Appendix 4E
(Rule 4.3A)

Preliminary final report

Name of entity

Peppermint Innovation Limited	ABN: 56 125 931 964

1. **Details of the Reporting Period and the Previous Corresponding Period**

Financial period ended ("current period")	Financial period ended ("previous period")
30 June 2022	30 June 2021

2. **Results for Announcement to the Market**

			$'000	%		$'000
2.1	Revenue from ordinary activities	down	626	32%	to	1,313
2.2	Loss from ordinary activities after tax attributable to members	up	727	26%	to	3,561
2.3	Net loss for the period attributable to members	up	727	26%	to	3,561
2.4	Loss per share	unchanged			at	0.2 cents

2.5	**Brief explanation of results**
	Highlights for the year were: • Electronic Money Issuer ("EMI") licence granted by the Central Bank of the Philippines in one of the biggest regulatory milestones ever achieved by the Company; • EMI licence allows e-wallet services to be delivered via the bizmoto mobile App to any Filipino - not just bizmoto agents; • EMI licence significantly expands opportunity to reach micro-entrepreneurs and provide digital payments for their businesses, as well as helping facilitate strategic partnerships with global leaders in digital payments; • bizmoto user platform technically refined to allow third parties to empower InstaPay and PesoNet settlement functionality which are required to cater for planned EMI pilot program; • Financial education platform being developed to improve financial literacy and wellbeing of bizmoto agents and local Filipino community; • Went 'live' with the Bank of Philippines ("BPI") "cash-in" offering via the bizmoto platform; • Integration of "cash-in" offering with Cebuana Lhuillier and ECPay expected to go

	'live' soon; • bizmoto App adopted fully automated Know-Your-Customer and facial recognition software; • Online loan application process being refined to facilitate continued bizmoPay growth; • Continued delivering targeted digital and physical marketing campaigns for new products and new agents throughout the Philippines, resulting in a five per cent increase in the total number of registered bizmoto agents; and • Removed all convertible note debt from the Company balance sheet. For further details, please refer to the financial report.

3. NTA Backing

	Current period	Previous corresponding period
Net tangible asset backing per ordinary security	$0.0025	($0.0016)

4 Control gained or lost over entities having material effect

No material changes.

5. Dividends

There were no dividends declared or paid during the period and the do not recommend that any dividends be paid.

6. Dividend Reinvestment Plans

Not applicable.

7. Material interest in entities which are not controlled entities

Not applicable.

8. Foreign Entities

This report includes the following foreign subsidiaries:

- Peppermint Technology Inc., registered in the Philippines
- Peppermint Financing Inc., registered in the Philippines
- Peppermint bizmoto Inc., registered in the Philippines

9. Annual Report

This report is based on accounts which are in the process of being audited. The audited Annual Report is expected to be released by 30 September 2022.

This report should be read in conjunction with the attached Preliminary Final Report for the year ended 30 June 2022.

Signed by: Date: 31st August 2022

Name: Anthony Kain
Executive Director

PEPPERMINT
INNOVATION LIMITED

(ACN 125 931 964)

Preliminary Final Report
for the Year Ended 30 June 2022

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Company Directory

ABN 56 125 931 964

Directors

Mr Christopher Kain
Managing Director

Mr Anthony Kain
Executive Director

Neal Cross
Non-executive Director

Company Secretary

Mr Anthony Kain

Solicitors

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Perth WA 6000

Registered Office

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Share Registry

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Perth WA 6000

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Fax: +61 8 9323 2033

Web: www.computershare.com.au

Auditors

RSM Australia Partners
Level 32
2 The Esplanade
Perth WA 6000

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

	Note	Consolidated 2022 $	2021 $
Revenue	4	1,312,760	1,938,359
Cost of sales		(1,246,013)	(1,758,987)
Gross profit		66,747	179,372
Other income	4	1,863	37,602
Administration expenses	4	(3,189,765)	(2,006,650)
Finance costs	4	(154,341)	(982,947)
Share based payment expense	5(a)	(318,348)	(60,586)
(Loss) before income tax		(3,593,844)	(2,833,209)
Income tax expense	6	-	-
(Loss) for the year		(3,593,844)	(2,833,209)
Other comprehensive (loss)			
Items that may be reclassified to profit or loss:			
- Nil		-	-
		-	-
Total comprehensive (loss) for the year		(3,593,844)	(2,833,209)
(Loss) for the year attributable to members of the parent entity		(3,593,844)	(2,833,209)
Total comprehensive (loss) for the year attributable to members		(3,593,844)	(2,833,209)
Basic and diluted loss per share (cents per share)	3	(0.2)	(0.2)

The accompanying notes form part of these financial statements

PRELIMINARY STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2022

	Note	Consolidated 2022	2021
		$	$
CURRENT ASSETS			
Cash and cash equivalents	7	5,574,339	3,112,411
Restricted cash	7	-	336,829
Trade and other receivables	8	178,097	92,317
Other assets		39,079	55,113
Total Current Assets		5,791,515	3,596,670
NON-CURRENT ASSETS			
Other non-current assets		28,219	-
Total Non-Current Assets		28,219	-
TOTAL ASSETS		5,819,734	3,596,670
CURRENT LIABILITIES			
Trade and other payables	9	418,444	353,799
Provisions	10	309,292	188,563
Financial liabilities	11	-	390,701
Total Current Liabilities		727,736	933,063
TOTAL LIABILITIES		727,736	933,063
NET ASSETS		5,091,998	2,663,607
EQUITY			
Issued capital	12	25,410,671	19,913,784
Accumulated losses		(21,034,021)	(17,702,715)
Reserves		715,348	452,538
TOTAL EQUITY		5,091,998	2,663,607

The accompanying notes form part of these financial statements

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

	Note	Consolidated 2022 $	Consolidated 2021 $
Cash flows from Operating Activities			
Receipts from customers		1,234,049	2,021,165
Payments to suppliers and employees		(4,269,658)	(3,958,823)
Government grants		-	80,368
Interest received		1,863	102
Finance costs paid		(1,014)	(12,607)
Net cash (used in) operating activities	7(b)	(3,034,760)	(1,869,795)
Cash Flows from Investing Activities			
Application for finance licence		-	(336,829)
Release of restricted cash		336,829	-
Net cash provided / (used in) by investing activities		336,829	(336,829)
Cash Flows from Financing Activities			
Issue of shares		5,549,366	5,270,000
Share issue expenses		(352,307)	(212,391)
Proceeds from borrowings		-	-
Loan repayments		(37,200)	-
Net cash provided by financing activities		5,159,859	5,057,609
Net increase in cash held		2,461,928	2,850,985
Cash at the beginning of the financial year		3,112,411	261,426
Cash at the end of the financial year	7(a)	5,574,339	3,112,411

The accompanying notes form part of these financial statements

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

	Issued Capital	Convertible Note Reserve	Share Based Payment Reserve	Accumulated Losses	Total
	$	$	$	$	$
Balance at 1 July 2021	19,913,784	262,538	190,000	(17,702,715)	2,663,607
Loss for the year	-	-	-	(3,593,844)	(3,593,844)
Total comprehensive loss for the year	-	-	-	(3,593,844)	(3,593,844)
Transactions with owners in their capacity as owners					
Shares issued	5,000,000	-	-	-	5,000,000
Shares issued from the conversion of short-dated options	48,616	-	-	-	48,616
Shares issued upon options exercised	500,750	-	-	-	500,750
Share and convertible note issue expenses	(559,307)	-	207,000	-	(352,307)
Conversion of convertible notes	506,828	-	-	-	506,828
Convertible note reserve recycled to accumulated losses on shares being issued	-	(262,538)	-	262,538	-
Issue of performance rights	-	-	100,217	-	100,217
Issue of options	-	-	218,131	-	218,131
Balance at 30 June 2022	**25,410,671**	**-**	**715,348**	**(21,034,021)**	**5,091,998**

	Issued Capital	Convertible Note Reserve	Share Based Payment Reserve	Accumulated Losses	Total
	$	$	$	$	$
Balance at 1 July 2020	13,679,095	1,001,343	284,000	(15,952,896)	(988,458)
Loss for the year	-	-	-	(2,833,209)	(2,833,209)
Total comprehensive loss for the year	-	-	-	(2,833,209)	(2,833,209)
Transactions with owners in their capacity as owners					
Shares issued	3,405,000	-	-	-	3,405,000
Shares issued upon options exercised	1,865,000	-	-	-	1,865,000
Share and convertible note issue expenses	(402,391)	-	190,000	-	(212,391)
Conversion of convertible notes	1,367,080	-	-	-	1,367,080
Convertible note reserve recycled to accumulated losses on shares being issued	-	(738,805)	-	738,805	-
Share based payment reserve recycled to accumulated losses on expiry of options	-	-	(284,000)	284,000	-
Cancellation of options	-	-	-	60,585	60,585
Balance at 30 June 2021	**19,913,784**	**262,538**	**190,000**	**(17,702,715)**	**2,663,607**

The accompanying notes form part of these financial statements

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Peppermint Innovation Limited (the Company) is an Australian company incorporated on 24 July 2014. On 4 December 2015, the Company listed on the Australian Securities Exchange.

The principal activities of the Group (the Company and its controlled entities) were the development and commercialisation of its mobile banking, payment and remittance platform.

(a) Basis of Preparation

This preliminary final report has been prepared in accordance with ASX Listing Rule 4.3A and the disclosure requirements of ASX Appendix 4E. This report is to be read in conjunction with any public announcements made by Peppermint Innovation Limited during the reporting period in accordance with the continuous disclosure obligations arising under the Corporations Act 2001 and Australian Securities Exchange Listing Rules.

The Preliminary Financial Statements of Peppermint Innovation Limited and its controlled entities (the Group), comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Statement of compliance
The financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and Interpretations, and as appropriate for profit oriented entities.

Accounting Standards include Australian Accounting Standards (AASBs). Compliance with Australian Accounting Standards ensures that the financial statements and notes comply with International Financial Reporting Standards (IFRS) adopted by the International Accounting Standards Board (IASB).

The financial statements were authorised for issue by the directors on 31 August 2022.

Basis of measurement
The financial report has also been prepared under the historical cost convention.

Functional and presentation currency
The financial report is presented in Australian dollars, which is the Company's functional currency.

Principles of consolidation
The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Peppermint Innovation Limited ('Company' or 'parent entity') as at 30 June 2022 and the results of all subsidiaries for the year then ended. Peppermint Innovation Limited and its subsidiaries together are referred to in these financial statements as the Group.

Subsidiaries are all those entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the Group. Losses incurred by the Group are attributed to the non-controlling interest in full, even if that results in a deficit balance.

Where the Group loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The Group recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

(b) New or amended Accounting Standards and Interpretations adopted

New standards and interpretations adopted

The Group has has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

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

The following Accounting Standards and Interpretations are most relevant to the consolidated entity:

(c) Statement of Compliance

The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS).

(d) Critical accounting judgements and key sources of estimation uncertainty

The application of accounting policies requires the use of judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Share-based payment transactions:
The Group measures the cost of equity-settled share-based payments at fair value at the grant date using an option pricing model, taking into account the terms and conditions upon which the instruments were granted. The fair value is determined by a valuation using a Black Scholes or Trinomial Option Pricing Model.

Coronavirus (COVID-19) pandemic
Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the Group based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the Group operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the Group unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

(e) Revenue recognition

The Group recognises revenue as follows:

Revenue from contracts with customers
Revenue is recognised at an amount that reflects the consideration to which the Group is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Group: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.
Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are initially recognised as deferred revenue in the form of a separate refund liability.

Sale of goods
Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

Rendering of services
Revenue from a contract to provide services is recognised over time as the services are rendered based on either a fixed price or an hourly rate.

Interest
Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue
Other revenue is recognised when it is received or when the right to receive payment is established.

(f) Cash and cash equivalents

Cash comprises cash at bank and in hand. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

(g) Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The Group has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

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

(h) Investments and other financial assets

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

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

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

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

Derivatives
A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if: the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

A derivative embedded within a hybrid contract containing a financial asset host is not accounted for separately. The financial asset host together with the embedded derivative is required to be classified in its entirety as a financial asset at fair value through profit or loss.

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

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

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit or loss.

(i) Intangible assets

Research and development costs

Research costs are expensed as incurred. An intangible asset arising from development expenditure on an internal project is recognised only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the development and the ability to measure reliably the expenditure attributable to the intangible asset during its development. Following the initial recognition of the development expenditure, the cost model is applied requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses. Any expenditure so capitalised is amortised over the period of expected benefit from the related project on a straight line basis.

The carrying value of an intangible asset arising from development expenditure is tested for impairment annually when the asset is not yet available for use, or more frequently when an indication of impairment arises during the reporting period.

Licences

Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is charged against profit or loss in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful life on a straight line basis and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortisation period or method, as appropriate, which is a change in accounting estimate. The amortisation expense on intangible assets with finite lives is recognised in profit or loss in the expense category consistent with the function of the intangible asset.

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash-generating unit level. Such intangibles are not amortised. The useful life of an intangible asset with an indefinite life is reviewed each reporting period to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is accounted for as a change in an accounting estimate and is thus accounted for on a prospective basis.

Disposals
Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is de-recognised.

(j) Income tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by reporting date.

Deferred income tax is provided on all temporary differences at reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except:

- when the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or

- when the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or

- when the deductible temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

(k) Other taxes

Revenues, expenses and assets are recognised net of the amount of Goods and Services Tax (‘GST’) except:

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

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

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

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

(l) Impairment of assets

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

An assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years.

Such reversal is recognised in profit or loss unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

(m) Contract liabilities

Contract liabilities are recognised when a customer pays consideration, or when the Group recognises a receivable to reflect its unconditional right to consideration (whichever is earlier), before the Group has transferred the goods or services to the customer. The liability is the Group's obligation to transfer goods or services to a customer from which it has received consideration.

(n) Interest-bearing loans and borrowings

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are de-recognised.

Borrowings
Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost or fair value. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period to get ready for their intended use or sale. Borrowing costs cease to be capitalised upon the earlier of extinguishment of the liability or the commencement of commercial production from the qualifying asset.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

(o) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss and other comprehensive income net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability.

When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Employee Benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating long service leave are recognised in other payables in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

(p) Share-based payment transactions

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

The cost of these equity-settled transactions with employees and consultants are measured 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 an option pricing model.

In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of the Group (market conditions) if applicable.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (the vesting period).

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the Group's best estimate of the number of equity instruments that will ultimately vest. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. The statement of comprehensive income charge or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is only conditional upon a market condition. If the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee, as measured at the date of modification.

If an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

(q) Issued capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(r) Operating segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

(s) Foreign currency translation

The financial statements are presented in Australian dollars, which is Peppermint Innovation Limited's functional and presentation currency.

Foreign currency transactions
Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign operations
The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

(t) Government grants

Government grants relating to costs are deferred and recognised in profit or loss over the period necessary to match them with the costs that they are intended to compensate.

(u) Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

(v) Inventories

Raw materials, work in progress and finished goods are stated at the lower of cost and net realisable value on a 'first in first out' basis. Cost comprises of direct materials and delivery costs, direct labour, import duties and other taxes, an appropriate proportion of variable and fixed overhead expenditure based on normal operating capacity, and, where applicable, transfers from cash flow hedging reserves in equity. Costs of purchased inventory are determined after deducting rebates and discounts received or receivable.

Stock in transit is stated at the lower of cost and net realisable value. Cost comprises of purchase and delivery costs, net of rebates and discounts received or receivable.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(w) Property, plant and equipment

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

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Plant and equipment: 3-7 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Group. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

(x) Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

(y) **Trade and other payables**

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

(z) Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

(aa) **Finance costs**

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

(bb) Borrowings

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

(cc) Employee benefits

Defined contribution superannuation expense
Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

(dd) Fair value of assets and liabilities

The Group measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the Group would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques.

These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (ie the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (ie the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

Valuation techniques
In the absence of an active market for an identical asset or liability, the Group selects and uses one or more valuation techniques to measure the fair value of the asset or liability, The Group selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured.

(ee) Earnings per share

Basic earnings per share
Basic earnings per share is calculated by dividing the profit attributable to the owners of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

2. SEGMENT REPORTING

The Group operates predominantly in the mobile banking, payment and remittance industry. For management purposes, the Group is organised into business units based on its services and has three reportable segments, as follows:

- mobile banking and payment services, presently operating in the Philippines;
- international remittances, recently established from Australia; and
- corporate and head office.

No operating segments have been aggregated to form the above reportable operating segments.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the consolidated financial statements.

Also, the Group’s financing (including finance costs and finance income) and income taxes are managed on a Group basis and are not allocated to operating segments.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

Year Ended 30 June 2022	Mobile Banking and Payment Services	International Remittance	Head Office	Total Segments	Adjustments and Eliminations	Consolidated
Revenue						
External customers	1,312,760	-	-	1,312,760	-	1,312,760
Inter-segment	-	-	-	-	-	-
Total revenue	1,312,760	-	-	1,312,760	-	1,312,760
Income/(expenses)						
Depreciation and amortisation	-	-	-	-	-	-
Segment profit	(540,621)	(2,189)	(3,051,034)	(3,593,844)	-	(3,593,844)
Total assets	286,344	1	8,466,689	8,753,034	(2,933,300)	5,819,734
Total liabilities	2,367,255	605,026	724,648	3,696,928	(2,933,300)	727,736

Year Ended 30 June 2021	Mobile Banking and Payment Services	International Remittance	Head Office	Total Segments	Adjustments and Eliminations	Consolidated
Revenue						
External customers	1,938,359	-	-	1,938,359	-	1,938,359
Inter-segment	-	-	-	-	-	-
Total revenue	1,938,359	-	-	1,938,359	-	1,938,359
Income/(expenses)						
Depreciation and amortisation	-	-	2,581	2,581	-	2,581
Segment profit	(379,189)	(1,247)	(2,452,773)	(2,833,209)	-	(2,833,209)
Total assets	186,155	7,690	5,762,827	5,956,672	(2,360,002)	3,596,670
Total liabilities	1,939,312	610,526	743,227	3,293,065	(2,360,002)	933,063

Inter-segment revenues are eliminated upon consolidation and reflected in the 'adjustments and eliminations' column. All other adjustments and eliminations are part of detailed reconciliations presented further below.

Adjustments and eliminations

Finance income and costs, and fair value gains and losses on financial assets are not allocated to individual segments as the underlying instruments are managed on a group basis. Current taxes and certain financial assets and liabilities are not allocated to those segments as they are also managed on a group basis. Inter-segment revenues are eliminated on consolidation.

Sales to customers which represent over 10% of revenue, all within the Mobile Banking and Payment Services segment, were as follow:

	2022 $	2021 $
Customer 1	472,081	948,943
Customer 2	448,550	-
Customer 3	187,490	541,732

3. LOSS PER SHARE

	2022 $	2021 $
Basic and diluted loss per share (cents per share)	(0.2)	(0.2)

The loss and weighted average number of ordinary shares used in the calculation of basic earnings per share is as follows:

Loss for the year	(3,593,844)	(2,833,209)
Weighted average number of shares outstanding during the year used in the calculations of basic loss per share:	1,869,058,778	1,254,272,043

There is no dilution of shares due to options as the potential ordinary shares are not dilutive and are therefore not included in the calculation of diluted loss per share.

4. RESULT FOR THE YEAR

	2022 $	2021 $
Revenue from contracts with customers		
Transaction revenue	1,303,615	1,873,122
Project revenue	9,145	65,237
	1,312,760	1,938,359
Other income		
Government grants	-	37,500
Interest income	1,863	102
	1,863	37,602

Disaggregation of revenue
The disaggregation of revenue from contracts with customers is as follows:

30 June 2022	Mobile Banking and Payment Services	International Remittance	Total
Major product lines			
ELoad sales	1,267,981	-	1,267,981
Software development services	9,145	-	9,145
System usage fees and commissions	35,634	-	35,634
	1,312,760	-	1,938,359
Timing of revenue recognition			
Goods transferred at a point in time	1,267,981	-	1,267,981
Services transferred at a point in time	35,634	-	35,634
Services transferred over time	9,145	-	9,145
	1,312,760	-	1,938,359

30 June 2021	Mobile Banking and Payment Services	International Remittance	Total
Major product lines			
ELoad sales	1,854,144	-	1,854,144
Software development services	65,237	-	65,237
System usage fees and commissions	18,978	-	18,978
	1,312,760	-	1,938,359
Timing of revenue recognition			
Goods transferred at a point in time	1,854,144	-	1,854,144
Services transferred at a point in time	18,978	-	18,978
Services transferred over time	65,237	-	65,237
	1,312,760	-	1,938,359

	2022	2021
	$	$
Administration costs		
Audit fees	57,858	53,833
Bad debts	17,640	-
Consulting fees	345,122	150,636
Depreciation and amortisation	275	2,581
Directors' fees and consulting remuneration	939,452	450,475
Employee expenses	830,089	558,199
Insurance	47,466	33,132
Investor relations	311,821	124,052
Legal fees	84,386	154,417
Rent	64,748	56,920
Share registry fees	21,998	31,088
Stock exchange fees	78,485	35,930
Sundry expenses	390,425	352,312
Travel	-	3,076
	3,189,765	2,006,650

	2022	2021
	$	$
Finance costs		
Notional and accrued interest on convertible notes	153,327	970,340
Other	1,014	12,607
	154,341	982,947

Finance costs includes all interest-related expenses.

5. SHARE BASED PAYMENTS

(a) Options Issued

2022:

The following options were issued during the year:

Number	Grant Date	Exercise Price	Expiry Date	Comments
2,500,000	1 Nov 2021	$0.02	30 Jun 2024	Granted to a consultant as part of their remuneration
2,500,000	1 Nov 2021	$0.025	30 Jun 2024	
2,500,000	1 Nov 2021	$0.03	30 Jun 2024	
2,500,000	1 Nov 2021	$0.04	30 Jun 2024	
85,764,110	Dec 2021	$0.03	30 Jun 2023	Attaching options to placements
30,000,000	25 Nov 2021	$0.03	30 Jun 2023	Broker options
20,000,000	29 Mar 2022	$0.015	30 Mar 2025	Granted to a consultant as part of their remuneration
145,764,110				

A share based payment expense of $318,348 has been recognised.

2021:

15,000,000 options exercisable at $0.01 on or before 31 March 2021 were granted to the former holder of a convertible note, and 20,000,000 options exercisable at $0.015 on or before 18 February 2024 and 20,000,000 options exercisable at $0.025 on or before 18 February 2024 which were issued to the broker who arranged a placement of 250,000,000 shares at $0.01 per share. A share based payment expense of $60,586 has been recognised.

(b) Performance Rights Issued

The following performance rights were issued during the 2022 year:

Grant Date	Vesting Condition	Number (i)
28/2/2022	Tranche A: To be awarded when the Company achieves $4m annual revenue based on audited/reviewed financial reports on or before 30 June 2023	18,700,000
28/2/2022	Tranche B: To be awarded when the Company achieves Breakeven as validated against audited/reviewed financial reports on or before 30 June 2024	18,200,000
28/2/2022	Tranche C: To be awarded when the Company achieves $1m net income/profit as validated against audited/reviewed financial reports on or before 30 June 2025	18,200,000
		55,100,000

(i) The Company has, subject to shareholder approval, agreed to issue 1,500,000 performance rights to director, Mr Cross.

No performance rights were issued during the 2021 year.

6. INCOME TAX

(a) Income tax recognised in profit/loss

No income tax is payable by the Company as it recorded a loss for income tax purposes for the period.

(b) Numerical reconciliation between income tax expense and the loss before income tax

The prima facie income tax expense on pre-tax accounting loss from operations reconciles to the income tax expense in the financial statements as follows:

	2022	2021
	$	$
Accounting loss before tax	(3,593,844)	(2,833,209)
Income tax benefit at 25% (2021: 25%)	898,461	708,302
Unrecognised tax losses	(898,461)	(708,302)
Income tax expense	-	-

(c) Unrecognised deferred tax balances

	2022	2021
	$	$
Tax losses at 25% (2021: 25%)	(3,573,193)	(2,725,511)
Deferred tax asset not booked		
Accrued liabilities	(30,535)	(17,224)
Provision for annual and long service leave	(77,323)	(47,141)
Prepayments	751	751
Blackhole deductions	-	(25,554)
Net unrecognised deferred tax assets at 25% (2021: 25%)	(3,680,300)	(2,814,679)

A deferred tax asset attributable to income tax losses has not been recognised at balance date as the probability criteria disclosed in Note 1(j) is not satisfied and such benefit will only be available if the conditions of deductibility also disclosed in Note 1(j) are satisfied.

The Group has $14,292,774 (2021: $11,007,284) tax losses arising in Australia and that are available indefinitely for offset against future profit of the Group in which the losses arose.

7. CASH AND CASH EQUIVALENTS

	2022	2021
	$	$
Cash at bank	5,574,339	3,112,411
	5,574,339	3,112,411

Cash at bank earns interest at floating rates based on daily bank deposit rates.

	2022	2021
	$	$
Restricted cash	-	336,829
	-	336,829

Restricted cash comprises of a deposit paid for the application of a finance licence. Upon grant of the licence the cash became available for use in the business.

(a) Reconciliation to the Statement of Cash Flows

For the purposes of the statement of cash flows, cash and cash equivalents comprise cash on hand and at bank.

Cash and cash equivalents as shown in the statement of cash flows are reconciled to the related items in the balance sheet as follows:

	2022	2021
	$	$
Cash and cash equivalents	5,574,339	3,112,411

(b) Reconciliation of loss after income tax to net cash flows from operating activities:

	2022	2021
	$	$
Loss for the year	(3,593,844)	(2,833,209)
Adjustments:		
- Interest accrued on convertible notes	153,327	970,340
- Depreciation / assets written off	(28,219)	2,580
- Share based payment	318,348	60,586
Changes in operating assets and liabilities:		
- Decrease (Increase) in trade and other receivables	(85,780)	32,574
- Decrease (Increase) in inventory	16,034	(3,502)
- Increase (decrease) in trade and other payables	64,645	(134,990)
- Increase in provisions	120,729	35,826
Net cash used in operating activities	(3,034,760)	(1,869,795)

(c) Non-cash financing activities:

Shares with a value of $506,828 (2021: $1,367,080) were issued from the conversion of convertible notes reducing financial liabilities by the same amount.

8. TRADE AND OTHER RECEIVABLES – current

	2022	2021
	$	$
Current:		
Trade receivables	38,355	26,931
Loans receivable	50,545	-
Allowance for expected credit losses	(35,199)	-
Other	124,396	65,386
	178,097	92,317

Allowance for expected credit losses
The Group has recognised a loss of $35,199 (2021: Nil) in profit or loss in respect of the expected credit losses for the year ended 30 June 2022.

The ageing of the receivables and allowance for expected credit losses provided for above are as follows:

	Expected credit loss rate		Carrying amount		Allowance for expected credit losses	
	2022	2021	2022	2021	2022	2021
	%	%	$	$	$	$
Not overdue	-	-	4,951	-	-	-
0 to 3 months overdue	16%	-	10,395	-	1,936	-
3 to 6 months overdue	100%	-	-	-	4,263	-
Over 6 months overdue	100%	-	-	-	28,606	-
			4,951	-	-	-

Movements in the allowance for expected credit losses are as follows:

	2022	2021
	$	$
Opening balance	-	-
Additional provisions recognised	35,199	-
Closing balance	35,199	-

9. TRADE AND OTHER PAYABLES – current

	2022	2021
	$	$
Sundry payables and accrued expenses	418,444	353,799

10. PROVISIONS – current

	2022	2021
	$	$
Unused annual and long service leave	309,292	188,563

11. FINANCIAL LIABILITIES

	2022	2021
	$	$
Current		
Convertible notes and accrued interest	-	390,701
	-	390,701

(i) $1,673,358 convertible note facility maturing on 30 April 2022

	2022	2021
	$	$
Financial liability balance at beginning of the year	390,701	787,441
Less: Value of shares issued	(506,828)	(1,367,080)
Less: notes repaid	(37,200)	-
Add: Accrued finance costs	153,327	970,340
Financial liability balance at year-end	-	390,701

The convertible notes have a face value of $1,673,358 maturity of 30 April 2022, bear interest of 12% interest per annum from the date of receipt of funds unless redeemed or converted earlier, are unsecured, and are convertible into fully paid ordinary shares at $0.01 per share. The facility has been fully drawn.

The value of conversion rights on convertible notes of $262,538 was recognised in the convertible note reserve (see Note 13) during the year and is amortised as notional interest over the term of the convertible notes.

Original convertible note:

The convertible notes originally had a maturity date of 30 April 2020, or as the parties otherwise agree in writing, bear 12% interest per annum from the date of receipt of funds unless redeemed or converted earlier, and are convertible into fully paid ordinary shares at 2.5 cps ($0.025).

The convertible notes provided the holder with 20 unlisted options with an exercise price of $0.014 on or before 20 May 2021 for every dollar drawn under the convertible note facility.

The convertible notes were secured by the Company's 100% owned subsidiary Zambian Copper Pty Ltd, which held the Company's mineral exploration project in Zambia.

The $1,500,000 convertible note facility replaced an earlier facility of $250,000 maturing on 21 December 2019 (see Note 11(b)(ii)) by increasing the convertible note face value to $1,500,000 and extending the maturity date to 30 April 2020.

$852,500 was raised under the facility during the 2020 year.

In the 2020 year, 17,050,000 unlisted options with an exercise price of $0.014 on or before 20 May 2021 were issued as part of the consideration on convertible notes and a value of $28,624 was recognised in the convertible note reserve (see Note 13). This value along with the opening value is amortised as notional interest over the term of the convertible notes.

Extension of maturity date:

During the 2020 year the expiry date of the $1,500,000 convertible notes was extended from 30 April 2020 to 30 April 2021 in consideration for the issue of 35,000,000 options to acquire shares at $0.01 each on or before 30 May 2021. $259,500 was recognised in the convertible note reserve (see Note 13) in the 2020 year. This value along with the opening value is amortised as notional interest over the term of the convertible notes.

Restructuring of the convertible note:

During the 2020 year the conversion price of the convertible note was changed from $0.025 to $0.01, the maturity date was extended from 30 April 2021 to 30 April 2022, interest accrued to 30 April 2020 was capitalised increasing the face value of the convertible notes to $1,673,358 and change the noteholder of $1,500,000 previously issued convertible notes. The adjustment to the conversion price was approved by shareholders on 25 January 2021.

As a result of the restructuring, a fair value loss of $289,206 was incurred was incurred in the 2020 year.

(ii) Convertible notes maturing on 21 December 2019

Convertible notes maturing on 21 December 2019 bearing 12% interest per annum, from the date of receipt of funds, payable within 5 days of maturity unless redeemed or converted earlier, and convertible into fully paid ordinary shares at $0.025 per share were issued during the year. The Company was entitled to convert all (but not some) of the convertible notes at any time after the first anniversary of the issue of the convertible notes if the VWAP for each of the 30 trading days ending not less than 5 trading days before the date of issue of the Issuer Conversion Notice is at $0.0325.

The convertible notes were secured by the Company's 100% owned subsidiary Zambian Copper Pty Ltd, which holds the Company's mineral exploration project in Zambia, which was sold in 2020.

These convertible notes were replaced and extended by the convertible note facility referred to in Note 11(b)(i).

(iii) Convertible notes maturing on 26 November 2019

Convertible notes with a face value of $150,000 maturing on 26 November 2019, bearing 12% interest per annum, from the date of receipt of funds, with quarterly interest payable unless the parties agree otherwise and unless redeemed or converted earlier, and convertible into fully paid ordinary shares at the lower of 1 cent ($0.01) per share and an amount equal to a 20% discount on the VWAP per share for the 10 days immediately preceding the date of the Conversion Notice were on issue.

The conversion option is not fixed for fixed and it is treated as a financial liability. On inception the value of conversion rights on convertible notes of $94,041 was recognised as a derivative liability which is revalued at each reporting date through fair value adjustment in Statement of Profit and Loss and Other Comprehensive Income.

This convertible note and the accrued interest were converted into ordinary shares at maturity (see Note 12).

12. ISSUED CAPITAL

	2022	**2021**
	$	**$**
Paid up capital – ordinary shares	27,154,006	21,097,813
Capital raising costs	(1,743,335)	(1,184,029)
	25,410,671	19,913,784

(a) Ordinary shares

	Number of shares	$
30 June 2021 movements in issued capital:		
Balance at 1 July 2021	1,694,712,508	19,913,784
Issue of shares at $0.02 per share	250,000,000	5,000,000
Issue of shares at $0.02 per share from the exercise of short dated options	2,430,794	48,616
Exercise of options at $0.01 per share	20,000,000	200,000
Exercise of options at $0.015 per share	20,000,000	300,000
Exercise of options at $0.03 per share	25,000	750
Conversion of convertible note (see Note 11)	50,682,760	506,828
Costs relating to issue of shares	-	(352,307)
Cost of options issued to the broker who arranged the issue of shares	-	(207,000)
Balance at 30 June 2022	2,037,851,062	25,410,671

(b) Performance rights

The following performance rights were issued during the 2022 year:

Grant Date	Vesting Condition	Number	Assumed Probability of Achievement
28/2/2022	Tranche A: To be awarded when the Company achieves $4m annual revenue based on audited/reviewed financial reports on or before 30 June 2023	18,700,000	100%
28/2/2022	Tranche B: To be awarded when the Company achieves Breakeven as validated against audited/reviewed financial reports on or before 30 June 2024	18,200,000	100%
28/2/2022	Tranche C: To be awarded when the Company achieves $1m net income/profit as validated against audited/reviewed financial reports on or before 30 June 2025	18,200,000	100%
		55,100,000	

The Company has, subject to shareholder approval, agreed to issue 1,500,000 performance rights to director, Mr Cross.

(c) Options

2022:

The following is a summary of option movements during the period:

Listed/ Unlisted	Expiry Date	Exercise Price	Notes	Opening balance	Issued	Converted	Expired	Closing
Unlisted	31/12/2021	$0.010		20,000,000	-	(20,000,000)	-	-
Unlisted	18/02/2024	$0.015		20,000,000	-	(20,000,000)	-	-
Unlisted	18/02/2024	$0.025		20,000,000	-		-	20,000,000
Unlisted	30/06/2024	$0.020	(i)	-	2,500,000	-	-	2,500,000
Unlisted	30/06/2024	$0.025	(i)	-	2,500,000	-	-	2,500,000
Unlisted	30/06/2024	$0.030	(i)	-	2,500,000	-	-	2,500,000
Unlisted	30/06/2024	$0.040	(i)	-	2,500,000	-	-	2,500,000
Listed	30/06/2023	$0.030	(ii)	-	115,764,110	(25,000)	-	115,739,110
Unlisted	30/03/2025	$0.015	(i)	-	20,000,000	-	-	20,000,000
Total				60,000,000	145,764,110	(40,025,000)	-	165,739,110
Weighted average exercise price				$0.017	$0.028	$0.013		$0.028

(i) Issued to consultants as part of their remuneration.

(ii) Options attaching to placements and an entitlement issue, including 30,000,000 options issued to a broker as part of their compensation for raising capital for the Company.

Options are valued using a Trinomial Lattice Option Pricing Model or Black-Scholes Option Pricing Model . The following table lists the assumptions to the model used to value options issued.

Number	Grant Date	Exercise Price	Assumed Stock Price at Grant Date	Issue Price	Interest Rate	Volatility	Value Per Option
2,500,000	1 Nov 2021	$0.02	$0.018	nil	0.98%	80%	$0.0084
2,500,000	1 Nov 2021	$0.025	$0.018	nil	0.98%	80%	$0.0074
2,500,000	1 Nov 2021	$0.03	$0.018	nil	0.98%	80%	$0.0065
2,500,000	1 Nov 2021	$0.04	$0.018	nil	0.98%	80%	$0.0053
30,000,000	25 Nov 2021	$0.03	$0.02	nil	0.55%	100%	$0.0069
20,000,000	29 Mar 2022	$0.015	$0.014	nil	2.11%	100%	$0.0075
60,000,000							

2021:

The following options were issued during the period:

Number	Grant Date	Exercise Price	Expiry Date	Comments
15,000,000	1 Jul 2020	$0.01	31 Mar 2021	Granted to the former holder of a convertible note, and cancelled during the period.
40,500,000	19 Aug 2020	$0.01	31 Mar 2021	Approved by shareholders on 25 January 2021.
50,000,000	15 Dec 2020	$0.01	31 Dec 2021	The grant of 15,000,000 options was approved by shareholders on 25 January 2021 and 35,000,000 was without shareholder approval.
20,000,000	18 Feb 2021	$0.015	18 Feb 2024	Approved by shareholders on 25 January 2021. Issued as part of the fee of a broker who arranged funding of $2.5m, being 250m shares at $0.01 per share.
20,000,000	18 Feb 2021	$0.025	18 Feb 2024	
145,500,000				

Options are valued using a Black-Scholes Option Pricing Model. The following table lists the assumptions to the model used to value options issued.

Number	Grant Date	Exercise Price	Assumed Stock Price at Grant Date	Issue Price	Interest Rate	Volatility	Value Per Option
15,000,000	1 Jul 2020	$0.01	$0.011	nil	0.22%	100%	$0.0040
20,000,000	18 Feb 2021	$0.015	$0.011	nil	0.22%	100%	$0.0052
20,000,000	18 Feb 2021	$0.025	$0.011	nil	0.22%	100%	$0.0043

The following unlisted options expired during the period:

Number	Exercise Price	Expiry Date	Exercise Condition
10,000,000	$0.03	27 Aug 2020	After the 30 day volume weighted average price of fully paid ordinary shares exceeds 5 cents.
10,000,000	$0.03	27 Aug 2020	After the 30 day volume weighted average price of fully paid ordinary shares exceeds 10 cents.
10,000,000	$0.05	27 Aug 2020	After the 30 day volume weighted average price of fully paid ordinary shares share price exceeds 15 cents.
10,000,000	$0.05	27 Aug 2020	After the 30 day volume weighted average price of fully paid ordinary shares share price exceeding 20 cents.
40,000,000			

The following unlisted options to acquire fully paid ordinary shares were exercised during the year:

Number	Exercise Price	Expiry Date	Exercise Condition
94,500,000	$0.01	31 Mar 2021	None
30,000,000	$0.014	20 May 2021	None
35,000,000	$0.01	30 May 2021	None
15,000,000	$0.01	31 Dec 2021	None
174,500,000			

The following unlisted options to acquire fully paid ordinary shares were cancelled during the year:

Number	Exercise Price	Expiry Date	Exercise Condition
15,000,000	$0.01	31 Mar 2021	None
15,000,000			

The following unlisted options to acquire fully paid ordinary shares were on issue:

Number	Exercise Price	Expiry Date	Exercise Condition
20,000,000	$0.01	31 Dec 2021	None
20,000,000	$0.015	18 Feb 2024	None
20,000,000	$0.025	18 Feb 2024	None
60,000,000			

17,050,000 unlisted options with a $0.014 exercise price on or before 20 May 2021 were issued as part of the consideration of convertible notes with a face value of $852,500 (see Note 11(b)(i)).

35,000,000 unlisted options with a $0.01 exercise price on or before 30 May 2021 were issued as consideration for extending the maturity of a $1,500,000 convertible note from 30 April 2020 to 30 April 2021 (see Note 11(b)(i)).

39,000,000 unlisted options with a $0.01 exercise price on or before 31 March 2021 were issued as free attaching options to placements of shares (see Note 12).

13. CONVERTIBLE NOTE RESERVE

The convertible note reserve arises from bifurcating the derivatives embedded in the convertible notes (see Note 11 for further details). This includes the right of the holders to convert their notes into ordinary shares and any attaching options.

Upon the restructuring of the convertible note originally maturing on 20 April 2020, the value in the Convertible Note Reserve was transferred to Accumulated Losses. Accordingly, the value in the Convertible Note Reserve is the ascribed value of the right of the holders of the replacement convertible note to convert their notes to ordinary shares.

14. RELATED PARTIES

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

(a) The Group's related parties are as follows:

(i) Key management personnel (‘KMP’):

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of that Company are considered key management personnel.

For details of remuneration disclosures relating to key management personnel, refer to Note 15: Key Management Personnel Disclosures.

Other transactions with KMP and their related entities are shown below.

(ii) Other related parties include close family members of key management personnel and entities that are controlled.

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

(iii) Other transactions with related parties,

Unpaid directors’ fees, salaries and superannuation totalling Nil (2021: $38,500) were accrued.

Apart from the above items and reimbursements for expenses paid on behalf of the Company and the Group, director and fees paid directly or indirectly to director related entities, there were no transactions or balances with KMP during the year ended 30 June 2022 (2021: Nil).

(b) Subsidiaries

All controlled entities are included in the consolidated financial statements. The parent entity does not guarantee to pay the deficiency of its controlled entities in the event of a winding up of any controlled entity.

Name	**Country of Incorporation**	**Principal Activity**	**% Equity interest 2022**	**% Equity interest 2021**
Peppermint Technology Pty Ltd	Australia	Information technology	100%	100%
Peppermint Payments Pty Ltd	Australia	International remittance	100%	100%
Peppermint Technology, Inc	Philippines	Information technology	100%	100%
Peppermint Financing, Inc (i)	Philippines	Lending	100%	-
Peppermint bizmoto Inc (ii)	Philippines	Payments	100%	-

i. During the year Peppermint Financing, Inc was established to undertake a proposed lending business in The Philippines.
ii. During the year Peppermint bizmoto, Inc was established to hold the Group's electronic money issuer licence.

15. KEY MANAGEMENT PERSONNEL

	2022 $	2021 $
Remuneration paid:		
Short-term employee benefits	857,647	495,000
Post-employment benefits	81,805	47,025
Share based payments	57,023	-
Non-monetary benefits	47,487	33,132
	1,043,962	575,157

Please see the Remuneration Report for further details.

16. PARENT ENTITY INFORMATION

(a) Information relating to Peppermint Innovation Limited

	2022 $	2021 $
Current assets	5,241,964	3,066,899
Non-current assets	-	-
Total assets	5,241,964	3,066,899
Current liabilities	(459,993)	(780,260)
Non-current liabilities	-	-
Total liabilities	(459,993)	(780,260)
Net assets (liabilities)	4,781,971	2,286,639
Issued capital	24,465,366	19,159,504
Accumulated losses	(20,398,743)	(17,325,403)
Reserves	715,348	452,538
Total shareholders' equity	4,781,971	(2,286,639)
Loss for the parent entity	(3,073,340)	(2,057,517)
Total comprehensive income of the parent entity	(3,073,340)	(2,057,517)

(b) Guarantees

No guarantees have been entered into by the Company in relation to the debts of its subsidiaries.

(c) Commitments

The Company does not have any commitments as at reporting date.

17. COMMITMENTS

The Group has agreed to provide funding of up to PHP 5,000,000 ($146,231) to one of its services providers.

Other than the matter noted above, the Group did not have any contractual commitments to capital expenditure not recognised as liabilities at 30 June 2022.

18. CONTINGENT LIABILITIES

There are no contingent assets nor liabilities.

19. AUDITORS' REMUNERATION

	2022	2021
	$	$
Amounts received or due and receivable by the auditors for:		
- Auditing or reviewing the financial report (RSM Australia Partners)	49,832	46,500
- Auditing of one of the subsidiary companies (Reyes Tacandong & Co)	8,026	7,333
	57,858	53,833

20. FINANCIAL RISK MANAGEMENT

The Group's financial situation is not complex. Its activities may expose it to a variety of financial risks in the future: market risk (including currency risk and fair value interest rate risk), credit risk, liquidity risk and cash flow interest rate risk. At that stage the Group's overall risk management program will focus on the unpredictability of the financial markets and seek to minimise potential adverse effects on the financial performance of the Group.

Risk management is carried out under an approved framework covering a risk management policy and internal compliance and control by management. The Board identifies, evaluates and approves measures to address financial risks.

The Group holds the following financial instruments:

	2022	2021
	$	$
Financial Assets:		
Cash and cash equivalents	5,574,339	3,112,411
Restricted cash	-	336,829
Trade and other receivables	170,424	92,317
Other assets	39,079	55,113
	5,783,842	3,596,670
Financial Liabilities:		
Financial liabilities at amortised cost:		
- Trade and other payables	418,444	353,799
- Convertible notes and loans	-	390,701
	418,444	744,500

Financial risk management policies

The Board of Directors has overall responsibility for the establishment of the Group's financial risk management framework. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. Mitigation strategies for specific risks faced are described below.

Specific financial risk exposures and management

The main risk the Group is exposed to through its financial instruments are interest rate risk, credit risk, liquidity and foreign currency risk.

Interest rate risk

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

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group.

Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposure to wholesale and retail customers, including outstanding receivables and committed transactions.

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

Liquidity risk

Liquidity risk arises from the Group's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Group will encounter difficulty in meeting its financial obligations as and when they fall due.

The Group manages its liquidity needs by carefully monitoring scheduled debt servicing payments for liabilities as well as cash outflows for day-to-day operations.

The Group's liabilities have contractual maturities which are summarised below:

	Within 1 year		**1 to 5 years**		**Total**	
	2022	**2021**	**2022**	**2021**	**2022**	**2021**
	$	**$**	**$**	**$**	**$**	**$**
Trade and other payables	418,444	353,799	-	-	418,444	353,799
Convertible notes and loans	-	390,701	-	-	-	390,701
Total	418,444	744,500	-	-	418,444	744,500

Foreign currency risk

The Group earns revenues and incurs expenses in Philippines Pesos (PHP). As such, the Group is subject to foreign exchange risk arising from fluctuations between the PHP and AUD.

At 30 June 2022, the Group had the following exposure to PHP foreign currency expressed in A$ equivalents, which are not designated as cash flow hedges:

	2022	2021
	$	$
Financial Assets		
Cash and cash equivalents	87,156	93,511
Trade and other receivables	158,181	36,311
Other assets	39,079	55,113
	284,416	184,935

Financial Liabilities:		
Trade and other payables	255,369	149,543
	255,369	149,543

Capital Risk Management

The Group manages its capital to ensure that it will be able to continue as a going concern while maximising the return to shareholders. The capital structure of the Group consists of equity attributable to equity holders, comprising issued capital and retained earnings as disclosed in Note 12.

The Board reviews the capital structure on a regular basis and considers the cost of capital and the risks associated with each class of capital. The Group will balance its overall capital structure through new share issues as well as the issue of debt, if the need arises.

Sensitivity analysis

The sensitivity effect of possible interest rate and foreign exchange rate movements have not been disclosed as they are not material.

Fair value of financial instruments

The carrying amount of financial assets and financial liabilities recorded in the financial statements approximates their respective net fair values, determined in accordance with the Company's accounting policies. All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole, is described as follows:

- Level 1 Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Recognised fair value measurements
The following table presents the Group's liabilities measured at fair value at 30 June 2021:

At 30 June 2021	**Level 1**	**Level 2**	**Level 3**	**Total**
	$	**$**	**$**	**$**
Convertible notes	-	390,701	-	390,701
Total	**-**	**390,701**	**-**	**390,701**

Fair value of other financial instruments not measured at fair value
The carrying amounts of trade receivables and payables are assumed to approximate their fair values due to their short-term nature.

21. EVENTS AFTER THE BALANCE SHEET DATE

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Group, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group in future.