

CENTRAL IRON ORE LIMITED

**Condensed Interim Consolidated Financial Statements
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2023**

(Expressed in Australian dollars)

INDEX

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MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The condensed interim consolidated financial statements and all information in the quarterly report are the responsibility of the Board of Directors and management. These condensed interim consolidated financial statements have been prepared by management in accordance with International Financial Reporting Standards. Management maintains the necessary systems of internal controls, policies and procedures to provide assurance that assets are safeguarded and that the financial records are reliable and form a proper basis for the preparation of financial statements.

The Board of Directors ensures that management fulfils its responsibilities for financial reporting and internal control through an Audit Committee. This committee, which reports to the Board of Directors, meets with the independent auditors and reviews the financial statements.

The condensed interim consolidated financial statements for the three months ended September 30, 2023 are unaudited and prepared by Management. The Company's independent auditor has not performed a review of these condensed interim consolidated financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

CENTRAL IRON ORE LIMITED**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

(Expressed in Australian dollars)

(Unaudited)

	September 30 2023 \$	June 30 2023 \$
ASSETS		
Current		
Cash and cash equivalents (Note 4)	141,445	194,277
Receivables (Note 5)	96,304	122,224
Total current assets	237,749	316,501
Non-Current		
Investment accounted for using the equity method	(65,470)	(60,773)
Deposits (Note 6)	126,258	324,873
Property, plant & equipment	-	-
Exploration & evaluation assets (Note 8)	4,142,610	3,338,078
Investment (Note 7)	60,671	60,671
Total non-current assets	4,264,069	3,662,849
Total Assets	4,501,818	3,979,350
LIABILITIES		
Current		
Accounts payable and accrued liabilities (Note 9)	40,759	40,011
Loans payable (Note 9)	50,000	50,000
Total current liabilities	90,759	90,011
Non - Current		
Loan payable (Note 10)	2,463,515	1,828,992
Total non-current liabilities	2,463,515	1,828,992
Total Liabilities	2,554,274	1,919,003
NET ASSETS	1,947,544	2,060,347
Shareholders' equity		
Capital stock (Note 11)	23,671,655	23,671,655
Deficit	(21,724,111)	(21,611,308)
Total Shareholders' equity	1,947,544	2,060,347
Total Liabilities and shareholders' equity	4,501,818	3,979,350
Nature and continuance of operations (Note 1)		
Commitments and contingencies (Note 14)		

Approved and authorized by the Board:

On Behalf of the Board

"David Deitz"
David Deitz, Director

"Richard Homsany"
Richard Homsany, Director

The accompanying notes are an integral part of these financial statements.

CENTRAL IRON ORE LIMITED**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS**

(Expressed in Australian dollars)

(Unaudited)

	Three months ended September 30 2023 \$	Three months ended September 30 2022 \$
Revenue from continuing operations		
Other income	6,710	-
Expenses		
Professional fees / Consulting fees	(55,933)	(17,177)
Listing and filing fees	(6,211)	(24,252)
Office miscellaneous expenses	(7,133)	(914)
Exploration expenses	(243)	(6,977)
Financial expenses	(45,296)	-
Share of loss of associate accounted for using the equity method	(4,697)	-
Total expenses	(119,513)	(49,320)
Net loss before taxes	(112,803)	(49,320)
Future income tax benefit	-	-
Net loss for the period	(112,803)	(49,320)
Deficit, beginning of period	(21,611,308)	(20,891,435)
Deficit, end of period	(21,724,111)	(20,940,755)
Basic and diluted loss per common share	(0.0047)	(0.0021)
Weighted average number of common shares outstanding	24,236,914	24,236,914

The accompanying notes are an integral part of these financial statements.

CENTRAL IRON ORE LIMITED**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS**

(Expressed in Australian dollars)

(Unaudited)

	Three months ended September 30 2023 \$	Three Months ended September 30 2022 \$
OPERATING ACTIVITIES		
Net loss for the period	(112,803)	(49,320)
<i>items related to operations</i>		
Accounts receivables	25,920	-
Accounts payable and accrued liabilities	26,668	(37,220)
Share profit/(loss) from controlling entities	4,697	-
Net Cash (used in) Operating Activities	(81,438)	(86,540)
INVESTING ACTIVITIES		
Restricted cash	(1,385)	264
Equity investments	(595,000)	-
Mineral exploration expenditures	(9,532)	(28,133)
Net Cash (used in) Investing Activities	(605,917)	(27,869)
FINANCING ACTIVITIES		
Proceeds from related parties	634,523	98,884
Net Cash provided by Financing Activities	634,523	98,884
(Decrease) in cash during period	(52,832)	(15,525)
Cash, beginning of period	194,277	130,934
Cash, end of period	141,445	115,409
Cash paid during the period for interest	-	-
Cash paid during the period for income tax	-	-

There were no significant non-cash transactions during the three-month periods ended September 30, 2023 and 2022 except that \$200,000 was transferred from a security deposit and applied to resolve a dispute regarding registration of title of the British King Mine.

The accompanying notes are an integral part of these financial statements.

CENTRAL IRON ORE LIMITED**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**

(Expressed in Australian dollars)

(Unaudited)

	Capital Stock	Deficit	Total
Balance at July 1, 2022	23,671,655	(20,891,435)	2,780,220
Net loss for the period		(49,320)	(49,320)
Balance at September 30, 2022	23,671,655	(20,940,755)	2,730,900
Net income for the period		(670,553)	(670,553)
Balance at June 30, 2023	23,671,655	(21,611,308)	2,060,347
Net loss for the period		(112,803)	(112,803)
Balance at September 30, 2023	23,671,655	(21,724,111)	1,947,544

The accompanying notes are an integral part of these consolidated financial statements.

CENTRAL IRON ORE LIMITED

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTH PERIOD ENDED SEPTEMBER 30, 2023

(Expressed in Australian dollars)

(Unaudited)

1. NATURE AND CONTINUANCE OF OPERATIONS

Central Iron Ore Limited (the “Company”) is in the business of the exploration and evaluation of its mineral properties. The Company was incorporated in Victoria, Australia on February 21, 1996 and currently resides in Sydney, Australia. The address of the Company’s corporate office and principal place of business is Level 2, 49-51 York Street, Sydney, NSW 2000, Australia. The Company is listed for trading on the TSX Venture Exchange (“TSX-V”) under the symbol “CIO”.

These condensed interim consolidated financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future.

There can be no assurance that the Company will be able to continue to raise funds in which case the Company may be unable to meet its obligations. Should the Company be unable to realize its assets in the normal course of business, the net realizable value of its assets may be materially less than the amounts recorded on the balance sheet.

	September 30 2023 \$	June 30 2023 \$
Deficit	(21,724,111)	(21,611,308)
Working Capital	146,990	226,490

2. BASIS OF PRESENTATION

Statement of compliance

These unaudited interim condensed consolidated financial statements, including comparatives that are unaudited, have been prepared in accordance with IAS 34 (“IAS 34”) using accounting policies consistent with the International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”).

These interim condensed consolidated financial statements have been prepared using accounting policies consistent with those used in the Company’s audited annual financial statements for the year ended June 30, 2023.

These interim condensed consolidated financial statements were authorized by the Board of Directors on November 29, 2023.

CENTRAL IRON ORE LIMITED

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE MONTH PERIOD ENDED SEPTEMBER 30, 2023

(Expressed in Australian dollars)

(Unaudited)

2. BASIS OF PRESENTATION (cont'd...)

Basis of measurement

These consolidated financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit or loss, which are stated at their fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting.

Principles of consolidation

The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries as listed below. All inter-company balances and transactions have been eliminated upon consolidation. A subsidiary is an entity that the Company controls, either directly or indirectly. Control is based on whether an investor has power over the investee, exposure or rights to variable returns from its involvement with the investee, and the ability to use its power over the investee to affect the amount of returns.

The Company has eight subsidiaries:

- a) International Gold Mining Pty Ltd: Dormant subsidiary.
- b) Central West Resources Pty Ltd.
- c) Central East Resources Pty Ltd.
- d) Central South Resources Pty Ltd.
- e) Central North Resources Pty Ltd.
- f) South Darlot Mines Pty Ltd: Joint Venturer in the Red 5 Joint Venture.
- g) South Darlot Gold Pty Ltd.
- h) South Darlot Resources Pty Ltd.

Note: c, d, e, g and h were incorporated to acquire tenements. To date the companies have not been used and are dormant.

Functional and presentation currency

The Company and its wholly owned subsidiaries' reporting and functional currency is the Australian dollar. Monetary assets and liabilities of the Company are translated into Australian dollars at the exchange rate in effect on the consolidated statements of financial position date, while non-monetary assets and liabilities are translated at historical rates. Expenses are translated at the average rates over the reporting period. Gains and losses from these translations are included in profit or loss.

CENTRAL IRON ORE LIMITED

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE MONTH PERIOD ENDED SEPTEMBER 30, 2023

(Expressed in Australian dollars)

(Unaudited)

2. BASIS OF PRESENTATION (cont'd...)

Going concern

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The recoverability of the carrying value of its resource properties and the Company's continued existence is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, or the ability of the Company to raise alternative financing, if necessary, or alternatively, upon the Company's ability to dispose of its interests on an advantageous basis. Changes in future conditions could require material write-downs of the carrying values.

These consolidated financial statements have been prepared in accordance with IFRS on a going concern basis, which contemplates that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. Accordingly, these consolidated financial statements do not include any adjustments to the amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue as a going concern. As at September 30, 2023, the Company has an accumulated deficit of \$21,724,111 (June 30, 2023 - \$21,611,308) and has working capital surplus of \$146,990 (June 30, 2023 – surplus of \$226,490) and has incurred significant losses. These circumstances may cast significant doubt as to the ability of the Company to meet its obligations as they come due, and accordingly, the appropriateness of the use of accounting principles applicable to a going concern. The recovery of amounts capitalized for exploration and evaluation assets at September 30, 2023 and June 30, 2023 in the consolidated statement of financial position is dependent upon the ability of the Company to arrange appropriate financing to complete the development and continued exploration of the properties. The Company plans to raise funds primarily through the issuance of shares and/or debt or obtain profitable operations. The outcome of these matters cannot be predicted at this time.

Use of estimates

The preparation of financial statements in conformity with IFRS requires that management make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the period. Actual results could differ from these estimates.

Significant accounts that require estimates relate to stock-based compensation, valuation allowance for income taxes, and impairment assessment of long lived assets, and future reclamation provisions.

CENTRAL IRON ORE LIMITED

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTH PERIOD ENDED SEPTEMBER 30, 2023

(Expressed in Australian dollars)

(Unaudited)

3. SIGNIFICANT ACCOUNTING POLICIES

Cash

Cash is comprised of cash held in banks and on hand and term deposits.

Mineral exploration and evaluation properties

The interests in which the Company has committed to earn an interest are located in Western Australia.

Once a license to explore an area has been secured, expenditures on exploration and evaluation activities are capitalized to exploration and evaluation. Exploration and evaluation expenditures relate to the initial search for deposits with economic potential and to detailed assessments of deposits or other projects that have been identified as having economic potential.

Once an economically viable project has been determined for an area and the decision to proceed with development has been approved, exploration and evaluation assets attributable to that area are first tested for impairment and then reclassified to mines under construction within mine properties, plant and equipment.

Subsequent recovery of the resulting carrying value depends on successful development or sale of the undeveloped project. If a project does not prove viable, all irrecoverable costs associated with the project net of any impairment provisions are written off.

At a future date when the Company transitions from exploration and evaluation activities for the Project to the development stage of the Project, it will apply the following policy.

Provision for closure and restoration

An obligation to incur closure and restoration costs arises with the retirement of tangible long-lived assets that the Company is required to settle. Such costs arising from the decommissioning of plant, mines and other site preparation work, discounted to their net present value, are provided for and capitalized at the start of each project to the carrying amount of the asset, along with a corresponding liability as soon as the obligation to incur such costs arises. The timing of the actual rehabilitation expenditure is dependent on a number of factors such as the life and nature of the asset, the operating license conditions and, when applicable, the environment in which the mine operates.

CENTRAL IRON ORE LIMITED

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE MONTH PERIOD ENDED SEPTEMBER 30, 2023

(Expressed in Australian dollars)

(Unaudited)

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

Provision for closure and restoration (cont'd...)

Discount rates using a pre-tax rate that reflects the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either the unit-of-production or the straight line method. The corresponding liability is progressively increased as the effect of discounting unwinds creating an expense recognized in profit or loss. Decommissioning costs are also adjusted for changes in estimates. Those adjustments are accounted for as a change in the corresponding capitalized cost, except where a reduction in costs is greater than the unamortized capitalized cost of the related assets, in which case the capitalized cost is reduced to nil and the remaining adjustment is recognized in profit or loss.

Functional currency

The functional currency of an entity is the currency of the primary economic environment in which the entity operates. The functional currency of the Company and each of its subsidiaries is the Australian dollar. The functional currency determinations were conducted through an analysis of the consideration factors identified in IAS 21, The Effects of Changes in Foreign Exchange Rates.

Transactions in currencies other than the Australian dollar are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are translated at the period end exchange rate while non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are included in the consolidated statements of loss and comprehensive loss.

Stock-based compensation

Stock based compensation benefits are provided to employees, directors, officers and consultants via the Company's Stock Option Plan.

The fair value of options granted under the Company's Stock Option Plan is recognized as a stock based compensation expense with a corresponding increase in equity. Their fair value is measured and expensed at grant date as the Company's options are fully vested upon granting.

The fair value at grant date is determined by the Black-Scholes option pricing model using amounts that are believed to approximate the volatility of the trading price of the Company's stock, the expected lives of awards of share purchase options, the fair value of the Company's shares and the risk-free interest rate.

If share purchase options are exercised then the fair value of the options is re-classed from reserves in equity to share capital.

CENTRAL IRON ORE LIMITED

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE MONTH PERIOD ENDED SEPTEMBER 30, 2023

(Expressed in Australian dollars)

(Unaudited)

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

Impairment on non-financial assets

On an annual basis the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is an indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the assets belong. Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing 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. If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the statement of comprehensive income, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease. Where an impairment loss subsequently reverses, the carrying amount of the asset (cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash generating unit) in prior years.

Income taxes

Deferred tax is recorded using the liability method, providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Temporary differences are not provided for relating to goodwill nor deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting or taxable loss, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Financial instruments

The Company recognizes a financial asset or a financial liability in its statement of financial position when it becomes party to the contractual provisions of the instrument. At initial recognition, the Company measures a financial asset or a financial liability at its fair value plus or minus, in the case of a financial asset or a financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or the financial liability.

Financial assets

The Company will classify financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss, based on its business model for managing the financial asset and the financial asset's contractual cash flow characteristics. The three categories are defined as follows:

CENTRAL IRON ORE LIMITED

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTH PERIOD ENDED SEPTEMBER 30, 2023 (Expressed in Australian dollars) (Unaudited)

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

Financial instruments (cont'd...)

a) Amortized cost - a financial asset is measured at amortized cost if both of the following conditions are met:
- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Fair value through other comprehensive income - financial assets are classified and measured at fair value through other comprehensive income if they are held in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

c) Fair value through profit or loss - any financial assets that are not held in one of the two business models mentioned are measured at fair value through profit or loss.

When, and only when, the Company changes its business model for managing financial assets it must reclassify all affected financial assets.

The Company's financial assets are comprised of cash and receivables, which are measured at amortized cost.

Financial liabilities

The Company's liabilities include accounts payable and accrued liabilities, and loan payable which are all measured at amortized cost. After initial recognition, an entity cannot reclassify any financial liability.

Impairment

The Company assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortized cost and fair value through other comprehensive income. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Comprehensive income/(loss)

Comprehensive income/(loss) is defined as the change in equity (net assets) from transactions and other events from non-owner sources.

Comparative figures

Certain comparative figures have been reclassified to conform to the current period's presentation.

New accounting standards and interpretations

Accounting standards and amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

CENTRAL IRON ORE LIMITED**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

FOR THE THREE MONTH PERIOD ENDED SEPTEMBER 30, 2023

(Expressed in Australian dollars)

(Unaudited)

4. CASH AND CASH EQUIVALENT

	September 30	June 30
	2023	2023
	\$	\$
Cash at bank and on hand	141,445	194,277
	141,445	194,277

5. RECEIVABLES

The Company's receivables arise from trade and GST receivables that are in the normal course of business. These are broken down as follows:

	September 30	June 30
	2023	2023
	\$	\$
Trade receivables	96,304	122,224
	96,304	122,224

6. DEPOSITS

Security deposits for the Company are broken down as follows:

	September 30	June 30
	2023	2023
	\$	\$
Security deposit - office premises	36,558	36,558
Security deposit – tenement annual rates	2,351	966
Security Deposit – Legal fees	75,000	275,000
Indemnity for performance bond - Yilgarn	12,349	12,349
	126,258	324,873

7. INVESTMENTS

	September 30	June 30
	2023	2023
	\$	\$
Shares in Brightstar Resources Limited	60,671	60,671
	60,671	60,671

CENTRAL IRON ORE LIMITED

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTH PERIOD ENDED SEPTEMBER 30, 2023 (Expressed in Australian dollars) (Unaudited)

8. EXPLORATION AND EVALUATION ASSETS

Title to mineral property interests involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral claims. The Company has investigated title to all of its mineral property interests and, to the best of its knowledge, title to all of its interests are in good standing. The mineral property interests in which the Company has committed to earn an interest are located in Western Australia.

For the three months ended September 30, 2023 and the year ended June 30, 2023, the Company's exploration and evaluation assets consist of:

	Yilgarn Iron Ore Project	British King Gold Project	South Darlot Gold Project	South Darlot Joint Venture	Total
	\$	\$	\$	\$	\$
Acquisition Costs:					
Balance, June 30, 2022	9,196	55,036	44,383	2,684,536	2,793,151
Additions	-	28,133	-	-	28,133
Balance, September 30, 2022	9,196	83,169	44,383	2,684,536	2,821,284
Exploration Costs:					
Balance, June 30, 2022	9,196	55,036	44,383	2,684,536	2,793,151
Field expenses	-	42,695	-	502,232	544,927
Balance, June 30, 2023	9,196	97,731	44,383	3,186,768	3,338,078
Field expenses	-	209,532	-	595,000	804,532
Balance, September 30, 2023	9,196	307,263	44,383	3,781,768	4,142,610

Red 5 Joint Venture

The Red 5 Joint Venture (formally Barrick JV) consists of a number of tenements in which CIO has a 70% interest which are subject to a joint venture with a subsidiary of Red 5 Limited.

British King Gold Mine

Under the terms of a Tenement Acquisition Agreement dated 30 October 2014 regarding the sale of British King by CIO to BK Gold Mines Pty Limited, the British King Mine has now reverted to 100% ownership by CIO.

The Company estimates that the provision for closure and restoration will be approximately \$50,000 for this property. Assumptions used in the calculation for the estimated cash flows were as follows: inflation at the rate of 3% and discount rate of 6%. Certain minimum amounts of the provision will occur each year with the significant amounts to be paid on abandonment of the mineral property interests.

CENTRAL IRON ORE LIMITED**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

FOR THE THREE MONTH PERIOD ENDED SEPTEMBER 30, 2023

(Expressed in Australian dollars)

(Unaudited)

9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities for the Company are broken down as follows:

	September 30 2023	June 30 2023
	\$	\$
Trade payable	40,759	40,011
Loan payable (i)	50,000	50,000
	90,759	90,011

- (i) Loan payable comprises a loan of \$50,000 (June 30, 2023: \$50,000) from Gullewa Limited. The loan is interest free and repayable at call. As of June 30, 2023, Gullewa Limited holds 36.1% of the Company's shares.
- (ii) CIO has received from Jaybre Geological Consulting Pty Ltd (Administrators Appointed) ("Jaybre") a request dated 2 August 2023 for payment of \$430,782.41. CIO responded to the request and disputed the claim. The directors of CIO believe that \$22,333 is due to Jaybre.

10. LOANS PAYABLE

	September 30 2023	June 30 2023
	\$	\$
Loan payable	2,463,515	1,828,992
	2,463,515	1,828,992

Loan payable comprises a loan of \$2,463,515 (June 30, 2023: \$1,828,992) from Gullewa Limited. The loan bears interest at 8% per annum. Gullewa Limited has agreed to defer payment of the balance owing to it for least 12 months from the date of signing the financial report in respect of the year ended June 30, 2023.

CENTRAL IRON ORE LIMITED

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTH PERIOD ENDED SEPTEMBER 30, 2023 (Expressed in Australian dollars) (Unaudited)

11. CAPITAL STOCK

Authorized Unlimited common voting shares, without par value.

There was no share issuance during the three months ended September 30, 2023 and the year ended June 30, 2023.

The number of shares on issue is 24,236,914 (at June 30, 2023 24,236,914).

Stock options

The Company, in accordance with the policies of the TSX Venture Exchange, is authorized to grant options to directors, employees and consultants, to acquire up to 10% of issued and outstanding common stock. The exercise price of each option equals the market price of the Company's stock as calculated on the date of grant. The options can be granted for a maximum term of 5 years. Options granted to employees, directors and officers vest fully four months after the grant date. Options issued to consultants must vest in stages over 12 months with one quarter of the options vesting in any three month period.

The fair value of all share purchase options are expensed over their vesting period and estimated term, with a corresponding increase in contributed surplus.

Upon exercise of share purchase options, the consideration paid by the option holder, together with the amounts previously recognized in contributed surplus, is recorded as an increase to share capital.

There were no stock option transactions during the three months ended September 30, 2023 or the year ended June 30, 2023. There was no stock options outstanding as of September 30, 2023 and June 30, 2023.

12. SEGMENTED INFORMATION

The Company's one reportable operating segment is the exploration and evaluation of mineral properties in Australia. All of the Company's mineral properties and plant and equipment are located in Western Australia.

13. CAPITAL MANAGEMENT AND FINANCIAL INFORMATION

The Company's activities expose it to a variety of financial risks (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance of the Company. The Board controls overall risk management and the investment of excess liquidity. In the management of capital, the Company includes the components of shareholders' equity. There were no changes to the Company's approach to capital management during the three months ended September 30, 2023. The Company is not subject to externally imposed capital requirements.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

CENTRAL IRON ORE LIMITED

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTH PERIOD ENDED SEPTEMBER 30, 2023 (Expressed in Australian dollars) (Unaudited)

13. CAPITAL MANAGEMENT AND FINANCIAL INFORMATION (cont'd....)

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3 – Inputs that are not based on observable market data.

The Company measured its cash, receivables, accounts payable and accrued liabilities, and loan payable at amortized cost. The carrying values of these items approximate their fair value due to the relatively short periods to maturity of the instruments.

The Company is exposed in varying degrees to a variety of financial instrument related risks:

Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations.

The Company's cash and cash equivalents are held at large Canadian and/or Australian financial institutions with a portion in interest bearing accounts. The Company has no investment in asset backed commercial paper.

The Company does not believe it is subject to significant credit risk.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at September 30, 2023, the Company had a cash and cash equivalent balance of \$141,445 (June 30, 2023 - \$194,277) to settle current liabilities of \$90,759 (June 30, 2023 - \$90,011).

Management believes that it has sufficient funds to meet its current liabilities as they become due.

The Company has limited financial resources and there is no assurance that additional funding will be available to allow the Company to acquire, explore and develop mineral properties. Failure to obtain additional financing could result in delay or indefinite postponement of further exploration. The Company may, in the future, be unable to meet its obligations under agreements to which it is a party and the Company may consequently have its interest in the properties subject to such agreements jeopardized. Furthermore, if other parties to such agreements do not meet their share of such costs, the Company may be unable to finance the cost required to complete recommended programs.

The Company is dependent on raising funds by the issuance of shares and/or debt or disposing of interests in its mineral properties (by options, joint ventures or outright sales) in order to finance further acquisitions, undertake exploration and development of mineral properties and meet general and administrative expenses in the immediate and long term. There can be no assurance that the Company will be successful in raising their required financing.

Apart from the initiatives discussed above, the Company is not aware of any trends, commitments or events that may affect its liquidity in the foreseeable future. The Company has not made any commitments for capital expenditures, other commitments and contingencies for expenditure are set out in note 14. Material increases or decreases in the Company's liquidity will be substantially determined by the success or failure of raising additional funds through private placements and its planned exploration programs.

CENTRAL IRON ORE LIMITED

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTH PERIOD ENDED SEPTEMBER 30, 2023 (Expressed in Australian dollars) (Unaudited)

13. CAPITAL MANAGEMENT AND FINANCIAL INFORMATION (cont'd....)

At September 30, 2023 the Company had a working capital surplus of \$146,990 (June 30, 2023 working capital surplus of \$226,490).

The Company intends to meet its future cash commitments through further capital raisings.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

a) Interest rate risk

The Company has cash balance of \$141,445. The interest earned on the cash deposit approximates fair value rates, and the Company is not at a significant risk to fluctuating interest rates. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. As at September 30, 2023, the Company had a total of \$nil in short-term deposits.

The risk that the Company will realize a loss as a result of a decline in the fair value of the short-term investments included in cash and cash equivalents is minimal because of the short-term nature of these investments.

b) Foreign currency risk

The Company operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the Canadian dollar.

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the entity's functional currency and net investments in foreign operations.

The risk is measured using cash flow forecasting. Consolidated companies are required to manage their foreign currency risk against their functional currency. The financial statements are presented in Australian dollars which is the Company's functional and presentation currency. The Company does not hedge its foreign exchange risk exposure.

c) Price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of gold, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

CENTRAL IRON ORE LIMITED

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTH PERIOD ENDED SEPTEMBER 30, 2023 (Expressed in Australian dollars) (Unaudited)

13. CAPITAL MANAGEMENT AND FINANCIAL INFORMATION (cont'd....)

Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the exploration and development of its exploration and evaluation assets, acquire additional mineral property interests and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk. In the management of capital, the Company includes components of shareholders' equity.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue debt, acquire or dispose of assets or adjust the amount of cash and cash equivalents and investments.

The Company currently is not subject to externally imposed capital requirements. There were no changes in the Company's approach to capital management.

14. COMMITMENTS AND CONTINGENCIES

	September 30 2023 \$	June 30 2023 \$
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Exploration and evaluation expenditure

In order to maintain current rights to tenure to exploration tenements, the company is required to perform minimum expenditure requirements specified by various governments. The expenditure obligations are subject to renegotiation when application for a mining lease and/or renewal of exploration permits is made and at other times. These obligations are not provided for in the financial statements and are payable:

Not later than one year	138,753	139,628
Later than one year but not later than five years	546,915	544,513
Later than 5 years	145,737	145,737
	<u>831,405</u>	<u>829,878</u>

CENTRAL IRON ORE LIMITED**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

FOR THE THREE MONTH PERIOD ENDED SEPTEMBER 30, 2023

(Expressed in Australian dollars)

(Unaudited)

15. RELATED PARTY TRANSACTIONS

Total remuneration of each key management personnel and their related parties of the Company for the three months ended September 30, 2023, is set out below.

September 30 2023	Short Term Employee Benefits			Post Benefits	Employment Benefits	Share Based Payments	Total
	Cash Salary & Fees	Cash Bonus	Other				
<i>Directors</i>							
Richard Homsany	-	-	-	-	-	-	-
David Deitz	2,828	-	-	311	-	-	3,139
Katherine Garvey	-	-	-	-	-	-	-
A Howland-Rose	-	-	-	-	-	-	-
Total	2,828	-	-	311	-	-	3,139

Total remuneration of each key management personnel and their related parties of the Company for the three months ended September 30, 2022 is set out below.

September 30, 2022	Short Term Employee Benefits			Post Benefits	Employment Benefits	Share Based Payments	Total
	Cash Salary & Fees	Cash Bonus	Other				
<i>Directors</i>							
B Hodgins	-	-	-	-	-	-	-
R Homsany	-	-	-	-	-	-	-
David Deitz	-	-	-	-	-	-	-
Katherine Garvey	-	-	-	-	-	-	-
A Howland-Rose	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-

Other transactions with key management personnel

- a) The Chief Executive Officer of the Company, Mr David Deitz is a director of Gullewa Limited, which provides accounting services to the Company. For the three months ended September 30, 2023, these were valued at nil.

CENTRAL IRON ORE LIMITED**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTH PERIOD ENDED SEPTEMBER 30, 2023
(Expressed in Australian dollars)
(Unaudited)****15. RELATED PARTY TRANSACTIONS (cont'd....)**

Aggregate amounts of each of the above types of other transactions with key management personnel and their related parties of the Company:

	Three months Ended September 30 2023 \$	Three months ended September 30 2022 \$
Gullewa Limited – Administration fees	26,036	-
Gullewa Limited – Borrowed as working capital	634,523	98,884
	<u>660,559</u>	<u>98,884</u>

Aggregate amounts payable to key management personnel of the Company at balance date relating to the above types of transactions.

	September 30 2023 \$	June 30 2023 \$
Jaybre Geological Consulting Pty Ltd	22,333	22,333
Gullewa Limited – Administration fees	26,036	17,484
Gullewa Limited – Borrowed as working capital	2,463,515	1,828,992

CIO has received from Jaybre Geological Consulting Pty Ltd (Administrators Appointed) (“Jaybre”) a request dated 2 August 2023 for payment of \$430,782.41. CIO responded to the request and disputed the claim. The directors of CIO believe that \$22,333 is due to Jaybre.

16. OTHER INCOME

During the three months ended September 30, 2023, the Company earned \$6,710 (September 30, 2022: \$nil) from providing project management services to the South Darlot Gold Project. The Company did not earn any other type of income in the period (September 30, 2022: \$nil).