LEEUWIN METALS

Leeuwin Metals Ltd

ACN 656 057 215

# Annual Report

30 June 2022

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Leeuwin Metals Ltd (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the period ended 30 June 2022.

## Directors

The following persons were directors of Leeuwin Metals Ltd during the whole of the financial period and up to the date of this report, unless otherwise stated:

Christopher Piggott (appointed 14 December 2021)

Simon Jackson (appointed 1 June 2022)

Scott Williamson (appointed 1 June 2022)

## Principal activities

The principal activity of the Group is to acquire, explore and develop mineral projects, in Australia and Canada.

## Dividends

No dividends were paid or declared during the period.

## Review of operations

The loss for the consolidated entity after providing for income tax amounted to $169,446.

The company was incorporated on 14 December 2021 with the objective of acquiring, exploring and developing nickel, rare earths and lithium projects, together with potentially developing other green critical minerals, within Australia and overseas.

During the period, the company applied for lithium and rare earth ground in Western Australia and in Ontario, Canada.

- Ignace, Ontario Canada – 44 claims covering 175km2, targeting extensions of neighbours Grid Metals Corp. high grade Li Rock Chips along from mapped pegmatites.
- Marble Bar, Western Australia – one tenement covering 96km2, targeting within a similar geological setting to neighbour Global Lithium Resources Limited.
- Gascoyne, Western Australia – three tenements covering 351km2, targeting lithium and rare earths in the Gascoyne mineral field within a similar geological setting to neighbour Kingfisher Mining Limited.

In June 2022, the company acquired the William Lake Nickel Project, located in the Southern end of World Class Thompson Nickel Belt in Manitoba, Canada which covers 96km2. The project is accessible year-round via high quality highway access and intersects a hydro powerline making the potential for Net Zero carbon Ni possible in a mining scenario.

## Significant changes in the state of affairs

During the period, the following significant changes occurred in the state of affairs:

- The Company was incorporated on 14 December 2021;
- 5,000,000 shares were issued to the Founders on incorporation of the Company. The Shares were issued at an issue price of $0.01 per share;
- On 5 May 2022, 4,000,000 shares were issued to seed capital investors at an issue price of $0.01 per share;
- On 12 May 2022, 7,500,000 shares were issued to seed capital investors at an issue price of $0.04 per share and 25,500,000 options which expire on 12 May 2028 and an exercise price of $0.30;
- On 12 May 2022, 875,000 shares were issued to seed capital investors at an issue price of $0.04 per share
- On 25 May 2022, 5,316,672 shares were issued to seed capital investors at an issue price of $0.15 per share;
- On 01 June 2022, the company acquired 100% of the William Lake Nickel Project in Manitoba, Canada for the following consideration - CAD$1,000,000 in Cash, 2,500,000 Ordinary Shares of Leeuwin, 2,500,000 options with each Option entitling the Company to acquire one Share of Leeuwin at a price of AUD$0.50 for a period of (5) five years.

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

### Matters subsequent to the end of the financial period

The company is in process of applying for admission to the Official List of the Australian Stock Exchange; and

In late November 2022, the Company commenced a share placement of 3,076,576 fully paid ordinary shares at $0.15 cents per share to a corporate investor raising a total of $461,486.

No other matter or circumstance has arisen since 30 June 2022 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

### Likely developments and expected results of operations

Information on likely developments in the operations of the consolidated entity and the expected results of operations have not been included in this report because the Directors believe it would be likely to result in unreasonable prejudice to the consolidated entity.

### Environmental regulation

The consolidated entity operations are subject to the environmental risks associated with the mining industry.

### Information on directors

| | |
|---|---|
| Name: | Simon Jackson |
| Title: | Non-Executive Chairman |
| Qualifications: | BCom FCA |
| Experience and expertise: | Mr. Jackson is a Chartered Accountant with over 25 years’ experience in management of resource companies, particularly in Africa. Mr. Jackson was a senior member of the management team of TSX listed Red Back Mining Inc., a company that financed, developed and operated two gold mines in West Africa culminating in a takeover by Kinross Gold Corp in 2010 for US$7.2b.<br>He was then founding President & CEO and later Chairman of TSXV listed Orca Gold Inc, a company which discovered and is advancing the Block 14 gold project in Sudan. Mr. Jackson is currently Non- executive Chairman of Sarama Resources Limited and Non-executive Chairman of Predictive Discovery. In addition, Mr. Jackson has previously been a director of multiple ASX and TSX listed companies including Cardinal Resources Limited. |
| Special responsibilities: | None |
| Name: | Christopher Piggott |
| Title: | Managing Director |
| Qualifications: | BSc Geology, MAIG, BCom (finance) |
| Experience and expertise: | Mr. Piggott is an experienced geologist with a proven track record of mineral discoveries and corporate growth with more than 15 years’ experience across both public and private resource sectors.<br>Mr Piggott is a geologist with experience across gold, base metals and iron ore. His most recent roles included Senior Geologist at ASX listed Bellevue Gold where he was a contributor to the discoveries Tribune, Viago and Deacon, he was part of the team that defined over 3 million ounces of gold.<br>He was also a part of the team that defined the Nova-Bollinger deposit 14.6mt @ 2.5% Ni, 0.9% Cu and 0.08% Co, this is now owned and operated by Independence Group. The project was a greenfield discovery in a new and remote geological terrain in Western Australia.<br>Chris has a well-rounded set of experience across the various life stages of a project, covering greenfields exploration, brownfields exploration, underground and open pit operations. Having gained exposure to large scale drill programs (+250,000m’s of drilling), target generation, resource development, geophysical programs, grade control, reconciliations and reporting practices. Chris is able to tie his technical knowledge to deliver commercial outcomes. |
| Special responsibilities: | None |

| | |
|---|---|
| Name: | Scott Williamson |
| Title: | Non-Executive Director |
| Qualifications: | BEng (Mining) BCom, MAusIMM |
| Experience and expertise: | Mr. Williamson is the founder and currently the Managing Director of Blackstone Minerals Limited since November 6, 2017.<br>Mining Engineer with a Commerce degree from the West Australian School of Mines and Curtin University, with more than 10 years’ experience in technical and corporate roles in the mining and finance sectors.<br>Prior to this, Mr. Williamson served as Investor Relations Manager at Resolute Mining Limited, Resources Analyst at Hartleys Research, responsible for the analysis and valuation of mining equities and was also a Senior Analyst. |
| Special responsibilities: | None |

**Company secretary**

Nicholas Katris (B,Bus, CA) has held the role of Company Secretary since December 2021. Mr. Katris is a Chartered Accountant with over 15 years' of experience in the resources sector, operating in Australia, Canada, Europe and Africa.

**Meetings of directors**

The number of meetings of the company's Board of Directors ('the Board') held during the period ended 30 June 2022, and the number of meetings attended by each director were:

| | Full Board | |
|---|---|---|
| | Attended | Held |
| Simon Jackson | 1 | 1 |
| Christopher Piggott | 1 | 1 |
| Scott Williamson | 1 | 1 |

Held: represents the number of meetings held during the time the director held office.

**Shares under option**

Unissued ordinary shares of Leeuwin Metals Ltd under option at the date of this report are as follows:

| Grant date | Expiry date | Exercise price | Number under option |
|---|---|---|---|
| 12 May 2022 | 12 May 2028 | $0.30 | 25,500,000 |
| 01 June 2022 | 01 June 2027 | $0.50 | 2,500,000 |

**Indemnity and insurance of auditor**

The company has not, during or since the end of the financial period, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor. During the financial period, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

**Proceedings on behalf of the company**

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

**Auditor's independence declaration**

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

**Auditor**

William Buck continues in office in accordance with section 327 of the Corporations Act 2001.

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

Christopher Piggott
Director

30 November 2022
Perth

William Buck
ACCOUNTANTS & ADVISORS

## AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF LEEUWIN METALS LTD

I declare that, to the best of my knowledge and belief during the period ended 30 June 2022 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 Audit (Vic) Pty Ltd**
ABN 59 116 151 136

**J. C. Luckins**
Director
Melbourne, 30th November 2022

**Leeuwin Metals Ltd**
**Contents**
**30 June 2022**


| | |
|---|---|
| Statement of profit or loss and other comprehensive income | 8 |
| Statement of financial position | 9 |
| Statement of changes in equity | 10 |
| Statement of cash flows | 11 |
| Notes to the financial statements | 12 |
| Directors' declaration | 26 |
| Independent auditor's report to the members of Leeuwin Metals Ltd | 28 |


## General information

The financial statements cover Leeuwin Metals Ltd as a consolidated entity consisting of Leeuwin Metals Ltd and the entities it controlled at the end of, or during, the period. The financial statements are presented in Australian dollars, which is Leeuwin Metals Ltd's functional and presentation currency.

Leeuwin Metals Ltd is an unlisted public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

**Registered office/Principal place of business**

Suite 16 Level 2, 420 Bagot Road,
Subiaco WA 6008

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 30 November 2022. The directors have the power to amend and reissue the financial statements.

**Leeuwin Metals Ltd**
**Statement of profit or loss and other comprehensive income**
**For the period from incorporation on 14 December 2021 to 30 June 2022**

| | Note | Consolidated 14 Dec 21 to 30 Jun 22 |
|---|---|---|
| **Revenue** | | |
| Interest Income | | 17 |
| **Expenses** | | |
| Accounting and audit fees | | (7,500) |
| Consultants and contractors | | (28,901) |
| Corporate and administrative costs | | (29,266) |
| Exploration expenses | 3 | (103,796) |
| **Loss before income tax expense** | | **(169,446)** |
| Income tax expense | 4 | - |
| Loss after income tax expense for the period | | (169,446) |
| **Other comprehensive income** | | |
| *Items that may be reclassified to profit or loss* | | |
| Foreign currency translation of foreign operations | | 41,899 |
| **Other comprehensive income / (loss) for the period, net of tax** | | **41,899** |
| **Total comprehensive income for the period** | | **(127,547)** |

| | | |
|---|---|---|
| **Loss per share attributable to owners of Leeuwin Metals Ltd (amounts in cents)** | | |
| Basic and diluted loss per share | | **(3.26)** |

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

**Leeuwin Metals Ltd**
**Statement of financial position**
**As at 30 June 2022**

| | Note | Consolidated 2022 $ |
|---|---|---|
| **Assets** | | |
| **Current assets** | | |
| Cash and cash equivalents | 6 | 59,031 |
| Trade and other receivables | 7 | 2,522 |
| **Total current assets** | | **61,553** |
| **Non-current assets** | | |
| Exploration and evaluation assets | 8 | 1,733,045 |
| **Total non-current assets** | | **1,733,045** |
| **Total assets** | | **1,794,598** |
| **Liabilities** | | |
| **Current liabilities** | | |
| Trade and other payables | 9 | 105,502 |
| **Total current liabilities** | | **105,502** |
| **Total liabilities** | | **105,502** |
| **Net assets** | | **1,689,096** |
| **Equity** | | |
| Issued capital | 10 | 1,597,501 |
| Reserves | 12 | 261,041 |
| Accumulated losses | | (169,446) |
| **Total equity** | | **1,689,096** |

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

**Leeuwin Metals Ltd**
**Statement of changes in equity**
**For the period from incorporation to 30 June 2022**

| Consolidated | Issued capital $ | Options & Share Based payments reserves $ | Foreign Currency Reserve $ | Accumulated Losses $ | Total equity $ |
|---|---|---|---|---|---|
| Balance at 14 December 2021 | - | - | - | - | - |
| Loss after income tax expense for the period | - | - | - | (169,446) | (169,446) |
| *Other comprehensive income* | - | | | | |
| Foreign currency translation | | - | 41,899 | - | 41,899 |
| **Total comprehensive loss for the period** | **-** | **-** | **41,899** | **(169,446)** | **(127,547)** |
| *Transactions with owners in their capacity as owners:* | | | | | |
| Contributions of equity | 1,222,501 | - | - | - | 1,222,501 |
| Shares & Options issued on the acquisition of William Lake Project (note 8, 10, 12) | 375,000 | 219,142 | - | - | 594,142 |
| **Balance at 30 June 2022** | **1,597,501** | **219,142** | **41,899** | **(169,446)** | **1,689,096** |

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

**Leeuwin Metals Ltd**
**Statement of cash flows**
**For the period from incorporation on 14 December 2021 to 30 June 2022**

| | Note | Consolidated 14 Dec 2021 to 30 Jun 22 $ |
|---|---|---|
| **Cash flows from operating activities** | | |
| Interest received | | 17 |
| Payments for exploration and evaluation expensed (inclusive of GST) | | (45,872) |
| Payments to suppliers and employees (inclusive of GST) | | (20,611) |
| **Net cash used in operating activities** | **21** | **(66,466)** |
| | | |
| **Cash flows from investing activities** | | |
| Payment for exploration and evaluation | | (1,097,004) |
| **Net cash used in investing activities** | | **(1,097,004)** |
| | | |
| **Cash flows from financing activities** | | |
| Proceeds from issue of shares | | 1,222,501 |
| **Net cash from financing activities** | | **1,222,501** |
| | | |
| Net increase in cash and cash equivalents | | 59,031 |
| Cash and cash equivalents at the beginning of the financial period | | - |
| **Cash and cash equivalents at the end of the financial period** | **6** | **59,031** |

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

## Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below.

The Company was incorporated on 14 December 2021. These are the first financial statements of the Company and cover the period from incorporation to 30 June 2022.

### New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

### Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

*Historical cost convention*

The financial statements have been prepared under the historical cost convention.

*Critical accounting estimates*

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

### Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 19.

### Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Leeuwin Metals Ltd ('company' or 'parent entity') as at 30 June 2022 and the results of all subsidiaries for the period then ended. Leeuwin Metals Ltd and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the consolidated entity. Losses incurred by the consolidated entity are attributed to the non-controlling interest in full, even if that results in a deficit balance.

**Note 1. Significant accounting policies (continued)**

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

**Operating segments**

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

**Foreign currency translation**

The financial report is presented in Australian dollars, which is Leeuwin Metals Ltd.'s functional and presentation currency.

Foreign currency transactions

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign operations

The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rate at the date of the transaction, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

**Revenue recognition**

The consolidated entity recognises revenue as follows:

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the

amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

**Income tax**

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

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 recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred

**Note 1. Significant accounting policies (continued)**

tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

**Current and non-current classification**

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

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

**Cash and cash equivalents**

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

**Exploration and evaluation expenditure**

Costs arising from exploration and evaluation activities are carried forward where the rights to tenure for the area of interest are current and such costs are expected to be recouped through successful development, or by sale, or where exploration and evaluation activities have not, at reporting date, reached a stage to allow a reasonable assessment regarding the existence of economically recoverable reserves.

**Note 1. Significant accounting policies (continued)**

**Fair value measurement**

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

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

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

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

**Issued capital**

Ordinary shares are classified as equity.

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.

**Earnings per share**

*Basic earnings per share*

Basic earnings per share is calculated by dividing the profit attributable to the owners of Leeuwin Metals Ltd, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

*Diluted earnings per share*

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

**Share-based payments**

Equity-settled and cash-settled share-based compensation benefits are provided to executives & employees.

Equity-settled transactions are awards of shares, or options over shares that are provided to executives and employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the Company receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying either the Binomial or Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:

- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability. Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the Company, executives or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Company, executives or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

**Business combinations**

The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

The consideration transferred is the sum of the acquisition-date fair values of the assets transferred, equity instruments issued or liabilities incurred by the acquirer to former owners of the acquiree and the amount of any non-controlling interest in the acquiree. For each business combination, the non-controlling interest in the acquiree is measured at either fair value or at the proportionate share of the acquiree's identifiable net assets. All acquisition costs are expensed as incurred to profit or loss.

On the acquisition of a business, the consolidated entity assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the consolidated entity's operating or accounting policies and other pertinent conditions in existence at the acquisition-date.

Where the business combination is achieved in stages, the consolidated entity remeasures its previously held equity interest in the acquiree at the acquisition-date fair value and the difference between the fair value and the previous carrying amount is recognised in profit or loss.

Contingent consideration to be transferred by the acquirer is recognised at the acquisition-date fair value. Subsequent changes in the fair value of the contingent consideration classified as an asset or liability is recognised in profit or loss. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

The difference between the acquisition-date fair value of assets acquired, liabilities assumed and any non-controlling interest in the acquiree and the fair value of the consideration transferred and the fair value of any pre-existing investment in the acquiree is recognised as goodwill. If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognised as a gain directly in profit or loss by the acquirer on the acquisition-date, but only after a reassessment of the identification and measurement of the net assets acquired, the non-controlling interest in the acquiree, if any, the consideration transferred and the acquirer's previously held equity interest in the acquirer.

Business combinations are initially accounted for on a provisional basis. The acquirer retrospectively adjusts the provisional amounts recognised and also recognises additional assets or liabilities during the measurement period, based on new information obtained about the facts and circumstances that existed at the acquisition-date. The measurement period ends on either the earlier of (i) 12 months from the date of the acquisition or (ii) when the acquirer receives all the information possible to determine fair value.

**Goods and Services Tax ('GST') and other similar taxes**

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

**New Accounting Standards and Interpretations not yet mandatory or early adopted**

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory,

have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2022. The consolidated entity has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

## Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

***Fair value measurement hierarchy***

The consolidated entity is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being: Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date; Leve l 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and Level 3: Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

The fair value of assets and liabilities classified as level 3 is determined by the use of valuation models. These include discounted cash flow analysis or the use of observable inputs that require significant adjustments based on unobservable inputs.

***Share-based payment transactions***

Judgement has been exercised in calculating the value of share-based payments. The closing price of share sales on the day of the award of the share-based payment is used for calculating the fair value of the payment. The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using the Black-Scholes option pricing model which takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions which do not determine whether the consolidated entity receives the services that entitle the employees to receive payment. No account is taken of any other

vesting conditions. The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods. Refer to note 12 for further information.

***Income tax***

The consolidated entity is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The consolidated entity recognises liabilities for anticipated tax audit issues based on the consolidated entity's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

*Recovery of deferred tax assets*

Deferred tax assets are recognised for deductible temporary differences only if the consolidated entity considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

*Exploration and evaluation costs*

Exploration and evaluation expenditure have been capitalised on the basis that activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. Key judgements are

applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised.

## Note 3. Expenses

| | Consolidated |
|---|---|
| | **14 Dec 21 to 30 Jun 22** |
| Loss before income tax from continuing operations includes the following expenses: | **$** |
| **Exploration expenses** | |
| Assay | 9,234 |
| Consultants | 26,565 |
| Tenement fees | 63,413 |
| Travel expenses | 4,585 |
| **Total exploration expenditure** | **103,796** |

## Note 4. Income tax expense

| | Consolidated |
|---|---|
| | **14 Dec 21 to 30 Jun 22** |
| | **$** |
| *a) The components of tax expense comprise:* | |
| Current tax | - |
| Deferred tax - origination and reversal of temporary differences | - |
| Income tax expense reported in the of profit or loss and other comprehensive income | - |
| *b) The prima facie tax on loss from ordinary activities before income tax is reconciled to the income tax as follows:* | |
| Loss before income tax expense | (169,446) |
| Tax at the statutory tax rate of 25% | (42,362) |
| Tax effect amounts which are not deductible/(taxable) in calculating taxable income: | |
| Revenue losses not recognised | 23,836 |
| Other deferred tax balances not recognised | 18,145 |
| Effect of different tax rates of subsidiaries operating in other jurisdictions | (31) |
| Income tax expense | - |
| *Deferred tax assets and liabilities not recognised* | |
| Deferred tax assets and liabilities not recognised comprises temporary differences attributable to: | |
| Provisions and accruals | 23,836 |
| Carry forward revenue losses | 18,449 |
| | 42,285 |

## Note 5. Loss per share

| | Consolidated 2022 $ |
|---|---|
| Loss attributable to the owners of Leeuwin used in calculating basic and dilutive loss per share | (169,446) |
| Weighted average number of ordinary shares used in calculating basic loss per share | 5,194,437 |
| **Basic and diluted loss per share-in cents** | **(3.26)** |

## Note 6. Current assets - cash and cash equivalents

| | Consolidated 2022 $ |
|---|---|
| Cash at bank | 59,031 |
| | **59,031** |

## Note 7. Current assets - trade and other receivables

| | Consolidated 2022 $ |
|---|---|
| GST receivables | 2,522 |
| | **2,522** |

## Note 8. Non-current assets – Exploration and evaluation assets

| | Consolidated 2022 $ |
|---|---|
| Exploration and evaluation – at cost | 1,733,045 |

*Reconciliation*

Reconciliation of the written down values at the beginning and end of the current financial period are set out below:

| | |
|---|---|
| **Balance at 14 Dec 2021** | **-** |
| Acquisition of William Lake Project* | 1,691,712 |
| Disposals | - |
| Foreign exchange movements | 41,333 |
| **Balance at 30 Jun 2022** | **1,733,045** |

* On 1 June 2022, the Company acquired the William Lake Nickel Project, Manitoba, Canada for the following consideration:

i) Cash Payment of $1,097,570;

ii) 2,500,000 shares in the Company issued to the vendors with a fair value of $375,000 based on a deemed price of $0.15 on 1 June 2022; and

iii) 2,500,000 Options in the Company issued to the vendors with a fair value of $219,142 (refer note 12).

**Note 9. Current liabilities - trade and other payables**

| | Consolidated |
|---|---|
| | 2022 |
| | $ |
| Trade creditors | 10,157 |
| Other payables | 95,345 |
| | 105,502 |

Refer to Note 13 for further information on financial instruments.

**Note 10. Equity - issued capital**

| | Consolidated | |
|---|---|---|
| | 2022 | 2022 |
| | Shares | $ |
| Ordinary shares - fully paid | 25,191,672 | 1,597,501 |

*Movements in ordinary share capital*

| Details | Shares | Issue price | $ |
|---|---|---|---|
| **Balance on 14 Dec 2022** | **-** | | **-** |
| Issue of shares to Founders | 9,000,000 | $0.01 | 90,000 |
| Issue of Seed Capital shares | 7,500,000 | $0.04 | 300,000 |
| Issue of Seed Capital shares | 875,000 | $0.04 | 35,000 |
| Issue of Seed Capital shares | 5,316,672 | $0.15 | 797,501 |
| Issue of shares for the acquisition of William Lake | 2,500,000 | $0.15 | 375,000 |
| **Balance at 30 Jun 2022** | **25,191,672** | | **1,597,501** |

**Ordinary shares**

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

| Unlisted number of share options | Consolidated |
|---|---|
| | 2022 |
| **Balance on 14 Dec 2022** | **-** |
| Options issued | 28,000,000 |
| Options exercised | - |
| **Balance at 30 Jun 2022** | **28,000,000** |

Refer to Note 12 for further details of the share options issued.

**Capital risk management**

The consolidated entity's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the consolidated entity may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

## Note 12. Reserves

| | Consolidated 2022 $ |
|---|---|
| Options Reserve | 219,142 |
| FX revaluation reserve | 41,899 |
| Balance at 30 June 2022 | 261,041 |

*Share-based payments reserve*

The reserve is used to recognise share-based payment (options and performance rights) transactions that occurred during the period.

*Foreign currency reserve*

The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars.

*a) Reconciliation of options on issue*

Valuation of options issued to the vendors of the William Lake Nickel Project

The Company issued 2,500,000 options, as part consideration for the acquisition of William Lake Nickel Project. These options are exercisable at $0.50 and expire five years from the date of issue. They have been valued using a Black & Scholes options pricing model at $219,142 using the following assumptions:

| | |
|---|---|
| Underlying share price | $0.15 |
| Expected volatility | 146.60% |
| Life of rights | 5 years |
| Risk free rate | 3.08% |
| Marketability discount | 30% |
| Fair value per right | $0.0876 |

A total of 25,500,000 options were issued on 12 May 2022, as free attaching options to the issue of 7,500,000 fully paid shares to the on 12 May 2022. These options are exercisable at $0.30 on or before 12 May 2028.

## Note 13. Financial instruments

***Financial risk management objectives***

The consolidated entity's activities expose it to a variety of financial risks: market risk (including price risk and interest rate risk), credit risk and liquidity risk. The consolidated entity's overall risk management program seeks to minimise potential adverse effects on the financial performance of the consolidated entity. The consolidated entity uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate and other price risks.

Risk management is carried out by the Board of Directors ('the Board'). The Board identifies, evaluates and hedges financial risks within the consolidated entity.

***Market risk***

*Price risk*

The consolidated entity is not exposed to any significant price risk.

*Foreign Currency Risk*

Currency risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the entity’s functional currency. The Group does not have any material exposure to foreign currency risk.

*Interest rate risk*

The consolidated entity only has interest rate risk relating to its funds on deposit with banking institutions. Accordingly, the consolidated entity does not hedge its interest rate risk exposure.

As at the reporting date, the consolidated entity had the following financial assets with exposure to interest rate risk, which is not material to the consolidated entity:

| | Consolidated 2022 $ |
|---|---|
| Cash assets | 59,031 |
| | 59,031 |

***Credit risk***

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the consolidated entity. The consolidated entity has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The consolidated entity obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carryin g amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The consolidated entity does not hold any collateral.

The consolidated entity is not exposed to any significant credit risk.

***Liquidity risk***

Vigilant liquidity risk management requires the consolidated entity to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The consolidated entity manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

*Remaining contractual maturities*

The following tables detail the consolidated entity's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

| | Weighted average interest rate | 1 year or less | Between 1 and 2 years | Between 2 and 5 years | Remaining contractual maturities |
|---|---|---|---|---|---|
| **Consolidated - 14 Dec 21 to 30 Jun 22** | % | $ | $ | $ | $ |
| **Non-derivatives** | | | | | |
| *Non-interest bearing* | | | | | |
| Trade payables | - | 10,157 | - | - | 10,157 |
| Other payables | - | 95,345 | - | - | 95,345 |
| **Total non-derivatives** | | **105,502** | **-** | **-** | **105,502** |

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

*Fair value of financial instruments*

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

## Note 14. Remuneration of auditors

During the financial period the following fees were paid or payable for services provided by William Buck Audit (VIC) Pty Limited, the auditor of the company:

| | Consolidated |
|---|---|
| | **14 Dec 21 to 30 Jun 22** |
| | **$** |
| *Audit services – William Buck Audit (VIC) Pty Limited* | |
| Audit or review of the financial statements | 7,500 |
| | 7,500 |

## Note 15. Contingent liabilities

There are no contingent liabilities as at 30 June 2022.

## Note 16. Commitments

There is no significant expenditure contracted for at the end of the reporting period.

## Note 17. Segment Information

Certain members of the Executive Team (the chief operating decision makers) and the Board of Directors monitor the segment results regularly for the purpose of making decisions about resource allocation and performance assessment.

### (a) Exploration

The Exploration segment includes the activities on all mineral exploration:

- Exploration and evaluation of minerals in Canada
- Exploration and evaluation of minerals in Western Australia

### (b) Unallocated

Unallocated items comprise corporate which includes those expenditures supporting the business during the period, and items that cannot be directly attributed to the exploration.

The segment information for the reportable segments for the period ended 30 June 2022 is as follows:

| | Australia | Canada | Total |
|---|---|---|---|
| | **$** | **$** | **$** |
| **Period ended 30 June 2022** | | | |
| Segment results – Loss after income tax | (45,771) | (306) | (46,077) |
| Unallocated losses after income tax | | | (123,369) |
| **Loss after income tax** | | | **(169,446)** |
| **As at 30 June 2022** | | | |
| *Segment assets* | - | 1,733,045 | 1,733,045 |
| Unallocated assets | | | 61,553 |
| **Total assets** | | | **1,794,598** |
| *Segment liabilities* | - | - | **-** |
| Unallocated liabilities | | | 105,502 |
| **Total liabilities** | | | **105,502** |

## Note 18. Related party transactions

*Parent entity*
Leeuwin Metals Ltd is the parent entity.

*Subsidiaries*
Interests in subsidiaries are set out in note 20.

*Transactions with related parties*
There were no transactions with related parties related parties during the current reporting period:

*Loans to/from related parties*
There is a loan arrangement in place with related party subsidiary at the current reporting date.

*Terms and conditions*
All transactions were made on normal commercial terms and conditions and at market rates.

## Note 19. Parent entity information

Set out below is the supplementary information about the parent entity.

*Statement of profit or loss and other comprehensive income*

| | Parent<br>14 Dec 21 to 30 Jun 22<br>$ |
|---|---|
| Loss after income tax | (81,461) |
| Total comprehensive loss | (81,461) |

*Statement of financial position*

| | Parent<br>2022<br>$ |
|---|---|
| Total current assets | 61,553 |
| Total assets | 1,794,598 |
| Total current liabilities | 105,502 |
| Total liabilities | 105,502 |
| Equity | |
| Issued capital | 1,597,501 |
| Reserve | 219,142 |
| Accumulated losses | (127,547) |
| Total equity | 1,689,096 |

*Guarantees entered into by the parent entity in relation to the debts of its subsidiaries*
The parent entity had no guarantees in relation to the debts of its subsidiary as at 30 June 2022.

*Contingent assets / liabilities*
The parent entity had no contingent assets or liabilities as at 30 June 2022.

*Capital commitments - Property, plant and equipment*
The parent entity had no capital commitments for property, plant and equipment as at 30 June 2022.

*Significant accounting policies*
The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 1, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Investments in associates are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

**Note 20. Interests in subsidiaries**

The consolidated financial statements incorporate the assets, liabilities and results of the following wholly-owned subsidiaries in accordance with the accounting policy described in note 1:

| | | Ownership interest |
|---|---|---|
| | **Principal place of business /** | **2022** |
| **Name** | **Country of incorporation** | **%** |
| Leeuwin Metals (Canada) Pty Ltd | Australia | 100% |
| Voyage Minerals Pty Ltd | Australia | 100% |
| Leeuwin Metals Ltd | Canada | 100% |

**Note 21. Reconciliation of loss after income tax to net cash from operating activities**

| | Consolidated |
|---|---|
| | **14 Dec 21 to 30 Jun 22** |
| | **$** |
| Loss after income tax expense for the period | (169,446) |
| Change in operating assets and liabilities: | |
| Decrease/(increase) in trade and other receivables | (2,522) |
| Increase/(decrease) in trade and other payables | 105,502 |
| Net cash used in operating activities | (66,466) |

**Note 22. Events after the reporting period**

In late November 2022, the Company commenced a share placement of 3,076,576 fully paid ordinary shares at $0.15 cents per share to a corporate investor raising a total of $461,486.

Other than the above there are no other matters or circumstances that have arisen since 30 June 2022.

**Leeuwin Metals Ltd**
**Directors' declaration**

**30 June 2022**

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2022 and of its performance for the financial period ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

Christopher Piggott
Director

30 November 2022
Perth

William Buck
ACCOUNTANTS & ADVISORS

# Leeuwin Metals Ltd
## Independent auditor's report to members

## REPORT ON THE AUDIT OF THE FINANCIAL REPORT

### Opinion

We have audited the financial report of Leeuwin Metals Ltd. (the Company and its subsidiaries (the Group)), which comprises the consolidated statement of financial position as at 30 June 2022, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the period 14 December 2021 to 30 June 2022 ("the period") 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 Group, is in accordance with the *Corporations Act 2001*, including:

i. giving a true and fair view of the Group's financial position as at 30 June 2022 and of its financial performance for the period 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 Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

### Other Information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the period ended 30 June 2022, 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.

In preparing the financial report, the directors are responsible for assessing the ability of the Group 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 Group 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/ar3.pdf

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

William Buck

**William Buck Audit (Vic) Pty Ltd**
ABN 59 116 151 136

**J. C. Luckins**
Director
Melbourne, 30th November 2022