



Panther Metals Ltd

ACN: 614 676 578

ASX: PNT

Annual Report for the Year Ended
31 December 2022

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Corporate Directory

Directors

Dr Ahmet Kerim Sener Non-Executive Chairman
Daniel Tuffin Managing Director & CEO
Ranko Matic Director & CFO

Company Secretary

Ranko Matic
Damon Cox (*appointed 21 March 2022*)

Registered Office

Level 2, 22 Mount Street
Perth WA 6000
Telephone: +61 8 6188 8181

Auditors

Criterion Audit Pty Ltd
Suite 2, 642 Newcastle Street
Leederville WA 6007

Share Registry

Automic Pty Ltd
Level 5, 191 St Georges Terrace
Perth WA 6000

Stock Listing Exchange

Australian Securities Exchange (ASX)
Code: PNT

Panther Metals Ltd
Directors' report
31 December 2022

The Directors present their report, together with the financial statements, on Panther Metals Ltd (referred to hereafter as the 'Company') for the year ended 31 December 2022.

Directors

The following persons were Directors of Panther Metals Ltd during or since the end of the year:

Daniel Tuffin
Ahmet Kerim Sener
Ranko Matic

Principal activities

The principal activity of the Company is mineral exploration.

Dividends

No dividends were paid or declared during the year. No dividend has been recommended.

Review of operations

The loss for the Company after providing for income tax for the year ending 31 December 2022 was \$1,042,885 (2021: \$282,372).

Highlights

- Coglia Nickel-Cobalt Project (Coglia) returns highest nickel and cobalt grades to date. They include:
 - 19m at 1.19% Ni from 60m, inc. 8m at 2.10% Ni from 63m, with a new highest peak intercept of 1m at 3.97% Ni from 64m, and 5m at 2,592ppm Co from 62m, inc. 2m at 5,105ppm Co from 64m, with a new highest peak of 1m at 7,900ppm Co from 64m (CGRC054);
 - 24m at 0.92% Ni from 56m, inc. 1m at 1.20% Ni from 62m, and 24m at 646ppm Co, inc. 7m at 1,260ppm Co from 59m, with a peak of 1m at 3,090ppm Co from 69m (CGRC041); and
 - 19m at 0.87% Ni from 49m, inc. 3m at 1.13% Ni and from 54m, and 4m at 778ppm Co from 53m, inc. 1m at 980ppm Co (CGRC061).
- Extraordinary peak intercepts of 1m at 3.97% Ni and 1m at 7,900ppm Co in drill hole CGRC054 are the highest ever returned at Coglia.
- Maiden Mineral Resource Estimate (MRE) of 70.6Mt at 0.7% Ni and 460ppm Co for 476kt of nickel and 32.2kt of cobalt (Inferred) at Coglia.
- New Southern JORC Exploration Target (JET) defined at Coglia.
- Two new drill target areas resulting from drilling and geophysics review at Coglia.
- Reverse Circulation (RC) drilling programs completed at the Eight Foot Well and Burtville East gold projects.
- Outstanding results at Burtville East with Hole BVE006 returning new shallow broad high grade gold zone of 15m at 53.94g/t Au from 27m.
- New information acquired on the geometry and extent of historic workings at Burtville East.
- Detailed historic surface geochemistry highlights 800m anomalous NW-SE zone at Burtville East.

For more information on the Coglia assays, MRE and drill target areas please refer to ASX releases "Highest Nickel Cobalt Peak Grades in Final Assays at Coglia" (12 May 2022) and "Maiden Coglia Nickel-Cobalt Mineral Resource Estimate" (27 June 2022).

Coglia Nickel-Cobalt Project:

The Company received all outstanding assays from drilling at the Coglia Nickel-Cobalt Project (Coglia), resulting in a maiden JORC-compliant Inferred Mineral Resource Estimate (MRE).

The maiden Inferred Mineral Resource Estimate for the Coglia Nickel-Cobalt Project is outlined in Table 1 below.

Table 1: Coglia Nickel-Cobalt Inferred Mineral Resource at a 0.5% Nickel Grade Cut-Off.

0.5% Ni cut-off	Tonnes	Ni %	Co ppm	Ni tonnes	Co tonnes
Domain North	25,800,000	0.7	360	186,000	9,300
Domain South	44,800,000	0.6	510	290,000	22,900
TOTAL	70,600,000	0.7	460	476,000	32,200

Some errors may occur due to rounding.

Re-interpretation and 3D inversion modelling of high-resolution aeromagnetic data identified a significant correlation between modelled zones displaying significant magnetic intensity and known mineralisation within the Coglia area (Figure 1). The 3D inversion model, in conjunction with drill data, was utilised to guide the extents of the new 2022 Coglia MRE domains, and also identified three additional areas for testing, including the new Southern JORC Exploration Target (JET) and the Central and East Drill Targets.

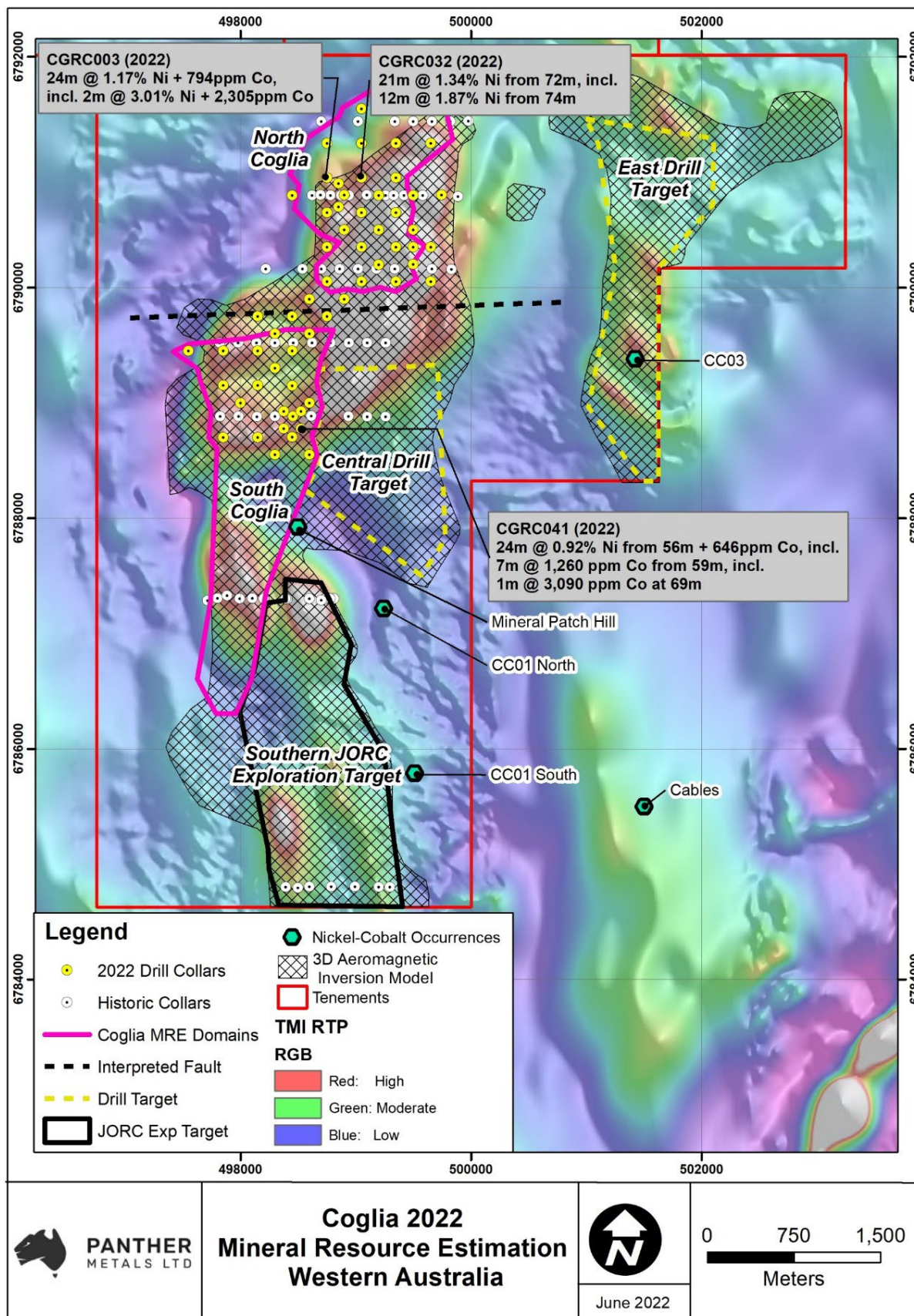


Figure 1: Plan view of the Coglia Project with the 2022 MRE mineralisation domains, which are highlighted in magenta, along with the new Southern JET (outlined in solid black) and the new 'central' and 'eastern' drill targets.

The new Southern JET is defined by the southward extension of the “open” Coggia South Mineral Resource Estimation domain (Figure 2) and is interpreted to lie directly above a pronounced area within the 3D inversion model (see Table 2 below).

Importantly, this target area is supported by a fence line of seven historic drillholes near the southern boundary of the Coggia tenement. Further drilling to test the new Southern JET will be planned.

Table 2: New Coggia Nickel-Cobalt Southern JORC Exploration Target.

Tonnage Range		Grade Range Nickel %		Grade Range Cobalt ppm	
~34,000,000	~62,000,000	~0.40	~0.65	~400	~600

The potential quantity and grade of an Exploration Target is conceptual in nature. There has been insufficient exploration to estimate a Mineral Resource and there is no certainty that further exploration work will result in the determination of Mineral Resources.

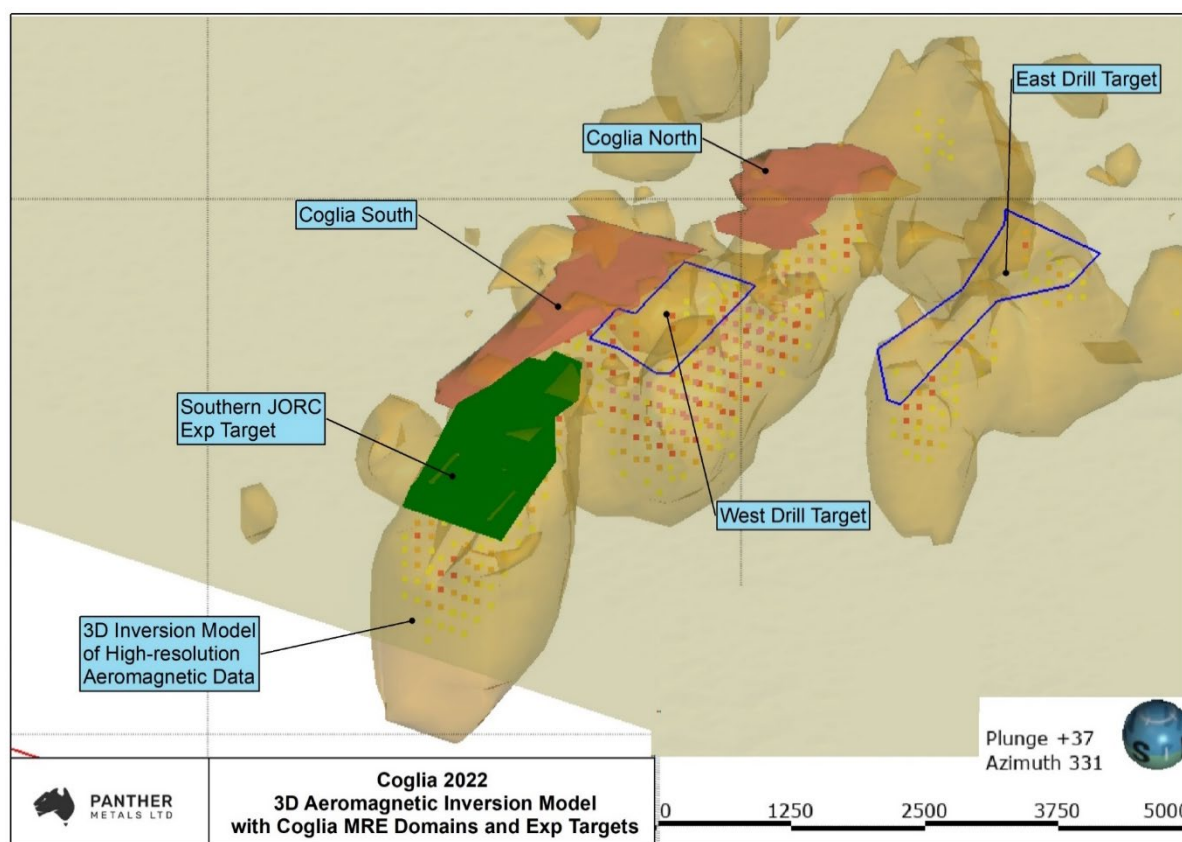


Figure 2: Three-dimensional Leapfrog model showing the Coggia MRE domains and various exploration targets, and their direct relationship to the intensity domains defined from the re-processing and inversion modelling of high-resolution aeromagnetic data.

Burtville East & Eight Foot Well Gold Projects:

Following the completion of drilling at the Coglia Project, the Company moved the drill rig to the Eight Foot Well Gold Prospect contained within the Red Flag Project area in early April 2022 to commence a 2,500m RC drill program.

The same rig was then moved to the Burtville East Gold Project in May 2022 to carry out an initial first pass program of six holes, 675m, to test accepted mineralisation trends and explore the potential for alternative trends.

Subsequent to the end of the half-year, the Company received the assay results for Burtville East and Eight Foot Well (see ASX announcement on 14 July 2022).

The results for Burtville East were outstanding with Hole BVE006 returning new shallow broad high grade gold zone of 15m at 53.94g/t gold from 27m, including four 1m bonanza grade intercepts. Results above 0.5g/t gold assayed are reported below:

- BVE001: 1m at 1.14g/t Au from 79m and 1m at 1.25g/t Au from 103m
- BVE002: 1m at 73.30g/t Au from 93m and 1m at 0.58g/t Au from 96m
- BVE003: 1m at 0.74g/t Au from 72m
- BVE004: 4m at 3.36g/t Au from 79m and 1m at 2.07g/t Au from 106m and 1m at 3.41g/t Au from 119m
- BVE005: 1m at 0.95g/t Au from 106m
- BVE006: 15m at 53.94g/t Au from 27m, including 1m intercepts >10g/t Au:
 - 1m at 79.90g/t Au from 27m
 - **1m at 478.00g/t Au from 28m**
 - 1m at 24.30g/t Au from 29m
 - 1m at 125.50g/t Au from 33m
 - 1m at 43.80g/t Au from 34m
 - 1m at 14.60g/t Au from 35m
 - 1m at 11.40g/t Au from 40m.

The interception of a new shallow broad high-grade gold zone in hole BVE006 resulted in a reassessment of the accepted mineralisation trends at Burtville East. The prior interpretation of the mineralised trend was a north-south structure. It is now thought that the formation of mineralisation is more complex and likely the result of shear deformation, forming a series of northwest-southeast trending en-echelon dilational veins.

The Company has fast tracked its review of the results from the first round of drilling and has prepared a follow-up drill program (see ASX announcement on 27 July 2022).

New geological modelling on the Burtville East Gold Project took place during the December quarter, resulting the confirmation of multiple gold-rich quartz lodes within the prospect and near peripheral zones. Additionally, the assay results received from the two diamond holes which tested the high-grade core of the BVE Main Lode and the extent of reported historic workings, provided a better understanding of the amount of prior stoping between the two existing shafts.

Highlights of the diamond hole drilling are summarised below:

- BVEDD001:
 - 0.3m @ 21.4g/t Au from 48.4m
 - 0.2m @ 43.3g/t Au from 51.4m
- BVEDD002
 - 14.6m @ 2.32g/t Au from 37.4m incl.
 - 0.6m @ 7.97g/t Au from 37.4m,
 - 0.5m @ 26.8g/t Au from 49.3m and
 - 0.7m @ 8.41g/t Au from 50.8m.

Both diamond holes intercepted multiple historic workings where mineralisation was expected. This has provided sufficient insight for the modelling of voids associated with the historic, poorly documented, underground mining activities.

More importantly, the discovery of historic workings where high-grade mineralisation was encountered in drilling validates the geological modelling and provides new information on the interpreted lode orientation. This is significant for future exploration of peripheral lodes within the wider extent of the Burtville East mineralisation.

New geological modelling following the completion of drilling in 2022 at Burtville East has confirmed the existence of multiple gold-rich quartz lodes, associated peripheral zones of mineralisation and a wider prospect area (see **Figure 3**). This has been proven by multiple very high and bonanza grade intercepts in both historic holes and Panther's 2022 drilling.

Key intercepts residing outside of the main mineralisation zone and supporting the new multi-lode model includes:

- BVE009: 10m @ 7.15g/t Au from 84m, including, 1m @ 62.80g/t Au from 91m
- BVE002: 1m @ 73.3g/t Au from 93m
- BVE004: 1m @ 3.41g/t Au from 119m

The new gold lodes have been confirmed at greater depths within the deposit (i.e., >80m), from which it is inferred that mineralisation could broaden at depth. This a significant observation for future exploration planning; further exploration of these zones has accordingly been included in future drill planning.

Gold bearing quartz lodes at Burtville East are now interpreted to have formed as a series of sigmoidal tension gashes associated with a regional NW-NNW trending shear zone. The full extent of these gold-bearing structural zones is currently unknown; they remain open both at depth and along strike (see **Figure 4**).

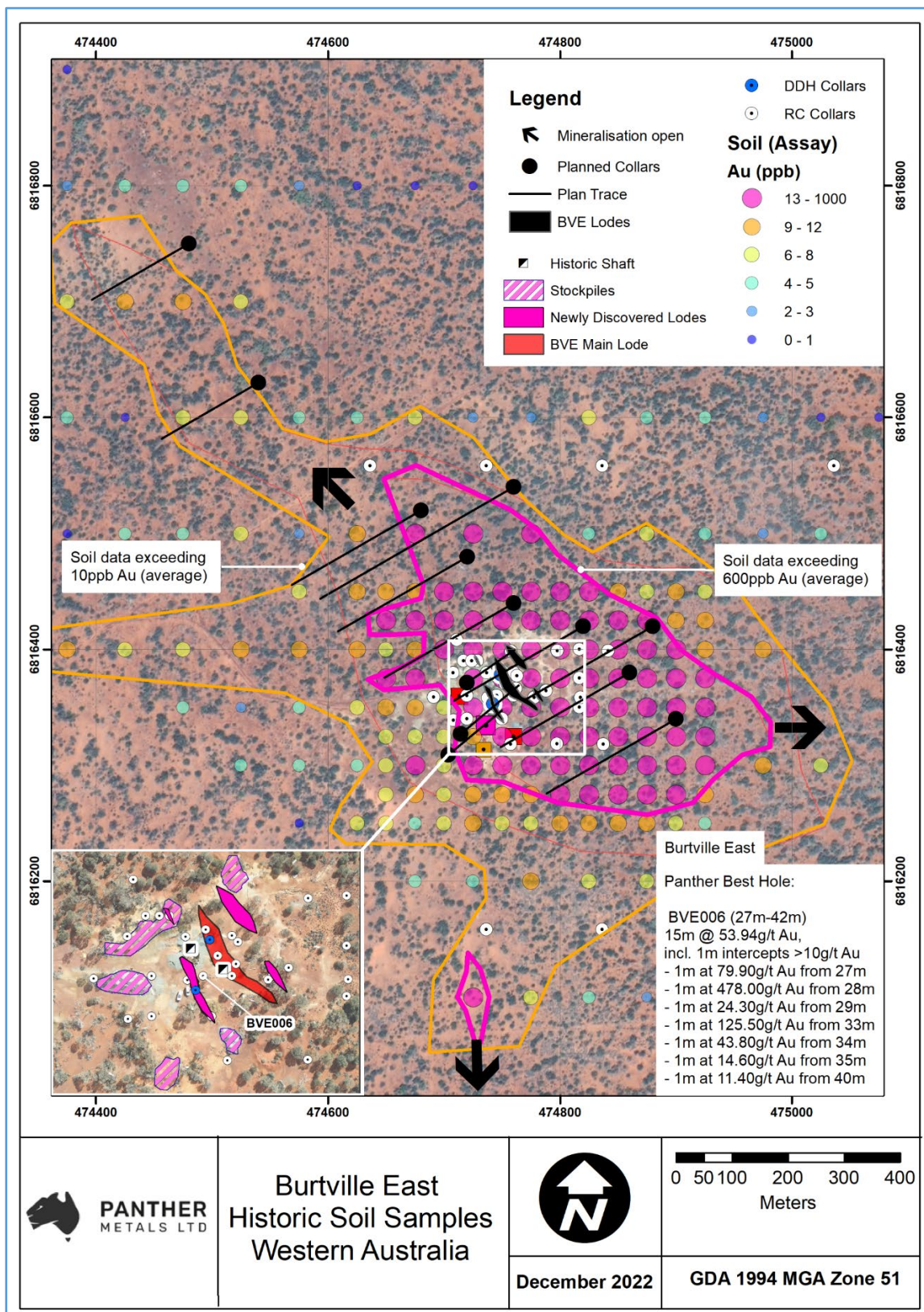


Figure 3: Burtville East wider prospect area highlighting the significant NW-SE trending soil sample anomaly exceeding 600ppb Au. Planned drilling for future exploration work is outlined.

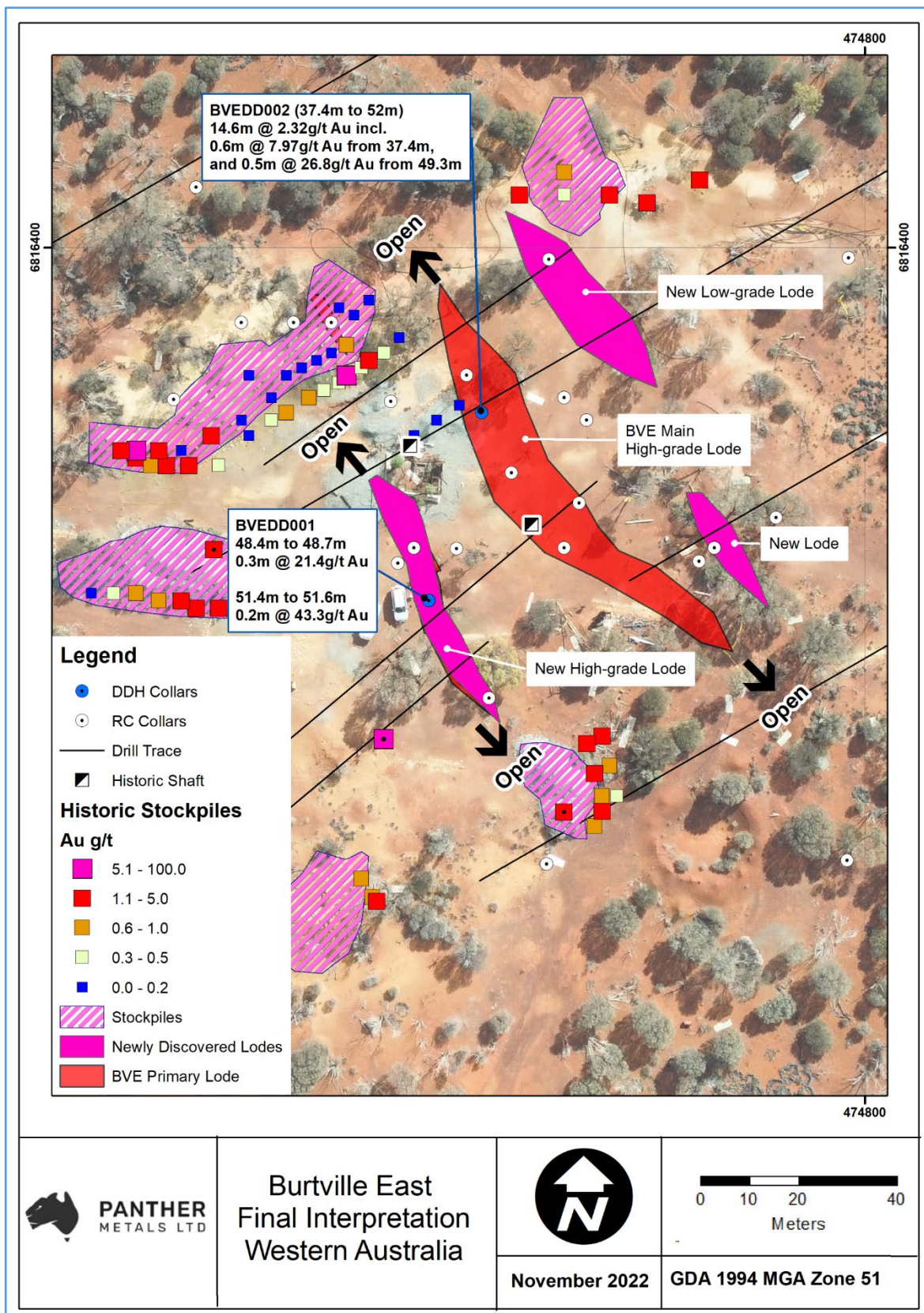


Figure 4: December 2022 Burtville East interpretation.

Competent Persons Statement

The information that relates to Exploration Results is based upon information compiled by Mr Paddy Reidy, who is a director of Geomin Services Pty Ltd. Mr Reidy is a Member of the Australian Institute of Mining and Metallurgy. Mr Reidy has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code 2012). Mr Reidy has 25 years of relevant experience in the Technical Assessments of Mineral Properties.

The information in this report that relates to the Mineral Resource estimation for the Coglia Nickel-Cobalt Project is based on information compiled by Mr Richard Maddocks. Mr Maddocks is a director of Auranmore Consulting Pty Ltd and is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Maddocks has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as Competent Persons as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves".

The information in this report related to the Coglia nickel-Cobalt JORC Exploration Target was compiled by Ruth Bektas, a consultant geologist of Asgard Metals Pty. Ltd. Ruth Bektas is a member of Recognised Professional Organisations as defined by JORC 2012: a Chartered Geologist (Cgeol, Geological Society of London) and European Geologist (EurGeol, European Federation of Geologists) and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity upon which she is reporting as a Competent Person as defined in the 2012 Edition of "The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves."

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

The Company confirms that the form and context in which the Competent Persons' findings are presented have not been materially modified from the original market announcements.

Information on Directors

Name: Daniel Tuffin
Title: Managing Director and Chief Executive Officer
Qualifications, experience and expertise: *Beng, BSc, DipPM, FAusIMM(CP), MAICD*

Mr Daniel Tuffin is the Co-Founder and Chairman of the successful mine consulting firm Auralia Mining Consulting and is a hands-on mining engineer with over 20 years of experience. His career began in iron ore and gold projects in WA and later extended internationally. He has established many successful companies and mining projects, including co-founding private Kalgoorlie gold mining venture Rose Dam Resources, discovering and then privately co-developing the RDSW open pit, which has produced over 30koz of gold. Daniel has a wealth of experience specific to Panther, having worked in the Merolia area both onsite at the Granny Smith mine and as a consultant for mine engineering planning work on the nearby Euro and Fish deposits. As the co-founder of Roman Kings, he developed the nearby WA Crawford and Gambier Lass North Projects, later vending them into the Kingwest IPO (ASX: KWR) for \$3.6m in scrip. He also developed assets in the NT within his Montejinni Resources company before their vend into Tempest Minerals (ASX: TMR) for their IPO in 2017. He is currently the Executive Technical Director of Cavalier Resources Limited (ASX: CVR) and Technical Director of Mount Malcolm Mines NL (ASX: M2M).

Other current directorships: Mt Malcolm Mines NL (ASX: M2M)
Cavalier Resources Limited (ASX: CVR)

Former directorships (in last three years): Nil

Interests in Shares: 3,029,761
Interests in Performance 2,000,000
Rights:

Name: Ahmet Kerim Sener
Title: Non-Executive Chairman
Qualifications, experience and expertise: *BSc(Hons), MSc, PhD, FGSL, MIMM, MSEC*

Dr Kerim Sener has 24 years of experience in the mining and mineral exploration industry and has been responsible for discovering over 4.3Moz of gold in Eastern Europe and instrumental in developing Ariana Resources plc (AIM: AAU) into an active gold mining in Turkey. He takes an entrepreneurial approach to mineral exploration, having been involved in several successful IPOs on the LSE, TSX-V and the ASX.

He is actively developing an Eastern European exploration strategy for Venus Minerals and Western Tethyan Resources. He completed his PhD at UWA on orogenic gold systems in the Pine Creek Orogen and is one of few who could be considered a geological expert on Panther's Northern Territory assets.

Other current directorships: Ariana Resources plc (LON: AAU) – Managing Director

Former directorships (in last three years): Panther Metals plc (LON: PALM) – Non-Executive Chairman

Interests in Shares: -
Interests in Performance 1,500,000
Rights:

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Directors' report
31 December 2022

Name: Ranko Matic
Title: Executive Director, Company Secretary and Chief Financial Officer
Qualifications, experience and expertise: CA, BBus, GradDip-MinExplGeoSc

Mr Ranko Matic is a Chartered Accountant with over 30 years of experience in financial and executive management, accounting, audit, business and corporate advisory. Ranko is a director of a chartered accounting firm and a corporate advisory company based in Perth and has specialist expertise and exposure in areas of audit, corporate services, due diligence, mergers and acquisitions, and valuations. Through these positions, Ranko has been involved in an advisory capacity to over 40 initial public offerings and other re-capitalisations and re-listings of ASX companies in the last 20 years. Ranko is currently a non-executive director of ASX listed companies Cavalier Resources Limited and Lycaon Resources Ltd and NASQAD listed Locafy Limited. Mr Matic has also acted as Chief Financial Officer and Company Secretary for companies in the private and public listed sector and continues to hold various roles in this capacity with publicly listed companies.

Other current directorships: Cavalier Resources Limited (ASX: CVR)
Locafy Limited (NASQAD: LCFY)
Lycaon Resources Limited (ASX: LYN)

Former directorships (in last three years): Argosy Minerals Limited (ASX: AGY)
Australian Gold & Copper Limited (ASX: AGC)
Ragusa Minerals Limited (ASX: RAS)

Interests in Shares: 2,876,170
Interests in Performance 1,500,000
Rights:

Meetings of Directors

The number of meetings of the Company's Board of Directors ("the Board") held during the financial year ended 31 December 2022, and the number of meetings attended by each director were:

Name	Number eligible to attend	Number attended
Daniel Tuffin	2	2
Kerim Sener	2	2
Ranko Matic	2	2

There were two Directors meetings held during the financial year, however many board matters were dealt with via circular resolutions. The Company does not have a formally constituted audit committee or remuneration committee as the board considers that the Company's size and type of operation do not warrant such committees.

Remuneration report (audited)

The remuneration policy of Panther Metals Ltd has been designed to align director and executive objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific long-term incentives based on key performance areas affecting the Company's financial results. The Board of Panther Metals Ltd believes the remuneration policy is appropriate and effective in its ability to attract and retain high calibre executives and Directors to run and manage the Company.

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

- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Other transactions with key management personnel and their related parties

Principles used to determine the nature and amount of remuneration

Non-executive Directors' remuneration

The Company's policy is to remunerate Non-executive Directors at a fixed fee for time, commitment and responsibilities. Remuneration for Non-executive Directors is not linked to individual performance. From time to time, the Company may grant performance rights to Non-executive Directors. The grant of performance rights is designed to recognise and reward efforts and provide Non-executive Directors with additional incentive to continue those efforts for the benefit of the Company. The maximum aggregate amount of fees (including superannuation payments) that can be paid to non-executive Directors is subject to approval by shareholders at a General Meeting, with the current approved limit being \$300,000 per annum.

Executive remuneration

Executive pay and reward consists of a base salary and performance incentives. Long term performance incentives may include performance rights granted at the discretion of the Board and subject to obtaining the relevant approvals. The grant of performance rights is designed to recognise and reward efforts and provide additional incentive and may be subject to the successful completion of performance hurdles.

Company performance and link to remuneration

The remuneration policy has been tailored to increase goal congruence between shareholders, Directors, and executives. Currently, this is facilitated through the issue of performance rights to executives to encourage the alignment of personal and shareholder interests. The Company believes this policy will be effective in increasing shareholder wealth. Refer below for details of directors and executives interests in performance rights at year end.

Company performance, shareholder wealth and Directors' and executives' remuneration

The remuneration policy has been tailored to increase the positive relationship between shareholders' investment objectives and Directors and executives' performance. Currently, this is facilitated through the issue of performance rights to executives to encourage the alignment of personal and shareholder interests.

Details of remuneration

Amounts of remuneration

Details of the remuneration of the Company's key management personnel are set out in the following tables.

	Short-term benefits			Post-emp benefits	Share-based payments	Total	Performance-related
	Cash salary and fees	Other	Non-Cash	Super-annuation	Performance Rights		
2022	\$	\$	\$	\$	\$	\$	%
<i>Non-Exec Directors</i>							
Kerim Sener ¹	55,200	9,000	-	-	69,632	133,832	52%
<i>Executive Directors</i>							
Daniel Tuffin ²	220,000	55,915	-	22,550	92,841	391,306	24%
Ranko Matic ³	-	165,000	-	-	69,632	234,632	30%
	275,200	229,915	-	22,550	232,105	759,770	31%

1. Kerim Sener is a Director and shareholder of Matrix Exploration Pty Ltd (Matrix). Matrix was paid \$9,000 for professional services performed during 2022.
2. Daniel Tuffin is the Chairman of Auralia Mining Consulting Pty Ltd (Auralia). Auralia was paid \$55,915 in relation to geology consulting works performed during 2022 and office rental fees.
3. Ranko Matic is a Director and shareholder of Consilium Corporate Pty Ltd (Consilium). Consilium was paid \$165,000 in relation to directorship, corporate secretarial and accounting services performed during 2022.

	Short-term benefits			Post-emp benefits	Share-based payments	Total	Performance- related
	Cash salary and fees	Other	Non- Cash	Super- annuation	Performance Rights		
2021	\$	\$	\$	\$	\$	\$	%
<i>Non-Exec Directors</i>							
Kerim Sener ¹	-	50,000	-	-	5,342	55,342	10%
David Groves	6,667	-	-	-	-	6,667	-
Darren Hazelwood	2,750	-	-	-	-	2,750	-
<i>Executive Directors</i>							
Daniel Tuffin ²	12,833	56,160	-	1,283	7,122	77,398	9%
Ranko Matic ³	-	59,226	-	-	5,342	64,568	8%
	22,250	165,386	-	1,283	17,806	206,725	9%

1. Kerim Sener is a Director and shareholder of Matrix Exploration Pty Ltd (Matrix). Matrix was paid \$50,000 for professional services performed during 2021.
2. Daniel Tuffin is the Chairman of Auralia Mining Consulting Pty Ltd (Auralia). Auralia was paid \$6,160 in relation to geology consulting works performed during 2021. Daniel Tuffin is also the sole Director and a shareholder of Tuffagold Pty Ltd (Tuffagold). Tuffagold was paid \$50,000 in relation to engineering and management services performed during 2021.
3. Ranko Matic is a Director and shareholder of Consilium Corporate Pty Ltd (Consilium). Consilium was paid \$59,226 in relation to directorship, corporate secretarial and accounting services performed during 2021.

Service agreements

The employment conditions of the Managing Director, Mr Daniel Tuffin, are formalised in an executive service agreement. The agreement continues until a party terminates it by giving notice. Under the terms of the agreement:

- Mr Tuffin will receive a base salary of \$220,000 per annum (exclusive of statutory superannuation).
- Mr Tuffin, or the Company, may terminate the agreement, without cause, by giving three months' notice. The Company can also terminate the agreement summarily and without notice or compensation in circumstances of serious misconduct or breach by the Executive.

Share-based compensation

Issue of shares

There were no shares issued to Directors and other key management personnel as compensation during the year ended 31 December 2022 (2021: nil).

Options

The number of options over ordinary shares granted to and vested by Directors and other key management personnel as part of compensation during the year ended 31 December 2022 was nil (2021: nil).

Performance Rights

The number of performance rights granted to and vested by Directors and other key management personnel as part of compensation during the year ended 31 December 2022 was nil (2021: 5,000,000).

The performance rights will vest on achieving a volume-weighted average share price of \$0.30 or more over 20 consecutive trading days, subject to the holder remaining as an employee or Director of the Company.

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Shareholding

The number of shares in the Company held during the financial year by each Director and other members of key management personnel of the Company, including their personally related parties, is set out below:

2022	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/ other	Balance at the end of the year
<i>Ordinary shares</i>					
Kerim Sener	-	-	-	-	-
Daniel Tuffin	2,929,761	-	100,000	-	3,029,761
Ranko Matic	2,600,000	-	276,170	-	2,876,170
	<u>5,529,761</u>	<u>-</u>	<u>376,170</u>	<u>-</u>	<u>5,905,931</u>

2021	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/ other	Balance at the end of the year
<i>Ordinary shares</i>					
Kerim Sener	-	-	-	-	-
Daniel Tuffin	-	-	2,929,761	-	2,929,761
Ranko Matic	-	-	2,600,000	-	2,600,000
	<u>-</u>	<u>-</u>	<u>5,529,761</u>	<u>-</u>	<u>5,529,761</u>

Performance Right holding

The number of performance rights over ordinary shares in the Company held during the financial year by each Director and other members of key management personnel of the Company, including their personally related parties, is set out below:

2022	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/ other	Balance at the end of the year
<i>Performance rights</i>					
Kerim Sener	1,500,000	-	-	-	1,500,000
Daniel Tuffin	2,000,000	-	-	-	2,000,000
Ranko Matic	1,500,000	-	-	-	1,500,000
	<u>5,000,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,000,000</u>

2021	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/ other	Balance at the end of the year
<i>Performance rights</i>					
Kerim Sener	-	1,500,000	-	-	1,500,000
Daniel Tuffin	-	2,000,000	-	-	2,000,000
Ranko Matic	-	1,500,000	-	-	1,500,000
	<u>-</u>	<u>5,000,000</u>	<u>-</u>	<u>-</u>	<u>5,000,000</u>

Other transactions with key management personnel and their related parties

During the year, payments of \$165,000 (2021: \$59,226) were made to Consilium Corporate Pty Ltd (a director-related entity of Ranko Matic) for corporate secretarial and accounting services. The balance of trade payables owing to Consilium Corporate Pty Ltd as at 31 December 2022 was \$14,429 (2021: \$37,699).

During the year, payments of \$55,915 (2021: \$6,160) were made to Auralia Mining Consulting Pty Ltd (a director-related entity of Daniel Tuffin) ('Auralia') for geology consulting services.

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The balance of trade payables owing to Auralia as of 31 December 2022 was \$5,588 (2021: \$5,556). Additionally, the Company has signed an agreement with Auralia for the provision of office premises at a rate of \$2,000 per month.

During the year, payments of \$9,000 (2021: \$nil) were made to Matrix Exploration Pty Ltd (a director-related entity of Kerim Sener) for geology consulting services. The balance of trade payables owing to Matrix Exploration Pty Ltd as at 31 December 2022 was \$nil (2021: \$nil).

All transactions were made on normal commercial terms and conditions and at market rates.

This concludes the remuneration report, which has been audited.

Significant changes in the state of affairs

There were no significant changes in the Company's state of affairs during the year.

Matters after the end of the reporting period

There have been no matters or circumstances that have arisen since 31 December 2022 that have significantly affected or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

Likely developments and expected results of operations

Information on likely developments in the operations of the Company and the expected results of operations have not been included in this report because the Directors believe it would be likely to result in unreasonable prejudice to the Company.

Material business risks

The Company's exploration and evaluation operations will be subject to the normal risks of mineral exploration. The material business risks that may affect the Company are summarised below.

Future capital raisings

The Company's ongoing activities may require substantial further financing in the future. The Company will require additional funding to continue its exploration and evaluation operations on its projects with the aim to identify economically mineable reserves and resources. Any additional equity financing may be dilutive to shareholders, may be undertaken at lower prices than the current market price and debt financing, if available, may involve restrictive covenants which limit the Company's operations and business strategy. Although the Directors believe that additional capital can be obtained, no assurances can be made that appropriate capital or funding, if and when needed, will be available on terms favourable to the Company or at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce, delay or suspend its operations and this could have a material adverse effect on the Company's activities and could affect the Company's ability to continue as a going concern.

Exploration risk

The success of the Company depends on the delineation of economically mineable reserves and resources, access to required development capital, movement in the price of commodities, securing and maintaining title to the Company's exploration and mining tenements and obtaining all consents and approvals necessary for the conduct of its exploration activities. Exploration on the Company's existing tenements may be unsuccessful, resulting in a reduction in the value of those tenements, diminution in the cash reserves of the Company and possible relinquishment of the tenements. The exploration costs of the Company are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions.

Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect the Company's viability. If the level of operating expenditure required is higher than expected, the financial position of the Company may be adversely affected.

Feasibility and development risks

It may not always be possible for the Company to exploit successful discoveries which may be made in areas in which the Company has an interest. Such exploitation would involve obtaining the necessary licences or clearances from relevant authorities that may require conditions to be satisfied and/or the exercise of discretions by such authorities. It may or may not be possible for such conditions to be satisfied. Further, the decision to proceed to further exploitation may require participation of other companies whose interests and objectives may not be the same as the Company's. There is a complex, multidisciplinary process underway to complete a feasibility study to support any development proposal. There is a risk that the feasibility study and associated technical works will not achieve the results expected. There is also a risk that, even if a positive feasibility study is produced, the project may not be successfully developed for commercial or financial reasons.

Regulatory risk

The Company's operations are subject to various Commonwealth, State and Territory and local laws and plans, including those relating to mining, prospecting, development permit and licence requirements, industrial relations, environment, land use, royalties, water, native title and cultural heritage, mine safety and occupational health. Approvals, licences and permits required to comply with such rules are subject to the discretion of the applicable government officials.

No assurance can be given that the Company will be successful in maintaining such authorisations in full force and effect without modification or revocation. To the extent such approvals are required and not retained or obtained in a timely manner or at all, the Company may be limited or prohibited from continuing or proceeding with exploration. The Company's business and results of operations could be adversely affected if applications lodged for exploration licences are not granted. Mining and exploration tenements are subject to periodic renewal. The renewal of the term of a granted tenement is also subject to the discretion of the relevant Minister. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the tenements comprising the Company's projects. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company.

Mineral resource estimate risk

Mineral resource estimates are expressions of judgement based on knowledge, experience and industry practice. These estimates were appropriate when made but may change significantly when new information becomes available. There are risks associated with such estimates. Mineral resource estimates are necessarily imprecise and depend to some extent on interpretations, which may ultimately prove to be inaccurate and require adjustment. Adjustments to resource estimates could affect the Company's future plans and ultimately its financial performance and value. Nickel-cobalt price fluctuations, as well as increased production costs or reduced throughput and/or recovery rates, may render resources containing relatively lower grades uneconomic and may materially affect resource estimations.

Environmental risk

The operations and activities of the Company are subject to the environmental laws and regulations of Australia. As with most exploration projects and mining operations, the Company's operations and activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. The Company attempts to conduct its operations and activities to the highest standard of environmental obligation, including compliance with all environmental laws and regulations. The Company is unable to predict the effect of additional environmental laws and regulations which may be adopted in the future, including whether any such laws or regulations would materially increase the Company's cost of doing business or affect its operations in any area. However, there can be no assurances that new environmental laws, regulations or stricter enforcement policies, once implemented, will not oblige the Company to incur significant expenses and undertake significant investments which could have a material adverse effect on the Company's business, financial condition and performance.

Availability of equipment and contractors

Prior to the COVID-19 pandemic, appropriate equipment, including drill rigs, was in short supply. There was also high demand for contractors providing other services to the mining industry. The COVID-19 pandemic only served to exacerbate these issues. Consequently, there is a risk that the Company may not be able to source all the equipment and contractors required to fulfil its proposed activities. There is also a risk that hired contractors may underperform or that equipment may malfunction, either of which may affect the progress of the Company's activities.

**Panther Metals Ltd
Directors' report
31 December 2022**

Environmental regulation

The Company is subject to and compliant with all aspects of environmental regulation of its exploration activities. The Directors are not aware of any environmental law that is not being complied with.

Shares under option

As of the date of this report, there are 3,500,000 options on issue, exercisable at \$0.30 with an expiry date of 3 December 2024.

Shares issued on the exercise of options

There were no ordinary shares of Panther Metals Ltd that were issued during the year and up to the date of this report on the exercise of options granted.

Indemnity and insurance of officers

The Company has indemnified the Directors and executives of the Company for costs incurred, in their capacity as a director or Executive, for which they may be held personally liable, except where there is a lack of good faith.

During the year, the Company paid a premium in respect of a contract to insure the Directors and Executives of the Company against liability to the extent permitted by the *Corporations Act 2001*. The contract of insurance prohibits disclosure of the nature of liability and the amount of the premium.

Indemnity and insurance of auditor

During or since the end of the year, the Company has not indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

During the year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

Proceedings on behalf of the Company

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

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 Director's Report.

Auditor

Criterion Audit Pty Ltd continues in office in accordance with section 327 of the *Corporations Act 2001*.

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



Daniel Tuffin
Managing Director
21 March 2023
Perth

Criterion Audit Pty Ltd

ABN 85 165 181 822

PO Box 233 LEEDERVILLE WA 6902

Suite 2, 642 Newcastle Street
LEEDERVILLE WA 6007

Phone: 9466 9009

To The Board of Directors

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

As lead audit director for the audit of the financial statements of Panther Metals Ltd for the financial year ended 31 December 2022, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Yours faithfully



CHRIS WATTS CA
Director

CRITERION AUDIT PTY LTD

DATED at PERTH this 21st day of March 2023

Panther Metals Ltd
Statement of profit or loss and other comprehensive income
For the year ended 31 December 2022

	Note	31 December 2022 \$	31 December 2021 \$
Interest income		4,627	31
Other income		19,186	18,468
Loss on the revaluation of financial assets at fair value through profit and loss	8	(27,500)	-
Audit fees		(23,156)	(21,000)
Consultancy expenses		(163,618)	(116,263)
Depreciation		(1,358)	-
Employee benefit expenses		(180,411)	(21,063)
Investor relations expenses		(270,610)	(80,001)
Other expenses		(53,395)	(19,595)
Pre-tenure exploration expenditure		(85,039)	-
Regulatory expenses		(30,044)	(25,292)
Share-based payment expenses	13	(232,105)	(17,805)
Foreign exchange gain		538	148
Loss before income tax		(1,042,885)	(282,372)
Income tax expense	21	-	-
Loss after income tax expense for the year		(1,042,885)	(282,372)
Other comprehensive income		-	-
Total comprehensive loss for the year		(1,042,885)	(282,372)
Basic and diluted loss per share (cents per share) for loss attributable to ordinary equity holders of the Company	14	(1.91)	(1.15)

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

Panther Metals Ltd
Statement of financial position
As at 31 December 2022

	Note	31 December 2022 \$	31 December 2021 \$
Current assets			
Cash and cash equivalents	22	891,771	4,397,171
Other assets	5	176,882	284,048
Trade and other receivables	6	31,571	105,033
Total current assets		1,100,224	4,786,252
Non-current assets			
Exploration and evaluation expenditure	7	4,020,646	1,388,333
Financial assets	8	72,500	-
Property, plant and equipment	9	44,908	-
Total non-current assets		4,138,054	1,388,333
Total assets		5,238,278	6,174,585
Current liabilities			
Trade and other payables	10	164,108	270,377
Total current liabilities		164,108	270,377
Total liabilities		164,108	270,377
Net assets		5,074,170	5,904,208
Equity			
Issued capital	11	6,234,964	6,254,222
Reserves	12	543,077	310,972
Accumulated losses		(1,703,871)	(660,986)
Total equity		5,074,170	5,904,208

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

Panther Metals Ltd
Statement of changes in equity
For the year ended 31 December 2022

	Issued capital	Accumulated losses	Reserves	Total equity
	\$	\$	\$	\$
Balance at 1 January 2021	445,600	(378,614)	-	66,986
Loss after income tax expense for the year	-	(282,372)	-	(282,372)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive loss for the year, net of tax	-	(282,372)	-	(282,372)
Contributions of equity (net of costs)	5,083,622	-	-	5,083,622
Share-based payments	725,000	-	310,972	1,035,972
Balance at 31 December 2021	6,254,222	(660,986)	310,972	5,904,208
Balance at 1 January 2022	6,254,222	(660,986)	310,972	5,904,208
Loss after income tax expense for the year	-	(1,042,885)	-	(1,042,885)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive loss for the year, net of tax	-	(1,042,885)	-	(1,042,885)
Contributions of equity (net of costs)	(19,258)	-	-	(19,258)
Share-based payments	-	-	232,105	232,105
Balance at 31 December 2022	6,234,964	(1,703,871)	543,077	5,074,170

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

Panther Metals Ltd
Statement of cash flows
For the year ended 31 December 2022

	Note	31 December 2022 \$	31 December 2021 \$
Cash flow from operating activities			
Payments to suppliers and employees		(742,992)	(154,134)
Payments for exploration expenditure		(85,039)	-
Interest received		4,628	31
Other income received		19,186	-
Net cash used in operating activities	22	(804,217)	(154,103)
Cash flow from investing activities			
Payments for exploration and evaluation		(2,554,916)	(582,585)
Repayment of related entity loans		-	(336,363)
Payments for financial assets	8	(100,000)	-
Payments for property, plant and equipment		(46,267)	-
Net cash used in investing activities		(2,701,183)	(918,948)
Cash flow from financing activities			
Proceeds from the issue of shares		-	5,600,000
Payments of share issue costs		-	(556,972)
Net cash provided by financing activities		-	5,043,028
Net (decrease) / increase in cash and cash equivalents		(3,505,400)	3,969,977
Cash and cash equivalents at the beginning of the year		4,397,171	427,194
Cash and cash equivalents at the end of the year		891,771	4,397,171

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

Panther Metals Ltd
Notes to the financial statements
For the year ended 31 December 2022

Note 1. General information

The financial statements cover Panther Metals Ltd (the "Company"). The financial statements are presented in Australian dollars, which is the Company's functional and presentation currency.

Panther Metals Ltd is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 2
22 Mount Street
Perth WA 6000

A description of the nature of the Company's operations and its principal activities are included in the Directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 21 March 2023. The Directors have the power to amend and reissue the financial statements.

Note 2. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the periods presented unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

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

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

None of the new or amended Accounting Standards and Interpretations are relevant to the Company.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the *Corporations Act 2001*, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards ('IFRS') as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial statements have been prepared under the historical cost convention.

Going concern

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

The Company has incurred a net loss after tax for the year ended 31 December 2022 of \$1,042,885 (2021: loss of \$282,372) and had net operating cash flows of \$804,217 (2021: \$154,103). As at 31 December 2022, the Company has cash and cash equivalents of \$891,771 (2021: \$4,397,171).

The ability of the Company to pay its debts as and when they fall due and to continue its exploration and evaluation activities, hence the continued adoption of the going concern assumption, is dependent on the Company raising additional funding as and when required, full or partial divestment of assets, or containing expenditure in line with available funding. The Company is working towards capital raising initiatives and the Directors are confident that it will receive sufficient additional funding from shareholders or other parties.

The Company has the ability to scale back exploration costs and reduce other discretionary expenditure to preserve cash reserves. The cash flow forecast indicates that the Company will have sufficient cash flows to meet all commitments and working capital requirements for the 12-month period from the date of signing this financial report.

Note 2. Significant accounting policies (continued)

The Directors, having compared the Company's cash position to committed expenditures in respect of the above matters, are of the opinion that the use of the going concern basis for accounting is appropriate in the circumstances.

Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered, or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference 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 recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Revenue recognition

Interest revenue

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

Other income

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

Current and non-current classification

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

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

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

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

Note 2. Significant accounting policies (continued)

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the statement of cash flows presentation purposes, cash and cash equivalents also include bank overdrafts, shown within borrowings in current liabilities on the statement of financial position.

Exploration and evaluation expenditure

Exploration and evaluation expenditures are written off as incurred, except when such costs are expected to be recouped through successful development and exploitation or sale of an area of interest. In addition, exploration assets recognised on the acquisition of an entity are carried forward provided that exploration and/ or evaluation activities in the area have not yet reached a stage that permits a reasonable assessment of the existence or otherwise of economically recoverable reserves and active and significant operations in relation to the area are continuing.

The expenditure carried forward when recovery is expected represents an accumulation of direct net exploration and evaluation costs incurred by or on behalf of the Company and applicable indirect costs, in relation to separate areas of interest for which rights of tenure are current.

If it is established subsequently that economically recoverable reserves exist in a particular area of interest, resulting in the decision to develop a commercial mining operation, then in that year the accumulated expenditure attributable to that area, to the extent that it does not exceed the recoverable amount for the area concerned, will be transferred to mine development. As such, it will be subsequently amortised against production from that area. Any excess of accumulated expenditure over recoverable amounts will be written off to profit or loss.

Trade and other receivables

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

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

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

Plant and equipment

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

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

The depreciable amount of fixed assets are depreciated on a straight-line basis over their useful lives to the Company, commencing from the time the assets are held ready for use. The useful lives used for each class of depreciable assets are:

- Property, plant and equipment: 7 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date. An item of plant and equipment is derecognised upon disposal or when there is no future economic benefit to the consolidated entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

Note 2. Significant accounting policies (continued)

Trade and other payables

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

Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated.

GST

Revenues, expenses and assets are recognised net of the amount of associated GST unless the GST incurred is not recoverable from the taxation. In this case, it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated as inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities recoverable from or payable to the taxation authority are presented as operating cash flows.

Equity-based payments

Equity-based compensation benefits can be provided to suppliers and employees.

The fair value of equity instruments granted (including shares, performance rights and options) is recognised as an employee benefit expense with a corresponding increase in contributed equity. The fair value is measured at the grant date and recognised over the period the recipient becomes unconditionally entitled to the options or rights.

The fair value at the grant date is independently determined using an option-pricing model that takes into account the exercise price, the term of the option or right, the vesting and performance criteria, the impact of dilution, the non-tradeable nature of the option or right, the share price at the grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option or right.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principle market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interest. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Issued capital

Ordinary shares are classified as equity.

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

Note 2. Significant accounting policies (continued)

Earnings per share

(i) Basic earnings per share

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

(ii) Diluted earnings per share

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

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date, are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, the experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense

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

Share-based payments

Equity-settled compensation benefits are provided to employees. Equity-settled transactions are awards of shares, performance rights, or options over shares, that are provided to employees in exchange for the rendering of services.

Comparatives

Where necessary, comparative information has been reclassified and repositioned for consistency with current period disclosures.

Note 3. Critical accounting estimates and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates, and assumptions on historical experience and on other various factors, including expectations of future events; management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Note 3. Critical accounting estimates and judgements (continued)

Exploration and evaluation costs

Exploration and evaluation costs have been capitalised on the basis that the Company will commence commercial production in the future, from which time the costs will be amortised in proportion to the depletion of the mineral resources. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised. In addition, costs are only capitalised that are expected to be recovered either through the successful development or sale of the relevant mining interest.

Factors that could impact the future commercial production at the mine include the level of reserves and resources, future technology changes, which could impact the cost of mining, future legal changes and changes in commodity prices. To the extent that capitalised costs are determined not to be recoverable in the future, they will be written off in the period in which this determination is made.

Share-based payment transactions

The Company measures the cost of equity-settled transactions with suppliers and employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using either the Binomial or Black-Scholes model, taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity. Refer to Note 13 for the assumptions used within the fair value pricing models for share-based payments granted in the current year.

Income tax and the recovery of deferred tax assets

The Company is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Company recognises liabilities for anticipated tax audit issues based on the Company's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

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

In the opinion of the directors, there have been no other significant estimates or judgements used in the preparation of this financial report.

Note 4. Segment information

The Company has identified its operating segments based on the internal reports reviewed and used by the Board of Directors (chief operating decision makers) to assess performance and determine the allocation of resources.

The Company operates as a single segment which is mineral exploration and in a single geographical location, Australia.

Note 5. Other assets

	2022 \$	2021 \$
Prepayments	176,882	284,048

Note 6. Trade and other receivables

	2022 \$	2021 \$
GST receivable	31,571	105,033

Panther Metals Ltd
Notes to the financial statements
For the year ended 31 December 2022

Note 7. Exploration and evaluation expenditure

	2022	2021
	\$	\$
Carrying amount at the beginning of the year	1,388,333	380,479
Acquisitions during the year (a)	-	493,478
Capitalised mineral exploration and evaluation expenditure	2,632,313	646,733
Disposals during the year (b)	-	(132,357)
	<u>4,020,646</u>	<u>1,388,333</u>

a) Merolia and Mikado Tenements

On 27 October 2021, the Company entered into a binding heads of agreement with Bonanza Resources Pty Ltd and Bluebrook Nominees Pty Ltd to acquire five mineral exploration tenement licences. Consideration for the acquisition of the tenements was comprised of:

- Issue of 2,125,000 shares in the Company to Bonanza Resources Pty Ltd; and
- Issue of 250,000 shares in the Company to Bluebrook Nominees Pty Ltd.

Stamp duty on the transaction was also capitalised, totalling \$18,477.

Management has determined that the acquisition above did not meet the definition of a business within AASB 3 Business Combinations. This transaction was accounted for as an asset acquisition.

b) Queensland Project

On 31 May 2021, the Company transferred the Queensland Project to Panther Metals plc, at the time, the ultimate holding Company of Panther Metals Ltd. The carrying value of capitalised minerals exploration and evaluation expenditure on the project was transferred to the intercompany loan account. The intercompany loan account was subsequently settled via the issue of one Panther Metals Ltd share.

Note 8. Financial assets

	2022	2021
	\$	\$
Listed ordinary shares – designated at fair value through profit and loss	72,500	-

Reconciliation

Reconciliation of the fair values at the beginning and end of the current and previous years are set out below:

Opening fair value	100,000	-
Additions	-	-
Revaluation decrements	(27,500)	-
Closing fair value	<u>72,500</u>	<u>-</u>

Note 9. Property, plant and equipment

	2022	2021
	\$	\$
Plant and equipment – at cost	46,266	-
Less: Accumulated depreciation	(1,358)	-
	<u>44,908</u>	<u>-</u>

Reconciliation

Reconciliation of the written down values at the beginning and end of the current and previous years are set out below:

Opening balance	-	-
Additions	46,266	-
Depreciation expense	(1,358)	-
Closing balance	<u>44,908</u>	<u>-</u>

Panther Metals Ltd
Notes to the financial statements
For the year ended 31 December 2022

Note 10. Trade and other payables

	2022	2021
	\$	\$
Trade creditors	131,143	143,772
Accrued expenses	32,965	126,605
	<u>164,108</u>	<u>270,377</u>

Note 11. Issued capital

	2022	2021	2022	2021
	Shares	Shares	\$	\$
Ordinary shares – fully paid	54,625,001	54,625,001	6,234,964	6,254,222

Movements in ordinary share capital

	Issue Price	Number	Amount
	\$	#	\$
1 January 2021 – Opening Balance		38,056,000	445,600
10 March 2021 – Share consolidation (a)		(13,056,000)	-
14 May 2021 – Share consolidation (b)		(5,000,000)	-
1 June 2021 – Shares issued under the placement	0.10	3,000,000	300,000
1 August 2021 – Shares issued under the placement	0.10	3,000,000	300,000
1 September 2021 – Share issued to Panther Metals PLC	343,162	1	343,162
3 December 2021 – Shares issued for asset acquisition (c)	0.20	2,375,000	475,000
3 December 2021 – Shares issued to a consultant (d)	0.20	1,250,000	250,000
10 December 2021 – Shares issued under Initial Public Offering	0.20	25,000,000	5,000,000
Less share issue costs			(859,540)
31 December 2021 – Closing Balance		<u>54,625,001</u>	<u>6,254,222</u>
1 January 2022 – Opening Balance		54,625,001	6,254,222
Less share issue costs			(19,258)
31 December 2022 – Closing Balance		<u>54,625,001</u>	<u>6,234,964</u>

- a) On 10 March 2021, the Company consolidated its issued capital on the basis that every 1.52224 shares be consolidated into one share, with the resulting impact being that the holding at the time of 38,056,000 shares be consolidated and reduced to an amount of 25,000,000 shares.
- b) On 14 May 2021, the Company consolidated its issued capital on the basis that every 1.25 shares be consolidated into one share, with the resulting impact being that the holding at the time of 25,000,000 shares be consolidated and reduced to an amount of 20,000,000 shares.
- c) Refer to Note 7(a) for shares issued as part of asset acquisition.
- d) Refer to Note 13 for shares issued as share-based payments.

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value, and the Company does not have a limited amount of authorised capital.

On a show of hands, every member present at a meeting in person or by proxy shall have one vote and upon a poll, each share shall have one vote.

Panther Metals Ltd
Notes to the financial statements
For the year ended 31 December 2022

Note 12: Reserves

Option reserve

The option reserve is used to recognise the fair value options issued.

	2022	2021
	\$	\$
Balance at the beginning of the year	293,167	-
Options issued for share issue costs (a)	-	293,167
Balance at the end of the year	<u>293,167</u>	<u>293,167</u>

- a) Refer to Note 13 for details on share-based payments made during the year.

Share-based payment reserve

The share-based payment reserve is used to recognise the fair value of share-based payments issued.

	2022	2021
	\$	\$
Balance at the beginning of the year	17,805	-
Share-based payment expense (a)	232,105	17,805
Balance at the end of the year	<u>249,910</u>	<u>17,805</u>

- a) Refer to Note 13 for details on share-based payments made during the year.

Note 13: Share-based payments

Below are details of share-based payments made during the years ended 31 December 2022 and 31 December 2021.

- a) *Options issued as share issued costs*

On 3 December 2021, 3,500,000 options exercisable at \$0.30 with an expiry date of 3 December 2024 were issued to a broker in lieu of cash for capital raising services provided. The options vest immediately. The value of the options was capitalised to share issue costs. The fair value of the services could not be reliably measured and therefore, a Black-Scholes Option Pricing model was used to determine the value of the options issued.

The inputs have been detailed below:

Input	Broker Options
Number of options	3,500,000
Grant date	3 December 2021
Expiry date (years)	3.00
Underlying share price	\$0.20
Exercise price	\$0.30
Volatility	80.00%
Risk free rate	0.91%
Dividend yield	0.00%
Value per option	\$0.084
Total fair value of options	\$293,167

The weighted average remaining contractual life of options outstanding at the end of the year is 1.92 years (2021: 2.92 years).

- b) *Performance rights issued to Directors as an incentive*

On 3 December 2021, 5,000,000 performance rights were granted to Directors as an incentive for services provided and expensed in the Statement of Profit or Loss and Other Comprehensive Income. The fair value of the services could not be reliably measured and therefore, a Hoadleys Hybrid ESO model was used to determine the value of the performance rights ('PRs') issued during the prior year.

Panther Metals Ltd
Notes to the financial statements
For the year ended 31 December 2022

Note 13: Share-based payments (continued)

The inputs have been detailed below:

Input	Director PRs
Number of rights	5,000,000
Grant date	3 December 2021
Expiry date (years)	4.00
Underlying share price	\$0.20
Exercise price	\$nil
Volatility	80.00%
Risk free rate	0.91%
Dividend yield	0.00%
Value per right	\$0.186
Total fair value of rights	\$929,057
Share-based payment expense recognised for the year ended 31 December 2021	\$17,805
Share-based payment expense recognised for the year ended 31 December 2022	\$232,105

The performance rights will vest on achieving a volume-weighted average share price of \$0.30 or more over 20 consecutive trading days, subject to the holder remaining as an employee or Director of the Company.

The weighted average remaining contractual life of performance rights outstanding at the end of the year is 2.92 years (2021: 3.92 years).

Note 14. Loss per share

	2022	2021
	\$	\$
a) Reconciliation of earnings to profit or loss:		
Loss used to calculate basic and diluted EPS	<u>(1,042,885)</u>	<u>(282,372)</u>
	Number	Number
b) Weighted average number of ordinary shares used as the denominator in calculating basic EPS (<i>post share consolidation</i>)	54,625,001	24,556,507
Weighted average number of dilutive options outstanding	-	-
Weighted average number of ordinary shares outstanding during the year used in calculating dilutive EPS (<i>post share consolidation</i>)	<u>54,625,001</u>	<u>24,556,507</u>
	Cents	Cents
c) Basic and diluted (loss) per share	(1.91)	(1.15)

Share consolidation

As disclosed within Note 11, the Company completed a 1.52224 for 1 share consolidation on 10 March 2021 and a 1.25 for 1 share consolidation on 14 May 2021. The loss per share for the year ended 31 December 2021 and the weighted average number of ordinary shares has been restated as if the share consolidation was applied retrospectively.

Panther Metals Ltd
Notes to the financial statements
For the year ended 31 December 2022

Note 15. Remuneration of auditors

During the year, the following fees were paid or payable for services provided by Criterion Audit Pty Ltd, the auditor of the Company:

	2022 \$	2021 \$
<i>Audit services – Criterion Audit Pty Ltd</i>		
Audit or review of the financial statements	23,156	17,000
<i>Non-audit services – Criterion Audit Pty Ltd</i>		
Preparation of investigating accountants report	-	4,000

Note 16. Key management personnel disclosures

Compensation

The aggregate compensation made to Directors and other members of key management personnel of the Company for the year was \$759,770 (2021: \$206,725).

Note 17. Contingent assets

There were no contingent assets as at 31 December 2022 (2021: Nil).

Note 18. Contingent liabilities

There were no contingent liabilities as at 31 December 2022 (2021: Nil).

Note 19. Commitments

In order to maintain current rights of tenure, the Company is required to perform minimum exploration work to meet the minimum expenditure requirements specified by the relevant State Governments. These obligations are not provided for in the financial report and are payable as follows:

	2022 \$	2021 \$
Less than one year	391,000	346,000
Between one and five years	402,500	574,500
Greater than five years	-	-
	<u>793,500</u>	<u>920,500</u>

The above represents commitments over the tenure of the tenements held by the Company.

Note 20. Related party transactions

During the year, payments of \$165,000 (2021: \$59,226) were made to Consilium Corporate Pty Ltd (a director-related entity of Ranko Matic) for corporate secretarial and accounting services. The balance of trade payables owing to Consilium Corporate Pty Ltd as at 31 December 2022 was \$14,429 (2021: \$37,699).

During the year, payments of \$55,915 (2021: \$6,160) were made to Auralia Mining Consulting Pty Ltd (a director-related entity of Daniel Tuffin) ('Auralia') for geology consulting services. The balance of trade payables owing to Auralia as of 31 December 2022 was \$5,588 (2021: \$5,556). Additionally, the Company has signed an agreement with Auralia for the provision of office premises at a rate of \$2,000 per month.

During the year, payments of \$9,000 (2021: \$nil) were made to Matrix Exploration Pty Ltd (a director-related entity of Kerim Sener) for geology consulting services. The balance of trade payables owing to Matrix Exploration Pty Ltd as at 31 December 2022 was \$nil (2021: \$nil).

All transactions were made on normal commercial terms and conditions and at market rates.

Panther Metals Ltd
Notes to the financial statements
For the year ended 31 December 2022

Note 21. Income tax expense

	2022	2021
	\$	\$
Loss before income tax expense	(1,042,885)	(282,372)
Tax at the Australian tax rate of 30% (2021: 30%)	(312,866)	(84,712)
Amounts not (taxable)/deductible in calculating taxable income	84,673	(199)
Tax effect of exploration and evaluation expenditure	(809,629)	(169,678)
Tax effect of temporary differences	(48,670)	(95,038)
Tax effect of deferred tax asset not brought to account	1,086,492	349,627
Income tax expense	-	-
Unused tax losses for which no deferred tax asset has been recognised	5,316,419	1,694,777
Potential tax benefit at the Australian tax rate 30% (2021: 30%)	1,594,925	508,433

The Directors estimate that the potential deferred tax asset at 31 December 2022 in respect of tax losses not brought to account is \$1,594,925 (2021: \$508,433).

The benefit for tax losses will only be obtained if:

- a) The Company derives income sufficient to absorb tax losses; and
 There is no change to legislation to adversely affect the Company and its subsidiaries in realising the benefit from the deduction of the losses.

Note 22. Cash flow information

- a) *Cash and cash equivalents*

	2022	2021
	\$	\$
Cash at bank	891,771	4,397,171

Deposits at calls are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company.

- b) *Reconciliation of loss after income tax to net cash from operating activities*

	2022	2021
	\$	\$
Loss after income tax expense for the year	(1,042,885)	(282,372)
<u>Non-cash items</u>		
Share-based payments	232,105	17,805
Loss on revaluation of financial assets	27,500	-
Depreciation	1,358	-
Payments made by related entities on behalf of the Company	-	(18,467)
Changes in assets and liabilities:		
- Decrease in receivables and other assets	7,905	9,565
- (Decrease)/increase in trade and other payables	(30,200)	119,366
Net cash used in operating activities	(804,217)	(154,103)

- c) *Non-cash investing and financing activities*

In prior year, Company issued 2,215,000 fully paid ordinary shares to Bonanza Resources Pty Ltd and 250,000 fully paid ordinary shares to Bluebrook Nominees Pty Ltd as consideration of exploration licences. This has been recognised as exploration and evaluation expenditure with \$475,000 as disclosed in Note 7.

There were no other non-cash investing and financing activities during the year.

Note 23. Financial risk management

The Company's principal financial instruments comprise receivables, payables, cash and short-term deposits. The Company manages its exposure to key financial risks in accordance with the Company's financial risk management policy. The policy's objective is to support the delivery of the Company's financial targets while protecting future financial security.

The main risks arising from the Company's financial instruments are interest rate risk, credit risk and liquidity risk. The Company uses different methods to measure and manage various types of risks to which it is exposed. These include monitoring levels of exposure to interest rates and assessments of market forecasts for interest rates. Ageing analysis of and monitoring of receivables are undertaken to manage credit risk; liquidity risk is monitored through the development of future rolling cash flow forecasts.

The Board reviews and agrees on policies for managing each of these risks as summarised below.

Primary responsibility for identifying and controlling financial risks rests with the Board. The Board reviews and agrees on policies for managing each of the risks identified below, including interest rate risk, credit allowances and cash flow forecast projections.

Risk Exposures and Responses

a) *Interest rate risk*

The Company is not materially exposed to interest rate risk.

b) *Credit risk*

Credit risk arises from the financial assets of the Company, which comprise deposits with banks and trade and other receivables. The Company's exposure to credit risk arises from the potential default of the counterparty, with the maximum exposure equal to the carrying amount of these instruments. The carrying amount of financial assets included in the statement of financial position represents the Company's maximum exposure to credit risk in relation to those assets.

The Company does not hold any credit derivatives to offset its credit exposure.

The Company trades only with recognised, creditworthy third parties and as such collateral is not requested nor is it the Company's policy to securities it trades and other receivables.

Receivable balances are monitored on an ongoing basis with the result that the Company does not have significant exposure to bad debts.

There are no significant concentrations of credit risk within the Company.

c) *Liquidity risk*

Liquidity risk arises from the Company's financial liabilities and the Company's subsequent ability to meet their obligations to repay their financial liabilities as and when they fall due.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and, the availability of funding through the ability to raise further equity or through related party entities. Due to the dynamic nature of the underlying businesses, the Board aims at maintaining flexibility in funding through the management of its cash resources. The Company has no financial liabilities at the year-end other than normal trade and other payables incurred in the general course of business.

Maturity analysis of financial assets and liabilities based on management's expectations

Trade payables and other financial liabilities mainly originate from financing assets used in our ongoing operations. These assets are considered in the Company's overall liquidity risk. To monitor existing financial assets and liabilities and enable an effective controlling of future risks, the Company has established comprehensive risk reporting covering its business that reflects expectations of management of expected settlement of financial assets and liabilities.

Panther Metals Ltd
Notes to the financial statements
For the year ended 31 December 2022

Note 23. Financial risk management (continued)

	Weighted average effective interest rate %	<6 months \$	6-12 months \$	1-5 years \$	>5 years \$	Total \$
2022						
Cash and cash equivalents	0.90	891,771	-	-	-	891,771
Trade and other receivables	-	31,571	-	-	-	31,571
		923,342	-	-	-	923,342
Trade and other payables	-	(164,108)	-	-	-	(164,108)
		(164,108)	-	-	-	(164,108)
Net maturity		759,234	-	-	-	759,234

	Weighted average effective interest rate %	<6 months \$	6-12 months \$	1-5 years \$	>5 years \$	Total \$
2021						
Cash and cash equivalents	-	4,397,171	-	-	-	4,397,171
Trade and other receivables	-	105,033	-	-	-	105,033
		4,502,204	-	-	-	4,502,204
Trade and other payables	-	(270,377)	-	-	-	(270,377)
		(270,377)	-	-	-	(270,377)
Net maturity		4,231,827	-	-	-	4,231,827

d) *Foreign exchange risk*

The Company is not materially exposed to foreign exchange risk.

e) *Fair value estimation*

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes. All financial assets and financial liabilities of the Company at the reporting date are recorded at amounts approximating their carrying amount.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short term nature.

Note 24. Events after the reporting period

There have been no other matters or circumstances that have arisen since 31 December 2022 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

Panther Metals Ltd
Directors' declaration
31 December 2022

In the Directors' opinion:

- the attached financial statements and notes comply with the *Corporations Act 2001*, the Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view on the Company's financial position as of 31 December 2022 and of its performance for the year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

The Directors have been given the declarations required by section 295A of the *Corporations Act 2001*.

Signed in accordance with a resolution of Directors made pursuant to section 295(5)(a) of the *Corporations Act 2001*.

On behalf of the Directors



Daniel Tuffin
Managing Director
21 March 2023
Perth

Criterion Audit Pty Ltd

ABN 85 165 181 822

PO Box 233 LEEDERVILLE WA 6902

Suite 2, 642 Newcastle Street
LEEDERVILLE WA 6007

Phone: 9466 9009

Independent Auditor's Report

To the Members of Panther Metals Ltd

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Panther Metals Ltd ("the Company"), which comprises the statement of financial position as at 31 December 2022, the statement of comprehensive income, the statement of changes in equity and the 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:

- a. the accompanying financial report of Panther Metals Ltd is in accordance with the *Corporations Act 2001*, including:
 - i. giving a true and fair view of the Company's financial position as at 31 December 2022 and of its financial performance for the year then ended; and
 - ii. complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the 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 financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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

Key Audit Matters

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

Key audit matter	How our audit addressed the key audit matter
<p>Exploration and Evaluation Expenditure – \$4,020,646 (Refer to Note 7)</p> <p>Exploration and evaluation is a key audit matter due to:</p> <ul style="list-style-type: none"> • The significance of the balance to the Company’s financial position. • The level of judgement required in evaluating management’s application of the requirements of AASB 6 <i>Exploration for and Evaluation of Mineral Resources</i>. AASB 6 is an industry specific accounting standard requiring the application of significant judgements, estimates and industry knowledge. This includes specific requirements for expenditure to be capitalised as an asset and subsequent requirements which must be complied with for capitalised expenditure to continue to be carried as an asset. • The assessment of impairment of exploration and evaluation expenditure being inherently difficult. 	<p>Our procedures included, amongst others:</p> <ul style="list-style-type: none"> • Assessing management’s determination of its areas of interest for consistency with the definition in AASB 6. This involved analysing the tenements in which the Company holds an interest and the exploration programmes planned for those tenements. • For each area of interest, we assessed the Company’s rights to tenure by corroborating to government registries and evaluating agreements in place with other parties as applicable; • We tested the additions to capitalised expenditure for the year by evaluating a sample of recorded expenditure for consistency to underlying records, the capitalisation requirements of the Company’s accounting policy and the requirements of AASB 6; • We considered the activities in each area of interest to date and assessed the planned future activities for each area of interest by evaluating budgets for each area of interest. • We assessed each area of interest for one or more of the following circumstances that may indicate impairment of the capitalised expenditure: <ul style="list-style-type: none"> • the licenses for the right to explore expiring in the near future or are not expected to be renewed; • substantive expenditure for further exploration in the specific area is neither budgeted or planned

Share-based payments (Refer to Note 13)

Share-based payments is a key audit matter due to:

- The significance of the balance to the Company's financial performance and position.
- The level of judgement required in evaluating management's application of the requirements of AASB 2 *Share-based Payment* which requires the application of significant judgements and estimates.

- decision or intent by the Company to discontinue activities in the specific area of interest due to lack of commercially viable quantities of resources; and
 - data indicating that, although a development in the specific area is likely to proceed, the carrying amount of the exploration asset is unlikely to be recovered in full from successful development or sale.
- We assessed the appropriateness of the related disclosures in note 7 to the financial statements.

Our procedures included, amongst others:

- Verifying the key terms of the share based payments in respect of the granting of option over the shares and performance rights for rendering of services by directors, employees and contractors and acquisition of assets;
- Assessing the fair value calculation of option granted by checking the accuracy of the inputs to the applicable pricing model adopted for that purpose;
- Testing the accuracy of the share-based payments amortisation over the vesting period and recording of expense in the statement of profit or loss and increment to the share based payment reserve; and
- We assessed the appropriateness of the related disclosures in note 13 to the financial statements.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 31 December 2022, but does not include the financial report and our auditor's report thereon.

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

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

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

Responsibilities of the Directors for the Financial Report

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

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

Auditor's Responsibilities for the Audit of the Financial Report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company'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 Company'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 Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 31 December 2022.

In our opinion, the Remuneration Report of Panther Metals Ltd, for the year ended 31 December 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 s 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Criterion Audit

CRITERION AUDIT PTY LTD

Watts

CHRIS WATTS CA
Director

DATED at PERTH this 21st day of March 2023

Additional Information

Additional information required by Australian Securities Exchange Ltd and not shown elsewhere in this report is as follows.

The information is current as of 6 March 2023.

(a) Distribution of equity securities

Analysis of the holders of ordinary shares by the size of holding:

Range	Total Holders	Units	% of Issued Capital
1 - 1,000	11	3,005	0.01%
1,001 - 5,000	63	201,773	0.37%
5,001 - 10,000	76	677,864	1.24%
10,001 - 100,000	181	7,320,116	13.40%
100,001 +	54	46,422,243	84.98%
Total	385	54,625,001	100.00%

Unmarketable Parcels

Minimum \$500.00 parcel at \$0.13 per unit is 53 holders with 109,399 shares.

(b) Twenty largest shareholders

The names of the twenty largest holders of quoted ordinary shares are:

Rank	Name	Units	% of Units
1	PANTHER METALS PLC	20,000,001	36.61%
2	CITICORP NOMINEES PTY LIMITED	3,508,257	6.42%
3	CATAALNA PTY LTD <MATIC SUPER FUND A/C>	2,376,170	4.35%
4	BONANZA RESOURCES PTY LTD	2,125,000	3.89%
5	BNP PARIBAS NOMS PTY LTD <DRP>	1,845,415	3.38%
6	ASGARD METALS PTY LTD	1,750,000	3.20%
7	MICALE CONSULTING PTY LTD <THE MICALE FAMILY A/C>	1,155,000	2.11%
8	PANTHER TRADING PTY LTD <PANTHER A/C>	1,125,000	2.06%
9	MR STACEY RADFORD	1,000,000	1.83%
10	MICALE CONSULTING PTY LTD <THE MICALE FAMILY A/C>	750,000	1.37%
11	NETWEALTH INVESTMENTS LIMITED <SUPER SERVICES A/C>	716,921	1.31%
12	MR PETER JAMES YOUNG & MRS MARIE OLIVE YOUNG <YOUNG SUPER FUND A/C>	650,485	1.19%
13	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	515,093	0.94%
14	BNP PARIBAS NOMS(NZ) LTD <DRP>	500,000	0.92%
15	CONSILIUM CORPORATE ADVISORY PTY LTD	500,000	0.92%
16	AURALIA HOLDINGS NO 2 PTY LTD <AH NO 2 UNIT TRUST A/C>	500,000	0.92%
17	MR ANTHONY EUAN HILLS	350,000	0.64%
18	QUEONGO PTY LTD	310,397	0.57%
19	MR PETER HOWELLS	300,000	0.55%
20	MR SHIZHEN LI	300,000	0.55%
Total		40,277,739	73.73%

(c) Substantial Shareholders

The names of substantial shareholders and the number of equity securities as disclosed in their most recent substantial shareholder notices received by the Company are:

Holder name	Shares
Panther Metals PLC	20,000,001
Ranko Matic	2,876,170
Daniel Tuffin	2,875,000
Stephen Skinner	2,799,000

(d) Voting rights

On a show of hands, holders of ordinary shares have one vote. On a poll, holders of fully paid ordinary shares have one vote per share, whilst holders of partly paid shares have such number of votes equivalent to the proportion paid up in respect of their shares.

(e) Unlisted Options

The total number of unlisted options on issue on 6 March 2023 was 3,500,000. The options were issued to Nu Action Corporation Pty Ltd as part of the lead manager mandate. The options have an exercise price of \$0.30 and expire on 3 December 2024. There are no voting rights attached to the unlisted options.

(f) Unlisted Performance Rights

The total number of performance rights on issue on 6 March 2023 was 5,000,000. The performance rights were issued to the three (3) Directors as set out in the Directors' report. The performance rights expire on 3 December 2025. There are no voting rights attached to the unlisted performance rights.

(g) Securities Subject to Voluntary Escrow

The following equity securities are subject to voluntary escrow:

- 23,875,001 fully paid ordinary shares 24 months from quotation.

(h) On Market Buy Back

There is no current on market buy back of Panther Metals Ltd shares.

(i) Second Annual Report After Admission

The Company confirms that the cash raised has been used consistently with its business objectives.

(j) Corporate Governance Statement

The Company's 2022 Corporate Governance Statement has been released as a separate document and is located on our website at www.panthermetals.com.au/investors/asx-announcement.

(k) Interests in Tenements

Below is a summary of the tenements held by the Company at the end of the year:

Western Australia	Tenement	Status	Holder	Percentage Ownership
Coglia Nickel-Cobalt Project	E38/2693	Granted	Northern Drilling Pty Ltd	100%
	E38/2368	Application	Panther Metals Ltd	100%
	E38/2369	Application	Panther Metals Ltd	100%
	E39/2338 (repeg)	Application	Panther Metals Ltd	100%
	E39/2339 (repeg)	Application	Panther Metals Ltd	100%
	E39/2376	Application	Panther Metals Ltd	100%
Red Flag Nickel Sulphide Project	E39/1585	Granted	White Cliff Minerals Ltd	100%
	E39/2366	Application	Panther Metals Ltd	100%
	E39/2367	Application	Panther Metals Ltd	100%
	E39/2249 (repeg)	Application	Panther Metals Ltd	100%
	E39/2250 (repeg)	Application	Panther Metals Ltd	100%
Merolia Gold Project	E38/2552	Granted	Northern Drilling Pty Ltd	100%
	E38/2847	Granted	White Cliff Minerals Ltd	100%
	E38/3384	Granted	Panther Metals Ltd	100%
	E38/3553	Granted	Bonanza Resources Pty Ltd	100%
	E38/3555	Granted	Bonanza Resources Pty Ltd	100%
	E38/3560	Granted	Panther Metals Ltd	100%
Mikado Gold Project	E38/3526	Granted	Bonanza Resources Pty Ltd	100%
	E38/3527	Application	Bonanza Resources Pty Ltd	100%
	E38/3574	Application	Panther Metals Ltd	100%
	E38/3740	Application	Panther Metals Ltd	100%
	E38/3764	Application	Panther Metals Ltd	100%
Northern Territory				
Marraki	EL 32121	Granted	Panther Metals Ltd	100%
Annaburroo	EL 32140	Granted	Panther Metals Ltd	100%
Batchelor	EL 33215	Application	Panther Metals Ltd	100%