

Leeuwin Metals Ltd

ACN 656 057 215

Interim Report – 31 December 2022

Leeuwin Metals Ltd
Directors' report
31 December 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 Leeuwin') and the entities it controlled at the end of, or during, the half-year ended 31 December 2022.

Directors

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

Simon Jackson	Non-Executive Chairman
Christopher Piggott	Managing Director
Scott Williamson	Non-Executive Director

Principal activities

During the financial half-year the principal continuing activities of the consolidated entity of the Company is to acquire, explore and develop mineral projects, in Australia and Canada.

The Company has the following portfolio of projects:

- William Lake Nickel Project - which covers 96km² located in the Southern end of World Class Thompson Nickel Belt in Manitoba, Canada.
- Jenpeg Project, Manitoba, Canada Project was generated by internal technical team targeting high grade lithium projects with resource potential. Project area under applications is ~600km².
- 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 89km², targeting within a similar geological setting to neighbour Global Lithium Resources Limited.
- Gascoyne, Western Australia – three tenements and one under application covering 351km², targeting lithium and rare earths in the Gascoyne mineral field within a similar geological setting to neighbour Kingfisher Mining Limited.

Review of operations

The loss after tax for the half-year ended 31 December 2022 was \$112,275. During the financial half-year period, the Company's operations have been focused on the preparation of an Initial Public Offering (IPO). A strong board of directors is already in place for preparation and making of submissions to the Australian Securities Exchange ("ASX") regarding the Company's proposed initial public offering and listing on the Official List of the ASX anticipated in the first half of 2023.

In November 2022, the Company completed a strategic investment by Glencore, one of the world's largest globally diversified natural resource companies. Glencore acquired a 9.97% interest in Leeuwin signalling strong support for the advancement of the proposed IPO and of Leeuwin's 100% owned William Lake Nickel Project in Manitoba, Canada. The share placement of 3,076,576 fully paid ordinary shares at \$0.15 cents per share raising a total of \$461,486 and it is planned that Glencore will be maintaining their 9.97% shareholding at IPO.

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In addition, Leeuwin formed a technical committee with Glencore, leveraging on their expertise and success in Canadian Nickel.

The Company added to its portfolio of assets during the half year period with applications for 100% ownership of the Jenpeg Lithium Project, Manitoba, Canada. The project is located on Metis and Spodumene Island, and has the potential for being a Company making asset, with 6.5km of known prospective strike and spodumene prominent drill logs never assayed for lithium, resampling of historic core is planned for Q1, 2023.

Events Occurring After the Reporting Period

In January 2023, the Company completed a share placement of 2,590,091 fully paid ordinary shares at \$0.15 cents per share to sophisticated investors raising a total of \$388,514.

Significant changes in the state of affairs

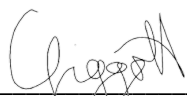
There were no significant changes in the state of affairs of the consolidated entity during the financial half-year.

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.

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

On behalf of the directors



Christopher Piggott
Director

3 February 2023
Perth

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 31 December 2022 there have been:

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



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



J. C. Luckins
Director
Melbourne, 3 February 2023

Leeuwin Metals Ltd
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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 half-year. The financial statements are presented in Australian dollars, which is Leeuwin Metals Ltd's functional and presentation currency.

Leeuwin Metals Ltd is a listed 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 3 February 2023.

Leeuwin Metals Ltd
Statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2022

	Note	Consolidated	
		31 Dec 2022	14 Dec 2021 to 31 Dec 2021
		\$	\$
Revenue			
Interest revenue calculated using the effective interest method		742	-
Expenses			
Accounting and audit fees		(20,331)	-
Consultants and contractors		(5,989)	-
Corporate and administrative costs		(38,536)	-
Depreciation and amortisation expense		(35)	-
Exploration expenses		(48,086)	-
Loss before income tax expense		(112,275)	
Income tax expense		-	
Loss after income tax expense for the half-year		(112,275)	-
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		(57,276)	-
Other comprehensive loss for the half-year, net of tax		(57,276)	-
Total comprehensive loss for the half-year		(169,551)	-
		Cents	Cents
Basic and diluted loss per share		(0.44)	-

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 31 December 2022

	Note	Consolidated 31 Dec 2022 \$	30 Jun 2022 \$
Assets			
Current assets			
Cash and cash equivalents		445,099	59,031
Trade and other receivables		11,887	2,522
Other - Prepayments		37,222	-
Total current assets		<u>494,208</u>	<u>61,553</u>
Non-current assets			
Exploration and evaluation assets	5	1,742,985	1,733,045
Property, plant and equipment		1,546	-
Total non-current assets		<u>1,744,531</u>	<u>1,733,045</u>
Total assets		<u>2,238,739</u>	<u>1,794,598</u>
Liabilities			
Current liabilities			
Trade and other payables		257,698	105,502
Total current liabilities		<u>257,698</u>	<u>105,502</u>
Total liabilities		<u>257,698</u>	<u>105,502</u>
Net assets		<u>1,981,041</u>	<u>1,689,096</u>
Equity			
Issued capital	4	2,058,987	1,597,501
Reserves		203,774	261,041
Accumulated losses		(281,720)	(169,446)
Total equity		<u>1,981,041</u>	<u>1,689,096</u>

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 half-year ended 31 December 2022

Consolidated	Issued capital \$	Options & Share Based payments reserves \$	Foreign Currency Reserve \$	Accumulated Losses \$	Total equity \$
Balance at incorporation 14 December 2021	-	-	-	-	-
Loss after income tax expense for the half-year	-	-	-	-	-
Other comprehensive income for the half-year, net of tax					
Foreign currency translation	-	-	-	-	-
Total comprehensive income for the half-year	-	-	-	-	-
Transactions with owners in their capacity as owners:					
Contributions of equity	50,000	-	-	-	50,000
Balance at 31 December 2021	50,000	-	-	-	50,000
Balance at 1 July 2022	1,597,501	219,142	41,899	(169,446)	1,597,501
Loss after income tax expense for the half-year	-	-	-	(112,275)	-
Other comprehensive income for the half-year, net of tax					
Foreign currency translation	-	-	(57,267)	-	-
Total comprehensive income for the half-year	-	-	(57,267)	(112,275)	-
Transactions with owners in their capacity as owners:					
Contributions of equity (Refer Note 4)	461,486	-	-	-	461,486
Balance at 31 December 2022	2,058,987	219,142	(15,368)	(281,720)	2,058,987

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 half-year ended 31 December 2022

	31 Dec 2022	Consolidated 14 Dec 2021 to 31 Dec 2021
	\$	\$
Cash flows from operating activities		
Payments to suppliers and employees (inclusive of GST)	(51,547)	-
Interest received	702	-
	<hr/>	<hr/>
Net cash used in operating activities	(50,845)	-
	<hr/>	<hr/>
Cash flows from investing activities		
Payments for exploration and evaluation	(23,028)	-
Payments for property, plant and equipment	(1,615)	-
	<hr/>	<hr/>
Net cash used in investing activities	(24,643)	-
	<hr/>	<hr/>
Cash flows from financing activities		
Proceeds from issue of shares	461,486	50,000
	<hr/>	<hr/>
Net cash from financing activities	461,486	50,000
	<hr/>	<hr/>
Net increase/(decrease) in cash and cash equivalents	385,998	50,000
Cash and cash equivalents at the beginning of the financial half-year	59,031	-
Effects of exchange rate changes on cash and cash equivalents	70	-
	<hr/>	<hr/>
Cash and cash equivalents at the end of the financial half-year	445,099	50,000
	<hr/> <hr/>	<hr/> <hr/>

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

Note 1. Significant accounting policies

These general purpose financial statements for the interim half-year reporting period ended 31 December 2022 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2022 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

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.

Note 2. Operating segments

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 31 December 2022 is as follows:

Operating segment information

Consolidated - 31 Dec 2022	Australia	Canada	Total
	\$	\$	\$
Period ended 31 December 2022			
Segment results – Loss after income tax	(2,972)	(111,083)	(114,055)
Unallocated profit after income tax			1,780
Loss after income tax			(112,275)
As at 31 December 2022			
<i>Segment assets</i>	13,828	1,730,703	1,744,531
Unallocated assets			494,208
Total assets			2,238,739
<i>Segment liabilities</i>	10,757	-	10,757
Unallocated liabilities			246,941
Total liabilities			257,698
As at 30 June 2022			
<i>Segment assets</i>	-	1,733,045	1,733,045
Unallocated assets			61,553
Total assets			1,794,598
<i>Segment liabilities</i>	-	-	-
Unallocated liabilities			105,502
Total liabilities			105,502

During the period 14 December 2021 to 31 December 2021 no significant transactions occurred within the consolidated entity and thus no comparative disclosure has been included in this report.

Note 3. Loss per share

	Consolidated	
	31 Dec 2022	14 Dec 2021 to 31 Dec 2021
	\$	\$
Loss attributable to the owners of Leeuwin used in calculating basic and dilutive loss per share	(112,275)	-
Weighted average number of ordinary shares used in calculating basic loss per share	25,712,841	5,000,000
Basic and diluted loss per share—in cents	(0.44)	-

Note 4. Contributed Equity

	31 Dec 2022 \$	30 June 2022 \$
Issued Capital		
(a) Issued and paid up capital		
Ordinary shares fully paid	2,058,987	1,597,501
<hr/>		
	Number of shares	\$
(b) Movements in shares on issue		
Opening balance at 1 July 2022	25,191,672	1,597,501
Shares issued during period		
- Issue of Glencore shares (30 November 2022)	3,076,576	461,486
Closing balance at 31 December 2022	28,268,248	2,058,987

Note 5. Exploration and evaluation assets

	Consolidated 31 Dec 2022 \$	Consolidated 30 June 2022 \$
Exploration and evaluation phase – at cost	1,742,985	1,742,985
Carrying amount at beginning of the period	1,733,045	-
Additions	47,463	1,691,712
Foreign exchange movement	(37,523)	41,333
Carrying amount at the end of the period	1,742,985	1,733,045

Note 7. Contingent liabilities

The Company has a contingent liability of 2% net smelter returns royalty (NSR) with Glencore Canada Corporation in respect to mineral products produced at the William Lake Project. 1% NSR can be bought back for C\$1m, 12 months from the commencement of commercial production.

Note 8. Events after the reporting period

In January 2023, the Company completed a share placement of 2,590,091 fully paid ordinary shares at \$0.15 cents per share to sophisticated investors raising a total of \$388,514.

Apart from the above, no other matter or circumstance has arisen since 31 December 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.

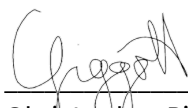
Leeuwin Metals Ltd
Directors' declaration
31 December 2022

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2022 and of its performance for the financial half-year 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 303(5)(a) of the Corporations Act 2001.

On behalf of the directors



Christopher Piggott
Director

3 February 2023
Perth

Leeuwin Metals Ltd Independent auditor's review report

REPORT ON THE REVIEW OF THE HALF-YEAR FINANCIAL REPORT

Conclusion

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

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Leeuwin Metals Ltd is not in accordance with the *Corporations Act 2001* including:

- a. giving a true and fair view of the consolidated entity's financial position as at 31 December 2022 and of its performance for the half year ended on that date; and
- b. complying with Australian Accounting Standard 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

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

Responsibility of Management for the Financial Report

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

Auditor's Responsibilities for the Review of the Financial Report

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

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



William Buck Audit (Vic) Pty Ltd

ABN 59 116 151 136



J. C. Luckins

Director

Melbourne, 3 February 2023