

NewPeak Metals Limited

ABN 79 068 958 752

Interim Financial Report - 31 December 2023

Directors	Brian Moller - Non-executive Chairman David Mason - Non-executive Director Andrew Gladman - Non-executive Director
Company secretary	John Haley
Registered office and principal place of business	HopgoodGanim Lawyers Level 8, Waterfront Place 1 Eagle Street Brisbane QLD 4000
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	www.newpeak.com.au

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity', 'Group' 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 half-year ended 31 December 2023.

Directors

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

Current:

Brian Moller - Non-executive Chairman
David Mason - Non-executive Director
Andrew Gladman - Non-executive Director

Former:

Nicholas Mather - Non-executive Director (resigned on 28 November 2023)

Company secretary

John Haley

Principal activities

During the half-year, the principal activity of the consolidated entity 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 consolidated entity.

Competent Persons Statement

The information herein that relates to Exploration Targets and Exploration Results is based 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.

Review of operations

The loss for the consolidated entity after providing for income tax amounted to \$10,470,267 (31 December 2022: \$1,056,595).

Included in the loss for the half-year ended 31 December 2023 is the fair value adjustment of the Lakes Blue Energy NL investment of \$9,883,714.

NewPeak Metals Limited has embarked on a rejuvenation plan by trading out of some of its current mineral assets, securing new mineral exploration opportunities, targeting battery & critical metals, and is planning a freshening of the Board and Management.

The Company has a current Term Sheet to enter into a joint venture with ENEXD Group, having its offices in UAE, Mauritius and Switzerland to continue exploration on NewPeak's Gold projects in Finland. The main commercial terms are:

- Subject to satisfaction of a number of conditions, that ENEXD Group will pay the Company the amount of €3,000,000 (A\$5,000,000) and expend €9,000,000 (A\$15,000,000) on the further exploration of NPM's Finland Gold permits to acquire a 75% interest in NPM's wholly owned subsidiaries NewPeak Finland Ltd and Kultatie Holding Oy.
- 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.
- The Company will be the operator and manage the exploration program.

The Company continues its focus on finding partners for its Sweden, Argentinean and New Zealand Gold projects.

The Company entered into an arrangement to acquire a portfolio of Lithium Spodumene assets in eastern Canada, but decided not to proceed as it was unable to be satisfied within the agreed timeframe with its due diligence on the properties.

Alternative Lithium and other battery metal mineral projects are being considered by the NewPeak Metals Limited Board in the Americas and Australia.

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

A detailed summary of the Group's corporate and project developments for the six months are set out below.

The summary covers:

- A. Argentina Gold Projects
- B. New Zealand Gold Projects
- C. Finland Gold Projects
- D. Sweden Strategic Metals Project
- E. Interest in Lakes Blue Energy NL, Australia
- F. Corporate developments

NewPeak's current suite of resource exploration projects are shown in **Figure 1**.

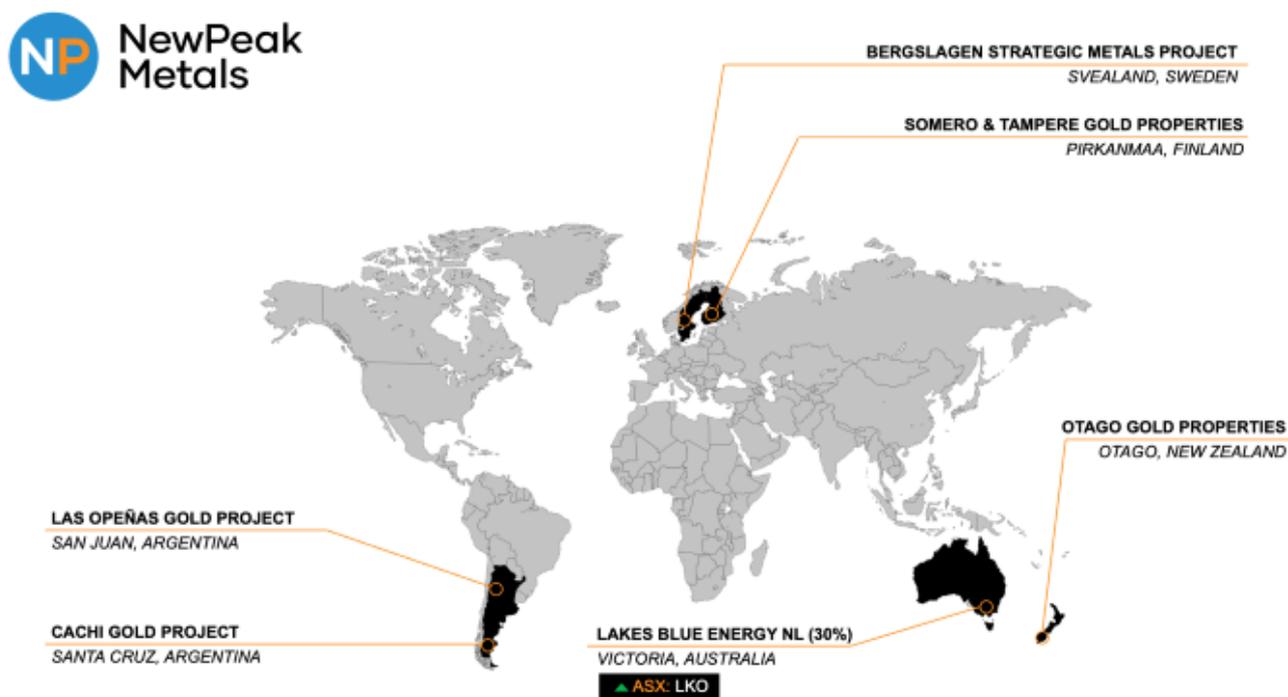


Figure 1 – Location of NewPeak Metals interests in world mineral properties and investments

A. Argentina Gold Projects

NewPeak holds interest in two properties in Argentina, the Las Opeñas Gold Project and the Cachi Gold Project. Both properties are highly mineralised in Gold and located in mining friendly provinces of Argentina.

Las Opeñas Gold Project

The Las Opeñas Gold Project is located in the San Juan province at an elevation of 3,000m above sea level. The lease area is 1,462ha and 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 Group currently owns 51% of the Las Opeñas gold project.

No field work was completed during the half-year.

Cachi Gold Project

NewPeak Metals Limited 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.

B. New Zealand Gold Projects

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.

C. Finland Gold Projects

NewPeak Metals Limited has a suite of gold projects in a region in Finland with the two most advanced prospects in that suite being the Satulinmäki prospect and Hopeavouri prospect (**Figure 2**). NPM owns 100% of NewPeak Finland Ltd (NP Finland) and Kultatie Holding Oy (Kultatie Holding) incorporated in Finland. Kultatie Holding controls Kultatie Oy (Kultatie), also incorporated in Finland.

During the half-year, NewPeak Metals Limited entered into an agreement for ENEXD to earn up to a 75% legal and beneficial interest in the Company-owned NewPeak Finland and Kultatie Holding which own the gold projects in Finland. Under the proposed terms the Company will receive cash totalling €3,000,000 and ENEXD will expend €9,000,000 on the further exploration of the Company's Finland gold permits.

The agreement is subject to a number of conditions, including due diligence, ENEXD obtaining finance, transaction documentation, the Company obtaining a waiver in respect to any first right of refusal, and the parties obtaining all relevant approvals.

The Company will, subject to finalisation of the transaction, have approximately \$5m cash in bank, a 36 month exploration program in Finland, fully funded by its joint venture partner. The Company will also receive a management fee to cover any corporate costs associated with managing the program.

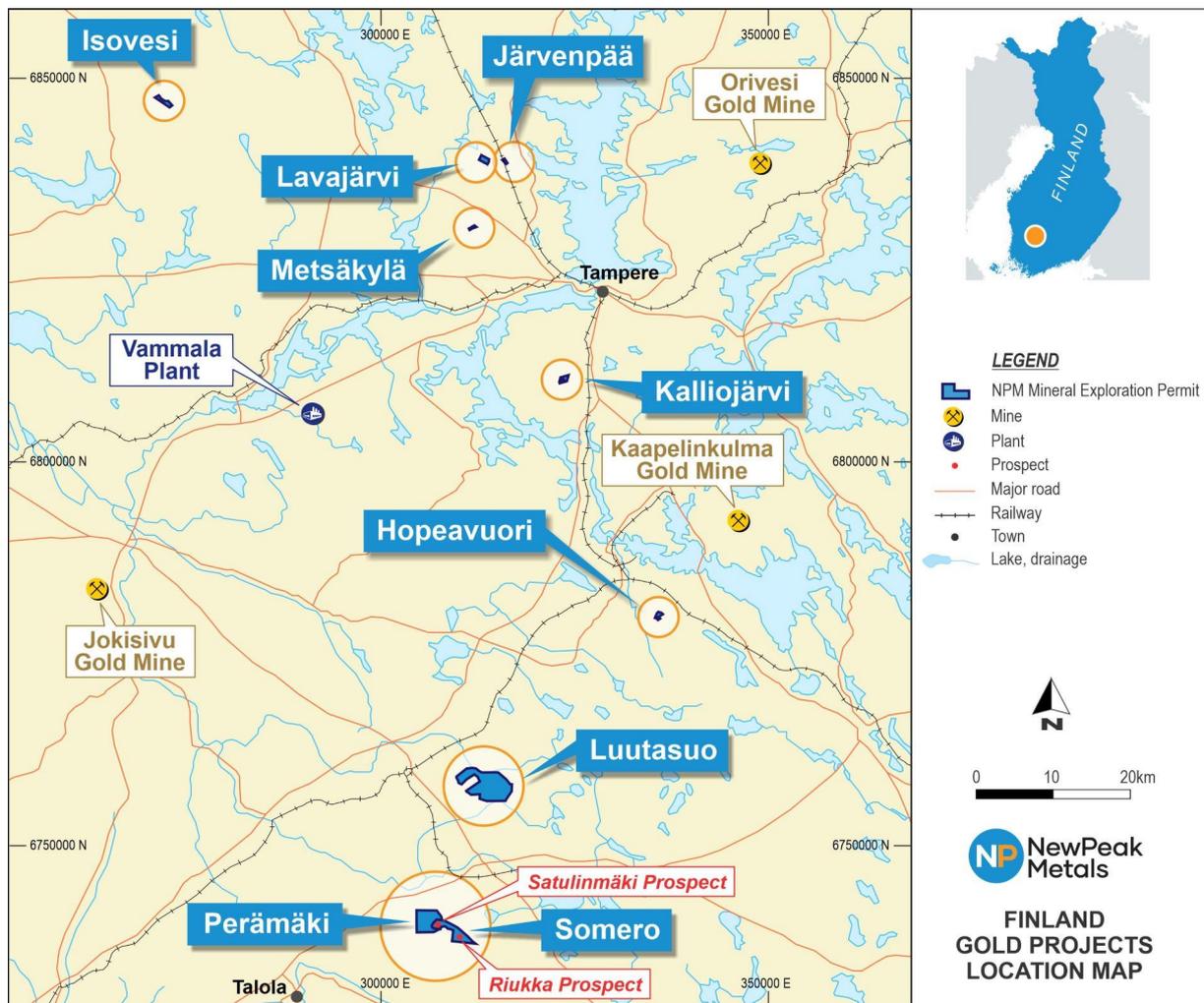


Figure 2 – Location map of Finland Gold permits

D. Sweden Strategic Metal Project

In mid-2020, NewPeak Metals Limited 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.

NewPeak Metals Limited 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.

E. Interest in Lakes Blue Energy NL, Australia

NewPeak owns 9,883,714 shares in Lakes Blue Energy NL (ASX:LKO) which has a diversified portfolio of petroleum assets in Victoria, Queensland, South Australia and Papua New Guinea.

At 31 December 2023, the fair value of the investment was \$nil.

F. Corporate developments

Boyd White resigned as Chief Executive Officer (“CEO”) of the Company effective 3 November 2023 and David Mason was appointed as Interim CEO of the Company effective from the same date.

Nick Mather resigned as Non-Executive Director of the Company effective 28 November 2023.

As approved at the Company’s Annual General Meeting, the Company’s share capital was consolidated on a 100:1 basis.

Post period-end, the Company’s largest shareholder, Neil Stuart, and CEO David Mason, have recently provided secured loan funds to the Company of a further \$100,000 each (with the further \$100,000 each of loan funds advanced being repayable on 25 January 2026, but otherwise on the same terms, and in addition to the \$50,000 each of loan funds as advised in ASX Release dated 8 January 2024), and have indicated an intention to continue to fund the Company as required as it moves through its rejuvenation process. Formal loan and security documentation has been executed.

The proposed transaction with Southern Cross Britannia Limited was terminated (see ASX Release dated 28 November 2023).

The Company continued to progress negotiations to resolve the dispute with its Joint Venture partner on the Las Openas project (See ASX Releases dated 6 July 2023 and 8 January 2024).

Significant changes in the state of affairs

On 30 August 2023, the Company issued 63,647,080 (pre-share consolidation) ordinary shares at \$0.001 per share under the entitlement offer that was announced on 14 July 2023 and closed on 30 August 2023. In addition to the ordinary shares issued in the Company, subscribers for the new ordinary shares were also due to be transferred two Lakes Blue Energy NL ordinary shares for every five new shares subscribed for. At 31 December 2023, the transfer of the Lakes Blue Energy NL ordinary shares had not taken place.

On 6 September 2023, 500,000,000 (pre-share consolidation) ordinary shares were issued pursuant to the underwriting agreement on the entitlement offer.

On 30 August 2023, the Company issued 182,870,830 (pre-share consolidation) ordinary shares at \$0.001 per share in satisfaction of \$182,871 of debts payable to Company directors and certain creditors.

On 28 November 2023, the securities of the Company were consolidated on a 100:1 basis. Every 100 securities were consolidated to 1 share. Prior to the consolidation there were 9,995,173,203 ordinary shares on issue, after the consolidation there are 99,951,732 ordinary shares on issue.

At 31 December 2023, it was assessed that the sale of the Company's Finland subsidiaries, NewPeak Finland Ltd, Kultatie Holding Oy and Kultatie Oy, was highly probable and therefore NewPeak Finland Ltd, Kultatie Holding Oy and Kultatie Oy were classified and accounted for at 31 December 2023 as a disposal group held for sale.

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

Matters subsequent to the end of the financial half-year

Post period-end, a major shareholder, Neil Stuart, and CEO David Mason loaned the consolidated entity a further \$100,000 each through standard commercial loans. The loans are secured over the Company's investment in Lakes Blue Energy NL shares. The loans include a right to convert to NewPeak Metals Limited shares.

On 15 February 2024, the consolidated entity entered into an Exploration Permit Acquisition Agreement with Canadian listed KO Gold Inc. (KOG) to sell the consolidated entity's 25% interest in the Garibaldi and Raggedy Range mineral permits located in the Otago Gold District, New Zealand.

As consideration for the sale, the consolidated entity will receive a total of CAD\$125,000 in three KOG share issue tranches as follows:

- The issue of 148,810 KOG shares on the conclusion of the transaction (being CAD\$62,500 at deemed issuance price of \$0.42).
- The issue of CAD\$31,250 KOG shares in 12 months at market price.
- The issue of CAD\$31,250 KOG shares in 24 months at market price.

The Company also entered a Binding Term Sheet to sell 100% of its interest in the Company's Finnish subsidiary companies (NewPeak Finland Ltd, Kultatie Holding Oy and Kultatie Oy) which hold the portfolio of Finland Gold Permits, to 1459988 BC Ltd, a Canadian unlisted private company run by corporate resource entrepreneur Ms Emma Fairhurst (CANCO).

As consideration for the sale, the Company will receive a total of AUD\$150,000 and CAD\$500,000 in cash, CAD\$1,000,000 in shares of the listed company, and a milestone payment of CAD\$1,500,000 in cash or shares on reporting of a JORC Indicated 500,000 Oz Gold resource, as follows:

- Within 10 days of the execution of the Term Sheet, the Company will receive a non-refundable payment of AUD\$150,000 in cash, as an exclusivity fee, which will be converted into shares in the Company at the close of the transaction.
- Upon execution of the transaction documents, the Company will receive CAD\$100,000 cash and CAD\$1,000,000 in shares of the Canadian listed company, then
- CAD\$150,000 cash within 6 months, and
- CAD\$250,000 within 12 months.
- A milestone payment will be paid to the Company of CAD\$1,500,000 in cash or shares on reporting a JORC Indicated 500,000 Oz Gold resource at any of the tenements.
- CANCO will assume all obligations in respect of the current milestone payment commitment to Sunstone Metals Ltd of AUD\$1,500,000 payable as cash upon delivery of a JORC Indicated 500,000 Oz Gold resource from any of the Kultatie Holding Oy permits.

Both of the above sales are subject to various approvals and conditions.

No other matter or circumstance has arisen since 31 December 2023 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

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	<p>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.</p> <p>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.</p>
Government policy and taxation	<p>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.</p>
Commodity prices	<p>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.</p>
Tenement risks	<p>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.</p>
Land access risks	<p>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.</p>
Environmental risks	<p>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.</p>
Exploration and production	<p>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.</p>
Contractual risk	<p>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.</p>

Climate change risks

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 half-year ended 31 December 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.

Auditor's independence declaration

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

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

On behalf of the directors



Brian Moller
Chairman

14 March 2024
Brisbane



Tel: +61 7 3237 5999
Fax: +61 7 3221 9227
www.bdo.com.au

Level 10, 12 Creek Street
Brisbane QLD 4000
GPO Box 457 Brisbane QLD 4001
Australia

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

As lead auditor for the review of NewPeak Metals for the half-year ended 31st December 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 review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

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



T J Kendall
Director

BDO Audit Pty Ltd

Brisbane, 14 March 2024

Statement of profit or loss and other comprehensive income	12
Statement of financial position	13
Statement of changes in equity	14
Statement of cash flows	15
Notes to the financial statements	16
Directors' declaration	27
Independent auditor's review report to the members of NewPeak Metals Limited	28

General information

The financial statements cover NewPeak Metals Limited as a consolidated entity consisting of NewPeak Metals Limited and the entities it controlled at the end of, or during, the half-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:

HopgoodGanim Lawyers
Level 8, Waterfront Place,
1 Eagle Street,
Brisbane,
QLD 4000

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

The financial statements were authorised for issue, in accordance with a resolution of directors, on 14 March 2024.

NewPeak Metals Limited
Statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2023



	Note	Consolidated	
		31 Dec 2023	31 Dec 2022
		\$	\$
Share of losses of associates accounted for using the equity method		-	(341,267)
Other income		20,414	93,304
Expenses			
Consultancy fees		(209,062)	(203,012)
Directors' fees		(95,833)	(100,000)
Employee benefits expense		(40,727)	(38,067)
Exploration costs written-off		(69,167)	-
General administrative overheads		(112)	(126,741)
Insurances		(10,339)	(36,418)
Legal expenses		(18,966)	(15,718)
Loss on disposal of assets		-	(5,063)
Loss on equity settlement of convertible notes		-	(186,667)
Marketing and promotion		(1,751)	(1,460)
Net fair value loss on investments at fair value through profit or loss	4	(9,883,714)	-
Regulatory and compliance expenses		(114,309)	(94,361)
Underwriting fee		(30,000)	-
Finance costs		(16,701)	(1,125)
Total expenses		<u>(10,490,681)</u>	<u>(808,632)</u>
Loss before income tax expense		(10,470,267)	(1,056,595)
Income tax expense		-	-
Loss after income tax expense for the half-year attributable to the owners of NewPeak Metals Limited		(10,470,267)	(1,056,595)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		(751,035)	(658,357)
Other comprehensive income for the half-year, net of tax		(751,035)	(658,357)
Total comprehensive income for the half-year attributable to the owners of NewPeak Metals Limited		<u>(11,221,302)</u>	<u>(1,714,952)</u>
		Cents	Cents
Basic earnings per share	15	(10.8)	(1.2)
Diluted earnings per share	15	(10.8)	(1.2)

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

		Consolidated	
	Note	31 Dec 2023	30 Jun 2023
		\$	\$
Assets			
Current assets			
Cash and cash equivalents		123,192	54,875
Other receivables		76,778	78,463
		<u>199,970</u>	<u>133,338</u>
Assets of disposal groups classified as held for sale	5	1,574,809	-
Total current assets		<u>1,774,779</u>	<u>133,338</u>
Non-current assets			
Investments at fair value through profit or loss	4	-	9,883,714
Property, plant and equipment		1,041	1,041
Exploration and evaluation	6	3,095,666	5,318,831
Other non-current assets		1,400	32,506
Total non-current assets		<u>3,098,107</u>	<u>15,236,092</u>
Total assets		<u>4,872,886</u>	<u>15,369,430</u>
Liabilities			
Current liabilities			
Trade and other payables	7	1,453,043	1,290,550
Borrowings		100,000	230,000
		<u>1,553,043</u>	<u>1,520,550</u>
Liabilities directly associated with assets classified as held for sale		60,193	-
Total current liabilities		<u>1,613,236</u>	<u>1,520,550</u>
Non-current liabilities			
Deferred tax		1,931	1,931
Total non-current liabilities		<u>1,931</u>	<u>1,931</u>
Total liabilities		<u>1,615,167</u>	<u>1,522,481</u>
Net assets		<u>3,257,719</u>	<u>13,846,949</u>
Equity			
Issued capital	8	41,417,697	40,785,625
Reserves	9	(3,127,974)	(2,376,939)
Accumulated losses		<u>(35,032,004)</u>	<u>(24,561,737)</u>
Total equity		<u>3,257,719</u>	<u>13,846,949</u>

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

NewPeak Metals Limited
Statement of changes in equity
For the half-year ended 31 December 2023



Consolidated	Issued capital \$	Other equity \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2022	40,062,966	373,333	(1,633,949)	(29,907,275)	8,895,075
Loss after income tax expense for the half-year	-	-	-	(1,056,595)	(1,056,595)
Other comprehensive income for the half-year, net of tax	-	-	(658,357)	-	(658,357)
Total comprehensive income for the half-year	-	-	(658,357)	(1,056,595)	(1,714,952)
<i>Transactions with owners in their capacity as owners:</i>					
Contributions of equity, net of transaction costs	98,061	-	-	-	98,061
Share-based payments	-	-	888	-	888
Equity-settled convertible notes	560,000	(373,333)	-	-	186,667
Balance at 31 December 2022	<u>40,721,027</u>	<u>-</u>	<u>(2,291,418)</u>	<u>(30,963,870)</u>	<u>7,465,739</u>
Consolidated	Issued capital \$	Other equity \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2023	40,785,625	-	(2,376,939)	(24,561,737)	13,846,949
Loss after income tax expense for the half-year	-	-	-	(10,470,267)	(10,470,267)
Other comprehensive income for the half-year, net of tax	-	-	(751,035)	-	(751,035)
Total comprehensive income for the half-year	-	-	(751,035)	(10,470,267)	(11,221,302)
<i>Transactions with owners in their capacity as owners:</i>					
Contributions of equity, net of transaction costs (note 8)	632,072	-	-	-	632,072
Balance at 31 December 2023	<u>41,417,697</u>	<u>-</u>	<u>(3,127,974)</u>	<u>(35,032,004)</u>	<u>3,257,719</u>

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

NewPeak Metals Limited
Statement of cash flows
For the half-year ended 31 December 2023



	Note	Consolidated	
		31 Dec 2023	31 Dec 2022
		\$	\$
Cash flows from operating activities			
Payments to suppliers and employees (inclusive of GST)		43,526	(26,399)
Other income received		-	26,561
Interest and other finance costs paid		(16,701)	(1,125)
Net cash from/(used in) operating activities		26,825	(963)
Cash flows from investing activities			
Payments for exploration and evaluation	6	(354,564)	(358,805)
Payments for security deposits		(6,161)	-
Proceeds from disposal of investments		20,414	100,000
Proceeds from disposal of property, plant and equipment		-	30,000
Proceeds from release of security deposits		-	7,396
Net cash used in investing activities		(340,311)	(221,409)
Cash flows from financing activities			
Proceeds from issue of shares		563,647	-
Proceeds from borrowings		100,000	-
Share issue transaction costs		(19,273)	-
Repayment of borrowings		(230,000)	-
Net cash from financing activities		414,374	-
Net increase/(decrease) in cash and cash equivalents		100,888	(222,372)
Cash and cash equivalents at the beginning of the financial half-year		54,875	314,486
Cash and cash equivalents at the end of the financial half-year		155,763	92,114

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

Note 1. Material accounting policy information

These general purpose financial statements for the interim half-year reporting period ended 31 December 2023 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2023 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these new or amended Accounting Standards and Interpretations did not have a material impact on the financial statements.

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2023 reporting periods and have not been early adopted by the consolidated entity. These standards are not expected to have a material impact on the consolidated entity in the current or future reporting periods and on foreseeable future transactions.

Going concern

For the half-year ended 31 December 2023 the consolidated entity incurred a loss of \$10,470,267 after income tax and net cash outflows from operating activities of \$26,825. At 31 December 2023, the consolidated entity had cash and cash equivalents of \$123,192 and net current liabilities of \$161,543. The loss includes a net fair value loss on the investment in Lakes Blue Energy NL of \$9,883,714 (refer note 4). If this expense was excluded, the consolidated entity would have incurred a loss of \$553,769.

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.

Note 1. Material accounting policy information (continued)

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 a major shareholder, 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. The termination date of the term sheet had been extended from 31 October 2023 to 31 January 2024, however the Company has terminated the exclusivity of the arrangement, so that it can arrange with other parties who have shown interest in acquiring the properties.
- Post 31 December 2023, the Company's largest shareholder, Neil Stuart, and CEO David Mason, have provided further secured loan funds to the Company of \$100,000 each (with the further \$100,000 each of loan funds advanced being repayable on 25 January 2026, but otherwise on the same terms, and in addition to the \$50,000 each of loan funds provided in the half-year ended 31 December 2023), and have indicated an intention to continue to fund the Company as required as it moves through its rejuvenation process.
- Post 31 December 2023, the consolidated entity entered into an agreement to sell the consolidated entity's 25% interest in the Garibaldi and Raggedy Range mineral permits located in the Otago Gold District, New Zealand for consideration of shares in the purchasing company valued at CAD\$125,000.
- Post 31 December 2023, the consolidated entity also entered into an agreement to sell the Company's Finnish subsidiary companies, which hold the portfolio of Finland Gold Permits for consideration of AUD\$150,000 and CAD\$500,000 in cash, CAD\$1,000,000 in shares of the listed company, and a milestone payment of CAD\$1,500,000 in cash or shares on reporting of a JORC Indicated 500,000 Oz Gold resource.

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.

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

Note 2. Critical accounting judgements, estimates and assumptions

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

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

Lakes Blue Energy NL fair value

The investment entity, Lakes Blue Energy NL, was suspended from official quotation on Australian Securities Exchange (ASX) in the half-year ended 31 December 2023. For more information on the methods used by management to determine the fair value of the investment at 31 December 2023, refer to note 10.

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 and 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 consolidated entity as a whole.

Operating segment information

	Australia and New Zealand	Americas	Europe	Eliminations*	Total
	\$	\$	\$	\$	\$
Consolidated - 31 Dec 2023					
Operating result	(511,950)	16,696	(91,299)	-	(586,553)
Fair value loss on investments					(9,883,714)
Loss before income tax expense					(10,470,267)
Income tax expense					-
Loss after income tax expense					(10,470,267)
Assets					
Segment assets	18,865,820	2,523,896	1,860,115	(18,376,945)	4,872,886
Total assets					4,872,886
<i>Total assets includes:</i>					
Acquisition of non-current assets	14,412	332,353	7,799	-	354,564
Liabilities					
Segment liabilities	7,617,209	7,795,572	4,579,330	(18,376,944)	1,615,167
Total liabilities					1,615,167

* These eliminations relate to intercompany loans.

Note 3. Operating segments (continued)

	Australia and New Zealand	Americas	Europe	Eliminations*	Total
	\$	\$	\$	\$	\$
Consolidated - 31 Dec 2022					
Operating result	(931,930)	(48,692)	(75,973)	-	(1,056,595)
Loss before income tax expense					(1,056,595)
Income tax expense					-
Loss after income tax expense					(1,056,595)
Consolidated - 30 Jun 2023					
Assets					
Segment assets	28,512,201	3,222,682	1,878,781	(18,244,234)	15,369,430
Total assets					15,369,430
<i>Total assets includes:</i>					
Acquisition of non-current assets	-	-	-	-	-
Liabilities					
Segment liabilities	7,495,254	7,773,271	4,498,190	(18,244,234)	1,522,481
Total liabilities					1,522,481

* These eliminations relate to intercompany loans.

Note 4. Investments at fair value through profit or loss

	Consolidated	
	31 Dec 2023	30 Jun 2023
	\$	\$
<i>Non-current assets</i>		
Investment in Lakes Blue Energy NL – at fair value	-	9,883,714
<i>Reconciliation</i>		
Reconciliation of the fair values at the beginning and end of the current and previous financial half-year are set out below:		
Opening fair value	9,883,714	-
Transfer from equity accounted investments	-	2,240,799
Fair value of investment upon discontinuation of equity accounting recognised in profit or loss	-	7,642,915
Fair value adjustment	(9,883,714)	-
Closing fair value	-	9,883,714

Fair value of the investment

During the half-year ended 31 December 2023, Lakes Blue Energy NL was suspended from official quotation on the Australian Securities Exchange (ASX) and therefore being no active market for the securities of Lakes Blue Energy NL, the Group was unable to use the quoted market price as the level 1 fair value hierarchy. Management have 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 give the same result and the Group has recognised a fair value adjustment for the full carrying value of its investment.

Refer to note 10 for further information on fair value measurement.

Note 5. Assets of disposal groups classified as held for sale

At 31 December 2023, it was assessed that the sale of the Company's Finland subsidiaries, NewPeak Finland Ltd, Kultatie Holding Oy and Kultatie Oy, was highly probable and therefore NewPeak Finland Ltd, Kultatie Holding Oy and Kultatie Oy were classified and accounted for at 31 December 2023 as a disposal group held for sale.

Subsequent to 31 December 2023, the Company entered a Binding Term Sheet to sell NewPeak Finland Ltd, Kultatie Holding Oy and Kultatie Oy (refer note 14).

The fair value less costs to sell of the business will be higher than the aggregate carrying amount of the related assets and liabilities. Therefore, no impairment loss was recognised on reclassification of the assets and liabilities as held for sale and as at 31 December 2023. The major classes of assets and liabilities of New Peak Finland Ltd, Kultatie Holding Oy and Kultatie Oy at the end of the reporting period are as follows:

	Consolidated 31 Dec 2023 \$
<i>Current assets</i>	
Cash and cash equivalents	32,571
Prepayments	290
Other current assets	4,591
Exploration and evaluation	1,500,090
Security deposits	37,267
	<u>1,574,809</u>
	Consolidated 31 Dec 2023
Trade payables	33,371
GST payable	2,162
Other payables	24,305
Accrued expenses	355
	<u>60,193</u>

Note 6. Exploration and evaluation

	Consolidated	
	31 Dec 2023 \$	30 Jun 2023 \$
<i>Non-current assets</i>		
Exploration and evaluation assets - at cost	4,103,973	6,320,094
Less: Impairment	<u>(1,008,307)</u>	<u>(1,001,263)</u>
	<u>3,095,666</u>	<u>5,318,831</u>

Note 6. Exploration and evaluation (continued)

Reconciliations

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

Consolidated	Exploration and evaluation \$
Balance at 1 July 2023	5,318,831
Additions	354,564
Classified as held for sale (note 5)	(1,500,090)
Exchange differences	(1,008,472)
Write off of assets	(69,167)
	<hr/>
Balance at 31 December 2023	<u><u>3,095,666</u></u>

Note 7. Trade and other payables

	Consolidated	
	31 Dec 2023	30 Jun 2023
	\$	\$
<i>Current liabilities</i>		
Trade payables	1,157,838	1,081,066
Accrued expenses	293,805	183,527
Other payables	1,400	25,957
	<hr/>	<hr/>
	<u><u>1,453,043</u></u>	<u><u>1,290,550</u></u>

Note 8. Issued capital

	Consolidated			
	31 Dec 2023	30 Jun 2023	31 Dec 2023	30 Jun 2023
	Shares	Shares	\$	\$
Ordinary shares - fully paid	<u><u>99,951,732</u></u>	<u><u>9,248,615,702</u></u>	<u><u>41,417,697</u></u>	<u><u>40,785,625</u></u>

Movements in ordinary share capital

Details	Date	Shares	Issue price	\$
Balance	1 July 2023	9,248,615,702		40,785,625
Correction of past share issue announcements on the ASX		39,591		
Placement (a)	30 August 2023	63,647,080	\$0.001	63,647
Debt conversion (b)	30 August 2023	182,870,830	\$0.001	182,871
Placement (a)	6 September 2023	500,000,000	\$0.001	500,000
Share consolidation (c)	28 November 2023	(9,895,221,471)		-
Share issue costs				<hr/> <u>(114,446)</u>
Balance	31 December 2023	<u><u>99,951,732</u></u>		<u><u>41,417,697</u></u>

Note 8. Issued capital (continued)

(a) Placement

On 30 August 2023, the Company issued 63,647,080 (pre-share consolidation) ordinary shares at \$0.001 per share under the entitlement offer that was announced on 14 July 2023 and closed on 25 August 2023. In addition to the ordinary shares issued in the Company, subscribers for the new ordinary shares were also due to be transferred two Lakes Blue Energy NL ordinary shares for every five new shares subscribed for. At 31 December 2023, the transfer of the Lakes Blue Energy NL ordinary shares had not taken place.

On 6 September 2023, 500,000,000 (pre-share consolidation) ordinary shares were issued pursuant to the underwriting agreement on the entitlement offer.

(b) Debt conversion

On 30 August 2023, the Company issued 182,870,830 (pre-share consolidation) ordinary shares at \$0.001 per share in satisfaction of \$182,871 of debts payable to Company directors and certain creditors.

(c) Share consolidation

On 28 November 2023, the Company's ordinary shares were consolidated on a 100:1 basis. Prior to the consolidation there were 9,995,173,203 ordinary shares on issue, after the consolidation there are 99,951,732 ordinary shares on issue.

The share consolidation was approved by shareholders at the Annual General Meeting held on 28 November 2023.

Note 9. Reserves

	Consolidated	
	31 Dec 2023	30 Jun 2023
	\$	\$
Financial assets at fair value through other comprehensive income reserve	(264,905)	(264,905)
Foreign currency reserve	(4,532,766)	(3,781,731)
Share-based payments reserve	1,669,697	1,669,697
	<u>(3,127,974)</u>	<u>(2,376,939)</u>

Movements in reserves

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

	Financial assets at fair value \$	Foreign currency reserve \$	Share-based payments reserve \$	Total \$
Consolidated				
Balance at 1 July 2023	(264,905)	(3,781,731)	1,669,697	(2,376,939)
Foreign currency translation	-	(751,035)	-	(751,035)
Balance at 31 December 2023	<u>(264,905)</u>	<u>(4,532,766)</u>	<u>1,669,697</u>	<u>(3,127,974)</u>

Note 10. 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 31 December 2023 and 30 June 2023:

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
31 December 2023				-
Investment in Lakes Blue Energy NL	-	-	-	-
30 June 2023				-
Investment in Lakes Blue Energy NL	9,883,714	-	-	9,883,714

Due to the imposed and continued suspension from official quotation of Lakes Blue Energy NL from the Australian Securities Exchange (ASX) and therefore being no active market for the securities of Lakes Blue Energy NL, the Group is unable to use the quoted market price as the level 1 fair value hierarchy. As a result, the fair value measurement for the Lakes Blue Energy NL investment transferred from level 1 to level 3.

Management have 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 give the same result and the Group has recognised a provision for impairment for the full carrying value of its investment. A fair value adjustment of \$9,883,714 has been recognised in the half-year ended 31 December 2023.

Note 11. 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.

Note 12. Related party transactions

Subsidiaries

Interests in subsidiaries are set out in note 13.

Note 12. Related party transactions (continued)

Transactions with related parties

The following transactions occurred with related parties:

	Consolidated	
	31 Dec 2023	31 Dec 2022
	\$	\$
Payment for goods and services:		
Payment for services - DGR Global Ltd (a)	-	4,252
Payment for services - HopgoodGanim Lawyers (b)	63,934	17,196
Payment for other expenses:		
Interest paid to other related party	641	-

(a) DGR Global Limited (common Directors include Nicholas Mather and Brian Moller) provides ad hoc consultancy services invoices 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.

Receivable from and payable to related parties

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

	Consolidated	
	31 Dec 2023	30 Jun 2023
	\$	\$
Current payables:		
Trade payables to key management personnel	497,713	415,760
Trade payables to other related party	131,033	-
Trade payables - DGR Global Ltd	-	45,440
Trade payables - HopgoodGanim Lawyers	110,411	80,084

The outstanding balances at each relevant year 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:

	Consolidated	
	31 Dec 2023	30 Jun 2023
	\$	\$
Current borrowings:		
Loan from key management personnel	50,000	-
Loan from other related party	-	30,000

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 was repaid during the half-year ended 31 December 2023. The loan was secured against 30,000,000 of the Lakes Blue shares held by the Company. Interest was payable at 10% per annum.

In December 2023, David Mason (a Director) loaned \$50,000 to the Company. The loan is repayable after 2 years and the loan can be converted into shares in the Company, subject to shareholder approval. The loan is secured over 500,000 Lakes Blue Energy NL shares. Interest is payable at 12% per annum.

Note 13. 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	
		31 Dec 2023 %	30 Jun 2023 %
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%

Note 14. Events after the reporting period

Post period-end, a major shareholder, Neil Stuart, and CEO David Mason loaned the consolidated entity a further \$100,000 each through standard commercial loans. The loans are secured over the Company's investment in Lakes Blue Energy NL shares. The loans include a right to convert to NewPeak Metals Limited shares.

On 15 February 2024, the consolidated entity entered into an Exploration Permit Acquisition Agreement with Canadian listed KO Gold Inc. (KOG) to sell the consolidated entity's 25% interest in the Garibaldi and Raggedy Range mineral permits located in the Otago Gold District, New Zealand.

As consideration for the sale, the consolidated entity will receive a total of CAD\$125,000 in three KOG share issue tranches as follows:

- The issue of 148,810 KOG shares on the conclusion of the transaction (being CAD\$62,500 at deemed issuance price of \$0.42).
- The issue of CAD\$31,250 KOG shares in 12 months at market price.
- The issue of CAD\$31,250 KOG shares in 24 months at market price.

The Company also entered a Binding Term Sheet to sell 100% of its interest in the Company's Finnish subsidiary companies (NewPeak Finland Ltd, Kultatie Holding Oy and Kultatie Oy) which hold the portfolio of Finland Gold Permits, to 1459988 BC Ltd, a Canadian unlisted private company run by corporate resource entrepreneur Ms Emma Fairhurst (CANCO).

As consideration for the sale, the Company will receive a total of AUD\$150,000 and CAD\$500,000 in cash, CAD\$1,000,000 in shares of the listed company, and a milestone payment of CAD\$1,500,000 in cash or shares on reporting of a JORC Indicated 500,000 Oz Gold resource, as follows:

- Within 10 days of the execution of the Term Sheet, the Company will receive a non-refundable payment of AUD\$150,000 in cash, as an exclusivity fee, which will be converted into shares in the Company at the close of the transaction.
- Upon execution of the transaction documents, the Company will receive CAD\$100,000 cash and CAD\$1,000,000 in shares of the Canadian listed company, then
- CAD\$150,000 cash within 6 months, and
- CAD\$250,000 within 12 months.
- A milestone payment will be paid to the Company of CAD\$1,500,000 in cash or shares on reporting a JORC Indicated 500,000 Oz Gold resource at any of the tenements.
- CANCO will assume all obligations in respect of the current milestone payment commitment to Sunstone Metals Ltd of AUD\$1,500,000 payable as cash upon delivery of a JORC Indicated 500,000 Oz Gold resource from any of the Kultatie Holding Oy permits.

Both of the above sales are subject to various approvals and conditions.

Note 14. Events after the reporting period (continued)

No other matter or circumstance has arisen since 31 December 2023 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Note 15. Earnings per share

	Consolidated	
	31 Dec 2023	31 Dec 2022
	\$	\$
Loss after income tax attributable to the owners of NewPeak Metals Limited	<u>(10,470,267)</u>	<u>(1,056,595)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>97,315,471</u>	<u>89,222,481</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>97,315,471</u>	<u>89,222,481</u>
	Cents	Cents
Basic earnings per share	(10.8)	(1.2)
Diluted earnings per share	(10.8)	(1.2)

Share consolidation and impact on weighted average number of shares

On 28 November 2023, the Company completed a share consolidation at the ratio of 100 fully paid ordinary shares into 1 fully paid ordinary share (refer note 8). The weighted average number of ordinary shares for 31 December 2022 has been adjusted for the effect of the share consolidation, in accordance with AASB 133 *Earnings per share*.

Note 16. Shares under option

All share options expired without being exercised on 19 July 2023.

The total expense arising from share-based payment transactions recognised during the current financial half-year as part of employee benefits expense was \$nil (2022: \$888).

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2023 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors

A handwritten signature in black ink, appearing to read 'B. Moller', written over a horizontal line.

Brian Moller
Chairman

14 March 2024
Brisbane

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of NewPeak Metals Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of NewPeak Metals Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 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 half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

- (i) Giving a true and fair view of the Group's financial position as at 31 December 2023 and of its financial performance for the half-year ended on that date; and
- (ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual 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 the same terms if given to the directors as at the time of this auditor's review report.

Material uncertainty relating 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 conclusion is not modified in respect of this matter.

Responsibility of the directors for the financial report

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

Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2023 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

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

BDO Audit Pty Ltd

BDO



T J Kendall

Director

Brisbane, 14 March 2024