

# **NewPeak Metals Limited**

**ABN 79 068 958 752**

**Annual Report - 30 June 2023**

Directors	Brian Moller - Non-Executive Chairman Nicholas Mather - Non-Executive Director David Mason - Non-Executive Director Andrew Gladman - Non-Executive Director
Company secretary	John Haley
Registered office and principal place of business	Level 27 111 Eagle Street Brisbane QLD 4000 Phone: (07) 3303 0650
Share register	Link Market Services Limited 10 Eagle Street Brisbane QLD 4000 Phone: 1300 554 474
Auditor	BDO Audit Pty Ltd Level 10 12 Creek Street Brisbane QLD 4000
Solicitors	HopgoodGanim Lawyers Level 8, Waterfront Place 1 Eagle Street Brisbane QLD 4000
Stock exchange listing	NewPeak Metals Limited shares are listed on the Australian Securities Exchange (ASX code: NPM). Additionally, the Company has a secondary listing on the Frankfurt Stock Exchange, Frankfurter Wertpapierbörse (FSE ticker: NPM and Wertpapierkennnummer WKN: A2QCW3).
Website	<a href="http://www.newpeak.com.au">www.newpeak.com.au</a>
Corporate Governance Statement	<a href="http://www.newpeak.com.au/corporate-governance">www.newpeak.com.au/corporate-governance</a>

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group', 'consolidated entity' or 'NewPeak') consisting of NewPeak Metals Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2023.

#### **Directors**

The following persons were directors of NewPeak Metals Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Brian Moller - Non-executive Chairman (appointed as Chairman on 25 January 2023)  
Nicholas Mather - Non-executive Director (resigned as Chairman on 25 January 2023)  
David Mason - Non-executive Director  
Andrew Gladman - Non-executive Director

#### **Principal activities**

During the year the principal activity of the Group was holding strategic positions in several Gold properties in jurisdictions including Finland, New Zealand and Argentina, together with Tungsten projects in Sweden. There were no significant changes in the principal activities of the Group.

#### **Competent Persons Statement**

The information herein that relates to Exploration Targets and Exploration Results is based on information compiled by Mr Jason McNamara, who is a Fellow of The Australasian Institute of Mining and Metallurgy. Mr McNamara is a consultant to NewPeak Metals Limited.

Mr McNamara has more than twenty-five years experience which is relevant to the style of mineralisation and types of deposits being reported and the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves" (the JORC Code). This public report is issued with the prior written consent of the Competent Person(s) as to the form and context in which it appears.

#### **Dividends**

There were no dividends paid, recommended or declared during the current or previous financial year.

#### **Review of operations**

The profit for the Group after providing for income tax amounted to \$5,345,538 (30 June 2022: \$61,879).

The profit for the Group for the year ended 30 June 2022 includes the reversal of the provision for the impairment of investments in the associate, Lakes Blue Energy NL of \$5,469,237 and impairment of exploration costs of \$1,029,218. The profit for the year ended 30 June 2023 includes the gain on discontinuation of equity accounting for the investment in Lakes Blue Energy NL of \$7,642,915.

NewPeak Metals is a diversified junior explorer with strategies and plans to move it towards a mid-tier sized resource company. The Company holds a suite of promising Gold and Critical Minerals prospects globally. NewPeak's assets are held in the top mining jurisdictions internationally, including Argentina, Finland, New Zealand, Sweden and Australia.

NewPeak is also a significant shareholder in Lakes Blue Energy (ASX:LKO), an Australian gas exploration company with diversified petroleum and gas assets in Queensland, Victoria, South Australia and Papua New Guinea.

As a first step in NewPeak's rejuvenation plan, during the year ended 30 June 2023, the Company signed a binding term sheet to acquire an initial 25% of the issued capital of mineral exploration company Southern Cross Britannia Ltd (SCB), a private UK-based mineral exploration company with over 1,100 km<sup>2</sup> of exploration licences in the Salta province of Argentina. Within this license package is the Hombre Muerto South lithium project a contiguous 600 km<sup>2</sup> lithium exploration opportunity in the Hombre Muerto Drainage Basin. Also, this transaction provides, subject to exploration success and successful development, access to the growing lithium market and promising prospectivity for copper and uranium resources has been identified by SCB and third parties within the licence package.

The Company continues to maintain its other tenements in Finland and Sweden and has commenced discussions with several parties with a view to entering into joint ventures to progress these projects, or to sell some projects in order to fund progressing others.

NewPeak's current major projects and investments, the status of which is outlined within this report, include:

- Cachi Gold Project, Santa Cruz province, Argentina;
- Las Opeñas Gold Project, San Juan province, Argentina;
- Somero & Tampere Gold Projects, Finland;
- Strategic Metals Project, Sweden;
- Otago Gold Properties, New Zealand; and
- Lakes Blue Energy NL, Australia.

A detailed summary of the Company's corporate and project developments for the year is set out below.

#### *Corporate Developments*

On 14 July 2023 the Company lodged a Prospectus with the Australian Securities and Investment Commission for a non-renounceable rights issue (Entitlement Offer) on the following terms:

- (a) a non-renounceable rights issue to Eligible Shareholders of NewPeak Metals Limited of one (1) New Share in NPM for every five (5) Shares held at an Issue Price of \$0.001 per New Share; and
- (b) conditional upon Eligible Shareholders subscribing for New Shares, the transfer of two (2) Lakes Blue Energy NL Shares for every five (5) New Shares subscribed for.

The Entitlement Offer is for up to 1,849,722,740 New shares to raise up to approximately \$1,849,723 (subject to rounding) before the costs of the Entitlement Offer. The offer includes a Debt Conversion Facility which Directors and certain creditors of the Company have indicated that they will participate in.

The Entitlement Offer is partly underwritten to the amount of \$500,000 by Neil Francis Stuart.

Shareholders who apply for their full Entitlement will also be entitled to apply for additional New Shares to be allocated out of the Shortfall in accordance with the Shortfall Facility.

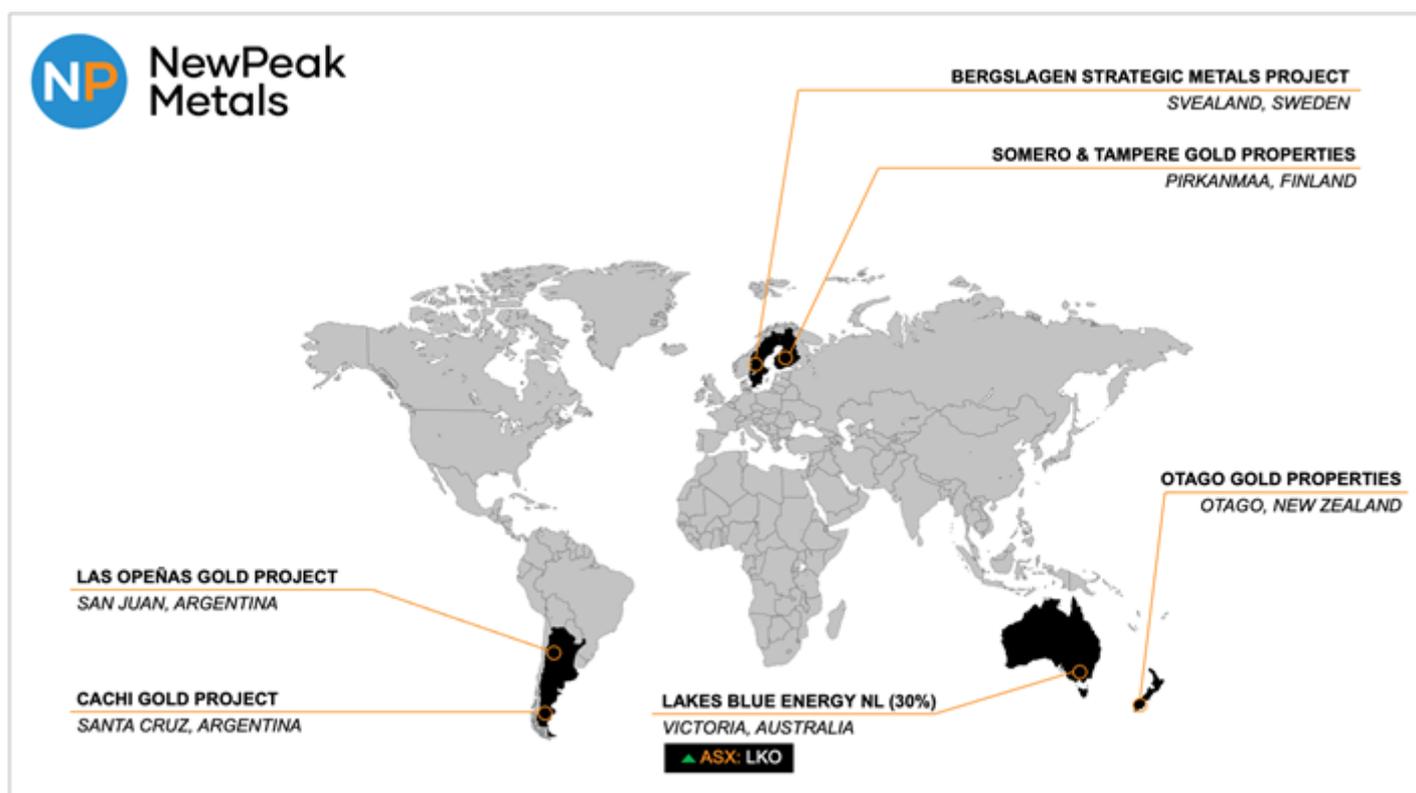
On 6 July 2023 the Company announced it had received a purported termination notice from its Las Opeñas 49% joint venture partner Genesis Minerals (Argentina) SA, which NPM disputes and reserves its rights under the terms of the agreements in place. Discussions with Genesis are ongoing.

NewPeak continues its focus on finding partners for its European gold and strategic metals projects and seeking for new exploration opportunities.

#### *NewPeak Project Portfolio*

- A. Southern Cross Britannia Ltd**
- B. Cachi Gold Project, Argentina**
- C. Las Opeñas Gold Project, Argentina**
- D. Somero & Tampere Gold Project, Finland**
- E. Strategic Metals Project, Sweden**
- F. Otago Gold Properties, New Zealand**
- G. Interest in ASX-listed Lakes Blue Energy NL, Australia**

NewPeak's current suite of projects is shown in **Figure 1**.



**Figure 1 - Location of NewPeak Metals interests in world mineral properties and investments.**

#### **A. Southern Cross Britannia Ltd**

During the year, NewPeak Metals Limited (NewPeak, NPM, the Company) (ASX: NPM) entered into an agreement to acquire an initial 25% of the issued capital of lithium exploration company Southern Cross Britannia Ltd ("SCB"), with a consideration payable by the transfer of its 100% interest in NPM's Argentine exploration subsidiary Excarb SA and the payment of US\$1,500,000.

SCB is a private UK-based mineral exploration company with over 1,100 km<sup>2</sup> of mineral exploration licences in the Salta province of Argentina. Previous exploration by SCB and others shows prospectivity for lithium, copper and uranium resources. SCB holds a contiguous 600 km<sup>2</sup> lithium exploration opportunity in the Hombre Muerto South drainage basin draining into the well-known Hombre Muerto lithium salar 50kms to the north. SCB have also identified (conceptual) porphyry copper and uranium targets within the tenements.

The SCB Salta licences are, in NPM's opinion, a large and material opportunity for the discovery of a significant lithium brine resource.

NPM will acquire a 25% interest in SCB by transferring to SCB the ownership of NPM's wholly owned subsidiary Excarb SA, an Argentine company which holds all NewPeak's mineral interests in Argentina (chiefly Las Opeñas 51% and Cachi 35% gold properties) and paying the amount of US\$1,500,000 to complete a drilling program in the Hombre Muerto South lithium Project to determine the lithium concentration, porosity, permeability, downhole geophysics with the goal of ultimately estimating a lithium brine resource.

The transaction is dependent on satisfaction of several conditions, including SCB completing a geophysics survey with the results identifying and confirming, to the sole satisfaction of NPM, the prospectivity of the tenements for lithium. Should NPM be satisfied with the results, and all other conditions are met, it has a period of three months to transfer to SCB the shares of Excarb SA and subscribe US\$1,500,000 to SCB for a 25% interest in SCB.

NPM, at its sole discretion, can acquire a further 5% of SCB for US\$1,500,000 within three months after the drilling is complete on the Hombre Muerto South project to take NPM up to a 30% holding in SCB.

The agreement further allows for NPM to be offered rights to participate in any capital raising to maintain its equity position.

It is planned that SCB will list its shares on a yet to be determined stock exchange within 12 months of completion of the transaction.

MMG Capital Ltd acted as the sole advisor on this transaction.

The transaction is the first stage of NewPeak's rejuvenation plan in sourcing and securing new mineral exploration opportunities. NewPeak continues its focus on finding partners for its European gold and strategic metals projects and seeking for new exploration opportunities.

#### **B. Cachi Gold Project, Argentina**

NewPeak Metals has several gold properties in the Santa Cruz province of Argentina. The exploration of these properties is primarily in search of near surface epithermal vein systems. Across these properties, the Cachi Gold Project is currently the most advanced. The Cachi Gold Project is a vast Caldera hosted epithermal gold vein system spanning over 10km across and 5km in width with over 15 high quality targets currently defined.

As mentioned above, the NPM gold properties in the Santa Cruz province are part of the package of properties in the proposed transaction with SCB.

#### **C. Las Opeñas Gold Project, Argentina**

Las Opeñas is located in the mining friendly province of San Juan, the Las Opeñas lease area is 1,462ha at an elevation of 3,000m. Las Opeñas lies on the same structural trends of the Indio Belt which hosts several large deposits including the multi-million-ounce Gold deposits of Barrick Gold's Veladero and Pascua Lama. The company currently owns 51% of the Las Opeñas gold project.

No field work was completed during the quarter. The Company has designed a circa 2,000 metre drilling campaign which is currently scheduled for 2023, subject to funding, drill rig availability and/or joint venture discussions. As mentioned above, this project is part of the package of properties in the proposed transaction with SCB.

#### **D. Somero & Tampere Gold Projects, Finland**

NPM has a suite of gold projects in a region in Finland which currently hosts three Gold mines, Orivesi, Jokisivu and Kaapelinkulma, with a processing facility at Vammala, all operated by Dragon Mining Limited (HKEx: 1712). The two most advanced prospects in that suite are the Satulinmäki prospect and Hopeavouri prospect.

NPM is continuing the process of seeking joint venture partners to advance its Finland Gold project and is in discussions with several interested parties.

#### E. Strategic Metals Project, Sweden

In mid-2020, NewPeak acquired a portfolio of exploration permits in south-central Sweden, in the Bergslagen mining district near Grängesberg. The project was acquired as a Tungsten focused project, though significant levels of Copper, Lead, Zinc and Molybdenum were found in a sampling program, which has expanded the potential scope of the project. There are seven permits within the project: Yxsjöberg, Gubbo, Hörken, Högfors, Sandudden, Gänsen and Baggetorp covering a total area of 11,870Ha.

NPM is continuing the process of seeking joint venture partners or purchasers to advance the strategic metals project and is in discussions with several interested parties.

#### F. Otago Gold Properties, New Zealand

NewPeak has a joint venture over the Garibaldi permit (EP 60677), and the Raggedy Range permit (EP 60733). Both permits are near Santana's Bendigo-Ophir project. Under a joint venture, the Company has a free carried 25% interest in the two tenements with the joint venture partner to meet all required expenditure commitments until there is a defined inferred JORC resource.

#### G. Interest in Lakes Blue Energy NL (formerly Lakes Oil NL), Australia

NewPeak owns 9,883,714,010 shares, or 17.09% of Lakes Blue Energy NL (ASX:LKO) which has a diversified portfolio of petroleum assets in Victoria, Queensland, South Australia and Papua New Guinea. During the year ended 30 June 2023, the Company's ownership of Lakes Blue Energy NL dropped below 20% and was therefore no longer considered an associate and the Company ceased equity accounting for the investment.

#### Significant changes in the state of affairs

On 7 November 2022, 186,666,668 ordinary shares were issued on the conversion of convertible notes with a total fair value of \$560,000 (refer note 15).

On 2 December 2022, the Company issued 28,125,000 options with an exercise date of 19 July 2023 (refer note 32).

The Company issued 56,250,000, 48,465,000 and 103,484,000 new ordinary shares on 2 December 2022, 4 December 2022 and 19 June 2023 respectively (refer note 15).

On 11 January 2023, the Company executed a loan agreement with a private investor who is not a related party for a loan of \$200,000 to provide working capital to the Company. Interest is payable at 12% per annum and the term of the loan is 12 months from 11 January 2023. The loan is secured over 1,000,000,000 shares held by the Company in Lakes Blue Energy NL (refer note 14).

The Company issued 260,000,000 performance rights on 25 January 2023. 250,000,000 of these performance rights were issued to the Company's CEO, Boyd White, and 10,000,000 were issued to the Company's CFO, John Haley (refer note 32).

On 14 April 2023, the Company's ownership of Lakes Blue Energy NL dropped below 20% and therefore Lakes Blue Energy NL was no longer considered an associate and the Company ceased equity accounting for the investment.

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

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

##### (a) Rights issue and debt conversion

On 14 July 2023, the Company announced the following:

- A non-renounceable rights issue to eligible shareholders of the Company of one new ordinary share for every five ordinary shares held, at an issue price of \$0.001 per new share.
- Conditional upon eligible shareholders subscribing for the above new ordinary shares, the transfer of two Lakes Blue Energy NL ordinary shares for every five new shares subscribed for.

The entitlement offer was partly underwritten to the amount of \$500,000 by Neil Francis Stuart.

The entitlement offer closed on 25 August 2023 and a total of 63,647,080 shares were subscribed for with gross cash proceeds received of \$63,647. In addition, 183,315,830 shares will be issued under the Debt Conversion Facility which Directors and certain creditors of the Company have elected to convert \$183,516 of debt to shares.

On 7 September 2023, 500,000,000 ordinary shares were issued pursuant to the underwriting agreement with Neil Francis Stuart.

**(b) Finland Gold Projects**

On 15 August 2023, the Company announced that it had entered into a term sheet with UAE-headquartered ENEXD Group (ENEXD) for them to earn-in a 75% interest over a period of 3 years to the Company's Finland gold projects, in order for ENEXD to continue exploration on the Finland gold projects and provide the Company with a fully funded pathway to progress the Finland gold projects. The exploration expenditure will be over a period of 36 months with the exploration target of reaching a JORC indicated resource and completing a preliminary economic assessment on the Finland projects.

Under the term sheet, ENEXD will pay the Company €3,000,000 (A\$5,000,000) and expend €9,000,000 (\$15,000,000) on further exploration of the Company's gold permits to acquire a 75% interest in the Company's wholly owned subsidiaries NewPeak Finland Oy and Kultatie Holding Oy.

The joint venture is subject to several conditions precedent including ENEXD securing a financial funding package.

No other matter or circumstance has arisen since 30 June 2023 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

**Likely developments and expected results of operations**

Not all information on likely developments in the operations of the Group and the expected results of operations has been included in this report because the directors believe it may result in unreasonable prejudice to the Group.

**Material business risks**

**Ongoing funding requirements**

The Company's ability to raise further funding to meet both its operating and capital expenditure requirements depend upon a number of different factors. It is unlikely that the Company will be able to obtain any debt financing. Were it able to secure such debt financing, the Company would likely be required to accept restrictions on its operating activities. The Company's operations are unlikely to generate any or sufficient cash flow to meet the Company operating and capital expenditure needs in the near or medium terms.

Meanwhile the Company's ability to raise further equity financing is very sensitive to negative market sentiment, and the recent global economic outlook may make it challenging for the Company to raise new equity capital in the near future (particularly in light of the disruption to international trade and travel, and likely global economic contraction as a result of government and private sector reactions to the COVID 19 pandemic and the Russia/Ukraine conflict). Accordingly, there is no guarantee that the Company will be able to secure additional funding on terms favourable to the Company. Further the Company notes that to the extent that the Company can raise further additional equity, that financing will dilute existing Shareholders. If the Company is unable to obtain additional financing as required, it may not have sufficient working capital to be able to meet its financial commitments as and when they arise, and will be unable to further progress its exploration programs.

**Operational risks**

Prosperity for the Company and its subsidiaries will depend largely upon an efficient and successful implementation of all the aspects of exploration, developments, business activities and management of commercial factors. The operations of the Company and its subsidiaries may be disrupted by a variety of risks and hazards which are beyond the control of the Company.

Exploration has been and will continue to be hampered on occasions by accidents, unforeseen cost changes, environmental considerations, unforeseen weather events, and other natural events including but not limited to the COVID-19 Pandemic.

**Government policy and taxation**

Changes in relevant taxation, interest rates, other legal, legislative and administrative regimes, and Government policies in Australia (at Federal and State level), may have an adverse effect on the assets, operations and ultimately the financial performance of Company.

**Commodity prices**

The Company's prospects and perceived value will be influenced from time to time by the prevailing short-term prices of the commodities targeted in exploration programs of the Company and its subsidiaries. Commodity prices fluctuate and are affected by factors including supply and demand for mineral products, hedge activities associated with commodity markets, the costs of production and general global economic and financial market conditions. These factors may cause volatility which in turn, may affect the Company's ability to finance its future exploration and/or bring the Company's projects to market. The events relating Russia/Ukraine war have had some impact on global demand for the Company's target commodities. It is difficult if not impossible to accurately predict the direction of those markets in the short or medium terms.

Tenement risks	All exploration permits in which Company has an interest (directly or indirectly) will require compliance with certain levels of expenditure and renewal from time to time. If for any reason expenditure requirements are not met or a licence or permit is not renewed then the Company may suffer damage and as a result may be denied the opportunity to develop certain mineral resources.
Land access risks	Land access is critical for exploration and evaluation to succeed. Access to land for exploration purposes can be affected by factors such as land ownership and Native title claims.
Environmental risks	The various tenements which the Company has interests in (whether directly or indirectly) are subject to laws and regulations regarding environmental matters, which mean there are potential liability risks.
Exploration and production	Tenements in which the Company or its Related Bodies Corporate has an interest are at various stages of exploration. There can be no assurance that exploration of the project areas will result in the discovery of an economic reserve.
Contractual risk	The Company's ability to efficiently conduct its operations in a number of respects depends upon a third-party product and service providers and contracts have, in some circumstances, been entered into by the company and its subsidiaries in this regard. Any default under such contracts by a third party may adversely affect the company.

#### **Environmental regulation**

Other than as part of the standard conditions attracting to its mining leases, the Group is not subject to any significant environmental regulation under Australian Commonwealth or State law.

#### **Climate change risk**

The Group does not consider that it currently has a material exposure to the risks associated with Climate Change. Accordingly, the Group does not consider it necessary to reflect any impact associated with Climate Change risks (eg. impairments, provisions) in its financial statements for the year ended 30 June 2023. The Group considers the following matters to be relevant to this conclusion:

- (i) the Group's activities are predominantly focussed on the discovery and definition phase of natural resource projects. The Group is not yet in a mine planning, development, construction or operational phase. Accordingly, having a predominantly greenfields exploration focus means that the Group currently has no significant man-made infrastructure that would be subject to the potential physical risks associated with Climate Change. Furthermore, the Group has a minimal carbon footprint and negligible emissions;
- (ii) the Group is not currently aware of any pending or proposed Climate Change related regulatory or legislative changes that would materially impact it, or its assets, at this time;
- (iii) the Group's exploration interests are predominantly focused on minerals that are not expected to be impacted by the various categories of risk associated with Climate Change. These minerals include gold and tungsten, with potential credits for copper and zinc. It is considered that bushfires, flooding, and extreme temperatures events are unlikely to cause anything more than temporary delays in exploration work;
- (iv) other than as outlined above, the Group considers that it currently has limited exposure to the technological market and reputational risks associated with Climate Change.

#### **Information on directors**

Name:	<b>Brian Moller</b>
Title:	Non-Executive Chairman (appointed as Chairman on 25 January 2023)
Qualifications:	LLB (Hons)
Experience and expertise:	Brian Moller is a corporate partner in the Brisbane based law firm HopgoodGanim. He was admitted as a solicitor in 1981 and has been a partner since 1983. He practices almost exclusively in the corporate area with an emphasis on capital raising, mergers and acquisitions. Brian holds an LLB Hons from the University of Queensland and is a member of the Australian Mining and Petroleum Law Association. Brian acts for many public listed resource and industrial companies and brings a wealth of experience and expertise to the board particularly in the corporate regulatory and governance areas.
Other current directorships:	DGR Global Limited (since 2 October 2002) Clara Resources Australia Limited (formerly Aus Tin Mining Limited) (since 21 October 2010) Platina Resources Limited (since 30 January 2007) Tempest Minerals Limited (formerly Lithium Consolidated Mineral Exploration Limited) (since 13 October 2016) Lole Mining Limited (since 25 February 2022)
Former directorships (last 3 years):	SolGold plc, which is dual-listed on the London Stock Exchange and the Toronto Stock Exchange (from 11 May 2005 to 15 December 2021)
Special responsibilities:	Chairman and Chair of the Audit and Risk Management Committee
Interests in shares:	99,470,571
Interests in options:	Nil
Interests in rights:	Nil

**Name:** **Nicholas Mather**  
**Title:** Non-Executive Director (resigned as Chairman on 25 January 2023)  
**Qualifications:** BSc (Hons,Geol), MAusIMM  
**Experience and expertise:** Nick Mather's special area of experience and expertise is the generation of and entry into undervalued or unrecognized resource exploration opportunities. Nick has been involved in the junior resource sector at all levels for more than 25 years. In that time he has been instrumental in the delivery of major resource projects that have delivered significant gains to shareholders. As an investor, securing projects and financiers, leading exploration campaigns and managing emerging resource companies Nick brings a wealth of valuable experience.

**Other current directorships:** DGR Global Limited (since 26 October 2001)  
Clara Resources Australia Limited (formerly Aus Tin Mining Limited) (since 21 October 2010)  
Armour Energy Limited (since 18 December 2009)  
Lakes Blue Energy NL (formerly Lakes Oil NL) (since 7 February 2012)  
SolGold Plc, which is dual-listed on the London Stock Exchange and the Toronto Stock Exchange (since 11 May 2005)  
First Tin Plc (since 3 October 2022)

**Former directorships (last 3 years):** Atlantic Lithium Limited (formerly IronRidge Resources Limited), which is listed on the London Stock Exchange (AIM) (from 5 September 2007 to 28 June 2021)

**Special responsibilities:** None  
**Interests in shares:** 116,229,706  
**Interests in options:** Nil  
**Interests in rights:** Nil

**Name:** **David Mason**  
**Title:** Non-Executive Director  
**Qualifications:** BSc (Hons), MBA, PGradDipBA, FAusIMM, MAICD  
**Experience and expertise:** David Mason has a broad business, corporate and mining background achieved through working in the exploration and mining industry for over 35 years throughout Australasia, Asia and Africa. David is a Director of Intra Energy Corporation Limited (ASX:IEC), a coal producer in East Africa. Prior to this, David had roles as Managing Director of Overseas & General Limited (ASX:OGL) an Indonesian mining company, and Operations Director of Haddington Resources (now Altura Mining, ASX:AJM) a diversified resource company, which took over the resource investment and mining service companies of Minvest International, a group he co-founded and managed. Mr Mason was formerly General Manager of the Swabara Group, which developed the Adaro Indonesia coal mine, the MHU coal mine, a suite of Indonesian exploration assets and mining service companies.

**Other current directorships:** None  
**Former directorships (last 3 years):** None  
**Special responsibilities:** Member of the Audit and Risk Management Committee  
**Interests in shares:** 563,502,484  
**Interests in options:** Nil  
**Interests in rights:** Nil

Name:	<b>Andrew Gladman</b>
Title:	Non-executive Director
Qualifications:	MAppFin, BBus-Banking & Finance
Experience and expertise:	Andrew Gladman has over 25 years of experience in financial markets, corporate advisory and stockbroking with a passion for the resources space. He has been successful in raising capital for mining focused entities and is a long term believer that the sector offers opportunities that are currently underappreciated in an environment where momentum has become the dominant investment criteria.
	Andrew began his career working for a Sydney based broking firm in 1994, proposing, opening and managing a Brisbane branch office for that firm in 1996 before joining Paul Morgan Securities in 1997, now Bell Potter Securities.
	Andrew has run forums in Brisbane for the last 10 years bringing together Mining Companies and Investors, exposing him to over 300 companies on a one-on-one basis providing broad exposure and an extensive network in the sector including Retail/institutional investors, Commodity Traders/buyers, Mining Service business and Corporates themselves.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Member of the Audit and Risk Management Committee
Interests in shares:	36,600,000
Interests in options:	Nil
Interests in rights:	Nil

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

#### **Company secretary**

John Haley is the Company Secretary. John is a Chartered Accountant and has 40 years of extensive Board, company secretarial and corporate finance experience, predominantly within the mining and resources industry. John also acts as the Company Secretary for ASX-listed Clara Resources Australia Limited (formerly Aus Tin Mining Limited) and Polymetals Resources Limited.

#### **Meetings of directors**

The number of meetings of the Company's Board of Directors ('the Board') held during the year ended 30 June 2023, and the number of meetings attended by each director were:

	Full Board		Audit and Risk Management Committee	
	Attended	Held	Attended	Held
Brian Moller	15	15	2	2
Nicholas Mather	14	15	-	-
David Mason	13	15	2	2
Andrew Gladman	15	15	2	2

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

#### **Remuneration report (audited)**

The remuneration report details the key management personnel remuneration arrangements for the Group, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors.

The remuneration report is set out under the following main headings:

- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Additional information
- Additional disclosures relating to key management personnel

***Principles used to determine the nature and amount of remuneration***

The Group's remuneration strategy is designed to attract, motivate and retain employees and Non-Executive Directors by identifying and rewarding high performers and recognising the contribution of each employee to the continued growth and success of the Group.

The Board of Directors is responsible for determining and reviewing compensation arrangements for the Directors and the Executive team. The Board assesses the appropriateness of the nature and amount of remuneration of such officers on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high quality Board and Executive team. Such officers are given the opportunity to receive their base remuneration in a variety of forms including cash and fringe benefits. It is intended that the manner of payments chosen will be optimal for the recipient without creating undue cost for the Group. Further details on the remuneration of Directors and Executives are set out in this Remuneration Report.

The Group aims to reward the Executives with a level and mix of remuneration commensurate with their position and responsibilities within the Group. The Board's policy is to align Director and Executive objectives with shareholder and business objectives by providing a fixed remuneration component and offering long-term incentives.

In accordance with best practice corporate governance, the structure of Non-Executive Director and Executive remuneration is separate and distinct.

***Non-executive directors remuneration***

The Board seeks to set aggregate remuneration at a level which provides the Company with the ability to attract and retain Directors of the highest calibre, whilst incurring a cost which is acceptable to shareholders. The Company's specific policy for determining the nature and amount of remuneration of Board members of the Company is as follows.

The Constitution of the Company provides that the Non-executive Directors are entitled to remuneration as determined by the Company in general meeting to be apportioned among them in such manner as the Directors agree and, in default of agreement, equally. The aggregate remuneration currently determined by the Company is \$350,000 per annum. Additionally, Non-executive Directors are entitled to be reimbursed for properly incurred expenses.

If a Non-executive Director performs extra services, which in the opinion of the Directors are outside the scope of the ordinary duties of the Director, the Company may remunerate that Director by payment of a fixed sum determined by the Directors in addition to or instead of the remuneration referred to above. However, no payment can be made if the effect would be to exceed the maximum aggregate amount payable to Non-executive Directors. A Non-executive Director is entitled to be paid travelling and other expenses properly incurred by them in attending Director's or general meetings of the Company or otherwise in connection with the business of the Company.

Directors may have the opportunity to qualify for participation in the Company's Employee Share Option Plan (ESOP), subject to corporate governance considerations and the approval of shareholders.

The remuneration of Non-Executive Directors for the year ended 30 June 2023 is detailed in this Remuneration Report.

***Executive remuneration***

The Company aims to reward the Executives with a level and mix of remuneration commensurate with their position and responsibilities within the Company and so as to:

- align the interests of Executives with those of shareholders;
- link reward with the strategic goals and performance of the Company; and
- ensure total remuneration is competitive by market standards.

The remuneration of the Executives may from time to time be fixed by the Board. The remuneration will comprise a fixed remuneration component and also may include offering specific short and long-term incentives, in the form of:

- performance based salary increases and/or bonuses; and/or
- the issue of options.

The remuneration of the Executives employed by the Company for the year ended 30 June 2023 is detailed in this Remuneration Report.

***Consolidated entity performance and link to remuneration***

During the financial year, the Company has generated losses as its principal activity was mineral exploration.

At 30 June 2023 the market price of the Company's ordinary shares was \$0.001 per share (30 June 2022: \$0.001 per share). No dividends were paid during the year ended 30 June 2023.

As the Company is still in the exploration and development stage, the link between remuneration, Company performance and shareholder wealth is tenuous. Share prices are subject to the influence of metals prices and market sentiment toward the sector, and as such increases or decreases may occur quite independent of Executive performance or remuneration.

*Use of remuneration consultants*

The Company did not engage remuneration consultants to prepare a formal remuneration report during the financial year ended 30 June 2023.

*Voting and comments made at the Company's 28 November 2022 Annual General Meeting ('AGM')*

At the 28 November 2022 AGM, 94.9% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2022. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

**Details of remuneration**

*Amounts of remuneration*

Details of the remuneration of key management personnel of the Group are set out in the following tables.

The key management personnel of the Group consisted of the following directors of NewPeak Metals Limited:

- Brian Moller
- Nicholas Mather
- David Mason
- Andrew Gladman

And the following persons:

- Boyd White - Interim Chief Executive Officer, Chief Development Executive (NewPeak Metals)
- John Haley - Company Secretary and Chief Financial Officer

	Short-term benefits	Post- employment benefits	Share-based payments	
	Cash salary and fees	Super- annuation	Equity- settled	Total
<b>2023</b>	\$	\$	\$	\$
<i>Non-Executive Directors:</i>				
Brian Moller	50,000	-	-	50,000
Nicholas Mather	50,000	-	-	50,000
Andrew Gladman	50,000	-	-	50,000
David Mason	50,000	-	888	50,888
<i>Other Key Management Personnel:</i>				
Boyd White	300,000	-	131,250	431,250
John Haley	20,900	-	5,250	26,150
	<u>520,900</u>	<u>-</u>	<u>137,388</u>	<u>658,288</u>

	Short-term benefits	Post- employment benefits	Share-based payments	Total
	Cash salary and fees \$	Super- annuation \$	Equity- settled \$	\$
<b>2022</b>				
<i>Non-Executive Directors:</i>				
Brian Moller	50,000	-	-	50,000
Nicholas Mather	50,000	-	-	50,000
Andrew Gladman	50,000	-	-	50,000
David Mason <sup>(1)</sup>	20,833	-	-	20,833
<i>Executive Directors:</i>				
David Mason <sup>(1)</sup>	175,000	-	-	175,000
<i>Other Key Management Personnel:</i>				
Boyd White <sup>(2)</sup>	275,000	-	-	275,000
John Haley <sup>(3)</sup>	13,100	-	-	13,100
Karl Schlobohm <sup>(3)</sup>	27,554	-	-	27,554
Jason McNamara <sup>(4)</sup>	162,681	14,779	-	177,460
	<u>824,168</u>	<u>14,779</u>	<u>-</u>	<u>838,947</u>

- (1) David Mason was the Company's Managing Director until 1 February 2022 and then Non-Executive Director thereafter.  
(2) Boyd White was appointed as interim Chief Executive Officer on 1 February 2022.  
(3) Karl Schlobohm resigned as Company Secretary and Chief Financial Officer on 31 January 2022 and John Haley was appointed from this date.  
(4) Jason McNamara resigned on 7 March 2022.

The proportion of remuneration linked to performance and the fixed proportion of remuneration are as follows:

Name	Fixed remuneration		At risk - STI		At risk - LTI	
	2023	2022	2023	2022	2023	2022
<i>Non-Executive Directors:</i>						
Brian Moller	100%	100%	-	-	-	-
Nicholas Mather	100%	100%	-	-	-	-
Andrew Gladman	100%	100%	-	-	-	-
David Mason	98%	100%	-	-	2%	-
<i>Other Key Management Personnel:</i>						
Boyd White	70%	100%	-	-	30%	-
John Haley <sup>(1)</sup>	80%	100%	-	-	20%	-
Karl Schlobohm <sup>(2)</sup>	-	100%	-	-	-	-
Jason McNamara <sup>(3)</sup>	-	100%	-	-	-	-

- (1) John Haley was appointed as Company Secretary and Chief Financial Officer on 31 January 2022.  
(2) Karl Schlobohm resigned as Company Secretary and Chief Financial Officer on 31 January 2022.  
(3) Jason McNamara resigned on 7 March 2022.

#### **Service agreements**

It is the Board's policy that employment agreements are entered into with all Executives.

The terms of appointment for Non-Executive Directors are set out in letters of appointment.

Salaried Executives are entitled to their statutory entitlements of accrued annual leave and long service leave together with any superannuation on termination. No other termination payments are payable.

Employment contracts entered into with Executives contain the following key terms:

<b>Event</b>	<b>Company Policy</b>
Performance based salary increases and/or bonuses	Board discretion
Short and long-term incentives, such as options	Board discretion
Resignation/notice period	3 months
Serious misconduct	Company may terminate at any time
Payouts upon resignation or termination, outside industrial regulations (i.e. 'golden handshakes')	None
Duration	No fixed duration

On 1 March 2018, David Mason was appointed to act as the Company's Managing Director on a full-time basis for an annual salary of \$300,000. Short and long-term incentives may be payable based on performance at the sole discretion of the Board and there are no benefits payable on termination. On 1 February 2022, David resigned as the Company's Managing Director and was a Non-Executive Director thereafter with monthly Director's fees payable of \$4,167, being \$50,000 annually.

On 1 February 2022, Boyd White was appointed as interim Chief Executive Officer. Boyd is paid through an agreement for services with New Energy Capital for a monthly fee of \$25,000 which commenced in August 2021. Short and long-term incentives may be payable based on performance at the sole discretion of the Board and there are no benefits payable on termination or superannuation entitlements. 3 months' notice is required to be given for termination by Boyd White and 6 months' notice was to be given for termination by the Company.

On 31 January 2022, John Haley was appointed as Company Secretary and Chief Financial Officer. John is paid through a contract for services which commenced on 26 November 2021, with no fixed term duration, at a rate of \$100 per hour. The termination notice period is 2 months.

Jason McNamara was the previous Exploration Manager. Jason was employed on a full-time basis from 1 October 2020 for an annual salary of \$225,000 with the option to participate in the Company Employee Share Option Plan Scheme following the successful completion of the probation period. Jason was entitled to an annual performance bonus at the sole discretion of the Board. The termination notice period was 3 months' written notice. Jason resigned on 7 March 2022 and remains a consultant of the Company.

### **Share-based compensation**

#### *Issue of shares*

Details of shares issued to directors and other key management personnel as settlement of outstanding debts during the year ended 30 June 2023 are set out below:

Name	Date	Shares	Issue price	\$
David Mason	02/12/2022	56,250,000	\$0.001	56,250

#### *Options*

During the year ended 30 June 2023, the Company issued 28,125,000 options to David Mason (Director) as payment of outstanding Directors' Fees.

The terms and conditions of the current year grants of options over ordinary shares are as follows:

Name	Number of options granted	Grant date	Vesting date and exercisable date	Expiry date	Exercise price	Fair value per option at grant date
David Mason	28,125,000	02/12/2022	02/12/2022	19/07/2023	\$0.004	\$0.00003

The options granted carried no dividend or voting rights.

There were no options for directors and other key management personnel that lapsed during the year ended 30 June 2023.

During the financial year ended 30 June 2022, there were no options granted as remuneration to key management personnel and there were no options over unissued shares at 30 June 2022 held by key management personnel.

#### *Performance rights*

During the year ended 30 June 2023, the Company issued 260,000,000 performance rights to the Company's CEO and CFO. In order for the performance rights to vest, the Company must enter and complete a new resource and mining exploration-based acquisition transaction.

The terms and conditions of each grant of performance rights over ordinary shares affecting remuneration of directors and other key management personnel in this financial year or future reporting years are as follows:

Name	Number of rights granted	Grant date	Vesting date and exercisable date	Expiry date	Fair value per right at grant date
Boyd White	250,000,000	25/01/2023	As disclosed above	25/01/2025	\$0.00053
John Haley	10,000,000	25/01/2023	As disclosed above	25/01/2025	\$0.00053

Performance rights granted carry no dividend or voting rights.

**Additional information**

The factors that are considered to affect total shareholders return ('TSR') are summarised below:

	2023	2022	2021	2020	2019
Share price at financial year end (cents)	0.1	0.1	0.2	0.3	0.4
Basic earnings per share (cents per share)	0.1	-	-	(0.4)	(0.2)

The earnings per share for the year ended 30 June 2023, 30 June 2022 and 30 June 2021 was less than 1/10th of a cent.

**Additional disclosures relating to key management personnel**

*Shareholding*

The number of shares in the Company held during the financial year by each director and other members of key management personnel of the Group, including their personally related parties, is set out below:

	Balance at the start of the year	Granted as compensation	Options exercised	Net change other*	Balance at the end of the year
<i>Ordinary shares</i>					
<i>Directors</i>					
Brian Moller	83,047,691	-	-	-	83,047,691
Nicholas Mather	96,858,076	-	-	-	96,858,076
David Mason	413,335,394	-	-	56,250,000	469,585,394
Andrew Gladman	30,500,000	-	-	-	30,500,000
<i>Other Key Management Personnel</i>					
Boyd White	117,594,270	-	-	-	117,594,270
John Haley	100,000	-	-	-	100,000
	<u>741,435,431</u>	<u>-</u>	<u>-</u>	<u>56,250,000</u>	<u>797,685,431</u>

\* Includes the net balance of shares acquired or sold on market or pursuant to the capital raisings during the year and / or held on appointment/resignation. During the year, David Mason was issued 56,250,000 ordinary shares as part of a debt conversion for services rendered and pursuant to the Director's Fee Plan.

*Option holding*

The number of options over ordinary shares in the Company held during the financial year by each director and other members of key management personnel of the Group, including their personally related parties, is set out below:

	Balance at the start of the year	Granted remuneration	Exercised	Expired/ forfeited/ other*	Balance at the end of the year
<i>Options over ordinary shares</i>					
<i>Directors</i>					
Brian Moller	10,000,000	-	-	-	10,000,000
Nicholas Mather	10,000,000	-	-	-	10,000,000
David Mason	10,000,000	-	-	28,125,000	38,125,000
Andrew Gladman	10,000,000	-	-	-	10,000,000
<i>Other Key Management Personnel</i>					
Boyd White	-	-	-	-	-
John Haley	-	-	-	-	-
	<u>40,000,000</u>	<u>-</u>	<u>-</u>	<u>28,125,000</u>	<u>68,125,000</u>

\* Includes options granted on 2 December 2022 to David Mason as part of a debt conversion for services rendered.

*Performance rights holding*

The number of performance rights over ordinary shares in the Company held during the financial year by each director and other members of key management personnel of the Group, including their personally related parties, is set out below:

	Balance at the start of the year	Granted	Vested	Expired/ forfeited/ other	Balance at the end of the year
<i>Performance rights over ordinary shares</i>					
<i>Directors</i>					
Brian Moller	-	-	-	-	-
Nicholas Mather	-	-	-	-	-
David Mason	-	-	-	-	-
Andrew Gladman	-	-	-	-	-
<i>Other Key Management Personnel</i>					
Boyd White	-	250,000,000	-	-	250,000,000
John Haley	-	10,000,000	-	-	10,000,000
	<u>-</u>	<u>260,000,000</u>	<u>-</u>	<u>-</u>	<u>260,000,000</u>

*Other transactions with key management personnel and their related parties*

Mr Brian Moller (a Director), is a partner in the Australian firm HopgoodGanim Lawyers. For the year ended 30 June 2023, \$63,219 (2022: \$87,078) was paid or payable to HopgoodGanim Lawyers for the provision of legal services to the Group. The services were based on normal commercial terms and conditions. The total current amount payable at year end was \$80,084 (2022: \$60,315).

The Group had a commercial arrangement with DGR Global Limited (common Directors include Nicholas Mather and Brian Moller), which ceased in January 2022, for the provision of various services, whereby DGR Global provided resources and services including the provision of its administration staff, its premises (for the purposes of conducting the Company's business operations), use of existing office furniture, equipment and stationery, together with general telephone, IT infrastructure, reception and other office facilities (Services). In consideration for the provision of the Services, the Group paid DGR Global a monthly administration fee. Ad hoc consultancy services are ongoing and are invoiced as the services are provided. For the year ended 30 June 2023, \$4,128 (2022: \$175,000) was paid or payable to DGR Global Limited for services. The total current amount payable at year end was \$45,440 (2022: \$40,900).

Mr David Mason (a Director) provided an unsecured loan to the Company that was fully repaid in the year ended 30 June 2022.

David Mason (a Director), is also a Director of Rothstein Pty Ltd which provided a loan of \$30,000 to the Company on 15 June 2023. The full loan remained payable at 30 June 2023. The loan is secured against 30,000,000 of the Lakes Blue shares held by the Company. Interest is payable at 10% per annum (refer note 14).

Unpaid Directors' fees and CEO fees at 30 June 2023 included in trade payables amounted to \$415,760.

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

Statement of profit or loss and other comprehensive income:

*Amounts recognised as expenses*

Administration fees: \$4,128 (2022: \$175,000)

Legal expenses: \$63,219 (2022: \$87,078)

Interest expense: \$nil (2022: \$1,377)

Statement of financial position:

*Amounts recognised as trade and other payables*

Trade payables: \$541,284 (2022: \$101,215)

*Amounts recognised as borrowings*

Loan - Rothstein Pty Ltd: \$30,000 (2022: \$nil)

***This concludes the remuneration report, which has been audited.***

**Shares under option**

There were no unissued ordinary shares of NewPeak Metals Limited under option outstanding at the date of this report.

**Shares under performance rights**

Unissued ordinary shares of NewPeak Metals Limited under performance rights at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under rights
25 January 2023	25 January 2025	\$0.000	260,000,000

No person entitled to exercise the performance rights had or has any right by virtue of the performance right to participate in any share issue of the Company or of any other body corporate.

**Shares issued on the exercise of options**

There were no ordinary shares of NewPeak Metals Limited issued on the exercise of options during the year ended 30 June 2023 and up to the date of this report.

**Shares issued on the exercise of performance rights**

There were no ordinary shares of NewPeak Metals Limited issued on the exercise of performance rights during the year ended 30 June 2023 and up to the date of this report.

**Indemnity and insurance of officers**

The Company has indemnified the directors and executives of the Company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the Company paid a premium in respect of a contract to insure the directors and executives of the Company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

**Indemnity and insurance of auditor**

The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

During the financial year, 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.

**Non-audit services**

There were no non-audit services provided during the financial year by the auditor.

**Officers of the Company who are former partners of BDO Audit Pty Limited**

There are no officers of the Company who are former partners of BDO Audit Pty Limited.

**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**

BDO Audit Pty Limited 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



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Brian Moller  
Director

27 September 2023  
Brisbane



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Australia

## DECLARATION OF INDEPENDENCE BY T J KENDALL TO THE DIRECTORS OF NEWPEAK METALS LIMITED

As lead auditor of NewPeak Metals Limited for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of NewPeak Metals Limited and the entities it controlled during the year.



**T J Kendall**  
Director

**BDO Audit Pty Ltd**

Brisbane, 27 September 2023

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## **General information**

The financial statements cover NewPeak Metals Limited as a Group consisting of NewPeak Metals Limited and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is NewPeak Metals Limited's functional and presentation currency.

NewPeak Metals Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 27  
111 Eagle Street  
Brisbane  
QLD 4000

A description of the nature of the Group'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 27 September 2023. The directors have the power to amend and reissue the financial statements.

	Note	Consolidated	
		2023 \$	2022 \$
Share of losses of associates accounted for using the equity method	11	(482,514)	(2,712,667)
Other income	4	254,541	35,665
Interest revenue		-	18
Reversal of impairment – investment in associate	11	-	5,469,237
Net gain on discontinuation of equity accounting for investment in Lakes Blue Energy NL	9	7,642,915	-
<b>Expenses</b>			
Consultancy fees		(367,108)	(309,120)
Directors' fees including Managing Director		(212,499)	(346,325)
Employee benefits expense		(215,266)	(198,011)
Exploration costs written-off	12	(607,960)	(147,751)
Depreciation expense		-	(10,712)
General administrative overheads		(163,406)	(153,181)
Impairment of exploration costs	12	-	(1,029,218)
Insurances		(47,815)	(41,500)
Loss on disposal of assets		(5,063)	-
Legal expenses		(35,044)	(7,052)
Management fees		-	(175,000)
Marketing and promotion		(2,922)	(38,768)
Loss on equity settlement of convertible notes	16	(186,667)	-
Regulatory and compliance expenses		(211,863)	(209,293)
Finance costs	5	(13,791)	(64,443)
Total expenses		<u>(2,069,404)</u>	<u>(2,730,374)</u>
<b>Profit before income tax expense</b>		5,345,538	61,879
Income tax expense	6	-	-
<b>Profit after income tax expense for the year attributable to the owners of NewPeak Metals Limited</b>		5,345,538	61,879
<b>Other comprehensive income</b>			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		<u>(880,378)</u>	<u>(394,465)</u>
Other comprehensive income for the year, net of tax		<u>(880,378)</u>	<u>(394,465)</u>
<b>Total comprehensive income for the year attributable to the owners of NewPeak Metals Limited</b>		<u><u>4,465,160</u></u>	<u><u>(332,586)</u></u>
		<b>Cents</b>	<b>Cents</b>
<b>Earnings per share for profit attributable to the owners of NewPeak Metals Limited</b>			
Basic earnings per share	31	0.1	-
Diluted earnings per share	31	0.1	-

The earnings per share for the year ended 30 June 2022 was less than 1/10th of a cent.

	Note	Consolidated	
		2023	2022
		\$	\$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	7	54,875	314,486
Other receivables	8	78,463	60,009
Total current assets		<u>133,338</u>	<u>374,495</u>
<b>Non-current assets</b>			
Investments accounted for using the equity method	11	-	2,756,570
Investments	9	9,883,714	-
Property, plant and equipment		1,041	36,104
Exploration and evaluation	12	5,318,831	6,223,361
Other non-current assets	10	32,506	73,903
Total non-current assets		<u>15,236,092</u>	<u>9,089,938</u>
<b>Total assets</b>		<u>15,369,430</u>	<u>9,464,433</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	13	1,290,550	567,427
Borrowings	14	230,000	-
Total current liabilities		<u>1,520,550</u>	<u>567,427</u>
<b>Non-current liabilities</b>			
Provisions		1,931	1,931
Total non-current liabilities		<u>1,931</u>	<u>1,931</u>
<b>Total liabilities</b>		<u>1,522,481</u>	<u>569,358</u>
<b>Net assets</b>		<u>13,846,949</u>	<u>8,895,075</u>
<b>Equity</b>			
Issued capital	15	40,785,625	40,062,966
Other equity	16	-	373,333
Reserves	17	(2,376,939)	(1,633,949)
Accumulated losses		(24,561,737)	(29,907,275)
<b>Total equity</b>		<u>13,846,949</u>	<u>8,895,075</u>

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

<b>Consolidated</b>	<b>Issued capital \$</b>	<b>Other equity \$</b>	<b>Reserves \$</b>	<b>Accumulated losses \$</b>	<b>Total equity \$</b>
Balance at 1 July 2021	36,296,146	373,333	(1,239,484)	(29,969,154)	5,460,841
Profit after income tax expense for the year	-	-	-	61,879	61,879
Other comprehensive income for the year, net of tax	-	-	(394,465)	-	(394,465)
Total comprehensive income for the year	-	-	(394,465)	61,879	(332,586)
<i>Transactions with owners in their capacity as owners:</i>					
Contributions of equity, net of transaction costs (note 15)	3,766,820	-	-	-	3,766,820
Balance at 30 June 2022	<u>40,062,966</u>	<u>373,333</u>	<u>(1,633,949)</u>	<u>(29,907,275)</u>	<u>8,895,075</u>
<b>Consolidated</b>	<b>Issued capital \$</b>	<b>Other equity \$</b>	<b>Reserves \$</b>	<b>Accumulated losses \$</b>	<b>Total equity \$</b>
Balance at 1 July 2022	40,062,966	373,333	(1,633,949)	(29,907,275)	8,895,075
Profit after income tax expense for the year	-	-	-	5,345,538	5,345,538
Other comprehensive income for the year, net of tax	-	-	(880,378)	-	(880,378)
Total comprehensive income for the year	-	-	(880,378)	5,345,538	4,465,160
<i>Transactions with owners in their capacity as owners:</i>					
Contributions of equity, net of transaction costs (note 15)	722,659	-	-	-	722,659
Share-based payments (note 32)	-	-	137,388	-	137,388
Equity-settled convertibles notes (note 16)	-	(373,333)	-	-	(373,333)
Balance at 30 June 2023	<u>40,785,625</u>	<u>-</u>	<u>(2,376,939)</u>	<u>(24,561,737)</u>	<u>13,846,949</u>

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

	Note	Consolidated	
		2023	2022
		\$	\$
<b>Cash flows from operating activities</b>			
Receipts from customers (inclusive of GST)		36,417	10,119
Payments to suppliers and employees (inclusive of GST)		(28,002)	(946,542)
Joint venture partnership distributions received		-	(5,524)
Interest received		-	18
Interest and other finance costs paid		(13,791)	(63,066)
Net cash used in operating activities	30	(5,376)	(1,004,995)
<b>Cash flows from investing activities</b>			
Payments for exploration and evaluation assets		(768,648)	(2,291,061)
Payments for security deposits		-	(22,775)
Proceeds from disposal of investments		258,556	-
Proceeds from disposal of property, plant and equipment		30,000	-
Proceeds from release of security deposits		41,397	-
Net cash used in investing activities		(438,695)	(2,313,836)
<b>Cash flows from financing activities</b>			
Proceeds from issue of shares		-	3,509,000
Proceeds from borrowings	30,14	230,000	-
Share issue transaction costs	15	(45,540)	(362,765)
Repayment of borrowings	30	-	(79,371)
Net cash from financing activities		184,460	3,066,864
Net decrease in cash and cash equivalents		(259,611)	(251,967)
Cash and cash equivalents at the beginning of the financial year		314,486	566,453
Cash and cash equivalents at the end of the financial year	7	54,875	314,486

*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 either in the respective notes or below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### New or amended Accounting Standards and Interpretations adopted

The Group 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. Adoption of these new and amended accounting standards and interpretations did not have a material impact to the financial statements.

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

#### Going concern

For the year ended 30 June 2023, the consolidated entity incurred a profit after income tax of \$5,345,538 (2022: loss of \$5,407,358 after excluding the reversal of the impairment of the investment in the associate). After excluding the gain on discontinuation of equity accounting for Lakes Blue Energy NL, the consolidated entity incurred a loss after income tax of \$2,297,377. The consolidated entity incurred net cash outflows from operating activities of \$5,376 (2022: \$1,004,995). At 30 June 2023, the consolidated entity had cash and cash equivalents of \$54,875 (2022: \$314,486) and net current liabilities of \$1,387,212 (2022: \$192,932).

These conditions give rise to a material uncertainty which may cast significant doubt over the consolidated entity's ability to continue as a going concern.

The ability of the consolidated entity to continue as a going concern is dependent upon the consolidated entity being able to manage its liquidity requirements by taking some or all of the following actions:

- (1) Raising additional capital or securing other forms of financing, as and when necessary to meet the levels of expenditure required for the consolidated entity to continue to earn into the mineral properties in which it has an interest (earn in expenditure) and to meet the consolidated entity's working capital requirements;
- (2) Reducing its level of capital expenditure through farm-outs and/or joint ventures; and
- (3) Reducing its working capital expenditure.

Notwithstanding the above, the Directors have concluded that the going concern basis of preparation of the financial statements is appropriate and any uncertainty regarding going concern is mitigated by the following:

- On 14 July 2023, the consolidated entity announced a non-renounceable rights issue to eligible shareholders of the Company of one new ordinary share for every five ordinary shares held, at an issue price of \$0.001 per new share, which raised \$63,647 in cash and \$183,316 of debts were converted to shares. The entitlement offer was partly underwritten to the amount of \$500,000 by Neil Francis Stuart.
- On 15 August 2023, the Company announced that it had entered into a term sheet with UAE-headquartered ENEXD Group (ENEXD) for them to earn-in a 75% interest over a period of 3 years to the Company's Finland gold projects, in order for ENEXD to continue exploration on the Finland gold projects and provide the Company with a fully funded pathway to progress the Finland gold projects. Under the term sheet, ENEXD will pay the Company €3,000,000 (A\$5,000,000) and expend €9,000,000 (\$15,000,000) on further exploration of the Company's gold permits to acquire a 75% interest in the Company's wholly owned subsidiaries NewPeak Finland Oy and Kultatie Holding Oy. The joint venture is subject to several conditions precedent including ENEXD securing a financial funding package.
- NewPeak Metals Limited's 10,008,714,010 shareholding in Lakes Blue Energy was released from escrow on 7 August 2022. After a sale of 125,000,000 shares on 22 August 2022, raising cash of \$100,000, NewPeak Metals Limited's shareholding at 30 June 2023 was 9,883,714,010. The closing share price of Lakes Blue Energy at 30 June 2023 was \$0.0010, valuing Newpeak Metals Limited's shares at \$9,883,714.

Based on the above, the Directors are of the opinion that at the date of signature of the financial report there are reasonable and supportable grounds to believe that the consolidated entity will be able to meet its liabilities from its assets in the ordinary course of business, for a period of not less than 12 months from the date of this financial report and has accordingly prepared the financial report on a going concern basis.

Should the consolidated entity be unable to continue as a going concern, it may be required to realise its assets and liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements. The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts, or to the amount and classification of liabilities that might be required should the consolidated entity not be able to continue as a going concern.

#### 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.

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

### *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 Group'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 Group only. Supplementary information about the parent entity is disclosed in note 27.

### **Principles of consolidation**

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of NewPeak Metals Limited ('Company' or 'parent entity') as at 30 June 2023 and the results of all subsidiaries for the year then ended. NewPeak Metals Limited and its subsidiaries together are referred to in these financial statements as the 'Group' or 'consolidated entity'.

Subsidiaries are all those entities over which the Group has control. The Group controls an entity when the Group 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 Group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Group 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 Group or 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.

Where the Group 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 Group 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.

### **Foreign currency translation**

The financial statements are presented in Australian dollars, which is NewPeak Metals Limited'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 rates at the dates of the transactions, 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**

*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.

### **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 Group'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.

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

A liability is classified as current when: it is either expected to be settled in the Group'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.

#### Associates

Associates are entities over which the Group has significant influence but not control or joint control. Investments in associates are accounted for using the equity method. Under the equity method, the share of the profits or losses of the associate is recognised in profit or loss and the share of the movements in equity is recognised in other comprehensive income. Investments in associates are carried in the statement of financial position at cost plus post-acquisition changes in the Group's share of net assets of the associate. Goodwill relating to the associate is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment. Dividends received or receivable from associates reduce the carrying amount of the investment.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

The Group discontinues the use of the equity method upon the loss of significant influence over the associate and recognises any retained investment at its fair value. Any difference between the associate's carrying amount, fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

Where there is an indicator of impairment, the carrying amount of the investment is tested for impairment by comparing its recoverable amount with its carrying value. Impairment losses are recognised in the statement of profit or loss and other comprehensive income. A reversal of a previously recognised impairment loss is recognised only to the extent that the investment's carrying value does not exceed the carrying amount that would have been determined (including consideration of any equity accounted losses), if no impairment loss had been recognised.

#### Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

##### *Financial assets at amortised cost*

A financial asset is measured at amortised cost only if both of the following conditions are met: (i) it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and (ii) the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

##### *Financial assets at fair value through profit or loss*

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

##### *Financial assets at fair value through other comprehensive income*

Financial assets at fair value through other comprehensive income include equity investments which the Group intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

##### *Impairment of financial assets*

The Group recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the Group's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

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

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

#### Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

#### 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 Group for the annual reporting period ended 30 June 2023. The impact of these new or amended Accounting Standards and Interpretations will not be material to the financial statements.

#### 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 its exploration and evaluation assets, and investments in an associate. 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 within the next financial year are discussed below.

##### *Key judgements – exploration & evaluation assets*

The Group performs regular reviews on each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. These reviews are based on detailed surveys and analysis of drilling results performed to reporting date.

The Directors have assessed that for the exploration and evaluation assets recognised at 30 June 2023, the facts and circumstances do not suggest that the carrying amount of an asset may exceed its recoverable amount. In considering this the Directors have had regard to the facts and circumstances that indicate a need for impairment as noted in Accounting Standard AASB 6 *Exploration for and Evaluation of Mineral Resources*.

Exploration and evaluation assets at 30 June 2023 were \$5,318,831 (2022: \$6,223,361). During the year, the Directors have assessed that costs totalling \$607,960 (2022: \$147,751) should not be carried forward in accordance with the accounting policy in note 12 and have been written off. Additionally, in the year ended 30 June 2022 the Company fully impaired its New Zealand tenements totalling \$1,029,218. The Company has been engaged in negotiations to sell or joint venture the Company's New Zealand tenements.

## Note 2. Critical accounting judgements, estimates and assumptions (continued)

### Key judgements – significant influence over Lakes Blue Energy NL

Due to convertible notes in Lakes Blue Energy NL being converted to shares on 14 April 2023, the Group's shareholding was diluted to 17.09% (30 June 2022: 22.10%) of the issued ordinary shares of Lakes Blue Energy NL (Lakes) and management considered whether the Group continued to have the ability to exert significant influence over Lakes despite the decrease in its shareholding. The Group has one Director in common with the Board of Lakes, Nicholas Mather, however this is not indicative of significant influence and therefore the Group has discontinued the accounting of Lakes as an associate from 14 April 2023 (refer note note 9).

## Note 3. Operating segments

### Identification of reportable operating segments

The consolidated entity has identified its operating segments based on the internal reports that are reviewed and used by the parent entity's Board of Directors (chief operating decision-makers) in assessing performance and determining the allocation of resources. The consolidated entity is managed primarily on a geographic basis that is the location of the respective areas of interest (tenements) in Australia & New Zealand, the Americas, and Europe. Operating segments are determined on the basis of financial information reported to the Board which is at the consolidated entity level. The consolidated entity does not have any products/services it derives revenue from.

NewPeak Metals Limited operates predominantly in one business being in the mining industry, and three geographic locations, being Australia and New Zealand, the Americas and Europe. No sales revenue from this activity has been earned to date as NewPeak Metals Limited is still in the exploration and evaluation stage. All significant operating decisions are based upon analysis of the consolidated entity as one segment. The financial results from the segment are equivalent to the financial statements of the consolidate entity as a whole.

### Intersegment receivables, payables and loans

Intersegment loans are initially recognised at the consideration received. Intersegment loans receivable and loans payable that earn or incur non-market interest are not adjusted to fair value based on market interest rates. Intersegment loans are eliminated on consolidation.

### Operating segment information

	Australia and New Zealand	Americas	Europe	Eliminations*	Total
	\$	\$	\$	\$	\$
<b>Consolidated - 2023</b>					
<b>Operating result</b>	6,134,294	(626,142)	(162,614)	-	5,345,538
<b>Profit before income tax expense</b>					5,345,538
Income tax expense					-
<b>Profit after income tax expense</b>					5,345,538
<b>Assets</b>					
Segment assets	28,512,201	3,222,682	1,878,781	(18,244,234)	15,369,430
<b>Total assets</b>					15,369,430
<i>Total assets includes:</i>					
Acquisition of non-current assets	-	-	-	-	-
<b>Liabilities</b>					
Segment liabilities	7,495,254	7,773,271	4,498,190	(18,244,234)	1,522,481
<b>Total liabilities</b>					1,522,481

\* These eliminations relate to intercompany loans.

**Note 3. Operating segments (continued)**

	Australia and New Zealand \$	Americas \$	Europe \$	Eliminations* \$	Total \$
<b>Consolidated - 2022</b>					
<b>Operating result</b>	396,199	(94,223)	(240,097)	-	61,879
<b>Profit before income tax expense</b>					61,879
Income tax expense					-
<b>Profit after income tax expense</b>					61,879
<b>Assets</b>					
Segment assets	21,019,267	4,775,353	1,533,161	(17,863,348)	9,464,433
<b>Total assets</b>					9,464,433
<i>Total assets includes:</i>					
Acquisition of non-current assets	331,893	855,068	1,144,100	-	2,331,061
<b>Liabilities</b>					
Segment liabilities	6,598,544	7,613,037	4,221,125	(17,863,348)	569,358
<b>Total liabilities</b>					569,358

\* These eliminations relate to intercompany loans.

**Note 4. Other income**

	Consolidated	
	2023 \$	2022 \$
Net foreign exchange gain	5,077	971
Net gain on disposal of investments *	224,464	-
Net gain on equity settled liabilities **	-	34,694
Reimbursement of costs	25,000	-
Other income	254,541	35,665

\* Represents a \$157,721 gain on the sale of the consolidated entity's 25% interest in the Pampa Lito tenement and a \$66,743 gain on the disposal of 125,000,000 shares in Lakes Blue Energy NL. Refer note 11 for details of the net gain on disposal of the Lakes Blue Energy NL shares.

\*\* The net gain on equity settled liabilities represents the excess of the carrying amount of the financial liability over the fair value of the equity instruments issued to settle the liability, at the date of settlement.

**Note 5. Expenses**

	Consolidated	
	2023 \$	2022 \$
Profit before income tax includes the following specific expenses:		
<i>Finance costs</i>		
Interest and finance charges paid/payable on borrowings and convertible notes	13,791	64,443
<i>Superannuation expense</i>		
Defined contribution superannuation expense	4,973	14,022

**Note 6. Income tax**

	<b>Consolidated</b>	
	<b>2023</b>	<b>2022</b>
	\$	\$
<i>Numerical reconciliation of income tax expense and tax at the statutory rate</i>		
Profit before income tax expense	5,345,538	61,879
Tax at the statutory tax rate of 25%	1,336,385	15,470
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Other	-	14,358
	1,336,385	29,828
Prior year tax losses not recognised now recouped	(1,336,385)	143,109
Prior year temporary differences not recognised now recognised	-	(172,937)
Income tax expense	-	-

*Deferred tax*

	Opening balance	Net charged to	Net charged to	Closing balance
	\$	profit or loss	equity	\$
		\$	\$	
<b>30 June 2023</b>				
<i>Recognised deferred tax assets</i>				
Unused tax losses	616,929	1,715,393	-	2,332,322
Deductible temporary differences	2,907	12,500	-	15,407
	619,836	1,727,893	-	2,347,729
<i>Recognised deferred tax liabilities</i>				
Assessable temporary differences	(55,693)	55,433	-	(260)
Investment in Lakes Blue Energy NL	(564,143)	(1,783,326)	-	(2,347,469)
	(619,836)	(1,727,893)	-	(2,347,729)
Net deferred tax recognised	-	-	-	-

*Deferred tax*

	Opening balance	Net charged to	Net charged to	Closing balance
	\$	profit or loss	equity	\$
		\$	\$	
<b>30 June 2022</b>				
<i>Recognised deferred tax assets</i>				
Unused tax losses	26,463	590,466	-	616,929
Deductible temporary differences	-	2,907	-	2,907
	26,463	593,373	-	619,836
<i>Recognised deferred tax liabilities</i>				
Assessable temporary differences	(26,463)	(29,230)	-	(55,693)
Investment in Lakes Blue Energy NL	-	(564,143)	-	(564,143)
	(26,463)	(593,373)	-	(619,836)
Net deferred tax recognised	-	-	-	-

**Note 6. Income tax (continued)**

The following is the potential benefit of the unrecognised deferred tax assets:

	<b>Consolidated</b>	
	<b>2023</b>	<b>2022</b>
	\$	\$
Unrecognised tax losses	11,349,166	13,933,337
Unrecognised temporary differences	1,551,427	1,551,427
Unrecognised capital losses	85,438	85,438
	<u>12,986,031</u>	<u>15,570,202</u>
Potential tax benefit @ 25% (2022: 25%)	<u>3,246,508</u>	<u>3,892,550</u>

*Accounting policy for 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 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.

**Note 7. Cash and cash equivalents**

	<b>Consolidated</b>	
	<b>2023</b>	<b>2022</b>
	\$	\$
<i>Current assets</i>		
Cash at bank	<u>54,875</u>	<u>314,486</u>

*Accounting policy for 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.

**Note 8. Other receivables**

	Consolidated	
	2023	2022
	\$	\$
<i>Current assets</i>		
Other receivables	4,682	11,079
Prepayments	57	-
GST receivable	73,724	48,930
	78,463	60,009
	78,463	60,009

*Accounting policy for other receivables*

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

**Note 9. Investments**

	Consolidated	
	2023	2022
	\$	\$
<i>Non-current assets</i>		
Investment in Lakes Blue Energy NL – at fair value	9,883,714	-
	9,883,714	-
	9,883,714	-

*Reconciliation*

Reconciliation of the fair values at the beginning and end of the current and previous financial year are set out below:

Opening fair value	-	-
Transfer from equity accounted investments (note 11)	2,240,799	-
Fair value of investment upon discontinuation of equity accounting recognised in profit or loss	7,642,915	-
	9,883,714	-
Closing fair value	9,883,714	-

Refer to note 20 for further information on fair value measurement.

During the year ended 30 June 2023, the Company has ceased to equity account for its investment in Lakes Blue Energy NL (Lakes, ASX: LKO) as the Company's shareholding has reduced below 20% of the issued share capital of Lakes following Lakes' conversion of convertible notes to shares that took place on 14 April 2023. The Company did not hold any of the convertible notes that were converted to shares, therefore this resulted in the dilution of its shareholding. Prior to 14 April 2023, the Company held 9,883,714,010 ordinary shares in Lakes, which represented 21.18% of the total issued capital of Lakes. Following the Lakes share conversion, the Company's shareholding was diluted to 17.09% of the total issued capital of Lakes.

Following the dilution of the Company's shareholding and the discontinuation of equity accounting for the former associate, the Company's retained interest in Lakes has been measured at fair value, being the quoted price of Lakes on the ASX at 14 April 2023 of \$0.001 per share. The fair value of the investment is therefore \$9,883,714 and there has been no movement in the fair value to 30 June 2023. The carrying amount of the investment immediately prior to the share dilution was \$2,240,799, therefore the gain resulting from the discontinuation of equity accounting for the investment is \$7,642,915 and has been recognised in the profit or loss.

1,030,000,000 of the shares held by the Company in Lakes, representing 10.4% of the total number of shares held in Lakes at 30 June 2023, are held as security for loans totalling \$230,000 (refer note 14).

**Note 10. Other non-current assets**

	Consolidated	
	2023	2022
	\$	\$
<i>Non-current assets</i>		
Security deposits	32,506	73,903
	32,506	73,903
	32,506	73,903

**Note 11. Investments accounted for using the equity method**

	Consolidated	
	2023	2022
	\$	\$
<i>Non-current assets</i>		
Investment in Lakes Blue Energy NL (formerly Lakes Oil NL)	-	2,756,570
<i>Reconciliation</i>		
Reconciliation of the carrying amounts at the beginning and end of the current and previous financial year are set out below:		
Opening carrying amount	2,756,570	-
Loss after income tax	(482,514)	(2,712,667)
Disposals	(33,257)	-
Discontinuation of equity accounting (note 9)	(2,240,799)	-
Reversal of impairment of investment in Lakes Blue Energy NL (formerly Lakes Oil NL)	-	5,469,237
Closing carrying amount	-	2,756,570

**Interests in associates**

Interests in associates are accounted for using the equity method of accounting. Information relating to associates that are material to the Group are set out below:

Name	Principal place of business / Country of incorporation	Ownership interest 2022 %
Lakes Blue Energy NL	Australia	22.10%

**Reversal of impairment and fair value of investment**

Prior to 1 July 2021, due to the imposed suspension from official quotation of Lakes Blue Energy NL (Lakes, ASX: LKO) from the Australian Securities Exchange (ASX) and therefore being no active market for the securities of Lakes Blue Energy NL at that time, the Group was unable to use the quoted market price as the level 1 fair value hierarchy. Management determined the value in use of the investment using estimates of its share of the present value of the estimated future cash flows expected to be generated by Lakes Blue Energy NL and the present value of the estimated future cash flows expected to arise from dividends to be received from the investment and from its ultimate disposal. Both methods gave the same result and the Group continued to recognise a provision for impairment for the full carrying value of its investment at 1 July 2021.

On 7 February 2022, Lakes recommenced trading on the ASX. At the point of recommencement of trading on the ASX, NewPeak Metals Limited held 10,008,714,010 (23.62%) of the issued share capital of Lakes, with a fair value of \$10,008,714. The closing share price of Lakes on this date was \$0.0010. NewPeak Metals Limited entered into a voluntary escrow on these shares, which were released from escrow on 7 August 2022.

Following the recommencement of trading of Lakes on the ASX, management reassessed the carrying amount of NewPeak Metals Limited's investment in Lakes, which had been previously fully impaired in the year ended 30 June 2020. This reassessment of the carrying amount of the investment resulted in the reversal of the impairment. The reversal of the impairment of Lakes Blue Energy NL was limited to the carrying value of the investment had the impairment not been made, taking into account NewPeak Metals Limited's share of Lake's losses subsequent to the date of impairment and up until 7 February 2022. The carrying amount of the investment at 7 February 2022 was assessed to be \$5,469,237. The balance of the impairment provision of \$1,921,243 which was not reversed, has been offset against the carrying amount of the investment.

On 22 August 2022, NewPeak Metals Limited sold 125,000,000 shares in Lakes with a carrying value of \$33,257 for \$0.0008 per share, resulting in a gain of \$66,743.

On 14 April 2023, Lakes convertible notes were converted to a significant number of shares which diluted the Company's shareholding to 17.09% of the total issued capital of Lakes. As a result, the Company has ceased to account for Lakes as an associate and has therefore discontinued to equity account for the investment. The carrying value of the investment prior to the share dilution was \$2,240,799. For more details refer to note 9. The Company's share of the Lakes' losses of \$482,514 represents the share of losses to 14 April 2023, when Lakes ceased to be accounted for as an associate.

**Note 11. Investments accounted for using the equity method (continued)**

*Summarised financial information*

	<b>2022</b>
	\$
<i>Summarised statement of financial position</i>	
Current assets	3,038,612
Non-current assets	<u>13,931,355</u>
Total assets	<u>16,969,967</u>
Current liabilities	9,450,019
Non-current liabilities	<u>1,058,326</u>
Total liabilities	<u>10,508,345</u>
Net assets	<u><u>6,461,622</u></u>

*Summarised statement of profit or loss and other comprehensive income*

Interest and other income	36,713
Expenses	<u>(14,279,020)</u>
Loss before income tax	(14,242,307)
Other comprehensive income	<u>-</u>
Total comprehensive income	<u><u>(14,242,307)</u></u>

*Reconciliation of the Group's carrying amount*

Opening carrying amount	-
Reversal of impairment	5,469,237
Share of loss after income tax	<u>(2,712,667)</u>
Closing carrying amount	<u><u>2,756,570</u></u>

*Contingent liabilities*

The associate had no contingent liabilities at 30 June 2022.

*Commitments*

The associate had no commitments at 30 June 2022.

**Note 12. Exploration and evaluation**

	<b>Consolidated</b>	
	<b>2023</b>	<b>2022</b>
	\$	\$
<i>Non-current assets</i>		
Exploration and evaluation assets - at cost	6,320,094	7,218,255
Less: Impairment	<u>(1,001,263)</u>	<u>(994,894)</u>
	<u><u>5,318,831</u></u>	<u><u>6,223,361</u></u>

**Note 12. Exploration and evaluation (continued)**

*Reconciliations*

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

<b>Consolidated</b>	\$
Balance at 1 July 2021	5,463,734
Additions	2,291,061
Asset acquisitions - Las Opeñas Gold Project*	40,000
Exchange differences	(394,465)
Impairment of assets**	(1,029,218)
Write off of assets	<u>(147,751)</u>
Balance at 30 June 2022	6,223,361
Additions***	793,648
Exchange differences	(1,090,218)
Impairment of assets	-
Write off of assets	<u>(607,960)</u>
Balance at 30 June 2023	<u><u>5,318,831</u></u>

\* On 22 January 2019, the Company announced the intention to acquire up to 100% of the Las Opeñas Gold Project through a series of staged cash and share payments over 3.5 years, weighted towards the end of the period and earning equity progressively, totalling USD880,000 and 90 million NewPeak Metals Limited shares. During the year ended 30 June 2022, 40 million shares were issued as partial consideration for this stepped acquisition, resulting in an addition to exploration and evaluation assets of \$40,000. At 30 June 2023, the Company owned 51% of the Las Opeñas Gold Project.

\*\* Represents the impairment of the Company's New Zealand tenements. The Company has been engaged in negotiations to sell or joint venture the Company's New Zealand tenements. The Directors have resolved not to expend any further funds on these tenements.

\*\*\* Includes \$25,000 of equity-settled costs (refer to note 15).

*Accounting policy for exploration and evaluation assets*

Exploration and evaluation expenditure in relation to separate areas of interest for which rights of tenure are current is carried forward as an asset in the statement of financial position where it is expected that the expenditure will be recovered through the successful development and exploitation of an area of interest, or by its sale; or exploration activities are continuing in an area and activities have not reached a stage which permits a reasonable estimate of the existence or otherwise of economically recoverable reserves. Where a project or an area of interest has been abandoned, the expenditure incurred thereon is written off in the year in which the decision is made.

A regular review has been undertaken on each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

A provision is raised against exploration and evaluation expenditure where the Directors are of the opinion that the carried forward net cost may not be recoverable or the right of tenure in the area lapses. The increase in the provision is charged against the results for the year. Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

Costs of site restoration are provided over the life of the area from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structure, waste removal, and rehabilitation of the site in accordance with clauses of mining permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

**Note 13. Trade and other payables**

	Consolidated	
	2023	2022
	\$	\$
<i>Current liabilities</i>		
Trade payables	1,081,066	414,044
Accrued expenses	183,527	129,208
Other payables	25,957	24,175
	1,290,550	567,427
	1,290,550	567,427

Refer to note 19 for further information on financial instruments.

*Accounting policy for trade and other payables*

These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 - 60 days of recognition.

**Note 14. Borrowings**

	Consolidated	
	2023	2022
	\$	\$
<i>Current liabilities</i>		
Loan - Rothstein Pty Ltd	30,000	-
Loan - Fairground Pty Ltd	200,000	-
	230,000	-
	230,000	-

*Movements in the carrying value of borrowings*

	Consolidated	
	2023	2022
	\$	\$
Opening balance	-	77,994
Additions	230,000	-
Repayments during the year	-	(79,371)
Accrued interest	-	1,377
	230,000	-
	230,000	-

*Secured liabilities*

On 11 January 2023, the Company executed a loan agreement with a private investor who is not a related party, Fairground Pty Ltd, for a loan of \$200,000 to provide working capital to the Company for a term of 12 months to 11 January 2024. Interest is payable at the rate of 12% per annum on the loan (9% per annum on the previous loan repaid in full in the year ended 30 June 2022).

On 15 June 2023, an entity with a common director, Rothstein Pty Ltd, loaned the Company \$30,000 for the purposes of paying the deposit on the purchase of 25% of the issued capital of mineral exploration company Southern Cross Britannia Ltd (SCB). The loan is due for repayment on the business day after the earlier of either the completion of a capital raising / sale transaction or the lender giving notice in writing requirement repayment of the loan. Interest is payable at 10% per annum.

**Note 14. Borrowings (continued)**

*Assets pledged as security*

The Rothstein Pty Ltd loan is secured over 30,000,000 shares held by the Company in Lakes Blue Energy NL representing 0.3% of the total number of shares held in Lakes Blue Energy NL at 30 June 2023 (refer note 11).

The Fairground Pty Ltd loan is secured over 1,000,000,000 shares held by the Company in Lakes Blue Energy NL representing 10.1% of the total number of shares held in Lakes Blue Energy NL at 30 June 2023 (refer note 11).

The carrying amount of the assets pledged as security for the loans at 30 June 2023 is \$1,030,000.

*Accounting policy for borrowings*

Loans and borrowings are initially recognised at fair value, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

**Note 15. Issued capital**

	<b>Consolidated</b>			
	<b>2023</b> Shares	<b>2022</b> Shares	<b>2023</b> \$	<b>2022</b> \$
Ordinary shares - fully paid	<u>9,248,615,702</u>	<u>8,853,750,034</u>	<u>40,785,625</u>	<u>40,062,966</u>

*Movements in ordinary share capital*

<b>Details</b>	<b>Date</b>	<b>Shares</b>	<b>Issue price</b>	<b>\$</b>
Balance	1 July 2021	5,704,161,298		36,296,146
Share placement (a)	19 July 2021	1,083,333,335	\$0.002	1,625,000
Shares issued as partial consideration for professional services	19 July 2021	6,335,530	\$0.002	12,500
Shares issued as partial consideration for professional services	18 August 2021	26,461,850	\$0.002	52,924
Shares issued as partial consideration for professional services	19 August 2021	7,143,140	\$0.002	14,286
Share purchase plan (b)	27 October 2021	542,666,613	\$0.002	814,000
Debt conversion (c)	22 November 2021	54,583,333	\$0.002	81,875
Debt conversion (c)	21 December 2021	185,064,935	\$0.002	285,000
Acquisition of Las Opeñas Gold Project (note 12)	22 December 2021	40,000,000	\$0.001	40,000
Share placement (a)	16 February 2022	1,200,000,000	\$0.001	1,200,000
Share placement (a)	24 May 2022	4,000,000	\$0.001	4,000
Share issue costs				(362,765)
Balance	30 June 2022	8,853,750,034		40,062,966
Convertible notes converted to ordinary shares (note 16)	7 November 2022	186,666,668	\$0.003	560,000
Debt conversion (c)	2 December 2022	56,250,000	\$0.001	56,250
Debt conversion (c)	14 December 2022	48,465,000	\$0.001	48,465
Debt conversion (c)	19 June 2023	103,484,000	\$0.001	103,484
Share issue costs				(45,540)
Balance	30 June 2023	<u>9,248,615,702</u>		<u>40,785,625</u>

*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.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

**Note 15. Issued capital (continued)**

(a) Share placements

**2022**

On 19 July 2021, the Company placed 1,083,333,335 ordinary shares at \$0.0015 per share with sophisticated and professional investors and raised \$1,625,000 before costs.

On 16 February 2022, the Company placed 1,200,000,000 ordinary shares at \$0.0010 per share with sophisticated and professional investors and raised \$1,200,000 before costs.

On 24 May 2022, the Company placed 4,000,000 ordinary shares at \$0.0010 per share with sophisticated and professional investors and raised \$4,000 before costs.

(b) Share purchase plan

**2022**

A total of 542,666,613 \$0.0015 ordinary shares were issued under a Share Purchase Plan (SPP) that raised a total of \$814,000 representing \$680,000 in cash and \$134,000 in debt converted.

(c) Debt conversion

The fair value of the shares issued to settle outstanding debts is based on the market value of the shares at the date of issue.

**2023**

On 2 December 2022, the Company issued 56,250,000 ordinary shares at \$0.001 per share in satisfaction of \$56,250 of directors' fees payable to a Company director - David Mason.

On 14 December 2022, the Company issued 48,465,000 ordinary shares at \$0.001 per share in satisfaction of the finders fee for the Garribaldi project in New Zealand, totalling \$25,000 (refer to note 12) and outstanding supplier payments of \$23,465 for consultancy services.

On 19 June 2023, the Company issued 103,484,000 ordinary shares at \$0.001 per share in satisfaction of \$103,484 of outstanding debts to various suppliers for services provided to the Company.

**2022**

On 22 November 2021 54,583,333 \$0.0015 ordinary shares were issued to the Company's Managing Director under the Directors' Fee Plan approved by shareholders at the Company's 2020 AGM. The shares issued were for partial satisfaction of debts owed to the Managing Director and resulted in a gain on conversion of \$27,292.

On 21 December 2021, 185,064,935 \$0.00154 ordinary shares were issued to satisfy \$285,000 of debt owed to DGR Global Limited. The debt conversion resulted in a gain on equity-settled liability of \$7,403.

*Share buy-back*

There is no current on-market share buy-back.

*Capital risk management*

When managing capital, management's objective is to ensure the consolidated entity continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. Management also aims to maintain a capital structure to ensure the lowest costs of capital available to the consolidated entity.

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.

The consolidated entity is not exposed to externally imposed capital requirements.

The Group would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current Company's share price at the time of the investment. The Group is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

The capital risk management policy remains unchanged from the 2022 Annual Report.

*Accounting policy for 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.

**Note 16. Other equity**

	Consolidated	
	2023	2022
	\$	\$
Convertible notes	-	373,333

In prior years, the Company renegotiated the terms of a Convertible Loan Agreement such that the repayment date was extended to 1 May 2022 and was repayable at the Company's election in cash or shares (via a fixed conversion price of \$0.003 per share) or a mixture of both. As the obligation to issue shares was fixed if the loan is converted into shares on maturity, the Convertible Loan was reclassified to equity in accordance with AASB 132 *Financial Instruments: Presentation*. A further extension of the notes was renegotiated.

On 7 November 2022, \$560,000 of convertible notes were converted to ordinary shares at \$0.003 per share (refer note 15), resulting in a loss on settlement of the notes of \$186,667 in the year ended 30 June 2023.

**Note 17. Reserves**

	Consolidated	
	2023	2022
	\$	\$
Financial assets at fair value through other comprehensive income reserve	(264,905)	(264,905)
Foreign currency reserve	(3,781,731)	(2,901,353)
Share-based payments reserve	1,669,697	1,532,309
	<u>(2,376,939)</u>	<u>(1,633,949)</u>

*Financial assets at fair value through other comprehensive income reserve*

The reserve is used to recognise increments and decrements in the fair value of financial assets at fair value through other comprehensive income.

*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.

*Share-based payments reserve*

The reserve is used to recognise the value of equity benefits provided to employees and directors as part of their remuneration, and other parties as part of their compensation for services.

*Movements in reserves*

Movements in each class of reserve during the current and previous financial year are set out below:

Consolidated	Financial assets at fair value \$	Foreign currency reserve \$	Share-based payment reserve \$	Total \$
Balance at 1 July 2021	(264,905)	(2,506,888)	1,532,309	(1,239,484)
Foreign currency translation	-	(394,465)	-	(394,465)
Balance at 30 June 2022	(264,905)	(2,901,353)	1,532,309	(1,633,949)
Foreign currency translation	-	(880,378)	-	(880,378)
Share-based payments	-	-	137,388	137,388
Balance at 30 June 2023	<u>(264,905)</u>	<u>(3,781,731)</u>	<u>1,669,697</u>	<u>(2,376,939)</u>

**Note 18. Dividends**

There were no dividends paid, recommended or declared during the current or previous financial year. There are no franking credits available to shareholders of the Company (2022: none).

## Note 19. Financial instruments

### *Financial risk management objectives*

In common with all other businesses, the Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous years unless otherwise stated in this note.

The Group's financial instruments consist mainly of deposits with banks, receivables, security deposits, borrowings and payables.

The Board has overall responsibility for the determination of the Group's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Group's finance function. The Group's risk management policies and objectives are therefore designed to minimise the potential impacts of these risks on the results of the Group where such impacts may be material.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility. Further details regarding these policies are set out below.

### *Market risk*

#### *Foreign currency risk*

The Group is not exposed to any significant foreign currency risk.

#### *Price risk*

The Group is exposed to equity price risk arising from its investment in Lakes Blue Energy NL (Lakes). A 10% change in the share price would result in a \$988,371 change in the value of the investment in Lakes. The lowest priced security on the ASX is \$0.001 and this has been the value of the Lakes shares since relisting on the ASX.

The Group is not exposed to any other significant price risk.

It should be noted that the investment in the associate is not included in the above analysis as it is outside the scope of Accounting Standard AASB 9 *Financial Instruments*, as it is accounted for in accordance with Accounting Standard AASB 128 *Investments in Associates and Joint Ventures*.

#### *Interest rate risk*

The Group is not exposed to any significant interest rate risk.

### *Credit risk*

Credit risk is the risk that the other party to a financial instrument will fail to discharge their obligation resulting in the Group incurring a financial loss. This usually occurs when debtors fail to settle their obligations owing to the Group. The Group's objective is to minimise the risk of loss from credit risk exposure.

The maximum exposure to credit risk, excluding the value of any collateral or other security, at reporting date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements.

Credit risk is reviewed regularly by the Board. It arises from exposure to receivables as well as through deposits with financial institutions.

The Group does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Group and at balance date.

The Group's cash at bank is held between Macquarie Bank Limited (credit rating: BBB) and Westpac Banking Corporation Limited (credit rating: AA-).

### *Liquidity risk*

Liquidity risk is the risk that the Group may encounter difficulties raising funds to meet financial obligations as they fall due. The objective of managing liquidity risk is to ensure, as far as possible, that the Group will always have sufficient liquidity to meet its liabilities when they fall due, under both normal and stressed conditions.

Liquidity risk is reviewed regularly by the Board.

### Note 19. Financial instruments (continued)

The Group manages liquidity risk by monitoring forecast cash flows and liquidity ratios such as working capital. The Group did not have any financing facilities available at reporting date.

#### Remaining contractual maturities

The following tables detail the Group'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.

	Within 6 months \$	Between 6 and 12 months \$	Between 1 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
<b>Consolidated - 2023</b>					
<b>Non-derivatives</b>					
<i>Non-interest bearing</i>					
Trade and other payables	1,290,550	-	-	-	1,290,550
<i>Interest-bearing - fixed rate</i>					
Borrowings	30,641	224,000	-	-	254,641
Total non-derivatives	1,321,191	224,000	-	-	1,545,191

	Within 6 months \$	Between 6 and 12 months \$	Between 1 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
<b>Consolidated - 2022</b>					
<b>Non-derivatives</b>					
<i>Non-interest bearing</i>					
Trade and other payables	567,427	-	-	-	567,427
Total non-derivatives	567,427	-	-	-	567,427

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 20. Fair value measurement

#### Fair value hierarchy

The Group's assets and liabilities can be measured using a three level hierarchy, if measured at fair value, 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

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: Unobservable inputs for the asset or liability

The following table presents the Group's assets and liabilities which are carried at fair value at 30 June 2023:

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<b>2023</b>				
Investment in Lakes Blue Energy NL	9,883,714	-	-	9,883,714

The Group did not have any assets and liabilities carried at fair value at 30 June 2022. The following table presents the Group's assets and liabilities which are not carried at fair value at 30 June 2022 wherein their carrying values do not approximate their fair value:

**Note 20. Fair value measurement (continued)**

	Level 1 \$	Level 2 \$	Level 3 \$	Carrying value \$
<b>2022</b>				
Investments accounted for using the equity method	10,008,714	-	-	2,756,570

**Note 21. Key management personnel disclosures**

*Compensation*

The aggregate compensation made to directors and other members of key management personnel of the Group is set out below:

	Consolidated	
	2023 \$	2022 \$
Short-term employee benefits	520,900	824,168
Post-employment benefits	-	14,779
Share-based payments	137,388	-
	<u>658,288</u>	<u>838,947</u>

**Note 22. Remuneration of auditors**

During the financial year the following fees were paid or payable for services provided by BDO Audit Pty Limited, the auditor of the Company, and its network firms:

	Consolidated	
	2023 \$	2022 \$
<i>Audit services - BDO Audit Pty Limited</i>		
Audit or review of the financial statements	<u>121,569</u>	<u>62,500</u>
<i>Audit services - network firms</i>		
Audit or review of the financial statements	<u>19,936</u>	<u>-</u>

**Note 23. Contingent assets**

There are no contingent assets at 30 June 2023 and 30 June 2022.

**Note 24. Contingent liabilities**

As consideration for the acquisition of Kultatie Holding Oy and Kultatie Oy, NewPeak Metals Limited (NewPeak) has agreed to pay a milestone payment of \$1,500,000 in cash upon NewPeak delivering a JORC Indicated category resource of a minimum of 500,000 ounces of gold equivalent.

Other than this, there are no other contingent liabilities at 30 June 2023 and 30 June 2022.

**Note 25. Commitments**

	<b>Consolidated</b>	
	<b>2023</b>	<b>2022</b>
	\$	\$
<i>Future Exploration Commitments</i>		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	171,173	857,973
One to five years	684,690	3,431,890
	855,863	4,289,863

The Group has certain obligations to expend minimum amounts on exploration in tenement areas. These obligations may be varied from time to time and are expected to be fulfilled in the normal course of operations of the Group.

To keep tenements in good standing, work programs should meet certain minimum expenditure requirements. If the minimum expenditure requirements are not met, the Group has the option to negotiate new terms or relinquish the tenements. The Group also has the ability to meet expenditure requirements by joint venture or farm-in agreements.

As a first step in NewPeak's rejuvenation plan, during the year ended 30 June 2023, the Company signed a binding term sheet to acquire an initial 25% of the issued capital of mineral exploration company Southern Cross Britannia Ltd (SCB), a private UK-based mineral exploration company with over 1,100 km<sup>2</sup> of exploration licences in the Salta province of Argentina. Within this license package is the Hombre Muerto South lithium project a contiguous 600 km<sup>2</sup> lithium exploration opportunity in the Hombre Muerto Drainage Basin. Also, this transaction provides, subject to exploration success and successful development, access to the growing lithium market and promising prospectivity for copper and uranium resources has been identified by SCB and third parties within the licence package.

The consideration to acquire the initial 25% of the issued capital of SCB is the transfer of the Company's 100% interest in Excarb SA and the payment of US\$1,500,000. The transaction is dependent on satisfaction of several conditions, including SCB completing a geophysics survey with the results identifying and confirming, to the sole satisfaction of NPM, the prospectivity of the tenements for lithium. Should NPM be satisfied with the results, and all other conditions are met, it has a period of three months to transfer to SCB the shares of Excarb SA and subscribe US\$1,500,000 to SCB for a 25% interest in SCB.

The Company, at its sole discretion, can acquire a further 5% of SCB for US\$1,500,000 within three months after the drilling is complete on the Hombre Muerto South project to take NPM up to a 30% holding in SCB.

**Note 26. Related party transactions**

*Parent entity*

NewPeak Metals Limited is the parent entity.

*Subsidiaries*

Interests in subsidiaries are set out in note 28.

*Associates*

Interests in associates are set out in note 11.

*Key management personnel*

Disclosures relating to key management personnel are set out in note 21 and the remuneration report included in the directors' report.

**Note 26. Related party transactions (continued)**

*Transactions with related parties*

The following transactions occurred with related parties:

	<b>Consolidated</b>	
	<b>2023</b>	<b>2022</b>
	\$	\$
Payment for goods and services:		
Administration fees: Payments for services - DGR Global Ltd (a)	4,128	175,000
Legal expenses: Payment for services - HopgoodGanim Lawyers (b)	63,219	87,078
Payment for other expenses:		
Interest paid/payable to a director (c)	-	1,377
Other transactions:		
Subscription for new ordinary shares by key management personnel under the Share Purchase Plan (note 15)	-	120,000

- (a) The Group had a commercial arrangement with DGR Global Limited (common Directors include Nicholas Mather and Brian Moller), which ceased in January 2022, for the provision of various services, whereby DGR Global provided resources and services including the provision of its administration staff, its premises (for the purposes of conducting the Company's business operations), use of existing office furniture, equipment and stationery, together with general telephone, IT infrastructure, reception and other office facilities (Services). In consideration for the provision of the Services, the Group paid DGR Global a monthly administration fee. Ad hoc consultancy services are ongoing and are invoiced as the services are provided.
- (b) Mr Brian Moller (a Director), is a partner in the Australian firm HopgoodGanim Lawyers. HopgoodGanim Lawyers provides legal services to the Group and the fees are based on normal commercial terms and conditions.
- (c) Mr David Mason (a Director) provided an unsecured loan to the Company that was fully repaid in the year ended 30 June 2022.
- (d) A related party with a common Director (David Mason), Rothstein Pty Ltd, loaned \$30,000 to the Company on 15 June 2023. The full loan remained payable at 30 June 2023. The loan is secured against 30,000,000 of the Lakes Blue shares held by the Company. Interest is payable at 10% per annum (refer note 14).
- (e) Unpaid Directors' fees and CEO fees at 30 June 2023 included in trade payables amounted to \$415,760 (2022: \$167,934)

*Receivable from and payable to related parties*

The following balances are outstanding at the reporting date in relation to transactions with related parties:

	<b>Consolidated</b>	
	<b>2023</b>	<b>2022</b>
	\$	\$
Current payables:		
Trade payables to key management personnel	415,760	167,934
Trade payables - DGR Global Ltd	45,440	40,900
Trade payables - HopgoodGanim Lawyers	80,084	60,315

The outstanding balances at each relevant period end are unsecured, interest free and settlement occurs in cash.

*Loans to/from related parties*

The following balances are outstanding at the reporting date in relation to loans with related parties:

	<b>Consolidated</b>	
	<b>2023</b>	<b>2022</b>
	\$	\$
Current borrowings:		
Loan from other related party (note 14)	30,000	-

## Note 27. Parent entity information

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

### Statement of profit or loss and other comprehensive income

	Parent	
	2023	2022
	\$	\$
Profit/(loss) after income tax	4,478,119	(741,014)
Total comprehensive income	4,478,119	(741,014)

### Statement of financial position

	Parent	
	2023	2022
	\$	\$
Total current assets	33,657	231,940
Total assets	15,149,000	9,430,160
Total current liabilities	1,260,401	506,394
Total liabilities	1,262,331	508,324
Net assets	13,886,669	8,921,836
Equity		
Issued capital	40,785,625	40,062,966
Other equity	-	373,333
Financial assets at fair value through other comprehensive income reserve	(264,905)	(264,905)
Share-based payments reserve	1,669,697	1,532,309
Accumulated losses	(28,303,748)	(32,781,867)
Total equity	13,886,669	8,921,836

### 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 subsidiaries as at 30 June 2023 and 30 June 2022.

### Contingent liabilities

The parent entity had no contingent liabilities as at 30 June 2023 and 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 2023 and 30 June 2022.

### Significant accounting policies

The accounting policies of the parent entity are consistent with those of the Group, 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 28. Interests in subsidiaries**

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

Name	Principal place of business / Country of incorporation	Ownership interest	
		2023 %	2022 %
Excarb Pty Ltd	Australia	100%	100%
Dark Horse Energy Holdings Pty Ltd	Australia	100%	100%
Dark Horse Lithium Holdings Pty Ltd	Australia	100%	100%
Excarb S.A.	Argentina	100%	100%
NewPeak NZ Ltd	New Zealand	100%	100%
NewPeak Finland Ltd	Finland	100%	100%
Kultatie Holding Oy	Finland	100%	100%
Kultatie Oy	Finland	83%	83%
NewPeak Sweden Ltd	Sweden	100%	100%

Unless otherwise stated, the subsidiaries have share capital consisting solely of ordinary shares that are held directly by the consolidated entity, and the proportion of ownership interests is equal to the proportion of voting rights held by the consolidated entity.

**Note 29. Events after the reporting period**

(a) Rights issue and debt conversion

On 14 July 2023, the Company announced the following:

- A non-renounceable rights issue to eligible shareholders of the Company of one new ordinary share for every five ordinary shares held, at an issue price of \$0.001 per new share.
- Conditional upon eligible shareholders subscribing for the above new ordinary shares, the transfer of two Lakes Blue Energy NL ordinary shares for every five new shares subscribed for.

The entitlement offer was partly underwritten to the amount of \$500,000 by Neil Francis Stuart.

The entitlement offer closed on 25 August 2023 and a total of 63,647,080 shares were subscribed for with gross cash proceeds received of \$63,647. In addition, 183,315,830 shares will be issued under the Debt Conversion Facility which Directors and certain creditors of the Company have elected to convert \$183,516 of debt to shares.

On 7 September 2023, 500,000,000 ordinary shares were issued pursuant to the underwriting agreement with Neil Francis Stuart.

(b) Finland Gold Projects

On 15 August 2023, the Company announced that it had entered into a term sheet with UAE-headquartered ENEXD Group (ENEXD) for them to earn-in a 75% interest over a period of 3 years to the Company's Finland gold projects, in order for ENEXD to continue exploration on the Finland gold projects and provide the Company with a fully funded pathway to progress the Finland gold projects. The exploration expenditure will be over a period of 36 months with the exploration target of reaching an JORC indicated resource and completing a preliminary economic assessment on the Finland projects.

Under the term sheet, ENEXD will pay the Company €3,000,000 (A\$5,000,000) and expend €9,000,000 (\$15,000,000) on further exploration of the Company's gold permits to acquire a 75% interest in the Company's wholly owned subsidiaries NewPeak Finland Oy and Kultatie Holding Oy.

The joint venture is subject to several conditions precedent including ENEXD securing a financial funding package.

No other matter or circumstance has arisen since 30 June 2023 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

**Note 30. Cash flow information**

*Reconciliation of profit after income tax to net cash used in operating activities*

	<b>Consolidated</b>	
	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Profit after income tax expense for the year	5,345,538	61,879
Adjustments for:		
Depreciation	-	10,712
Impairment of exploration costs	-	1,029,218
Share-based payments	137,387	-
Write off of exploration expenditure	607,960	147,751
Net gain on disposal of non-current assets	(219,401)	-
Share of loss - associates	482,514	2,707,143
Net gain on discontinuation of equity accounting	(7,642,915)	-
Fair value movement on convertible notes	186,667	-
Reversal of impairment of investments	-	(5,469,237)
Finance costs - non-cash	-	1,377
Foreign currency differences	209,840	-
Change in operating assets and liabilities:		
Decrease/(increase) in other receivables	(18,454)	47,772
Decrease in other operating assets	-	5,524
Increase in trade and other payables	906,323	458,720
Decrease in employee benefits	-	(5,854)
Decrease in other operating liabilities	(835)	-
Net cash used in operating activities	<u>(5,376)</u>	<u>(1,004,995)</u>

*Non-cash investing and financing activities*

	<b>Consolidated</b>	
	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Shares issued in settlement of liabilities	183,199	580,585
Shares issued to acquire Las Opeñas Gold Project	-	40,000
Shares issued to acquire exploration assets	25,000	-
Convertible notes converted to ordinary shares	560,000	-
	<u>768,199</u>	<u>620,585</u>

*Changes in liabilities arising from financing activities*

<b>Consolidated</b>	Short term loans \$
Balance at 1 July 2021	77,994
Net cash used in financing activities	(79,371)
Interest accrued	<u>1,377</u>
Balance at 30 June 2022	-
Net cash from financing activities	<u>230,000</u>
Balance at 30 June 2023	<u><u>230,000</u></u>

**Note 31. Earnings per share**

	Consolidated	
	2023	2022
	\$	\$
Profit after income tax attributable to the owners of NewPeak Metals Limited	5,345,538	61,879
	<b>Number</b>	<b>Number</b>
Weighted average number of ordinary shares used in calculating basic earnings per share	9,036,204,872	7,723,441,253
Adjustments for calculation of diluted earnings per share:		
Performance rights	111,123,288	-
Weighted average number of ordinary shares used in calculating diluted earnings per share	9,147,328,160	7,723,441,253
	<b>Cents</b>	<b>Cents</b>
Basic earnings per share	0.1	-
Diluted earnings per share	0.1	-

The earnings per share for the year ended 30 June 2022 was less than 1/10th of a cent.

Options are not considered dilutive as they are currently out of the money. Options may become dilutive in the future.

*Accounting policy for earnings per share*

*Basic earnings per share*

Basic earnings per share is calculated by dividing the profit attributable to the owners of NewPeak Metals Limited, 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.

**Note 32. Share-based payments**

(a) Recognised share-based payments

The total expense arising from share-based payment transactions recognised during the period as part of employee benefits expense was \$137,388 (2022: \$nil).

(b) Types of share-based payment plans

*Director & Employee share option plan (ESOP)*

Share options are granted to employees and Directors. The employee and Director share option plan is designed to align participants' interests with those of shareholders by increasing the value of the Company's shares. There are generally no vesting conditions attached to the options granted under the ESOP.

When a participant ceases employment or Directorship prior to the vesting of their share options, the share options are forfeited after 90 days unless cessation of employment or Directorship is due to termination for cause or death, whereupon they are forfeited immediately. The Company prohibits KMP from entering into arrangements to protect the value of unvested ESOP awards.

The contractual life of each option granted may be up to three (3) years. There are no cash settlement alternatives. Each option can be exercised from vesting date to expiry date for one share with the exercise price payable in cash.

(c) Summaries of options granted as share-based payments

The following options granted as share-based payments were outstanding at 30 June 2023 and 30 June 2022:

**Note 32. Share-based payments (continued)**

- 15,000,000 options were granted on 16 February 2022 to the broker of the private placement that was announced on 8 February 2022. The fair value of the options at grant date was \$nil per option.
- On 2 December 2022, the Company issued 28,125,000 options to a Director as payment of outstanding Directors' Fees. The fair value of the options at grant date was \$888.

2023

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/forfeited/other	Balance at the end of the year
16/02/2022	19/07/2023	\$0.004	15,000,000	-	-	-	15,000,000
02/12/2022	19/07/2023	\$0.004	-	28,125,000	-	-	28,125,000
			15,000,000	28,125,000	-	-	43,125,000
Weighted average exercise price			\$0.004	\$0.004	\$0.000	\$0.000	\$0.004

The weighted average remaining contractual life of options outstanding at the end of the financial year was 0.05 years (2022: 1.05 years).

2022

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/forfeited/other	Balance at the end of the year
16/02/2022	19/07/2023	\$0.004	-	15,000,000	-	-	15,000,000
			-	15,000,000	-	-	15,000,000
Weighted average exercise price			\$0.000	\$0.004	\$0.000	\$0.000	\$0.004

For the options granted during the current financial year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
02/12/2022	19/07/2023	\$0.001	\$0.004	82.00%	-	3.81%	\$0.00003

**(d) Summary of performance shares granted as compensation**

During the year ended 30 June 2023, the Company issued 260,000,000 performance rights to the Company's CEO and CFO. In order for the performance rights to vest, the Company must enter and complete a new resource and mining exploration-based acquisition transaction. The fair value of the performance rights at grant date was \$136,500.

Set out below are summaries of performance rights granted:

2023

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/forfeited/other	Balance at the end of the year
25/01/2023	25/01/2025	\$0.000	-	260,000,000	-	-	260,000,000
			-	260,000,000	-	-	260,000,000

The weighted average remaining contractual life of performance rights outstanding at the end of the financial year was 1.58 years.

**Note 32. Share-based payments (continued)**

For the performance rights granted during the current financial year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
25/01/2023	25/01/2025	\$0.001	\$0.000	84.00%	-	4.11%	\$0.00053

*Accounting policy for share-based payments*

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

Equity-settled transactions are awards of shares, or options over shares, that are provided to 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 Group 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 Group or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Group 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.

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 Group's financial position as at 30 June 2023 and of its performance for the financial 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.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

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



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Brian Moller  
Director

27 September 2023  
Brisbane

## INDEPENDENT AUDITOR'S REPORT

To the members of NewPeak Metals Limited

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of NewPeak Metals (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2023, 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 year then ended, and notes to the financial report, including a summary of significant accounting policies 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 2023 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

#### Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

#### Material uncertainty related to going concern

We draw attention to Note 1 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the group's ability to continue as a going concern and therefore the group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

## Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

### *Recoverability of exploration and evaluation assets*

<i>Key audit matter</i>	<i>How the matter was addressed in our audit</i>
<p>Refer to Note 12 in the financial report.</p> <p>The Group has capitalised exploration and evaluation assets in relation to the application of the Group’s accounting policy for exploration and evaluation assets.</p> <p>The recoverability of exploration and evaluation assets is a key audit matter due to:</p> <ul style="list-style-type: none"> <li>• The significance of the total balance; and</li> <li>• The level of procedures undertaken to evaluate management’s application of the requirements of AASB 6 Exploration for and Evaluation of Mineral Resources (‘AASB 6’) in light of any indicators of impairment that may be present.</li> </ul>	<p>Our procedures included, but are not limited to the following:</p> <ul style="list-style-type: none"> <li>• Obtaining evidence that the Group has valid rights to explore in the areas represented by the capitalised exploration and evaluation expenditure by obtaining supporting documentation such as licence agreements and also considering whether the Group maintains the tenements in good standing;</li> <li>• Testing a sample of capitalised exploration expenditure during the year to ensure it meets the recognition criteria under AASB 6;</li> <li>• Making enquiries of management with respect to the status of ongoing exploration programs in the respective areas of interest and assessing the Group’s cash flow forecast for the level of budgeted spend on exploration projects and held discussions with management as to their intentions and strategy;</li> <li>• Enquiring of management, reviewing ASX announcements and reviewing directors’ minutes to ensure that the Group had not decided to discontinue activities in any applicable areas of interest and to assess whether there are any other facts or circumstances that existed to indicate impairment testing was required.</li> </ul>

### Accounting for the investment in Lakes Blue Energy

<i>Key audit matter</i>	<i>How the matter was addressed in our audit</i>
<p>Refer to Note 9 &amp; 11 of the financial report.</p> <p>The Group holds investments in Lakes Blue Energy that have previously been accounted for using the equity method.</p> <p>The classification of and measurement thereof is a key audit matter due to:</p> <ul style="list-style-type: none"> <li>• the level of judgement management were required to make in assessing the classification of the investment;</li> <li>• the significance of the closing balance;</li> </ul>	<p>Our audit procedures, amongst others, included:</p> <ul style="list-style-type: none"> <li>• Evaluating management’s assessment of whether significant influence existed;</li> <li>• Assessing management’s decision that significant influence was lost during the period;</li> <li>• Agreeing the Group’s share of associate losses up to the date significant influence ceased to the audited financial reports of the associate’s and assessing the adequacy of the disclosures;</li> <li>• Reviewing the financial information of the associate including assessing whether the accounting policies of the associate was consistent with Newpeak Metals Limited;</li> <li>• Recalculating the carrying value of the investment recorded by reference to the fair value of the investments based on quoted prices in active markets;</li> <li>• Reviewing the adequacy of the disclosures of in the financial report.</li> </ul>

### Other information

The directors are responsible for the other information. The other information comprises the information in the Group’s annual report for the year ended 30 June 2023, 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 the financial report is located at the Auditing and Assurance Standards Board website at:

[https://www.auasb.gov.au/admin/file/content102/c3/ar1\\_2020.pdf](https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf)

This description forms part of our auditor's report.



## Report on the Remuneration Report

### Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 9 to 16 of the directors' report for the year ended 30 June 2023.

In our opinion, the Remuneration Report of NewPeak Metals Limited, for the year ended 30 June 2023, complies with section 300A of the *Corporations Act 2001*.

### Responsibilities

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

**BDO Audit Pty Ltd**

BDO

A handwritten signature in black ink that reads 'T J Kendall'.

**T J Kendall**

Director

Brisbane, 27 September 2023

The shareholder information set out below was applicable as at 1 September 2023.

**Distribution of equitable securities**

Analysis of number of equitable security holders by size of holding:

	Ordinary shares	
	Number of holders	% of total shares issued
1 to 1,000	46	1.58
1,001 to 5,000	7	0.24
5,001 to 10,000	57	1.96
10,001 to 100,000	501	17.19
100,001 and over	2,303	79.03
	<u>2,914</u>	<u>100.00</u>
Holding less than a marketable parcel	<u>1,375</u>	<u>47.19</u>

**Equity security holders**

*Twenty largest quoted equity security holders*

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

	Ordinary shares	
	Number held	% of total shares issued
DGR Global Limited	803,400,602	8.46
BNP Paribas Nominees Pty Ltd Acf Clearstream	459,821,059	4.84
Mr David Joseph Mason	419,902,719	4.42
Ms Chunyan Niu	286,394,634	3.02
Fairground Pty Ltd	231,935,105	2.44
Mr Neil Francis Stuart	207,596,478	2.19
Mr Marcelo Sanchez & Mr Ramiro Sanchez Del Gesso	187,361,267	1.97
Neil Francis Stuart	178,333,334	1.88
Orca Capital GmbH	154,495,178	1.63
Rothstein Pty Limited - The Roth A/C	143,599,765	1.51
HSBC Custody Nominees (Australia) Limited	130,499,043	1.37
Citicorp Nominees Pty Limited	116,366,541	1.23
Vitalstatistix Pty Limited - The Geriatrix A/C	101,810,942	1.07
Brian Moller	98,537,237	1.04
Alkat Pty Limited - Bowen Welsh	90,000,000	0.95
Sunstone Metals Limited	81,690,362	0.86
Havelock Mining Investment Ltd	79,054,545	0.83
White Lotus Solutions Pty Ltd - White Family Super Fund A/C	70,000,000	0.74
Samuel Holdings Pty Ltd - Samuel Discretionary A/C	69,409,706	0.73
R R Lawson & Co Pty Limited - Lawson Super Fund A/C	69,000,000	0.73
	<u>3,979,208,517</u>	<u>41.91</u>

*Unquoted equity securities*

There are no unquoted equity securities.

### Substantial holders

Substantial holders in the Company are set out below:

	Ordinary shares	
	Number held	% of total shares issued
DGR Global Limited	803,400,602	8.46

### Voting rights

The voting rights attached to ordinary shares are set out below:

#### Ordinary shares

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

There are no other classes of equity securities.

### Tenements

As at the date of this report, the Group has an interest in the following tenements.

#### Argentina

Tenement	Tenement name	Project	Current holder	% interest	Expiry date
437.209/TCE/17	Cachi Norte	CACHI	Tres Cerros Exploraciones SRL	35	17/11/2024
431.870/CL/15	Cachi	CACHI	Tres Cerros Exploraciones SRL	35	03/12/2023
401.671/MS/07	Sierra Morena Sur	CACHI	Tres Cerros Exploraciones SRL	35	Mine Category; no expiration
440.582/E/19	Tejedor	CACHI	EXCARB S.A.	100	No date until granted
440.580/E/19	Las Lajas 1	CACHI	EXCARB S.A.	100	No date until granted
440.581/E/19	Las Lajas 2	CACHI	EXCARB S.A.	100	No date until granted
422.545/LEE/10	Cañadón Agustín	PROAR	EXCARB S.A.	100	No date until granted
427.016/DG/11	La Linda	PROAR	EXCARB S.A.	100	Mine Category; no expiration
427.952/DG/11	La Rosita Norte	PROAR	EXCARB S.A.	100	Mine Category; no expiration
1124623-T-12	Las Opeñas	LAS OPEÑAS	Genesis Minerals ARG	51	Mine Category; no expiration
14-bis-H-46	San Judas Tadeo	LAS OPEÑAS	Sebastian Peluc	100	Mine Category; no expiration

#### Finland

Tenement	Tenement Name	Project	Current Holder	% interest	Expiry date
ML2014:0098-02	Hopeavouri	Hopeavouri	NewPeak Finland Oy	100	31/08/2024
ML2016:0011-01	Hopeavouri 4	Hopeavouri	NewPeak Finland Oy	100	Four years from when enforceable
ML2016:0009-01	Järvenpää 1	Järvenpää	NewPeak Finland Oy	100	02/03/2027
ML2016:0013-01	Lavajärvi 1	Lavajärvi	NewPeak Finland Oy	100	02/03/2027
ML2016:0014-01	Metsäkylä 1	Metsäkylä	NewPeak Finland Oy	100	Awaiting granting
ML2016:0010-01	Isovesi 1	Isovesi	NewPeak Finland Oy	100	01/09/2024
ML2016:0012-01	Kalliojärvi 1	Kalliojärvi	NewPeak Finland Oy	100	01/09/2024
ML2018:0118	Somero	Somero	Kultatie Oy (Nortec JV)	83	24/06/2022. Extension application filed
ML2018:0001	Perämäki	Somero	Kultatie Oy (Nortec JV)	83	Awaiting granting
ML2018:0083	Luutasuo	Forssa	Kultatie Holding Oy	100	Awaiting granting

*Sweden*

<i>Tenement</i>	<i>Tenement name</i>	<i>Project</i>	<i>Current holder</i>	<i>% interest</i>	<i>Expiry date</i>
2018:15	Gubbo	Tungsten	NewPeak Sweden Oy	100	19/01/2026
2018:18	Gänsen	Tungsten	NewPeak Sweden Oy	100	31/01/2026
2018:26	Högfors	Tungsten	NewPeak Sweden Oy	100	12/02/2026
2018:17	Hörken	Tungsten	NewPeak Sweden Oy	100	29/01/2026
2018:39	Sandudden	Tungsten	NewPeak Sweden Oy	100	07/03/2026
2018:21	Yxsjöberg	Tungsten	NewPeak Sweden Oy	100	01/02/2026
2019:38	Yxsjöberg nr 200	Tungsten	NewPeak Sweden Oy	100	27/03/2024
2018:38	Baggetorp	Tungsten	Sotkamo Silver AB	100	06/03/2026

*New Zealand*

<i>Tenement</i>	<i>Tenement name</i>	<i>Project</i>	<i>Current holder</i>	<i>% interest</i>	<i>Expiry date</i>
EP 60733	Raggedy Range	Gold (Au)	NPM NZ	25	03/08/2027
EPA 60677.01	Garibaldi	Gold (Au)	NPM NZ	25	28/09/2027