



HIGH-TECH METALS

L I M I T E D

ACN 657 249 995

Interim Financial Statements - 31 December 2022

Corporate Directory

Directors	Charles Thomas Sonu Cheema Mitchell Smith
Company secretary	Quinton Meyers
Registered office	22 Townshend Road Subiaco WA 6009 Phone: (08) 6489 1600
Share register	Automic Group Level 5 191 St Georges Terrace Perth WA 6000
Auditor	HLB Mann Judd (WA Partnership) Level 4 130 Stirling Street Perth WA 6000
Solicitors	Steinepreis Paganin Level 4, The Read Buildings 16 Milligan Street Perth WA 6000
Stock exchange listing	High-Tech Metals Limited shares are listed on the Australian Stock Exchange (ASX) (ASX Code: HTM)
Website	https://hightechmetals.com.au/

Contents

Directors' Report4

Statement of Profit or Loss and Other Comprehensive Income7

Statement of Financial position8

Statement of Changes in Equity9

Statement of Cash Flows10

Notes to the Financial Statements11

Directors' Declaration16

Independent Auditor's Review Report17

High-Tech Metals Limited

Directors' Report

For the half year ended 31 December 2022

The Directors present their report, together with the financial statements, of High-Tech Metals Limited ('Company') for the half year ended 31 December 2022.

Directors

The following persons were Directors of High-Tech Metals Limited from 1 July 2022 until the end of the half year and up to the date of this report, unless otherwise stated:

Charles Thomas – Non-executive Chairman
Sonu Cheema – Executive Director
Mitchell Smith – Non-executive Director

Company Secretary

Quinton Meyers - Company Secretary

Principal Activities

During the financial period the activities of the Company was reviewing potential acquisitions in the battery metals space, specifically cobalt, and the listing of the Company on the ASX.

Operating Results

The net loss after income tax for the period was (\$367,744).

Dividends

No dividends were paid during the period and no dividend has been declared for the half year ended 31 December 2022.

Securities on issue

As at the date of this report, the securities on issue by the Company were:

Security

Ordinary Shares fully paid
Unlisted Options exercisable at \$0.25 each on or before 19 January 2026.

	Number
Ordinary Shares fully paid	32,840,010
Unlisted Options exercisable at \$0.25 each on or before 19 January 2026.	9,500,000

Significant Changes in the State of Affairs

There were no other significant changes in the state of affairs of the Company during the financial period.

Matters Subsequent to the End of the Half Year

On 23 January 2023, the Company successfully listed on the ASX following the issue of 23,590,000 Shares under the Company's initial Public Offer (**IPO**) at an issue price of \$0.20 per Share to raise \$4,718,000 (as at 31 December 2022, the Company had received \$2,362,333 under the IPO) (before associated costs). As part of the IPO, the Company acquired the Werner Lake Cobalt Project, Ontario, Canada, through the issue of 3,250,000 fully paid ordinary shares to Global Energy Metals Corporation (TSX: **GEMC**) and Marquee Resources Limited (ASX: **MQR**). GEMC received 2,500,000 fully paid ordinary shares and MQR received 750,000 fully paid ordinary shares.

The Company entered a 3-year lease agreement for office space on 23 January 2023. The monthly lease expense is \$6,000 (excl. GST), which is inclusive of all outgoings. Upon entering into the lease agreement, and post-year-end, the Company recognised a Right-of-Use Asset of \$200,319 and Lease Liability of \$200,431.

The Company announced on 16 February 2023 the appointment of highly experienced geologist, Toby Hughes, to manage the Canadian exploration work programs on its flagship Werner Lake Cobalt Project. Mr Hughes extensive experience and understanding of the Project area provides HTM with unique insights into new exploration opportunities and targets.

High-Tech Metals Limited

Director's Report

For the half year ended 31 December 2022

Auditor's Independence Declaration

A copy of the auditor's Independence Declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this Directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the Directors



Sonu Cheema
Executive Director
8 March 2023

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the consolidated financial report of High-Tech Metals Limited for the half-year ended 31 December 2022, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Perth, Western Australia
8 March 2023



N G Neill
Partner

hlb.com.au

HLB Mann Judd (WA Partnership) ABN 22 193 232 714

Level 4, 130 Stirling Street, Perth WA 6000 / PO Box 8124 Perth BC WA 6849

T: +61 (0)8 9227 7500 **E:** mailbox@hlbwa.com.au

Liability limited by a scheme approved under Professional Standards Legislation.

HLB Mann Judd (WA Partnership) is a member of HLB International, the global advisory and accounting network.

High-Tech Metals Limited
Statement of Profit or Loss and Other Comprehensive Income
For the half year ended 31 December 2022

	Notes	31 December 2022 \$
Revenue from continuing operations		
Expenses		
Administration expense	2	(319,358)
Director fees		(48,386)
Loss before income tax expense from continuing operations		(367,744)
Income tax expense		-
Loss from continuing operations for the period		(367,744)
Other comprehensive income for the year, net of tax		-
Total comprehensive income for the year		(367,744)
Earnings/(loss) per share		Cents per Share
Basic loss per share	5	(12.70)

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

High-Tech Metals Limited

Statement of Financial position

As at 31 December 2022

	Notes	31 December 2022 \$	30 June 2022 \$
Current Assets			
Cash and cash equivalents		2,413,268	103,452
Trade and other receivable		73,463	4,786
Total current assets		2,486,731	108,238
Non-current assets			
Deferred exploration and evaluation expenditure	8	50,000	-
Total non-current assets		50,000	-
Total assets		2,536,731	108,238
Liabilities			
Current Liabilities			
Trade and other payables		555,935	153,961
Total current liabilities		555,935	153,961
Total liabilities		555,935	153,961
Net Assets/(Liabilities)		1,980,796	(45,723)
Equity			
Issued capital	3	182,180	150,250
Unissued capital	3a	2,362,333	-
Accumulated Losses		(563,717)	(195,973)
Total Equity/(Deficiency)		1,980,796	(45,723)

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

High-Tech Metals Limited
Statement of Changes in Equity
For the half year ended 31 December 2022

	Notes	Issued Capital \$	Accumulated Losses \$	Total \$
Balance at 1 July 2022		150,250	(195,973)	(45,723)
Loss for the Period		-	(367,744)	(367,744)
Other Comprehensive Loss		-	-	-
Total Comprehensive Loss		-	(367,744)	(367,744)
Proceeds from Shares Issued	3	50,000	-	50,000
Proceeds from unissued shares	3a	2,362,333	-	2,362,333
Payments for share issue costs	4	(18,070)	-	(18,070)
Balance as at 31 December 2022		2,544,513	(563,717)	1,980,796

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

High-Tech Metals Limited
Statement of Cash Flows
For the half year ended 31 December 2022

	31 December 2022 \$
Cash flows from operating activities	
Payment to suppliers and employees	(110,868)
Net cashflows used in operating activities	<u>(110,868)</u>
Cash flows from investing activities	
Deferred exploration expenditure	(50,000)
Net cashflows from investing activities	<u>(50,000)</u>
Cash flows from financing activities	
Proceeds from Shares issued	50,000
Proceeds from Unissued Shares	2,362,333
Proceeds from borrowings	76,420
Cost of shares issued	(18,070)
Net cashflows from financing activities	<u>2,470,683</u>
Net increase in cash and cash equivalents	<u>2,309,815</u>
Cash and cash equivalents at beginning of financial period	103,452
Cash and cash equivalents at end of financial period	<u>2,413,268</u>

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

High-Tech Metals Limited

Notes to the Financial Statements

For the half year ended 31 December 2022

Note 1. Significant Accounting Policies

Statement of compliance

These interim financial statements are general purpose financial statements prepared in accordance with the requirements of the Corporations Act 2001, applicable accounting standards including AASB 134 'Interim Financial Reporting', Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board ('AASB'). Compliance with AASB 134 ensures compliance with IAS 34 'Interim Financial Reporting'.

The financial statements comprise the condensed interim financial statements for the Company. For the purposes of preparing the financial statements, the Company is a for-profit entity.

The interim financial report does not include full disclosures of the type normally included in an annual financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the Company as in the full financial report.

It is recommended that this interim financial report be read in conjunction with the annual financial report for the year ended 30 June 2022, the Company's prospectus issued 8 November 2022 and any public announcements made by the Company during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001 and the ASX Listing Rules.

The financial period ended 31 December 2022 is the Company's first interim financial report, therefore there are no comparisons for previous years.

Basis of preparation

The interim financial report has been prepared on a historical cost basis. Cost is based on the fair value of the consideration given in exchange for assets.

The Company is domiciled in Australia and all amounts are presented in Australian dollars, unless otherwise noted. For the purpose of preparing the interim financial report, the half-year has been treated as a discrete reporting period.

Accounting policies and methods of computation

The accounting policies and methods of computation adopted are consistent with those of the previous financial year and corresponding interim reporting period except for the impact of the new Standards and Interpretations effective 1 July 2022 as described below. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

Adoption of new and revised standards

New Standards and Interpretations applicable for the half year ended 31 December 2022

In the half-year ended 31 December 2022, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Company and effective for the current reporting period.

The Directors have determined that there is no material impact of the new and revised Standards and Interpretations on the Company.

Standards and interpretations in issue not yet adopted

The Directors have also reviewed all of the new and revised Standards and Interpretations in issue not yet adopted for the period ended 31 December 2022. As a result of this review the Directors have determined that there is no material impact of the Standards and Interpretations in issue not yet adopted on the Company and, therefore, no change is necessary to Company accounting policies.

High-Tech Metals Limited

Notes to the Financial Statements (cont'd)

For the half year ended 31 December 2022

Significant accounting judgments and key estimates

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

In preparing this interim report, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial report for the year ended 30 June 2022.

Statement of compliance

The interim financial statements were authorised for issue on 8 March 2023.

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

Going concern

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

Note 2. Loss before income tax expense

The following revenue and expense items are relevant in explaining the financial performance for the half year.

	31 December 2022 \$
Expenses	
Included in administration expenses are the following material items:	
- ASIC	3,002
- ASX fees	69,473
- Bank fees	3
- Accounting fees	13,360
- Legal fees	231,400
- Insurance	2,120
	319,358

High-Tech Metals Limited

Notes to the Financial Statements (cont'd)

For the half year ended 31 December 2022

Note 3. Issued Capital

	No. of Shares	31 December 2022 \$	No. of Shares	30 June 2022 \$
Ordinary Shares fully paid	6,000,010	182,180	5,500,010	150,250

Movement in Shares on Issue

	No. of Shares	31 December 2022 \$	No. of Shares	30 June 2022 \$
Balance at the beginning of the period	5,500,010	150,250	-	-
Ordinary shares at Incorporation	-	-	10	-
Issue of 2,500,000 founder shares at \$0.0001	-	-	2,500,000	250
Issue of 3,000,000 seed shares at \$0.05	-	-	3,000,000	150,000
Issue of 500,000 seed shares at \$0.10	500,000	50,000	-	-
Share issue costs	-	(18,070)	-	-
Closing balance	6,000,010	182,180	5,500,010	150,250

Ordinary shares have the right to receive dividends as declared and, in the event of winding up the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held.

Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

Note 3a. Unissued Capital

	No. of Shares	31 December 2022 \$	No. of Shares	30 June 2022 \$
Unissued shares applied for under the IPO	11,181,665	2,362,333	-	-

Movement in Shares on Issue

	No. of Shares	31 December 2022 \$	No. of Shares	30 June 2022 \$
Balance at the beginning of the period	-	-	-	-
Unissued shares applied for under the IPO	11,181,665	2,362,333	-	-
Closing balance	11,181,665	2,362,333	-	-

Note 4. Options on Issue

	No. of Shares	31 December 2022 \$	No. of Shares	30 June 2022 \$
Options exercisable at \$0.25 on or before the date that is 3 years following admission on the ASX	3,500,000	-	3,000,000	-

High-Tech Metals Limited

Notes to the Financial Statements (cont'd)

For the half year ended 31 December 2022

Movement in Options

	No. of Shares	31 December 2022 \$	No. of Shares	30 June 2022 \$
Balance as at 30 June 2022	3,000,000	-	-	-
Issue of 3,000,000 free attaching options as part of the seed raising at \$0.05	-	-	3,000,000	-
Issue of 500,000 free attaching options as part of the seed raising at \$0.05	500,000	-		
Closing balance	3,500,000	-	3,000,000	-

Note 5. Loss Per Share

	2022 Cents Per Share (12.70)
Basic loss per share	
Earnings/(loss) used in calculation of basic and diluted loss per share	<u>\$</u> <u>(367,744)</u>
Weighted average number of ordinary shares on issue used in the calculation of basic loss per share	2,895,895

Note 6. Events After Balance Date

On 23 January 2023, the Company successfully listed on the ASX following the issue of 23,590,000 Shares under the Company's initial Public Offer (**IPO**) at an issue price of \$0.20 per Share to raise \$4,718,000 (as at 31 December 2022, the Company had raised \$2,362,333 under the IPO) (before associated costs). As part of the IPO, the Company acquired the Werner Lake Cobalt Project, Ontario, Canada, through the issue of 3,250,000 fully paid ordinary shares to Global Energy Metals Corporation (TSX: **GEMC**) and Marquee Resources Limited (ASX: **MQR**). GEMC received 2,500,000 fully paid ordinary shares and MQR received 750,000 fully paid ordinary shares.

The Company entered a 3-year lease agreement for office space on 23 January 2023. The monthly lease expense is \$6,000 (excl. GST), which is inclusive of all outgoings. Upon entering into the lease agreement, and post-year-end, the Company recognised a Right-of-Use Asset of \$200,319 and Lease Liability of \$200,431.

The Company announced on 16 February 2023 the appointment of highly experienced geologist, Toby Hughes, to manage the Canadian exploration work programs on its flagship Werner Lake Cobalt Project. Mr Hughes extensive experience and understanding of the Project area provides HTM with unique insights into new exploration opportunities and targets.

Note 7. Financial Instruments

Fair value of financial assets and liabilities

The carrying amount of financial assets and financial liabilities recorded in the financial statements represents their respective net fair values, determined in accordance with the accounting policies disclosed in Note 1. The Directors consider that the carrying amounts of current receivables and current payables are considered to be a reasonable approximation of their fair values.

High-Tech Metals Limited
Notes to the Financial Statements (cont'd)
For the half year ended 31 December 2022

Note 8. Capitalized Exploration and Evaluation Expenditure

	31 December 2022	30 June 2022
	\$	\$
Cost brought forward in respect of areas of interest in the exploration evaluation stage	-	-
Acquisition of the Werner Lake Project	50,000	-
	50,000	-

High-Tech Metals Limited

Directors' Declaration

For the half year ended 31 December 2022

Director's Declaration

In the opinion of the directors of High-Tech Metals Limited ('the Company'):

1. The attached financial statements and notes thereto are in accordance with the Corporations Act 2001 including:
 - a. complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - b. giving a true and fair view of the Company's financial position as at 31 December 2022 and of its performance for the half-year then ended; and
2. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with a resolution of the Board of Directors made pursuant to s.303(5) of the Corporations Act 2001.

On behalf of the Directors



Sonu Cheema
Executive Director
8 March 2023

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of High-Tech Metals Limited

Report on the Condensed Half-Year Financial Report*Conclusion*

We have reviewed the accompanying half-year financial report of High-Tech Metals Limited ("the company") which comprises the condensed statement of financial position as at 31 December 2022, the condensed statement of profit or loss and other comprehensive income, the condensed statement of changes in equity and the condensed statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration, for the company.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of High-Tech Metals Limited does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the company's financial position as at 31 December 2022 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's responsibilities for the review of the financial report* section of our report. We are independent of the company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Responsibility of the directors for the financial report

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

hlb.com.au

HLB Mann Judd (WA Partnership) ABN 22 193 232 714

Level 4, 130 Stirling Street, Perth WA 6000 / PO Box 8124 Perth BC WA 6849

T: +61 (0)8 9227 7500 **E:** mailbox@hlbwa.com.au

Liability limited by a scheme approved under Professional Standards Legislation.

HLB Mann Judd (WA Partnership) is a member of HLB International, the global advisory and accounting network.

Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the company's financial position as at 31 December 2022 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.



HLB Mann Judd
Chartered Accountants

Perth, Western Australia
8 March 2023



N G Neill
Partner