaly at Fox

A total of 300 samples were collected across the project during the 2022 field season targeting both gold and rare earth element (REE) systems. The geochemical program was designed to target regional structures, which could be possible hydrothermal conduits.

At the Fox prospect there are sporadic areas of outcrop/subcrop where soils are considered the best method to test for this style of REE mineralisation. The soil results returned greater than 3x background yttrium values at three separate locations, with yttrium (Y) one of the heavy rare earth elements, which is always associated and found in combination with rare earth minerals. The anomalies extend ~1.5km along strike to the basement sediments and are 400-500m in width (across-strike) (Figure 13 & Figure 14).

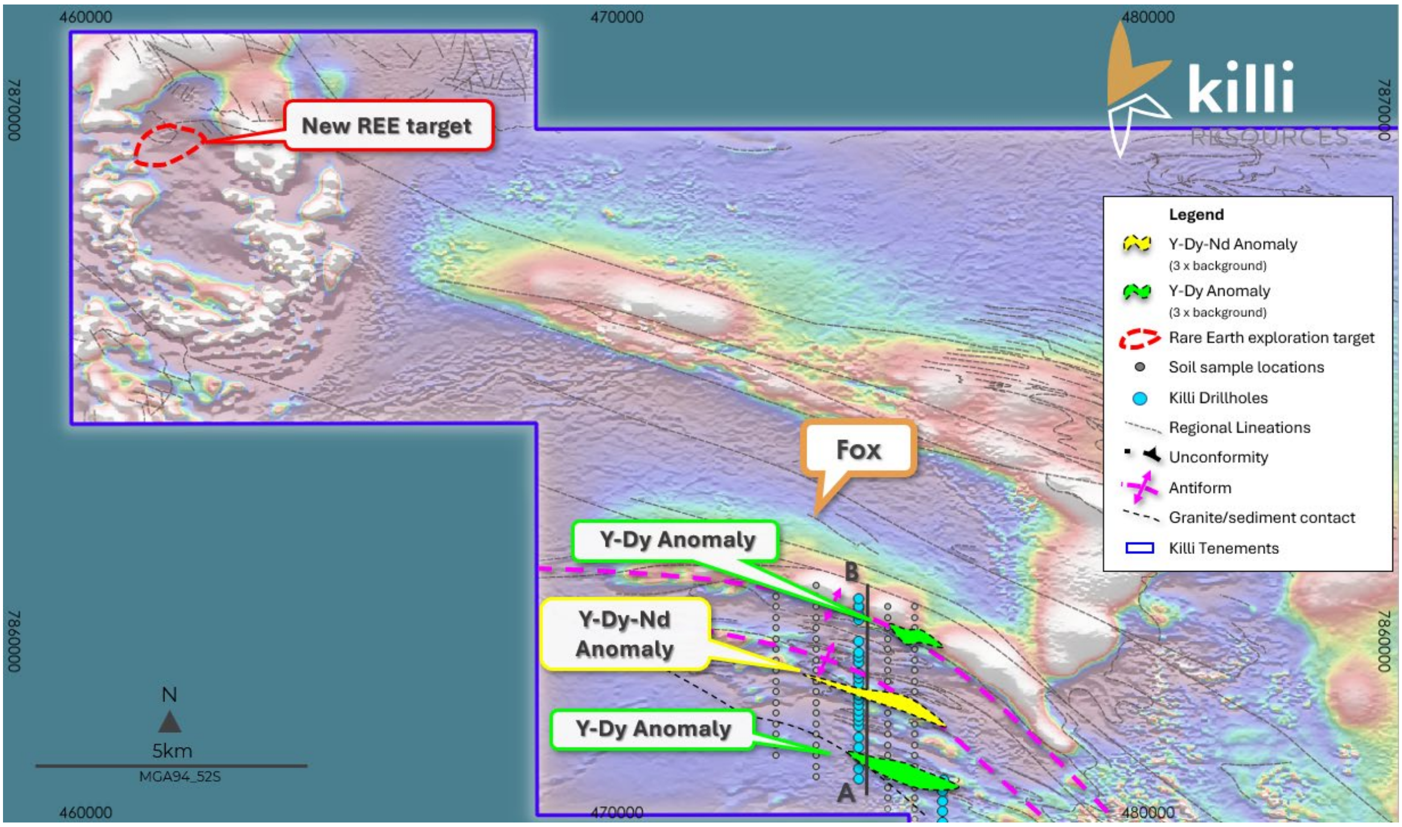

Figure 13. Location of Y-Nd-Dy (heavy rare earth) soil anomalies with major linear geological features and location of new additional REE target generated from the recent geophysical survey (plan view). Refer ASX release 1 February 2023.

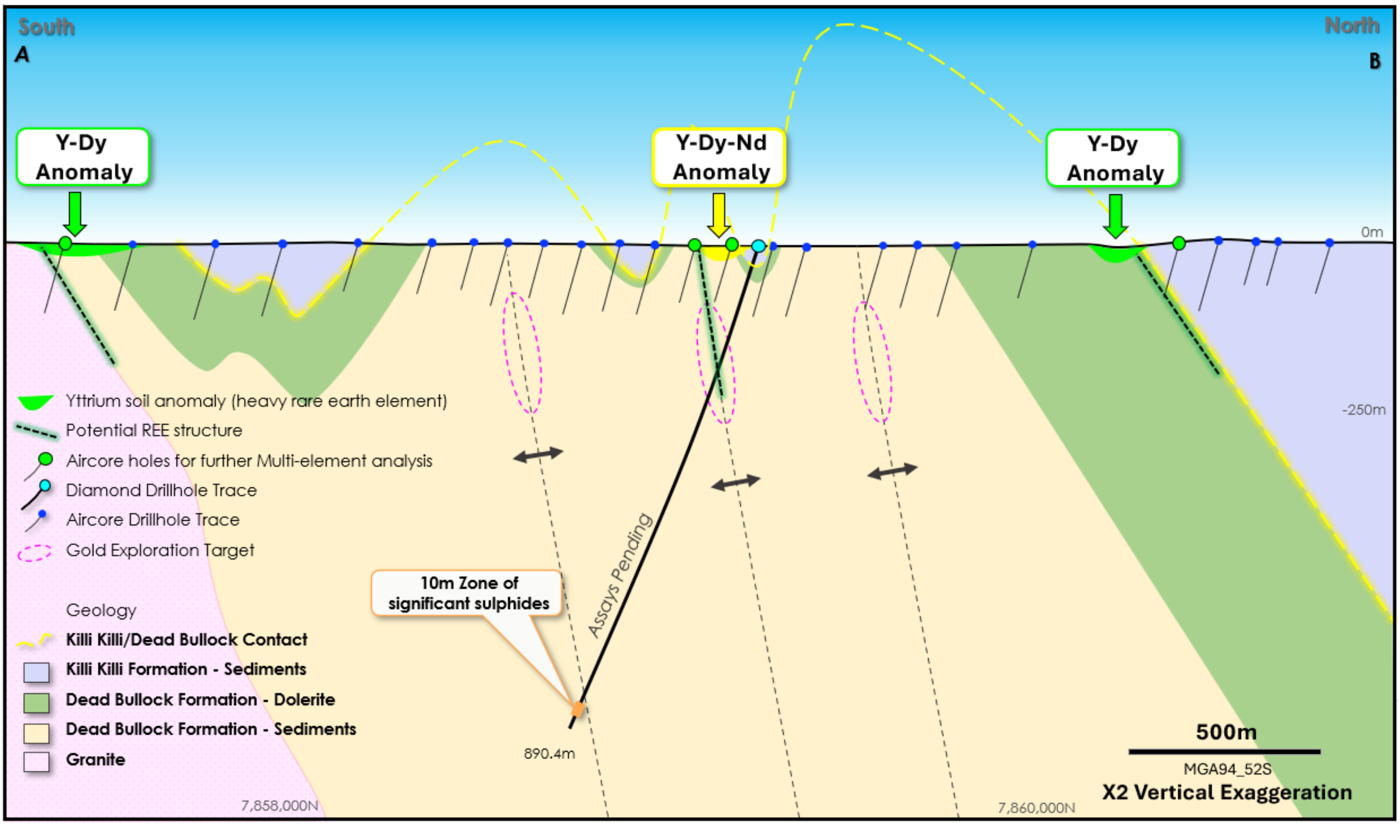

Figure 14. Cross-section of Fox prospect, including location of surface yttrium enrichment and interpreted geology from surface mapping and aircore logging. Refer ASX release 1 February 2023.

The anomalies are stratigraphically aligned with regional features determined from surface mapping, airborne interpretation, and down hole logging (Figure 2).

In addition to anomalous yttrium there is associated elevation in neodymium (Nd), dysprosium (Dy), ytterbium (Yb), terbium (Tb), europium (Eu), and gadolinium (Gd) (REE's). The central anomaly is anomalous for Y-Dy-Nd (3x background values) and the two outer anomalies are anomalous for Y-Dy (3x background).

These are significant first pass results, where the Company plans to multi-element assay the downhole pulps from the aircore program, for holes which are adjacent the rare earth anomalies. The composite drill pulps from the aircore drilling have been analysed by pXRF, for a purely qualitative purpose and indicate the presence of hydrothermal alteration.

Regionally there are multiple occurrences of REE's in the Tanami district, with surface mineralisation in the form of rock chips at the Killi Killi East Project, 12.45% TREO's, and the Boulder Ridge Project, 12% TREO's to the east of Killi Resources tenure. The mineralisation style of both these projects is believed to be hydrothermal, unconformity related. Where REE-rich hydrothermal fluid moves through the rocks and deposits preferentially within a host lithology, which in this instance is the Pargee Sandstone.

The Browns Range REE Mine, owned by Northern Minerals Limited, is located 55km north of the Fox prospect. The deposit is currently not in operation, however, has a current resource of 9.28Mt @ 0.67% TREO's (Figure 8). The mineralisation style of this deposit is hydrothermal, with the individual localised REE deposits located around the margins of the Browns Range Dome.

In addition to this surface anomaly a new rare earth target has been generated from the airborne magnetic & radiometric survey and the compilation of field mapping conducted in the 2022 field season (Figure 13).

Sulphides at the West Tanami Project[1]

The diamond drill hole completed to a depth of 890.4 (TMDD0001) at the Fox prospect intercepted a zone of significance ~840m depth (560m vertical depth), a gabbro (mafic) unit (Figure 15). The gabbro had a distinctly high abundance of sulphide minerals.

Sulphides were observed from ~834m – 840.8m ranging from trace to approximately 30% of the rock mass increasing with depth. From 840.8m – 841.5m semi-massive and massive sulphides were intersected, where classification of massive sulphides is based on sulphide content >80% of the rock mass. The dominant sulphides observed were pyrrhotite, chalcopyrite and pyrite, potentially representative of a magmatic base metal system.

Figure 15. Massive sulphides in TMDD0001, chalcopyrite, pyrrhotite and pyrite observed, 841m depth.

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1 Refer ASX release 25 October 2022

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The pyrrhotite and chalcopyrite appear to be associated with the gabbro unit, with pyrite present in the sediments as well as the gabbro. At this point the pyrite is believed to be part of a hydrothermal overprint as it is seen throughout the hole and associated with varying degrees of quartz veining.

Previous work and mapping completed by the Geological Survey of Western Australia has only identified sediments with no interpretation of mafic units at the prospect (Figure 16). Dolerites have been loosely documented in the region to intrude the sedimentary sequence, however there is very limited drilling in which they have been intersected and limited analysis performed.

Further review of historical reports indicates there has been no prior exploration for magmatic sulphide mineralisation in the Tanami Province, which presents a unique opportunity for Killi to explore.

The Company plans to further evaluate the drill core with the assistance of experienced geologists of the Tanami region, and those with base metal experience. Geological work will continue with further analysis to establish timing relationships, alteration assemblages and metamorphic facies of the gabbro and surrounding sediments (Figure 17).

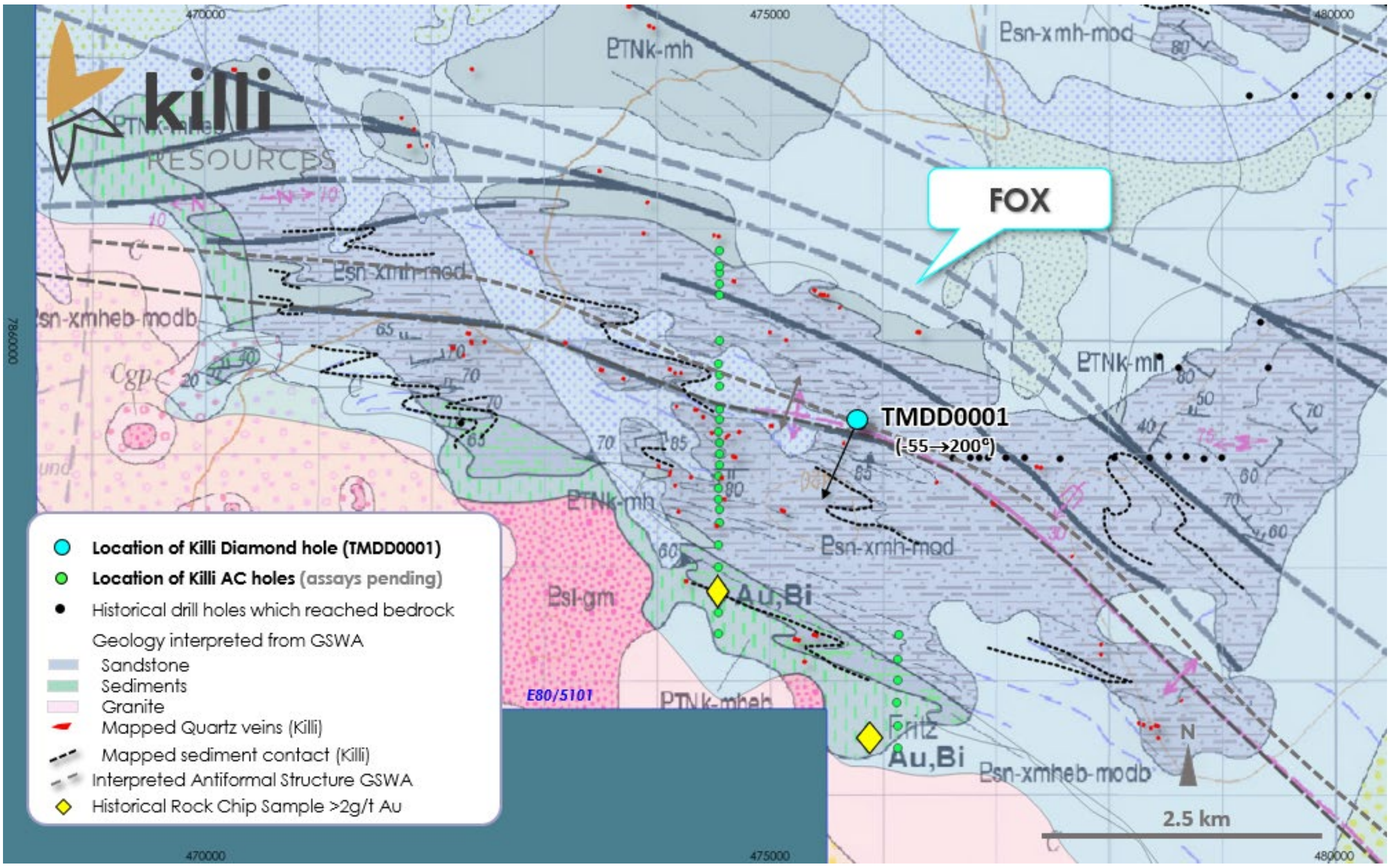

Figure 16. Location of drilling at Fox prospect, diamond and air core, with historical holes that have reached fresh rock. 1:100k map sheet 'Slatey Creek' GSWA is in the background.

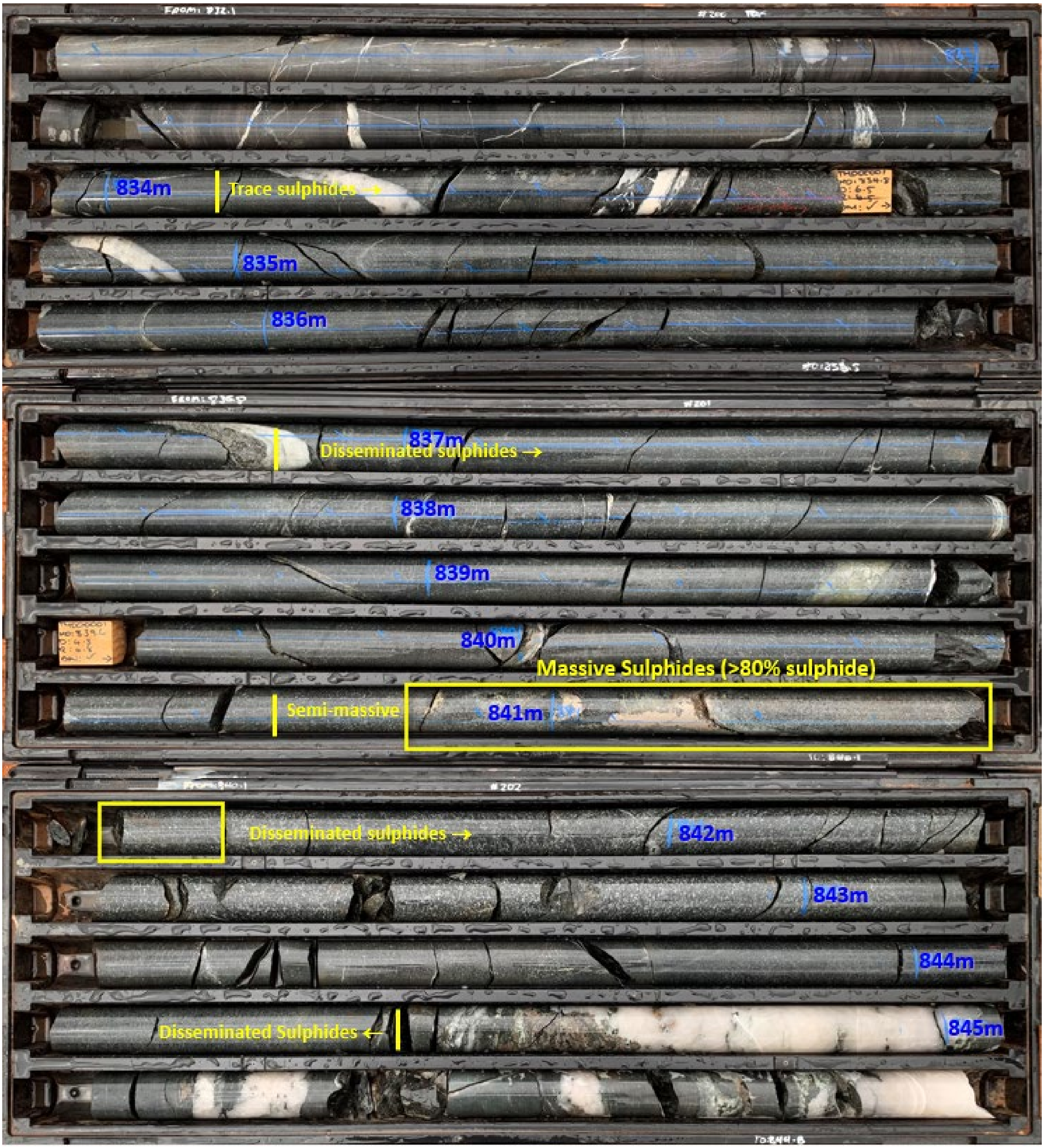

Figure 17. Core tray photographs of the gabbro intersected in TMDD0001, 833.1 – 845.8m. Refer ASX release 25 Oct 2022

CAUTIONARY STATEMENT ON VISUAL ESTIMATES OF MINERALISATION

References in this report to visual results are from diamond drilling. Visible mineralisation in NQ core (TMDD0001) consisted of trace, disseminated, semi-massive and massive sulphides of pyrrhotite, chalcopyrite and pyrite. Visual estimates of percentages are based on preliminary visual observations of the drill core surface as presented in the core trays and may not be representative of the entire sample interval. Laboratory assays are required for representative estimates of copper and other metal contents abundance. It is intended half core samples will be sent for assays. This work will take some time and assay results will be reported once available.

Mt Rawdon West Project (Gold and Copper)

The project, is 100% owned, and consists of one granted tenement, which covers 309km^2 of prospective gold and copper ground between Evolution Mining's Mt Rawdon Gold Mine and SolGold's Mt Perry Project. The project is located 60km inland from Bundaberg in Queensland (Figure 18).

Historical exploration has identified copper and gold anomalism, within the northeast trending intrusion related mineralisation corridor. The main targets identified are in the centre of the tenement and coincide with and existing 1.5km^2 geochemical soil anomaly of Cu-Au-Mo at the intersection of the Mount Perry and Mt Rawdon mineralised structures.

The Mt Perry goldfields, which sit on the western boundary of the tenement, are known to contain multiple intrusion related gold deposits.

The primary target at the project is a 3km x 1km copper-gold-molybdenum geochemical anomaly at surface. The location of this anomaly coincides with the intersection of the regional controlling mineralisation faults. There is evidence of historical mining on the project with the presence of old workings into a breccia pipe, approximately 150m in width. Historically, minor copper and gold were produced from the old workings and small open pits.

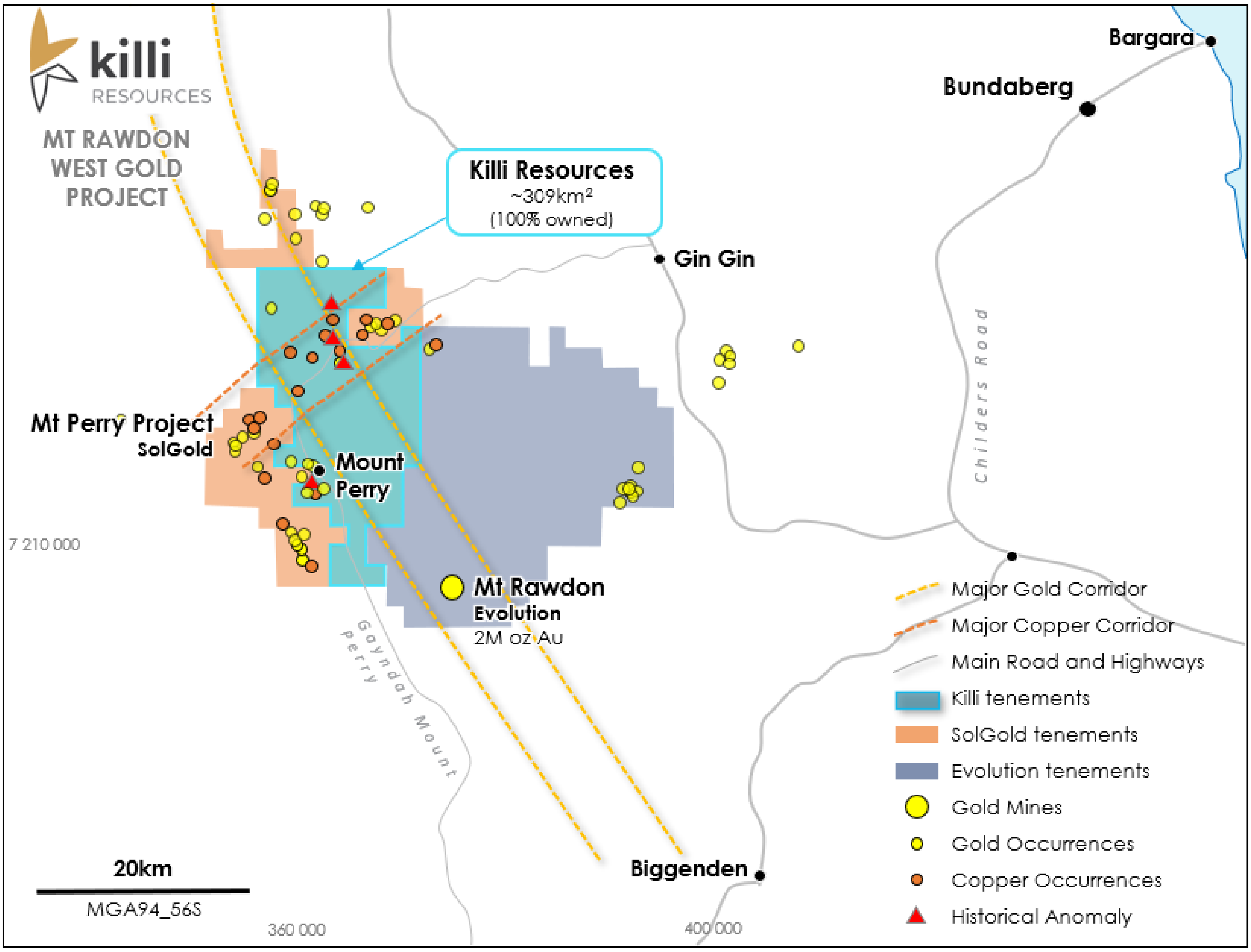

Figure 18. Location of Mt Rawdon Project in relation to existing prospects and mines in the region, Queensland.

DIRECTORS' REPORT

Balfour Project (Copper)

The Balfour Project is located 125kms northeast of Newman in the Pilbara of Western Australia and covers 350km^2 of the prospective Proterozoic Rift. The tenement is granted and wholly owned by the Company. The project covers 25kms of strike of the sub-basin, and surrounds the Nicholas Downs Manganese Deposit owned by Hancock Prospecting (Figure 19).

The project is prospective for base metal intrusion related mineral deposits, such as sedimentary hosted copper deposits.

Two prospects have already been determined, Winterbrook and Whitewood, which occur equidistant along strike from the Nicholas Downs Manganese Project. Winterbrook has an anomalous demagnetised zone stretching 6kms in length, accompanied with a gravity high, as well as an associated copper-zinc-arsenic soil anomaly. Anomalous soil results are believed to be associated with intrusive dolerites, similar in geology to the rocks that host high-grade copper mineralisation at Ilgarari and Kumarina south-west of Balfour.

Whitewood has a geophysical anomaly trending northeast.

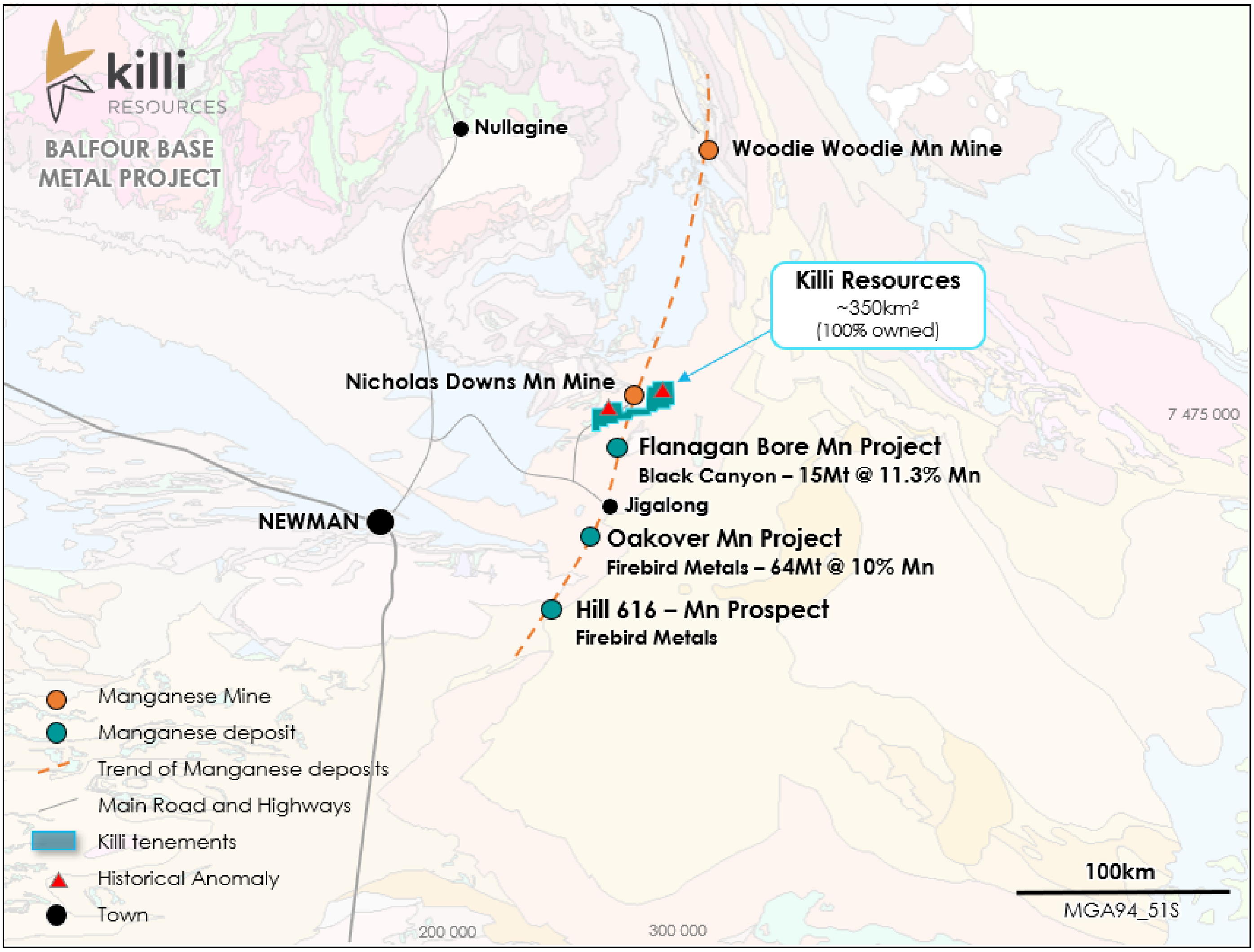

Figure 19. Location of Balfour Project in relation to existing prospects and mineral resources in the region, Pilbara – Western Australia.

DIRECTORS' REPORT

Compliance Statement

The information in this report that relates to Exploration Results for the West Tanami and Ravenswood North Projects is extracted from the ASX Announcements listed below which are available on the Company website www.killi.com.au and the ASX website (ASX code: KLI):

Date	Announcement title
7 March 2023	Significant drill and geophysics results identify potential system at Rocky
1 February 2023	Yttrium-REE anomaly identified at West Tanami Project
1 December 2022	Gold Mineralisation within Dead Bullock Formation at Tanami
15 November 2022	High-grade results extend Rocky Prospect, Ravenswood North
25 October 2022	Further Information – Magmatic Sulphide Zone at West Tanami
4 October 2022	New High-Grade Cu-Au Surface Mineralisation at Ravenswood

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the estimates in the market announcements continue to apply and have not materially changed. The Company confirm that form and context in which the Competent Person's finding are presented have not been materially modified from the original market announcements.

Tenement Schedule

Table 3. Killi Resources Tenement Holding 31 December 2022

Iron Bull Bangemall Pty Ltd (a wholly owned subsidiary company of Killi Resources Limited)

Access Australia Mining Pty Ltd (a wholly owned subsidiary company of Killi Resources Limited)

Project	Tenement Number	Holder	Killi Ownership (at end of period)	Change in Ownership
West Tanami (Western Australia)	E80/5100	Iron Bull Bangemall Pty Ltd	100%	Nil
	E80/5101	Iron Bull Bangemall Pty Ltd	100%	Nil
	E80/5102	Iron Bull Bangemall Pty Ltd	100%	Nil
	E80/5103	Iron Bull Bangemall Pty Ltd	100%	Nil
Ravenswood Nth (Queensland)	EPM 26889	Access Australia Mining Pty Ltd	100%	Nil
	EPM 26890	Access Australia Mining Pty Ltd	100%	Nil
	EPM 26892	Access Australia Mining Pty Ltd	100%	Nil
	EPM 26908	Access Australia Mining Pty Ltd	100%	Nil
	EPM 26909	Access Australia Mining Pty Ltd	100%	Nil
	EPM 28413	*Access Australia Mining Pty Ltd*	*100%*	*Application pending*
Mt Rawdon West (Queensland)	EPM 27828	Access Australia Mining Pty Ltd	100%	Nil
Balfour (Western Australia)	E46/1383	Access Australia Mining Pty Ltd	100%	Nil

Competent Persons Statement

The information in this report that relates to Exploration Results is based on information compiled by Ms Kathryn Cutler. Ms Cutler is a Member of The Australasian Institute of Mining and Metallurgy. Ms Cutler has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Ms Cutler consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.

DIRECTORS' REPORT

Significant Change in State of Affairs

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

Matters Subsequent to Reporting Date

No matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future periods.

Auditor's Independence Declaration

The Auditor's Independence Declaration under section 307C of the Corporation Act 2001 is included within this financial report.

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

Richard Bevan
Non-Executive Director

Perth, Western Australia, 15 March 2023

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the consolidated financial report of Killi Resources Limited for the half-year ended 31 December 2022, I declare that to the best of my knowledge and belief, there have been no contraventions of:

a) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

b) any applicable code of professional conduct in relation to the review.

Perth, Western Australia
15 March 2023

N G Neill
Partner

hlb.com.au

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CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE HALF YEAR ENDED 31 DECEMBER 2022

	Note	31 December 2022 $	31 December 2021 $
Other income	3	116,182	200,014
Administration expenses		(71,313)	(72,635)
Public company expenses		(64,183)	(162,820)
Marketing		(43,579)	(3,903)
Exploration expenses	4	(2,342,849)	(161,420)
Share based payment expense	12	(45,315)	(539,688)
Employee benefit expenses	5	(171,061)	(39,346)
Consulting expenses		(95,000)	(25,500)
Depreciation expense		(4,488)	-
Loss before income tax expense		**(2,721,606)**	**(805,298)**
Income tax expense		-	-
Loss after income tax for the period		**(2,721,606)**	**(805,298)**
Other Comprehensive Income			
Items that may be reclassified to profit or loss			
Other comprehensive loss for the period, net of tax		**-**	**-**
Total comprehensive loss for the period		**(2,721,606)**	**(805,298)**
Loss per share			
Basic and diluted (loss) per share (cents)	17	(5.23)	(4.98)

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2022

	Note	31 December 2022 $	30 June 2022 $
ASSETS			
Current assets			
Cash and cash equivalents	6	1,858,523	4,684,488
Trade and other receivables	7	237,331	189,244
Total current assets		**2,095,854**	**4,873,732**
Non-current assets			
Property, plant and equipment		62,338	64,922
Exploration and evaluation expenditure	8	1,399,949	1,399,949
Total non-current assets		**1,462,287**	**1,464,871**
TOTAL ASSETS		**3,558,141**	**6,338,603**
LIABILITIES			
Current liabilities			
Trade and other payables	9	186,997	303,268
Provisions		31,005	18,905
Total current liabilities		**218,002**	**322,173**
TOTAL LIABILITIES		**218,002**	**322,173**
NET ASSETS		**3,340,139**	**6,016,430**
EQUITY			
Issued capital	10	7,626,222	7,626,222
Reserves	11	1,193,178	1,147,863
Accumulated losses		(5,479,261)	(2,757,655)
TOTAL EQUITY		**3,340,139**	**6,016,430**

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE HALF YEAR ENDED 31 DECEMBER 2022

	Issued Capital	Other Contributed Equity	Reserves	Accumulated Losses	Total
	$	$	$	$	$
Balance at 1 July 2022	7,626,222	-	1,147,863	(2,757,655)	6,016,430
Total comprehensive income for the period					
Loss for the period ended 31 December 2022	-	-	-	(2,721,606)	(2,721,606)
Total comprehensive loss for the period	**-**	**-**	**-**	**(2,721,606)**	**(2,721,606)**
Transactions with owners, recorded directly in equity					
Share based payments	-	-	45,315	-	45,315
Balance at 31 December 2022	**7,626,222**	**-**	**1,193,178**	**(5,479,261)**	**3,340,139**

	Issued Capital	Other Contributed Equity	Reserves	Accumulated Losses	Total
	$	$	$	$	$
Balance at 1 July 2021	1,600,001	-	-	(189,788)	1,410,213
Total comprehensive income for the period					
Loss for the period ended 31 December 2021	-	-	-	(805,298)	(800,913)
Total comprehensive loss for the period	**-**	**-**	**-**	**(805,298)**	**(800,913)**
Transactions with owners, recorded directly in equity					
Proceeds from issue of equity, net of costs	600,000	5,433,554	-	-	6,033,554
Share based payments	-	-	539,688	-	539,688
Balance at 31 December 2021	**2,200,001**	**5,433,554**	**539,688**	**(995,086)**	**7,178,157**

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

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE HALF YEAR ENDED 31 DECEMBER 2022

	Note	31 December 2022 $	31 December 2021 $
Cash flows from operating activities			
Payments to suppliers and employees		(423,070)	(363,251)
Payments for exploration and evaluation		(2,206,278)	(177,633)
Proceeds received from JV partners		-	199,987
Payments to JV partners		(200,000)	-
Interest received		5,287	27
Net cash outflow from operating activities		**(2,824,061)**	**(340,870)**
Cash flows from investing activities			
Payments for exploration acquisition costs		-	(10,476)
Payments for property, plant and equipment		(1,904)	-
Net cash inflow from investing activities		**(1,904)**	**(10,476)**
Cash flows from financing activities			
Proceeds from issue of shares		-	600,000
Proceeds from IPO received at 31 December 2021		-	3,728,143
Net cash inflow from financing activities		**-**	**4,328,143**
Net (decrease)/increase in cash and cash equivalents		(2,825,965)	3,976,797
Cash and cash equivalents at beginning of the financial period		4,684,488	53,211
Cash and cash equivalents at end of the period	6	**1,858,523**	**4,030,008**

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED 31 DECEMBER 2022

1. Summary of significant accounting policies

(a) Basis of preparation

The financial report is a general-purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board ("AASB") and the Corporation Act 2001.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. The financial statements and notes also comply with International Financial Reporting Standards as issued by the International Accounting Standard Board (IASB). Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

New and amended standards adopted by the entity

The Group has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the AASB that are mandatory for the current reporting period. Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Going Concern

The financial report has been prepared on a going concern basis with the Directors of the opinion that the Group can meet its obligations as and when they fall due.

For the period ended 31 December 2022, the Group recorded a loss of $2,721,606 (2021: loss $805,298), had a net current asset position of $1,877,852 (30 June 2022: net current asset position of $4,551,559) and had a net cash outflow from operations of $2,824,061 (2021: $340,870). At 31 December 2022, the Group had $1,858,523 (30 June 2022: $4,684,488) in cash and cash equivalents. For the Group to continue to carry out its exploration activities, meet its expenditure requirements and continue as a going concern it is dependent on securing additional funding. These conditions indicate a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern and therefore whether it will be able to pay its debts as and when they fall due and realise its assets and extinguish its liabilities in the normal course of business

The Directors have prepared a cashflow forecast for the next 12-month period reflecting the need for further funding as mentioned above. While the Directors are confident that they will be able to raise the funding, the timing, extent and cost of additional funding is always uncertain. In the event that funding of an amount required to meet the future budgeted operational and investing activities of the Company is unavailable, the Directors would undertake steps to scale down its operations and reduce its discretionary expenditure in order to curtail cash outflows.

(b) Accounting policies

These general-purpose financial statements for the interim half-year reporting period ended 31 December 2022 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'. These general-purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2022 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001. The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

2. Segment Information

Operating Segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors in assessing performance and determining the allocation of resources.

The Group is managed primarily on the basis of its exploration and corporate activities. Operating segments are therefore determined on the same basis.

Reportable segments disclosed are based on aggregating operating segments where the segments are considered to have similar economic characteristics.

The Group operates within on segment which is mineral exploration within Australia. The Group is domiciled in Australia.

3. Other income

	31 December 2022 $	31 December 2021 $
Non-refundable proceeds received from JV Partner	-	199,987
Interest income	5,287	27
Grant income	110,895	-
Total Other income	**116,182**	**200,014**

4. Exploration expenses

	31 December 2022 $	31 December 2021 $
Exploration at West Tanami project	1,921,053	108,589
Exploration at Ravenswood North project	393,361	58,063
Exploration at MT Rawdon project	14,830	250
Exploration at Balfour project	13,605	518
Total Exploration expenses	**2,342,849**	**167,420**

5. Employee expenses

	31 December 2022 $	31 December 2021 $
Employee wages and directors fees	113,423	30,067
Other employee expenses (including superannuation)	57,638	9,279
Total Employee expenses	**171,061**	**39,346**

6. Cash and cash equivalents

	31 December 2022 $	30 June 2022 $
Cash at bank and in hand	1,858,523	4,684,488
Total Cash and cash equivalents	**1,858,523**	**4,684,488**

7. Trade and other receivables

	31 December 2022 $	30 June 2022 $
Deposits	3,000	3,000
GST	104,905	69,294
Other receivables	129,426	116,950
Total Trade and other receivables	**237,331**	**189,244**

8. Exploration and evaluation expenditure

	Half-year to 31 December 2022 $	Full year to 30 June 2022 $
Opening balance	1,399,949	1,389,473
Acquisition costs during the period	-	10,476
Total Exploration & Evaluation Expenditure	**1,399,949**	**1,399,949**

9. Trade and other payables

	31 December 2022 $	30 June 2022 $
Accrued expenses	-	23,817
Other payables	17,532	17,682
Trade creditors	169,465	261,769
Total Trade and Other Payables	**186,997**	**303,268**

10. Issued capital

(a) Issued and fully paid

	31 December 2022		30 June 2022	
	$	No.	$	No.
Ordinary shares	7,626,222	52,000,000	7,626,222	52,000,000
	7,626,222	**52,000,000**	**7,626,222**	**52,000,000**

(b) Movement reconciliation

Ordinary Shares	No. of Shares	$
Opening Balance 1 July 2021	63,588,813	1,600,001
Consolidation of shares on a 1 for 3.974 basis – 30 July 2021	(47,588,813)	-
Issue of Seed Capital Shares – 15 October 2021	800,000	80,000
Issue of Seed Capital Shares – 2 November 2021	5,200,000	520,000
Issue of IPO placement shares – 14 December 2021	18,640,713	3,728,143
Issue of IPO placement shares – 31 January 2021	11,359,287	2,271,857
Share issue costs	-	(573,779)
Closing balance at 30 June 2022	**52,000,000**	**7,626,222**
Opening Balance 1 July 2022	52,000,000	7,626,222
Closing Balance at 31 December 2022	**52,000,000**	**7,626,222**

11. Reserves

(a) Equity settled share-based payments

	31 December 2022		30 June 2022	
	$	No.	$	No
Option reserve	597,748	6,500,000	597,748	6,500,000
Performance rights reserve	595,430	5,299,752	550,115	5,110,000
	1,193,178	**11,799,752**	**1,147,863**	**11,610,000**

11. Reserves (continued)

(b) Movement reconciliation

Options

	31 December 2022 No.	31 December 2022 $
Balance at the beginning of the period – 1 July 2022	6,500,000	597,748
Balance at the end of the period – 31 December 2022	**6,500,000**	**597,748**

Performance Rights

	31 December 2022 No.	31 December 2022 $
Balance at the beginning of the period – 1 July 2022	5,110,000	550,115
Granting of performance rights to employees under Company's incentive security scheme – 10 October 2022(i)	189,752	5,032
Vesting expense – performance rights granted to Board and CEO as part of remuneration package	-	40,283
Balance at the end of the period – 31 December 2022	**5,299,752**	**595,430**

(i) Refer to note 12 for further details on performance rights granted during the period.

12. Share Based Payments

Share based payments during the half year ended 31 December 2022 are summarised below.

(a) Recognised share-based payment expense

	31 December 2022 $	31 December 2021 $
Expense arriving from equity settled share-based payment transactions	45,315	539,688

(b) Securities granted during the half year

Performance Rights

Performance rights granted during the half year to 31 December 2022 as share- based payments are as follows:

Tranche	Class of Securities	Grant Date	Number of Securities	Exercise Price	Expiry Date	Disposal Restriction
A1	Employee performance rights	12 Oct-22	28,463	Nil – convert to ordinary shares on achievement of performance conditions	7 Feb-26	N/A
A2	Employee performance rights	12 Oct-22	75,900	Nil – convert to ordinary shares on achievement of performance conditions	7 Feb-26	N/A
B	Employee performance rights	12 Oct-22	28,463	Nil – convert to ordinary shares on achievement of performance conditions	7 Feb-26	N/A
C	Employee performance rights	12 Oct-22	28,463	Nil – convert to ordinary shares on achievement of performance conditions	7 Feb-26	N/A
D	Employee performance rights	12 Oct-22	28,463	Nil – convert to ordinary shares on achievement of performance conditions	7 Feb-26	N/A

12. Share Based Payments (continued)

(b) Securities granted during the half year (continued)

The performance conditions for the Performance Rights are set out below:

Tranche	Performance Milestones
A1	Continued employment with the Company until 7 February 2023
A2	Continued employment with the Company until 7 February 2024
B	Continued employment with the Company until 7 February 2023; and the Company achieving a volume weighted average price for 20 consecutive trading dates (20-day VWAP) exceeding $0.60
C	Continued employment with the Company until 7 February 2023; and the Company achieving a volume weighted average price for 20 consecutive trading dates (20-day VWAP) exceeding $0.70
D	Continued employment with the Company until 7 February 2023; and the Company achieving a volume weighted average price for 20 consecutive trading dates (20-day VWAP) exceeding $0.80

All Performance Rights are also subject to a continuous service condition.

Performance Rights were valued using a Monte Carlo Model with the following inputs with the expense recognised over the vesting period:

Tranche	Dividend Yield	Valuation Date	Expected Volatility	Risk-Free Interest Rate	Expiry	Underlying Share Price	Value per Right ($)	Total Fair Value ($)	Value Recognised 31 Dec-22 ($)
A1	Nil	12 Oct 2022	100%	3.40%	7 Feb 2026	$0.15	$0.1500	$4,269	$2,919
A2	Nil	12 Oct 2022	100%	3.40%	7 Feb 2026	$0.15	$0.1500	$11,385	$1,901
B	Nil	12 Oct 2022	100%	3.40%	7 Feb 2026	$0.15	$0.1088	$3,096	$211
C	Nil	12 Oct 2022	100%	3.40%	7 Feb 2026	$0.15	$0.1034	$2,942	$201
D	Nil	12 Oct 2022	100%	3.40%	7 Feb 2026	$0.15	$0.0985	$2,805	$191

Options
There were no options granted during the half year to 31 December 2022 as share-based payments.

13. Key Management Personnel

For the period 31 December 2022, there were no material changes to the Group's contracts and arrangements to those disclosed in the 30 June 2022 Annual Report.

Other transactions with Key Management Personnel

There have been no other transactions with Key Management Personnel other than those disclosed in note 12 and note 19.

14. Dividends

No dividends have been paid or declared since the start of the financial period, and none are recommended.

15. Commitments

There are no material commitments that the Group has entered into during the period under review other than below.

Exploration Commitments

The Group has certain obligations to expend minimum amounts on exploration in tenement areas. These are not materially different from those disclosed in the 30 June 2022 Annual Report.

Joint Venture

On 18 August 2021, Killi entered into an arrangement ('Joint Venture Arrangement') with 1315795 B.C Ltd ("Numberco"), which provides Numberco with the exclusive right and option to acquire a 38% interest in Killi's Ravenswood Project, conditional to the issue of C$850,000 worth of Numberco shares, on or before 31 December 2021. Killi later signed a variation agreement with Numberco on 18 December 2021, extending the deadline of this option to 31 March 2022.

The First Option under the Joint Venture Agreement over the Ravenswood North Project was not exercised by Numberco prior to the option expiry date and the Joint Venture Agreement has been terminated.

Killi Resources retains 100% ownership over the project and all tenements at 31 December 2022.

16. Contingent Assets and Liabilities

Deferred Consideration

On 24 August 2021, Killi signed a Further Letter Agreement with FMG Resources Pty Ltd ("FMG"). The letter was pursuant to a Letter of Agreement dated 26 March 2020 relating to the surrender of exploration licences 252/3141 and E52/3116 and FMG's subsequent application for a replacement tenement (exploration licence E52/3831).

Under the Further Letter Agreement:

- FMG will pay Iron Bull Bangemall (a subsidiary of Killi) a deferred consideration payment of $100,000 (plus GST) if FMG is the holder of the replacement tenement on a date which is 3 years after the date of grant of the replacement tenement, provided that as at such date the area the subject of the replacement tenement includes the area the subject of the exploration licences immediately before execution of the Letter of Agreement; and
- FMG will pay Iron Bull Bangemall (a subsidiary of Killi) a deferred consideration payment of $100,000 (plus GST) if FMG is the holder of the replacement tenement on the date which is 5 years after the date of grant of the replacement tenement, provided that as at such a date the area the subject of the replacement tenement includes the area the subject of the exploration licences immediately before execution of the Letter of Agreement.

In accordance with Australian Accounting Standards, due to the uncertainty in relation to the timing of this Contingent Consideration, no amounts have been recognised in the financial statements in relation to these matters.

At the date of the report no other material commitments, contingent assets or contingent liabilities exist that the Company is are aware of, other than those disclosed above.

17. Earnings/(Loss) Per Share

Basic earnings per share amounts are calculated by dividing net profit/(loss) for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

The following reflects the income and share data used in the total operations basic and diluted earnings per share computations:

Basic and diluted profit/(loss) per share	31 December 2022 $	31 December 2021 $
Basic (loss) per share (cents per share)	(5.23)	(4.98)
Diluted (loss) per share (cents per share)	(5.23)	(4.98)
Profit/(Loss)		
Profit/(loss) used in the calculation of basic and diluted earnings per share is as follows:		
Loss for the period	(2,721,606)	(805,298)
Weighted average number of ordinary shares		
Weighted average number of ordinary shares outstanding during the period used in calculating basic EPS	52,000,000	16,181,421
Weighted average number of ordinary shares outstanding during the period used in calculating diluted EPS	52,000,000	16,181,421

18. Subsidiaries

(a) Parent entities

Killi Resources Limited is the ultimate Australian parent entity.

(b) Subsidiaries

The consolidated financial statements include the financial statements of Killi Resources Limited and the subsidiaries listed in the following table.

	Country of Incorporation	% Equity Interest		Principal Activity
		31 December 2022	30 June 2022	
Access Mining Australia Pty Ltd	Australia	100	100	Operating subsidiary
Iron Bull Bangemall Ltd	Australia	100	100	Operating subsidiary
Iron Bull International Holdings Ltd	BVI	100	100	Non-Operating subsidiary

19. Related Party Transactions

Other than as presented below, there have been no other related party transactions entered into during the period other than those disclosed in note 12 and note 13.

Other Transactions with Key Management Personnel

Grange Consulting: Mr Phil Warren, a Director of the Company, is also the Managing Director of Grange Consulting Group Pty Ltd (**Grange**). $63,000 (ex. GST) was paid to Grange for financial management and company secretarial services for the period ended 31 December 2022 (31 December 2021: $45,840 (ex GST)). $Nil was outstanding and payable to Grange as at 31 December 2022 (31 December 2021: $Nil).

20. Events Subsequent to Reporting Date

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

21. Financial Instruments

The directors consider that the carrying amount of other financial assets and liabilities recognised in the consolidated financial statements approximate their fair value.

DIRECTOR'S DECLARATION

The directors of the Company declare that:

(a) The financial statements and notes are in accordance with the *Corporations Act 2001*, including:

(i) complying with the Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001* and other mandatory professional reporting requirements.

(ii) giving a true and fair view of the Group's financial position as at 31 December 2022 and the performance for the half year ended 31 December 2022.

(b) At the date of this statement there are reasonable grounds to believe that Killi Resources Limited will be able to pay its debts when they become due and payable.

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

Richard Bevan
Non-Executive Director

Perth, 15 March 2023

HLB MANN JUDD
ADVISORY AND ACCOUNTING

INDEPENDENT AUDITOR'S REVIEW REPORT
To the members of Killi Resources Limited

Report on the Condensed Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Killi Resources Limited ("the Company") which comprises the consolidated statement of financial position as at 31 December 2022, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration, for the Group comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Killi Resources Limited does not comply with the *Corporations Act 2001* including:

(a) giving a true and fair view of the Group's financial position as at 31 December 2022 and of its performance for the half-year ended on that date; and

(b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE *2410 Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's responsibilities for the review of the financial report* section of our report. We are independent of the company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Material uncertainty related to going concern

We draw attention to Note 1(a) in the financial report, which indicates that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Responsibility of the directors for the financial report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2022 and its performance for the half-year ended on that date and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

Norman Glad

N G Neill
Partner

Perth, Western Australia
15 March 2023