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2021

ANNUAL REPORT

Constellation Resources Limited
ACN 153 144 211

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Corporate Directory

Directors

Mr Ian Middlemas	Chairman
Mr Peter Woodman	Managing Director
Mr Peter Muccilli	Technical Director
Mr Robert Behets	Non-Executive Director
Mr Mark Pearce	Non-Executive Director

Company Secretary

Mr Lachlan Lynch

Registered and Principal Office

Level 9, 28 The Esplanade, Perth WA 6000

Tel: +61 8 9322 6322

Fax: +61 8 9322 6558

Auditor

William Buck Audit (WA) Pty Ltd

Solicitors

Thomson Geer

Bankers

National Australia Bank

Australia and New Zealand Banking Group Limited

Stock Exchange Listing

Australian Securities Exchange

Fully Paid Ordinary Shares (ASX Code: **CR1**)

Share Register

Automic Registry Services

Level 2, 267 St Georges Terrace

Perth WA 6000

AUSTRALIA

Tel: 1300 288 664

DIRECTORS' REPORT



The Directors of Constellation Resources Limited present their report on the Company (the "Company" or "Constellation Resources") for the year ended 30 June 2021.

DIRECTORS

The names and details of the Company's directors in office at any time during, or since the end of, the financial year are:

Current Directors

Mr Ian Middlemas	Chairman
Mr Peter Woodman	Managing Director
Mr Peter Muccilli	Technical Director (appointed 22 July 2020)
Mr Robert Behets	Non-Executive Director
Mr Mark Pearce	Non-Executive Director

Unless otherwise stated, Directors held their office from 1 July 2020 until the date of this report.

CURRENT DIRECTORS AND OFFICERS

Mr Ian Middlemas *B.Com, CA*

Chairman

Mr Middlemas is a Chartered Accountant and holds a Bachelor of Commerce degree. He worked for a large international Chartered Accounting firm before joining the Normandy Mining Group where he was a senior group executive for approximately 10 years. He has had extensive corporate and management experience, and is currently a director with a number of publicly listed companies in the resources sector.

Mr Middlemas was appointed a Director of the Company on 17 November 2017. During the three year period to the end of the financial year, Mr Middlemas has held directorships in Apollo Minerals Limited (July 2016 – present), Paringa Resources Limited (October 2013 – present), Berkeley Energia Limited (April 2012 – present), Prairie Mining Limited (August 2011 – present), Salt Lake Potash Limited (January 2010 – present), Equatorial Resources Limited (November 2009 – present), Peregrine Gold Limited (September 2020 – present), Sovereign Metals Limited (July 2006 – present), Odyssey Gold Limited (September 2005 – present), Piedmont Lithium Limited (September 2009 – December 2020) and Cradle Resources Limited (May 2016 – July 2019).

Mr Peter Woodman *B.Sc. (Geology), MAusIMM*

Managing Director

Mr Woodman is a geologist with over 25 years' experience in exploration, development and operations in the resource sector. He is a graduate of the Australian National University and is a corporate member of the Australian Institute of Mining and Metallurgy. Mr Woodman has worked for a number of mining companies during his extensive career in the resources sector and has been influential in major project acquisition and discovery. He has a strong background in management, exploration planning and execution, resource development and mining operations both in Australia and overseas.

Mr Woodman most recently held the position of Chief Geologist at Regis Resources Limited where he oversaw exploration and resource development activities for its WA and NSW Projects. Prior to his role with Regis Resources Limited, he held positions with Papillon Resources Limited, Sovereign Metals Limited, WCP Resources Limited (now named Piedmont Lithium Limited), Samantha Gold NL, Ranger Minerals NL, Hellman & Schofield Pty Ltd, Centamin Egypt Limited and Kingsgate Consolidated Limited.

Mr Woodman was appointed as Managing Director of the Company on 9 April 2018. During the three year period to the end of the financial year, Mr Woodman has held directorships in Peregrine Gold Limited (September 2020 – present).

Mr Peter Muccilli *B.Sc. (Geology), MAusIMM*
Technical Director

Mr Muccilli is a Geologist with over 28 years of extensive exploration, development and operational experience in the resources sector, particularly nickel, gold, zinc and lead. Mr Muccilli was the former Managing Director and Chief Executive Officer for Mincor Resources NL ("Mincor"). During his 14 years at Mincor, Mr Muccilli also held the role of Kambalda Exploration Manager where he led the team that was responsible for much of Mincor's nickel exploration success, including the high-grade greenfield Cassini discovery.

Mr Muccilli has also previously worked for Samantha Gold NL and Resolute Mining Ltd with experience in mine geology, exploration and resource estimation. He has worked at various gold and base metals projects across Australia including being the Commissioning Mine Geologist at a number of operations including the Chalice Gold mine and the Pillara Lead-Zinc mine.

Mr Muccilli was appointed as Technical Director of the Company on 22 July 2020. During the three year period to the end of the financial year, Mr Muccilli has held directorships in Poseidon Nickel Limited (August 2020 – present).

Mr Robert Behets *B.Sc(Hons), FAusIMM, MAIG*
Non-Executive Director

Mr Behets is a geologist with 30 years' experience in the mineral exploration and mining industry in Australia and internationally. He has had extensive corporate and management experience and has been Director of a number of ASX-listed companies in the resources sector including Mantra Resources Limited ("Mantra"), Papillon Resources Limited and Berkeley Energia Limited. Mr Behets was instrumental in the founding, growth and development of Mantra, an African-focussed uranium company, through to its acquisition by ARMZ for approximately A\$1 billion in 2011. Prior to Mantra, he held various senior management positions during a long career with WMC Resources Limited.

Mr Behets has a strong combination of technical, commercial and managerial skills and extensive experience in exploration, mineral resource and ore reserve estimation, feasibility studies and operations across a range of commodities, including uranium, gold and base metals. He is a Fellow of The Australasian Institute of Mining and Metallurgy, a Member of the Australian Institute of Geoscientists and was previously a member of the Australasian Joint Ore Reserve Committee ("JORC").

Mr Behets was appointed a Director of the Company on 30 June 2017. During the three year period to the end of the financial year, Mr Behets has held directorships in Apollo Minerals Limited (October 2016 – present), Equatorial Resources Limited (February 2016 – present), Berkeley Energia Limited (April 2012 - present) and Odyssey Gold Limited (August 2020 – present).

Mr Mark Pearce *B.Bus, CA, FCIS, FFin*
Non-Executive Director

Mr Pearce is a Chartered Accountant and is currently a director of several listed companies that operate in the resources sector. He has had considerable experience in the formation and development of listed resource companies and has worked for several large international Chartered Accounting firms. Mr Pearce is also a Fellow of the Governance Institute of Australia and a Fellow of the Financial Services Institute of Australasia.

Mr Pearce was appointed a Director of the Company on 29 July 2016. During the three year period to the end of the financial year, Mr Pearce has held directorships in Prairie Mining Limited (August 2011 – present), Equatorial Resources Limited (November 2009 – present), Sovereign Metals Limited (July 2006 – present), Peregrine Gold Limited (September 2020 – present), Apollo Minerals Limited (July 2016 – February 2021), Salt Lake Potash Limited (August 2014 – October 2020), Odyssey Gold Limited (September 2005 – August 2020) and Piedmont Lithium Limited (September 2009 – August 2018).

Mr Lachlan Lynch *B.Com, CA, AGIA*
Company Secretary

Mr Lynch is a Chartered Accountant who commenced his career at a large international Chartered Accounting firm and is currently a Financial Controller for the Apollo Group which is involved in a number of listed companies that operate in the resources sector. Mr Lynch was appointed as Company Secretary of Constellation Resources Limited on 24 October 2018.

PRINCIPAL ACTIVITIES

The principal activity of the Company during the year consisted of the exploration for minerals, including the Orpheus Project.

OPERATING AND FINANCIAL REVIEW

Operations

Orpheus Project – Fraser Range

The Company is the majority owner and manages the Orpheus Project (Figure 1), comprising six tenements covering approximately 558km² in the Fraser Range province of Western Australia. In the Fraser Range, certain Proterozoic mafic/ultramafic intrusion suites are prospective to host nickel-copper sulphide mineralisation. The region is currently experiencing high levels of exploration activity for nickel following the Nova, Silver Knight, Mawson and Lantern discoveries.

The Orpheus Project includes a 70% interest in three mineral exploration licences (E28/2403, E63/1281 and E63/1282) and one mineral exploration licence application (E63/1695). The granted exploration licences form part of a joint venture between the Company (70%) and Enterprise Metals Limited ("Enterprise") (30%, ASX: ENT). Pursuant to the joint venture agreement, the Company is responsible for sole funding all joint venture activities on the tenements, which form part of the joint venture, up to completion of a bankable feasibility study.

Additionally, the Company has further 100% interests in two exploration licences (E28/2738 and E28/2957).

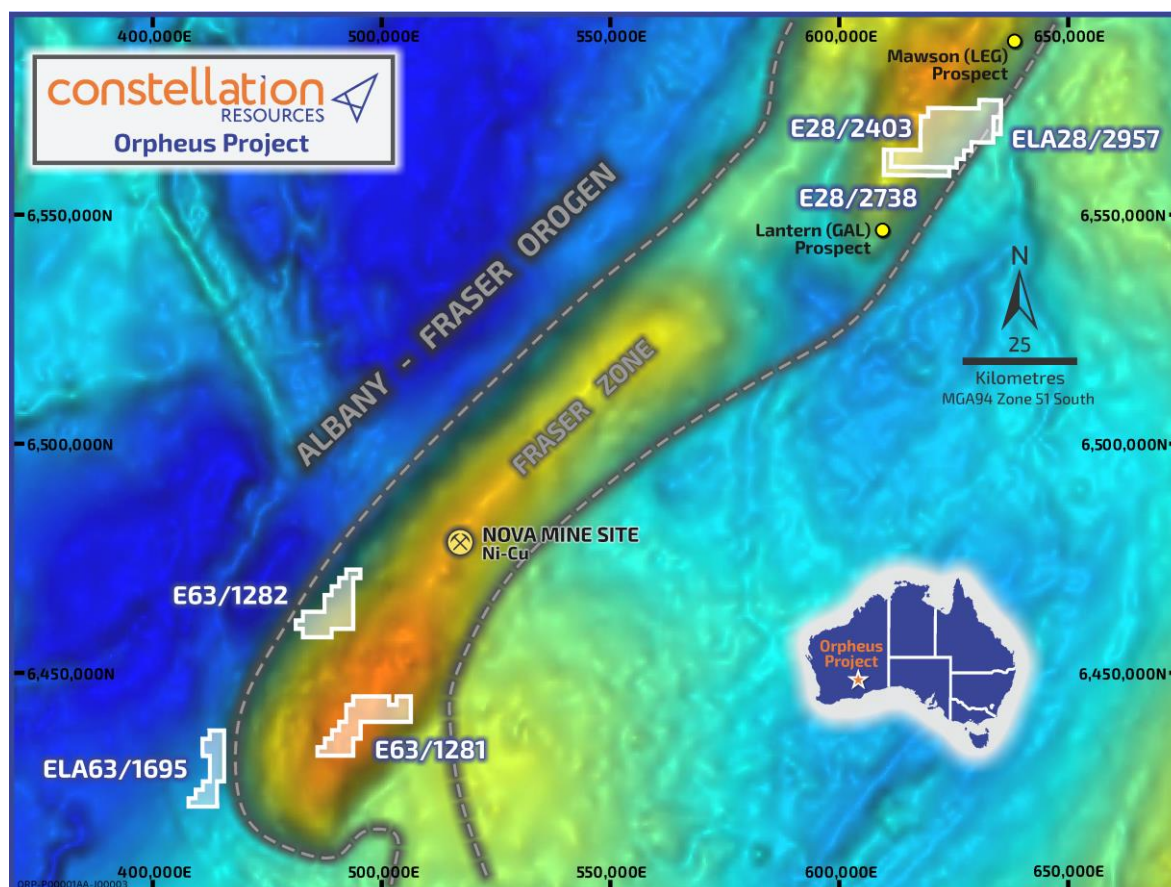


Figure 1: Tenement Plan – Orpheus Project

OPERATING AND FINANCIAL REVIEW (Continued)

Highlights during and subsequent to the end of the financial year include:

- Air-Core ("AC") drilling results to date have defined a highly prospective Ni-Cu-Co-PGE geochemical target that is interpreted to be **over three kilometres in strike and up to 400 metres wide** – named the "Eyre Anomaly". There is strong evidence for magmatic nickel sulphides as being the source of the Eyre Anomaly which supports the prospectivity of the other established Ni-Cu-Co-PGE anomalies as a pathfinder to nickel sulphides in the basement intrusive.
- Completion of a number of AC drilling programs, totalling 173 drill holes for circa 20,500 metres over tenement E28/2403.
- Based on Eyre Anomaly assay results, the Company intends to accelerate its nickel sulphide drilling effort to include follow-up AC drilling in the September quarter, followed by an anticipated diamond drilling program.

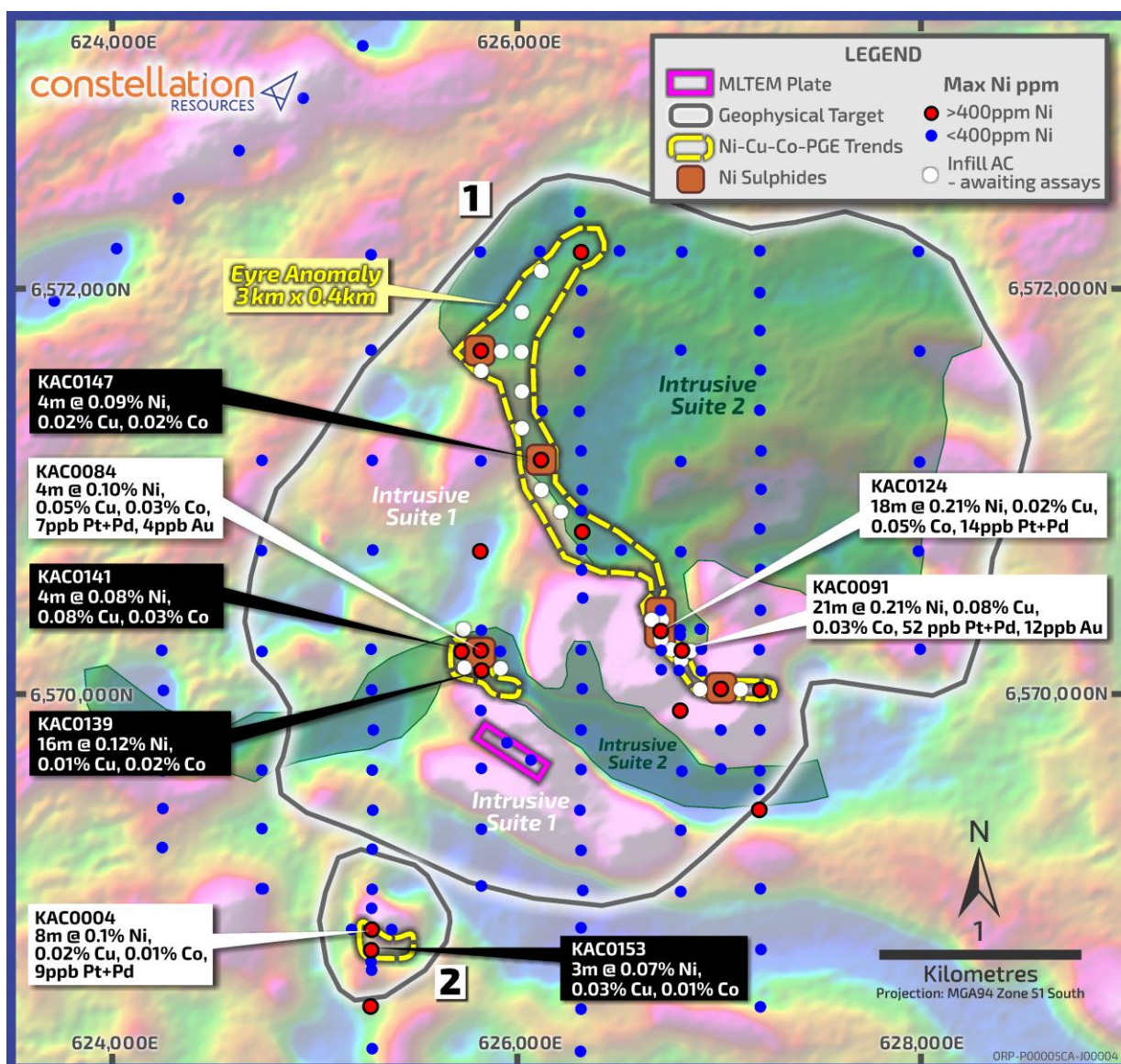


Figure 2: AC drill results including Eyre Anomaly, geochemical footprints, MLTEM anomaly over aeromagnetics.

Eyre Anomaly Aircore Drilling Programs

During and subsequent to the financial year, the Company completed a number of AC drilling programs, 173 drill holes for circa 20,500 metres across the tenement, resulting in the definition of the Eyre Anomaly. The Eyre Anomaly is a highly prospective Ni-Cu-Co-PGE geochemical target interpreted to be over three kilometres in strike and up to 400 metres wide (Figure 2). Strong evidence indicates magmatic nickel sulphides being the source of the Eyre Anomaly with optical petrological analysis confirming trace levels of magmatic nickel-copper sulphides in multiple holes in a fertile mafic intrusion.

The southern Eyre Anomaly has returned promising reconnaissance spaced intersections to date that include:

- **KAC0091: 21m @ 0.21% Ni, 0.08% Cu, 0.03% Co, 52 ppb (Pt+Pd), 12ppb Au;**
- **KAC0124: 18m @ 0.21% Ni, 0.02% Cu and 0.05% Co, 14 ppb (Pt+Pd), 2ppb Au; and**
- **KAC0147: 4m @ 0.09% Ni, 0.02% Cu and 0.02% Co (Au-PGE assays pending).**

A number of holes were completed to infill the southern Eyre Anomaly area to a notional 50 metre spacing. The tighter drill densities have proved to be highly effective in demonstrating the continuity of both fertile peridotite/olivine gabbrohost rock, and potentially its associated Ni-Cu-Co-PGE geochemical dispersion. The Northern Eyre Anomaly infill drilling was completed to 100 metre centres. Well-developed regolith profiles were formed over the basement units. The pending assay results from the Company's July program will guide the next steps in the area.

New Emerging Ni-Cu-Co Target

Broad geochemical dispersion in regolith around drill hole KAC0084 (**4m @ 0.10% Ni, 0.05% Cu, 0.03% Co, 7ppb (Pt+Pd), 4ppb Au**) was recently returned from the first suite of assays submitted from the March 2021 drilling program (Au-PGE results are still pending). Key results include:

- **KAC0139: 16m @ 0.12% Ni, 0.01% Cu and 0.02% Co; and**
- **KAC0141: 4m @ 0.08% Ni, 0.08% Cu and 0.03% Co.**

The assay and petrology results from the AC program over this emerging target has displayed promising host rocks and pathfinder geochemistry patterns whilst acknowledging the early stage of evaluation for this emerging target area.

Petrological Samples

Optical petrological analysis from selected samples from the Company's AC drilling programs were submitted for optical petrological analysis. The results from samples located within the southern, middle and northern sections of the Eyre Anomaly, continues to demonstrate the presence of trace levels of magmatic Ni-Cu sulphides hosted in olivine gabbrohost intrusive unit (Figure 2 and 3).

Combined, the magmatic Ni-Cu sulphide occurrences have now been identified over a two kilometre strike length. The Ni-Cu sulphide occurrences in addition with the associated pathfinder (Ni-Cu-Co-PGE) regolith anomaly, both track along the base of an interpreted large, and highly prospective fertile olivine bearing intrusion suite.

The link between nickel sulphides with associated pathfinder geochemistry is considered highly promising. The results underscore the nickel sulphide fertility of the intrusions and its prospectivity to potentially host an economically viable deposit in the tenement area.

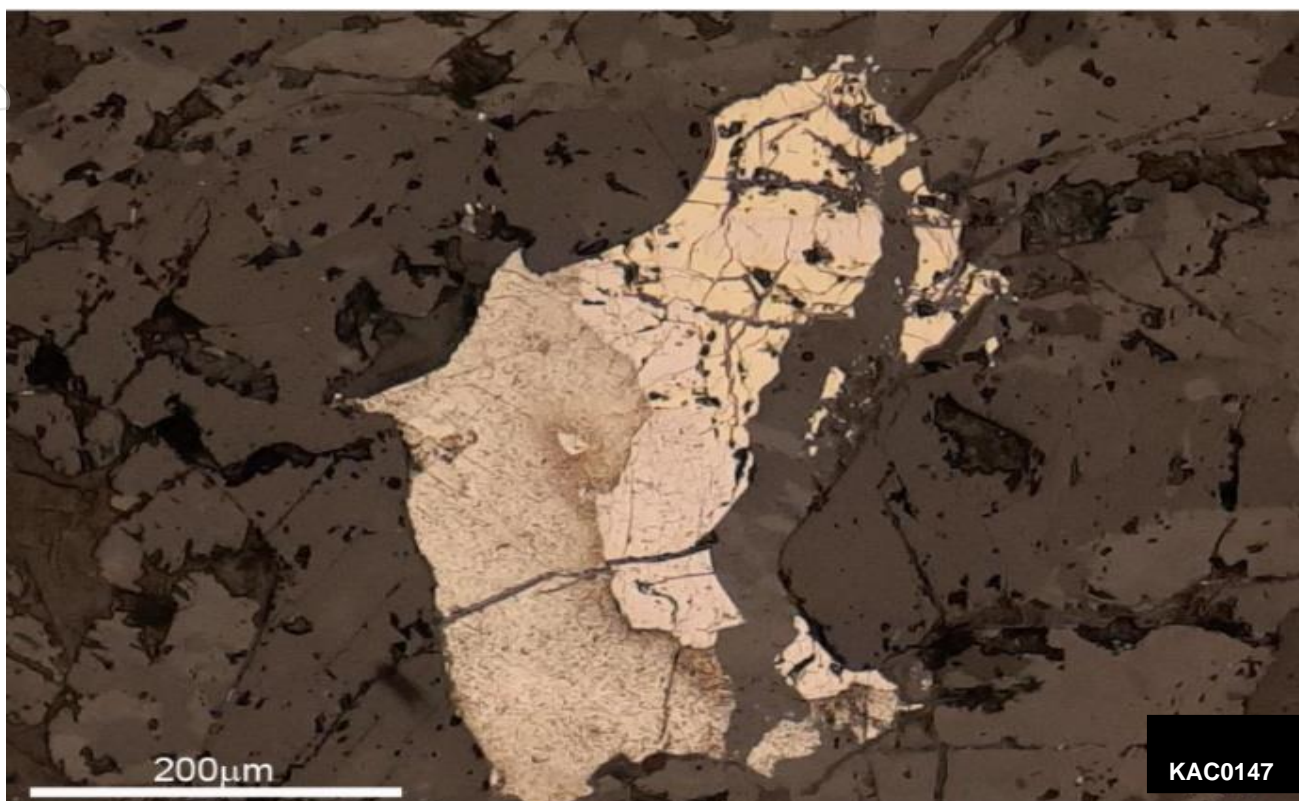


Figure 3: Magmatic sulphide occurrences in KAC0147 comprising of pyrite, violarite (after pentlandite – Ni sulphide) and chalcopyrite, Cu Sulphide) in an olivine gabbrohost.

Corporate

On 20 July 2020, the Company announced the appointment of Mr Peter Muccilli as a Technical Director of the Company.

During and subsequent to the end financial year, the Company raised \$2.94 million through the exercise of options.

Business Development

Several opportunities have been reviewed during the financial year, and the Company will continue in its efforts to identify and acquire suitable new business opportunities in the resources sector, both domestically and overseas. However, no agreements have been reached or licences granted and the Directors are not able to assess the likelihood or timing of a successful acquisition or grant of any opportunities.

Results of Operations

The net loss of the Company for the year ended 30 June 2021 was \$1,681,070 (2020: \$1,446,827). This loss is predominately comprised of exploration and evaluation expenditure and is attributable to the Company's accounting policy of expensing exploration and evaluation expenditure (other than expenditures incurred in the acquisition of the rights to explore) incurred by the Company. In the current financial year, the net loss also includes share based payments expenses totalling \$124,138 (2020: \$17,068) relating to incentive options. The fair value of the incentive options is recognised over the vesting period of the option.

Financial Position

As at 30 June 2021, the Company had a net current asset surplus of \$2,765,807 (2020: \$4,101,122). At 30 June 2021, the Company had cash reserves of \$2,937,105 (2020: \$4,313,710) and borrowings of nil (2020: \$nil). At 30 June 2021, the Company had net assets of \$3,121,137 (2020: \$4,451,585). Subsequent to 30 June 2021, the Company raised \$2,709,581 from the exercise of 13,547,906 \$0.20 options.

Business Strategies and Prospects for Future Financial Years

The objective of the Company is to create long-term shareholder value through the discovery, development and acquisition of technically and economically viable mineral deposits. To date, the Company has not commenced production of any minerals, nor has it identified a Mineral Resource in accordance with the JORC Code. To achieve its objective, the Company currently intends over the medium term to conduct further exploration activities including field work to follow up targets identified at the Orpheus Project. These activities are inherently risky and the Board is unable to provide certainty of the expected results of these activities, or that any or all of these likely developments will be achieved. The material business risks faced by the Company that could have an effect on the Company's future prospects, and how the Company manages these risks include:

- **The Company's exploration programmes may not identify an economic deposit** - The Orpheus Project is at an early stage of exploration and current/potential investors should understand that mineral exploration, development and mining are high-risk enterprises, only occasionally providing high rewards. The success of the Company depends, among other things, on successful exploration and/or acquisition of reserves, securing and maintaining title to tenements and consents, successful design, construction, commissioning and operating of mining and processing facilities, successful development and production in accordance with forecasts and successful management of the operations. Exploration and mining activities may also be hampered by force majeure circumstances, land claims and unforeseen mining problems. There is no assurance that exploration and development of the mineral interests owned by the Company, or any other projects that may be acquired in the future, will result in the discovery of mineral deposits which are capable of being exploited economically. Even if an apparently viable deposit is identified, there is no guarantee that it can be profitably exploited. If such commercial viability is never attained, the Company may seek to transfer its property interests or otherwise realise value, or the Company may even be required to abandon its business and fail as a "going concern";
- **The Company's operations may be adversely affected by the COVID-19 pandemic** – The global economic outlook is facing uncertainty due to the current COVID-19 pandemic, which has been having, and will likely continue to have, a significant impact on global capital markets, commodity prices and foreign exchange. To date, the COVID-19 pandemic has not had any material impact on the Company's operations, however, any infections occurring on site at the Company's projects could result in the Company's operations being suspended and otherwise disrupted for an unknown period of time, which may have an adverse impact on the Company's operations as well as adverse implications on the Company's future cash flows, profitability and financial condition. Supply chain disruptions resulting from the COVID-19 pandemic and measures implemented by governmental authorities around the world to limit the transmission of the virus (such as travel bans and quarantining) may, in addition to the general level of economic uncertainty caused by the COVID-19 pandemic, also adversely impact the Company's operations, financial position and prospects. Governmental or industry measures taken in response to COVID-19 may materially adversely impact the Company's operations and are likely to be beyond the control of the Company. To date, the measures imposed by Government or industry, including the restrictions in place as at the date of this report, have not had a material adverse impact on the Company's operations. However, future measures imposed by Government or industry may affect the Company's ability to freely move people and equipment to and from exploration projects, which may cause delays or cost increases;
- **The Company's exploration activities being delayed due to lack of available equipment and services** - The exploration activities of the Company requires the involvement of a number of third parties, including drilling contractors, assay laboratories, consultants, other contractors and suppliers. Demand for drilling equipment and exploration related services in Western Australia is currently very high and has resulted in higher exploration costs, delays in completing the Company's exploration activities, and delays in the assessment and reporting of the results. Should there continue to be high demand for exploration equipment and related services, there may be further delays in undertaking exploration activities, which may result in increased exploration costs and/or increased working capital requirements for the Company and may have a material impact on the Company's operations and performance;
- **The Company's operations will require further capital** – the exploration and any development of the Company's exploration properties will require substantial additional financing. Failure to obtain sufficient financing may result in delaying, or the indefinite postponement of, exploration and any development of the Company's properties or even a loss of property interest. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financing will be favourable to the Company;
- **The Company may be adversely affected by fluctuations in commodity prices** – the price of commodities fluctuate widely and are affected by numerous factors beyond the control of the Company. Future production, if any, from the Company's mineral properties will be dependent upon the price of commodities being adequate to make these properties economic. The Company currently does not engage in any hedging or derivative transactions to manage commodity price risk. As the Company's operations change, this policy will be reviewed periodically going forward; and
- **Global financial conditions may adversely affect the Company's growth and profitability** – many industries, including the mineral resource industry, are impacted by these market conditions. Some of the key impacts include contraction in credit markets resulting in a widening of credit risk, devaluations and high volatility in global equity, commodity, foreign exchange and precious metal markets, and a lack of market liquidity. Due to the current nature of the Company's activities, a slowdown in the financial markets or other economic conditions may adversely affect the Company's growth and ability to finance its activities.

Dividends

No dividends were paid or declared since the start of the financial year. No recommendation for payment of dividends has been made.

EARNINGS PER SHARE

	2021 \$	2020 \$
Basic and diluted loss per share (\$ per share)	(0.05)	(0.04)

ENVIRONMENTAL REGULATION AND PERFORMANCE

The Company's operations are subject to various environmental laws and regulations under the relevant government's legislation. Full compliance with these laws and regulations is regarded as a minimum standard for all operations to achieve.

Instances of environmental non-compliance by an operation are identified either by external compliance audits or inspections by relevant government authorities. There have been no known breaches of environmental laws and regulations by the Company during the financial year.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There were no significant changes in the state of affairs of the Company during the year ended 30 June 2021 not otherwise disclosed.

SIGNIFICANT EVENTS AFTER THE REPORTING DATE

As at the date of this report, other than previously stated, there are no other matters or circumstances which have arisen since 30 June 2021 that have significantly affected or may significantly affect:

- the operations, in financial years subsequent to 30 June 2021, of the Company;
- the results of those operations, in financial years subsequent to 30 June 2021, of the Company; or
- the state of affairs, in financial years subsequent to 30 June 2021, of the Company.

SHARE OPTIONS

At the date of this report the following options have been issued over unissued Ordinary Shares of the Company:

- 300,000 Unlisted Options exercisable at \$0.30 each on or before 9 October 2021;
- 400,000 Unlisted Options exercisable at \$0.40 each on or before 9 April 2022;
- 433,333 Unlisted Options exercisable at \$0.40 each on or before 30 June 2023;
- 433,333 Unlisted Options exercisable at \$0.50 each on or before 30 June 2023; and
- 433,334 Unlisted Options exercisable at \$0.60 each on or before 30 June 2023.

During the year ended 30 June 2021, 1,057,420 ordinary shares were issued as a result of the exercise of options. Subsequent to year end and until the date of this report, 13,547,906 ordinary shares have been issued as a result of the exercise of options.

REMUNERATION REPORT - AUDITED

This Remuneration Report, which forms part of the Directors' Report, sets out information about the remuneration of Key Management Personnel ("KMP") of the Company.

Details of Key Management Personnel

The KMP of the Company during or since the end of the financial year were as follows:

Directors

Mr Ian Middlemas	Chairman
Mr Peter Woodman	Managing Director
Mr Peter Muccilli	Technical Director (appointed 22 July 2020)
Mr Robert Behets	Non-Executive Director
Mr Mark Pearce	Non-Executive Director

Other KMP

Mr Lachlan Lynch	Company Secretary
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Unless otherwise disclosed, the KMP held their position from 1 July 2020 until the date of this report.

Remuneration Policy

The Company's remuneration policy for its KMP has been developed by the Board taking into account the size of the Company, the size of the management team for the Company, the nature and stage of development of the Company's current operations, and market conditions and comparable salary levels for companies of a similar size and operating in similar sectors. In addition to considering the above general factors, the Board has also placed emphasis on the following specific issues in determining the remuneration policy for KMP:

- (a) the Company is currently focussed on undertaking exploration, appraisal and development activities;
- (b) risks associated with small cap resource companies whilst exploring and developing projects; and
- (c) other than profit which may be generated from asset sales, the Company does not expect to be undertaking profitable operations until sometime after the commencement of commercial production of the project.

Remuneration Policy for Executives

The Company's remuneration policy is to provide a fixed remuneration component and a performance based component (short term incentive and long term incentive). The Board believes that this remuneration policy is appropriate given the considerations discussed in the section above and is appropriate in aligning executives' objectives with shareholder and business objectives.

Fixed Remuneration

Fixed remuneration consists of base salary, as well as employer contributions to superannuation funds and other non-cash benefits. Fixed remuneration is reviewed annually by the Board. The process consists of a review of Company and individual performance, relevant comparative remuneration externally and internally and, where appropriate, external advice on policies and practices.

Performance Based Remuneration – Short Term Incentive

Some executives are entitled to an annual cash incentive payment upon achieving various key performance indicators ("KPI's"), as set by the Board. Having regard to the current size, nature and opportunities of the Company, the Board has determined that these KPI's will include measures such as successful commencement and/or completion of exploration activities (e.g. commencement/completion of exploration programs within budgeted timeframes and costs), establishment of government relationships (e.g. establish and maintain sound working relationships with government and officialdom), development activities (e.g. completion of infrastructure studies and commercial agreements), corporate activities (e.g. recruitment of key personnel and representation of the company at international conferences) and business development activities (e.g. corporate transactions and capital raisings).

These measures were chosen as the Board believes they represent the key drivers in the short and medium term success of the Project's development. On an annual basis, subsequent to year end, the Board assesses performance against each individual executive's KPI criteria. During the 2021 financial year, \$90,000 of bonuses (2020: nil) were approved, paid, or are payable.

Performance Based Remuneration – Long Term Incentive

The Board has or may issue incentive securities to some executives (if applicable) as a key component of the incentive portion of their remuneration, in order to attract and retain the services of any executives and to provide an incentive linked to the performance of the Company. The Board considers that for each executive who has or may receive securities in the future, their experience in the resources industry will greatly assist the Company in progressing its projects to the next stage of development and the identification of new projects. As such, the Board believes that the number of incentive securities to be granted to any executives will be commensurate to their value to the Company.

The Board has a policy of granting incentive securities to executives (if applicable) with exercise prices at and/or above market share price (at the time of agreement). As such, incentive securities granted to executives will generally only be of benefit if the executives perform to the level whereby the value of the Company increases sufficiently to warrant exercising the incentive securities granted.

Other than service-based vesting conditions, there are not expected to be additional performance criteria if incentive securities are granted to executives, as given the speculative nature of the Company's activities and the small management team responsible for its running, it is considered the performance of the executives and the performance and value of the Company are closely related. If other forms of incentive securities are issued, then performance milestones may be applied. The Company's Securities Trading Policy prohibits KMP from entering into arrangements to limit their exposure to Incentive Securities granted as part of their remuneration package.

During the year ended 30 June 2021, 1,050,000 unlisted incentive options were issued to KMP (30 June 2020: nil). During the year ended 30 June 2021, 300,000 shares were issued to KMP upon the exercise of unlisted incentive options (30 June 2020: nil).

Remuneration Policy for Non-Executive Directors

The Board policy is to remunerate Non-Executive Directors at or below market rates for comparable companies for time, commitment and responsibilities. Given the current size, nature and risks of the Company, incentive securities may be used to attract and retain Non-Executive Directors. The Board determines payments to the Non-Executive Directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required.

The maximum aggregate amount of fees that can be paid to Non-Executive Directors is subject to approval by shareholders at a General Meeting. Total Directors' fees paid to all Non-Executive Directors are not to exceed \$250,000 per annum. Director's fees paid to Non-Executive Directors accrue on a daily basis. Fees for Non-Executive Directors are not linked to the performance of the entity. However, to align Directors' interests with shareholder interests, the Directors are encouraged to hold shares in the Company and Non-Executive Directors may in limited circumstances receive incentive securities in order to secure their services.

Fees for the Chairman are presently \$36,000 and fees for other Non-Executive Directors are \$20,000 per annum plus superannuation. These fees cover main board activities only. Non-Executive Directors may receive additional remuneration for other services provided to the Company.

Relationship between Remuneration of KMP and Shareholder Wealth

During the Company's project identification, acquisition, exploration and development phases of its business, the Board anticipates that the Company will retain earnings (if any) and other cash resources for the exploration and development of its resource projects. Accordingly the Company does not currently have a policy with respect to the payment of dividends and returns of capital. Therefore there is no relationship between the Board's policy for determining the nature and amount of remuneration of KMP and dividends paid and returns of capital by the Company during the current and previous financial years.

The Board did not determine the nature and amount of remuneration of the KMP by reference to changes in the price at which shares in the Company traded between the beginning and end of the current financial year. Discretionary annual cash bonuses, when applicable, will be based on achieving various non-financial key performance indicators to be determined by the Board. However, as noted above, KMP's may receive Incentive Securities which generally will only be of value should the value of the Company's shares increase sufficiently to warrant exercising the Incentive Securities.

Relationship between Remuneration of KMP and Earnings

As discussed above, the Company is currently undertaking new project acquisition, exploration and development activities, and does not expect to be undertaking profitable operations (other than by way of material asset sales, none of which are currently planned) until sometime after the successful commercialisation, production and sales of commodities from one or more of its projects. Accordingly the Board does not consider earnings during the current and previous financial years when determining the nature and amount of remuneration of KMP.

In addition to a focus on operating activities, the Board is also focussed on finding and completing new business and other corporate opportunities. The Board considers that the prospects of the Company and resulting impact on shareholder wealth will be enhanced by this approach. Accordingly, a bonus may be paid upon the successful completion of a new business or corporate transaction. Bonuses of \$90,000 were declared and paid to KMP in the current financial year (2020: \$nil).

Where required, KMP receive superannuation contributions, currently equal to 9.5% of their salary, and do not receive any other retirement benefit. This amount will be increased to 10% beginning 1 July 2021.

All remuneration provided to KMP is valued at cost to the company and expensed. Incentive securities are valued using the Black Scholes option or Binomial valuation methodology as appropriate. The value of these incentive securities is expensed over the vesting period.

Employment Contracts with Key Management Personnel

Mr Peter Woodman, Managing Director, has a letter of appointment confirming the terms and conditions of his appointment as Managing Director dated 9 April 2018. Mr Woodman receives a salary of \$240,000 per annum plus superannuation. Mr Woodman's appointment is on a rolling annual basis and can be terminated by the Company by giving notice no less than 3 months prior to the end of each annual period. In the event of termination by the Company, Mr Woodman is entitled to receive his salary and benefits for a maximum period of 3 months. Subject to the satisfaction of key performance indicators set by the Board, Mr Woodman will be entitled to a discretionary performance cash bonus of up to \$60,000 per annum. Given the current nature, size and opportunities of the Company, these key performance indicators may include measures such as successful completion of exploration activities (i.e. within budgeted timeframes and costs), development activities (such as completion of technical assessments and technical studies), corporate activities and business development activities.

Mr Peter Muccilli, Technical Director, has a letter of appointment confirming the terms and conditions of his appointment as Technical Director dated 18 July 2020. Mr Muccilli receives a salary of \$180,000 per annum plus superannuation which was increased to \$225,000 per annum plus superannuation effective 1 July 2021. Mr Muccilli's appointment is on a rolling annual basis and can be terminated by the Company by giving notice no less than 3 months prior to the end of each annual period. In the event of termination by the Company, Mr Muccilli is entitled to receive his salary and benefits for a maximum period of 3 months. Subject to the satisfaction of key performance indicators set by the Board, Mr Muccilli will be entitled to a discretionary performance cash bonus of up to \$45,000 per annum. Given the current nature, size and opportunities of the Company, these key performance indicators may include measures such as successful completion of exploration activities (i.e. within budgeted timeframes and costs), development activities (such as completion of technical assessments and technical studies), corporate activities and business development activities.

All Directors have a letter of appointment confirming the terms and conditions of their appointment as Director of the Company.

REMUNERATION REPORT – AUDITED (CONTINUED)

Remuneration of Key Management Personnel

Details of the nature and amount of each element of the remuneration of each director and KMP of the Company for the years ended 30 June 2021 and 30 June 2020 are as follows:

2021	Short-term		Post-employment	Share based Payments	Total	Performance Related
	Salary & Fees	Other	Super-annuation benefits	Value of Unlisted Securities		
	\$	\$	\$	\$	\$	%
Directors						
Mr Ian Middlemas	36,000	-	-	-	36,000	-
Mr Peter Woodman	240,000	45,000 ²	22,800	-	307,800	15
Mr Peter Muccilli ¹	170,538	45,000 ²	16,201	68,280	300,019	38
Mr Robert Behets	20,000	-	1,900	-	21,900	-
Mr Mark Pearce	20,000	-	1,900	-	21,900	-
Other KMP						
Mr Lachlan Lynch ³	-	-	-	33,039	33,039	100
Total	486,538	90,000	42,801	101,319	720,658	

2020	Short-term		Post-employment	Share based Payments	Total	Performance Related
	Salary & Fees	Other	Super-annuation benefits	Value of Unlisted Securities		
	\$	\$	\$	\$	\$	%
Directors						
Mr Ian Middlemas	36,000	-	-	-	36,000	-
Mr Peter Woodman	240,000	-	22,800	17,068	279,868	6
Mr Robert Behets	20,000	-	1,900	-	21,900	-
Mr Mark Pearce	20,000	-	1,900	-	21,900	-
Other KMP						
Mr Lachlan Lynch ³	-	-	-	-	-	-
Total	316,000	-	26,600	17,068	359,668	

Notes:

1. Appointed 22 July 2020.
2. Represents 75% and 100% of total discretionary bonus for Mr Woodman and Mr Muccilli respectively.
3. Mr Lynch provides services as the Company Secretary through a services agreement with Apollo Group Pty Ltd ('Apollo'). Apollo is paid A\$180,000 per annum for the provision of serviced office facilities and administrative, accounting and company secretarial services to the Company. Mr Lynch was appointed. Due to the impact of COVID-19, the fees paid to Apollo were reduced to A\$150,000 for the financial year ended 30 June 2021 (30 June 2020: \$165,000).

Ordinary Shareholdings of Key Management Personnel

Details of the ordinary shares held by each director and KMP of the Company for the year ended 30 June 2021 are as follows:

2021	Held at 1 July 2020 (#)	Granted as Remuneration (#)	Purchases (#)	Net Change Other (#)	Held at 30 June 2021 (#)
Directors					
Mr Ian Middlemas	2,400,000	-	-	-	2,400,000
Mr Peter Woodman	500,000	-	300,000	-	800,000
Mr Peter Muccilli	- ¹	-	-	-	-
Mr Robert Behets	600,000	-	-	-	600,000
Mr Mark Pearce	1,000,000	-	-	-	1,000,000
Other KMP					
Mr Lachlan Lynch	25,000	-	-	-	25,000
Total	4,525,000	-	300,000	-	4,825,000

Notes:

1. As at date of appointment.

Listed Option Holdings of Key Management Personnel

Details of the listed options held by each director and KMP of the Company for the year ended 30 June 2021 are as follows:

2021	Held at 1 July 2020 (#)	Granted as Remuneration (#)	Purchases (#)	Net Change Other (#)	Held at 30 June 2021 (#)
Directors					
Mr Ian Middlemas	800,000	-	-	-	800,000
Mr Peter Woodman	166,666	-	-	-	166,666
Mr Peter Muccilli	- ¹	-	-	-	-
Mr Robert Behets	199,999	-	-	-	199,999
Mr Mark Pearce	333,331	-	-	-	333,331
Other KMP					
Mr Lachlan Lynch	8,333	-	-	-	8,333
Total	1,508,329	-	-	-	1,508,329

Notes:

1. As at date of appointment.

REMUNERATION REPORT – AUDITED (CONTINUED)

Unlisted Option Holdings and Incentive Securities of Key Management Personnel

Details of the relevant incentive securities granted to or held by each director and KMP of the Company for the year ended 30 June 2021 are as follows:

2021	Held at 1 July 2020 (#)	Granted as Remuneration (#)	Options exercised (#)	Options forfeited (#)	Net Change Other (#)	Held at 30 June 2021 (#)	Vested and exercisable (#)
Directors							
Mr Ian Middlemas	-	-	-	-	-	-	-
Mr Peter Woodman	1,000,000	-	(300,000)	-	-	700,000	700,000
Mr Peter Muccilli	- ¹	750,000	-	-	-	750,000	250,000
Mr Robert Behets	-	-	-	-	-	-	-
Mr Mark Pearce	-	-	-	-	-	-	-
Other KMP							
Mr Lachlan Lynch ¹	-	300,000	-	-	-	300,000	300,000
	1,000,000	1,050,000	(300,000)	-	-	1,750,000	1,250,000

Notes:

1. As at date of appointment.

Options Granted to Key Management Personnel

Details of Incentive Options granted by the Company to each KMP previously are as follows:

2021	Options Granted	Grant Date	Vesting Date	Expiry Date	Exercise Price \$	Grant Date Fair Value \$	No. Vested as at 30 June 2021	% vested in year	% forfeited in year
Director									
Mr Peter Woodman	300,000	09/04/2018	09/10/2019	09/10/2021	\$0.30	\$0.1126	300,000	100%	-
	400,000	09/04/2018	09/04/2020	09/04/2022	\$0.40	\$0.1098	400,000	100%	-
Mr Peter Muccilli	250,000	22/07/2020	22/07/2020	30/06/2023	\$0.40	\$0.1250	250,000	100%	-
	250,000	22/07/2020	22/07/2021	30/06/2023	\$0.50	\$0.1092	-	-	-
	250,000	22/07/2020	22/07/2022	30/06/2023	\$0.60	\$0.0967	-	-	-
Other KMP									
Mr Lachlan Lynch	100,000	22/07/2020	22/07/2020	30/06/2023	\$0.40	\$0.1250	100,000	100%	-
	100,000	22/07/2020	22/07/2020	30/06/2023	\$0.50	\$0.1092	100,000	100%	-
	100,000	22/07/2020	22/07/2020	30/06/2023	\$0.60	\$0.0967	100,000	100%	-

There were no incentive securities that lapsed for any KMP of the Company during the 2021 and 2020 financial years.

The fair value of Incentive Options granted is estimated as at the date of grant using the Black Scholes option valuation model taking into account the terms and conditions upon which the Incentive Options were granted. The table below lists the inputs to the valuation model used for share options granted by the Company to the KMP in the previous table:

Inputs	Series 1	Series 2	Series 3	Series 4	Series 5
Exercise price	A\$0.30	A\$0.40	A\$0.40	A\$0.50	A\$0.60
Grant date share price	A\$0.20	A\$0.20	A\$0.29	A\$0.29	A\$0.29
Dividend yield ¹	-	-	-	-	-
Volatility	95%	95%	80%	80%	80%
Risk-free interest rate	2.22%	2.22%	0.282%	0.282%	0.282%
Grant date	9-Apr-18	9-Apr-18	16-July-20	16-July-20	16-July-20
Expiry date	9-Oct-21	9-Apr-22	30-Jun-23	30-Jun-23	30-Jun-23
Expected life of option ²	3.50 years	4.00 years	3.00 years	3.00 years	3.00 years
Fair value at grant date	A\$0.1126	A\$0.1098	A\$0.1250	A\$0.1092	A\$0.0967

Notes:

- 1 The dividend yield reflects the assumption that the current dividend payout will remain unchanged.
- 2 The expected life of the options is based on the expiry date of the options.

Details of the values of Incentive Options granted, exercised or lapsed for each KMP during the 2021 financial year are as follows:

	Value of Options Granted during the Year \$	Value of Options exercised during the year \$	Value of Options included in remuneration for the year \$	Remuneration for the year that consists of Options %
2021				
Directors				
Mr Peter Woodman	-	30,000	-	-
Mr Peter Muccilli	82,747	-	68,280	23
Other KMP				
Mr Lachlan Lynch	33,099	-	33,099	100
Total	115,846	30,000	101,379	

During the financial year ended 30 June 2021, Mr Woodman was issued 300,000 shares upon the exercise of \$0.25 unlisted incentive options. The closing share price of the Company on the date of issue (16 March 2021) was \$0.35 which calculates to a value of the options of \$30,000 (being the market price of the shares less exercise price).

Other Transactions

Apollo Group Pty Ltd ("Apollo Group"), a Company of which Mr Mark Pearce is a director and beneficial shareholder, provides corporate, administration and company secretarial services and serviced office facilities to the Company under a services agreement. Either party can terminate the services agreement at any time for any reason by giving one month's written notice. Apollo Group received a monthly retainer of \$15,000 (exclusive of GST) for the provision of these services. Effective from 1 July 2021, the fee has been set at \$20,000 (exclusive of GST) per month. The monthly retainer is reviewed every six to twelve months and is based on Apollo Group's budgeted cost of providing the services to the Company (and other companies utilising same or similar services from Apollo Group) for the next six to twelve month period, with minimal mark-up (if any). Due to the impact of COVID-19, the monthly fee of \$15,000 was reduced to \$10,000 for the 6 months to 31 December 2020.

Loans from Key Management Personnel

No loans were provided to or received from Key Management Personnel during the year ended 30 June 2021 (2020: Nil).

End of the audited Remuneration Report.

DIRECTORS' INTERESTS

As at the date of this report, the Directors' interests in the securities of the Company are as follows:

	Shares ¹	Unlisted Options ²
Ian Middlemas	3,200,000	-
Peter Woodman	966,666	700,000
Peter Muccilli	-	750,000
Robert Behets	799,999	-
Mark Pearce	1,333,331	-

Notes:

¹ 'Shares' means fully paid ordinary shares in the capital of the Company.

² 'Unlisted Options' means an unlisted option to subscribe for one Share in the capital of the Company.

TENEMENT SCHEDULE

Tenements held as at the date of the Directors' Report are listed in the table below:

Reference	Project	State	Status	Interest
E28/2403	Orpheus Project	Western Australia	Granted	70%
E63/1281	Orpheus Project	Western Australia	Granted	70%
E63/1282	Orpheus Project	Western Australia	Granted	70%
E63/1695	Orpheus Project	Western Australia	Application	70%
E28/2738	Orpheus Project	Western Australia	Granted	100%
E28/2957	Orpheus Project	Western Australia	Granted	100%

MEETINGS OF DIRECTORS

The number of meetings of Directors held during the year and the number of meetings attended by each Director was as follows:

Current Directors	Board Meetings Number Eligible to Attend	Board Meetings Number Attended
Mr Ian Middlemas	3	2
Mr Peter Woodman	3	3
Mr Peter Muccilli	2	2
Mr Robert Behets	3	3
Mr Mark Pearce	3	3

There were no Board committees during the financial year. The Board as a whole currently performs the functions of an Audit Committee, Risk Committee, Nomination Committee, and Remuneration Committee, however this will be reviewed should the size and nature of the Company's activities change.

INDEMNIFICATION AND INSURANCE OF OFFICERS

The Company has entered into Deeds of Indemnity with the Directors indemnifying them against certain liabilities and costs to the extent permitted by law.

The Company has paid, or agreed to pay, premiums totalling \$9,566 in respect of Directors' and Officers' Liability Insurance and Company Reimbursement policies for the 12 months ended 30 June 2021 (2020: \$6,622), which cover all Directors and officers of the Company against liabilities to the extent permitted by the Corporations Act 2001. The policy conditions preclude the Company from any detailed disclosures.

PROCEEDINGS ON BEHALF OF 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 part 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 year.

NON-AUDIT SERVICES

Non-audit services provided by our auditors William Buck and related entities for the financial year ended 30 June 2021 amounted to nil (2020: nil).

AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration for the year ended 30 June 2021 has been received and can be found on page 18 of the Directors' Report.

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

For and on behalf of the Directors



PETER WOODMAN
Managing Director

25 August 2021

COMPETENT PERSONS STATEMENT

The information in this report that relates to Exploration Results is extracted from the following ASX announcements:

- *"Drilling Results Confirm Trace Magmatic Nickel Sulphides"* – dated 20 July 2021;
- *"Trace Magmatic Nickel Sulphides in Multiple Drill Holes"* - dated 22 April 2021;
- *"Exploration Identifies Three Kilometre Ni-Cu-Co-PGE Target"* – dated 19 January 2021;
- *"Trace Magmatic Nickel Sulphides Intersected in AC Drilling"* – dated 8 December 2020; and
- *"Aircore Drilling Identifies Anomalous Nickel-Copper-Cobalt"* – dated 14 July 2020.

These announcements are available to view at the Company's website on www.constellationresources.com.au. The information in the original ASX Announcements that related to Exploration Results was based on, and fairly represents information compiled by Peter Muccilli, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Muccilli is a Technical Director of Constellation Resources Limited and a holder of options in Constellation Resources Limited. Mr Muccilli has sufficient experience that is relevant to the styles of mineralisation and types of deposit under consideration, and to the activity being undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (JORC Code). The Company confirms that it is not aware of any information or data that materially affects the information included in the original market announcements. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

FORWARD LOOKING STATEMENTS

Statements regarding plans with respect to Constellation's project are forward-looking statements. There can be no assurance that the Company's plans for development of its projects will proceed as currently expected. These forward-looking statements are based on the Company's expectations and beliefs concerning future events. Forward looking statements are necessarily subject to risks, uncertainties and other factors, many of which are outside the control of the Company, which could cause actual results to differ materially from such statements. The Company makes no undertaking to subsequently update or revise the forward-looking statements made in this announcement, to reflect the circumstances or events after the date of that announcement.

AUDITOR'S INDEPENDENCE DECLARATION



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

I declare that, to the best of my knowledge and belief during the year ended 30 June 2021 there have been:

- no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

William Buck

William Buck Audit (WA) Pty Ltd
ABN 67 125 012 124

Amar Nathwani

Amar Nathwani
Director

Dated this 25th day of August 2021

ACCOUNTANTS & ADVISORS

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**STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME**
FOR THE YEAR ENDED 30 JUNE 2021



	Notes	2021 \$	2020 \$
Interest income		18,742	78,448
Other income	2	52,524	47,476
Exploration and evaluation expenses		(1,137,660)	(1,119,979)
Administration expenses		(483,583)	(435,704)
Business development expenses		(6,955)	-
Share based payments expenses	13	(124,138)	(17,068)
Loss before income tax		(1,681,070)	(1,446,827)
Income tax expense	4	-	-
Loss for the year		(1,681,070)	(1,446,827)
Loss attributable to members of Constellation Resources Limited		(1,681,070)	(1,446,827)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive loss for the year		(1,681,070)	(1,446,827)
Total comprehensive loss attributable to members of Constellation Resources Limited		(1,681,070)	(1,446,827)
Basic and diluted loss per share attributable to the ordinary equity holders of the company (\$ per share)	12	(0.05)	(0.04)

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2021



	Notes	2021 \$	2020 \$
ASSETS			
Current Assets			
Cash and cash equivalents		2,937,105	4,313,710
Other receivables	3	16,307	76,407
Total Current Assets		2,953,412	4,390,117
Non-Current Assets			
Property, plant and equipment	5	5,330	463
Exploration and evaluation assets	6	350,000	350,000
Total Non-Current Assets		355,330	350,463
TOTAL ASSETS		3,308,742	4,740,580
LIABILITIES			
Current Liabilities			
Trade and other payables	7	164,983	276,312
Provisions		22,622	12,683
Total Current Liabilities		187,605	288,995
TOTAL LIABILITIES		187,605	288,995
NET ASSETS		3,121,137	4,451,585
EQUITY			
Contributed equity	8	6,885,690	6,625,805
Reserves	9	1,402,005	1,311,268
Accumulated losses	10	(5,166,558)	(3,485,488)
TOTAL EQUITY		3,121,137	4,451,585

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2021



	Contributed Equity \$	Accumulated Losses \$	Share Based Payment Reserve \$	Other Equity Reserve \$	Total Equity \$
2021					
Balance at 1 July 2020	6,625,805	(3,485,488)	111,120	1,200,148	4,451,585
Net loss for the year	-	(1,681,070)	-	-	(1,681,070)
Total comprehensive income/(loss) for the year	-	(1,681,070)	-	-	(1,681,070)
Transactions with owners recorded directly in equity					
Issue of shares upon exercise of options	226,484	-	-	-	226,484
Transfer from SBP reserve upon exercise of options	33,401	-	(33,401)	-	-
Share based payment expense	-	-	124,138	-	124,138
Balance at 30 June 2021	6,885,690	(5,166,558)	201,857	1,200,148	3,121,137
2020					
Balance at 1 July 2019	6,625,805	(2,038,661)	94,052	1,200,148	5,881,344
Net loss for the year	-	(1,446,827)	-	-	(1,446,827)
Total comprehensive income/(loss) for the year	-	(1,446,827)	-	-	(1,446,827)
Transactions with owners recorded directly in equity					
Share based payment expense	-	-	17,068	-	17,068
Balance at 30 June 2020	6,625,805	(3,485,488)	111,120	1,200,148	4,451,585

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2021



	Notes	2021 \$	2020 \$
Operating activities			
Interest received from third parties		24,003	91,314
COVID-19 cash flow boost		66,868	33,132
Payments to employees and suppliers		(1,688,362)	(1,399,852)
Net cash flows used in operating activities	11(a)	(1,597,491)	(1,275,406)
Investing activities			
Payments for property, plant and equipment		(5,598)	-
Net cash flows used in investing activities		(5,598)	-
Financing activities			
Proceeds from issue of ordinary shares upon exercise of options	8	226,484	-
Net cash flows from financing activities		226,484	-
Net (decrease) in cash and cash equivalents		(1,376,605)	(1,275,406)
Cash and cash equivalents at the beginning of the year		4,313,710	5,589,116
Cash and cash equivalents at the end of the year	11(b)	2,937,105	4,313,710

The accompanying notes form part of these financial statements.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in preparing the financial report of Constellation Resources Limited ("Constellation Resources" or "Company") for the year ended 30 June 2021 are stated to assist in a general understanding of the financial report. Constellation Resources is a Company limited by shares, incorporated and domiciled in Australia. The financial report of the Company for the year ended 30 June 2021 was authorised for issue in accordance with a resolution of the Directors on 20 August 2021.

(a) Basis of Preparation

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards ("AASBs") and interpretations adopted by the Australian Accounting Standards Board ("AASB") and the Corporations Act 2001. The financial statements comprise the financial statements of the Company. For the purposes of preparing the financial statements, the Company is a for-profit entity. The financial report has also been prepared on a historical cost basis. The financial report is presented in Australian dollars.

(b) Statement of Compliance

The financial report complies with Australian Accounting Standards and International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

In the current financial year, the Company has adopted all of the new and revised Standards and Interpretations issued by the AASB that are mandatory for the current annual reporting period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

(c) Issued standards and interpretations not early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted by the Company for the reporting period ended 30 June 2021. Those which may be relevant to the Company are set out in the table below, but these are not expected to have any significant impact on the Company's financial statements:

Standard/Interpretation	Application Date of Standard	Application Date for Company
AASB 2020-3 Amendments to Australian Accounting Standards – Annual Improvements 2018-2020 and Other Amendments	1 January 2022	1 July 2022
AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current	1 January 2023	1 July 2023
AASB 2020-6 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current – Deferral of Effective Date	1 January 2023	1 July 2023

(d) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of 3 months or less.

(e) Trade and Other Receivables

Trade receivables are recognised and carried at original invoice amount less an expected credit loss provision. An estimate for the expected credit loss is made based on the historical risk of default and expected loss rates at the inception of the transaction. Inputs are selected for the expected credit loss impairment calculation based on the Company's past history, existing market conditions as well as forward looking estimates.

(f) Payables

Liabilities are recognised for amounts to be paid in the future for goods and services received. Trade accounts payable are normally settled within 30 days.

(g) 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.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Earnings per Share

Basic earnings per share ("EPS") is calculated by dividing the net profit attributable to members of the Company for the reporting period, after excluding any costs of servicing equity, by the weighted average number of ordinary shares of the Company.

Diluted EPS is calculated by dividing the basic EPS earnings, adjusted by the after tax effect of financing costs associated with dilutive potential Ordinary Shares and the effect on revenues and expenses of conversion to Ordinary Shares associated with dilutive potential Ordinary Shares, by the weighted average number of Ordinary Shares and dilutive Ordinary Shares.

(i) Revenue Recognition

Interest revenue is recognised as it accrues, taking into account the effective yield on the financial asset.

(j) Exploration and Evaluation Expenditure

Expenditure on exploration and evaluation is accounted for in accordance with the 'area of interest' method and with AASB 6 *Exploration for and Evaluation of Mineral Resources*, which is the Australian equivalent of IFRS 6. Exploration and evaluation expenditure encompasses expenditures incurred by the Company in connection with the exploration for and evaluation of mineral resources before the technical feasibility and commercial viability of extracting a mineral resource are demonstrable.

For each area of interest, expenditure incurred in the acquisition of rights to explore is capitalised, classified as tangible or intangible, and recognised as an exploration and evaluation asset. Exploration and evaluation assets are measured at cost at recognition and are recorded as an asset if:

- (i) the rights to tenure of the area of interest are current; and
- (ii) at least one of the following conditions is also met:
 - the exploration and evaluation expenditures are expected to be recouped through successful development and exploitation of the area of interest, or alternatively, by its sale; and
 - exploration and evaluation activities in the area of interest have not at the reporting date reached a stage which permits a 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 are continuing.

Exploration and evaluation expenditure incurred by the Company subsequent to the acquisition of the rights to explore is expensed as incurred, up until the technical feasibility and commercial viability of the project has been demonstrated with a bankable feasibility study.

Capitalised exploration costs are reviewed at each reporting date to establish whether an indication of impairment exists. If any such indication exists, the recoverable amount of the capitalised exploration costs is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

Where a decision is made to proceed with development, accumulated expenditure is tested for impairment and transferred to development properties, and then amortised over the life of the reserves associated with the area of interest once mining operations have commenced. Recoverability of the carrying amount of the exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

(k) Goods and Services Tax

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. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST. Cash flows are presented in the 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.

(l) Use and Revision of Accounting Estimates

The preparation of the financial report requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are described Note 1(v).

(m) Income Tax

The income tax expense for the period is the tax payable on the current period's taxable income based on the notional income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. No deferred tax asset or liability is recognised in relation to these temporary differences if they arose on goodwill or in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Unrecognised deferred income tax assets are reassessed at each balance date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity. Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against tax liabilities and the deferred tax liabilities relate to the same taxable entity and the same taxation authority.

(n) Issued Capital

Ordinary Shares are classified as equity. Issued and paid up capital is recognised at the fair value of the consideration received by the Company. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(o) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Company, on or before the end of the year but not distributed at reporting date.

(p) Government Grants

Government grants are recognised when there is reasonable assurance that the Company will comply with the conditions attaching to the grant and that the grant will be received. Government grants are recognised in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which grants are intended to compensate. If the grant relates to expenses or losses already incurred by the entity, or to provide immediate financial support to the entity with no future related costs, the income is recognised in the period in which it becomes receivable.

(q) Interests in Joint Operations

The Company's share of the assets, liabilities, revenue and expenses of joint venture operations are included in the appropriate items of the financial statements. Details of the Company's interests in joint operations are shown at Note 19.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(r) Impairment of Non-Financial Assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

(s) Share-Based Payments

Equity-settled share-based payments are provided to officers, employees, consultants and other advisors. These share-based payments are measured at the fair value of the equity instrument at the grant date. Fair value is determined using an appropriate option pricing model. The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest. At each reporting date, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss over the remaining vesting period, with a corresponding adjustment to the share based payments reserve. Equity-settled share-based payments may also be provided as consideration for the acquisition of assets. Where ordinary shares are issued, the transaction is recorded at fair value based on the quoted price of the ordinary shares at the date of issue. The acquisition is then recorded as an asset or expensed in accordance with accounting standards.

(t) Plant and Equipment

(i) Cost and valuation

All classes of plant and equipment are measured at cost. Where assets have been revalued, the potential effect of the capital gains tax on disposal has not been taken into account in the determination of the revalued carrying amount. Where it is expected that a liability for capital gains tax will arise, this expected amount is disclosed by way of note.

(ii) Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment. Computer equipment is depreciated over a three year useful life.

(u) Operating Segments

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available. The chief operating decision maker has been identified as the Board of Directors, taken as a whole. This includes start up operations which are yet to earn revenues. Management will also consider other factors in determining operating segments such as the existence of a line manager and the level of segment information presented to the board of directors.

Operating segments have been identified based on the information provided to the Board of Directors. The Company aggregates two or more operating segments when they have similar economic characteristics. Operating segments that meet the quantitative criteria as prescribed by AASB 8 are reported separately. However, an operating segment that does not meet the quantitative criteria is still reported separately where information about the segment would be useful to users of the financial statements. Information about other business activities and operating segments that are below the quantitative criteria are combined and disclosed in a separate category for "all other segments".

(v) Significant judgements and key assumptions

The directors evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

(i) Key judgements

The Company capitalises expenditure incurred in the acquisition of rights to explore and records this as an asset where it is considered likely to be recoverable or where the activities have not reached a stage which permits a reasonable assessment of the existence of reserves (Note 1(j)). There are areas of interest from which no reserves have been extracted, but the directors are of the continued belief that such expenditure should not be written off since the activities have not reached a stage which permits a reasonable assessment of the existence of reserves.

The Company recognises share based payments in accordance with the policy at Note 1(s). Key judgements include the option valuation and estimate of the number of options likely to vest.

During the previous financial year, a new virus ("COVID-19") emerged and infections started to occur around the globe. Subsequently, on 11 March, 2020, the World Health Organisation ("WHO") declared it a pandemic and national governments have implemented a range of policies and actions to combat it. The outbreak of COVID-19 has resulted in quarantines, supply chain disruptions, lower consumer demand and general market uncertainty which caused market volatility. If the financial markets and/or the overall economy are impacted for an extended period, the Company's results may be materially adversely affected. Management will continue to monitor developments, their impact on the Company including its operations and the values and estimates reported in the financial statements and accompanying notes. There was no material financial impact on the Company as a result of COVID-19 during the current or previous financial year.

2. INCOME AND EXPENSES

	2021 \$	2020 \$
Other Income		
COVID-19 cash flow boost	52,524	47,476
	52,524	47,476
Employee benefits expense included in profit or loss		
Wages, salaries and fees	576,538	316,000
Defined contribution plans	42,801	26,600
Share based payment expenses (note 13)	68,280	17,068
	687,619	359,668

3. OTHER RECEIVABLES

	2021 \$	2020 \$
Interest receivable	9	5,262
COVID-19 cash flow boost receivable	-	14,344
GST receivable	16,298	56,801
	16,307	76,407

4. INCOME TAX

	2021 \$	2020 \$
(a) Recognised in the Statement of Comprehensive Income		
Deferred income tax		
Origination and reversal of temporary differences	(482,837)	(498,769)
Adjustments in respect of income tax of previous years	(10,280)	9,489
Deferred tax assets not brought to account	493,117	489,280
Income tax expense reported in the statement of comprehensive income	-	-
(b) Reconciliation Between Tax Expense and Accounting Loss Before Income Tax		
Accounting loss before income tax	(1,681,070)	(1,446,827)
At the domestic income tax rate of 30% (2020: 30%)	(504,321)	(434,048)
Expenditure not allowable for income tax purposes	37,241	5,120
Income not assessable for income tax purposes	(15,757)	(14,243)
Effect of changes in income tax rates	-	(55,598)
Adjustments in respect of income tax of previous years	(10,280)	9,489
Deferred tax assets not brought to account	493,117	489,280
Income tax expense attributable to loss	-	-
(c) Deferred Tax Assets and Liabilities		
Deferred income tax at 30 June relates to the following:		
Deferred Tax Liabilities		
Accrued interest	3	1,578
Deferred tax assets used to offset deferred tax liabilities	(3)	(1,578)
	-	-
Deferred Tax Assets		
Accrued expenditure	8,828	7,115
Provisions	6,787	3,805
Capital allowances	29,769	52,227
Tax losses available to offset against future taxable income	1,558,088	1,048,783
Deferred tax assets used to offset deferred tax liabilities	(3)	(1,578)
Deferred tax assets not brought to account	(1,603,469)	(1,110,352)
	-	-

The benefit of deferred tax assets not brought to account will only be brought to account if:

- future assessable income is derived of a nature and of an amount sufficient to enable the benefit to be realised;
- the conditions for deductibility imposed by tax legislation continue to be complied with; and
- no changes in tax legislation adversely affect the Company in realising the benefit.

5. PROPERTY, PLANT AND EQUIPMENT

	2021 \$	2020 \$
Computer Equipment		
At cost	11,642	4,244
Accumulated depreciation	(6,312)	(3,781)
Carrying amount at 30 June	5,330	463
Reconciliation		
Carrying amount at 1 July	463	2,165
Additions	7,397	-
Depreciation	(2,530)	(1,702)
Carrying amount at 30 June	5,330	463

6. EXPLORATION AND EVALUATION ASSETS

	Notes	2021 \$	2020 \$
(a) Exploration and evaluation assets by area of interest			
Orpheus Project (Fraser Range - Western Australia)	6(b)	350,000	350,000
Total exploration and evaluation assets		350,000	350,000
(b) Reconciliation of carrying amount:			
Carrying amount at beginning of year		350,000	350,000
Impairment of carrying value		-	-
Balance at end of financial year ⁽¹⁾		350,000	350,000

Notes:

- 1 The ultimate recoupment of costs carried forward for exploration and evaluation expenditure is dependent on the successful development and commercial exploitation or sale of the respective areas of interest.

7. TRADE AND OTHER PAYABLES

	2021 \$	2020 \$
Trade payables	135,557	252,596
Accrued expenses	29,426	23,716
	164,983	276,312

8. CONTRIBUTED EQUITY

	Notes	2021 \$	2020 \$
(a) Issued Capital			
36,057,520 (2020: 35,000,100) Ordinary Shares	8(b)	6,885,690	6,625,805
		6,885,690	6,625,805

(b) Movements in Ordinary Shares During the Past Two Years Were as Follows:

Date	Details	Number of Ordinary Shares	Issue Price \$	\$
2021				
1-Jul-20	Opening balance	35,000,100	-	6,625,805
17-Mar-21	Exercise of \$0.25 unlisted incentive options	300,000	\$0.25	75,000
17-Mar-21	Transfer from SBP reserve upon exercise of options	-	-	33,401
Various	Exercise of \$0.20 listed options	757,420	\$0.20	151,484
30-Jun-21	Closing balance	36,057,520		6,885,690
2020				
1-Jul-19	Opening balance	35,000,100	-	6,625,805
30-Jun-20	Closing balance	35,000,100	-	6,625,805

(c) Rights Attaching to Ordinary Shares

The rights attaching to fully paid ordinary shares ("**Ordinary Shares**") arise from a combination of the Company's Constitution, statute and general law. The clauses of the Constitution contain the internal rules of the Company and define matters such as the rights, duties and powers of its shareholders and directors, including provisions to the following effect (when read in conjunction with the Corporations Act 2001 or Listing Rules).

(i) Shares

The issue of shares in the capital of the Company and options over unissued shares by the Company is under the control of the directors, subject to the Corporations Act 2001 and any rights attached to any special class of shares.

(ii) Meetings of Members

Directors may call a meeting of members whenever they think fit. Members may call a meeting as provided by the Corporations Act 2001. The Constitution contains provisions prescribing the content requirements of notices of meetings of members and all members are entitled to a notice of meeting. A meeting may be held in two or more places linked together by audio-visual communication devices. A quorum for a meeting of members is 2 shareholders.

(iii) Voting

Subject to any rights or restrictions at the time being attached to any shares or class of shares of the Company, each member of the Company is entitled to receive notice of, attend and vote at a general meeting. Resolutions of members will be decided by a show of hands unless a poll is demanded. On a show of hands each eligible voter present has one vote. However, where a person present at a general meeting represents personally or by proxy, attorney or representative more than one member, on a show of hands the person is entitled to one vote only despite the number of members the person represents. On a poll each eligible member has one vote for each fully paid share held and a fraction of a vote for each partly paid share determined by the amount paid up on that share.

(iv) Changes to the Constitution

The Company's Constitution can only be amended by a special resolution passed by at least three quarters of the members present and voting at a general meeting of the Company. At least 28 days' written notice specifying the intention to propose the resolution as a special resolution must be given.

9. RESERVES

	Note	2021 \$	2020 \$
Share-based payments reserve	9(b)	201,857	111,120
Other equity reserve	9(d)	1,200,148	1,200,148
		1,402,005	1,311,268

(a) Nature and Purpose of Share-based Payments Reserve

The share-based payments reserve is used to record the fair value of Unlisted Options issued by the Company.

(b) Movements in the share-based payments reserve during the past two years were as follows:

Date	Details	Number of Incentive Options	\$
1 Jul 2020	Opening balance	1,000,000	111,120
20 Jul 2020	Issue of unlisted incentive options	1,300,000	-
17 Mar 2021	Transfer from SBP reserve upon exercise of options	(300,000)	(33,401)
30 Jun 2021	Share-based payment expense	-	124,138
30 Jun 2021	Closing balance	2,000,000	201,857
1 Jul 2019	Opening balance	1,000,000	94,052
30 Jun 2020	Share-based payment expense	-	17,068
30 Jun 2020	Closing balance	1,000,000	111,120

(c) Terms and Conditions of Unlisted Incentive Options

The Unlisted Options are granted based upon the following terms and conditions:

- Each Unlisted Option entitles the holder to the right to subscribe for one Ordinary Share upon the exercise of each Unlisted Option;
- The Unlisted Options outstanding at the end of the financial year have the following exercise prices and expiry dates:
 - 300,000 Unlisted Options exercisable at \$0.30 each on or before 9 October 2021 (vested 9 October 2019);
 - 400,000 Unlisted Options exercisable at \$0.40 each on or before 9 April 2022 (vested 9 April 2020);
 - 433,333 Unlisted Options exercisable at \$0.40 each on or before 30 June 2023 (vested 20 July 2020);
 - 433,333 Unlisted Options exercisable at \$0.50 each on or before 30 June 2023 (100,000 vested 20 July 2020, 333,333 vest 20 July 2021); and
 - 433,334 Unlisted Options exercisable at \$0.60 each on or before 30 June 2023 (100,000 vested 20 July 2020, 333,334 vest 20 July 2022).
- The Unlisted Options are exercisable at any time prior to the Expiry Date, subject to vesting conditions being satisfied (if applicable);
- Ordinary Shares issued on exercise of the Unlisted Options rank equally with the then Ordinary Shares of the Company;
- Application will be made by the Company to ASX for official quotation of the Ordinary Shares issued upon the exercise of the Unlisted Options;
- If there is any reconstruction of the issued share capital of the Company, the rights of the Unlisted Option holders may be varied to comply with the ASX Listing Rules which apply to the reconstruction at the time of the reconstruction; and
- No application for quotation of the Unlisted Incentive Options will be made by the Company.

9. RESERVES (CONTINUED)

(d) Other Equity Reserve

On 30 April 2018, the Company entered into a Debt for Equity Subscription Agreement with its parent entity Apollo Minerals. Under the terms of the agreement, Apollo Minerals agreed to forgive all loan advances made to the Company in relation to exploration activities at the Orpheus Project. The balance of the loan as at the date of forgiveness was \$1,200,148. As the transaction was between a parent entity and subsidiary, the forgiven amount has been recognised directly in equity.

10. ACCUMULATED LOSSES

	2021 \$	2020 \$
Balance at 1 July	(3,485,488)	(2,038,661)
Net loss for the year	(1,681,070)	(1,446,827)
Balance at 30 June	(5,166,558)	(3,485,488)

11. STATEMENT OF CASH FLOWS RECONCILIATION

	2021 \$	2020 \$
(a) Reconciliation of the Net Loss After Tax to the Net Cash Flows from Operations		
Loss for the year	(1,681,070)	(1,446,827)
Adjustment for non-cash income and expense items		
Depreciation of plant and equipment	2,530	1,702
Share based payment expense	124,138	17,068
Change in operating assets and liabilities		
Decrease/(Increase) in trade and other receivables	60,100	(31,888)
Increase/(decrease) in trade and other payables	(113,128)	175,387
Increase in provisions	9,939	9,152
Net cash outflow from operating activities	(1,597,491)	(1,275,406)
(b) Reconciliation of Cash		
Cash at bank and on hand	2,937,105	1,313,710
Short-term deposits	-	3,000,000
Balance at 30 June	2,937,105	4,313,710

(c) Non-cash financing and investing activities

There were no non-cash financing or investing activities during the year ended 30 June 2021 or 30 June 2020.

12. EARNINGS PER SHARE

The following reflects the income and share data used in the calculations of basic and diluted earnings per share:

	2021 \$	2020 \$
Basic and diluted loss per share (\$ per share)	(0.05)	(0.04)
	(0.05)	(0.04)

	2021 \$	2020 \$
Net loss attributable to members of the parent used in calculating basic and diluted earnings per share:	(1,681,070)	(1,446,827)
Earnings used in calculating basic and dilutive earnings per share	(1,681,070)	(1,446,827)

	Number of Ordinary Shares 2021	Number of Ordinary Shares 2020
Weighted average number of Ordinary Shares used in calculating basic and dilutive earnings per share	35,218,016	35,000,100

(a) Non-Dilutive Securities

As at reporting date, 13,908,982 Listed Options and 2,000,000 Unlisted Options (which represent 15,908,982 potential Ordinary Shares) were considered non-dilutive as they would decrease the loss per share.

(b) Conversions, Calls, Subscriptions or Issues after 30 June 2021

Subsequent to 30 June 2021, 13,547,906 Ordinary Shares were issued as a result of the conversion of options.

Other than stated above, there were no other conversions to, calls of, or subscriptions for Ordinary Shares or issues of potential Ordinary Shares since the reporting date and before the completion of this financial report.

13. SHARE BASED PAYMENTS

(a) Recognised Share-based Payment Expense

From time to time, the Company provides incentive options to officers, employees, consultants and other key advisors as part of remuneration and incentive arrangements. The number of options granted, and the terms of the options granted are determined by the Board. Shareholder approval is sought where required.

During the past two years, the following equity-settled share-based payments have been recognised:

	2021 \$	2020 \$
Expense arising from equity-settled share-based payment transactions	124,138	17,068

(b) Summary of Unlisted Options Granted as Share-based Payments

The following incentive options were granted as share-based payments during the past two financial years:

Security Type	Number	Grant Date	Expiry Date	Vesting Date	Exercise Price \$	Fair Value \$
Options	433,333	16-Jul-20	30-Jun-23	20-Jul-20	\$0.40	\$0.1250
Options	333,333	16-Jul-20	30-Jun-23	20-Jul-21	\$0.50	\$0.1092
Options	100,000	16-Jul-20	30-Jun-23	20-Jul-20	\$0.50	\$0.1092
Options	333,334	16-Jul-20	30-Jun-23	20-Jul-22	\$0.60	\$0.0967
Options	100,000	16-Jul-20	30-Jun-23	20-Jul-20	\$0.60	\$0.0967

13. SHARE BASED PAYMENTS (CONTINUED)

The following table illustrates the number and weighted average exercise prices (WAEP) of Unlisted Options granted as share-based payments at the beginning and end of the financial year:

	2021 Number	2021 WAEP	2020 Number	2020 WAEP
Outstanding at beginning of year	1,000,000	\$0.33	1,000,000	\$0.33
Issued during the year	1,300,000	\$0.50	-	-
Exercised during the year	(300,000)	\$0.25	-	-
Outstanding at end of year	2,000,000	\$0.45	1,000,000	\$0.33

The outstanding balance of options issued as share based payments as at 30 June 2021 is represented by:

- 300,000 Unlisted Options exercisable at \$0.30 each on or before 9 October 2021 (vested 9 October 2019);
- 400,000 Unlisted Options exercisable at \$0.40 each on or before 9 April 2022 (vested 9 April 2020);
- 433,333 Unlisted Options exercisable at \$0.40 each on or before 30 June 2023 (vested 20 July 2020);
- 433,333 Unlisted Options exercisable at \$0.50 each on or before 30 June 2023 (100,000 vested 20 July 2020, 333,333 vest 20 July 2021); and
- 433,334 Unlisted Options exercisable at \$0.60 each on or before 30 June 2023 (100,000 vested 20 July 2020, 333,334 vest 20 July 2022).

(c) Weighted Average Remaining Contractual Life

At 30 June 2021, the weighted average remaining contractual life of unlisted options on issue that had been granted as share-based payments was 1.5 years (2020: 1.3 years).

(d) Range of Exercise Prices

At 30 June 2021, the range of exercise prices of Unlisted Options on issue that had been granted as share-based payments was \$0.30 to \$0.60 (2020: \$0.25 to \$0.40).

(e) Weighted Average Fair Value

The weighted average fair value of Incentive Options that have been granted as share-based payments by the Company is \$0.1106 (2020: \$0.1111).

(f) Option Pricing Models

The fair value of Incentive Options granted is estimated as at the date of grant using the Black Scholes option valuation model taking into account the terms and conditions upon which the Incentive Options were granted. The table below lists the inputs to the valuation model used for share options granted by the Company:

Inputs					
Exercise price	A\$0.30	A\$0.40	A\$0.40	A\$0.50	A\$0.60
Grant date share price	A\$0.20	A\$0.20	A\$0.29	A\$0.29	A\$0.29
Dividend yield ¹	-	-	-	-	-
Volatility	95%	95%	80%	80%	80%
Risk-free interest rate	2.22%	2.22%	0.282%	0.282%	0.282%
Grant date	9-Apr-18	9-Apr-18	16-July-20	16-July-20	16-July-20
Expiry date	9-Oct-21	9-Apr-22	30-Jun-23	30-Jun-23	30-Jun-23
Expected life of option ²	3.50 years	4.00 years	3.00 years	3.00 years	3.00 years
Fair value at grant date	A\$0.1126	A\$0.1098	A\$0.1250	A\$0.1092	A\$0.0967

Notes:

¹ The dividend yield reflects the assumption that the current dividend payout will remain unchanged.

² The expected life of the options is based on the expiry date of the options.

14. RELATED PARTIES

Transactions with Key Management Personnel are included at Note 15. There are no other related parties of the Company.

15. KEY MANAGEMENT PERSONNEL

(a) Details of Key Management Personnel

The KMP of the Company during the financial year were as follows:

Current Directors

Mr Ian Middlemas	Chairman
Mr Peter Woodman	Managing Director
Mr Peter Muccilli	Technical Director (appointed 22 July 2020)
Mr Robert Behets	Non-Executive Director
Mr Mark Pearce	Non-Executive Director

Other KMP

Mr Lachlan Lynch	Company Secretary
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Unless otherwise disclosed, KMP held their position from 1 July 2020 until 30 June 2021.

(b) Remuneration of Key Management Personnel

	2021	2020
	\$	\$
Short-term employee benefits	576,538	316,000
Post-employment benefits	42,801	26,600
Share-based payments	101,319	17,068
	720,658	359,668

(c) Loans from Key Management Personnel

No loans were provided to or received from Key Management Personnel during the year ended 30 June 2021 (2020: Nil).

(d) Other Transactions

Apollo Group Pty Ltd ("Apollo Group"), a Company of which Mr Mark Pearce is a director and beneficial shareholder, provides corporate, administration and company secretarial services and serviced office facilities to the Company under a services agreement. Either party can terminate the services agreement at any time for any reason by giving one month's written notice. Apollo Group received a monthly retainer of \$15,000 (exclusive of GST) for the provision of these services. Effective from 1 July 2021, the fee has been set at \$20,000 (exclusive of GST) per month. The monthly retainer is reviewed every six to twelve months and is based on Apollo Group's budgeted cost of providing the services to the Company (and other companies utilising same or similar services from Apollo Group) for the next six to twelve month period, with minimal mark-up (if any). Due to the impact of COVID-19, the monthly fee of \$15,000 was reduced to \$10,000 for the 6 months to 31 December 2020.

16. SEGMENT INFORMATION

AASB 8 requires operating segments to be identified on the basis of internal reports about components of the Company that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance.

The Company operates in one segment, being exploration for mineral resources and in one geographical location being Australia. This is the basis on which internal reports are provided to the Directors for assessing performance and determining the allocation of resources within the Company.

17. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Overview

The Company's principal financial instruments comprise cash and cash equivalents, trade and other receivables and trade and other payables. The main risks arising from the Company's financial instruments are liquidity risk, interest rate risk and credit risk.

This note presents information about the Company's exposure to the above risks, its objectives, policies and processes for measuring and managing risk, and the management of capital. Other than as disclosed, there have been no significant changes since the previous financial year to the exposure or management of these risks.

The Company manages its exposure to key financial risks in accordance with the Company's financial risk management policy. Key risks are monitored and reviewed as circumstances change (e.g. acquisition of a new project) and policies are revised as required. The overall objective of the Company's financial risk management policy is to support the delivery of the Company's financial targets whilst protecting future financial security.

Given the nature and size of the business and uncertainty as to the timing and amount of cash inflows and outflows, the Company does not enter into derivative transactions to mitigate the financial risks. In addition, the Company's policy is that no trading in financial instruments shall be undertaken for the purposes of making speculative gains. As the Company's operations change, the Directors will review this policy periodically going forward.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. The Board reviews and agrees policies for managing the Company's financial risks as summarised below.

(a) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Board's approach to managing liquidity is to ensure, as far as possible, that the Company will always have sufficient liquidity to meet its liabilities when due.

The contractual maturities of financial liabilities, including estimated interest payments, are provided below. There are no netting arrangements in respect of financial liabilities.

2021	≤6 Months A\$	6-12 Months A\$	1-5 Years A\$	≥5 Years A\$	Total A\$
Financial Liabilities					
Trade and other payables	164,983	-	-	-	164,983
	164,983	-	-	-	164,983

2020	≤6 Months A\$	6-12 Months A\$	1-5 Years A\$	≥5 Years A\$	Total A\$
Financial Liabilities					
Trade and other payables	276,312	-	-	-	276,312
	276,312	-	-	-	276,312

(b) Commodity Price Risk

The Company is exposed to commodity price risk. These commodity prices can be volatile and are influenced by factors beyond the Company's control. As the Company is currently engaged in exploration and business development activities, no sales of commodities are forecast for the next 12 months, and accordingly, no hedging or derivative transactions have been used to manage commodity price risk.

17. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(c) Capital Management

The Company manages its capital to ensure that it will be able to continue as a going concern while financing the development of its projects through primarily equity based financing. The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Given the stage of the Company, the Board's objective is to minimise debt and to raise funds as required through the issue of new shares.

The Company is not subject to externally imposed capital requirements.

There were no changes in the Company's approach to capital management during the year. During the next 12 months, the Company will continue to explore financing opportunities, primarily consisting of additional issues of equity should it be required.

(d) Fair Value

The net fair value of financial assets and financial liabilities approximates their carrying value as at 30 June 2021 and 30 June 2020.

(e) Interest Rate Risk

The Company's exposure to the risk of changes in market interest rates relates primarily to the cash and short-term deposits with a floating interest rate.

These financial assets with variable rates expose the Company to cash flow interest rate risk. All other financial assets and liabilities, in the form of receivables and payables are non-interest bearing.

At the reporting date, the interest rate profile of the Company's interest-bearing financial instruments was:

	2021 \$	2020 \$
Interest-bearing financial instruments		
Cash and cash equivalents	2,937,105	4,313,710
	2,937,105	4,313,710

The Company's cash at bank and on hand had a weighted average floating interest rate at year end of 0.35% (2020: 0.84%). The Company currently does not engage in any hedging or derivative transactions to manage interest rate risk.

Interest rate sensitivity

A sensitivity of 20 basis points has been selected as this is considered reasonable given the current level of both short term and long term interest rates. A 20 basis point movement in interest rates at the reporting date would have increased (decreased) equity and profit and loss by the amounts shown below. This analysis assumes that all other variables, remain constant.

	Profit or loss		Other Comprehensive Income	
	20bp Increase	20bp Decrease	20bp Increase	20bp Decrease
2021				
Cash and cash equivalents	2,063	(2,063)	2,063	(2,063)
2020				
Cash and cash equivalents	7,273	(7,273)	7,273	(7,273)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021
(Continued)



(f) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. This arises principally from cash and cash equivalents and trade and other receivables.

There are no significant concentrations of credit risk within the Company. The carrying amount of the Company's financial assets represents the maximum credit risk exposure, as represented below:

	2021	2020
	\$	\$
Financial assets		
Cash and cash equivalents	2,937,105	4,313,710
Other receivables	16,307	76,407
	2,953,412	4,390,117

The Company does not have any customers and accordingly does not have any significant exposure to credit losses. Other receivables comprise primarily GST refunds and interest receivable. At 30 June 2021, none (2020: none) of the Company's receivables are past due. No impairment losses on receivables have been recognised. With respect to credit risk arising from cash and cash equivalents, the Company's exposure to credit risk arises from historical default of the counter party, with a maximum exposure equal to the carrying amount of these instruments.

18. COMMITMENTS

As a condition of retaining the current rights to tenure to exploration tenements, the Company is required to pay an annual rental charge and meet minimum expenditure requirements for each tenement. These obligations are not provided for in the financial statements and are at the sole discretion of the Company:

	2021	2020
	\$	\$
Commitments for exploration expenditure:		
Not longer than 1 year	323,625	245,000
Longer than 1 year and shorter than 5 years	523,500	180,625
	847,125	425,625

19. INTERESTS IN JOINT OPERATIONS

The Company has interests in the following joint operations:

Name	Principal Activities	Country	Interest		Carrying Amount	
			2021 %	2020 %	2021 \$	2020 \$
Orpheus Project	Exploration for nickel, copper and gold in the Fraser Range	Australia	70	70	350,000	350,000

Orpheus Project

Constellation Resources has a 70% interest in the unincorporated Orpheus Joint Venture with Enterprise Metals Limited (30% interest). The Orpheus Joint Venture area consists of four tenements (E28/2403, E63/1281, E63,1282 and E63/1695) in the prospective Fraser Range province.

Constellation Resources is required to sole fund all joint operation activities until the date it delivers a Bankable Feasibility Study for a Mining Area to Enterprise Metals Limited.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021
(Continued)



20. CONTINGENT ASSETS AND LIABILITIES

As at the date of this report, no material contingent assets or liabilities had been identified as at 30 June 2021 (2020: nil).

21. AUDITORS' REMUNERATION

	2021 \$	2020 \$
Amounts received or due and receivable by William Buck for:		
▪ an audit or review of the financial report of the Company	17,575	15,500
▪ other services in relation to the Company	-	-
	17,575	15,500

22. EVENTS SUBSEQUENT TO REPORTING DATE

Subsequent to 30 June 2021, the Company raised \$2,709,581 from the exercise of 13,547,906 \$0.20 options.

As at the date of this report, other than previously stated, there are no other matters or circumstances which have arisen since 30 June 2021 that have significantly affected or may significantly affect:

- the operations, in financial years subsequent to 30 June 2021, of the Company;
- the results of those operations, in financial years subsequent to 30 June 2021, of the Company; or
- the state of affairs, in financial years subsequent to 30 June 2021, of the Company.

DIRECTORS' DECLARATION



In accordance with a resolution of the directors of Constellation Resources Limited:

1. In the opinion of the directors:
 - (a) the attached financial statements, notes and the additional disclosures included in the directors' report designated as audited, are in accordance with the Corporations Act 2001, including:
 - (i) section 296 (compliance with accounting standards and Corporations Regulations 2001); and
 - (ii) section 297 (gives a true and fair view of the financial position as at 30 June 2021 and of the performance for the year ended on that date of the Company); and
 - (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
2. The attached financial statements and notes thereto are in compliance with International Financial Reporting Standards, as stated in Note 1 to the financial statements.
3. The Directors have been given a declaration required by section 295A of the Corporations Act 2001 for the financial year ended 30 June 2021.

On behalf of the Board

A handwritten signature in blue ink, appearing to read "P. Woodman".

PETER WOODMAN
Managing Director

25 August 2021

Constellation Resources Limited

Independent auditor's report to members

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Constellation Resources Limited (the Company), which comprises the statement of financial position as at 30 June 2021, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the directors' declaration.

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 30 June 2021 and of its financial performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

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

ACCOUNTANTS & ADVISORS

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Constellation Resources Limited

Independent auditor's report to members

Key Audit Matter

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

CARRYING VALUE OF EXPLORATION COST	
Area of focus Refer also to notes 1(j) and 6	How our audit addressed it
<p>The Company has capitalised the acquisition costs of tenements comprising the Orpheus Project located in the Fraser Range area. The carrying value of these costs represents a significant asset of the Company</p> <p>This is a key audit matter due to the fact that significant judgement is applied in determining whether the capitalised exploration costs continue to meet the recognition criteria of AASB 6</p> <p><i>Exploration for and Evaluation of Mineral Resources:</i></p>	<p>Our procedures focussed on evaluating management's assessment of whether the exploration assets meet the recognition criteria of AASB 6, including:</p> <ul style="list-style-type: none"> — Obtaining evidence that the Company has valid rights to explore the areas represented by the capitalised exploration costs. — Enquiring of management and reviewing the cashflow forecast to verify that substantive expenditure on further exploration for and evaluation of the mineral resources in the Company's areas of interest was planned. — Enquiring with management, reviewing announcements made and reviewing minutes of director meetings to verify that the Company had not decided to discontinue activities in any of its areas of interest.

Constellation Resources Limited

Independent auditor's report to members

GOING CONCERN	
Area of focus Refer also to notes 1	How our audit addressed it
<p>The financial statements have been prepared on a going concern basis as stated in note 1.</p> <p>The Company does not generate revenues and is reliant on its cash reserves and the issue of shares to fund its operations.</p> <p>Accumulated losses shown in the Statement of Financial Position totalled \$5,166,558 as at 30 June 2021.</p> <p>The adequacy of liquidity and funding is a key audit matter as it is reliant on existing cash reserves to cover necessary expenditure.</p>	<p>We evaluated the Company's funding and liquidity position and its ability to fund current liabilities and future expenditure for a minimum of 12 months from the date of the approval of the financial report, including:</p> <ul style="list-style-type: none"> Assessing funding requirements of the Company over the 15 months from 30 June 2021 based on cashflow forecasts. Understanding what forecast expenditure is committed and what could be considered discretionary. Assessing the Company's working capital position at 30 June 2021.

Other Information

The directors are responsible for the other information. The other information comprises the information in the Company's annual report for the year ended 30 June 2021, but does not include the financial report and the auditor's report thereon.

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

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

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

Responsibilities of the Directors for the Financial Report

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

Constellation Resources Limited

Independent auditor's report to members

In preparing the financial report, the directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

A further description of our responsibilities for the audit of these financial statements is located at the Auditing and Assurance Standards Board website at:

http://www.auasb.gov.au/auditors_responsibilities/ar2.pdf

This description forms part of our independent auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included on pages 9 to 15 of the directors' report for the year ended 30 June 2021.

In our opinion, the Remuneration Report of Constellation Resources Limited, for the year ended 30 June 2021, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

William Buck

William Buck Audit (WA) Pty Ltd
ABN 67 125 012 124

Amar Nathwani

Amar Nathwani
Director
Dated this 25th day of August 2021

CORPORATE GOVERNANCE STATEMENT

Constellation Resources Limited (“Constellation Resources” or “Company”) believes corporate governance is important for the Company in conducting its business activities.

The Board of the Company has adopted a suite of charters and key corporate governance documents which articulate the policies and procedures followed by the Company.

These documents are available in the Corporate Governance section of the Company’s website, www.constellationresources.com.au. These documents are reviewed annually to address any changes in governance practices and the law.

The Company’s Corporate Governance Statement 2021, which explains how Constellation Resources complies with the ASX Corporate Governance Council’s ‘Corporate Governance Principles and Recommendations – 4th Edition’ in relation to the year ended 30 June 2021, is available in the Corporate Governance section of the Company’s website, www.constellationresources.com.au and will be lodged with ASX together with an Appendix 4G at the same time that this Annual Report is lodged with ASX.

In addition to the ASX Corporate Governance Council’s ‘Corporate Governance Principles and Recommendations – 4th Edition’ the Board has taken into account a number of important factors in determining its corporate governance policies and procedures, including the:

- relatively simple operations of the Company, which currently only undertakes mineral exploration and development activities;
- cost verses benefit of additional corporate governance requirements or processes;
- size of the Board;
- Board’s experience in the resources sector;
- organisational reporting structure and number of reporting functions, operational divisions and employees;
- relatively simple financial affairs with limited complexity and quantum;
- relatively small market capitalisation and economic value of the entity; and
- direct shareholder feedback.

ASX ADDITIONAL INFORMATION

The shareholder information set out below was applicable as at 3 August 2021.

1. TWENTY LARGEST HOLDERS OF ORDINARY SHARES

The names of the twenty largest holders of listed securities are listed below:

Name	No. of Ordinary Shares Held	% of Issued Shares
Arredo Pty Ltd	3,200,000	6.45
Apollo Minerals Limited	2,300,100	4.64
Mr Thomas Francis Corr	2,200,000	4.44
Zero Nominees Pty Ltd	1,600,000	3.23
BNP Paribas Nominees Pty Ltd Six Sis Ltd <DRP A/C>	1,579,677	3.18
Mr John Paul Welborn	1,450,000	2.92
HSBC Custody Nominees (Australia) Limited	1,140,540	2.30
Mr Kevin Mark Johnson	1,000,000	2.02
Beelong Pty Ltd <Johnson Super Fund A/C>	1,000,000	2.02
Beelong Pty Ltd <Johnson Family Fund A/C>	1,000,000	2.02
Mr Peter Woodman	966,666	1.95
Mr Mark Pearce	799,999	1.61
Verve Investments Pty Ltd	757,911	1.53
Mikado Corporation Pty Ltd <JFC Superannuation A/C>	750,000	1.51
Cantori Pty Ltd <Cantori Superfund A/C>	667,907	1.35
Mr Robert Arthur Behets & Mrs Kristina Jane Behets <Behets Family A/C>	666,666	1.34
Mr Luke Milojevic	600,000	1.21
Cantori Pty Ltd <Cantori P/L Super Fund A/C>	556,379	1.12
Hawkes Bay Nominees Limited <Williams Family No 2 A/C>	535,000	1.08
BNP Paribas Nominees Pty Ltd ACF Clearstream	526,360	1.06
Total Top 20	23,297,205	46.98
Others	26,308,221	53.02
Total Ordinary Shares on Issue	49,605,426	100

2. DISTRIBUTION OF ORDINARY SHARES

Analysis of numbers of holders by size of holding:

Distribution	Number of Shareholders	Number of Shares
1 – 1,000	18	3,043
1,001 – 5,000	81	248,657
5,001 – 10,000	76	595,015
10,001 – 100,000	261	10,159,095
More than 100,000	95	38,599,616
Totals	531	49,605,426

There were 24 holders of less than a marketable parcel of ordinary shares.

ASX ADDITIONAL INFORMATION (Continued)

3. VOTING RIGHTS

See Note 8 and 9 of the Notes to the Financial Statements.

4. SUBSTANTIAL SHAREHOLDERS

Substantial Shareholder notices have been received from the following:

Substantial Shareholder	Number of Shares
Arredo Pty Ltd	3,200,000
Kevin Mark Johnson	3,000,000

5. RESTRICTED SECURITIES

There were no restricted securities on issue.

6. ON-MARKET BUY BACK

There is currently no on-market buyback program for any of Constellation Resources Limited's listed securities.

7. UNQUOTED SECURITIES

The names of the security holders holding 20% or more of an unlisted class of security at 3 August 2021, other than those securities issued or acquired under an employee incentive scheme, are listed below:

Holder	\$0.30 Options Expiring 9-Oct-21	\$0.40 Options Expiring 9-Apr-22	\$0.40 Options Expiring 30-Jun-23	\$0.50 Options Expiring 30-Jun-23	\$0.60 Options Expiring 30-Jun-23
Mr Peter Woodman	300,000	400,000	-	-	-
Mr Peter Muccilli	-	-	250,000	250,000	250,000
Mr Lachlan Lynch	-	-	100,000	100,000	100,000
Other	-	-	83,333	83,333	83,334
Total in Class	300,000	400,000	433,333	433,333	433,334
<i>Total holders</i>	<i>1</i>	<i>1</i>	<i>3</i>	<i>3</i>	<i>3</i>

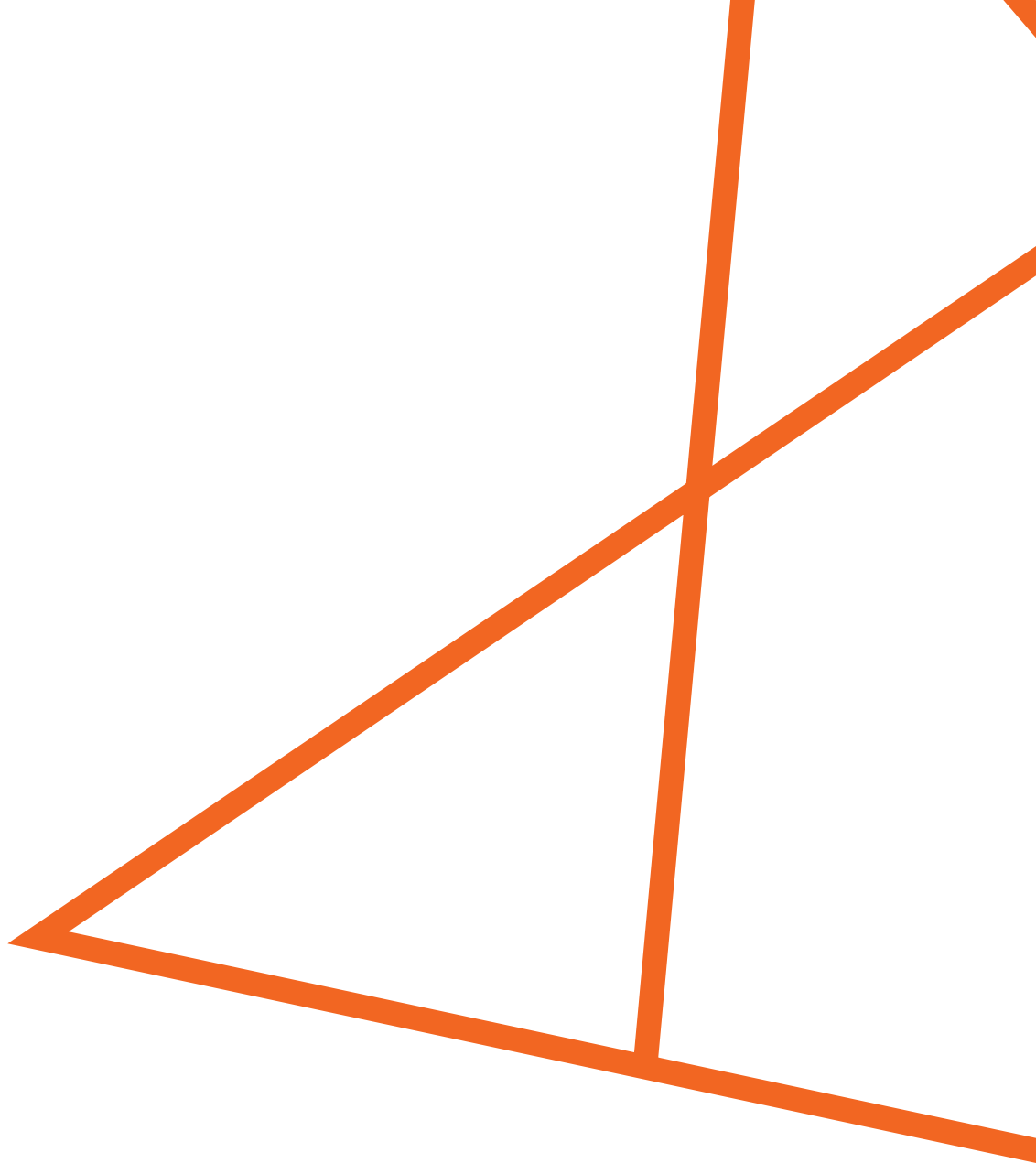
8. MINERAL RESOURCES STATEMENT

To date, the Company has not reported any Mineral Resources or Ore Reserves for its exploration projects.

9. EXPLORATION INTERESTS

Reference	Project	State	Status	Interest
E28/2403	Orpheus Project	Western Australia	Granted	70%
E63/1281	Orpheus Project	Western Australia	Granted	70%
E63/1282	Orpheus Project	Western Australia	Granted	70%
E28/2738	Orpheus Project	Western Australia	Granted	100%
E63/1695	Orpheus Project	Western Australia	Application	70%
E28/2957	Orpheus Project	Western Australia	Granted	100%

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