



# METAL HAWK

## LIMITED

**Metal Hawk Limited**

**ABN 24 630 453 664**

**Interim Financial Report**

**For the half-year ended 31 December 2021**

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## **CORPORATE DIRECTORY**

### **Directors**

Mr Brett Lambert

Mr William Belbin

Mr David Pennock

### **Company Secretary**

Mr Chris Marshall

### **Registered and Principal Office**

Level 2, 18 Kings Park Road  
West Perth WA 6005

Telephone: +61 8 9226 0110

### **Postal Address**

Level 2, 18 Kings Park Road  
West Perth WA 6005

### **Auditor**

BDO Audit (WA) Pty Ltd  
Level 9, 5 Spring Street  
Perth WA 6000

### **Share Registry**

Automic Pty Ltd  
Level 5, 191 St Georges Terrace  
Perth WA 6000

Telephone: 1300 288 664

### **Stock Exchange Listing**

Shares: ASX Code MHK

### **Website and Email**

Website: [www.metalhawk.com.au](http://www.metalhawk.com.au)

Email: [admin@metalhawk.com.au](mailto:admin@metalhawk.com.au)

# METAL HAWK LIMITED

## DIRECTORS' REPORT

For the half-year ended 31 December 2021

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### DIRECTORS' REPORT

Your Directors submit the Interim Report of Metal Hawk Limited ("**the Company**") for the half-year ended 31 December 2021. To comply with the provisions of the *Corporations Act 2001*, the Directors report as follows:

#### DIRECTORS

The names of the Directors who held office during the whole of the interim period and until the date of this report are noted below. Directors were in office for the entire period unless otherwise stated.

Brett Lambert	Non-Executive Chairman
William Belbin	Managing Director
David Pennock	Executive Director

#### REVIEW OF RESULTS AND FINANCIAL POSITION

Metal Hawk Limited is listed on the Australia Securities Exchange (**ASX:MHK**), classified as a West Australian junior gold explorer, and has approximately 55.17 million shares on issue at the date of this report. The Company has not reached a stage in its development where it is generating an operating profit.

The net loss after income tax for the half-year was \$805,714 (31 December 2020: \$832,506), which included exploration expenditure of \$37,335 (31 December 2020: \$4,331).

#### REVIEW OF OPERATIONS

During the half year period Metal Hawk continued exploration on its goldfields projects. A maiden RC drilling program was conducted at Kanowna East with encouraging gold mineralisation intersected. Metal Hawk and JV partners Western Areas completed extensive aircore (AC) programs (for gold and nickel) at the Emu Lake project, both of which will be followed up in 2022. Metal Hawk also completed a successful drilling program at Berehaven, where RC drilling discovered high grade nickel sulphides. Follow-up work included AC, RC and diamond drilling and is continuing in 2022.

Please refer to the Company's announcements for further information.

**METAL HAWK LIMITED**  
**DIRECTORS' REPORT**

**For the half-year ended 31 December 2021**

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**SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS**

In the opinion of the Directors there were no matters that significantly affected the state of affairs of the Company during the financial year, other than those matters referred to in the overview above.

**MATTERS SUBSEQUENT TO BALANCE DATE**

Subsequent to balance date the Board resolved to exercise the option to complete the purchase of the nickel rights on 12 tenements held by Horizon Minerals. The final consideration involved the issue of 3m fully paid ordinary shares to Horizon on 24th February 2022.

Aside from the matters noted above, there have been no other matters or circumstances that have arisen since the end of the financial year that have significantly affected, or may significantly affect, the operations of the Company, the results of these operations, or the state of affairs of the Company in future financial years.

**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.

Signed in accordance with a resolution of the Directors.



**William Belbin**  
Director

15 March 2022  
Perth

## DECLARATION OF INDEPENDENCE BY DEAN JUST TO THE DIRECTORS OF METAL HAWK LIMITED

As lead auditor for the review of Metal Hawk Limited for the half-year ended 31 December 2021, 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.



Dean Just

Director

BDO Audit (WA) Pty Ltd

Perth, 15 March 2022

**METAL HAWK LIMITED**  
**INTERIM FINANCIAL STATEMENTS**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2021**

	Note	31 December 2021 \$	30 June 2021 \$
<b>Assets</b>			
Cash and cash equivalents		4,467,853	1,769,800
Trade and other receivables		99,937	7,782
Deposits and bonds	3.1	18,927	2,016,364
<b>Total current assets</b>		<b>4,586,717</b>	<b>3,793,946</b>
Property, plant and equipment	5.1	200,809	95,012
Right of use assets		27,550	45,918
Exploration and evaluation assets	4.1	3,795,452	1,747,805
<b>Total non-current assets</b>		<b>4,023,811</b>	<b>1,888,735</b>
<b>Total assets</b>		<b>8,610,528</b>	<b>5,682,681</b>
<b>Liabilities</b>			
Trade and other payables		(168,589)	(24,455)
Employee benefits		(15,751)	-
Lease liabilities		(30,332)	(40,225)
<b>Total current liabilities</b>		<b>(214,672)</b>	<b>(64,680)</b>
Lease liabilities		-	(8,077)
<b>Total non-current liabilities</b>		<b>-</b>	<b>(8,077)</b>
<b>Total liabilities</b>		<b>(214,672)</b>	<b>(72,757)</b>
<b>Net assets</b>		<b>8,395,856</b>	<b>5,609,924</b>
<b>Equity</b>			
Share capital	6.1	10,290,150	7,030,655
Reserves		1,356,151	1,024,000
Accumulated losses		(3,250,445)	(2,444,731)
<b>Total equity</b>		<b>8,395,856</b>	<b>5,609,924</b>

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

**METAL HAWK LIMITED**  
**INTERIM FINANCIAL STATEMENTS**

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2021**

	Note	31 December 2021 \$	31 December 2020 \$
Other income		12,217	-
Exploration expensed		(37,334)	(4,331)
General and administrative expenses	2.2	(108,711)	(447,005)
Professional fees		(193,931)	(39,598)
Personnel expenses	2.2	(385,382)	(316,885)
Marketing and business development		(54,685)	(15,419)
Depreciation and amortisation		(27,823)	(6,848)
Finance expenses		(1,663)	(806)
Other expenses		(8,402)	(1,614)
<b>Loss before income tax</b>		<b>(805,714)</b>	<b>(832,506)</b>
Income tax expense		-	-
<b>Loss for the period</b>		<b>(805,714)</b>	<b>(832,506)</b>
<b>Loss per share</b>			
Basic and diluted (cents per share)		(1.60)	(2.85)

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

**METAL HAWK LIMITED**  
**FINANCIAL STATEMENTS**

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2021**

	Note	Issued capital \$	Share-based payments reserve \$	Accumulated losses \$	Total \$
Balance at 1 July 2021		7,030,655	1,024,000	(2,444,731)	<b>5,609,924</b>
<b>Total comprehensive loss for the period</b>					
Loss for the period		-	-	(805,714)	<b>(805,714)</b>
<b>Total comprehensive loss for the period</b>		-	-	<b>(805,714)</b>	<b>(805,714)</b>
<b>Transactions with owners, recorded directly in equity:</b>					
<b>Contributions by and distributions to owners</b>					
Issue of ordinary shares	6.1	2,424,306	-	-	<b>2,424,306</b>
Conversion of options	6.1	75,000	-	-	<b>75,000</b>
Share-based payment transactions	6.1/ 7.1	918,000	332,151	-	<b>1,250,151</b>
Capital raising costs		(157,811)	-	-	<b>(157,811)</b>
<b>Total contributions by and distributions to owners</b>		<b>3,259,495</b>	<b>332,151</b>	-	<b>3,591,646</b>
Balance at 31 December 2021		<b>10,290,150</b>	<b>1,356,151</b>	<b>(3,250,445)</b>	<b>8,395,856</b>

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

**METAL HAWK LIMITED**  
**FINANCIAL STATEMENTS**

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2020**

	Note	Issued capital \$	Share-based payments reserve \$	Accumulated losses \$	Total \$
Balance at 1 July 2020		765,949	488,514	(978,965)	275,498
<b>Total comprehensive loss for the period</b>					
Loss for the period		-	-	(832,506)	(832,506)
<b>Total comprehensive loss for the period</b>		-	-	<b>(832,506)</b>	<b>(832,506)</b>
<b>Transactions with owners, recorded directly in equity:</b>					
<b>Contributions by and distributions to owners</b>					
Issue of ordinary shares	6.1	6,250,000	-	-	6,250,000
Share-based payment transactions	6.1/ 7.1	344,901	535,486	-	880,387
Capital raising costs		(330,195)	-	-	(330,195)
<b>Total contributions by and distributions to owners</b>		<b>6,264,706</b>	<b>535,486</b>	-	<b>6,800,192</b>
Balance at 31 December 2020		<b>7,030,655</b>	<b>1,024,000</b>	<b>(1,811,471)</b>	<b>6,243,184</b>

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

**METAL HAWK LIMITED**  
**FINANCIAL STATEMENTS**

**STATEMENT OF CASH FLOWS**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2021**

Note	31 December 2021 \$	31 December 2020 \$
<b>Cash flows from operating activities</b>		
Payments to suppliers and employees	(482,446)	(551,744)
Interest received	12,217	-
Interest paid	(1,663)	(806)
Payments for exploration expensed	(37,335)	(4,331)
<b>Net cash used in operating activities</b>	<b>(509,227)</b>	<b>(556,881)</b>
<b>Cash flows from investing activities</b>		
Payments for property, plant and equipment	(115,251)	(46,987)
Payments for capitalised exploration	(1,000,892)	(696,627)
Payment for term deposit	-	(3,000,000)
Receipt of term deposit	2,000,000	-
<b>Net cash from / (used in) investing activities</b>	<b>883,857</b>	<b>(3,743,614)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issue of shares	2,424,206	6,250,000
Proceeds from exercise of options	75,000	-
Payment of capital raising costs	(157,812)	(191,669)
Payment of lease liabilities	(17,971)	(5,430)
<b>Net cash from financing activities</b>	<b>2,323,423</b>	<b>6,052,901</b>
<b>Net increase in cash and cash equivalents</b>	<b>2,698,053</b>	<b>1,752,406</b>
Cash and cash equivalents at commencement of period	1,769,800	97,993
<b>Cash and cash equivalents at period end</b>	<b>4,467,853</b>	<b>1,850,399</b>

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2021**

**SECTION 1 BASIS OF PREPARATION**

This financial report for the half-year ended 31 December 2021 is a condensed general purpose financial report prepared in accordance with AASB 134 Interim Financial Reporting and the Corporations Act 2001.

The half-year financial report does not include all notes of the type normally included within the financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Group as the full financial report.

The half-year financial report should be read in conjunction with the most recent annual financial report for the year ended 30 June 2021.

It is also recommended that the half-year financial report be considered together with any public announcements made by Metal Hawk Limited during the half-year ended 31 December 2021 in accordance with the continuous disclosure obligations arising under the ASX Listing Rules.

**1.1 SIGNIFICANT ACCOUNTING POLICIES**

The Group has adopted all 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 new and revised standards**

*Standards and interpretations applicable to 31 December 2021*

For the half-year ended 31 December 2021, the Directors have reviewed all new and revised Standards and Interpretations issued by the AASB that are relevant to the Company and effective for the reporting periods beginning on or after 1 July 2021.

As a result of this review, the Directors have determined that there is no material impact of the new and revised Standards and Interpretations on the Company and therefore no material change is necessary to Company accounting policies.

*Standards and Interpretations in issue not yet adopted*

The Directors have also reviewed all of the new and revised Standards and Interpretations in issue not yet adopted that are relevant to the Company and effective for the reporting periods beginning on or after 1 January 2022.

As a result of this review, the Directors have determined that there is no material impact of the new and revised Standards and Interpretations in issue not yet adopted on the Company and therefore no material change is necessary to Company accounting policies.

**1.2 JUDGEMENTS AND ESTIMATES**

The preparation of interim financial reports requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing this consolidated interim financial report, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 30 June 2020, except as disclosed below.

***Contingent Consideration***

The Company executed several asset acquisitions during the current period and prior periods, of which deferred contingent consideration has been agreed as disclosed in the 30 June 2021 financial report. The Company holds the right, in their complete discretion to settle any deferred consideration payable upon achievement of certain milestones via payment of cash or issue of equity. Judgement has been exercised in determining the fair value of consideration.

**METAL HAWK LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

**SECTION 2 RESULTS FOR THE YEAR**

This section focuses on the results and performance of the Company, with disclosures including components of the operating loss.

**2.1 OPERATING SEGMENTS**

AASB 8 *Operating Segments* requires operating segments to be identified based on internal reports about components of the Company that are regularly reviewed by the Chief Operating Decision Maker in order to allocate resources to the segment and to assess its performance.

The Company's operating segment has been determined with reference to the management accounts used by the Chief Operating Decision Maker to make decisions regarding the Company's operations and allocation of working capital.

Based on the quantitative thresholds included in AASB 8, there is only one reportable segment, being base minerals exploration and evaluation in Australia.

The results of this segment are those of the Company as a whole and are set out in the statement of profit or loss and other comprehensive income and the assets and liabilities of the Company as a whole are set out in the statement of financial position.

There have been no changes to the basis of segmentation or the measurement basis for the segment profit or loss since 30 June 2021.

**2.2 RESULTS FOR THE PERIOD**

**(a) Significant items**

	<b>31 December 2021</b>	<b>31 December 2020</b>
	\$	\$
<b>General and Administrative</b>		
Listing and registry expenses	60,547	409,593
Other expenses	48,164	37,412
<b>Personnel expenses</b>		
Wages and superannuation	155,808	84,898
Share-based payments	229,574	231,987

**SECTION 3 WORKING CAPITAL DISCLOSURES**

This section focuses on the cash funding available to the Company and working capital position at period end.

**3.1 DEPOSITS AND BONDS**

	<b>31 December 2021</b>	<b>30 June 2021</b>
	\$	\$
<b>Current</b>		
Term deposit	-	2,000,000
Rental bond	18,927	16,364
	<b>18,927</b>	<b>2,016,364</b>

(i) Term deposit has an interest rate of 0.6% and a maturity date of 30 November 2021.

**METAL HAWK LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

**SECTION 4 ASSETS AND LIABILITIES SUPPORTING EXPLORATION AND EVALUATION**

This section focuses on the assets and liabilities which form the core of the ongoing business, including those assets and liabilities which support ongoing exploration and evaluation as well as capital and other commitments existing at 31 December 2021.

**Key estimates and assumptions in this section**

***Indicators of impairment for exploration and evaluation assets***

The Company has reviewed exploration and evaluation assets for indicators of impairment in accordance with AASB 6 and has concluded that capitalised exploration and evaluation expenditure was not impaired at period end. In making this evaluation, management is required to make assessments on the status of each project and the future plans towards successful development and commercial exploitation, or alternatively sale, of the respective areas of interest.

**4.1 EXPLORATION AND EVALUATION EXPENDITURE**

	<b>31 December 2021</b>	<b>30 June 2021</b>
	<b>\$</b>	<b>\$</b>
Costs carried forward in respect of areas of interest		
<b>Exploration and evaluation expenditure</b>	3,795,452	1,747,805
<b>Movements for the year</b>		
Opening balance	1,747,805	194,155
Tenement acquisitions – via share-based payments	918,100	411,000
Tenement acquisitions – via cash payments	-	287,804
Capitalised expenditure	1,129,547	1,033,919
Expenditure written-off	-	(179,073)
	<b>3,795,452</b>	<b>1,747,805</b>

A total of \$37,334 (2020: \$4,331) has been expensed during the six months to 31 December for exploration expenditure on tenements for which tenement applications were either still in progress or had been discontinued and therefore an inability to capitalise expenditure under AASB 6 is present due to absence of tenement ownership.

**METAL HAWK LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

**SECTION 5 NON-CURRENT ASSETS AND LEASE LIABILITIES**

**5.1 PROPERTY, PLANT AND EQUIPMENT**

	Plant & Equipment \$	Office Equipment \$	Motor Vehicles \$	Computer Equipment \$	Total \$
<b>Gross carrying amount</b>					
Balance at 1 July 2020	-	-	-	-	-
Additions	3,300	7,798	89,265	2,660	<b>103,023</b>
Balance at 1 July 2021	3,300	7,798	89,265	2,660	<b>103,023</b>
Additions	57,507	4,884	52,861	-	<b>115,252</b>
<b>Balance at 31 December 2021</b>	<b>60,807</b>	<b>12,682</b>	<b>142,126</b>	<b>2,660</b>	<b>218,275</b>
<b>Depreciation</b>					
Balance at 1 July 2020	-	-	-	-	-
Depreciation for the period	(122)	(1,273)	(6,320)	(296)	<b>(8,011)</b>
Balance at 1 July 2021	(122)	(1,273)	(6,320)	(296)	<b>(8,011)</b>
Depreciation for the period	(2,123)	(1,295)	(5,590)	(447)	<b>(9,455)</b>
<b>Balance at 31 December 2021</b>	<b>(2,245)</b>	<b>(2,568)</b>	<b>(11,910)</b>	<b>(743)</b>	<b>(17,466)</b>
<b>Carrying amounts</b>					
Balance at 1 July 2021	3,178	6,525	82,945	2,364	<b>95,012</b>
Balance at 31 December 2021	<b>58,562</b>	<b>10,114</b>	<b>130,216</b>	<b>1,917</b>	<b>200,809</b>

**METAL HAWK LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

**SECTION 6 EQUITY AND FUNDING**

This section focuses on the debt and equity funding available to the Company at year end, most notably covering share capital, loans and borrowings.

**6.1 Issued Capital**

	Ordinary shares			
	Number of shares		Amount in \$	
	2021	2020	2021	2020
<b>Balance at 1 July</b>	<b>47,247,500</b>	<b>13,060,000</b>	<b>7,030,655</b>	<b>765,949</b>
<b><i>Shares issued and expensed during the period:</i></b>				
Issue of fully paid shares for cash	5,387,125	32,187,500	2,424,206	6,250,000
Issue of shares on conversion of options	330,769	-	75,000	-
Issue of shares for acquisition of exploration tenements	2,200,000	2,000,000	918,100	320,000
Vesting expense of prior period SBPs	-	-	-	24,901
Capital raising costs	-	-	(157,811)	(330,195)
<b>Balance at 31 December</b>	<b>55,165,394</b>	<b>47,247,500</b>	<b>10,290,150</b>	<b>7,030,655</b>

The holders of ordinary shares are entitled to receive dividends as declared from time and are entitled to one vote per share at meetings of the Company. Option holders cannot participate in any new share issues by the Company without exercising their options.

In the event of a winding up of the Company, ordinary shareholders rank after all other shareholders (if any) and creditors and are fully entitled to any proceeds on liquidation.

All issued shares are fully paid.

**Nature and purpose of reserves**

***Share-based payments reserve***

The share-based payments reserve represents the fair value of options issued to directors and consultants. Refer to note 7.1 for further details of these plans.

**METAL HAWK LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

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**SECTION 7 OTHER DISCLOSURES**

The disclosures in this section focuses on share schemes in operation and financial risk management of the Company. Other mandatory disclosures, such as details of related party transactions, can also be found here.

**7.1 SHARE-BASED PAYMENTS**

The share-based payment expense included within the financial statements can be broken down as follows:

	<b>31 December 2021</b>	<b>31 December 2020</b>
	<b>\$</b>	<b>\$</b>
<b>Expensed in personnel expenses (Director remuneration)</b>		
Options issued to Directors	224,374	-
Options issued to Employees	5,200	-
Vesting expense on prior period issuances - options	-	206,486
Vesting expense on prior period issuances - shares	-	24,901
<b>Expensed in professional fees</b>		
Shares issued to consultants	102,577	-
<b>Expensed in general and administrative expenses</b>		
Options issued to consultants	-	99,474
<b>Capital raising costs within equity</b>		
Options issued to consultants	-	138,526
<b>Capitalised within exploration and evaluation</b>		
Shares issued to vendors	918,100	320,000
Options issued to vendors	-	91,000

**METAL HAWK LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

**7.1 SHARE-BASED PAYMENTS (continued)**

**Options**

At 31 December 2021, excluding free-attaching options issued, a summary of the Company options in issue and not exercised are as follows. Options are settled by the physical delivery of shares:

Grant date	Vesting date	Expiry date	Exercise Price (cents)	Balance at the start of the period	Granted during the period	Exercised during the period	Expired / forfeited during the period	Balance at the end of the period	Vested and exercisable at the end of the period
13-Sep-19	19-Nov-20	13-Sep-22	25	4,500,000	-	-	-	4,500,000	4,500,000
13-Sep-19	19-Nov-20	13-Sep-23	30	4,000,000	-	-	-	4,000,000	4,000,000
10-Sep-20	10-Sep-20	10-Sep-23	20	1,000,000	-	-	-	1,000,000	1,000,000
19-Nov-20	19-Nov-20	19-Nov-23	25	1,000,000	-	-	-	1,000,000	1,000,000
19-Nov-20	19-Nov-20	19-Nov-24	30	1,000,000	-	-	-	1,000,000	1,000,000
30-Nov-21	30-Nov-21	30-Nov-25	42	-	2,550,000	-	-	2,550,000	2,550,000
02-Dec-21	02-Dec-22	30-Nov 24	42	-	550,000	-	-	550,000	- <sup>1</sup>
<b>Total</b>				<b>11,500,000</b>	<b>3,100,000</b>	<b>-</b>	<b>-</b>	<b>14,600,000</b>	<b>14,050,000</b>
Weighted Average Exercise Price (cents)				26.74	42.00	-	-	29.98	29.51

The weighted average remaining contractual life of options outstanding at year end was 1.91 years.

<sup>1</sup> Options issued on Grant Date 2 December 2021 vest upon satisfaction of a continued service condition after 12 months.

**METAL HAWK LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

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**7.1 SHARE BASED PAYMENTS (continued)**

***Options (continued)***

Options granted during the period have been valued using the Black-Scholes Option Valuation model, which takes account of factors including the option exercise price, the current level and volatility of the underlying share price, the risk-free interest rate, expected dividends on the underlying share, current market price of the underlying share and the expected life of the option. See below for the assumptions used for grants made during the period.

	<b>Director &amp; Consultant Options</b>	<b>ESIP Options</b>
Number of options	2,550,000	550,000
Exercise price (cents)	42	42
Grant date	30-Nov-21	02-Dec-21
Expiry date	30-Nov-25	30-Nov-24
Life of the options (years)	4	3
Volatility	100%	100%
Risk free rate	1.3%	1.35%
Fair value at grant date (cents)	12.82	11.87 <sup>1</sup>
Share price at grant date (cents)	22	23.5

<sup>1</sup> ESIP options vest after a 12-month continuous service period and as such are expensed over the vesting period.

**7.2 SUBSEQUENT EVENTS**

Subsequent to balance date the Board resolved to exercise the option to complete the purchase of the nickel rights on 12 tenements held by Horizon Minerals. The final consideration involved the issue of 3m fully paid ordinary shares to Horizon on 24th February 2022.

Aside from the matters noted above, there have been no other matters or circumstances that have arisen since the end of the financial year that have significantly affected, or may significantly affect, the operations of the Company, the results of these operations, or the state of affairs of the Company in future financial years.

**7.3 RELATED PARTY TRANSACTIONS**

During the half-year ended 31 December 2021, the Company issued 1.75m options to Directors of the Company, as disclosed above in note 7.1. Apart from the issuance of options, no other related party transactions occurred during the half-year ended 31 December 2021.

**METAL HAWK LIMITED**  
**DIRECTORS' DECLARATION**

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**DIRECTORS' DECLARATION**

1. In the opinion of the Directors of Metal Hawk Limited (the "Company"):
  - (a) the accompanying interim financial statements and notes are in accordance with the *Corporations Act 2001* including:
    - (i) giving a true and fair view of the Company's financial position as at 31 December 2021 and of its performance for the half-year then ended; and
    - (ii) complying with Australian Accounting Standards, the *Corporations Regulations 2001*, professional reporting requirements and other mandatory requirements.
  - (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
  - (c) the financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.
2. This declaration has been made after receiving the declarations required to be made to the Directors in accordance with Section 295A of the *Corporations Act 2001* for the half-year ended 31 December 2021.

This declaration is signed in accordance with a resolution of the Board of Directors.

Dated at Perth 15<sup>th</sup> of March 2022.



**WILL BELBIN**  
Director

## INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Metal Hawk Limited

### Report on the Half-Year Financial Report

#### Conclusion

We have reviewed the half-year financial report of Metal Hawk Limited (the Company), which comprises the statement of financial position as at 31 December 2021, the statement of profit or loss and other comprehensive income, statement of changes in equity and 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 Company does not comply with the *Corporations Act 2001* including:

- (i) Giving a true and fair view of the Company's financial position as at 31 December 2021 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.

#### 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 gives a true and fair view and 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 Company's financial position as at 31 December 2021 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 (WA) Pty Ltd

A handwritten signature in black ink, appearing to read 'Dean Just', is written over the printed name. The signature is fluid and cursive.

Dean Just

Director

Perth, 15 March 2022