

OD6 METALS LIMITED



ABN 34 654 839 602

& Controlled Entities

Annual Financial Report

For the year ended 30 June 2022

**OD6 Metals Limited
& Controlled Entities
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**OD6 Metals Limited
& Controlled Entities**

CORPORATE DIRECTORY

PRINCIPAL AND REGISTERED OFFICE

c/- LCP Group
Level 1, 50 Kings Park Road
West Perth WA 6005
Telephone: +61 8 6189 8515
Email: info@od6metals.com.au

DIRECTORS

Dr Darren Holden – Non-Executive Chairman
Mr Brett Hazelden – Managing Director
(appointed 01 April 2022)
Mr Piers Lewis – Non-Executive Director
Dr Mitch Loan – Non-Executive Director
(appointed 12 April 2022)

ASX CODE

OD6

JOINT COMPANY SECRETARY

Troy Cavanagh
Joel Ives

SHARE REGISTRAR

Computershare Investor Services Pty Limited
Level 11, 172 St Georges Terrace
Perth WA 6000

AUDITORS

Hall Chadwick WA Audit Pty Ltd
283 Rokeby Road
Subiaco WA

LAWYERS

AGH Law
Level 1, 50 Kings Park Road
West Perth WA 6005

Lawton MacMaster
Level 9, 40 The Esplanade
Perth WA 6000

BANKERS

Macquarie Bank
235 St George's Terrace
Perth WA 6000

**OD6 Metals Limited
& Controlled Entities
DIRECTORS' REPORT**

DIRECTORS' REPORT

Your Directors present the following report on OD6 Metals Limited and controlled entities (referred to hereafter as "the Company") for the financial year ended 30 June 2022.

DIRECTORS

The names of directors in office at any time during or since the end of the year are:

- Dr Darren Holden – Non-Executive Chairman (appointed 27 October 2021);
- Mr Brett Hazelden – Managing Director (appointed 1 April 2022);
- Mr Piers Lewis – Non-Executive Director (appointed 27 October 2021);
- Dr Mitch Loan – Non-Executive Director (appointed 12 April 2022); and
- Mr Colwin Lloyd – Non-Executive Director (appointed 27 October 2021 and resigned 12 April 2022)

COMPANY SECRETARY

Troy Cavanagh and Joel Ives held the position of company secretary during the financial year.

PRINCIPAL ACTIVITIES

The Group's primary purpose is to pursue exploration and potential development opportunities within the resources sector. In particular, the Group was established to undertake exploration of its Splinter Rock Project and Grass Patch Project (**Projects**), which are located in the Goldfields-Esperance region of Western Australia and are prospective for rare earth elements (**REEs**), with the aim of delineating and defining economic resources and reserves to develop into revenue generating operational mines.

OPERATING RESULTS

The loss of the Company after providing for income tax amounted to \$1,339,199.

FINANCIAL POSITION

As at 30 June 2022 the Company had a cash balance of \$8,357,053 and a net asset position of \$8,722,334.

DIVIDENDS PAID OR RECOMMENDED

No dividends have been paid, and the directors do not recommend the payment of a dividend for the financial year ended 30 June 2022.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Other than as disclosed in this report, no significant changes in the state of affairs of the Company occurred during the financial year.

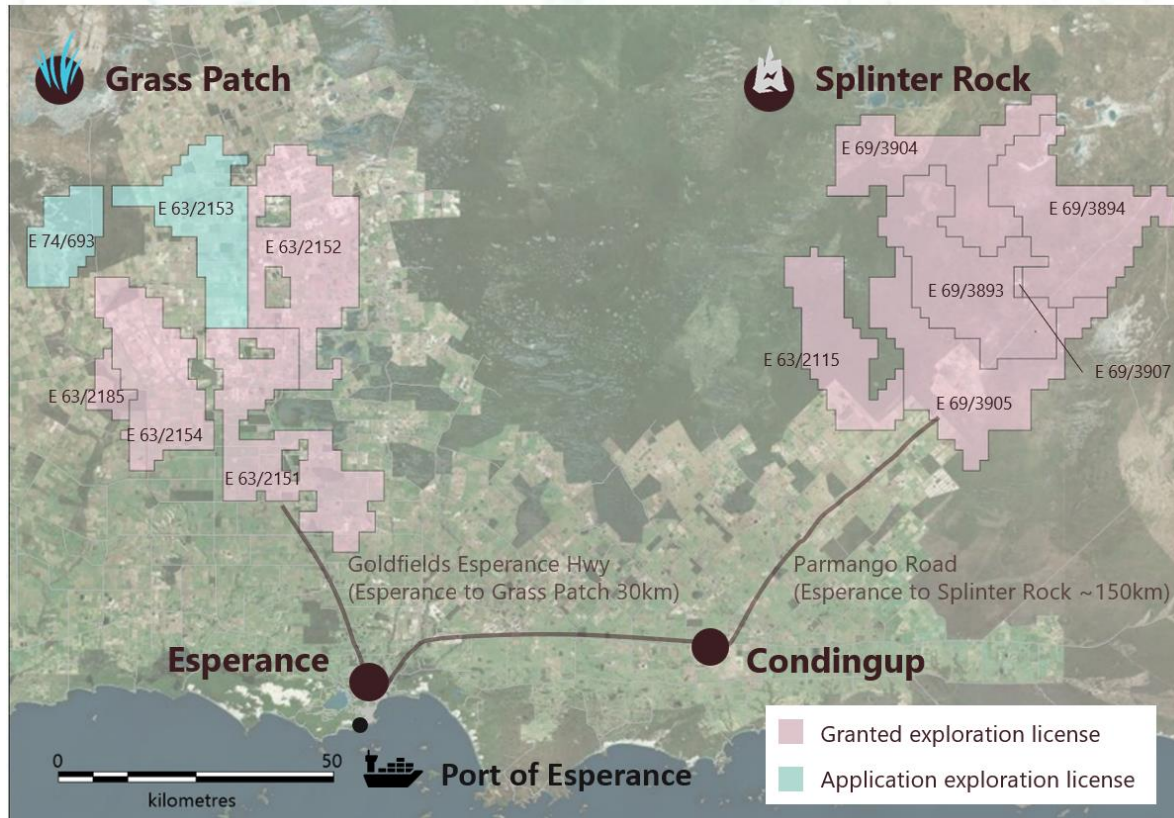
EVENTS AFTER THE REPORTING PERIOD

The company confirms there were no subsequent events for disclosure after the reporting period.

REVIEW OF OPERATIONS

Tenement Applications

During the financial year the consolidated group pegged 12 tenements over the Splinter Rock and Grass Patch projects, with 10 being granted during the period and 2 remaining in application as at 30 June 2022.



Initial Drilling Approvals in Place

Initial DMIRS 'Program of Works' (PoW) approvals have been received for both the Splinter Rock and Grass Patch planned drilling works. The Shire of Esperance has also approved the proposal for drilling within road reserves.

Initial Heritage Surveys Complete

OD6 has completed two heritage surveys with the Ngadju Traditional Owners and associated Ngadju Native Title Aboriginal Corporation representatives over the initial drilling areas at Splinter Rock. Drill areas have been cleared for work to proceed. OD6 presented to the Esperance-Tjaltjraak Circle of Elders in relation to the Grass Patch road reserve drilling and southern Splinter Rock road reserve drilling. Heritage surveys of these areas are anticipated to commence in the coming months.

WHS & ESG

A WHS Management system has been implemented by the company and an independent review of the system will occur during the new financial year.

**OD6 Metals Limited
& Controlled Entities
DIRECTORS' REPORT**

A Reconnaissance Flora and Basic Fauna Assessment Report was received, which assessed the results of the desktop and field survey with regards to the native vegetation clearing principles listed under Schedule 5 of the EP Act. The assessment found that the proposed vegetation clearing activities are unlikely to be at variance with any of the clearing principles

Awarded Drilling Contract

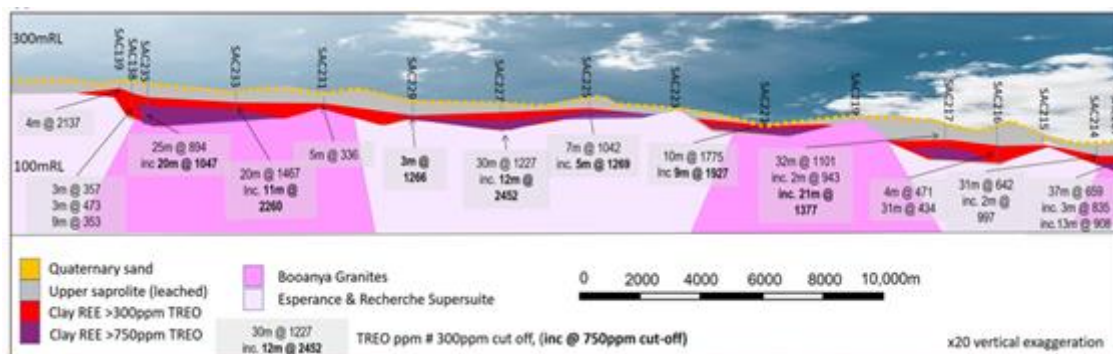
OD6 has awarded contracts for the aforementioned work at the Splinter Rock Project, with drilling scheduled to commence on site in the last week of August. The initial program is anticipated to take between 3 to 5 weeks, with samples to be batched and sent for assay at a Perth laboratory.

Completed 110km of track upgrades

In conjunction with its local earthworks contractor, OD6 has completed all required exploration track upgrades and drill pad activity ahead of the upcoming maiden drill campaign at the Splinter Rock Project. Works span two existing perpendicular tracks and several branch drill-lines. The NW track was previously utilised for the historical drilling program, which identified considerable clay-hosted REE mineralisation in the area. The second track, being a Shire of Esperance road, has not yet been tested with drilling, yet transects across potential clay zones related to the REE bearing granites (shown in pink, below). These are currently interpreted to be the potential source of REE in the district. The Shire of Esperance has provided approval for drilling to be undertaken within the road reserve.

Planned 192 hole drill program at Splinter Rock

The 192 hole air core drill program has been partially based on infill drilling between the historic holes in the area (shown on the map above and in cross section below). Drill spacing is planned for 200, 400 and 800m intervals and to a depth of between 5 and 50m. The prospective horizon is the basal saprolite zone where REEs accumulate in clays. A total of 6,500 to 7,000m of drilling is expected.



(see Prospectus announced 20 June 2022)

Aerial Survey to commence in Q4

A Tempest Airborne Electromagnetic over both the Splinter Rock and Grass Patch Projects has been approved by the Board. Contract details are being finalised with works expected to commence in October this year. This survey is a significant investment to identify thick clays across the tenements and provide prioritised target generation for drilling over the next 6 to 18 months.

Metallurgical Program Planning Commenced

Initial metallurgical programs have been discussed with a number of service providers and industry experts, with works to commence once sample material and assay results have been received from the current drill program at Splinter Rock. The important geo-metallurgical link to characterise the minerals that host the REEs, plus understanding the current and emerging processing techniques will be a key centre piece of the works.

**OD6 Metals Limited
& Controlled Entities
DIRECTORS' REPORT**

Research And Development

During the financial year, the Company has engaged discussions with several leading research providers including the Commonwealth Scientific and Research Organisation (CSIRO), and several universities. Research programs are being designed to generate new knowledge and develop (potentially proprietary) REE extraction technologies. As the REE mineralogy and characteristics of gangue minerals will be established as part of this process, these innovations and R&D work will be integrated into geometallurgical studies to enable integration into regional targeting programs for the discovery of concentrations of REEs with optimal extraction characteristics.

Localised Exploration Manager

The Company advises that Exploration Manager, Tim Jones, has relocated to Esperance and has commenced working in the local community with suppliers and contractors. OD6 sees this as an important engagement step in anticipation of upcoming exploration activities at the Splinter Rock and Grass Patch Projects.

Corporate Update

IPO and ASX listing

Trading in OD6 commenced on 22 June 2022 following a successful IPO, which raised the maximum targeted subscription amount of A\$8 million in new funds (before costs), with Canaccord Genuity (Australia) Limited acting as lead manager to the Offers.

In Line with ASX Listing Rule 4.10.19, the consolidated entity confirms it has used the cash and assets in a form readily convertible to cash that it had at the time of admission and to the end of the reporting period, consistently with its business objectives.

Disclaimer

The information in this report that references previously reported exploration results is extracted from the Company's Prospectus dated 10 May 2022 (Prospectus). The Company confirms that it is not aware of any new information or data that materially affects the information included in the Prospectus and that all material assumptions and technical parameters continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the Prospectus.

**OD6 Metals Limited
& Controlled Entities
DIRECTORS' REPORT**

INFORMATION ON DIRECTORS

Brett Hazelden

Managing Director (appointed 01 April 2022)

Interest in Shares and Options

1,000,000 ordinary shares
1,500,000 options expiring on 31/03/2026 exercisable at \$0.30
2,500,000 performance rights

Directorships held in other listed entities in the past 3 years

Kalium Lakes (ASX: KLL, ended 31 July 2020)

Darren Holden

Non-executive Chairman (appointed 27 October 2021)

Interest in Shares and Options

6,937,425 ordinary shares
3,468,712 options expiring on 31 October 2025 exercisable at \$0.30
500,000 options expiring on 31 March 2026 exercisable at \$0.30

Directorships held in other listed entities in the past 3 years

Aurumin Limited (ASX: AUN)
Odessa Minerals (ASX: ODE, ended 24 Apr 2022)

Piers Lewis

Non-executive Director (appointed 27 October 2021)

Interest in Shares and Options

3,037,487 ordinary shares
843,743 options expiring on 31 October 2025 exercisable at \$0.30
350,000 options expiring on 31 March 2026 exercisable at \$0.30

Directorships held in other listed entities in the past 3 years

Aurumin Limited
Noronex Limited
Ultima United Limited (ASX: UUL, ended June 2021)
Cycliq Group Limited (ASX: CYQ, ended Sept 2020)
Manalto Limited (ASX: MTL, ended Apr 2020)
Digital Wine Ventures Limited (ASX: DW8, ended Nov 2019)
E-Sense Lab Limited (ASX: ESE, Jul 2020)

Mitch Loan

Non-executive Director (appointed 12 April 2022)

Interest in Shares and Options

350,000 options expiring on 31 March 2026 exercisable at \$0.30
1,500,000 performance options expiring on 31 March 2026 exercisable at \$0.50

Directorships held in other listed entities in the past 3 years

None

Joint Company Secretaries

Troy Cavanagh
(Appointed on 27 October 2021)

Joel Ives
(Appointed on 06 February 2022)

**OD6 Metals Limited
& Controlled Entities
DIRECTORS' REPORT**

REMUNERATION REPORT (AUDITED)

This report details the nature and amount of remuneration for each director of OD6 Metals Limited and for the executives receiving the highest remuneration.

1. Employment Agreements

The Company has entered into an Employment Agreement with Mr Brett Hazelden, pursuant to which Mr Hazelden will serve as Managing Director of the Company (Employment Agreement). A summary of the key terms of the Employment Agreement are set out below.

- (Term): The Employment Agreement commenced on 1 April 2022 (Commencement Date) and continues until terminated by Mr Hazelden or the Company in accordance with its terms.
- (Remuneration): The remuneration payable to Mr Hazelden from the Commencement Date is \$320,000 per annum (plus statutory superannuation) (Base Salary).
- (Long Term Incentive): The issue of 1,500,000 Incentive Options, each with an exercise price of \$0.30 and an expiry date of 31 March 2026 and 2,500,000 MD Performance Rights to be issued in connection with the Company's admission to ASX, subject to any required Shareholder and regulatory approvals. Mr Hazelden will also be eligible to participate in incentive arrangements offered by the Company from time to time, including participation in the Plan, which are expected to include an ongoing annual issue of Options and / or performance rights on terms to be agreed with the Board from time to time, subject always to Shareholder approval.
- (Expenses): Mr Hazelden is entitled to be reimbursed for all reasonable travel expenses and the costs of any professional memberships required by Mr Hazelden for the performance of his services, provided documentary evidence of such expenses is provided to the Company and Mr Hazelden complies with any applicable expenses and authority level policy of the Company in force from time to time.
- (Responsibilities): Mr Hazelden's role includes, amongst other things, managing the day-to-day operations of the company, preparing and implementing a strategic plan for the Company, coordinating fundraising, establishing and maintaining management and administrative systems for the Company, overseeing exploration programs, and marketing and promoting the Company to shareholders and the broader equity market.
- (Non-Compete): During the term of the Employment Agreement (and for a period of up to 12 months following termination of the Employment Agreement), Mr Hazelden is restricted, without the prior consent of the Company, from being concerned, either as employee, director, partner, agent, consultant, owner, partner, joint venture partner in any business undertaking which competes with the Company, may cause Mr Hazelden to fail to properly discharge his obligations to the Company or create a conflict between the interests of Mr Hazelden and the Company.
- (Termination by Company): The Company may terminate the Employment Agreement:
 - without cause by providing at least 6 months written notice or salary in lieu of notice;
 - in certain circumstances, such as Mr Hazelden wilfully engaging in serious misconduct or committing a material breach of the Employment Agreement, with immediate effect and without any obligation to provide any notice or make any payment in lieu of notice; or
 - summarily without notice where, in the reasonable opinion of the Company, Mr Hazelden has acted in a manner which would seriously and detrimentally affect the Company or its reputation.
- (Termination by Mr Hazelden): Mr Hazelden may terminate the Employment Agreement without cause by providing at least 6 months' written notice. • (Consequences of Termination): Upon termination of the Employment Agreement, however occurring, Mr Hazelden will be required, at the request of the Company or its designated nominee, to resign without claim from any offices held by Mr Hazelden in the Company or any member of the Group.

**OD6 Metals Limited
& Controlled Entities
DIRECTORS' REPORT**

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- (Change of Control): In the event of a Change of Control occurring in relation to the Company, Mr Hazelden will receive a bonus payment comprising of a lump sum gross payment of 6 months' Base Salary. If, within 12 months of such Change of Control, Mr Hazelden resigns other than in circumstances which would constitute constructive dismissal under applicable employment laws or if Mr Hazelden's employment is otherwise terminated by the Company for cause, Mr Hazelden will not be entitled to any notice of termination or payment in lieu of notice. For the purposes of the above, "Change of Control" means the occurrence of any of the following events:
 - the acquisition by any person, alone or together with any other persons with whom it is acting jointly or in concert, of beneficial ownership of, or the power to exercise control or direction over, directly or indirectly, securities (or securities convertible into or exchangeable for such securities) representing fifty percent (50%) or more of the votes exercisable by holders of the then-outstanding securities generally entitled to vote for the election of directors (Voting Shares) of the Company;
 - any persons that previously were not acting jointly or in concert commencing to acting jointly or in concert, where such persons together beneficially own, or have the power to exercise control or direction over, directly or indirectly, securities (or securities convertible into or exchangeable for such securities) representing 50% or more of the Voting Shares;
 - any merger, amalgamation, consolidation or reorganisation of the Company into or with another person where, as a result of such reorganisation or business combination, securities representing 50% or more of the votes exercisable by holders of the Voting Shares, or such person into which the Voting Shares is converted immediately after such transaction, are held by a person alone or together with any other persons with whom that person is acting jointly or in concert, and such person, together with those with whom it is acting jointly or in concert, held securities representing less than 50% of the votes exercisable by the holders of Voting Shares immediately prior to such transaction;
 - any reorganisation of the capital of the Company where, as a result of such reorganisation, securities representing 50% or more of the votes exercisable by holders of the Voting Shares or such person into which the Voting Shares is converted immediately after such transaction, are held by a person alone or together with any other persons with whom that person is acting jointly or in concert, and such person, together with those with whom it is acting jointly or in concert, held securities representing less than 50% of the votes exercisable by the holders of the Voting Shares immediately prior to such transaction;
 - the Company sells, transfers or otherwise disposes of all or substantially all of its assets, except that no Change of Control will be deemed to occur if such sale or disposition is made to an affiliate or affiliates of the Company or to a subsidiary or subsidiaries of the Company; or
 - the individuals who constitute the Directors of the Company as at the date of a relevant agreement ceasing to form the majority of the Company's Directors.

For the purposes of the above definition, references to the Company shall include successors to the Company as a result of any merger, amalgamation, consolidation or reorganisation of the Company into or with another person.

The Employment Agreement is otherwise on terms that are considered customary for an agreement of this nature.

**OD6 Metals Limited
& Controlled Entities
DIRECTORS' REPORT**

2. Remuneration Policy

The Constitution provides that the remuneration of Non-Executive Directors will not be more than the aggregate fixed sum determined by a general meeting of Shareholders. As at the Prospectus Date, the maximum aggregate remuneration of the Non-Executive Directors is \$300,000 per annum. The remuneration of Directors is reviewed annually by the Company.

The Directors are also entitled to be reimbursed out of the funds of the Company such reasonable travelling, accommodation, and other expenses the Directors may incur when travelling to or from meetings or when otherwise engaged in the business of the Company.

The annual salaries (excluding statutory superannuation) payable to the Directors from the Company's admission to the Official List are set out below.

Director	Position	Amount
Directors		
Dr Darren Holden ^(1,2)	Non-Executive Chairman	\$48,000
Mr Brett Hazelden ⁽³⁾	Managing Director	\$320,000
Mr Piers Lewis ⁽¹⁾	Non-Executive Director	\$36,000
Dr Mitch Loan ⁽¹⁾	Non-Executive Director	\$36,000

- (1) The remuneration payable to the Non-Executive Directors and Non-Executive Chairman only starts to accrue and becomes payable from the Company's admission to the Official List.
- (2) The Company entered into a geological services agreement with GeoSpy Pty Ltd, an entity controlled by Dr Holden, pursuant to which GeoSpy Pty Ltd received a fee of \$10,000 (plus GST) per month in consideration of geological services to be provided by GeoSpy Pty Ltd until such time as the Company engaged a full-time exploration manager.
- (3) The Company has entered into an Employment Agreement with Mr Hazelden, pursuant to which the Company will pay a fee of \$320,000 per annum excluding statutory superannuation from 1 April 2022 for services provided by Mr Hazelden as Managing Director of the Company.

3. Details of remuneration for the year ended 30 June 2022

The remuneration for each key management personnel of the Company during the year was as follows:

Key Management Person	Short-term Benefits	Post-employment Benefits	Other Long-term Benefits	Share based Payment		Total	Value of Options Remuneration	Performance Related
	Cash, salary & commissions	Super-annuation	Other	Performance Rights	Options			
	\$	\$	\$	\$	\$	\$	%	%
Non- Executive Directors								
Dr Darren Holden	\$1,184	\$118	-	-	\$55,862	\$57,164	98%	-
Mr Piers Lewis	\$888	\$88	-	-	\$39,104	\$40,080	98%	-
Dr Mitch Loan	\$888	\$88	-	-	\$68,222	\$69,198	99%	42%
Executive Directors								
Mr Brett Hazelden	\$80,000	\$8,000	-	\$140,000	\$167,587	\$395,587	42%	35%
Total	\$82,960	\$8,294	-	\$140,000	\$330,775	\$562,029		

**OD6 Metals Limited
& Controlled Entities
DIRECTORS' REPORT**

Number of Options held by Key Management Personnel as at 30 June 2022

2022	Opening balance	Granted during the year	Exercised during the year	Net Change Other	Closing balance as at 30 June 2022	Total Vested and exercisable as at 30 June 2022
Directors						
Dr Darren Holden	-	3,968,712	-	-	3,968,712	3,968,712
Mr Brett Hazelden	-	1,500,000	-	-	1,500,000	1,500,000
Mr Piers Lewis	-	1,193,743	-	-	1,193,743	1,193,743
Dr Mitch Loan	-	1,850,000	-	-	1,850,000	350,000
Total	-	8,512,455	-	-	8,512,455	7,012,455

Number of Shares held by Key Management Personnel as at 30 June 2022

2022	Opening Balance	Acquired during the year	Received during the year on the exercise of options	Net Change Other	Closing balance as at 30 June 2022
Non-Executive Directors					
Dr Darren Holden	-	6,937,425	-	-	6,937,425
Mr Piers Lewis	-	3,037,487	-	-	3,037,487
Dr Mitch Loan	-	-	-	-	-
Executive Directors					
Mr Brett Hazelden	-	1,000,000	-	-	1,000,000
Total	-	10,974,912	-	-	10,974,912

4. Options and Rights over Equity Instruments Granted as Compensation

Details of options over ordinary shares in the Company that were granted as compensation to each key management person and details of options that were vested are as follows:

Director/Key Management Personnel	Number Options Granted	Grant Date	Fair Value per Option at Grant Date	Exercise Price per Option	Expiry Date	Number Options Vested During Period	Number Options Lapsed During Period
Dr Darren Holden	500,000	22/06/2022	\$0.112	\$0.30	31/03/2026	500,000	-
Mr Piers Lewis	350,000	22/06/2022	\$0.112	\$0.30	31/03/2026	350,000	-
Dr Mitch Loan	350,000	22/06/2022	\$0.112	\$0.30	31/03/2026	350,000	-
Dr Mitch Loan ⁽¹⁾	1,500,000	22/06/2022	\$0.0937	\$0.50	31/03/2026	-	-
Mr Brett Hazelden ^{(2) (3)}	1,500,000	22/06/2022	\$0.112	\$0.30	31/03/2026	1,500,000	-

- (1) Performance Milestone: Performance Options vest upon completion of a scoping study on a Project (prepared in accordance with the guidelines prescribed by the JORC Code and independently verified by an independent competent person under the JORC Code) that demonstrates an internal rate of return (IRR) of more than 20%
- (2) 1,000,000 Class A Performance Rights converting to Shares (1:1 basis) upon the Company announcing to ASX a JORC compliant inferred (or greater) Mineral Resource (as defined in the JORC Code) of not less than 250,000,000 tonnes (of which at least 100,000,000 tonnes must be an indicated Mineral Resource), grading a minimum of 800 ppm total rare earth oxides (TREO), expiring at 5pm (AWST) on the date that is 2 years from the date of the Company's admission to ASX.
- (3) 1,500,000 Class B Performance Rights converting to Shares (1:1 basis) upon the Company announcing to ASX the results of a scoping study showing the potential to generate an internal rate of return (IRR) of more than 20% using consensus prices and Board approved assumptions, expiring at 5pm (AWST) on the date that is 3 years from the date of the Company's admission to ASX.

**OD6 Metals Limited
& Controlled Entities
DIRECTORS' REPORT**

Note 1: Options issued were valued using a Black Scholes model with the following inputs:

Tranche	Grant Date	Expected Volatility	Risk-Free Interest Rate	Expiry	Underlying Share Price	Value per Right (\$)	Total Fair Value (\$)
MD Options	22/06/2022	0.90	2.61%	31/03/2026	\$0.20	0.112	\$167,646
NED options	22/06/2022	0.90	2.61%	31/03/2026	\$0.20	0.112	\$134,400
Performance options⁽¹⁾	22/06/2022	0.90	2.61%	31/03/2026	\$0.20	0.0937	\$140,591

- (1) Probability 20%, with performance milestone: Performance Options vest upon completion of a scoping study on a Project (prepared in accordance with the guidelines prescribed by the JORC Code and independently verified by an independent competent person under the JORC Code) that demonstrates an internal rate of return (IRR) of more than 20%.

Loans to key management personnel

There were no loans to key management personnel during the year.

Other transactions with key management personnel

The Company has entered into a geological services agreement with GeoSpy Pty Ltd, an entity controlled by Dr Holden, pursuant to which GeoSpy Pty Ltd received a fee of \$10,000 (plus GST) per month in consideration of geological services to be provided by GeoSpy Pty Ltd until the Company engaged a full-time exploration manager.

- END OF REMUNERATION REPORT -

**OD6 Metals Limited
& Controlled Entities
DIRECTORS' REPORT**

MEETINGS OF DIRECTORS

During the financial year, 3 meetings of directors were held. Attendances by each director during the year were as follows:

Directors' Meetings		
	Number eligible to attend	Number attended
Dr Darren Holden	3	3
Mr Piers Lewis	3	3
Dr Mitch Loan	1	1
Mr Brett Hazelden	1	1
Mr Colwin Lloyd	2	2

In addition to above mentioned meetings, there were 12 circular resolutions.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceedings during the year.

INDEMNIFYING AND INSURANCE OF OFFICERS

The Company has entered into deeds of indemnity with each director whereby, to the extent permitted by the Corporations Act 2001, the Company agreed to indemnify each director against all loss and liability incurred as an officer of the Company, including all liability in defending any relevant proceedings.

The Company has paid premiums to insure each of the directors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director of the Company, other than conduct involving a wilful breach of duty in relation to the Company. The disclosure of the amount of the premium is prohibited by the insurance policy.

OPTIONS

At the date of this report, the unissued ordinary shares of OD6 Metals Limited under option are as follows:

Date of Expiry	Exercise Price	Number under Option
31/10/2025	\$0.30	22,050,371
31/01/2025	\$0.30	300,000
31/01/2025	\$0.30	2,500,000
30/03/2026	\$0.30	2,825,000
31/03/2026	\$0.50	1,500,000
30/03/2026	\$0.30	1,025,000
Total		30,200,371

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

NON-AUDIT SERVICES

Hall Chadwick received \$9,000 (excl GST) in respect of the Investigating Accountant's Report

**OD6 Metals Limited
& Controlled Entities
DIRECTORS' REPORT**

AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration for the year ended 30 June 2022 has been received and can be found on page 14.

**OD6 Metals Limited
& Controlled Entities
DIRECTORS' REPORT**

CORPORATE GOVERNANCE STATEMENT

The Board of Directors of OD6 Metals Limited ("OD6 Metals Limited" or "the Company"), is responsible for the Corporate Governance of the Company. The Board is committed to achieving and demonstrating the highest standard of corporate governance applied in a manner that is appropriate to the Company's circumstances.

The Board has adopted corporate governance policies and practices consistent with the ASX Corporate Governance Council's *Principles of Good Corporate Governance and Best Practice Recommendations* ("ASX Principles and Recommendations 4th Edition") where considered appropriate for Group of OD6 Metals Limited size and nature.

Further details in respect to the Group's corporate governance practises and copies of Group's corporate governance policies and the 2022 Corporate Governance Statement, approved by the Board and applicable as at 26 August 2022 are available of the Group's website: www.od6metals.com.au

Signed in accordance with a resolution of the Board of Directors.



Mr Brett Hazelden, Managing Director

Dated 26 August 2022

Perth, Western Australia

To the Board of Directors,

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

As lead audit Director for the audit of the financial statements of OD6 Metals Limited for the financial year ended 30 June 2022, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

Yours Faithfully

Hall Chadwick

HALL CHADWICK WA AUDIT PTY LTD

Mark Delaurentis

MARK DELAURENTIS CA
Director

Dated Perth, Western Australia this 26th day of August 2022

**OD6 Metals Limited
& Controlled Entities**
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 \$	2021 \$
Other income	2	459	-
Accounting & Audit		(134,525)	(10,250)
Depreciation expense		(1,818)	-
Employees benefits expense		(68,164)	-
Exploration expense		(37,624)	(7,525)
Geological		(14,908)	-
Health & Safety		(5,365)	-
Legal Fees		(116,877)	(828)
Listing Fees		(99,937)	-
Recruitment		(120,850)	-
Share based payments expense	10	(626,993)	-
Other		(112,597)	(10,672)
Loss before income tax expense		(1,339,199)	(29,275)
Income tax (expense)/benefit	3	-	-
Loss for the year		(1,339,199)	(29,275)
Loss Per Share			
Basic and diluted loss per share	4	(3.37)	(292.75)

The accompanying notes form part of these financial statements.

**OD6 Metals Limited
& Controlled Entities**
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022

	Note	2022 \$	2021 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	8,357,053	-
Other current assets		165,260	2,782
TOTAL CURRENT ASSETS		8,522,313	2,782
NON-CURRENT ASSETS			
Exploration and evaluation expenditure	6	707,114	142,117
Plant and equipment		163,102	-
TOTAL NON-CURRENT ASSETS		870,216	142,117
TOTAL ASSETS		9,392,529	144,899
CURRENT LIABILITIES			
Trade and other payables	7	662,002	30,831
Borrowing		-	143,342
Provisions		8,193	-
TOTAL CURRENT LIABILITIES		670,195	174,173
TOTAL LIABILITIES		670,195	174,173
NET ASSETS		8,722,334	(29,274)
EQUITY			
Issued capital	8	9,224,855	1
Reserves	9	865,953	-
Accumulated losses		(1,368,474)	(29,275)
TOTAL EQUITY		8,722,334	(29,274)

The accompanying notes form part of these financial statements.

**OD6 Metals Limited
& Controlled Entities**
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2022

	Issued Capital \$	Options & Rights Reserves \$	Accumulated losses \$	Total \$
Balance at 12 April 2021	-	-	-	-
Loss for the year				
Other comprehensive income	-	-	(29,275)	(29,275)
Total comprehensive income	-	-	(29,275)	(29,275)
<i>Transactions with owner directly recorded in equity</i>				
Issue of share capital	1	-	-	1
Balance at 30 June 2021	1	-	(29,275)	(29,274)

	Issued Capital \$	Options & Rights Reserves \$	Accumulated losses \$	Total \$
Balance at 1 July 2021	1	-	(29,275)	(29,274)
Loss for the year				
Other comprehensive income	-	-	(1,339,199)	(1,339,199)
Total comprehensive income	-	-	(1,339,199)	(1,339,199)
<i>Transactions with owner directly recorded in equity</i>				
Issue of share capital	9,879,552	-	-	9,879,552
Share issue costs	(654,698)	238,960	-	(415,738)
Share based payments options	-	486,993	-	486,993
Share based payments performance rights	-	140,000	-	140,000
Balance at 30 June 2022	9,224,855	865,953	(1,368,474)	8,722,334

The accompanying notes form part of these financial statements.

**OD6 Metals Limited
& Controlled Entities**
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 \$	2021 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Interest received		459	-
Payments to suppliers and employees		(490,610)	-
Net cash (used in) operating activities	14	(490,151)	-
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capitalised exploration and evaluation		(493,988)	-
Purchase of plant and equipment		(164,920)	-
Net cash (used in) investing activities		(658,908)	-
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		9,879,554	-
Payment of transaction costs associated with capital raising		(68,738)	-
Loan repayment		(304,704)	-
Net cash provided by financing activities		9,506,112	-
Net (decrease)/increase in cash held		8,357,053	-
Cash at beginning of financial year		-	-
Cash at end of financial year	6	8,357,053	-

The accompanying notes form part of these financial statements.

**OD6 Metals Limited
& Controlled Entities**
NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements and notes represent those of OD6 Metals Limited and controlled entities (the "Company"). OD6 Metals Limited is a listed public Company, incorporated and domiciled in Australia. The financial statements were authorised for issue on 26 August 2022 by the directors of the Company.

Basis of Preparation

The financial report is a general-purpose financial report that has been prepared in accordance with Australian Accounting Standards, including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards as issued by the IASB. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected financial assets for which the fair value basis of accounting has been applied. The financial report is presented in Australian dollars, which is the Company's functional currency.

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

The Company has prepared a cash flow forecast, which indicates that the Company will have sufficient cash flows to meet all commitments and working capital requirements for the 12 months period from the date of signing this financial report. The Directors believe it is appropriate to prepare these accounts on a going concern basis

Comparatives

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Accounting Policies

The following is a summary of the material accounting policies adopted by the Company in the preparation of the financial report.

a) Principles of Consolidation

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by OD6 Metals Limited at the end of the reporting period. A controlled entity is any entity over which OD6 Metals Limited has the power to govern the financial and operating policies so as to obtain benefits from its activities. In assessing the power to govern, the existence and effect of holdings of actual and potential voting rights are considered.

Where controlled entities have entered (left) the Consolidated Entity during the year, their operating results have been included (excluded) from the date control was obtained (ceased). A list of controlled entities is contained in Note 16 to the financial statements.

**OD6 Metals Limited
& Controlled Entities**
NOTES TO THE FINANCIAL STATEMENTS

In preparing the consolidated financial statements, all inter-group balances and transactions between entities in the Consolidated Entity, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those adopted by the parent entity.

b) Impairment of Assets

At the end of each reporting date, the Company assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information including dividends received from subsidiaries, associates or jointly controlled entities deemed to be out of pre-acquisition profits. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

c) Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

d) Exploration and Evaluation Expenditure

Exploration and evaluation costs are carried forward where right of tenure of the area of interest is current. These costs are carried forward in respect of an area that has not at balance date reached a stage that permits reasonable assessment of the existence of economically recoverable reserves, refer to the accounting policy stated in note 6.

e) Share based payment transactions

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by an internal valuation using a Black-Scholes option pricing model, using the assumptions detailed in note 10. Incentive options issued in the prior period utilised the Black Scholes model.

For equity transactions with consultants and other employees, the fair value reflects the value attributable to services where applicable. Where there is no quantifiable value of services the value of options is calculated using an appropriate option pricing model.

f) New, revised or amending Accounting Standards and Interpretations adopted

The Company has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Company during the financial year.

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

g) Financial Instruments

Initial recognition and measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the entity becomes a party to the contractual provisions of the instrument.

**OD6 Metals Limited
& Controlled Entities**
NOTES TO THE FINANCIAL STATEMENTS

Financial instruments are initially measured at fair value plus transactions costs where the instrument is not classified as at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

Classification and subsequent measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the assets or liability, assuming the market participants acts in their economic best interests.

The consolidated entity does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of accounting standards specifically applicable to financial instruments.

(i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period. (All other loans and receivables are classified as non-current assets.)

(ii) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Gains or losses are recognised in profit and loss through the amortisation process and when the financial liability is derecognised.

Derivative instruments

The consolidated entity does not trade or hold derivatives.

Financial guarantees

The consolidated entity has no material financial guarantees.

h) Leases

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

A distinction is made between finance leases, which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of leased assets, and operating leases, under which the lessor effectively retains substantially all such risks and benefits.

Finance leases are capitalised. A lease asset and liability are established at the fair value of the leased asset, or if lower, the present value of minimum lease payments. Lease payments are allocated between the principal component of the lease liability and the finance costs, so as to achieve a constant rate of interest on the remaining balance of the liability.

Leased assets acquired under a finance lease are depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the consolidated entity will obtain ownership at the end of the lease term.

**OD6 Metals Limited
& Controlled Entities**
NOTES TO THE FINANCIAL STATEMENTS

If there is a lease present, a right-of-use asset and a corresponding lease liability are recognised by the consolidated entity where the consolidated entity is a lessee. However, all contracts that are classified as short-term leases (i.e., a lease with a remaining lease term of 12 months or less) and leases of low-value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Initially the lease liability is measured at the present value of the lease payments still to be paid at the commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the consolidated entity uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, any lease payments made at or before the commencement date and any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Operating lease payments, if they are short term leases or less than AUD\$5,000, are charged to profit or loss on a straight-line basis over the term of the lease.

NOTE 2: OTHER INCOME

	2022	2021
	\$	\$
Interest revenue	459	-
	459	-

NOTE 3: INCOME TAX EXPENSE

The income tax expense (benefit) for the year comprises current income tax expense (benefit) and deferred tax expense (benefit). Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority. Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well unused tax losses. Current and deferred income tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

**OD6 Metals Limited
& Controlled Entities**
NOTES TO THE FINANCIAL STATEMENTS

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

	2022	2021
	\$	\$
a. Income Tax Expense		
Loss before income tax	(1,339,199)	(29,275)
Current income tax:		
Income tax benefit calculated at 30%	(401,760)	(8,783)
Tax effects on amounts which are not tax deductible	157,220	
Deferred tax asset not brought to account	244,540	8,783
Income tax benefit	<u>-</u>	<u>-</u>
b. Deferred tax assets not brought to account		
Unused tax losses	1,177,543	29,275
Timing differences	(65,402)	-
Amounts recognised through equity	(297,008)	-
Tax at 30%	<u>244,540</u>	<u>8,783</u>

Potential deferred tax assets attributable to tax losses and exploration expenditure carried forward have not been brought to account at 30 June 2022 because the directors do not believe it is appropriate to regard realisation of the deferred tax assets as probable at this point in time. These benefits will only be obtained if:

- the Company derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the loss and exploration expenditure to be realised;
- no changes in tax legislation adversely affect the Company in realising the benefit from the deductions for the loss and exploration expenditure.

**OD6 Metals Limited
& Controlled Entities**
NOTES TO THE FINANCIAL STATEMENTS

NOTE 4: LOSSES PER SHARE

	2022	2021
	\$	\$
	Cents per share	Cents per share
Basic and diluted loss per share	(3.37)	(292.75)

The loss and weighted average number of ordinary shares used in this calculation of basic/diluted loss per share are as follows:

	\$	\$
Loss	(1,339,199)	(29,275)
	Number	Number
Weighted average number of ordinary shares for the purposes of basic/diluted loss per share	39,698,995	100

As the Company is in a loss position, the options outstanding at 30 June 2022 have no dilutive effect on the earnings per share calculation.

NOTE 5: CASH AND CASH EQUIVALENTS

	2022	2021
	\$	\$
Cash at bank	8,357,053	-

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of 3 months or less.

NOTE 6: EXPLORATION AND EVALUATION EXPENDITURE

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. Accumulated costs in relation to an abandoned area are written off in full against profit in the period in which the decision to abandon the area is made.

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

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

**OD6 Metals Limited
& Controlled Entities**
NOTES TO THE FINANCIAL STATEMENTS

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

Any changes in the estimates for the costs are accounted on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly the costs have been determined on the basis that the restoration will be completed within one period of abandoning the site.

	2022	2021
	\$	\$
Exploration expenditure capitalised		
- Exploration and evaluation phase	707,114	142,117
A reconciliation of the carrying amount of exploration and evaluation expenditure is set out below:		
- Carrying amount at the beginning of the year	142,117	-
- Costs capitalised during the year, net of refunds	564,997	142,117
- Costs impaired during the year ⁽¹⁾	-	-
Carrying amount at the end of the year	707,114	142,117

The value of the Company's interest in exploration expenditure is dependent upon:

- the continuance of the Company's rights to tenure of the areas of interest;
- the results of future exploration; and
- the recoupment of costs through successful development and exploitation of the areas of interest, or alternatively, by their sale.

The Company's exploration properties may be subjected to claim(s) under native title, or contain sacred sites, or sites of significance to Aboriginal people. As a result, exploration properties or areas within the tenements may be subject to exploration restrictions, mining restrictions and/or claims for compensation. At this time, it is not possible to quantify whether such claims exist, or the quantum of such claims.

NOTE 7: TRADE AND OTHER PAYABLES

	2022	2021
	\$	\$
Current		
Trade creditors ⁽¹⁾	427,697	23,831
Accrued expenses and other payables	234,305	7,000
Trade and other payables	662,002	30,831

(1) Trade creditors are expected to be paid on 30-day terms.

**OD6 Metals Limited
& Controlled Entities**
NOTES TO THE FINANCIAL STATEMENTS

NOTE 8: ISSUED CAPITAL

	Number	\$
Opening Balance – 1 July 2021	-	1
Founder Raise - 27 October 2021	44,100,745	44,552
Shares issued Seed Capital Raise	18,350,000	1,835,000
Issue of Placement shares - 22 June	40,000,000	8,000,000
Less: transaction costs		(654,598)
Closing Balance – 30 June 2022	102,450,745	9,224,855

Terms and conditions of issued capital

Ordinary shares participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held. At the shareholders' meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

Capital risk management

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it may continue to provide returns for shareholders and benefits for other stakeholders. Due to the nature of the Company's activities, being mineral exploration, it does not have ready access to credit facilities, with the primary source of funding being equity raisings. Accordingly, the objective of the Company's capital risk management is to balance the current working capital position against the requirements of the Company to meet exploration programmes and corporate overheads. This is achieved by maintaining appropriate liquidity to meet anticipated operating requirements, with a view to initiating appropriate capital raisings as required.

The net working capital position of the Company at 30 June 2022 is \$7,852,118.

**OD6 Metals Limited
& Controlled Entities**
NOTES TO THE FINANCIAL STATEMENTS

NOTE 9: RESERVES

	2022	2021
	\$	\$
Performance Rights reserve	140,000	-
	140,000	-

Options reserve

	Number of Options	Value \$
Opening Balance - 1 July 2021	-	-
Founder Options	22,050,371	-
Options issued for capital raising services and brokerage services 22 June 2022 ⁽¹⁾	2,500,000	238,960
Options issued for Director recruitment services 13 April 2022 ⁽²⁾	300,000	28,675
Share based payment expense for Managing Director options issued 01 April 2022	1,500,000	167,646
Share based payment expense for Non-Executive Directors and Company Secretary options issued 01 April 2022	1,450,000	162,000
Share based payment expense for Non-Executive Director Performance Options issued 01 April 2022 ⁽³⁾	1,500,000	28,118
Forfeited during the year	-	-
Share based payment for Exploration Manager	900,000	100,554
Closing Balance 30 June 2022	30,200,371	725,953

(1) 2,500,000 options were granted to Lead Manager in accordance with the mandate letter.

(2) 300,000 options were granted to recruitment agents in accordance with the mandate letter.

(3) Performance Milestone: Performance Options vest upon completion of a scoping study on a Project (prepared in accordance with the guidelines prescribed by the JORC Code and independently verified by an independent competent person under the JORC Code) that demonstrates an internal rate of return (IRR) of more than 20%

	Number	Weighted Average Exercise Price (\$)
A summary of the movements of all unlisted options granted is as follows:		
Options outstanding as at 1 July 2021	-	-
Granted during the year	30,200,371	0.29
Exercised during the year	-	-
Expired during the year	-	-
Options outstanding as at 30 June 2022	30,200,371	0.29

**OD6 Metals Limited
& Controlled Entities**
NOTES TO THE FINANCIAL STATEMENTS

Share Options on issue at 30 June 2022

At 30 June 2022, the Group has the following share options on issue:

- 22,050,371 unlisted options with \$0.30 exercise price expiring on or before 31 October 2025
- 300,000 unlisted options with \$0.30 exercise price expiring on or before 13 April 2025
- 2,500,000 unlisted options with \$0.30 exercise price expiring on or before 31 January 2025
- 2,825,000 unlisted options with \$0.30 exercise price expiring on or before 30 March 2026
- 1,500,000 unlisted options with \$0.50 exercise price expiring on or before 31 March 2026
- 1,025,000 unlisted options with \$0.30 exercise price expiring on or before 30 March 2026

Performance Rights reserve

	Number of Rights	Value \$
Opening Balance - 1 July 2021	-	-
Performance Rights Class A issued to MD 01 April 2022 ⁽¹⁾	1,000,000	80,000
Performance Rights Class B issued to MD 01 April 2022 ⁽²⁾	1,500,000	60,000
Forfeited during the year	-	-
Closing Balance 30 June 2022	2,500,000	140,000

- (1) 1,000,000 Class A Performance Rights converting to Shares (1:1 basis) upon the Company announcing to ASX a JORC compliant inferred (or greater) Mineral Resource (as defined in the JORC Code) of not less than 250,000,000 tonnes (of which at least 100,000,000 tonnes must be an indicated Mineral Resource), grading a minimum of 800 ppm total rare earth oxides (TREO), expiring at 5pm (AWST) on the date that is 2 years from the date of the Company's admission to ASX.
- (2) 1,500,000 Class B Performance Rights converting to Shares (1:1 basis) upon the Company announcing to ASX the results of a scoping study showing the potential to generate an internal rate of return (IRR) of more than 20% using consensus prices and Board approved assumptions, expiring at 5pm (AWST) on the date that is 3 years from the date of the Company's admission to ASX.

**OD6 Metals Limited
& Controlled Entities**
NOTES TO THE FINANCIAL STATEMENTS

NOTE 10: SHARE BASED PAYMENTS

Share based payments during the year ended 30 June 2022 are summarised below:

	2022	2021
	\$	\$
Options issued to Lead Manager (recognised in equity)	238,960	-
Options issued to Directors and Officers as incentive	430,199	-
Options issued to Recruiter	28,675	-
Performance Options ⁽¹⁾	28,119	-
Performance Rights	140,000	-
Total share based payment expense	865,953^{(2) (3)}	-

(1) Performance Milestone: Performance Options vest upon completion of a scoping study on a Project (prepared in accordance with the guidelines prescribed by the JORC Code and independently verified by an independent competent person under the JORC Code) that demonstrates an internal rate of return (IRR) of more than 20%.

(2) Amount recorded as Share Based Payment in P&L \$626,993

(3) Amount recorded as share issue cost \$238,960

Tranche	Grant Date	Expected Volatility	Risk-Free Interest Rate	Expiry	Underlying Share Price	Value per Right (\$)	Total Fair Value (\$)
MD Options	22/06/22	0.9	2.6	31/03/26	0.20	0.112	167,646
NED	22/06/22	0.9	2.6	31/03/26	0.20	0.112	134,400
Officers	22/06/22	0.9	2.6	31/03/26	0.20	0.112	27,931
Performance Options⁽¹⁾	22/06/22	0.9	2.6	31/03/26	0.20	0.937	140,541
Lead Manager options	22/06/22	0.9	2.6	31/03/26	0.20	0.96	238,960
Recruiter Options	22/06/22	0.9	2.6	31/03/26	0.20	0.96	28,675

(1) Probability 20%, with performance milestone: Performance Options vest upon completion of a scoping study on a Project (prepared in accordance with the guidelines prescribed by the JORC Code and independently verified by an independent competent person under the JORC Code) that demonstrates an internal rate of return (IRR) of more than 20%.

**OD6 Metals Limited
& Controlled Entities**
NOTES TO THE FINANCIAL STATEMENTS

Performance Rights which convert into Shares on a 1:1 basis subject to the satisfaction of the Milestone as set out below. The Performance Rights have the following Milestones and Expiry Dates:

Performance Rights

	Number of Rights	Probability	Value \$
Performance Rights Class A issued to MD 01 April 2022 ⁽¹⁾	1,000,000	40%	80,000
Performance Rights Class B issued to MD 01 April 2022 ⁽²⁾	1,500,000	20%	60,000
Closing Balance 30 June 2022	2,500,000		140,000

- (1) 1,000,000 Class A Performance Rights converting to Shares (1:1 basis) upon the Company announcing to ASX a JORC compliant inferred (or greater) Mineral Resource (as defined in the JORC Code) of not less than 250,000,000 tonnes (of which at least 100,000,000 tonnes must be an indicated Mineral Resource), grading a minimum of 800 ppm total rare earth oxides (TREO), expiring at 5pm (AWST) on the date that is 2 years from the date of the Company's admission to ASX.
- (2) 1,500,000 Class B Performance Rights converting to Shares (1:1 basis) upon the Company announcing to ASX the results of a scoping study showing the potential to generate an internal rate of return (IRR) of more than 20% using consensus prices and Board approved assumptions, expiring at 5pm (AWST) on the date that is 3 years from the date of the Company's admission to ASX.

Employee Options

During this year, the Company issued 900,000 unlisted incentive options to Timothy Jones (Exploration manager). The option issue was completed to incentivise exploration success aligning the exploration team with value creation for shareholders.

All of the 900,000 of the options have no vesting conditions attached to them and vest immediately.

The employee options were valued using a Black Scholes model. The inputs have been detailed below:

Input	Employee Options
Number of Options	900,000
Underlying share price	\$0.2
Exercise price	\$0.3
Expected volatility	0.9
Expiry date (years)	4
Expected dividends	0.00
Risk free rate	2.6%
Total fair value of the options	\$100,552

**OD6 Metals Limited
& Controlled Entities**
NOTES TO THE FINANCIAL STATEMENTS

NOTE 11: INTERESTS OF KEY MANAGEMENT PERSONNEL (KMP)

Remuneration of Key Management Personnel

Refer to the Remuneration Report contained in the Directors' Report for details of the remuneration paid or payable to each member of the Company's key management personnel for the year ended 30 June 2022.

	2022
	\$
The totals of remuneration paid to the KMP of the Company during the year are as follows:	
Short-term employee benefits	82,960
Post-employment benefits	8,294
Share based payments	470,775
	562,029

Other KMP Transactions:

There have been no transactions involving equity instruments other than those described in the tables above.

NOTE 12: RELATED PARTY TRANSACTIONS

a) Key management personnel

Disclosures relating to key management personnel are set out in Note 11.

b) Loans to Director and key management personnel

There were no loans to key management personnel during the year.

c) Other transactions with Director and key management personnel

The Company entered into a geological services agreement with GeoSpy Pty Ltd, an entity controlled by Dr Holden, pursuant to which GeoSpy Pty Ltd received a fee of \$10,000 (plus GST) per month in consideration of geological services to be provided by GeoSpy Pty Ltd until such time as the Company engaged a full-time exploration manager. The Company has recorded \$57,333 (excl. GST and rechargeable expenses) during the year

NOTE 13: AUDITORS' REMUNERATION

	2022	2021
	\$	\$
Remuneration of the auditor of the parent entity for:		
— auditing or reviewing the financial report	22,500	5,000
	22,500	5,000

**OD6 Metals Limited
& Controlled Entities**
NOTES TO THE FINANCIAL STATEMENTS

NOTE 14: CASHFLOW INFORMATION	2022	2021
	\$	\$
Reconciliation of Cash Flow from Operations with Loss after Income Tax		
Loss after income tax	(1,339,199)	-
Non-cash flows in loss:		
Depreciation expense for property, plant & equipment	1,818	-
Share based payments	626,993	-
Unrealised gain on financial assets	20	-
Payments for exploration expenditure classified as investing activities	53,897	-
Changes in assets and liabilities:		
(Increase)/decrease in trade and other receivables	(131,964)	-
Increase/(decrease) in provisions	8,193	-
Increase/(decrease) in trade payables and accruals	192,082	-
(Increase)/decrease in loans	98,009	-
Cash flow from operations	(490,151)	-

During FY 2021 the Company was financed through loan with Odette Geoscience Pty Ltd. The loan has been fully repaid during FY 2022.

NOTE 15: LEASE ASSETS AND LEASE LIABILITIES

During the year the Group has not entered into any lease agreements.

NOTE 16: CONTROLLED ENTITIES

		Percentage Owned (%)	
	Country of Incorporation	2022	2021
Subsidiaries of OD6 Metals Limited:			
Odette Six Pty Ltd	Australia	100%	-
Grass Patch metals Pty Ltd	Australia	100%	-

Each of Odette Six Pty Ltd and Grass Patch Pty Ltd (collectively, the Subsidiaries) were initially wholly owned subsidiaries of Odette Geoscience Pty Ltd (Odette Geoscience), and subsequently became wholly owned subsidiaries of the Company on 27 October 2021 following a corporate reorganisation (the Company and the Subsidiaries, collectively, the Group). Each subsidiary holds various mineral tenements which are prospective for rare earth elements. For accounting consolidation purposes, the consolidated results for 30 June 2021 reflects the continuation of OSPL and GPM as the consolidated entity, prior to the reorganisation.

**OD6 Metals Limited
& Controlled Entities**
NOTES TO THE FINANCIAL STATEMENTS

NOTE 17: EVENTS AFTER THE REPORTING PERIOD

The company confirms there were no subsequent events for disclosure after the reporting period.

NOTE 18: COMMITMENTS

Exploration expenditure commitments

In order to maintain current rights of tenure to exploration tenements, the Company is required to perform minimum exploration work to meet the minimum expenditure requirements specified by the relevant authorities. These obligations are subject to renegotiation when application for a mining lease is made and at other times. These obligations are not provided for in the financial report. The actual expenditures to date on tenements have exceeded the minimum expenditure requirements specified by the relevant authorities during the current tenement grant periods.

	2022	2021
	\$	\$
Not Longer than 12 months	1,482,000	368,537
Between 12 months and 5 years	5,237,359	-
Longer than 5 years	-	-
	6,237,359	368,537

If the Company decides to relinquish certain leases and/or does not meet these obligations, assets recognised in the Statement of Financial Position may require review to determine the appropriateness of carrying values. The sale, transfer or farm-out of exploration rights to third parties will reduce or extinguish these obligations. The ultimate recoupment of costs carried forward for exploration and evaluation is dependent on the successful development and commercial exploitation or sale of the respective mining areas.

The above exploration commitments does not include Grass Patch North West (E74/693) and Grass Patch North (E63/2153), leases which have not yet been granted as at 30 June 2022, nor the date of this report.

There are no other commitments at 30 June 2022.

NOTE 19: CONTINGENT LIABILITIES

There were no other contingent liabilities as at 30 June 2022, or since that date and the date of this report.

NOTE 20: OPERATING SEGMENTS

The Company has identified its operating segments based on the internal reports that are reviewed and used by the board of directors (chief operating decision makers) in assessing performance and determining the allocation of resources. The Company has one operating segment being mining exploration in Australia.

NOTE 21: FINANCIAL RISK MANAGEMENT

The Company's financial instruments consist mainly of deposits with banks and accounts payable.

The Board of Directors has overall responsibility for the oversight and management of the Company's exposure to a variety of financial risks (including market risk, credit risk and liquidity risk).

Credit risk

**OD6 Metals Limited
& Controlled Entities**
NOTES TO THE FINANCIAL STATEMENTS

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

The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions is spread amongst approved counterparties.

Credit risk related to balances with banks and other financial institutions is managed by the board.

The credit risk for counterparties included in cash and cash equivalents at 30 June 2022 is detailed below:

	2022 \$
Financial assets:	
Cash and cash equivalents	\$8,357,053

The Company does not have any material credit risk exposure to any single receivable or Company of receivables under financial instruments entered into by the Company.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company'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 Company's reputation.

The responsibility with liquidity risk management rests with the Board of Directors. The Company manages liquidity risk by monitoring forecast cash flows and ensuring that adequate working capital is maintained. The Company's policy is to ensure that it has sufficient cash reserves to carry out its planned exploration activities over the next 12 months.

Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments.

Interest rate risk

The Company is not exposed to interest rate risk as it has no interest bearing loans.

**OD6 Metals Limited
& Controlled Entities**
NOTES TO THE FINANCIAL STATEMENTS

NOTE 22: PARENT ENTITY DISCLOSURES

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

Statement of Profit or Loss and other comprehensive income

**Period to
30 Jun 2022**

	\$
Loss after income tax	1,368,472
Total comprehensive Loss	1,368,472

Statement of financial position

30 June 2022

	\$
TOTAL CURRENT ASSETS	8,931,773
TOTAL NON-CURRENT ASSETS	911,199
TOTAL ASSETS	9,302,972
TOTAL CURRENT LIABILITIES	580,638
TOTAL LIABILITIES	580,638
NET ASSETS	8,722,334
EQUITY	
Issued capital	9,879,551
Share issue costs	(654,698)
Reserves	865,953
Accumulated losses	(1,368,472)
TOTAL EQUITY	8,722,334

**OD6 Metals Limited
& Controlled Entities
NOTES TO THE FINANCIAL STATEMENTS**

The directors of the Company declare that:

1. the financial statements and notes are in accordance with the *Corporations Act 2001* and:
 - a) comply with Accounting Standards and the Corporations Regulations 2001; and
 - b) give a true and fair view of the Company's financial position as at 30 June 2022 and its performance for the year ended on that date; and
 - c) are in accordance with International Financial Reporting Standards, as stated in note 1 to the financial statements; and
2. the Chief Executive Officer and Chief Financial Officer have each declared that:
 - a) the financial records of the Company for the financial year have been properly maintained in accordance with section 286 of the *Corporations Act 2001*;
 - b) the financial statements and notes for the financial year comply with the Accounting Standards; and
 - c) the financial statements and notes for the financial year give a true and fair view;
3. in the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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



Mr Brett Hazelden, Managing Director

Dated 26 August 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OD6 METALS LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of OD6 Metals Limited ("the Company") and its subsidiaries ("the Consolidated Entity"), 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 statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion:

- a. the accompanying financial report of the Consolidated Entity is in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2022 and of its financial performance for the year then ended; and
 - (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.
- b. the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

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 Consolidated Entity in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (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 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.

Key Audit Matter	How our audit addressed the Key Audit Matter
<p>As disclosed in note 6 to the financial statements, during the year ended 30 June 2022 the Company capitalised exploration and evaluation expenditure was carried at \$707,114.</p> <p>Mineral exploration expenditure is a focus area due to:</p> <ul style="list-style-type: none"> • The significance of the balance to the Consolidated Entity's financial position; • The level of judgement required in evaluating management's application of the requirements of AASB 6 <i>Exploration for and Evaluation of Mineral Resources</i> ("AASB 6"). AASB 6 is an industry specific accounting standard requiring the application of significant judgements, estimates and industry knowledge. This includes specific requirements for expenditure to be capitalised as an asset and subsequent requirements which must be complied with for capitalised expenditure to continue to be carried as an asset; and • The assessment of impairment of mineral exploration expenditure being inherently difficult. 	<p>Our review procedures included but were not limited to:</p> <ul style="list-style-type: none"> • Assessing management's determination of its areas of interest for consistency with the definition in AASB 6 <i>Exploration and Evaluation of Mineral Resources</i> ("AASB 6"); • Assessing the Consolidated Entity's rights to tenure for a sample of tenements; • By reviewing the status of the Consolidated Entity's tenure and planned future activities, reading board minutes and discussions with management we assessed each area of interest for one or more of the following circumstances that may indicate impairment of the mineral exploration expenditure: <ul style="list-style-type: none"> • The licenses for the rights to explore expiring in the near future or are not expected to be renewed; • Substantive expenditure for further exploration in the area of interest is not budgeted or planned; • Decision or intent by the Consolidated Entity to discontinue activities in the specific area of interest due to lack of commercially viable quantities of resources; and • Data indicating that, although a development in the specific area is likely to proceed, the carrying amount of the exploration asset is unlikely to be recorded in full from successful development or sale. • We also assessed the appropriateness of the related disclosures in note 6 to the financial statements.
<p>Share based payments</p> <p>As disclosed in note 10 to the financial statements, during the year ended 30 June 2022 the Company</p>	<p>Our procedures amongst others included:</p> <ul style="list-style-type: none"> • Analysing agreements to identify the key terms and conditions of share based payments issued and relevant vesting

Key Audit Matter	How our audit addressed the Key Audit Matter
incurred share based payments totalling \$865,953 of which \$626,993 was recognised in the profit and loss and \$238,960 was recognised as capital raising costs within equity.	<p>conditions in accordance with AASB 2 Share Based Payments;</p> <ul style="list-style-type: none"> • Evaluating management's Black-Scholes Valuation Models and assessing the assumptions and inputs used; • Assessing the amount recognised during the year in accordance with the vesting conditions of the agreements; and • Assessing the adequacy of the disclosures included in Note 10 to the financial statements.

Other Information

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

Our opinion on the financial report does not cover the other information and accordingly 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 Note 1, the directors also state in accordance with Australian Accounting Standard *AASB 101 Presentation of Financial Statements*, that the financial report complies with International Financial Reporting Standards.

In preparing the financial report, the directors are responsible for assessing the Consolidated Entity's ability 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 Consolidated Entity 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.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Consolidated Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Consolidated Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Consolidated Entity to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Consolidated Entity audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2022. The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with s 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.

Auditor's Opinion

In our opinion, the Remuneration Report of OD6 Metals Limited, for the year ended 30 June 2022, complies with section 300A of the Corporations Act 2001.



HALL CHADWICK WA AUDIT PTY LTD



MARK DELAURENTIS cA
Director

Dated in Perth, Western Australia this 26th day of August 2022

**OD6 Metals Limited
& Controlled Entities**
ASX ADDITIONAL INFORMATION

The following additional information is required by the ASX Limited in respect of listed public companies and was applicable at 15 August 2022.

1. Shareholdings

The issued capital of the Company as at 15 August 2022 is 102,450,745 ordinary fully paid shares.

a.	Distribution of Shareholders	Number of holders	Units	Percentage
	Category (size of holding)			
	1 – 1,000	7	1,407	0.00%
	1,001 – 5,000	77	263,346	0.25%
	5,001 – 10,000	78	703,698	0.69%
	10,001 – 100,000	305	14,925,461	14.57%
	100,001 – and over	131	86,556,833	84.49%
		598	102,450,745	100.00%

b. The number of shareholdings held in less than marketable parcels is 9 with total value of \$1,230 and 6,407 shares held.

c. There are 5,675,000 shares subject to escrow until 03 January 2023 and 47,435,249 shares subject to escrow until 22 June 2024 as at 15 August 2022.

d. There are three substantial shareholders listed in the Company's register as 15 August 2022.

e. Performance Rights Holders

f. Voting Rights

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

Ordinary shares

- 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

- Options do not carry the right to vote.

**OD6 Metals Limited
& Controlled Entities
ASX ADDITIONAL INFORMATION**

g. Top 20 Largest Fully Paid Ordinary Shareholders as at 15 August 2022.

Name		Number of Ordinary Fully Paid Shares Held	% Held of Issued Ordinary Capital
1	GEOBASE AUSTRALIA PTY LTD <CW LLOYD FAMILY A/C>	6,937,425	6.77%
2	MILFORD RESOURCES PTY LTD	6,937,425	6.77%
3	LEIGH SINCLAIR <HOLDEN SINCLAIR FAMILY A/C>	6,902,738	6.74%
4	ODETTE GEOSCIENCE PTY LTD	4,285,077	4.18%
5	UBS NOMINEES PTY LTD	4,250,000	4.15%
6	HEELMO HOLDINGS PTY LTD <DEEP BLUE A/C>	2,487,500	2.43%
7	BUPRESTID PTY LTD <HANLON FAMILY S/F A/C>	2,400,000	2.34%
8	CRANLEY CONSULTING PTY LTD <CRANLEY CONSULTING A/C>	2,187,487	2.14%
9	ZANE LEWIS <RLZ A/C>	2,187,487	2.14%
10	INTERDALE PTY LTD <MAPLE SUPER A/C>	2,000,000	1.95%
11	TRIZZLER INVESTMENTS PTY LTD <TRIZZLER INVESTMENT A/C>	1,987,718	1.94%
12	TE TOPHAM & AJ TOPHAM <TE & AJ TOPHAM S/FUND A/C>	1,500,750	1.46%
13	BRADLEY TRISTAN JURGANAS VALIUKAS <B&K VALIUKAS FAMILY A/C>	1,492,508	1.46%
14	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	1,440,000	1.41%
15	PETER CAVANAGH <CAVANAGH INVESTMENT A/C>	1,119,375	1.09%
16	BUDDLE INVESTMENTS PTY LTD	1,000,000	0.98%
17	PJC PROPERTY INVESTMENTS PTY LTD <PJC PROPERTY INVSTMTS A/C>	1,000,000	0.98%
18	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	950,000	0.93%
19	PATTON OPERATIONS PTY LTD	937,500	0.92%
20	MUTUAL TRUST PTY LTD	783,563	0.76%
Total top 20		52,786,553	51.52%
Total all holders		102,450,745	100.00%

**OD6 Metals Limited
& Controlled Entities
ASX ADDITIONAL INFORMATION**

2. Unquoted Securities

The Company has the following unquoted securities on issue as at the date of this report:

Expiry Date	Exercise Price	Number of Options	Escrow
31 October 2025	\$0.30	22,050,371	24 months
13 April 2025	\$0.30	300,000	n/a
20 June 2025	\$0.30	2,500,000	24 months
31 March 2026	\$0.30	2,825,000	24 months
31 March 2026	\$0.50	1,500,000	24 months
31 March 2026	\$0.30	1,025,000	n/a
	Total	30,200,371	

The names of the unlisted options holders with more than 20% of security as at the date of this report are listed below:

Holder	Unlisted Options \$0.30	Unlisted Options \$0.30	Unlisted Options \$0.30	Unlisted Options \$0.30	Unlisted Options \$0.50	Unlisted Options \$0.30
AVR TEAM PTY LTD <AVR TEAM A/C>	-	195,000	-	-	-	-
MISS LAURA ELIZABETH GRIERSON <THE GRIERSON FAMILY A/C>	-	105,000	-	-	-	-
CG NOMINEES(AUSTRALIA)PTY LTD	-	-	2,500,000	-	-	-
HAZELDEN CORPORATE PTY LTD <HAZELDEN INVESTMENT A/C>	-	-	-	1,500,000	-	-
SEBATU CAPITAL PTY LTD <MNM A/C>	-	-	-	350,000	1,500,000	-
TERRI HELEN MCDONALD	-	-	-	-	-	900,000
Total number of holders	30	2	1	5	1	2
Total holdings over 20%	-	2	1	1	1	1
Other holders	30	-	-	4	-	1
Total	22,050,371	300,000	2,500,000	2,825,000	1,500,000	1,025,000

**OD6 Metals Limited
& Controlled Entities
ASX ADDITIONAL INFORMATION**

The names of the performance rights holders:

Holder	Unlisted Performance Rights	% of Unlisted Performance Rights
Brett Hazelden	2,500,000	100%
Total holdings over 10%	2,500,000	100%
Other holders	-	%
Total	2,500,000	100%

3. Quoted Options over Unissued Shares

There are no quoted options on issue.

4. ASX Disclosure

In Line with ASX Listing Rule 4.10.19, the consolidated entity confirms it has used the cash and assets in a form readily convertible to cash that it had at the time of admission and to the end of the reporting period, consistently with its business objectives.

**OD6 Metals Limited
& Controlled Entities**
SCHEDULE OF MINERAL TENEMENTS

Tenement holdings

In accordance with ASX listing rule 5.20 the Company provides the following summary of its tenements as at the date of this report:

Project	Tenement Number	Status	Location	Beneficial Percentage Interest
Splinter Rock	E69/3893	Granted	Grass Patch North West	100%
Splinter Rock	E69/3894	Granted	Grass Patch South East	100%
Splinter Rock	E69/3904	Granted	Grass Patch North East	100%
Splinter Rock	E69/3905	Granted	Grass Patch North	100%
Splinter Rock	E69/3907	Granted	Grass Patch South West	100%
Splinter Rock	E63/2115	Granted	Grass Patch West	100%
Grass Patch	E74/693	Application	Splinter Rock Main	100%
Grass Patch	E63/2151	Granted	Splinter Rock (Yeag. Rock)	100%
Grass Patch	E63/2152	Granted	Splinter Rock North	100%
Grass Patch	E63/2153	Application	Splinter Rock South	100%
Grass Patch	E63/2154	Granted	Splinter Rock East Ext	100%
Grass Patch	E63/2185	Granted	Splinter Rock West	100%