PROTEAN ENERGY LIMITED

ABN 81 119 267 391

APPENDIX 4E

FOR THE YEAR ENDED

30 JUNE 2022

Details of the reporting period and the previous corresponding period

Current period:	1 July 2022 to 30 June 2022
Prior corresponding period:	1 July 2021 to 30 June 2021

Results for announcement to market

Key information	30 June 2022 $	30 June 2021 $	Change %
Revenue from continuing operations	1,656	1,927	Down 14%
Loss after tax from continuing operations attributable to members	(673,916)	(700,447)	Down 3%
Net loss attributable to members	(673,916)	(700,447)	Down 3%

Details of dividends

No dividends have been declared or paid for the year ended 30 June 2022 (30 June 2021: nil).

Net tangible assets per ordinary share

	30 June 2022 $	30 June 2021 $
Net tangible assets / (liabilities)	1,230,221	1,904,137
Ordinary shares	650,612,963	650,612,963
Net tangible assets per security (cents)	0.001	0.001

Other disclosure requirements

The document has been prepared in accordance with ASX listing rule 4.3A, Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Australian Accounting Group Interpretations and the *Corporations Act 2001*. The document is presented in Australian dollars and has been prepared on the basis of historical costs except in accordance with relevant accounting policies where assets and liabilities are stated at their values in accordance with relevant accounting policies. The accounting policies adopted in this report are the same as those disclosed in the annual financial report for the year ended 30 June 2022.

The accounting policies adopted in this report have been consistently applied by each entity in the Consolidated Entity and are consistent with the those of the previous year.

This document should be read in conjunction with the 2022 Annual Report and any public announcements made in the period by the Group in accordance with the continuous disclosure requirements of the *Corporations Act 2001* and ASX Listing Rules. The 2022 Annual Report covers Protean Energy Limited and its controlled entities, and is based on separately lodged consolidated financial statements and financial report which has been audited by BDO Audit (WA) Pty Ltd.

APPENDIX 4E
FOR THE YEAR ENDED 30 JUNE 2022

Cross reference index for other disclosures included in 2022 Annual Report	Page/Reference

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

David Wheeler
Non-Executive Chairman

Perth, Western Australia

09 August 2022

PROTEAN ENERGY LIMITED

ABN 81 119 267 391

ANNUAL REPORT

FOR THE YEAR ENDED

30 JUNE 2022

CORPORATE DIRECTORY

Directors
David Wheeler *Non-Executive Chairman*
Joe Graziano *Non-Executive Director*
Tim Slate *Non-Executive Director*

Company Secretaries
Tim Slate
Carla Healy

Bankers
National Australia Bank Limited
100 St Georges Terrace
Perth WA 6000

Share Registry
Link Market Services Limited
Level 12, QV1 Building, 250 St Georges Terrace
Perth WA 6000
Telephone: 1300 554 474

Contact Information
Telephone: +61 8 6558 0886
Facsimile: +61 8 6316 3337
Email: admin@proteanenergy.com
Web: www.proteanenergy.com

Registered & Principal Office
Level 3, 101 St Georges Terrace
Perth WA 6000

Stock Exchange Listing
Australian Securities Exchange
ASX Code - **POW**

Auditor
BDO Audit (WA) Pty Ltd
Level 9, Mia Yellagonga Tower 2
5 Spring Street
Perth WA 6000

CONTENTS

DIRECTORS' REPORT

The Company presents its financial report for the consolidated entity consisting of Protean Energy Limited (**Protean or Company**) and the entities it controls (**Consolidated Entity** or **Group**) at the end of, or during, the year ended 30 June 2022.

REVIEW OF OPERATIONS

Gwesan Vanadium Project Exploration Programme

During the year, the Company continued its exploration programme at its Gwesan Vanadium Project (Gwesan Project) in South Korea. The Company engaged independent consulting group GeoGeny Consultants Group Inc. (Geogeny) to provide in-country services to undertake an exploration programme at the Gwesan Project.

The mineralization of Gwesan Vanadium Project is a strata-bound black shale type embedded in the graphitic slate of Guryongsan formation. The mineralization potential of Protean's tenement (Gwesan 137) belongs to south-west part of Hansung orebody with general NE trending and remains open toward adjacent tenement of Gwesan 127.

On 17 August 2021, the Company announced that GeoGeny had commenced soil sampling at its Gwesan Vanadium Project in South Korea.

The soil sampling was conducted to further investigate the mineralization potential of Gwesan 137 prospect and was completed on 1 October 2021.

On 21 February 2022, the Company announced the results of the soil sampling program. A total of 400 samples including duplicate and quality assurance quality control (QAQC) samples were submitted to the ALS laboratory in Perth for multi-commodity analyses by ICP-MS/AES.

The ICP results in Protean's tenement (Gwesan 137) have not verified the continuity of mineralization along NE trending on the surface geochemical anomalies from soil samples.

On 5 April 2022, the Company announced that it had been notified of the potential expiration of the Gwesan Vanadium Project tenements by the Mining Registration Office ("MRO") in South Korea.

Following consultation with in-country advisors, geologists and taking into account feedback from the tenement landowners with respect to extending the term of the tenement, the Company decided not to incur further costs given the Hansung orebody trending towards Gwesan 127 and relinquish the tenement. In July 2022, the Company was advised the relinquishment of the tenement had been affected.

Daejon Vanadium Project

No material exploration was undertaken on the Daejon Project during the period.

Korea Vanadium Ltd received an official letter from the MRO of the expiration of the Daejon Group tenements. As no exploration has occurred, or is planned, on the Project during financial year, the Company has not objected to the expiration of these tenements. In July 2022, the Company was advised the relinquishment of the tenements had been affected.

CORPORATE

No material corporate activity occurred during the period.

DIRECTORS

The names of Directors who held office during the year and up to the date of signing this report, unless otherwise stated are:

David Wheeler	Non-Executive Chairman
Joe Graziano	Non-Executive Director
Tim Slate	Non-Executive Director

PRINCIPAL ACTIVITIES

The activities of the Group and its subsidiaries during the year ended 30 June 2022 comprised mineral exploration in South Korea and commercialisation activities associated with energy projects in South Korea and Australia.

FUTURE DEVELOPMENT

The Company will review and consider projects and business acquisition opportunities, which may not be in vanadium exploration, whilst reducing operation spend.

DIVIDENDS

No dividends have been declared, provided for or paid in respect of the financial year (30 June 2021: Nil).

FINANCIAL SUMMARY

The Group made a net loss after tax of $673,916 for the financial year ended 30 June 2022 (30 June 2021: loss of $700,447). At 30 June 2022, the Group had net assets of $1,230,221 (30 June 2021: $1,904,137) and cash assets of $1,250,727 (30 June 2021: $1,919,528).

OTHER INFORMATION

Unissued ordinary shares

Unissued ordinary shares under option at the date of this report are 40,000,000 and broken-down as follows:

- Share options issued to consultants and vendors 40,000,000

Options over ordinary shares can be exercised at a weighted average price of $0.01.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

The significant changes in the state of affairs of the Consolidated Entity during the financial period and to the date of this report are set out in the review of operations above.

EVENTS SUBSEQUENT TO END OF THE REPORTING PERIOD

There are no events of a material nature or transaction, that have arisen since year end and the date of this report that has significantly affected, or may significantly affect, the Group's operations, the results of those operations, or its state of affairs.

INFORMATION ON DIRECTORS

The following information is current as at the date of this report.

Mr David Wheeler	**Non-Executive Chairman** (appointed 16 May 2017)
Qualifications	BA (Bus), SDIA
Experience	Mr Wheeler has more than 30 years executive management experience, through general management, CEO and Managing Director roles across a range of companies and industries. He has worked on business projects in the USA, UK, Europe, New Zealand, China, Malaysia, and the Middle East (Iran). Mr Wheeler has been a Fellow of the Australian Institute of Company Directors (FAICD) since 1990.
Equity Interests	Nil
Directorships held in other listed entities	Current directorships: • Executive Chairman – Health House International Ltd from April 2021 • Non-Executive Chairman – PVW Resources Limited from August 2017 • Non-Executive Director - Ragnar Metals Ltd from December 2017 • Non-Executive Chairman - Avira Resources Ltd from September 2018 • Non-Executive Director - Tyranna Resources Ltd from October 2019 • Non-Executive Director - Delecta Ltd from June 2020 • Non-Executive Director – Athena Resources Ltd from June 2021 • Non-Executive Director – Cycliq Group Ltd from June 2021 • Non-Executive Director – Cradle Resources Ltd from October 2021 • Non-Executive Director – OZZ Resources Ltd from May 2022 Former directorships: • Syntonic Ltd from November 2019 to May 2022 • Blaze International Ltd from March 2020 to November 2021 • Ultracharge Ltd – from December 2015 to August 2019 No other listed directorships have been held by Mr Wheeler in the previous three years.

Mr Joe Graziano	**Non-Executive Director** (appointed 14 October 2020)
Qualifications	BA (Bus), CA
Experience	Joe has over 30 years' experience providing a wide range of business, financial and strategic advice to small cap listed public companies and privately owned businesses in Western Australia's resource-driven industries. Over the past 8 years he has been focused on corporate advisory and strategic planning with listed corporations and private businesses in the next phase of their growth strategy. Joe currently sits on several ASX listed Boards in the mineral exploration sector. He is currently a director of Pathways Corporate Pty Ltd, a specialised Corporate Advisory business.
Equity Interests	Nil
Directorships held in other listed entities	Current directorships: • Non -Executive Chairman – Kin Mining NL from August 2019 • Non-Executive Director - Tyranna Resources Ltd from June 2019 • Non-Executive Director - Syntonic Ltd from October 2020 • Non- Executive Director – Athena Resources Ltd from May 2022 • Non-Executive Director – OZZ Resources Ltd from May 2022 Former directorships: • Non-Executive Director – PVW Resources Ltd to February 2021 No other listed directorships have been held by Mr Graziano in the previous three years.

Mr Tim Slate	**Non-Executive Director** (appointed 14 October 2020) **Joint Company Secretary**
Qualifications	BCom, CA, AGIA and Graduate of the Australian Institute of Company Directors.
Experience	Mr Tim Slate provides accounting, secretarial and corporate advice to a number of private and public companies. Mr Slate has over 10 years' experience in chartered accounting. Mr Slate has a Bachelor of Commerce from the University of Western Australia, is a Chartered Accountant, an Associate Member of the Governance Institute of Australia and is a Graduate of the Australian Institute of Company Directors.
Equity Interests	Nil
Directorships held in other listed entities	Current directorships: • Non-Executive Director - Syntonic Ltd from October 2020 • Non-Executive Director – Zelira Therapeutics Ltd from 31 January 2021 No other listed directorships have been held by Mr Slate in the previous three years.

Meetings of Directors

During the financial year, one (1) meetings were held.

Attendances by each Director during the year were as follows:

	Number eligible to attend	Number attended
D Wheeler	1	1
J Graziano	1	1
T Slate	1	1

REMUNERATION REPORT (AUDITED)

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

A. Introduction

B. Remuneration governance

C. Key management personnel

D. Remuneration and performance

E. Remuneration structure

- Executive
- Non-Executive directors

F. Details of remuneration

G. Share based compensation

H. Other information

This report details the nature and amount of remuneration for each Director and key management personnel of Protean Energy Limited.

A. INTRODUCTION

The remuneration policy of the Company has been designed to align Director and management objectives with shareholder and business objectives by providing a fixed remuneration component, and offering specific long-term incentives, based on key performance areas affecting the Group's financial results. Key performance areas include cash flow management, growth in share price, successful exploration and subsequent exploitation of the Group's tenements and successful development and subsequent exploitation of the Group's battery technology. The Company believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best management and Directors to run and manage the Group, as well as create goal congruence between Directors, Executives and shareholders.

During the year the Company did not engage remuneration consultants.

B. REMUNERATION GOVERNANCE

The Board retains overall responsibility for remuneration policies and practices of the Company. Due to the Company's size and current stage of development, the Board has not established a separate nomination and remuneration committee. This function (Remuneration Function) is performed by the Board.

The Board aims to ensure that the remuneration practices are:

- competitive and reasonable, enabling the company to attract and retain key talent;
- aligned to the Company's strategic and business objectives and the creation of shareholder value;
- transparent and easily understood, and
- acceptable to Shareholders.

At the 2021 annual general meeting, the Company's remuneration report was passed by the requisite majority of shareholders (96% by a poll).

C. KEY MANAGEMENT PERSONNEL

The key management personnel in this report are as follows:

Non-Executive Directors

- D Wheeler (Non-Executive Chairman)
- J Graziano (Non-Executive Director)
- T Slate (Non-Executive Director)

D. REMUNERATION AND PERFORMANCE

The following table shows the gross revenue, net losses attributable to members of the Company and share price of the Group at the end of the current and previous four financial years.

	30 June 2022 $	30 June 2021 $	30 June 2020 $	30 June 2019 $	30 June 2018 $
Revenue from continuing operations	1,656	1,927	7,941	21,762	33,732
Net loss attributable to members of the Company	(673,916)	(700,447)	(1,319,217)	(4,579,296)	(3,669,481)
Share price	0.007	0.010	0.004	0.009	0.030

E. REMUNERATION STRUCTURE

Executive remuneration structure

The Board's policy for determining the nature and amount of remuneration for senior executives of the Group is as follows. The remuneration policy, setting the terms and conditions for executive directors and other senior executives, was developed and approved by the Board. All executives receive a base salary (which is based on factors such as length of service and experience), superannuation, fringe benefits, options and performance incentives. The Board reviews executive packages annually by reference to the Group's performance, executive performance, and comparable information from industry sectors and other listed companies in similar industries.

Executives are also entitled to participate in the employee share option and performance rights plans. If an executive is invited to participate in an employee share option or performance rights plan arrangement, the issue and vesting of any equity securities will be dependent on performance conditions relating to the executive's role in the Group and/or a tenure based milestone.

The employees of the Group receive a superannuation guarantee contribution required by the Government, which is currently 10.5%, and do not receive any other retirement benefits. There are currently no employees in the Group.

Non-Executive remuneration structure

In line with corporate governance principles, Non-Executive Directors of the Company are remunerated primarily by way of fees and statutory superannuation. Non-Executive Directors fees are set at the lower end of market rates for comparable companies for time, responsibilities and commitments associated with the proper discharge of their duties as members of the Board. As the fees are set at the lower end of market rates, Non-Executive Directors are able to participate in the employee share option or performance rights plans. Non-Executive Directors of the Company may also be paid a variable consulting fee for additional services provided to the Company of $1,000 per day inclusive of superannuation.

REMUNERATION REPORT (AUDITED) (continued)

Non-Executive Directors' fees and payments are reviewed annually by the Board. For the year ended 30 June 2022, remuneration for a Non-Executive Director/Chairman ranged between was $36,000 to $48,000 per annum. There are no termination or retirement benefits paid to Non-Executive Directors (other than statutory superannuation). The maximum aggregate amount of fees that can be paid to Non-Executive Directors, which was subject to approval by shareholders as part of the replaced constitution at the annual general meeting which occurred on 26 November 2014, is $250,000 per annum.

All Non-Executive Directors enter into a service agreement with the company in the form of a letter of appointment. The letter summarises the board policies and terms, including remuneration, relevant to the office of Director. In addition, in order to align their interests with those of shareholders, the Non-Executive Directors are encouraged to hold shares in the Company.

F. DETAILS OF REMUNERATION

Details of remuneration of the key management personnel (KMP) (as defined in AASB 124 Related Party Disclosures) of the Company is set out below.

Remuneration of KMP for the 2022 financial year is set out below:

	Short-term benefits			Post-employment benefits			Share based payments	Total
	Cash salary	Consulting fees	Non-cash benefits	Super-annuation	Annual leave	Termination	Options	
	$	$	$	$	$	$	$	$
Non-Executive Directors								
D Wheeler [(1)]	40,000	-	-	-	-	-	-	40,000
J Graziano[(1)]	36,000	-	-	-	-	-	-	36,000
T Slate[(2)]	36,000	-	-	-	-	-	-	36,000
Total	112,000	-	-	-	-	-	-	112,000

1 Mr Wheeler and Mr Graziano are Directors of Pathways Corporate Pty Ltd, which received their Director fees during the year.
2 Mr Slate is a Director of Catalyst Corporate Pty Ltd, which received Mr Slate's Director and Company Secretary fees during the year.

REMUNERATION REPORT (AUDITED) (continued)

Remuneration of KMP for the 2021 financial year is set out below:

	Short-term benefits			Post-employment benefits			Share based payments	Total
	Cash salary	Consulting fees	Non-cash benefits [1]	Super-annuation	Annual leave	Termination	Options	
	$	$	$	$	$	$	$	$
Non-Executive Directors								
D Wheeler [2]	38,667	-	-	-	-	-	-	38,667
J Graziano[3][4]	24,000	-	-	-	-	-	-	24,000
T Slate[5][6]	25,772	-	-	-	-	-	-	25,772
Non-Executive Directors –Former								
B Tarratt[7]	35,140	-	-	-	-	-	-	35,140
M Foy [8][9]	23,800	-	-	-	-	-	-	23,800
Total	147,379	-	-	-	-	-	-	147,379

1 Other benefits include the provision of a mobile phone allowance.
2 Mr Wheeler is a Director of Pathways Corporate Pty Ltd, which received Mr Wheeler's Director fees during the year.
3 Mr Graziano was appointed on 14 October 2020.
4 Mr Graziano is a Director of Pathways Corporate Pty Ltd, which received Mr Graziano's Director fees during the year.
5 Mr Slate was appointed on 14 October 2020.
6 Mr Slate is a Director of Catalyst Corporate Pty Ltd, which received Mr Slate's Director and Company Secretary fees during the year.
7 Mr Tarratt resigned on 16 March 2021.
8 Mr Foy resigned as Director on 14 October 2020 and Company Secretary on 15 December 2020.
9 Mr Foy is a Director of FT Corporate Pty Ltd, which received Mr Foy's Director and Company Secretary fees during the period.

G. SHARE BASED COMPENSATION

During the year ended 30 June 2022 there was no share-based compensation provided to Directors.

Relative proportions of fixed vs variable remuneration expense

The following table shows the relative proportions of remuneration that are linked to performance and those that are fixed, based on the amounts disclosed as statutory remuneration expense for the 2022 and 2021 financial years:

	Fixed remuneration	At risk STI	At risk LTI	Fixed remuneration	At risk STI	At risk LTI
	2022			2021		
Non-Executive Directors – Current						
D Wheeler	100%	-	-	100%	-	-
J Graziano	100%	-	-	100%	-	-
T Slate	100%	-	-	100%	-	-

REMUNERATION REPORT (AUDITED) (continued)

Reconciliation of equity instruments held by KMP

The following table sets out a reconciliation of each KMP's relevant interest in ordinary shares and options and performance rights to acquire shares in the Company:

	Balance at the start of the year/period	Granted/ Acquired	Exercised	Expired	Other changes	Balance at year end
Non-Executive Directors						
D Wheeler	-	-	-	-	-	-
J Graziano	-	-	-	-	-	-
T Slate	-	-	-	-	-	-

H. OTHER INFORMATION

Other transactions and balances with Key Management Personnel

Pathways Corporate Pty Ltd, a company of which Mr Wheeler and Mr Graziano are Directors, charged the Group registered office fees of $18,000 (2021: $7,000) during the year. $nil (2021: $nil) was outstanding at year end.

Catalyst Corporate Pty Ltd, a company of which Mr Slate is a Director, charged the Group accounting and company secretary fees of $84,000 (2021: $25,773) during the year. $nil (2021: $nil) was outstanding at year end.

This concludes the Remuneration Report which has been audited.

ENVIRONMENTAL REGULATIONS

The Company's policy is to comply with, or exceed, its environmental obligations in each jurisdiction in which it operates. No known environmental breaches have occurred.

INDEMNIFYING OFFICERS

During the financial year, the Company paid a premium in respect of a policy insuring the Company's Directors, Secretaries, Executive Officers and any related body corporate against a liability incurred as such a director, secretary or officer to the extent permitted by the *Corporations Act 2001*.

The policy of insurance prohibits disclosure of the nature of the liability and the amount of the premium. The Company has entered into Deeds of Indemnity, Insurance and Access with the Company's Directors, Secretary and Executive Officers.

The Company has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the Company or any of the related body corporates against a liability incurred as such an officer or auditor.

PROCEEDINGS ON BEHALF OF COMPANY

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

No proceedings have been brought or intervened in on behalf of Protean with leave of the Court under section 237 of the *Corporations Act 2001*.

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration, as required under section 307C of the *Corporations Act 2001* for the year ended 30 June 2022 has been received and can be found on page 12.

AUDITOR'S REMUNERATION

During the financial period the following fees were paid or payable for services provided by related entities of BDO Audit (WA) Pty Ltd.

	2022 $	2021 $
Taxation services		
BDO Tax (WA) Pty Ltd		
Tax compliance services	7,880	8,240
Total remuneration for taxation services	7,880	8,240
Total remuneration for non-audit services	7,880	8,240

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company and/or the Group are important.

The Board of Directors have considered the position and is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The Directors are satisfied that the provision of non-audit services by the auditor did not compromise the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- all non-audit services have been reviewed by the Board of Directors to ensure they do not impact the impartiality and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants.

This report is signed in accordance with a resolution of the Board of Directors made pursuant to section 295(5) of the *Corporations Act 2001*.

David Wheeler
Non-Executive Chairman

Perth, Western Australia
09 August 2022

Tel: +61 8 6382 4600
Fax: +61 8 6382 4601
www.bdo.com.au

Level 9, Mia Yellagonga Tower 2
5 Spring Street
Perth WA 6000
PO Box 700 West Perth WA 6872
Australia

DECLARATION OF INDEPENDENCE BY ASHLEIGH WOODLEY TO THE DIRECTORS OF PROTEAN ENERGY LIMITED

As lead auditor of Protean Energy Limited for the year ended 30 June 2022, I declare that, to the best of my knowledge and belief, there have been:

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

This declaration is in respect of Protean Energy Limited and the entities it controlled during the period.

Ashleigh Woodley

Director

BDO Audit (WA) Pty Ltd

Perth, 9 August 2022

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 $	2021 $
Revenue from continuing operations			
Interest income		1,656	1,927
Other Income		-	17,176
Expenses			
Exploration expense	2	(221,713)	(174,545)
Depreciation and amortisation expense		(11,000)	(11,162)
Administrative expense	2	(442,859)	(501,097)
Loss on settlement of liability		-	(32,746)
Loss before income tax		(673,916)	(700,447)
Income tax benefit	4	-	-
Loss attributable to members of the Company		(673,916)	(700,447)
Other comprehensive income			
Items that may be reclassified to the profit or loss			
Exchange differences on translation of foreign operations		-	-
Other comprehensive income/(loss) for the period, net of tax		-	-
Total comprehensive loss for the period attributable to members of the Company		(673,916)	(700,447)
Loss per share for loss from continuing operations attributable to the ordinary equity holders			
Basic and diluted loss per share (cents per share)	11	(0.10)	(0.14)

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022

	Note	2022 $	2021 $
Current assets			
Cash and cash equivalents	5	1,250,727	1,919,528
Trade and other receivables		32,981	27,989
Total current assets		1,283,708	1,947,517
Non-current assets			
Plant and equipment		4,069	15,069
Total non-current assets		4,069	15,069
Total assets		**1,287,777**	**1,962,586**
Current liabilities			
Trade and other payables	6	57,556	58,449
Total current liabilities		57,556	58,449
Total liabilities		**57,556**	**58,449**
Net assets		**1,230,221**	**1,904,137**
Equity			
Issued capital	7(a)	36,465,944	36,465,944
Reserves	7(c)	8,181,310	8,181,310
Accumulated losses	7(b)	(43,417,153)	(42,743,237)
Capital and reserves attributable to owners		1,230,101	1,904,017
Non-controlling interest		120	120
Total equity		**1,230,221**	**1,904,137**

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2022

	Note	Issued Capital $	Reserves $	Accumulated Losses $	Non-controlling interest $	Total Equity $
As at 1 July 2020		**34,953,095**	**7,745,787**	**(42,042,790)**	**120**	**656,212**
Loss for the year		-	-	(700,447)	-	(700,447)
Other comprehensive income		-	-	-	-	-
Total comprehensive loss for the year		-	-	(700,447)	-	(700,447)
Transactions with owners in their capacity as owners						
Shares issued during the year		2,067,715	-	-	-	2,067,715
Share issue expenses		(554,866)	-	-	-	(554,866)
Share based payment	8	-	435,123	-	-	435,123
Proceeds from issue of options		-	400	-	-	400
As at 30 June 2021		**36,465,944**	**8,181,310**	**(42,743,237)**	**120**	**1,904,137**
Loss for the year		-	-	(673,916)	-	(673,916)
Other comprehensive income/(loss)		-	-	-	-	-
Total comprehensive income /(loss) for the year		-	-	(673,916)	-	(673,916)
Transactions with owners in their capacity as owners						
		-	-	-	-	-
As at 30 June 2022		**36,465,944**	**8,181,310**	**(43,417,153)**	**120**	**1,230,221**

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

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 $	2021 $
Cash flows from operating activities			
Payments made to suppliers and employees		(670,457)	(722,874)
Interest received		1,656	1,927
Net cash used in operating activities	18	(668,801)	(720,947)
Cash flows from investing activities			
Proceeds for property, plant and equipment		-	-
Net cash from investing activities		-	-
Cash flows from financing activities			
Proceeds from issue of shares	7	-	1,995,862
Issue costs associated with issue of shares	8	-	(119,743)
Proceeds from issue of options		-	400
Net cash inflow from financing activities		-	1,876,519
Net (decrease)/increase in cash and cash equivalents		(668,801)	1,155,572
Cash and cash equivalents at the beginning of the period		1,919,528	763,956
Net cash and cash equivalents at the period	5	1,250,727	1,919,528

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

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Protean Energy Limited (**Company** or **Protean**) is a company incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange. Protean Energy Limited is the ultimate parent entity of the Group.

The consolidated financial statements of Protean Energy Limited for the year ended 30 June 2022 comprise the Company and its controlled subsidiaries (together referred to as the **Group** and individually as **Group entities**).

Statement of compliance

These general-purpose financial statements have been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Australian Accounting Group Interpretations and the *Corporations Act 2001*. Protean Energy Limited is a for-profit entity for the purpose of preparing the financial statements.

The consolidated financial statements of the Group also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Historical cost convention

These financial statements have been prepared on an accruals basis and are based on historical costs and do not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

Critical accounting estimates and significant judgements

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

The areas involving significant estimates or judgements are:

- Recognition of deferred tax asset for carried forward tax losses — Note 4; and
- Estimation of fair value of share-based payments – Note 8.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

There have been no actual adjustments this year as a result of an error and of changes to previous estimates.

New and amended standards adopted by the Group

In the year ended 30 June 2022, the directors have reviewed all the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group's operations and effective for annual 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 any new and revised Standards and Interpretations issued by the AASB.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 for the year ended 30 June 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 Group and therefore no material change is necessary to Group accounting policies.

Accounting policies

In order to assist in the understanding of the financial statements, the following summary explains the principal accounting policies that have been adopted in the preparation of the financial report. These policies have been applied consistently to all of the periods presented, unless otherwise stated.

a) Principles of Consolidation

Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of subsidiaries of the Company at the end of the reporting period. Subsidiaries are all those entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases. Where a subsidiary has entered or left the Group during the year, the financial performance of those entities is included only for the period of the year that they were controlled. A list of subsidiaries is contained in Note 15 to the financial statements.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated in full on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of financial position.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit or loss, and the group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

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

Unrealised gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group. The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described in Note 1.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of Protean Energy Limited.

When the group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset.

In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

b) Going concern

During the year the consolidated entity incurred a net loss of $673,916 (2021: $700,447) and incurred net cash outflows from operating activities of $668,801 (2021: $720,947). The consolidated entity held cash assets at 30 June 2022 of $1,250,727 (2021: $1,919,528).

Management believe there are sufficient funds to meet the consolidated entity's working capital requirements as at the date of this report.

The financial statements have been prepared on the basis that the consolidated entity is a going concern, which contemplates the continuity of normal business activity, realisation of assets and settlement of liabilities in the normal course of business.

c) Segment Reporting

Operating segments are reported in a manner that is consistent with the internal reporting to the chief operating decision maker, which has been identified by the company as the Board.

d) Foreign currency translation

Functional and presentation currency

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates ('the functional currency). The consolidated financial statements are presented in Australian dollars, which is Protean Energy Limited's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency monetary assets and liabilities at the reporting date are translated at the exchange rate existing at reporting date. Exchange differences are recognised in profit or loss in the period in which they arise.

No dividends were paid or proposed during the year.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that Statement of Financial Position;
- income and expenses for each statement of profit or loss and other comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, a proportionate share of such exchange difference is reclassified to profit or loss, as part of the gain or loss on sale where applicable.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

e) Revenue Recognition

Revenue is measured as the fair value of the consideration received or receivable. The Group recognises revenue when the amount of revenue can be reliably measured it is probable that future economic benefits will flow to the entity.

Revenue for other business activities is recognised on the following basis:

Interest income

Interest revenue is recognised on a time proportionate basis that takes into account the effective yield on the financial asset.

f) Income Tax and Other Taxes

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provision where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Protean Energy Limited and its wholly owned Australian controlled entities have implemented the tax consolidation legislation. As a consequence, these entities are taxed as a single entity and the deferred tax assets and liabilities of these entities are set off in the consolidated financial statements.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

g) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except:

- where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows on a gross basis and the GST component of cash flow arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

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

h) Exploration and evaluation expenditure

The Group expenses exploration and evaluation expenditure as incurred in respect of each identifiable area of interest until a time where an asset is in development.

Exploration and Evaluation expenditure

Exploration for and evaluation of mineral resources is the search for mineral resources after the entity has obtained legal rights to explore in a specific area as well as the determination of the technical feasibility and commercial viability of extracting mineral resource. Exploration and evaluation expenditure is expensed to the profit or loss as incurred except when existence of a commercially viable oil and/or gas reserve has been established and it is anticipated that future economic benefits are more likely than not to be generated as a result of the expenditure.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

i) Impairment of Assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's values in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash generating unit to which it belongs.

When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset unless the asset is carried at re-valued amount (in which case the impairment loss is treated as a revaluation decrease).

As assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had the impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at the re-valued amount, in which case the reversal is treated as a revaluation increase. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

j) Cash and Cash Equivalents

For the purposes of the statement of cash flows, cash and cash equivalents includes cash on hand, cash in bank accounts, money market investments readily convertible to cash within two working days, and bank bills but net of outstanding bank overdrafts.

k) Trade and Other Receivables

Receivables are initially recognised at fair value and subsequently measured at amortised cost, less loss allowances. Current receivables for GST are due for settlement within 30 days and other current receivables within 12 months.

l) Investments and Other Financial Assets

The Group classifies its financial assets in the following categories:

- those to be measure subsequently at fair value (either through OCI or through profit or loss); and
- those to be measure at amortised cost.

For investments in equity instruments that are not held for trading, this will depend on whether the group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments in equity instruments

The group subsequently measures all equity investments at fair value. Where the group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(i) Recognition and de-recognition

Investments are initially recognised at fair value plus transactions costs for all financial assets not carried at fair value through profit or loss. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

When securities classified as available for sale are sold, the accumulated fair value adjustments recognised in other comprehensive income are reclassified to profit or loss as gains and losses from investment securities.

(ii) Subsequent measurement

Loans and receivables are carried at amortised cost using the effective interest method.

Available for sale financial assets are subsequently carried at fair value.

(iii) Impairment

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or Group of financial assets is impaired. A financial asset or a Group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the statement of financial position date which are classified as non-current assets. Loans and receivable are included in trade and other receivables in the statement of financial position.

m) Property, Plant and Equipment

Plant and equipment is stated at historical cost less accumulated depreciation and any impairment in value. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced.

The assets’ residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset’s carrying amount is written down immediately to its recoverable amount if the asset’s carrying amount is greater than its estimated recoverable amount.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss.

n) Leases

Where the Company is a lessee, the Group recognises a right-of-use asset and a corresponding liability at the date which the lease asset is available for use by the Group (i.e. commencement date). Each lease payment is allocated between the liability and the finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a consistent period rate of interest on the remaining balance of the liability for each period.

The lease liability is initially measured at the present value of the lease payments that are not paid at commencement date, discounted using the rate implied in the lease. If this rate is not readily determinable, the Group uses its incremental borrowing rate.

Lease payments included in the initial measurement if the lease liability consist of:

- Fixed lease payments less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at commencement date;
- Any amounts expected to be payable by the Group under residual value guarantees;
- The exercise price pf purchase options, if the Group is reasonably certain to exercise the options; and
- Termination penalties of the lease term reflects the exercise of an option to terminate the lease.

Extension options are included in a number of property leases across the Group. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option. Extension options are only included in the lease term if, at commencement date, it is reasonably certain that the options will be exercised.

Subsequent to initial recognition, the lease liability is measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made. The lease liability is remeasured (with a corresponding adjustment to the right-of-use asset) whenever there us a change in the lease term (including assessments relating to extension and termination options), lease payments due to changes in an index or rate, or expected payments under guaranteed residual values.

Right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before commencement date, less any lease incentives received and any initial direct costs.

These right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses.

Where the terms of a lease require the Group to restore the underlying asset, or the Group has an obligation to dismantle and remove a leased asset, a provision is recognised and measured in accordance with AASB 137. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset.

Right-of-use assets are depreciated on a straight-line basis over the term of the lease (or the useful life of the leased asset if this is shorter). Depreciation starts on commencement date of the lease.

Where leases have a term of less than 12 months or relate to low value assets, the Group has applied the optional exemptions to not capitalise these leases and instead account for the lease expense on a straight-line basis over the lease term.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

o) Share-Based Payment Transactions

Benefits to Employees and consultants (including Directors)

The Group provides benefits to employees and consultants (including directors) of the Group in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares or options ("equity-settled transactions").

The costs of these equity settled transactions are measured by reference to the fair value of the equity instruments at the date on which they are granted. The fair value of performance rights granted is determined using the single barrier share option pricing model. The fair value of options granted is determined by using the Black-Scholes option pricing technique. Further details of options granted are disclosed in Note 8.

The cost of these equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled (the vesting period).

At each subsequent reporting date until vesting, the cumulative charge to the profit or loss is the product of: (i) the fair value at grant date of the award; (ii) the current best estimate of the number of equity instruments that will vest, taking into account such factors as the likelihood of employee turnover during the vesting period and the likelihood of non-market performance conditions being met; and (iii) the expired portion of the vesting period.

The charge to the profit or loss for the period is the cumulative amount as calculated above less the amounts already charged in previous periods. There is a corresponding credit to equity.

Until an equity instrument has vested, any amounts recorded are contingent and will be adjusted if more or fewer equity instruments vest than were originally anticipated to do so. Any equity instrument subject to a market condition is valued as if it will vest irrespective of whether or not that market condition is fulfilled, provided that all other conditions are satisfied.

If the terms of an equity-settled award are modified, as a minimum, an expense is recognised as if the terms had not been modified. An additional expense is recognised for any modification that increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the recipient of the award, as measured at the date of modification.

If an equity-settled transaction is cancelled (other than a grant cancelled by forfeiture when the vesting conditions are not satisfied), it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new equity instrument is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new equity instrument are treated as if they were a modification of the original award, as described in the preceding paragraph.

Benefits to Vendors

The Group provides benefits to vendors of the Group in the form of share-based payment transactions, whereby the vendor has render services in exchange for shares or rights over shares or options ("equity-settled transactions").

The fair value is measured by reference to the value of the goods or services received. If these cannot be reliably measured, then by reference to the fair value of the equity instruments granted.

The cost of these equity-settled transactions is recognised over the period in which the service was received.

p) Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The carrying value less impairment provision of trade receivables and payables are assumed to approximately their fair value due to their short-term nature. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

q) Employee Entitlements

The Group's liability for employee entitlements arising from services rendered by employees to reporting date is recognised in other payables. Employee entitlements expected to be settled within one year together with entitlements arising from wages and salaries, and annual leave which will be settled within one year, have been measured at their nominal amount and include related on-costs.

r) Loss per share

Basic loss per share

Basic earnings per share is determined by dividing the operating loss attributable to the equity holder of the Group after income tax by the weighted average number of ordinary shares outstanding during the financial year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in determination of basic earnings per share by taking into account amounts unpaid on ordinary shares and any reduction in earnings per share that will arise from the exercise of options outstanding during the year.

s) Trade and other payables

Trade payables and other payables are carried at cost and represent liabilities for goods and services provided to the Group prior to the end of the financial period that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and usually paid within 30 days of recognition.

t) Contributed equity

Issued and paid up capital is recognised at the fair value of the consideration received by the Group. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

u) Dividends

No dividends were paid or proposed during the year.

v) Parent entity financial information

The financial information for the parent entity, Protean Energy Limited, disclosed in Note 20 has been prepared on the same basis as the consolidated financial statements except as set out below:

Investments in subsidiaries

Investments in subsidiaries are accounted for at cost and subject to an annual impairment review.

2. EXPENSES

	Note	2022 $	2021 $
Loss before income tax includes the following specific items:			
Exploration expenses		221,713	174,545
Administrative expenses			
Director benefits expense		112,000	123,579
Regulatory expense		99,038	105,138
Travelling expenses		-	1,415
Accounting expense		36,000	41,948
Audit expense		40,700	40,119
Rent expense		18,000	15,479
Corporate advisory fees		62,000	45,398
Legal fees		34,663	42,178
Other administrative expenses		40,458	85,843
Total administrative expense		442,859	501,097

3. OPERATING SEGMENT INFORMATION

Management has determined that the Group has one reportable segment from a geographical perspective with the exploration segments being the Korean segment. This determination is based on the internal reports that are reviewed and used by the Board (chief operating decision maker) in assessing performance and determining the allocation of resources.

The Board monitors the Group based on actual versus budgeted expenditure incurred by segment. This internal reporting framework is the most relevant to assist the Board with making decisions regarding the Group and its ongoing activities, while also taking into consideration the results that has been performed to date.

	Revenue from external sources $	Reportable segment loss $	Reportable segment assets $	Reportable segment liabilities $
For the year ended 30 June 2022				
Exploration activities	-	(221,713)	-	-
Corporate activities	1,656	(453,859)	1,287,777	(57,556)
Total	1,656	(675,572)	1,287,777	(57,556)

3. SEGMENT INFORMATION (continue)

	Revenue from external sources $	Reportable segment loss $	Reportable segment assets $	Reportable segment liabilities $
For the year ended 30 June 2021				
Exploration activities	-	(174,545)	-	-
Corporate activities	1,927	(525,902)	1,962,586	(58,449)
Total	1,927	(700,447)	1,962,586	(58,449)

4. TAXATION

	2022 $	2021 $
Income tax benefit		
Current tax	-	-
Deferred tax	-	-
Income tax benefit	-	-
Reconciliation of income tax to prima facie tax payable		
Loss before income tax	(673,916)	(700,447)
Income tax benefit at 30% (30 June 2021: 30%)	(202,175)	(210,134)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Impairment of assets	-	-
Other permanent differences	45,004	36,004
Deferred tax assets relating to gain not recognised	157,171	174,130
Total income tax benefit	-	-
Unrecognised deferred tax assets		
Deferred tax assets and liabilities not recognised relate to the following:		
Tax losses	8,861,286	8,689,729
Other	65,816	81,369
Net deferred tax assets unrecognised	8,927,102	8,771,098

Significant accounting judgement

Deferred tax assets
The Group expects to have carried forward tax losses, which have not been recognised as deferred tax assets, as it is not considered sufficiently probable that these losses will be recouped by means of future profits taxable in the relevant jurisdictions. The utilisation of the tax losses is subject to the Group passing the required Continuity of Ownership and Same Business Test rules at the time the losses are utilised. Net deferred tax assets have not been brought to account as it is not probable within the immediate future that tax profits will be available against which deductible temporary difference can be utilised.

5. CASH AND CASH EQUIVALENTS

	2022 $	2021 $
Cash at bank	1,250,727	1,919,528

(a) Risk exposure

Refer to Note 9 for details of the risk exposure and management of the Group's cash and cash equivalents.

(b) Deposits at call

Deposits at call are presented as cash equivalents if they have a maturity of three months or less. Refer to Note 1 for the Group's other accounting policies on cash and cash equivalents.

6. TRADE AND OTHER PAYABLES

	2022 $	2021 $
Trade payables	57,556	58,449

Trade and other payables are normally settled within 30 days from receipt of invoice. All amounts recognised as trade and other payables, but not yet invoiced, are expected to settle within 12 months.

The carrying value of trade and other payables are assumed to be the same as their fair value, due to their short-term nature.

Refer to Note 9 for details of the risk exposure and management of the Group's trade and other receivables.

7. ISSUED CAPITAL

(a) Issued capital

	2022 Shares	2021 Shares	2022 $	2021 $
Fully paid	650,612,963	650,612,963	36,465,944	36,465,944

Movements in ordinary share capital during the current and prior financial period are as follows:

Details	Number of shares	Issue price/share $	$
Balance at 30 June 2021	**650,612,963**		**36,465,944**
Movement in current year	-		-
Balance at 30 June 2022	**650,612,963**		**36,465,944**

(b) Accumulated losses

	2022 $	2021 $
Opening balance	(42,743,237)	(42,042,790)
Net loss attributable to owners of the Company	(673,916)	(700,447)
Balance at 30 June	(43,417,153)	(42,743,237)

(c) Reserves

The following table shows a breakdown of the reserves and the movements in these reserves during the year. A description of the nature and purpose of each reserve is provided.

	Note	2022 $	2021 $
Share based payments/ option reserve			
Opening balance		9,116,633	8,681,110
Share based payment	9	-	435,123
Proceeds from issue of options		-	400
Balance at 30 June		9,116,633	9,116,633
Foreign currency translation reserve			
Opening balance		1,845	1,845
Currency translation differences arising during the year		-	-
Balance at 30 June		1,845	1,845

7. ISSUED CAPITAL (continued)

	Note	2022 $	2021 $
Fair value through other comprehensive income reserve			
Opening balance		(937,168)	(937,168)
Movement during the period		-	-
Balance at 30 June		(937,168)	(937,168)
Total reserves		**8,181,310**	**8,181,310**

Share based payments reserve

The share-based payments reserve is used to recognise: (a) the grant date fair value of options issued but not exercised; (b) the grant date fair value of market-based performance rights granted to directors, employees, consultants and vendors but not yet vested; and (c) the fair value non-market based performance rights granted to directors, employees, consultants and vendors but not yet vested.

Foreign currency translation reserve

Exchange differences arising on translation of the foreign controlled entities are recognised in other comprehensive income as described in Note 1 and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed of.

Fair value through other comprehensive income reserve

The group has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment.

8. SHARE-BASED PAYMENTS

Share-based payment transactions are recognised at fair value in accordance with AASB 2.

The total movement arising from share-based payment transactions recognised during the year were as follows:

	Note	2022 $	2021 $
As part of share issue expense:			
Options issued	9	-	435,123
		-	435,123

(a) Share options

The Protean Energy Limited share options are used to reward Directors, Employees, Consultants, and Vendors for their performance and to align their remuneration with the creation of shareholder wealth through the performance requirements attached to the options. Options are granted at the discretion of the Board and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits.

8. SHARE-BASED PAYMENTS (continued)

The options are not listed and carry no dividend or voting right. Upon exercise, each option is convertible into one ordinary share to rank pari passu in all respects with the Company's existing fully paid ordinary shares.

Set out below are summaries of options granted:

	30 June 2022		30 June 2021	
	Average exercise price per option	Number of options	Average exercise price per option	Number of options
Opening balance	$0.01	40,000,000	$0.037	85,000,000
Granted during the period	-	-	$0.01	40,000,000
Exercised during the period	-	-	-	-
Lapsed during the period	-	-	-	(85,000,000)
Closing balance	$0.01	40,000,000	$0.01	40,000,000
Vested and exercisable	$0.01	40,000,000	$0.01	40,000,000

Grant date	Expiry date	Exercise price	30 June 2022 Number of options	30 June 2021 Number of options
16-Dec-20	16-Dec-23	$0.01	40,000,000	40,000,000
			40,000,000	40,000,000
Weighted average remaining contractual life of options outstanding at the end of the year:			1.00 year	2.5 years

The fair value of option issued is measured by reference to the value of the goods or services received. The fair value of services received in return for share options granted to Directors and employees and consultants is measured by reference to the fair value of options granted. The fair value of services received by advisors couldn't be reliably measured and are therefore measured by reference to the fair value of the equity instruments granted.

The estimate of the fair value of the services is measured based on a Black-Scholes option valuation methodology. The life of the options including early exercise options are built into the option model. The fair value of the options are expensed over the expected vesting period.

Volatility %	Risk free interest rate %	Expected life of option (years)	Exercise price (cents)	Grant date share price (cents)	Fair value per option (cents)
188	0.25	3	$0.01	$0.012	$0.0109

Options granted during the current year, nil (30 June 2021: 40,000,000). Capital raising costs settled as options issued during the reporting period, $nil (30 June 2021: $453,123).

8. SHARE-BASED PAYMENTS (continued)

(b) Share capital to vendors

On 16 December 2020, the Company issued 40,000,000 unquoted options exercisable at $0.01 on or before 16 December 2023 at an issue price of $0.00001 to CPS. The fair value of options issued is $0.0109.

Significant accounting estimates, assumptions and judgements

Estimation of fair value of share-based payments

The Group measures the cost of equity-settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using the Black-Scholes or Monte-Carlo model taking into account the assumptions detailed within this note.

9. FINANCIAL AND CAPITAL RISK MANAGEMENT

Overview

The financial risks that arise during the normal course of the Group's operations comprise market risk, credit risk and liquidity risk. In managing financial risk, it is policy to seek a balance between the potential adverse effects of financial risks on financial performance and position, and the "upside" potential made possible by exposure to these risks and by taking into account the costs and expected benefits of the various risk management methods available to manage them.

General objectives, policies and processes

The Board is responsible for approving policies on risk oversight and management and ensuring management has developed and implemented effective risk management and internal control. The Board receives reports as required from the Managing Director in which they review the effectiveness of the processes implemented and the appropriateness of the objectives and policies it sets. The Board oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced.

These disclosures are not, nor are they intended to be an exhaustive list of risks to which the Group is exposed.

Financial Instruments

The Group has the following financial instruments:

	2022 $	2021 $
Financial assets		
Cash and cash equivalents	1,250,727	1,919,528
Trade and other receivables	32,981	27,989
	1,283,708	1,947,517
Financial liabilities		
Trade and other payables	57,556	58,449
	57,556	58,449

9. FINANCIAL AND CAPITAL RISK MANAGEMENT (continued)

(a) Market Risk

Market risk can arise from the Group's use of interest-bearing financial instruments, foreign currency financial instruments and equity security instruments and exposure to commodity prices. It is a risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk), foreign exchange rate (currency risk), equity securities price risk (price risk) and fluctuations in commodity prices (commodity price risk).

(i) Interest rate risk

The Board manages the Group's exposure to interest rate risk by regularly assessing exposure, taking into account funding requirements and selecting appropriate instruments to manage its exposure. As at the 30 June 2022, the Group has interest-bearing assets, being cash at bank (30 June 2021: cash at bank).

As such, the Group's income and operating cash flows is not highly dependent on material changes in market interest rates.

Sensitivity analysis

The Group does not consider this to be a material risk/exposure to the Group and have therefore not undertaken any further analysis.

The weighted average effective interest rate of funds on deposit is 0.64% (30 June 2021: 0.38%)

(ii) Currency risk

The Group operates in South Korea and maintains a corporate listing in Australia. As a result of various operating locations, the Group is exposed to foreign exchange risk arising from fluctuations, primarily in the Korean Won (KRW).

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency. The Group manages risk by matching receipts and payments in the same currency and monitoring movements in exchange rates. The exposure to risks is measured using sensitivity analysis and cash flow forecasting.

The Group's had minimal exposure to foreign currency risk at year end (30 June 2021: minimal).

(iii) Commodity price risk

As the Group has not yet entered into mineral or energy production, the risk exposure to changes in commodity price is not considered significant.

(b) Credit risk

Credit risk arises from cash and cash equivalents and deposits with financial institutions, as well as trade receivables. Credit risk is managed on a Group basis. For cash balances held with bank or financial institutions, only independently rated parties with a minimum rating of '-AA' are accepted.

The Board are of the opinion that the credit risk arising as a result of the concentration of the Group's assets is more than offset by the potential benefits gained.

The maximum exposure to credit risk at the reporting date is the carrying amount of the assets as summarised, none of which are impaired or past due.

Exposure to credit risk

The carrying amount of the Group's financial assets represents the maximum credit exposure. The Group's maximum exposure to credit risk at the reporting date was:

9. FINANCIAL AND CAPITAL RISK MANAGEMENT (continued)

	2022 $	2021 $
Cash and cash equivalents	1,250,727	1,919,528
Other receivables	32,981	27,989
	1,283,708	1,947,517

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates.

	2022 $	2021 $
Cash at bank and short-term deposits		
Held with Australian banks and financial institutions		
AA- S&P rating	1,250,627	1,919,428
Unrated	100	100
Total	1,250,727	1,919,528

(c) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. Through continuous monitoring of forecast and actual cash flows the Group manages liquidity risk by maintaining adequate reserves to meet future cash needs. The decision on how the Group will raise future capital will depend on market conditions existing at that time.

Maturities of financial liabilities

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Less than 6 months $	6 - 12 months $	1 - 5 years $	Over 5 years $	Total contractual cash flows $	Carrying amount of liabilities $
At 30 June 2022						
Trade and other payables	57,556	-	-	-	57,556	57,556
At 30 June 2021						
Trade and other payables	58,449	-	-	-	58,449	58,449

(d) Capital risk management

The Group's objective when managing capital is to safeguard the ability to continue as a going concern. This is to provide returns for shareholders, benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Board monitors capital on an ad-hoc basis. No formal targets are in place for return on capital, or gearing ratios, as the Group has not derived any income from operations.

10. DIVIDENDS

No dividends have been declared or paid for the year ended 30 June 2022 (30 June 2021: nil).

11. LOSS PER SHARE

	2022	2021
Basic and diluted loss per share		
Net loss after tax attributable to the members of the Company	$(673,916)	$(700,447)
Weighted average number of ordinary shares	650,612,963	507,695,140
Basic and diluted loss per share (cents)	(0.10)	(0.14)

12. COMMITMENTS

Significant capital expenditure contracted for at the end of the reporting period but not recognised as a liability is as follows:

	2022 $	2021 $
Within one year	-	130,000
Later than one year but no later than five years	-	-
Later than five years	-	-
	-	130,000

13. RELATED PARTY TRANSACTIONS

Transactions with related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Key management personnel compensation

	2022 $	2021 $
Short-term employee benefits	112,000	147,379
Post-employment benefits	-	-
Termination	-	-
Long-term benefits	-	-
Share based payments	-	-
	112,000	147,379

Other transactions and balances with Key Management Personnel

Pathways Corporate Pty Ltd, a company of which Mr Wheeler and Mr Graziano are Directors, charged the Group registered office fees of $18,000 (2021: $7,000) during the year. $nil (2021: $nil) was outstanding at year end.

Catalyst Corporate Pty Ltd, a company of which Mr Slate is a Director, charged the Group accounting and company secretary fees of $84,000 (2021: $25,773) during the year. $nil (2021: $nil) was outstanding at year end.

Detailed remuneration disclosures are provided within the remuneration report.

14. RELATED PARTY TRANSACTIONS

Parent entity

The ultimate parent entity and ultimate controlling party is Protean Energy Limited (incorporated in Australia).

Subsidiaries

Interests in subsidiaries are set out in Note 15.

15. INTEREST IN OTHER ENTITIES

(a) Investments in controlled entities

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 of entity	Country of incorporation	2022 Equity holding	2021 Equity holding
SK Energy Metals Pty Ltd (1)	Australia	100%	100%
Ginja Minerals Pty Ltd (2)	Australia	100%	100%
Protean Power Pty Ltd (3)	Australia	99.79%	99.79%
Protean Energy Australia Pty Ltd (4)	Australia	100%	100%

1 *Holding company of Korea Vanadium Limited.*
2 *Dormant subsidiary.*
3 *Subsidiary acquired on 20 August 2015.*
4 *Subsidiary acquired on 25 February 2016 and was the holder of the rights and trademarks to the Protean WEC Technology.*

(b) Non-controlling interests

The Group did not have any material non-controlling interests during current financial year.

16. CONTINGENCIES

The Group has no contingent assets or liabilities as at 30 June 2022 (30 June 2021: nil).

17. EVENTS SUBSEQUENT TO END OF THE REPORTING PERIOD

There are no events of a material nature or transaction, that have arisen since year end and the date of this report that has significantly affected, or may significantly affect, the Group’s operations, the results of those operations, or its state of affairs.

18. RECONCILATION OF LOSS AFTER INCOME TAX TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	Note	2022 $	2021 $
Loss for the period		(673,916)	(700,447)
Add/(less) non-cash items:			
Depreciation and amortisation		11,000	11,162
Vendor payment in shares		-	71,853
Changes in assets and liabilities during the financial year:			
Decrease/(increase) in receivables		(4,992)	(10,319)
Increase/(decrease) in payables		(893)	(93,196)
Net cash outflow from operating activities		(668,801)	(720,947)

Non-cash investing and financing activities
On 16 December 2020, the Company issued 40,000,000 unquoted options exercisable at $0.01 on or before 16 December 2023 at an issue price of $0.00001 to CPS in settlement of capital raise fees. The fair value of options issued is $0.0109.

19. REMUNERATION OF AUDITORS

The table shows the fees that were paid or payable for services provided by the auditor of the parent entity, its related parties and non-related audit firms, during the year.

From time to time the Consolidated Entity may decide to employ an external auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Consolidated Entity are important. These assignments are principally tax advice and due diligence on acquisitions, which are awarded on a competitive basis.

It is the Group's policy to seek competitive tenders for all major consulting projects. The Board is satisfied that the provision of non-audit services during the period is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001.*

	2022 $	2021 $
BDO Australia		
Audit and assurance services		
Audit and review of financial statements	40,700	31,879
Taxation services		
Tax compliance services	7,880	8,240
International tax consulting and tax advice	-	-
Total remuneration for taxation services	7,880	8,240
Total remuneration for BDO Australia	48,580	40,119

20. PARENT ENTITY INFORMATION

The following information relates to the parent entity, Protean Energy Limited as at 30 June 2022. The information presented here has been prepared using consistent accounting policies as presented in Note 1.

	Company	
	2022 $	2021 $
Financial position		
Current assets	1,283,708	1,947,517
Non-current assets	4,069	58,167
Total assets	**1,287,777**	**2,005,684**
Current liabilities	57,556	58,449
Total liabilities	**57,556**	**58,449**
Equity		
Contributed equity	36,465,944	36,465,944
Reserves	9,116,633	9,116,633
Accumulated losses	(44,352,356)	(43,635,341)
Total equity	**1,230,221**	**1,947,235**
Financial performance		
Loss for the year	(717,014)	(657,348)
Total comprehensive loss	**(717,014)**	**(657,348)**

(a) Summary of financial information

The individual aggregate financial information for the parent entity is shown in the table.

(b) Guarantees entered into by the parent entity

The parent entity did not have any guarantees as at 30 June 2022 or 30 June 2021.

(c) Contingent liabilities of the parent entity

The parent entity did not have any contingent liabilities as at 30 June 2022 or 30 June 2021.

(d) Contractual commitments for the acquisition of property, plant and equipment

The parent entity did not have any contractual commitments for the acquisition of property, plant and equipment as at 30 June 2022 or 30 June 2021.

DIRECTORS' DECLARATION

The Directors of the Group declare that:

1. The financial statements, comprising the consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position, consolidated statement of cash flows, consolidated statement of changes in equity and accompanying notes, are in accordance with the *Corporations Act 2001* and:

    (a) comply with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and

    (b) give a true and fair view of the financial position as at 30 June 2022 and of the performance for the year ended on that date of the consolidated entity.

2. In the Directors' opinion, there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

3. The Group has included in the notes to the financial statements and explicit an unreserved statement of compliance with International Financial Reporting Standards.

4. The Directors have been given the declarations by the Chief Executive Officer and Chief Financial Officer required by section 295A.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Directors by:

David Wheeler
Non-Executive Chairman

Perth, Western Australia
09 August 2022

Tel: +61 8 6382 4600
Fax: +61 8 6382 4601
www.bdo.com.au

Level 9, Mia Yellagonga Tower 2
5 Spring Street
Perth, WA 6000
PO Box 700 West Perth WA 6872
Australia

INDEPENDENT AUDITOR'S REPORT

To the members of Protean Energy Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Protean Energy Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2022, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

(i) Giving a true and fair view of the Group's financial position as at 30 June 2022 and of its financial performance for the year ended on that date; and

(ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

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

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

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

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have not identified any key audit matters for Protean Energy Limited.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2022, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

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

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (http://www.auasb.gov.au/Home.aspx) at:

https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 6 to 10 of the directors' report for the year ended 30 June 2022.

In our opinion, the Remuneration Report of Protean Energy Limited, for the year ended 30 June 2022, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

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

BDO Audit (WA) Pty Ltd

BDO

Ashleigh Woodley

Director

Perth, 9 August 2022

Information as at 08 August 2022

(a) Distribution of Shareholders

The number of shareholdings held with less than marketable parcels is 1,779.

Category (size of holding)	No. of Holders	No. of Units
1 – 1,000	659	267,891
1,001 – 5,000	396	993,743
5,001 – 10,000	105	783,464
10,001 – 100,000	748	36,985,669
100,001 – and over	593	611,582,196
Total	**2,501**	**650,612,693**

(b) Voting rights

The voting rights attached to each class of equity security are as follows:

Ordinary Share	Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.
Options	There are no voting rights attached to any class of options that are on issue

(c) 20 Largest Shareholders — Ordinary Shares as at 08 August 2022

Rank	Name	Ordinary Shares Held	% of Issued Capital
1	SUNSET CAPITAL MANAGEMENT PTY LTD	74,187,026	11.40
2	MS CHUNYAN NIU	25,531,000	3.92
3	PHEAKES PTY LTD	20,000,000	3.07
4	ONE MANAGED INVESTMENT FUNDS LTD	16,891,775	2.60
5	BUTTONWOOD NOMINEES PTY LTD	15,000,000	2.31
6	MR PETER TAKIS GRIGORIADIS	14,984,781	2.30
7	MR WILLI RUDIN	12,000,000	1.84
8	DAVY CORP PTY LTD	10,792,209	1.66
9	AGENS PTY LTD	9,114,720	1.40
10	MRS NANSAL-ORLOM TUNEREV	8,634,446	1.33
11	MR JEFFREY GERARD EMMANUEL	6,530,276	1.00
12	NEWCONOMY COM AU NOMINEES PTY LTD	6,485,020	1.00
13	DST COMPANY LIMITED	6,300,000	0.97
14	BNP PARIBAS NOMINEES PTY LTD	6,011,218	0.92
15	CHAMPAGNE CAPITAL PTY LTD	6,006,493	0.92
16	AJ LOO INVESTMENTS PTY LTD	6,000,000	0.92
17	MORGAN STANLEY AUSTRALIA SECURITIES (NOMINEE) PTY LTD	5,484,753	0.84
18	MONEX BOOM SECURITIES (HK) LTD	5,164,955	0.79
19	MR VINCENZO BRIZZI & MRS RITA LUCIA BRIZZI	5,075,000	0.78
20	NORDCO AUSTRALIA PTY LTD	5,000,000	0.77
	Total	**265,193,672**	**40.76**
	Balance of register	**385,419,291**	**59.24**
	Grand total	**650,612,963**	**100.00**

ADDITIONAL INFORMATION

(d) Substantial Shareholders

As at 08 August 2022 the following shareholders held 5% or more of the issued capital of the Company:

Interest	Name
11.4%	SUNSET CAPITAL MANAGEMENT PTY LTD

(e) Unquoted Securities – as at 08 August 2022

Set out below are the classes of unquoted securities currently on issue:

Number	Class
40,000,000	Options exercisable at $0.01 on or before 16 December 2023

(f) Securities Subject to Escrow

No securities are currently subject to any escrow provisions.

(g) Unquoted Equity Security Holders with Greater than 20% of an Individual Class

As at 08 August 2022 there were no class of unquoted securities that had holders with greater than 20% of that class on issue.

(h) On-market Buy-Back

Currently there is no on-market buy-back of the Company's securities.

(i) Restricted Securities

There are no restricted securities currently on issue.

Corporate Governance

Pursuant to the ASX Listing Rules, the Company's Corporate Governance Statement will be released in conjunction with this report. The Company's Corporate Governance Statement is available on the Company's website at: http://www.proteanenergy.com/investorcentre