



GreenX Metals

2022 Annual Report

For the Year Ending 30 June 2022

GreenX Metals Limited
ABN 23 008 677 852

ASX/LSE/GpW: **GRX**

CORPORATE DIRECTORY

DIRECTORS:

Mr Ian Middlemas | *Chairman*
Mr Benjamin Stoikovich | *Director and CEO*
Mr Garry Hemming | *Non-Executive Director*
Mr Mark Pearce | *Non-Executive Director*
Mr Dylan Browne | *Company Secretary*

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SOLICITORS:

Thomson Geer

AUDITOR:

Ernst & Young – Perth

BANKERS:

National Australia Bank Ltd
Australia and New Zealand
Banking Group Ltd

SHARE REGISTRIES:

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The Pavilions, Bridgewater Road
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Komisja Nadzoru Finansowego (KNF)
Plac Powstańców Warszawy 1, skr. poczt. 419
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STOCK EXCHANGE LISTINGS:

Australia:

Australian Securities Exchange
– ASX Code: GRX

United Kingdom:

London Stock Exchange (Main Board)
– LSE Code: GRX

Poland:

Warsaw Stock Exchange – GPW Code: GRX

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GreenX Metals

MESSAGE FROM THE CEO

Dear shareholders,

Key events during, and since the end of the financial year for GreenX Metals Limited (**Company** or **GreenX**) have included the following:

- International arbitration claims (**Claim**) against the Republic of Poland under both the Energy Charter Treaty (**ECT**) and the Australia-Poland Bilateral Investment Treaty (**BIT**) (together the **Treaties**) continue at pace.
 - Statement of Reply under both the ECT and BIT against Poland has been filed with damages of £737 million (A\$1.3 billion/PLN 4.1 billion) being claimed in total across the two arbitrations related to both the Jan Karski and Debiensko mines, and accrued interest related to any damages
 - Next steps in the arbitration process are for Poland to lodge its final submission to the Tribunal (the Rejoinder) followed by a hearing to be conducted in front of the Tribunal.
- GreenX's legal team and counsel are now preparing for the combined hearing for both the BIT and ECT claims to be conducted in front of the Tribunal.
- The Company is well funded to pursue the Claim with the US\$12.3 million Litigation Funding Agreement (**LFA**) in place which is currently being drawn down to cover legal, tribunal and external expert costs as well as defined operating expenses associated with the Claim.
- GreenX notes the recent success of AIM listed, Rockhopper Exploration plc's (**Rockhopper**) ECT claim against the Republic of Italy in relation to oil and gas licenses including a unanimous decision against the Republic of Italy to award Rockhopper €190 million in damages plus interest.
- GreenX continued with its maiden field exploration program at the Arctic Rift Copper Project (**ARC** or **Project**) in Greenland following the announcement in October 2021 of the Earn-In Agreement (**EIA**) to acquire up to 80% in ARC.
- ARC is a significant, large-scale project (5,774km² license area) with historical exploration results and recent analysis indicative of an extensive mineral system with potential to host world-class copper deposits.
- In August 2022, laboratory XRF analysis of native copper samples from ARC show high purity consistently over 99% copper.
- Company name changed to GreenX Metals Limited to reflect its vision to power the global energy transformation through copper exploration.
- Cash balance at 30 June 2022 of A\$6.1 million to fund activities at ARC plus A\$8.3 million under the litigation funding facility available to continue pursuing GreenX's dispute against the Republic of Poland.

Yours sincerely,

Benjamin Stoikovich

DIRECTORS' REPORT

The Directors of GreenX Metals Limited present their report on the Consolidated Entity consisting of GreenX Metals Limited (**Company** or **GreenX**) and the entities it controlled at the end of, or during, the year ended 30 June 2022 (**Consolidated Entity** or **Group**).

OPERATING AND FINANCIAL REVIEW

Selected Financial Data (Converted into PLN and EUR)

	Year Ended 30 June 2022 PLN	Year Ended 30 June 2021 PLN	Year Ended 30 June 2022 EUR	Year Ended 30 June 2021 EUR
Arbitration finance facility income	15,305,995	11,535,313	3,309,225	2,548,049
Sale of land rights at Debiensko	2,278,722	1,814,741	492,670	400,860
Gas and property lease revenue	703,924	778,346	152,192	171,930
Exploration and evaluation expenses	(4,896,144)	(2,335,689)	(1,058,569)	(515,933)
Arbitration related expenses	(15,044,834)	(11,741,851)	(3,252,761)	(2,534,030)
Net loss for the period	(10,898,821)	(2,491,961)	(2,356,374)	(550,452)
Net cash flows from operating activities	(7,066,239)	(6,360,038)	(1,527,753)	(1,404,876)
Net cash flows from investing activities	(6,085,774)	(956,770)	(1,315,772)	(211,342)
Net cash flows from financing activities	14,819,670	13,371,742	3,271,466	2,970,834
Net increase/(decrease) in cash and cash equivalents	1,667,657	6,054,934	427,941	1,354,616
Basic and diluted loss per share (Grosz/EUR cents per share)	(4.45)	(1.08)	(0.96)	(0.24)

	30 June 2022 PLN	30 June 2021 PLN	30 June 2022 EUR	30 June 2021 EUR
Cash and cash equivalents	18,853,668	13,619,641	4,028,045	3,012,662
Total Assets	48,428,966	23,143,811	10,346,743	5,119,406
Total Liabilities	11,961,183	6,931,015	2,555,481	1,533,139
Net Assets	36,467,783	16,212,797	7,791,262	3,586,267
Contributed equity	216,970,230	216,970,230	51,912,177	51,912,177

In compliance with Polish reporting requirements, figures of the consolidated statement of profit or loss and other comprehensive income and consolidated statement of cash flows have been converted into PLN and EUR (from the Group's presentation currency) by applying the arithmetic average for the final day of each month for the reporting period, as published by the National Bank of Poland (**NBP**). These exchange rates were 2.9799 AUD:PLN and 4.6253 PLN:EUR for the twelve months ended 30 June 2022, and 2.8337 AUD:PLN and 4.5271 PLN:EUR for the twelve months ended 30 June 2021.

Assets and liabilities in the consolidated statement of financial position have been converted into PLN and EUR by applying the exchange rate on the final day of each respective reporting period as published by the NBP. These exchange rates were: 3.0873 AUD:PLN and 4.6806 PLN:EUR on 30 June 2022, and 2.8523 AUD:PLN and 4.5208 PLN:EUR on 30 June 2021.

Operations

Significant Litigation Proceedings - Dispute with Polish Government

Subsequent to the year end, the Company reported that as part of the ongoing Claim (**Claim**) against the Republic of Poland under the Treaties, GreenX had filed its Statement of Reply in both the BIT and ECT arbitration.

This is the final material filing that GreenX will make for the Claim, with the next steps being for Poland to lodge their final filing (the Rejoinder) followed by a hearing to be conducted in front of the Tribunal. Damages of £737 million (A\$1.3 billion/PLN 4.1 billion) being claimed in total across the two arbitrations which include the assessed value of GreenX's damages related to both the Jan Karski and Debiensko mines, and accrued interest related to any damages.

Details of the Claim

The Company's international Claim against the Republic of Poland is being prosecuted through an established and enforceable legal framework, with GreenX and Poland agreeing to apply the United Nations Commission on International Trade Law (**UNCITRAL**) rules to the proceedings.

The Claim Tribunals have been constituted, with both being registered with the Permanent Court of Arbitration in the Hague. The BIT and ECT claim proceedings proceed at pace, with the Company now having filed a claim for damages against Poland with the Tribunal in the amount of £737 million (A\$1.3 billion/PLN4.0 billion), which includes damages related to both the Jan Karski and Debiensko projects, and accrued interest related to any damages. The Claim for damages has been assessed by external quantum experts appointed by GreenX specifically for the purposes of the Claim.

In July 2020, the Company announced it had executed the LFA for US\$12.3 million with Litigation Capital Management (**LCM**). The facility is currently being drawn down to cover legal, tribunal and external expert costs as well as defined operating expenses associated with the Claim. The LFA is a limited recourse loan with LCM on a "no win - no fee" basis.

In September 2020, GreenX announced that it had formally commenced with the Claim by serving the Notices of Arbitration against the Republic of Poland. In June 2021, GreenX announced that it had formally lodged a Statement of Claim, including the first assessed claim for compensation. The Company's Statement of Reply, the last significant filing to be made by the Company, has now been filed in both arbitrations. The Statement of Reply addresses various points raised by the Republic of Poland in their Statement of Defence. The Statement of Reply also contains a re-evaluation of the claim for damages based on responses to Poland's Statement of Defence.

GreenX's dispute alleges that the Republic of Poland has breached its obligations under the applicable Treaties through its actions to block the development of the Company's Jan Karski and Debiensko mines in Poland which effectively deprives GreenX of the entire value of its investments in Poland.

In February 2019, GreenX formally notified the Polish Government that there exists an investment dispute between GreenX and the Polish Government. GreenX's notification called for prompt negotiations with the Government to amicably resolve the dispute and indicated GreenX's right to submit the dispute to international arbitration in the event of the dispute not being resolved amicably. As of the date of this report, no amicable resolution of the dispute has occurred, since the Polish Government has declined to participate in discussions related to the dispute and accordingly the Company has formally proceeded with its Claims as discussed above.

GreenX's investment dispute with the Republic of Poland is not unique, with international media widely reporting that the political environment and investment climate in Poland has deteriorated since the change in Government in 2015. As a result, there are a significant number of International Arbitration claims being brought against Poland.

Furthermore, GreenX notes the recent success of AIM listed Rockhopper ECT claim against the Republic of Italy in relation to oil and gas licenses:

On 24 August 2022 Rockhopper announced that an ECT arbitration panel had reached a unanimous decision against the Republic of Italy to award Rockhopper €190 million in damages plus interest at EURIBOR +4% compounded annually from 2016 until the time of payment.

All costs associated with the Rockhopper arbitration were funded on a non-recourse ("no win - no fee") basis from a specialist arbitration funder, similar to GreenX's litigation funding arrangements. After payments due to the arbitration funder, Rockhopper expects to retain approximately 80% of the award.

Arc Earn-In Agreement and Project Summary

During the financial year, GreenX entered into an EIA with Greenfields Exploration Limited (**GEX**) to acquire an interest of up to 80% in ARC in Greenland.

ARC is an exploration earn-in and joint venture arrangement between GreenX and GEX. GreenX can earn 80% interest of ARC by spending A\$10 million by October 2026. ARC is targeting large scale copper in multiple settings across a 5,774 km² Special Exploration Licence in eastern North Greenland (Figure 1). The area has been historically underexplored yet is prospective for copper, forming part of the newly identified Kiffaangngissuseq metallogenic province.

DIRECTORS' REPORT

(Continued)

Operations (Continued)

Arc Earn-In Agreement and Project Summary (Continued)

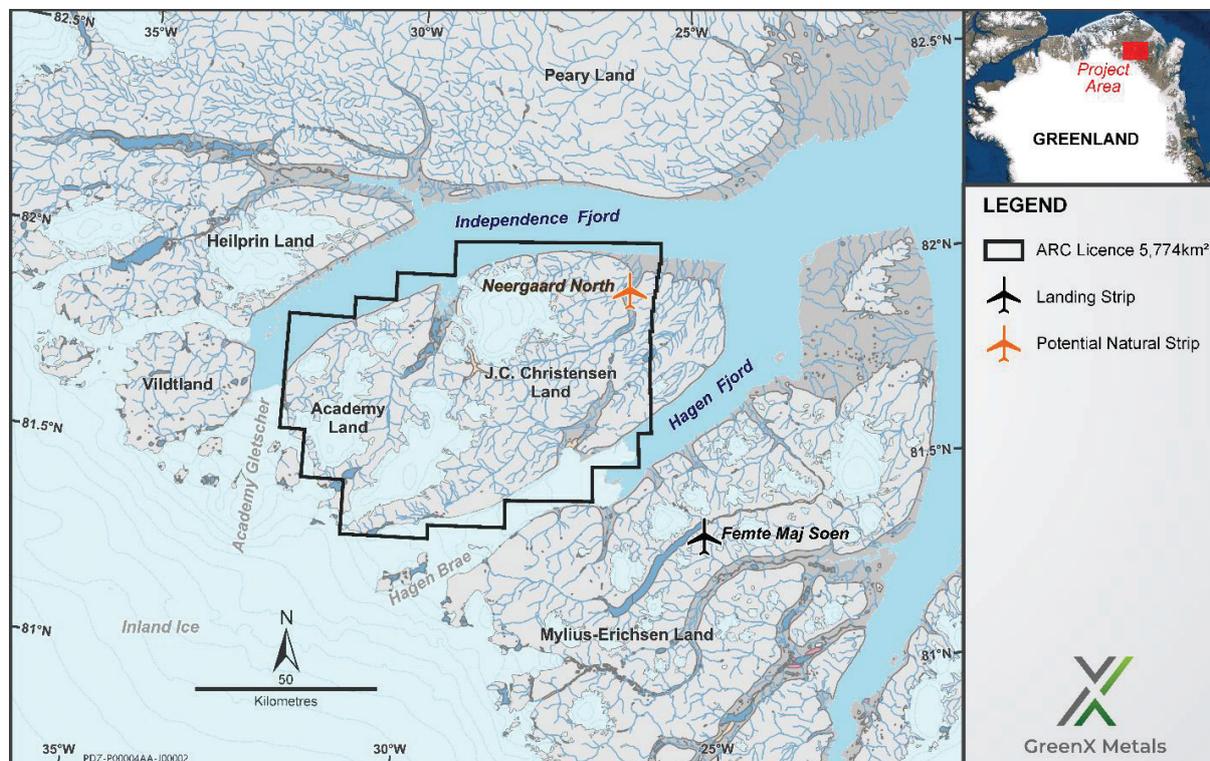


Figure 1: ARC licence location

This province is thought to be analogous to the Keweenaw Peninsula of Michigan, USA, which contained a pre-mining endowment of +7 Mt of copper contained in sulphides and 8.9 Mt of native copper. Like Keweenaw, ARC is known to contain at surface, high-grade copper sulphides, 'fissure' native copper, and native copper contained in what were formerly gas bubbles and layers between lava flows.

GreenX and GEX consider the observed geological setting and features of ARC to be indicative of an extensive mineral system capable of hosting world-class copper deposits.

The large scale of the mineral system, widespread copper anomalism, combined with dual mineralising events are analogous to the largest copper systems known worldwide. Accordingly, GreenX considers that ARC has the potential to be a globally significant metallogenic province.

Following adverse weather and ice conditions in Greenland, access to the Project has been limited with the first exploration field season at ARC impacted. However, the Company was able to deliver the key exploration equipment into Greenland which should result in better efficiencies in the next field season. The Company expects to release initial exploration results for ARC in the December quarter.

Corporate

Name Change

During the period, the Company name changed to GreenX Metals Limited to reflect its vision to power the global energy transformation through copper exploration.

Entitlements Issue & Shortfall Offer

During the financial year, the Company completed a one (1) for ten (10) pro rata non-renounceable Entitlements Issue at \$0.20 (£0.11/€0.13) per share following significant interest from new investors in the UK and Europe with the issue of 22,265,375 ordinary shares to raise \$4.5 million (before costs).

Board Changes

During the financial year, Ms Carmel Daniele, founder and Chief Executive Officer of CD Capital, stepped down as CD Capital's nominee to the GreenX Board as a non-executive Director and was replaced by Mr Garry Hemming, a highly experienced exploration geologist.

On 30 July 2021, Mr Thomas Todd resigned as a director of the Company.

Results of Operations

The net loss of the Consolidated Entity for the year ended 30 June 2022 was \$3,657,455 (2021: \$879,388). Significant items contributing to the current year loss and the substantial differences from the previous financial year include:

- (i) Arbitration related expenses of \$5,048,785 (2021: \$4,048,329) relating to the Claim against Republic of Poland. This has been offset by the arbitration funding income of \$5,136,427 (2021: \$4,070,724);
- (ii) Sale of land rights at Debiensko of \$636,989 (2021: \$640,409);
- (iii) Exploration and Evaluation expenses of \$1,643,061 (2021: \$824,247), which is attributable to the Group's accounting policy of expensing exploration and evaluation expenditure incurred by the Group subsequent to the acquisition of rights to explore and up to the commencement of a bankable feasibility study for each separate area of interest;
- (iv) Business development expenses of \$278,530 (2021: \$256,380) which includes expenses relating to the Group's review of new business and project opportunities plus also investor relations activities during the year including public relations, digital marketing, travel costs and attendances at conferences and other business development consultant costs;
- (v) Non-cash share-based payment expense of \$1,203,339 (2021: reversal of \$548,745) due to incentive securities issued to key management personnel and other key employees and consultants of the Group as part of the long-term incentive plan to reward key management personnel and other key employees and consultants for the long-term performance of the Group. During the period, the Company issued 10,750,000 unlisted options which vested on issue and relates to the expense in the year; and
- (vi) Revenue of \$261,543 (2021: \$297,875) consisting of interest income of \$25,318 (2021: \$23,203) and the receipt of \$236,225 (2021: \$274,672) of gas and property lease income derived at Kaczyce and Debiensko respectively.

Financial Position

At 30 June 2022, the Company had cash reserves of \$6,106,847 (2021: \$4,774,968) and the US\$12.3 million arbitration facility (US\$8.27 million available for drawdown at 30 June 2022) placing it in a good financial position to continue with exploration activities at ARC and with the Claim.

At 30 June 2022, the Company had net assets of \$11,812,416 (2021: \$5,684,113), an increase of 108% compared with the previous year. This is largely attributable to the increase in exploration and evaluation assets for ARC which amounted to A\$5,745,590 (30 June 2021:nil).

Business Strategies and Prospects for Future Financial Years

GreenX's strategy is to create long-term shareholder value through the discovery, exploration, development and acquisition of technically and economically viable mineral deposits. This also includes pursuing the Claim against the Republic of Poland through international arbitration.

To date, the Group has not commenced production of any minerals, nor has it identified any Ore reserves in accordance with the JORC Code. To achieve its objective, the Group currently has the following business strategies and prospects over the medium to long term:

- Undertake a widespread geochemical sampling campaign at ARC;
- Conduct geophysical assessments prioritising the Minik Anomaly at ARC;
- Conduct high-resolution satellite mapping, re-analyse historical samples and reprocess airborne magnetic data at ARC in order to create a three-dimensional model at ARC;
- Continue to enforce its rights through an established and enforceable legal framework in relation to international arbitration for the investment dispute between GreenX and the Polish Government that has arisen out of certain measures taken by Poland in breach of the Treaties;
- Continue to assess corporate options for GreenX's investments in Poland; and
- Identify and assess other suitable business opportunities in the resources sector.

DIRECTORS' REPORT

(Continued)

Business Strategies and Prospects for Future Financial Years (Continued)

All of these activities are inherently risky and the Board is unable to provide certainty of the expected results of these activities, or that any or all of these likely activities will be achieved. Furthermore, GreenX will continue to take all necessary actions to preserve the Company's rights and protect its investments in Poland, if and as required. The material business risks faced by the Group that could have an effect on the Group's future prospects, and how the Group manages these risks, include the following:

- *Earn-in and joint venture contractual risk* – The Company's earn-in right to the Project is subject to the EIA with GEX as announced on 6 October 2021. The Company's ability to achieve its objectives is dependent on it and other parties complying with their obligations under the Agreement. Any failure to comply with these obligations may result in the Company not obtaining its interests in the Project and being unable to achieve its commercial objectives, which may have a material adverse effect on the Company's operations and the performance and value of the Shares. There is also the risk of disputes arising with the Company's joint venture partner, GEX, the resolution of which could lead to delays in the Company's proposed development activities or financial loss.

If and when the Company earns in its interest in the Project, an incorporated joint venture will be established between the Company and GEX. The nature of the joint venture may change in future, including the ownership structure and voting rights in relation to the Project, which may have an effect on the ability of the Company to influence decisions on the Project.

- *Operations in overseas jurisdictions risk* - The Project is located in Greenland, and as such, the operations of the Company will be exposed to related risks and uncertainties associated with the country, regional and local jurisdictions. Opposition to the Project, or changes in local community support for the Project, along with any changes in mining or investment policies or in political attitude in Greenland and, in particular to the mining, processing or use of copper, may adversely affect the operations, delay or impact the approval process or conditions imposed, increase exploration and development costs, or reduce profitability of the Company. Moreover, logistical difficulties may arise due to the assets being located overseas such as the incurring of additional costs with respect to overseeing and managing the Project, including expenses associated with taking advice in relation to the application of local laws as well as the cost of establishing a local presence in Greenland. Fluctuations in the currency of Greenland may also affect the dealings and operations of the Company.

Failure to comply strictly with applicable laws, regulations and local practices relating to mineral rights applications and tenure, could result in loss, reduction or expropriation of entitlements, or the imposition of additional local or foreign parties as joint venture partners with carried or other interests. Further, the outcomes in courts in Greenland may be less predictable than in Australia, which could affect the enforceability of contracts entered into by the Company.

The Project is remotely located in an area that has an arctic climate and that is categorised as an arctic desert, and as such, the operations of the Company will be exposed to related risks and uncertainties of arctic exploration, including adverse weather or ice conditions which may prevent access to the Project, impact exploration and field activities or generate unexpected costs. Further, access to the Project may be limited because of travel restrictions due to COVID-19. It is not possible for the Company to predict or protect the Company against all such risks.

The Company also has operations in Poland which are subject to regulations concerning protection of the environment, including at the Debiensko project. As with all exploration projects and mining operations, activities will have an impact on the environment including the possible requirement to make good any disturbed or damaged land.

Existing and possible future environmental protection legislation, regulations and actions could cause additional expense, capital expenditures and restrictions, the extent of which cannot be predicted which could have a material adverse effect on the Company's business, financial condition and results of operations

- *The Group's exploration and development activities will require further capital* – The exploration and any development of the Company's exploration properties will require substantial additional financing. Failure to obtain sufficient financing may result in delaying or indefinite postponement of exploration and any development of the Company's properties or even a loss of property interest. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financing will be favourable to the Company.
- *Litigation risk* – All industries, including the mining industry, are subject to legal and arbitration claims. Specifically and as noted above, the Company is proceeding with its Claim against the Republic of Poland, will strongly defend its position and will continue to take all relevant actions to pursue its legal rights regarding both the Debiensko and Jan Karski projects. There is however no certainty that the Claim will be successful. If the Claim is unsuccessful, then this may have a material impact on the value of the Company's securities.

- *The Group's exploration properties may never be brought into production* – The exploration for, and development of, mineral deposits involves a high degree of risk. Few properties which are explored are ultimately developed into producing mines. To mitigate this risk, the Company will undertake systematic and staged exploration and testing programs on its mineral properties and, subject to the results of these exploration programs, the Company will then progressively undertake a number of technical and economic studies with respect to its projects prior to making a decision to mine. However, there can be no guarantee that the studies will confirm the technical and economic viability of the Company's mineral properties or that the properties will be successfully brought into production.
- *The Group may be adversely affected by fluctuations in copper prices* – The price of copper fluctuates widely and is affected by numerous factors beyond the control of the Group. Future production, if any, from the Group's mineral properties will be dependent upon copper prices being adequate to make these properties economic. The Group currently does not engage in any hedging or derivative transactions to manage commodity price risk. As the Group's operations change, this policy will be reviewed periodically going forward.
- *The Group may be adversely affected by competition within the copper industry* – The Group competes with other domestic and international copper companies, some of whom have larger financial and operating resources. Increased competition could lead to higher supply or lower overall pricing. There can be no assurance that the Company will not be materially impacted by increased competition. In addition, the Group is continuing to secure additional surface and mineral rights, however there can be no guarantee that the Group will secure additional surface and mineral rights, which could impact on the results of the Group's operations.
- *The Company may be adversely affected by fluctuations in foreign exchange* – Current and planned activities are predominantly denominated in Stirling, Danish krone and/or Euros and the Company's ability to fund these activities may be adversely affected if the Australian dollar continues to fall against these currencies. The Company currently does not engage in any hedging or derivative transactions to manage foreign exchange risk. As the Company's operations change, this policy will be reviewed periodically going forward.

DIRECTORS

The names and details of the Group's Directors in office at any time during the financial year or since the end of the financial year are:

Current Directors:

Mr Ian Middlemas	Chairman
Mr Benjamin Stoikovich	Director and CEO
Mr Garry Hemming	Non-Executive Director (appointed 6 October 2021)
Mr Mark Pearce	Non-Executive Director

Former Directors

Mr Thomas Todd	Non-Executive Director (resigned 30 July 2021)
Ms Carmel Daniele	Non-Executive Director (resigned 6 October 2021)

Unless otherwise stated, Directors held their office from 1 July 2021 until the date of this report.

CURRENT DIRECTORS AND OFFICERS

Mr Ian Middlemas *B.Com, CA*
Chairman

Mr Middlemas is a Chartered Accountant, a member of the member of the Australian Institute of Company Directors and holds a Bachelor of Commerce degree. He worked for a large international Chartered Accounting firm before joining the Normandy Mining Group where he was a senior group executive for approximately 10 years. He has had extensive corporate and management experience, and is currently a Director with a number of publicly listed companies in the resources sector.

Mr Middlemas was appointed a Director of the Company on 25 August 2011. During the three year period to the end of the financial year, Mr Middlemas has held directorships in Constellation Resources Limited (November 2017 – present), Apollo Minerals Limited (July 2016 – present), GCX Metals Limited (October 2013 – present), Berkeley Energia Limited (April 2012 – present), Salt Lake Potash Limited (Administrators Appointed) (Receivers and Managers Appointed) (January 2010 – present), Equatorial Resources Limited (November 2009 – present), Sovereign Metals Limited (July 2006 – present), Odyssey Gold Limited (September 2005 – present), Peregrine Gold Limited (September 2020 – February 2022), Piedmont Lithium Limited (September 2009 – December 2020) and Cradle Resources Limited (May 2016 – July 2019).

DIRECTORS' REPORT

(Continued)

CURRENT DIRECTORS AND OFFICERS (Continued)

Mr Benjamin Stoikovich *B.Eng, M.Eng, M.Sc, CEng, CEnv*
Director and CEO

Mr Stoikovich is a mining engineer and professional corporate finance executive. He has extensive experience in the resources sector gained initially as an underground Longwall Coal Mining Engineer with BHP Billiton where he was responsible for underground longwall mine operations and permitting, and more recently as a senior executive within the investment banking sector in London where he gained experience in mergers and acquisitions, debt and off take financing.

He has a Bachelor of Mining Engineering degree from the University of NSW; a Master of Environmental Engineering from the University of Wollongong; and a M.Sc in Mineral Economics from Curtin University. Mr Stoikovich also holds a 1st Class Coal Mine Managers Ticket from the Coal Mine Qualifications Board (NSW, Australia) and is a registered Chartered Engineer (CEng) and Chartered Environmentalist (CEnv) in the United Kingdom. Mr Stoikovich was appointed a Director of the Company on 17 June 2013. During the three year period to the end of the financial year, Mr Stoikovich held a directorship in Sovereign Metals Limited (October 2020 – present).

Mr Garry Hemming
Non-Executive Director

Mr Hemming has been involved in all aspects of discovering projects and taking them from detailed exploration and through feasibility study. Mr Hemming has lead teams that have discovered, acquired and/or developed ore-bodies including the Yilgarn Star Gold deposit in Western Australia, Hadleigh Castle/Rishton in Queensland and the Acoje Nickel PGE deposit in the Philippines.

Mr Hemming was appointed a Director of the Company on 6 October 2021. Mr Hemming has not been a Director of another listed company in the three years prior to the end of the financial year.

Mr Mark Pearce *B.Bus, CA, FCIS, FFin*
Non-Executive Director

Mr Pearce is a Chartered Accountant and is currently a Director of several listed companies that operate in the resources sector. He has had considerable experience in the formation and development of listed resource companies. Mr Pearce is also a Fellow of the Institute of Chartered Secretaries and Administrators and a Fellow of the Financial Services Institute of Australasia.

Mr Pearce was appointed a Director of the Company on 25 August 2011. During the three year period to the end of the financial year, Mr Pearce has held directorships in, Constellation Resources Limited (July 2016 – present), Equatorial Resources Limited (November 2009 – present), Sovereign Metals Limited (July 2006 – present), Peregrine Gold Limited (September 2020 – February 2022), Apollo Minerals Limited (July 2016 – February 2021), Odyssey Gold Limited (September 2005 – August 2020) and Salt Lake Potash Limited (August 2014 – October 2020).

Mr Dylan Browne *B.Com, CA, AGIA*
Company Secretary

Mr Browne is a Chartered Accountant and Associate Member of the Governance Institute of Australia (Chartered Secretary) who is currently Company Secretary for a number of ASX and European listed companies that operate in the resources sector. He commenced his career at a large international accounting firm and has since been involved with a number of exploration and development companies operating in the resources sector, based in London and Perth, including Sovereign Metals Limited, Apollo Minerals Limited, Berkeley Energia Limited and Papiillon Resources Limited. Mr Browne successfully listed GreenX on the Main Board of the London Stock Exchange and the Warsaw Stock Exchange in 2015 and also oversaw Berkeley's listings on the Main Board LSE and the Spanish Stock Exchanges. Mr Browne was appointed Company Secretary of the Company on 25 October 2012.

PRINCIPAL ACTIVITIES

The principal activities of the Group during the financial year consisted of the exploration and evaluation of ARC and the defence of its rights at Debiensko and Jan Karski projects through the Claim.

EARNINGS PER SHARE

	2022 Cents	2021 Cents
Basic and diluted loss per share	(1.49)	(0.38)

ENVIRONMENTAL REGULATION AND PERFORMANCE

The Group's operations are subject to various environmental laws and regulations under the relevant government's legislation. Full compliance with these laws and regulations is regarded as a minimum standard for all operations to achieve.

Instances of environmental non-compliance by an operation are identified either by external compliance audits or inspections by relevant government authorities.

There have been no significant known breaches by the Group during the financial year.

DIVIDENDS

No dividends were paid or declared since the start of the financial year. No recommendation for payment of dividends has been made (2021: nil).

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There were no significant changes in the state of affairs of the Group during the year other than the following:

- (i) On 6 October 2021, EIA announced to acquire up to 80% interest in ARC; and
- (ii) On 15 December 2021, the Company changed its name to GreenX Metals Limited to reflect its vision to power the global energy transformation through copper exploration.

SIGNIFICANT EVENTS AFTER BALANCE DATE

- (i) On 6 July 2022, the Company announced it had filed its Statement of Reply in its Claim against Poland with a claim for compensation in the amount of £737 million (A\$1.3 billion/PLN 4.1 billion) in total across both arbitrations as prepared by external quantum experts; and
- (ii) On 11 August 2022, laboratory XRF analysis of native copper samples from ARC show high purity consistently over 99% copper.

Other than as outlined above, at the date of this report, there are no matters or circumstances, which have arisen since 30 June 2022 that have significantly affected or may significantly affect:

- the operations, in financial years subsequent to 30 June 2022, of the Consolidated Entity;
- the results of those operations, in financial years subsequent to 30 June 2022, of the Consolidated Entity; or
- the state of affairs, in financial years subsequent to 30 June 2022, of the Consolidated Entity.

RELATED PARTY DISCLOSURE

Balances and transactions between the Company and its subsidiaries, which are related parties to the Company, have been eliminated on consolidation. There have been no other transactions with related parties during the period, other than remuneration for Key Management Personnel (**KMP**).

SUBSTANTIAL SHAREHOLDERS (shareholder with voting power of at least 5%)

Substantial Shareholder notices have been received by the following:

Substantial Shareholder	Number of Shares/Votes	Voting Power
CD Capital Natural Resources Fund III LP	44,776,120	17.7%

DIRECTORS' REPORT

(Continued)

ORDINARY SHARES HELD BY DIRECTORS'

	At the Date of this Report	30 June 2022	30 June 2021
Mr Ian Middlemas	11,660,000	11,660,000	10,600,000
Mr Benjamin Stoikovich	1,492,262	1,492,262	1,492,262
Mr Garry Hemming ¹	-	-	-
Mr Mark Pearce	3,300,000	3,300,000	3,000,000

Note:

¹ Appointed as a Non-Executive Director on 6 October 2021.

DIRECTORS' INTERESTS

As at the date of this report, the Directors' interests in the securities of the Company are as follows:

	Interest in securities at the date of this report	
	Ordinary Shares ¹	Incentive Options ²
Mr Ian Middlemas	11,660,000	-
Mr Benjamin Stoikovich	1,492,262	3,000,000
Mr Garry Hemming	-	-
Mr Mark Pearce	3,300,000	1,000,000

Notes:

¹ "Ordinary Shares" means fully paid Ordinary Shares in the capital of the Company.

² "Incentive Options" means an unlisted option to subscribe for one Ordinary Share in the capital of the Company.

SHARE OPTIONS AND PERFORMANCE RIGHTS

At the date of this report the following unlisted securities have been issued over unissued Ordinary Shares of the Company:

- 5,375,000 Incentive Options exercisable at \$0.45 each on or before 30 November 2025;
- 5,375,000 Incentive Options exercisable at \$0.55 each on or before 30 November 2026;
- 5,000,000 Class A Performance Rights that have an expiry date 8 October 2026;
- 6,000,000 Class B Performance Rights that have an expiry date 8 October 2026; and
- Convertible loan note with a principal amount of \$2,627,430, convertible into 5,711,805 ordinary shares at a conversion price of \$0.46 per share with no expiry date ("Loan Note 2").

During the year ended 30 June 2022, no Ordinary Shares have been issued as a result of the exercise/conversion of Incentive Options, Performance Rights or Loan Note 2. Subsequent to year end and up until the date of this report, no Ordinary Shares have been issued as a result of the exercise/conversion of Incentive Options, Performance Rights or Loan Note 2.

INDEMNIFICATION AND INSURANCE OF OFFICERS AND AUDITORS

The Constitution of the Company requires the Company, to the extent permitted by law, to indemnify any person who is or has been a Director or officer of the Company or Group for any liability caused as such a Director or officer and any legal costs incurred by a Director or officer in defending an action for any liability caused as such a Director or officer.

During or since the end of the financial year, no amounts have been paid by the Company or Group in relation to the above indemnities.

During the financial year, an annualised insurance premium of \$19,457 (2021: \$17,312) was paid to provide adequate insurance cover for directors and officers against any potential liability and the associated legal costs of a proceeding.

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young during or since the financial year.

REMUNERATION REPORT (AUDITED)

This Remuneration Report, which forms part of the Directors' Report, sets out information about the remuneration of KMP of the Group.

Details of KMP

Details of the KMP of the Group during or since the end of the financial year are set out below:

Current Directors

Mr Ian Middlemas	Chairman
Mr Benjamin Stoikovich	Director and CEO
Mr Garry Hemming	Non-Executive Director (appointed 6 October 2021)
Mr Mark Pearce	Non-Executive Director

Former Directors

Mr Thomas Todd	Non-Executive Director (resigned 30 July 2021)
Ms Carmel Daniele	Non-Executive Director (resigned 6 October 2021)

Other KMP

Mr Simon Kersey	Chief Financial Officer
Mr Dylan Browne	Company Secretary

Unless otherwise disclosed, the KMP held their position from 1 July 2021 until the date of this report.

Remuneration Policy

The Group's remuneration policy for its KMP has been developed by the Board taking into account the size of the Group, the size of the management team for the Group, the nature and stage of development of the Group's current operations, and market conditions and comparable salary levels for companies of a similar size and operating in similar sectors. In addition to considering the above general factors, the Board has also placed emphasis on the following specific issues in determining the remuneration policy for KMP:

- the Group is currently focused on undertaking exploration, appraisal and development activities;
- risks associated with small cap resource companies whilst exploring and developing projects; and
- other than profit which may be generated from asset sales, the Company does not expect to be undertaking profitable operations until sometime after the commencement of commercial production on any of its projects.

Executive Remuneration

The Group's remuneration policy is to provide a fixed remuneration component and a performance-based component (short term incentive and long term incentive). The Board believes that this remuneration policy is appropriate given the considerations discussed in the section above and is appropriate in aligning executives' objectives with shareholder and business objectives.

Fixed Remuneration

Fixed remuneration consists of base salaries, as well as employer contributions to superannuation funds and other non-cash benefits. Non-cash benefits may include provision of car parking and health care benefits.

Fixed remuneration is reviewed annually by the Board. The process consists of a review of company and individual performance, relevant comparative remuneration externally and internally and, where appropriate, external advice on policies and practices.

Performance Based Remuneration – Short Term Incentive ("STI")

Some executives are entitled to an annual cash incentive payment upon achieving various key performance indicators ("KPI's"), as set by the Board. Having regard to the current size, nature and opportunities of the Company, the Board has determined that these KPI's will include measures such as successful commencement and/or completion of exploration activities (e.g. commencement/completion of exploration programs within budgeted timeframes and costs), establishment of government relationship (e.g. establish and maintain sound working relationships with government and officialdom), development activities (e.g. completion of infrastructure studies and commercial agreements), corporate activities (e.g. recruitment of key personnel and representation of the company at international conferences) and business development activities (e.g. corporate transactions and capital raisings).

DIRECTORS' REPORT

(Continued)

REMUNERATION REPORT (AUDITED) (Continued)

Performance Based Remuneration – Short Term Incentive ("STI") (Continued)

These measures were chosen as the Board believes they represent the key drivers in the short and medium-term success of the Company's development. On an annual basis, and subsequent to year end, the Board assesses performance against each individual executive's KPI criteria. During the 2022 financial year, no cash incentive (2021: nil) was paid, or is payable, to KMP.

Performance Based Remuneration – Long Term Incentive

The Group has adopted a long-term equity incentive plan ("LTIP") comprising the grant of Incentive Options and/or Performance Rights to reward KMP and key employees and contractors for long-term performance of the Company. Shareholders approved the LTIP on 24 November 2021.

To achieve its corporate objectives, the Group needs to attract, incentivise, and retain its key employees and contractors. The Board believes that grants of Incentive Options and/or Performance Rights to KMP will provide a useful tool to underpin the Group's employment and engagement strategy.

(i) Incentive Options

The Group has an LTIP that provides for the issuance of Incentive Options as part of KMP and key employees and contractors remuneration and incentive arrangements in order to attract and retain them and to provide an incentive linked to the performance of the Company.

The Board's policy is to grant Incentive Options to KMP with exercise prices at or above market share price (at the time of agreement). As such, any Incentive Options granted to KMP are generally only of benefit if the KMP performed to the level whereby the value of the Group increased sufficiently to warrant exercising the Incentive Options granted.

Other than service-based vesting conditions (if any) and the exercise price required to exercise the Incentive Options, there are no additional performance criteria attached to any Incentive Options granted to KMP, as given the speculative nature of the Group's activities and the small management team responsible for its running, it is considered that the performance of the KMP and the performance and value of the Group are closely related.

The Company prohibits executives entering into arrangements to limit their exposure to Incentive Options and Performance Rights granted as part of their remuneration package.

During the financial year, 10,750,000 Incentive Options were granted to KMP and key employees. No Incentive Options were exercised by KMP during the financial year. No Incentive Options previously granted to KMP lapsed during the financial year.

(ii) Performance Rights

The LTIP also enables the Group to issue unlisted Performance Rights which, upon satisfaction of the relevant performance conditions attached to the Performance Rights, will result in the issue of an Ordinary Share for each Performance Right. Performance Rights are issued for no consideration and no amount is payable upon conversion thereof.

The LTIP enables the Group to: (a) recruit, incentivise and retain KMP and other key employees and contractors needed to achieve the Group's business objectives; (b) link the reward of key staff with the achievement of strategic goals and the long-term performance of the Group; (c) align the financial interests of participants of the Plan with those of Shareholders; and (d) provide incentives to participants of the Plan to focus on superior performance that creates Shareholder value.

Performance Rights granted under the LTIP to eligible participants will be linked to the achievement by the Company of certain performance conditions as determined by the Board from time to time. These performance conditions must be satisfied in order for the Performance Rights to vest. Upon Performance Rights vesting, Ordinary Shares are automatically issued for no consideration. If a performance condition of a Performance Right is not achieved by the expiry date then the Performance Right will lapse.

(iii) Management Incentive Program

In the prior year and following the LFA with LCM being signed, the Company established a Management Incentive Program ("MIP") which is a LTIP to retain key company personnel who have important historical information and knowledge to contribute towards the Claim. The MIP provides that if the Claim is successful and the Company receives damages proceeds, 6% of these proceeds will be directed to the MIP for distribution to its participants. The MIP requires that each participant must satisfy specific Claim related duties and if they do so, each participant may be entitled to a pre-defined percentage of the proceeds received by the MIP. In this regard, of the 6% of any future Claim proceeds, Mr Stoikovich (or his nominee personal services entity) will be entitled to 30% of the MIP distribution (i.e. 30% of the 6% Claim proceeds), Mr Kersey (or his nominee personal services entity) will be entitled to 20% of the MIP distribution (i.e. 20% of the 6% Claim proceeds), Mr Pearce and Mr Browne will each be entitled to 7.5% of the MIP distribution (i.e. 7.5% of the 6% Claim proceeds). The remaining 35% of the MIP distribution has been allocated to other key staff who will contribute to the Claim.

Non-Executive Director Remuneration

The Board's policy is for fees to Non-Executive Directors to be no greater than market rates for comparable companies for time, commitment and responsibilities. Given the current size, nature and risks of the Company, Incentive Options may also be used to attract and retain Non-Executive Directors. The Board determines payments to the Non-Executive Directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required.

The maximum aggregate amount of fees that can be paid to Non-Executive Directors is subject to approval by shareholders at a General Meeting. Director's fees paid to Non-Executive Directors accrue on a daily basis. Fees for Non-Executive Directors are not linked to the performance of the economic entity. However, to align Directors' interests with shareholder interests, the Directors are encouraged to hold shares in the Company and given the current size, nature and opportunities of the Company, Non-Executive Directors may receive Incentive Options in order to secure and retain their services.

Fees for the Chairman were set at \$36,000 per annum (2021: \$36,000) (excluding post-employment benefits).

Fees for Non-Executive Directors' were set at \$20,000 per annum (2021: \$20,000) (excluding post-employment benefits). These fees cover main board activities only. Non-Executive Directors may receive additional remuneration for other services provided to the Company, including but not limited to, membership of committees.

During the 2022 financial year, no Incentive Options or Performance Rights were granted to Non-Executive Directors, other than to Mr Pearce who was granted 1,000,000 Incentive Options during the year.

The Company prohibits Non-Executive Directors entering into arrangements to limit their exposure to Incentive Options granted as part of their remuneration package.

Relationship between Remuneration of KMP and Shareholder Wealth

During the Company's exploration and development phases of its business, the Board anticipates that the Company will retain earnings (if any) and other cash resources for the exploration and development of its resource projects. Accordingly, the Company does not currently have a policy with respect to the payment of dividends and returns of capital. Therefore, there was no relationship between the Board's policy for determining, or in relation to, the nature and amount of remuneration of KMP and dividends paid and returns of capital by the Company during the current and previous four financial years.

The Board did not determine, and in relation to, the nature and amount of remuneration of the KMP by reference to changes in the price at which shares in the Company traded between the beginning and end of the current and the previous four financial years. Discretionary annual cash incentive payments are based upon achieving various non-financial key performance indicators as detailed under "Performance Based Remuneration – Short Term Incentive" and are not based on share price or earnings. However, as noted above, certain KMP may receive Incentive Options in the future which generally will be of greater value to KMP if the value of the Company's shares increases sufficiently to warrant exercising the Incentive Options.

DIRECTORS' REPORT

(Continued)

REMUNERATION REPORT (AUDITED) (Continued)

Relationship between Remuneration of KMP and Earnings

As discussed above, the Company is currently undertaking exploration and development activities, and does not expect to be undertaking profitable operations (other than by way of material asset sales, none of which is currently planned) until sometime after the successful commercialisation, production and sales of commodities from one or more of its projects. Accordingly, the Board does not consider earnings during the current and previous four financial years when determining, and in relation to, the nature and amount of remuneration of KMP.

Remuneration of Directors and other KMP

Details of the nature and amount of each element of the remuneration of each Director and other KMP of GreenX Metals Limited are as follows:

		Short-term benefits			Non-Cash	Total	Performance related %
		Salary & fees	Cash Incentive Payments	Post-employment benefits	Share-based payments		
		\$	\$	\$	\$	\$	
Current Directors							
Ian Middlemas	2022	36,000	-	3,600	-	39,600	-
	2021	36,000	-	-	-	36,000	-
Benjamin Stoikovich	2022	439,680	-	-	335,816	775,496	43.3
	2021	406,934	-	-	(136,837)	270,097	-
Garry Hemming ¹	2022	44,344	-	-	-	44,344	-
	2021	-	-	-	-	-	-
Mark Pearce	2022	20,000	-	2,000	111,939	133,939	83.6
	2021	20,000	-	1,900	-	21,900	-
Former Directors							
Carmel Daniele ²	2022	-	-	-	-	-	-
	2021	-	-	-	-	-	-
Thomas Todd ³	2022	1,667	-	-	-	1,667	-
	2021	20,000	-	-	-	20,000	-
Other KMP							
Simon Kersey	2022	285,510	-	-	83,954	369,464	22.7
	2021	289,133	-	-	-	289,133	-
Dylan Browne ⁴	2022	-	-	-	139,923	139,923	100.0
	2021	-	-	-	(46,631)	(46,631)	-
Total	2022	827,201	-	5,600	671,632	1,504,433	
	2021	772,067	-	1,900	(183,468)	590,499	

Notes:

- ¹ Appointed as a Non-Executive Director on 6 October 2021. Mr Hemming also has a services agreement with the Company which provides for a consultancy fee for geological services provided by Mr Hemming.
- ² During the 2021 and 2022 financial year Ms Daniele waived her Non-Executive Director remuneration. Ms Daniele resigned as Non-Executive Director on 6 October 2021.
- ³ Mr Todd resigned as Non-Executive Director on 30 July 2021.
- ⁴ Company Secretary services are provided through a services agreement with Apollo Group Pty Ltd ("Apollo Group") a company of which Mr Mark Pearce is a Director and beneficial shareholder of. During the year, Apollo Group was paid or is payable A\$240,000 (2020: A\$225,000) for the provision of serviced office facilities and administrative, accounting, company secretarial and transaction services to the Group.

Incentive Options Granted to KMP

Details of the value of Incentive Options granted or lapsed for KMP of the Group during the year ended 30 June 2022 are as follows:

2022	No. of options granted	No. of options vested	No. of options lapsed	Value of options lapsed \$	Value of options granted and included in remuneration ¹ \$
Directors					
Benjamin Stoikovich	3,000,000	3,000,000	-	-	335,816
Mark Pearce	1,000,000	1,000,000	-	-	111,939
Other KMP					
Simon Kersey	750,000	750,000	-	-	83,954
Dylan Browne	1,250,000	1,250,000	-	-	139,923

Note:

¹ Values determined at the grant date per AASB 2. For details on the valuation of Incentive Options, including models and assumptions used, please refer to Note 18 of the financial statements.

2022	Security	Grant date	Expiry date	Vesting date	Exercise Price \$	Grant date fair value ¹ \$	Number granted
Directors							
Benjamin Stoikovich	Options	24 Nov 2021	30 Nov 2025	24 Nov 2021	0.45	0.108	1,500,000
	Options	24 Nov 2021	30 Nov 2026	24 Nov 2021	0.55	0.116	1,500,000
Mark Pearce	Options	24 Nov 2021	30 Nov 2025	24 Nov 2021	0.45	0.108	500,000
	Options	24 Nov 2021	30 Nov 2026	24 Nov 2021	0.55	0.116	500,000
Other KMP							
Simon Kersey	Options	24 Nov 2021	30 Nov 2025	24 Nov 2021	0.45	0.108	375,000
	Options	24 Nov 2021	30 Nov 2026	24 Nov 2021	0.55	0.116	375,000
Dylan Browne	Options	24 Nov 2021	30 Nov 2025	24 Nov 2021	0.45	0.108	625,000
	Options	24 Nov 2021	30 Nov 2026	24 Nov 2021	0.55	0.116	625,000

Note:

¹ For details on the valuation of Incentive Options, including models and assumptions used, please refer to Note 18 of the financial statements.

No Performance Rights were granted as part of remuneration by the Company to KMP of the Group during the financial year.

There were no Incentive Options or Performance Rights exercised or converted by any KMP of the Group during the financial year.

Employment Contracts with Current Directors and KMP

Mr Stoikovich has an appointment letter dated 21 June 2018, under the terms of which he agrees to serve as a Director of the Company. Mr Stoikovich's appointment letter is terminable, pursuant to the Company's Constitution, by giving the Company notice in writing. Under the updated appointment letter, Mr Stoikovich receives a fixed fee of £25,000 per annum.

During the financial year, Selwyn Capital Limited (**Selwyn**), a company of which Mr Stoikovich is a director and shareholder, had a consulting agreement with the Company to provide project management and capital raising services (CEO services). Under this agreement, Selwyn is paid a fixed annual consultancy fee of £112,500 per annum and an annual incentive payment of up to £100,000 payable upon the successful completion of key milestones as determined by the Board. In addition, Selwyn, is entitled to receive a payment incentive worth the aggregate fixed yearly directors fees and consultancy fee in the event of a change of control clause being triggered with the Company. The consulting contract can be terminated by either Selwyn or the Company by giving twelve months' notice. No amount is payable to Selwyn in the event of termination of the contract arising from negligence or incompetence in regard to the performance of services specified in the contract. Further, Arbitration Advisory Ltd (**A-Advisory**), a company of which Mr Stoikovich is a director and shareholder, had a consulting agreement with the Company's wholly owned subsidiary, PDZ Holdings Pty Ltd (**PDZ-H**), to provide services in relation to the Claim against the Republic of Poland. Under this agreement, A-Advisory is paid a fixed annual consultancy fee of £112,500 per annum. The term of the consulting agreement is two and half years from 1 July 2020. The consulting contract can be terminated by either A-Advisory or PDZ-H by giving six months' notice. No amount is payable to A-Advisory in the event of termination of the contract arising from negligence or incompetence in regard to the performance of services specified in the contract.

DIRECTORS' REPORT

(Continued)

REMUNERATION REPORT (AUDITED) (Continued)

Employment Contracts with Current Directors and KMP (Continued)

Mr Hemming, Non-Executive Director, has an appointment letter dated 5 October 2021 confirming the terms and conditions of his appointment. Effective 6 October 2021, Mr Hemming receives a fee of \$20,000 per annum. Mr Hemming also has a services agreement with the Company dated 6 October 2021, which provides for a consultancy fee at the rate of \$3,340 per month for geological services provided by Mr Hemming. Either party may terminate the agreement without penalty or payment by giving one months' notice.

Mr Simon Kersey, Chief Financial Officer, is engaged under a consultancy deed with Cheyney Resources Limited (**Cheyney**). The agreement specifies the duties and obligations to be fulfilled by Mr Kersey as the Chief Financial Officer. The Company may terminate the agreement with six months written notice. No amount is payable in the event of termination for material breach of contract, gross misconduct or neglect. Cheyney receives an annual consultancy fee of £55,000 and will be eligible for a cash incentive of up to £50,000 per annum to be paid upon successful completion of KPIs. In addition, Cheyney, will be entitled to receive a payment incentive worth six months of the annual consultancy fee in the event of a change of control clause being triggered with the Company. Further, Cheyney Arbitration Ltd (**Cheyney Advisory**), a company of which Mr Kersey is a director and shareholder, had a consulting agreement with the Company's wholly owned subsidiary, PDZ Holdings Pty Ltd (**PDZ-H**), to provide services in relation to the Claim against the Republic of Poland. Under this agreement, Cheyney Advisory is paid a fixed annual consultancy fee of £105,000 per annum. The term of the consulting agreement is two and half years from 1 July 2020. The consulting contract can be terminated by either Cheyney Advisory or PDZ-H by giving six months' notice. No amount is payable to Cheyney Advisory in the event of termination of the contract arising from negligence or incompetence in regard to the performance of services specified in the contract.

Mr Browne, Company Secretary, has a services agreement with the Company to provide corporate and financial services with the Company. Either party may terminate the agreement by giving one month written notice. Under the services agreement, Mr Browne receive cash and/or incentive securities in the Company. Mr Browne is also entitled to receive a fee worth \$100,000 in the event of a change of control clause being triggered with the Company.

Loans from KMP

No loans were provided to or received from KMP during the year ended 30 June 2022 (2021: Nil).

Other Transactions

Apollo Group Pty Ltd, a company of which Mr Mark Pearce is a Director and beneficial shareholder, was paid or is payable \$240,000 (2021: \$225,000) for the provision of serviced office facilities and administration services. The amount is based on a current monthly retainer of \$20,000 (2021: \$20,000) due and payable in advance, with no fixed term, and is able to be terminated by either party with one month's notice. This item has been recognised as an expense in the Statement of Profit or Loss and other Comprehensive Income. At 30 June 2022, \$20,000 (2021: \$20,000) was included as a current liability in the Statement of Financial Position.

Equity instruments held by KMP

Incentive Option holdings of KMP

2022	Held at 1 July 2021	Granted as Remuner- ation	Exercised/ Converted	Expired/ Lapsed	Held at 30 June 2022	Vested and exercise- able at 30 June 2022
Current Directors						
Ian Middlemas	-	-	-	-	-	-
Benjamin Stoikovich	-	3,000,000	-	-	3,000,000	3,000,000
Garry Hemming	¹	-	-	-	-	-
Mark Pearce	-	1,000,000	-	-	1,000,000	1,000,000
Former Directors						
Carmel Daniele	-	-	-	-	²	-
Thomas Todd	-	-	-	-	³	-
Other KMP						
Simon Kersey	-	750,000	-	-	750,000	750,000
Dylan Browne	-	1,250,000	-	-	1,250,000	1,250,000

Notes:

¹ As at appointment date being 6 October 2021.

² As at resignation date being 6 October 2021.

³ As at resignation date being 30 July 2021.

Shareholdings of KMP

2022	Held at 1 July 2021	Granted as Remuneration	Options Exercised/ Rights Converted	Participation in Entitlements Issue	Held at 30 June 2022
Directors					
Ian Middlemas	10,600,000	-	-	1,060,000	11,660,000
Benjamin Stoikovich	1,492,262	-	-	-	1,492,262
Garry Hemming	- ¹	-	-	-	-
Mark Pearce	3,000,000	-	-	300,000	3,300,000
Former Directors					
Carmel Daniele ²	44,776,120	-	-	-	44,776,120 ³
Thomas Todd	2,800,000	-	-	-	2,800,000 ⁴
Other KMP					
Simon Kersey	-	-	-	-	-
Dylan Browne	-	-	-	-	-

Notes:

¹ As at appointment date being 6 October 2021.

² As founder and controller of CD Capital, Ms Daniele is deemed to have an interest in the 44,776,120 Ordinary Shares issued to CD Capital on conversion of Loan Note 1 in 2018.

³ As at resignation date being 6 October 2021.

⁴ As at resignation date being 30 July 2021.

End of Remuneration Report

DIRECTORS' MEETINGS

The number of meetings of Directors held during the year and the number of meetings attended by each Director was as follows:

	Board Meetings	
	Number eligible to attend	Number attended
Ian Middlemas	2	2
Benjamin Stoikovich	2	2
Garry Hemming (appointed 6 October 2021)	1	1
Mark Pearce	2	2
Carmel Daniele (resigned 6 October 2021)	1	-
Thomas Todd (resigned 30 July 2021)	-	-

There were no Board committees during the financial year. The Board as a whole currently performs the functions of an Audit Committee, Risk Committee, Nomination Committee, and Remuneration Committee, however this will be reviewed should the size and nature of the Company's activities change.

NON-AUDIT SERVICES

Non-audit services provided by our auditors, Ernst & Young and related entities, are set out below. The Directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act. The nature and scope of each type of non-audit service provided means that auditor independence was not compromised.

	2022	2021
	\$	\$
Preparation of income tax return and other tax related advice	10,000	9,000

DIVIDENDS

No dividends have been declared, provided for or paid in respect of the financial year ended 30 June 2022 (2021: nil).

DIRECTORS' REPORT

(Continued)

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 19 of the Directors' Report.

Signed in accordance with a resolution of the Directors.



Benjamin Stoikovich
Director

23 September 2022

Competent Persons Statement

The information in this announcement that relates to Exploration Results for ARC are extracted from the ASX announcements dated 6 October 2021, 22 January 2022 and 11 August 2022 which are available to view at www.greenxmetals.com.

GreenX confirms that (a) it is not aware of any new information or data that materially affects the information included in the original announcements; (b) all material assumptions and technical parameters underpinning the content in the relevant announcements continue to apply and have not materially changed; and (c) the form and context in which the Competent Person's findings are presented have not been materially modified from the original announcements

Forward Looking Statements

This release may include forward-looking statements. These forward-looking statements are based on GreenX's expectations and beliefs concerning future events. Forward looking statements are necessarily subject to risks, uncertainties and other factors, many of which are outside the control of GreenX, which could cause actual results to differ materially from such statements. GreenX makes no undertaking to subsequently update or revise the forward-looking statements made in this release, to reflect the circumstances or events after the date of that release.

AUDITOR'S INDEPENDENCE DECLARATION



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Auditor's Independence Declaration to the Directors of GreenX Metals Limited

As lead auditor for the audit of the financial report of GreenX Metals Limited for the financial year ended 30 June 2022, I declare to the best of my knowledge and belief, there have been:

- a) No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit;
- b) No contraventions of any applicable code of professional conduct in relation to the audit; and
- c) No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.

This declaration is in respect of GreenX Metals Limited and the entities it controlled during the financial year.

A handwritten signature in black ink that reads 'Ernst & Young'.

Ernst & Young

A handwritten signature in black ink that reads 'Jared Jaworski'.

Jared Jaworski
Partner
23 September 2022

A member firm of Ernst & Young Global Limited
Liability limited by a scheme approved under Professional Standards Legislation

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 \$	2021 \$
Revenue	2(a)	261,543	297,875
Other income	2(b)	5,773,416	4,711,133
Exploration and evaluation expenses		(1,643,061)	(824,247)
Employment expenses	3	(350,845)	(326,174)
Administration and corporate expenses		(467,473)	(371,366)
Occupancy expenses		(831,694)	(580,024)
Business development expenses		(278,530)	(256,380)
Share-based payment (expenses)/reversal	18	(1,203,339)	548,745
Arbitration related expenses		(5,048,785)	(4,048,329)
Reversal of impairment	7	127,710	-
Other expenses		3,603	(30,621)
Loss before income tax		(3,657,455)	(879,388)
Income tax expense	4	-	-
Net loss for the year		(3,657,455)	(879,388)
Net loss attributable to members of GreenX Metals Limited		(3,657,455)	(879,388)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translation of foreign operations		(58,018)	(741,871)
Total other comprehensive loss for the year, net of tax		(58,018)	(741,871)
Total comprehensive loss for the year, net of tax		(3,715,473)	(1,621,259)
Total comprehensive loss attributable to members of GreenX Metals Limited		(3,715,473)	(1,621,259)
Basic and diluted loss per share from (cents per share)	13	(1.49)	(0.38)

The above Consolidated Statement of Profit or Loss and other Comprehensive Income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022



	Note	2022 \$	2021 \$
ASSETS			
Current Assets			
Cash and cash equivalents	14(b)	6,106,847	4,774,968
Trade and other receivables	5	2,149,578	1,329,336
Total Current Assets		8,256,425	6,104,304
Non-current Assets			
Exploration and evaluation assets	6	5,745,590	-
Property, plant and equipment	7	1,684,496	2,009,783
Total Non-current Assets		7,430,086	2,009,783
TOTAL ASSETS		15,686,511	8,114,087
LIABILITIES			
Current Liabilities			
Trade and other payables	8	2,303,588	1,136,567
Other financial liabilities	9(a)	315,808	808,601
Provisions	10(a)	433,482	100,838
Total Current Liabilities		3,052,878	2,046,006
Non-Current Liabilities			
Other financial liabilities	9(b)	538,266	-
Provisions	10(b)	282,951	383,968
Total Non-Current Liabilities		821,217	383,968
TOTAL LIABILITIES		3,874,095	2,429,974
NET ASSETS		11,812,416	5,684,113
EQUITY			
Contributed equity	11	78,410,052	79,332,108
Reserves	12	11,053,723	345,909
Accumulated losses		(77,651,359)	(73,993,904)
TOTAL EQUITY		11,812,416	5,684,113

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2022

	Contributed Equity	Share-Based Payments Reserve	Foreign Currency Translation Reserve	Other Equity Reserve	Accumulated Losses	Total Equity
	\$	\$	\$	\$	\$	\$
Balance at 1 July 2021	79,332,108	-	345,909	-	(73,993,904)	5,684,113
Net loss for the year	-	-	-	-	(3,657,455)	(3,657,455)
Other comprehensive income:						
Exchange differences on translation of foreign operations	-	-	(58,018)	-	-	(58,018)
Total comprehensive loss for the year	-	-	(58,018)	-	(3,657,455)	(3,715,473)
Issue of shares	5,407,594	-	-	-	-	5,407,594
Share issue costs	(122,157)	-	-	-	-	(122,157)
Issue of ARC Consideration Performance Rights	-	3,355,000	-	-	-	3,355,000
Recognition of share-based payments	-	1,203,339	-	-	-	1,203,339
Other movements (Note 12)	(6,207,493)	-	-	6,207,493	-	-
Balance at 30 June 2022	78,410,052	4,558,339	287,891	6,207,493	(77,651,359)	11,812,416
Balance at 1 July 2020	75,476,543	548,745	1,087,780	-	(73,114,516)	3,998,552
Net loss for the year	-	-	-	-	(879,388)	(879,388)
Other comprehensive income:						
Exchange differences on translation of foreign operations	-	-	(741,871)	-	-	(741,871)
Total comprehensive loss for the year	-	-	(741,871)	-	(879,388)	(1,621,259)
Issue of shares	4,020,000	-	-	-	-	4,020,000
Share issue costs	(164,435)	-	-	-	-	(164,435)
Lapse of unvested Performance Rights	-	(661,876)	-	-	-	(661,876)
Recognition of share-based payments	-	113,131	-	-	-	113,131
Balance at 30 June 2021	79,332,108	-	345,909	-	(73,993,904)	5,684,113

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

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



	Note	2022 \$	2021 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(2,630,749)	(2,542,673)
Proceeds from property and gas sales		236,225	274,672
Interest received from third parties		23,218	23,592
NET CASH FLOWS USED IN OPERATING ACTIVITIES	14(a)	(2,371,306)	(2,244,409)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for plant and equipment		(900,538)	(2,310)
Payments for arbitration related expenses		(1,825,058)	(1,640,646)
Proceeds from sale of land and property		1,848,742	-
Proceeds from advanced deposits and sale of land rights		-	1,288,105
Payments for exploration and evaluation		(1,165,427)	-
Proceeds from sale of subsidiary		-	17,215
NET CASH FLOWS USED IN INVESTING ACTIVITIES		(2,042,281)	(337,636)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of ordinary shares	11(b)	4,492,594	4,020,000
Payments for share issue costs	11(b)	(122,157)	(164,435)
Receipts from arbitration funding		1,732,734	1,102,962
Payments for lease liabilities		(357,705)	(168,032)
NET CASH FLOWS FROM IN FINANCING ACTIVITIES		5,745,466	4,790,495
Net increase/(decrease) in cash and cash equivalents		1,331,879	2,208,450
Cash and cash equivalents at beginning of year		4,774,968	2,566,518
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	14(b)	6,106,847	4,774,968

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in preparing the financial report of GreenX Metals Limited ("GreenX" or "Company") and its consolidated entities ("Consolidated Entity" or "Group") for the year ended 30 June 2022 are stated to assist in a general understanding of the financial report.

GreenX Metals is a Company limited by shares incorporated and domiciled in Australia whose shares are publicly traded on the Australian Securities Exchange ("ASX"), the London Stock Exchange and the Warsaw Stock Exchange.

The financial report of the Group for the year ended 30 June 2022 was authorised for issue in accordance with a resolution of the Directors.

(a) Basis of Preparation

The financial report is a general purpose financial report, which has been prepared in accordance with Australian Accounting Standards ("AASBs") and other authoritative pronouncements of the Australian Accounting Standards Board ("AASB") and the Corporations Act 2001. The Group is a for-profit entity for the purposes of preparing the consolidated financial statements.

The financial report has been prepared on a historical cost basis, except for certain financial liabilities which have been measured at fair value. The financial report is presented in Australian dollars.

The consolidated financial statements have been prepared on a going concern basis which assumes the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of business.

(b) Statement of Compliance

The financial report complies with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

In the current year, the Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the "AASB") that are relevant to its operations and effective for the current annual reporting period.

New and revised standards and amendments thereof and interpretations effective for the current reporting period that are relevant to the Group include:

- AASB 2020-3 Amendment to AASB 9 – Test for Derecognition of Financial Liabilities
- Conceptual Framework and Financial Reporting.

The adoption of these new and revised standards has not resulted in any significant changes to the Group's accounting policies or to the amounts reported for the current or prior periods.

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted by the Group for the annual reporting period ended 30 June 2022. Those which may be relevant to the Group are set out in the table below, but these are not expected to have any significant impact on the Group's financial statements as detailed overpage.

Standard/Interpretation	Application date of standard	Application date for Group
AASB 2020-3 <i>Amendments to Australian Accounting Standards – Annual Improvements 2018-2020 and Other Amendments (AASB 1, 3, 9, 116, 137 & 141)</i>	1 January 2022	1 July 2022
AASB 2020-1 <i>Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current</i>	1 January 2023	1 July 2023
AASB 2020-6 <i>Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current – Deferral of Effective Date</i>	1 January 2023	1 July 2023
AASB 2021-2 <i>Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates</i>	1 January 2023	1 July 2023
AASB 2021-7(a-c) <i>Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections</i>	1 January 2025	1 July 2025

(c) Principles of Consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of the Company as at 30 June 2022 and the results of all subsidiaries for the year then ended.

Subsidiaries are all entities (including structured 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.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Company.

Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are de-consolidated from the date that control ceases. Intercompany transactions and balances, income and expenses and profits and losses between Group companies, are eliminated.

(d) Cash and Cash Equivalents

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 three months or less.

(e) Trade and Other Receivables

Trade receivables are initially recognised at the transaction price and subsequently measured at amortised costs amount less any expected credit loss ("ECL").

Receivables from related parties are initially recognised at fair value and measured at amortised cost and are interest free.

The Group's trade and other receivables includes GST and other taxes receivables, interest receivable and security deposits.

(f) Financial Assets

(i) Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income ("OCI"), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. The Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, less transaction costs.

(ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost;
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (not relevant to the Group);
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments – not relevant to the Group); and
- Financial assets at fair value through profit or loss (equity instruments – not relevant to the Group).

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

(Continued)

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Financial Assets (Continued)

Financial assets at amortised cost (debt instruments)

The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Impairment

The Group recognises an allowance for ECLs for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original EIR. ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For receivables due in less than 12 months, the Group recognises a loss allowance based on the financial asset's lifetime ECL at each reporting date.

Given the nature of financial assets held by the Group, it considers a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

(g) Property, Plant and Equipment

(i) Recognition and measurement

Property, plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Such cost includes the cost of replacing parts that are eligible for capitalisation when the cost of replacing the parts is incurred. Similarly, when each major inspection is performed, its cost is recognised in the carrying amount of the property, plant and equipment as a replacement only if it is eligible for capitalisation. All other repairs and maintenance are recognised in the Statement of Profit or Loss and other Comprehensive Income as incurred.

(ii) Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment.

	2022	2021
Major depreciation periods (per annum) are:		
Buildings:	2% - 40%	2% - 40%
Plant and equipment:	22% - 40%	22% - 40%

The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end.

(iii) Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal. Impairment of property, plant and equipment are discussed in note 1(r).

(h) Exploration and Evaluation Expenditure

Expenditure on exploration and evaluation is accounted for in accordance with the 'area of interest' method.

Exploration and evaluation expenditure encompasses expenditures incurred by the Group in connection with the exploration for and evaluation of mineral resources before the technical feasibility and commercial viability of extracting a mineral resource are demonstrable.

For each area of interest, expenditure incurred in the acquisition of rights to explore is capitalised, classified as tangible or intangible, and recognised as an exploration and evaluation asset. Exploration and evaluation assets are measured at cost at recognition and are recorded as an asset if:

- (i) the rights to tenure of the area of interest are current; and
- (ii) at least one of the following conditions is also met:
 - the exploration and evaluation expenditures are expected to be recouped through successful development and exploitation of the area of interest, or alternatively, by its sale; and
 - exploration and evaluation activities in the area of interest have not at the reporting date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation expenditure incurred by the Group subsequent to acquisition of the rights to explore is expensed as incurred, up to costs associated with the preparation of a feasibility study.

Impairment

Capitalised exploration costs are reviewed each reporting date to establish whether an indication of impairment exists. If any such indication exists, the recoverable amount of the capitalised exploration costs is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

Where a decision is made to proceed with development, accumulated expenditure is tested for impairment and transferred to development properties, and then amortised over the life of the reserves associated with the area of interest once mining operations have commenced. Recoverability of the carrying amount of the exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

(i) Payables

Liabilities are recognised for amounts to be paid in the future for goods and services received. Trade accounts payable are normally settled within 30 days. Payables are carried at amortised cost.

(j) 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.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, 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.

(k) Financial Liabilities

(i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings (amortised cost) or payables.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables and financial liabilities at fair value through profit or loss.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

(Continued)

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Financial Liabilities (Continued)

(ii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Amortised cost liabilities

This is the category most relevant to the Group. After initial recognition, amortised cost liabilities are subsequently measured at amortised cost using the EIR method. Gains and losses are then recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

Financial liabilities at fair value through profit or loss

This is the category least relevant to the Group. Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the statement of profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in AASB 9 *Financial Instruments* are satisfied.

(iii) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

(l) Revenue Recognition

Revenue is recognised when control of goods is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled to in exchange for those goods.

Interest revenue is recognised as it accrues, taking into account the effective yield on the financial asset.

(m) Income Tax

The income tax expense for the period is the tax payable on the current period's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantively enacted at balance date for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. No deferred tax asset or liability is recognised in relation to these temporary differences if they arose on goodwill or in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

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

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

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 balance 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.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

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

Tax consolidation

GreenX Metals Limited and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime. Each entity in the tax consolidated group recognises its own current and deferred tax liabilities, except for any deferred tax assets resulting from unused tax losses and tax credits, which are immediately assumed by the Company (which is the head entity in the tax consolidated group). The current tax liability of each group entity is then subsequently assumed by the Company. The tax consolidated group has entered a tax sharing agreement whereby each company in the Group contributes to the income tax payable in proportion to their contribution to the net profit before tax of the tax consolidated group.

(n) Employee Entitlements

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within 12 months have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than 12 months have been measured using the projected unit credit valuation method.

(o) Earnings per Share

Basic earnings per share (**EPS**) is calculated by dividing the net profit attributable to members of the Company for the reporting period, after excluding any costs of servicing equity, by the weighted average number of Ordinary Shares of the Company, adjusted for any bonus issue.

Diluted EPS is calculated by dividing the basic EPS earnings, adjusted by the after tax effect of financing costs associated with dilutive potential Ordinary Shares and the effect on revenues and expenses of conversion to Ordinary Shares associated with dilutive potential Ordinary Shares, by the weighted average number of Ordinary Shares and dilutive Ordinary Shares adjusted for any bonus issue.

(p) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(q) Acquisition of Assets

A group of assets may be acquired in a transaction which is not a business combination. In such cases the cost of acquisition is allocated to the individual identifiable assets (including intangible assets that meet the definition of and recognition criteria for intangible assets in AASB 138) acquired and liabilities assumed on the basis of their relative fair values at the date of purchase.

(r) Impairment of non-current Assets

The Group assesses at each reporting date whether there is an indication that a non-current 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 of disposal 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. In such cases the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

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. 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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

(Continued)

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(s) Fair Value Estimation

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

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the Group is the current bid price; the appropriate quoted market price for financial liabilities is the current ask price.

The net carrying value of trade receivables and payables are short term in nature and approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

(t) Issued and Unissued Capital

Ordinary Shares and unissued milestone shares are classified as equity. Issued and paid up capital is recognised at the fair value of the consideration received by the Company. 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.

(u) Foreign Currencies

(i) Functional and presentation currency

The functional currency of each of the Group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction.

Exchange differences arising on the translation of monetary items are recognised in the Statement Profit or Loss and other Comprehensive Income.

Exchange differences arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity, otherwise the exchange difference is recognised in the other Comprehensive Income.

(iii) Group companies

The financial results and position of foreign operations whose functional currency is different from the Group's presentation currency are translated as follows:

- assets and liabilities are translated at year-end exchange rates prevailing at that reporting date;
- income and expenses are translated at average exchange rates for the period; and
- items of equity are translated at the historical exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations are transferred to the group's foreign currency translation reserve in the Statement of Financial Position. The accumulated difference is reclassified in the Statement of Profit or Loss and other Comprehensive Income in the period in which the operation is disposed.

(v) Share-Based Payments

Equity-settled share-based payments are provided to officers, employees, consultants and other advisors. These share-based payments are measured at the fair value of the equity instrument at the grant date. Fair value is determined using the Binomial option pricing model. Further details on how the fair value of equity-settled share-based payments has been determined can be found in Note 18.

The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest. At each reporting date, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss over the remaining vesting period, with a corresponding adjustment to the option premium reserve.

Equity-settled share-based payments may also be provided as consideration for the acquisition of assets. Where Ordinary Shares are issued, the transaction is recorded at fair value based on the quoted price of the Ordinary Shares at the grant date. The acquisition is then recorded as an asset or expensed in accordance with accounting standards. Unvested incentive securities that lapse when non-market conditions are not met are reversed from the share-based payment reserve to the Statement of Profit or Loss.

(w) Arbitration facility income

Arbitration facility income is recognised when there is reasonable assurance that the Company will comply with the LFA and the benefits will be received. Arbitration facility income is recognised in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related arbitration costs for which the income is intended to compensate.

(x) Use and Revision of Accounting Estimates, Judgements and Assumptions

The preparation of the financial report requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in the following notes:

- Share-Based Payments (Note 18) - The Group initially measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instrument at the date at which they are granted. Estimating fair value for share-based payment transactions requires the determination of the most appropriate valuation model. This estimate also requires the determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield. The assumption and models used for estimating the fair value for share-based payment transactions are disclosed in Note 18.
- Functional currency of foreign operations (Note 21(h)) - determination of the functional currency of foreign subsidiaries requires judgement regarding the primary currency of labour, material and exploration spend in that subsidiary.

(y) Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

2. REVENUE AND OTHER INCOME

	2022	2021
	\$	\$
(a) Revenue		
Interest revenue	25,318	23,203
Gas and property lease revenue	236,225	274,672
	261,543	297,875
(b) Other income		
Arbitration finance facility income	5,136,427	4,070,724
Gain on sale of land rights at Debiensko	636,989	640,409
	5,773,416	4,711,133

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

(Continued)

3. EXPENSES

	Note	2022 \$	2021 \$
(a) Employee benefits expense			
Salaries and wages		(345,245)	(324,274)
Superannuation expense		(5,600)	(1,900)
Other employee expenses		-	-
Employment expenses		(350,845)	(326,174)
Share-based payment (expense)/reversal	18(a)	(1,203,339)	548,745
Employment expenses recorded in exploration and evaluation expenses		(535,511)	(573,379)
Total employment expenses included in profit or loss		(2,089,695)	(350,808)

4. INCOME TAX

	2022 \$	2021 \$
(a) Recognised in the statement of comprehensive income		
Current income tax		
Current income tax benefit in respect of the current year	-	-
Deferred income tax		
Relating to origination and reversal of temporary differences	-	-
Income tax expense/(benefit) reported in the statement of Profit or Loss and other Comprehensive income	-	-
(b) Reconciliation between tax expense and accounting loss before income tax		
Accounting loss before income tax	(3,657,455)	(879,388)
At the domestic income tax rate of 30% (2021: 30%)	(1,097,237)	(263,816)
Expenditure not allowable for income tax purposes	2,118,242	(43,129)
Income not assessable for income tax purposes	(1,542,009)	4,895
Adjustments in respect of deferred income tax of previous years	(297,758)	-
Deferred tax assets not brought to account	818,762	302,050
Income tax expense/(benefit) reported in the statement of Profit or Loss and other Comprehensive income	-	-
(c) Deferred Tax Assets and Liabilities		
Deferred income tax at 30 June relates to the following:		
Deferred Tax Liabilities		
Receivables	1,206	576
Deferred tax assets used to offset deferred tax liabilities	(1,206)	(576)
	-	-
Deferred Tax Assets		
Accrued expenditure	16,912	167,963
Right-of-use assets	12,315	-
Capital allowances	44,036	20,543
Tax losses available to offset against future taxable income	4,966,304	4,045,986
Deferred tax assets used to offset deferred tax liabilities	(1,206)	(576)
Deferred tax assets not brought to account	(5,038,361)	(4,233,916)
	-	-

The benefit of deferred tax assets not brought to account will only be brought to account if:

- future assessable income is derived of a nature and of an amount sufficient to enable the benefit to be realised;
- the conditions for deductibility imposed by tax legislation continue to be complied with; and
- no changes in tax legislation adversely affect the Group in realising the benefit.

(d) Tax Consolidation

The Company and its wholly-owned Australian resident entities have formed a tax consolidated group and are therefore taxed as a single entity. The head entity within the tax consolidated group is GreenX Metals Limited.

5. TRADE AND OTHER RECEIVABLES

	2022	2021
	\$	\$
Trade receivables	30,744	246,703
Arbitration finance facility receivable	1,815,313	694,486
Interest receivable	4,019	1,919
Deposits/prepayments	193,705	262,804
GST and other receivables	105,797	123,424
	2,149,578	1,329,336

Note:

¹ As at 30 June 2022 (2021: nil), no amounts are past due or impaired.

	Note	Arctic Rift Copper Project \$
6. EXPLORATION AND EVALUATION ASSETS		
Carrying amount at 1 July 2021		-
Acquisition consideration for ARC (GRX securities) ² :		
• Issue of ARC consideration shares	11(b)	915,000
• Issue of Class A performance rights	12(b)	1,525,000
• Issue of Class B performance rights	12(b)	1,830,000
Earn-in expenditure ²		1,475,590
Carrying amount at 30 June 2022¹		5,745,590

Note:

¹ 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 areas of interest.

² GreenX will earn an interest of up to 80% in ARC through an EIA between Mineral Investment Pty Ltd ("MIPL"), a wholly owned subsidiary of the Company.

Key terms of the EIA provide:

- (i) MIPL will earn its interest in ARC by:
 - a. spending A\$3,500,000 on ARC within three years to earn a 51% interest (First Earn-in Milestone);
 - b. spending a further A\$3,500,000 on ARC within four years to earn a further 19% interest (taking the total interest to 70%) (Second Earn-in Milestone); and
 - c. spending a further A\$3,000,000 on ARC within five years to earn a further 10% interest (taking the total interest to 80%) (Third Earn-in Milestone).
- (ii) Post the Third Earn-in Milestone:
 - a. Each Party must contribute on a pro rata basis or be diluted.
 - b. If a party dilutes down below 10%, then its interest in ARC automatically converts into a 1.75% Net Smelter Royalty (at this stage GEX can also elect to convert straight to the royalty rather than co-contributing or diluting down).
- (iii) MIPL may withdraw from the earn-in in once it has spent a minimum of A\$1,000,000 prior to 31 December 2022.
- (iv) Further consideration in the form of GreenX equity securities were issued to GEX as follows:
 - a. 3 million GreenX shares issued on 8 October 2021 (subject to 12 months voluntarily escrow from date of issue) ("ARC consideration shares");
 - b. 5,000,000 Class A performance rights which vest and convert into ordinary shares upon the announcement of an independently assessed JORC Code inferred resource of at least 250,000 tonnes of copper equivalent at a minimum resource grade of 1% Cu Equivalent (with a cut-off grade of 0.5% Cu equivalent) at ARC and an expiry date 8 October 2026; and
 - c. 6,000,000 Class B performance rights which vest and convert into ordinary shares upon the announcement of an independently assessed JORC Code inferred resource of at least 500,000 tonnes of copper equivalent at a minimum resource grade of 1% Cu Equivalent (with a cut-off grade of 0.5% Cu equivalent) at ARC and an expiry date 8 October 2026.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

(Continued)

7. PROPERTY, PLANT AND EQUIPMENT

	Land and Buildings	Plant and equipment	Right-of-use assets	Total
	\$	\$	\$	\$
Carrying amount at 1 July 2021	1,821,394	24,435	163,954	2,009,783
Modification of right-of-use assets	-	-	886,355	886,355
Disposal	(1,848,742) ¹	-	-	(1,848,742)
Additions	-	900,774	-	900,774
Impairment reversal/(expense)	127,710 ¹	(7,880)	-	119,830
Depreciation and amortisation	(21,556)	(41,473)	(251,437)	(314,466)
Foreign exchange differences	(69,014)	(24)	-	(69,038)
Carrying amount at 30 June 30 2022	9,792	875,832	798,872	1,684,496
- at cost	31,349	1,207,632	1,487,519	2,726,500
- accumulated depreciation and amortisation	(21,557)	(331,800)	(688,647)	(1,042,004)
Carrying amount at 1 July 2020	1,997,596	58,099	382,559	2,438,254
Disposal	(48,965)	-	-	(48,965)
Additions	-	2,310	-	2,310
Depreciation and amortisation	(37,800)	(35,659)	(218,605)	(292,064)
Foreign exchange differences	(89,437)	(315)	-	(89,752)
Carrying amount at 30 June 30 2021	1,821,394	24,435	163,954	2,009,783
- at cost	1,859,193	324,963	601,164	2,785,320
- accumulated depreciation and amortisation	(37,799)	(300,528)	(437,210)	(775,537)

Notes:

¹ During the period, the Company sold an office building and associated assets (**Property**) previously held by the Group in Poland and received proceeds of \$1,848,742. During the period, the Property was measured at the fair value of the sales contract with previous impairment of \$127,710 reversed.

8. TRADE AND OTHER PAYABLES

	2022	2021
	\$	\$
Trade and other payables	782,459	442,081
Arbitration expenses payable	1,521,129	694,486
	2,303,588	1,136,567

Notes:

¹ Trade payables are non-interest bearing and are normally settled on 30-day terms.

² Other payables are non-interest bearing and have an average term of six months.

9. OTHER FINANCIAL LIABILITIES

	2022	2021
	\$	\$
(a) Current Liabilities:		
Lease Liability	315,808	171,695
Deferred other income ¹	-	636,906
	315,808	808,601
(b) Non-Current Liabilities:		
Lease Liability	538,266	-

Note:

¹ Upfront contractual deposits received for the sale of land rights at Debiensko not yet transferred.

10. PROVISIONS

	2022 \$	2021 \$
(a) Current Provisions:		
Provisions for the protection against mining damage at Debiensko ¹	206,380	75,022
Provision for closure of gas project ²	203,481	-
Annual leave provision	23,621	25,816
	433,482	100,838
(b) Non-Current Provisions:		
Provisions for the protection against mining damage at Debiensko ¹	282,951	383,968
	282,951	383,968

Notes:

¹ As Debiensko was previously an operating mine, the Group has provided for the pay out of mining land damages to a surrounding land owner who has made a legitimate claim under Polish law prior to 1 January 2018.

² The Kaczyce 1 tenement which provides the Group with the ability to extract gas is due to expire on 31 December 2022. The Group has applied for an extension to the Kaczyce 1 tenement but has provided for its closure should an extension not be awarded to the Group.

11. CONTRIBUTED EQUITY

	Note	2022 \$	2021 \$
(a) Issued and Unissued Capital			
228,355,089 (2021: 228,355,089) fully paid Ordinary Shares	11(b)	75,810,040	70,524,603
Loan Note 2 exchangeable into fully paid ordinary shares at \$0.46 per share, net of transaction costs ¹		2,600,012	2,600,012
Issue of CD Options (expired 31 May 2021)	12	-	6,207,493
Total Contributed Equity		78,410,052	79,332,108

Note:

¹ On 2 July 2017, GreenX and CD Capital completed an investment of US\$2.0 million (A\$2.6 million) in the form of the non-redeemable, non-interest-bearing convertible Loan Note 2. The Loan Note 2 is convertible into ordinary shares of GreenX at an issue price of A\$0.46 per share and is accounted for as equity (in full).

Other key terms of the Loan Note 2 include the following:

- Loan Note 2 is non-interest bearing;
- Loan Note 2 is only repayable in an event of breach of the terms of the Loan Note 2 agreements;
- Loan Note 2 cannot be converted until after 1 April 2018 by either party;
- GreenX has the right, whilst no Event of Default exists, to convert all or part of the outstanding principal amount of Loan Note 2 into shares at the conversion price of \$0.46 per share:
 - in the event of an unconditional takeover of the Company (acquisition of a relevant interest in at least 50% of GreenX shares pursuant to a takeover bid or by an Australian court approving a merger by way of a scheme of arrangement); or
 - at any time after 1 April 2018 provided that the 30 day VWAP of GreenX's shares exceeds the conversion price of \$0.46 per share.
- Loan Note 2 does not provide CD Capital with any right to participate in any new issues of securities.
- CD Capital has the right to convert all or part of the outstanding principal amount of the Notes into shares at the conversion price of \$0.46 per share provided that:
 - Loan Note 1 has been converted into GreenX shares (converted in 2018); and
 - The CD Options have been exercised into GreenX shares (the CD Options expired on 30 May 2021).
- If the Company reorganises its capital structure, such as by subdividing or consolidating the number of its shares, conducts a pro-rata offer to existing shareholders or distributes assets or securities to Shareholders, then the conversion price of \$0.46 of Loan Note 2 will be adjusted so that the number of GreenX shares received by CD Capital on conversion of Loan Note 2 is the same as if Loan Note 2 were converted prior to relevant event.
- The occurrence of an Event of Default entitles CD Capital to declare the principal amount of the Loan Note 2 immediately due and payable and exercise any other rights or remedies (including bringing proceedings) against the Company.
- Each of the following events is an "Event of Default" in relation to the Loan Note 2:
 - If any representation or warranty made by GreenX is false or misleading which is reasonably likely to be a Material Adverse Effect, and if such breach is capable of remedy, it is not remedied within 45 days;
 - If the Company breaches a covenant or condition of the Notes or associated agreements which is a Material Adverse Effect, and if such breach is capable of remedy, it is not remedied within 45 days;
 - An Insolvency Event occurs (i.e. winding up) in relation to the Group;
 - If the Group ceases to carry on a business; or
 - If the Group does not maintain the listing and trading of its shares on at least one of the ASX, LSE or WSE.
- CD Capital may assign, transfer or encumber in whole or in part (in amounts of at least A\$1 million) its rights under Loan Note 2 to any third party by giving written notice to GreenX provided the third party has provided a deed of assumption. Assignment of Loan Note 2 will not result in the assignment of the rights and obligations under the subscription agreement or the investment agreement.
- A Material Adverse Effect means a material adverse effect on:
 - the Company or PDZ Holding's ability to perform any of their obligations under Loan Note 2, the and all other Transaction Document;
 - the validity or enforceability of a Transaction Document; or
 - the assets, business, condition (financial or otherwise), prospects or operations of the Group.
- An Insolvency Event in relation to the Group means:
 - An order being made, or the Group passing a resolution, for its winding up.

² Reclassified to Other equity reserve following expiry of the CD Options on 31 May 2021 (Refer to Note 12).

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

(Continued)

11. CONTRIBUTED EQUITY (Continued)

(b) Movements in Ordinary Shares During the Past Two Years Were as Follows:

Date	Details	Number of Ordinary Shares	\$
1 Jul 21	Opening balance	228,355,089	70,524,603
8 Oct 2021	Issue of ARC consideration shares (Note 6)	3,000,000	915,000
6 Dec 2021	Issue of Entitlement Shares	4,496,375	899,273
4 Feb 2022	Issue of Shortfall Shares	17,769,000	3,593,321
Jul 21 to Jun 22	Share issue costs	-	(122,157)
30 Jun 22	Closing balance	253,620,464	75,810,040
1 Jul 20	Opening balance	212,275,089	66,669,038
23 Sep 2020	Issue of shares	16,080,000	4,020,000
Jul 20 to Jun 20	Share issue costs	-	(164,435)
30 Jun 21	Closing balance	228,355,089	70,524,603

(c) Rights Attaching to Ordinary Shares

The rights attaching to fully paid Ordinary Shares arise from a combination of the Company's Constitution, statute and general law.

Ordinary Shares issued following the exercise of Incentive Options in accordance with Note 12(d) or the conversion of Performance Rights in accordance with Note 12(c) will rank equally in all respects with the Company's existing Ordinary Shares.

Copies of the Company's Constitution are available for inspection during business hours at the Company's registered office. The clauses of the Constitution contain the internal rules of the Company and define matters such as the rights, duties and powers of its shareholders and directors, including provisions to the following effect (when read in conjunction with the Corporations Act 2001 or Listing Rules).

(i) Shares

The issue of shares in the capital of the Company and options over unissued shares by the Company is under the control of the Directors, subject to the Corporations Act 2001, ASX Listing Rules and any rights attached to any special class of shares.

(ii) Meetings of Members

Directors may call a meeting of members whenever they think fit. Members may call a meeting as provided by the Corporations Act 2001. The Constitution contains provisions prescribing the content requirements of notices of meetings of members and all members are entitled to a notice of meeting. A meeting may be held in two or more places linked together by audio-visual communication devices. A quorum for a meeting of members is two shareholders.

The Company holds annual general meetings in accordance with the Corporations Act 2001 and the Listing Rules.

(iii) Voting

Subject to any rights or restrictions at the time being attached to any shares or class of shares of the Company, each member of the Company is entitled to receive notice of, attend and vote at a general meeting. Resolutions of members will be decided by a poll.

On a poll each eligible member has one vote for each fully paid share held and a fraction of a vote for each partly paid share determined by the amount paid up on that share.

(iv) *Changes to the Constitution*

The Company's Constitution can only be amended by a special resolution passed by at least three quarters of the members present and voting at a general meeting of the Company. At least 28 days' written notice specifying the intention to propose the resolution as a special resolution must be given.

(v) *Listing Rules*

Provided the Company remains admitted to the Official List, then despite anything in its Constitution, no act may be done that is prohibited by the Listing Rules, and authority is given for acts required to be done by the Listing Rules. The Company's Constitution will be deemed to comply with the Listing Rules as amended from time to time.

12. RESERVES

	Note	2022 \$	2021 \$
Share-based-payments reserve	12(b)	4,558,339	-
Foreign currency translation reserve		287,891	345,909
Other equity reserve	11	6,207,493	-
		11,053,723	345,909

(a) Nature and Purpose of Reserves

(i) *Share-based payments reserve*

The share-based payments reserve is used to record the fair value of Incentive Options and Performance Rights issued by the Group.

(ii) *Foreign currency translation reserve*

Exchange differences arising on translation of foreign controlled entities are taken to the foreign currency translation reserve. The reserve is recognised in the Statement of Profit or Loss and other Comprehensive Income when the net investment is disposed of.

(iii) *Other equity reserve*

In 2018 the Company issued 22.3 million CD Options to CD Capital following conversion of a convertible note for the issue of 44.8 million Ordinary Shares to CD Capital. The CD Options expired in May 2021 and the value they were accounted for (\$6.2 million) has been transferred to the Other Equity Reserve.

(b) Movements in share-based payments reserve during the past two years were as follows:

Date	Details	Number of Incentive Options	Number of Performance Rights	\$
1 Jul 2021	Opening balance	-	-	-
8 Oct 2021	Issue of Class A performance rights (Note 6)	-	5,000,000	1,525,000
8 Oct 2021	Issue of Class B performance rights (Note 6)	-	6,000,000	1,830,000
24 Nov 2021	Issue of Incentive Options	10,750,000	-	-
Jul 21 to Jun 22	Share-based payments expense	-	-	1,203,339
30 Jun 2022	Closing balance	10,750,000	11,000,000	4,558,339
1 Jul 2020	Opening balance	-	6,225,000	548,745
Jul 20 to Jun 21	Lapse of unvested Performance Rights	-	(6,225,000)	(661,876)
Jul 20 to Jun 21	Share-based payments expense	-	-	113,131
30 Jun 2021	Closing balance	-	-	-

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

(Continued)

12. RESERVES (Continued)

(c) Terms and Conditions of Performance Rights

The unlisted performance rights ("Performance Rights") were granted based upon the following terms and conditions:

- Each Performance Right automatically converts into one Ordinary Share upon vesting of the Performance Right;
- Each Performance Right is subject to performance conditions (as determined by the Board from time to time) which must be satisfied in order for the Performance Right to vest;
- The Performance Rights outstanding at the end of the financial year have the following performance conditions and expiry dates:
 - 5,000,000 Class A performance rights which vest and convert into ordinary shares upon the announcement of an independently assessed JORC Code inferred resource of at least 250,000 tonnes of copper equivalent at a minimum resource grade of 1% Cu Equivalent (with a cut-off grade of 0.5% Cu equivalent) at ARC and an expiry date 8 October 2026; and
 - 6,000,000 Class B performance rights which vest and convert into ordinary shares upon the announcement of an independently assessed JORC Code inferred resource of at least 500,000 tonnes of copper equivalent at a minimum resource grade of 1% Cu Equivalent (with a cut-off grade of 0.5% Cu equivalent) at ARC and an expiry date 8 October 2026.
- Ordinary Shares issued on conversion of the Performance Rights rank equally with the then Ordinary Shares of the Company;
- Application will be made by the Company to ASX for official quotation of the Ordinary Shares issued upon conversion of the Performance Rights;
- If there is any reconstruction of the issued share capital of the Company, the rights of the Performance Right holders may be varied to comply with the ASX Listing Rules which apply to the reconstruction at the time of the reconstruction;
- No application for quotation of the Performance Rights will be made by the Company; and
- Without approval of the Board, Performance Rights may not be transferred, assigned or novated, except, upon death, a participant's legal personal representative may elect to be registered as the new holder of such Performance Rights and exercise any rights in respect of them.

(d) Terms and Conditions of Incentive Options

The unlisted incentive options ("Incentive Options") were granted based upon the following terms and conditions:

- Each Incentive Option entitles the holder to the right to subscribe for one Share upon the exercise of each Incentive Option;
- The Incentive Options granted as share-based payments during the financial year have the following exercise prices and expiry dates:
 - 5,375,000 Incentive Options exercisable at \$0.45 on or before 30 November 2025; and
 - 5,375,000 Incentive Options exercisable at \$0.55 on or before 30 November 2026.
- The Incentive Options are exercisable at any time prior to the Expiry Date, subject to vesting conditions being satisfied (if applicable);
- Shares issued on exercise of the Incentive Options rank equally with the then Shares of the Company;
- Application will be made by the Company to ASX for official quotation of the Shares issued upon the exercise of the Incentive Options;
- If there is any reconstruction of the issued share capital of the Company, the rights of the Incentive Option holders may be varied to comply with the ASX Listing Rules which apply to the reconstruction at the time of the reconstruction; and
- No application for quotation of the Incentive Options will be made by the Company.

The Company also has other unlisted securities (not accounted for as share-based payments) on issue which includes the following:

- A convertible loan note with a principal amount of \$2,627,430, convertible into 5,711,805 ordinary shares at a conversion price of \$0.46 per share with no expiry date (Loan Note 2) (Terms disclosed at Note 11(a)).

13. EARNINGS PER SHARE

The following reflects the income and share data used in the calculations of basic and diluted earnings per share:

	2022 \$	2021 \$
Net loss attributable to members of the Parent used in calculating basic and diluted earnings per share	(3,657,455)	(879,388)
	Number of Ordinary Shares 2022	Number of Ordinary Shares 2021
Weighted average number of Ordinary Shares	240,247,672	224,654,486
Weighted average number of Ordinary Shares upon conversion of Loan Note 2	5,711,805	5,711,805
Weighted average number of Ordinary Shares used in calculating basic and diluted loss per share	245,959,477	230,366,291

(a) Non-Dilutive Securities

As at 30 June 2022, there were 10,750,000 unlisted Options and 11,000,000 unlisted Performance Rights on issue (which represent 21,750,000 potential Ordinary Shares) which were not dilutive as they would decrease the loss per share.

(b) Conversions, Calls, Subscriptions or Issues after 30 June 2022

There have been no other conversions to, calls of, or subscriptions for Ordinary Shares or issues of potential Ordinary Shares since the reporting date and before the completion of this financial report.

14. STATEMENT OF CASH FLOWS

(a) Reconciliation of the Profit after Tax to the Net Cash Flows from Operations

	2022 \$	2021 \$
Net loss for the year	(3,657,455)	(879,388)
Adjustments		
Depreciation and amortisation	297,423	215,704
Share-based payment expense/(reversal)	1,203,339	(548,745)
Unrealised foreign exchange movement	(3,601)	25,045
Non-cash income	(4,721,963)	(3,255,150)
Non-cash expenditure	3,747,221	2,115,893
Change in operating assets and liabilities		
Decrease in trade and other receivables	300,586	90,613
Increase/(decrease) in trade and other payables	463,144	(8,381)
Net cash outflow from operating activities	(2,371,306)	(2,244,409)
(b) Reconciliation of Cash		
Cash at bank and on hand	6,106,847	4,774,968
	6,106,847	4,774,968

(c) Non-cash Financing and Investment Activities

An amount of \$5,136,427 (2021: 4,070,724) was recognised as arbitration related income. These amounts relate to the reimbursement of legal, tribunal and external expert costs relating to the Claim. \$3,178,390 (2021: \$2,407,684) of these reimbursed amounts were paid directly by the Claim funder to the relevant supplier.

An amount of \$5,048,785 (2021: 4,048,329) was recognised as arbitration related expense. These amounts relate to legal, tribunal and external expert costs relating to the Claim. \$3,178,390 (2021: \$2,407,684) of these costs were paid directly by the Claim funder to the relevant supplier.

An amount of \$4,270,000 (2021: nil) was recognised as a share-based payment for the issue of shares and performance rights as part of the acquisition consideration of ARC. Please refer to Note 6 for further disclosure.

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FOR THE YEAR ENDED 30 JUNE 2022

(Continued)

15. RELATED PARTIES

(a) Subsidiaries

Name	Country of Incorporation	% Equity Interest	
		2022 %	2021 %
Mineral Investments Pty Ltd	Australia	100	100
PDZ Holdings Pty Ltd	Australia	100	100
PDZ (UK) Limited	UK	100	100
PD CO Holdings (UK) Limited	UK	100	100
PD Co Sp. z o.o.	Poland	100	100
Karbonia S.A.	Poland	100	100

(b) Ultimate Parent

GreenX Metals Limited is the ultimate parent of the Group.

(c) Transactions with Related Parties

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. Transactions with KMP, including remuneration, are included at Note 16 below.

16. KEY MANAGEMENT PERSONNEL

(a) Details of KMP

The KMP of the Group during or since the end of the financial year were as follows:

Current Directors

Mr Ian Middlemas	Chairman
Mr Benjamin Stoikovich	Director and CEO
Mr Garry Hemming	Non-Executive Director (appointed 6 October 2021)
Mr Mark Pearce	Non-Executive Director

Former Directors

Mr Thomas Todd	Non-Executive Director (resigned 30 July 2021)
Ms Carmel Daniele	Non-Executive Director (resigned 6 October 2021)

Other KMP

Mr Simon Kersey	Chief Financial Officer
Mr Dylan Browne	Company Secretary

Unless otherwise disclosed, the KMP held their position from 1 July 2021 until the date of this report.

	2022 \$	2021 \$
Short-term employee benefits	827,201	772,067
Post-employment benefits	5,600	1,900
Share-based payments	671,632	(183,468)
Total compensation	1,504,433	590,499

(b) Loans from KMP

No loans were provided to or received from KMP during the year ended 30 June 2022 (2021: Nil).

(c) Other Transactions

Apollo Group Pty Ltd, a Company of which Mr Mark Pearce is a Director and beneficial shareholder, was paid \$240,000 (2021: \$225,000) for the provision of serviced office facilities and administration services. The amount is based on a monthly retainer due and payable in advance, with no fixed term, and is able to be terminated by either party with one month's notice. This item has been recognised as an expense in the Statement of Profit or Loss and other Comprehensive Income.

17. PARENT ENTITY DISCLOSURES

	2022	2021
	\$	\$
(a) Financial Position		
Assets		
Current assets	4,229,099	4,428,812
Non-current assets	5,093,725	188,276
Total assets	9,322,824	4,617,088
Liabilities		
Current liabilities	521,142	598,496
Non-Current liabilities	538,266	-
Total liabilities	1,059,408	598,496
Equity		
Contributed equity	78,410,052	76,731,991
Reserves	8,165,715	-
Accumulated losses	(78,312,351)	(72,713,399)
Total equity	8,263,416	4,018,592
(b) Financial Performance		
Profit/(loss) for the year	(5,598,952)	(1,685,461)
Other comprehensive income/(loss)	-	-
Total comprehensive income/(loss)	(5,598,952)	(1,685,461)

(c) Other information

The Company has not entered into any guarantees in relation to its subsidiaries. Refer to Note 22 for details of contingent assets and liabilities.

18. SHARE-BASED PAYMENTS

(a) Recognised Share-based Payments

From time to time, the Group provides Incentive Options and Performance Rights to officers, employees, consultants and other key advisors as part of remuneration and incentive arrangements. The number of options or rights granted, and the terms of the options or rights granted are determined by the Board. Shareholder approval is sought where required. During the past two years, the following equity-settled share-based payments have been recognised:

	2022	2021
	\$	\$
Expense reversed upon the forfeiture of performance rights	-	661,876
Expense arising from equity-settled share-based payment transactions	(1,203,339)	(113,131)
Total share-based (payments)/reversals recognised during the year	(1,203,339)	548,745

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

(Continued)

18. SHARE-BASED PAYMENTS (Continued)

(b) Summary of Incentive Options and Performance Rights Granted as Share-based Payments

10,750,000 Incentive Options were granted as share-based payments during the current year (2021: nil).

The following table illustrates the number and weighted average exercise prices ("WAEP") of Incentive Options granted as share-based payments during the past two years:

Incentive Options	2022 Number	2022 WAEP	2021 Number	2021 WAEP
Outstanding at beginning of year	-	-	-	-
Granted by the Company during the year	10,750,000	0.50	-	-
Forfeited/cancelled/lapsed	-	-	-	-
Outstanding at end of year	10,750,000	0.50	-	-

11,000,000 Performance Rights were granted as share-based payments during the current year (2021: nil).

The following table illustrates the number and WAEP of Performance Rights granted as share-based payments at during the past two years:

Performance Rights	2022 Number	2022 WAEP	2021 Number	2021 WAEP
Outstanding at beginning of year	-	-	6,225,000	-
Granted by the Company during the year	11,000,000	-	-	-
Forfeited/cancelled/lapsed/expired	-	-	(6,225,000)	-
Outstanding at end of year	11,000,000	-	-	-

(c) Option and Rights Pricing Models

The fair value of the equity-settled share Incentive Options granted is estimated as at the date of grant using the binomial option pricing valuation model taking into account the terms and conditions upon which the Incentive Options were granted. The fair value of the equity-settled share Performance Rights granted is estimated as at the date of grant with reference to the share price on that date.

10,750,000 Incentive Options were granted as share-based payments in the financial year ended 30 June 2022 (2021: nil). 11,000,000 Performance Rights were issued as share-based payments in the financial years ended 30 June 2022 (2021: nil).

The following table lists the inputs to the valuation models used for Incentive Options and Performance Rights granted by the Group during the last two years (2021: nil issued):

Incentive Options 2022 Inputs	Series 1	Series 2
Exercise price (A\$)	0.450	0.550
Grant date share price (A\$)	0.215	0.215
Dividend yield ¹	-	-
Volatility ²	90%	90%
Risk-free interest rate	1.44%	1.44%
Grant date	24 Nov 21	24 Nov 21
Expiry date	30 Nov 25	30 Nov 26
Expected life of rights ³ (years)	4.02	5.02
Fair value at grant date (A\$)	0.108	0.116

Notes:

¹ The dividend yield reflects the assumption that the current dividend payout will remain unchanged.

² The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may not necessarily be the actual outcome.

³ The expected life of the Incentive Options is based on the exercise date.

Performance Rights 2022 Inputs	Class A	Class B
Exercise price (A\$)	-	-
Grant date share price (A\$)	0.302	0.302
Dividend yield ¹	-	-
Volatility ²	-	-
Risk-free interest rate	-	-
Grant date	8 Oct 21	8 Oct 21
Expiry date	8 Oct 26	8 Oct 26
Expected life of rights ³ (years)	5.0	5.0
Fair value at grant date (A\$)	0.302	0.302

Notes:

- ¹ The dividend yield reflects the assumption that the current dividend payout will remain unchanged.
- ² The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may not necessarily be the actual outcome.
- ³ The expected life of the Performance Rights is based on the expiry date.

19. AUDITORS' REMUNERATION

The auditor of GreenX Metals Limited is Ernst & Young.

	2022	2021
	\$	\$
Amounts received or due and receivable by Ernst & Young for:		
• Ernst and Young – Australia: an audit or review of the financial report of the Company and any other entity in the consolidated group	50,625	44,500
• Ernst and Young – Australia: preparation of income tax return	10,000	9,000
• Other entities: an audit or review of the financial report of any other entity in the consolidated group	7,958	13,998
	68,583	67,498

20. SEGMENT INFORMATION

The Consolidated Entity operates in one segment, being mineral exploration. This is the basis on which internal reports are provided to the Directors for assessing performance and determining the allocation of resources within the Consolidated Entity.

	2022	2021
	\$	\$
(a) Reconciliation of Non-Current Assets by Geographical Location		
Greenland	6,618,162	-
Poland	10,023	1,821,506
United Kingdom	801,901	188,277
	7,430,086	2,009,783
(b) Revenue by Geographical Location		
Poland	873,214	915,081
Australia	5,161,745	4,093,927
	6,034,959	5,009,008

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

(Continued)

21. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

(a) Overview

The Group's principal financial instruments comprise receivables, payables, cash and short-term deposits. The main risks arising from the Group's financial instruments are credit risk, liquidity risk, interest rate risk and foreign currency risk.

This note presents information about the Group's exposure to each of the above risks, its objectives, policies and processes for measuring and managing risk, and the management of capital. Other than as disclosed, there have been no significant changes since the previous financial year to the exposure or management of these risks.

The Group manages its exposure to key financial risks in accordance with the Group's financial risk management policy. Key risks are monitored and reviewed as circumstances change (e.g. acquisition of a new project) and policies are revised as required. The overall objective of the Group's financial risk management policy is to support the delivery of the Group's financial targets whilst protecting future financial security.

Given the nature and size of the business and uncertainty as to the timing and amount of cash inflows and outflows, the Group does not enter into derivative transactions to mitigate the financial risks. In addition, the Group's policy is that no trading in financial instruments shall be undertaken for the purposes of making speculative gains. As the Group's operations change, the Directors will review this policy periodically going forward.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. The Board reviews and agrees policies for managing the Group's financial risks as summarised below.

(b) Credit Risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. This arises principally from cash and cash equivalents and trade and other receivables. There are no significant concentrations of credit risk within the Group. The carrying amount of the Group's financial assets represents the maximum credit risk exposure, as represented below:

	2022	2021
	\$	\$
Cash and cash equivalents	6,106,847	4,774,968
Trade and other receivables	2,149,578	1,329,336
	8,256,425	6,104,304

With respect to credit risk arising from cash and cash equivalents, the Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments. Where possible, the Group invests its cash and cash equivalents with banks that are rated the equivalent of investment grade and above. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

The Group does not have any significant customers and accordingly does not have significant exposure to bad or doubtful debts.

Trade and other receivables comprise trade and other receivables, interest accrued and GST refunds due. Receivable balances are monitored on an ongoing basis with the result that the Group's exposure to impairment is not significant. At 30 June 2022, none (2021: none) of the Group's receivables are impaired.

(c) Liquidity Risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Board's approach to managing liquidity is to ensure, as far as possible, that the Group will always have sufficient liquidity to meet its liabilities when due. At 30 June 2022 and 2021, the Group had sufficient liquid assets to meet its financial obligations.

The contractual maturities of financial liabilities, including estimated interest payments, are provided below. There are no netting arrangements in respect of financial liabilities.

	≤6 Months \$	6-12 Months \$	1-5 Years \$	≥5 Years \$	Total \$
2022					
Financial Liabilities					
Trade and other payables	782,459	-	-	-	784,459
Arbitration expenses payable	1,521,129	-	-	-	1,521,129
Other financial liabilities	315,808	-	538,266	-	854,074
	2,619,396	-	538,266	-	3,157,662
2021					
Financial Liabilities					
Trade and other payables	442,081	-	-	-	442,081
Arbitration expenses payable	694,486	-	-	-	694,486
Other financial liabilities	808,601	-	-	-	808,601
	1,945,168	-	-	-	1,945,168

(d) Interest Rate Risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the cash and short-term deposits with a variable interest rate.

These financial assets with variable rates expose the Group to cash flow interest rate risk. All other financial assets and liabilities, in the form of receivables and payables are non-interest bearing.

At the reporting date, the Group's exposure to variable interest rates was:

	2022 \$	2021 \$
Interest-bearing financial instruments		
Cash at bank and on hand	6,106,847	4,774,968
	6,106,847	4,774,968

The Group's cash at bank and on hand and short term deposits had a weighted average floating interest rate at year end of 0.38% (2021: 0.49%).

The Group currently does not engage in any hedging or derivative transactions to manage interest rate risk.

Interest rate sensitivity

A sensitivity of 3% (300 basis points) has been selected as this is considered reasonable given the current level of both short term and long term interest rates. A 3% (300 basis points) movement in interest rates at the reporting date would have increased/(decreased) Profit or Loss and Other Comprehensive Income by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on a sensitivity of 1% (100 basis points) basis for 2021.

	Profit or loss		Other Comprehensive Income	
	+ 300 basis points \$	- 300 basis points \$	+ 300 basis points \$	- 300 basis points \$
2022				
Group				
Cash and cash equivalents	183,205	(183,205)	-	-
2021				
Group				
Cash and cash equivalents	47,750	(47,750)	-	-

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

(Continued)

21. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(e) Commodity Price Risk

The Group has no exposure to commodity price risk on its financial instruments at 30 June 2022. No hedging or derivative transactions have been used to manage commodity price risk.

(f) Capital Management

The Group defines its Capital as total equity of the Group, being \$11,812,416 as at 30 June 2022 (2021: \$5,684,113). The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while financing the development of its projects through primarily equity based financing. The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Given the stage of development of the Group, the Board's objective is to minimise debt and to raise funds as required through the issue of new shares.

The Group is not subject to externally imposed capital requirements.

There were no changes in the Group's approach to capital management during the year. During the next 12 months, the Group will continue to explore project financing opportunities, primarily consisting of additional issues of equity.

(g) Fair Value

The Group uses various methods in estimating the fair value of a financial instrument. The methods comprise:

- Level 1 – the fair value is calculated using quoted prices in active markets.
- Level 2 – the fair value is estimated using inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).
- Level 3 – the fair value is estimated using inputs for the asset or liability that are not based on observable market data.

At 30 June 2022 and 30 June 2021, the carrying value of the Group's financial assets and liabilities approximate their fair value.

(h) Foreign Currency Risk

The Group has transactional currency exposures. Such exposure arises from transactions denominated in currencies other than the functional currency of the entity.

The Group's exposure to foreign currency risk throughout the current and prior year primarily arose from controlled entities of the Company whose functional currency is the Polish Zloty ("PLN").

It is the Group's policy not to enter into any hedging or derivative transactions to manage foreign currency risk. However, the Group does hold some PLN cash and cash equivalents to fund its planned Polish operations over the next 12 months, given the majority of the Group's expenditure over this period is expected to be in PLN.

At the reporting date, the Group's exposure to financial instruments denominated in foreign currencies was:

2022	PLN	AUD	Total Equivalent AUD
Financial assets			
Cash and cash equivalents	5,960,283	4,178,696	6,106,847
Trade and other receivables	225,426	2,076,653	2,149,578
	6,185,709	6,255,349	8,256,425
Financial liabilities			
Trade and other payables	(941,545)	(1,998,998)	(2,303,588)
	(941,545)	(1,998,998)	(2,303,588)
Net exposure	5,244,164	4,256,351	5,952,837

Foreign exchange rate sensitivity

At the reporting date, had the Australian Dollar appreciated or depreciated against the PLN, as illustrated in the table below, Profit or Loss and other Comprehensive Income would have been affected by the amounts shown below. This analysis assumes that all other variables remain constant.

	Profit or loss		Other Comprehensive Income	
	10% Increase	10% Decrease	10% Increase	10% Decrease
2022				
Group				
AUD to PLN	(169,649)	169,649	-	-

22. CONTINGENT ASSETS AND LIABILITIES

(i) Contingent Assets

As at the date of this report, no contingent assets had been identified in relation to the 30 June 2022 financial year (2021: None).

(ii) Contingent Liability

As at the date of this report, no contingent liabilities had been identified in relation to the 30 June 2022 (2021: None).

23. EVENTS SUBSEQUENT TO BALANCE DATE

- (i) On 6 July 2022, the Company announced it had filed its Statement of Reply in its Claim against Poland with a revised claim for compensation in the amount of £737 million (A\$1.3 billion/PLN 4.1 billion) as prepared by external quantum experts; and
- (ii) On 11 August 2022, laboratory XRF analysis of native copper samples from ARC show high purity consistently over 99% copper.

Other than as outlined above, at the date of this report, there are no matters or circumstances, which have arisen since 30 June 2022 that have significantly affected or may significantly affect:

- the operations, in financial years subsequent to 30 June 2022 of the Consolidated Entity;
- the results of those operations, in financial years subsequent to 30 June 2022, of the Consolidated Entity; or
- the state of affairs, in financial years subsequent to 30 June 2022, of the Consolidated Entity.

DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of GreenX Metals Limited:

1. In the opinion of the Directors and to the best of their knowledge:
 - (a) the attached financial statements, notes and the additional disclosures included in the Directors' report designated as audited, are in accordance with the Corporations Act 2001, including:
 - (i) Complying with the applicable Accounting Standards; and
 - (ii) Giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2022 and of its performance for the year ended in that date; and
 - (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
2. The attached financial statements are in compliance with International Financial Reporting Standards, as stated in note 1(b) to the financial statements; and
3. To the best of the Directors' knowledge, the Directors' report includes a fair review of the development and performance of the business and the financial position of the Group, together with a description of the principal risks and uncertainties that the Group faces.
4. The Directors have been given a declaration required by section 295A of the Corporations Act 2001 for the financial year ended 30 June 2022.

On behalf of the Board



Benjamin Stoikovich
Director

23 September 2022



EY

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Independent auditor's report to the members of GreenX Metals Limited

Report on the audit of the financial report

Opinion

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

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

- a) Giving a true and fair view of the consolidated financial position of the Group as at 30 June 2022 and of its consolidated financial performance for the year ended on that date; and
- b) Complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to 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 judgment, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

INDEPENDENT AUDITOR'S REPORT

(Continued)



We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial report* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial report.

1. Carrying amount of capitalised exploration and evaluation assets

Why significant

As at 30 June 2022, the Group's consolidated statement of financial position included capitalised exploration and evaluation assets of \$5,745,590.

The carrying amount of exploration and evaluation assets is assessed for impairment by the Group when facts and circumstances indicate that the carrying amount of exploration and evaluation assets may exceed its recoverable amount.

The determination as to whether there are any indicators to require the exploration and evaluation assets to be assessed for impairment involves a number of judgments, including whether the Group has tenure, whether it will be able to perform ongoing expenditure and whether there is sufficient information for a decision to be made that the area of interest is not commercially viable. The directors did not identify any impairment indicators at 30 June 2022.

Refer to Note 6 in the financial report for capitalised exploration and evaluation asset balances and related disclosures.

This was considered a key audit matter because of the significant judgment involved in determining whether any impairment indicators were present for the Group's capitalised exploration and evaluation asset balances and the significance of these balances.

How our audit addressed the key audit matter

We evaluated the Group's assessment as to whether there were any indicators of impairment to require the carrying value of exploration and evaluation assets to be tested for impairment. Our audit procedures included the following:

- ▶ Considered whether the Group's right to explore was current, which included obtaining and assessing supporting documentation such as license and earn-in agreements.
- ▶ Considered the Group's intention to carry out significant ongoing exploration and evaluation activities in the relevant areas of interest which included reviewing the Group's cash-flow forecast and enquiring of senior management and the directors as to their intentions and the strategy of the Group.
- ▶ Assessed whether any exploration and evaluation data existed to indicate that the carrying amount of capitalised exploration and evaluation assets is unlikely to be recovered through development or sale.
- ▶ Reviewed the adequacy of the Group's disclosures in Note 6 of the financial report.



2. Provision for the protection against mining damage at Debiensko

Why significant	How our audit addressed the key audit matter
<p>As disclosed in Note 10 of the financial report, as at 30 June 2022, the Group held a provision for the protection against mining damage at the Debiensko mine of \$489,331.</p> <p>The Group has, following the receipt of legal advice regarding its obligations to fund damages, concluded that no liability exists for mining damage subsequent to the denial of Poland's Ministry of Environment to amend the Company's mining permit application to commence production at Debiensko. The quantum of the provision for mining damages has been determined with reference to received applications relating to claimable events that occurred prior to 1 January 2018.</p> <p>Of the provision, \$206,380 has been classified as a current liability based on the quantum of applications filed with the court, with the remaining balance being classified as a non-current liability.</p> <p>Given the degree of judgment involved in determining whether the Group's obligation to fund claims for mining damage ceased from 1 January 2018, this was considered a key audit matter.</p>	<p>We performed the following procedures:</p> <ul style="list-style-type: none"> ▶ Considered and assessed the Group's process of identifying and quantifying mining damage for claimable events that occurred prior to 1 January 2018. ▶ Reviewed the Group's legal advice to not recognise any mining damage claims as a provision for events occurring after 1 January 2018. ▶ Confirmed the quantum of active outstanding claims with the Group's lawyers. ▶ Assessed the reasonableness of the Group's classification of the provision for mining damage as current and non-current based on supporting documentation. ▶ Assessed the adequacy of the disclosure included in the financial report.

Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information comprises the information included in the Company's 2022 annual report, 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, with the exception of the Remuneration Report and our related assurance opinion.

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.

INDEPENDENT AUDITOR'S REPORT

(Continued)



Responsibilities of the directors for the financial report

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

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have 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 judgment 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 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 Group'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 entity to cease to continue as a going concern.

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- ▶ Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the consolidated 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 business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group 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, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the directors, we determine those matters that were of most significance in the audit of the financial report of the current year 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.

INDEPENDENT AUDITOR'S REPORT

(Continued)



Report on the audit of the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the Directors' report for the year ended 30 June 2022.

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

Responsibilities

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

A handwritten signature in black ink that reads 'Ernst & Young'.

Ernst & Young

A handwritten signature in black ink that reads 'Jared Jaworski'.

Jared Jaworski
Partner
Perth
23 September 2022

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CORPORATE GOVERNANCE



GreenX Metals Limited and the entities it controls believe corporate governance is important for the Company in conducting its business activities.

The Board of GreenX has adopted a suite of charters and key corporate governance documents which articulate the policies and procedures followed by the Company. These documents are available in the Corporate Governance section of the Company's website, www.greenxmetals.com. These documents are reviewed annually to address any changes in governance practices and the law.

The Company's Corporate Governance Statement 2022, which explains how GreenX complies with the ASX Corporate Governance Council's 'Corporate Governance Principles and Recommendations – 4th Edition' in relation to the year ended 30 June 2022, is available in the Corporate Governance section of the Company's website, www.greenxmetals.com and will be lodged with ASX together with an Appendix 4G at the same time that this Annual Report is lodged with ASX.

In addition to the ASX Corporate Governance Council's 'Corporate Governance Principles and Recommendations – 4th Edition' the Board has taken into account a number of important factors in determining its corporate governance policies and procedures, including the:

- relatively simple operations of the Company, which is focused on developing its two coal properties;
- cost verses benefit of additional corporate governance requirements or processes;
- size of the Board;
- Board's experience in the relevant sector;
- organisational reporting structure and number of reporting functions, operational divisions and employees;
- relatively simple financial affairs with limited complexity and quantum;
- relatively moderate market capitalisation and economic value of the entity; and
- direct shareholder feedback.

ASX ADDITIONAL INFORMATION

The shareholder information set out below was applicable as at 31 August 2022.

1. TWENTY LARGEST HOLDERS OF LISTED SECURITIES

The names of the twenty largest holders of listed securities are listed below:

Ordinary Shares

Name	Number of Ordinary Shares	Percentage of Ordinary Shares
BNP Paribas Nominees Pty Ltd ACF Clearstream	122,341,960	48.24
CD Capital Natural Resources Fund III LP	44,776,120	17.65
Arredo Pty Ltd	11,660,000	4.60
Computershare Clearing Pty Ltd <CCNL DI A/C>	8,596,203	3.39
Citicorp Nominees Pty Limited	3,510,372	1.38
BNP Paribas Noms Pty Ltd <DRP>	3,171,535	1.25
Bouchi Pty Ltd	3,130,161	1.23
Greenfields Exploration Limited	3,000,000	1.18
T2 Resources Pty Ltd	2,800,000	1.10
Mr Mark Pearce + Mrs Natasha Pearce <NMLP Family A/C>	2,750,000	1.08
BNP Paribas Nominees Pty Ltd <IB AU Noms Retailclient DRP>	2,323,644	0.92
Mr John Paul Welborn	2,004,000	0.79
HSBC Custody Nominees (Australia) Limited	1,984,787	0.78
Mr Angus William Johnson + Mrs Lindy Johnson <The Dena Super Fund A/C>	1,542,106	0.61
Mr Ross Langdon Divett + Mrs Linda Alison Divett	1,393,000	0.55
Daljinder Mahil	1,360,000	0.54
Cabbdeg Investments Pty Ltd	1,185,000	0.47
Dr Subhash Kumar Vij	900,000	0.35
Brearley Holdings Pty Ltd <Brearley Super Fund A/C>	852,100	0.34
Allan Dale Real Estate Pty Ltd <Super Fund A/C>	835,000	0.33
Total Top 20	220,115,988	86.79
Others	33,504,476	13.21
Total Ordinary Shares on Issue	253,620,464	100.00

2. DISTRIBUTION OF EQUITY SECURITIES

Analysis of numbers of holders by size of holding:

Distribution	Ordinary Shares	
	Number of Shareholders	Number of Ordinary Shares
1 – 1,000	600	132,344
1,001 – 5,000	229	649,649
5,001 – 10,000	126	1,048,268
10,001 – 100,000	254	9,220,774
More than 100,000	95	242,569,429
Totals	1,304	253,620,464

There were 694 holders of less than a marketable parcel of Ordinary Shares.

3. VOTING RIGHTS

See Note 11(c) of the Notes to the Financial Statements.

4. SUBSTANTIAL SHAREHOLDERS (shareholder with voting power of at least 5%)

Substantial Shareholder notices have been received by the following:

Substantial Shareholder	Number of Shares/Votes	Voting Power
CD Capital Natural Resources Fund III LP	44,776,120	17.7%

The number of shares and voting power is calculated on the basis of the most recent notices received by the Company up to the date of this report.

5. ON-MARKET BUY BACK

There is currently no on-market buy back program for any of GreenX Metals Limited's listed securities.

6. EXPLORATION INTERESTS

As at 31 August 2022, the Company has an interest in the following tenements:

Location	Tenement	Percentage Interest	Status	Tenement Type
Greenland	Arctic Rift Copper Project (Licence No. 2021-07 MEL-S)	- ¹	Granted	Exploration Licence
Jan Karski, Poland	Jan Karski Mine Plan Area (K-4-5, K6-7, K-8 and K-9) ¹	100	In dispute ¹	Exclusive Right to apply for a mining concession
Debiensko, Poland	Debiensko 1 ²	100	Granted	Mining
Debiensko, Poland	Kaczyce 1	100	Granted	Mining & Exploration (includes gas rights)

Notes:

¹ In October 2021, the Company announced that it had entered into an Earn-In Agreement (EIA) with GEX to acquire an interest of up to 80% in ARC. As at the date of this announcement, the Company held no beneficial interest in ARC, other than through the EIA.

² GreenX was commenced international arbitration claims against the Republic of Poland under both the ECT and the BIT. GreenX alleges that the Republic of Poland has breached its obligations under the Treaties through its actions to block the development of the Company's Jan Karski and Debiensko projects in Poland.



GreenX Metals

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