Metal Hawk Limited
ABN 24 630 453 664

Annual Report
For the year ended 30 June 2023

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CORPORATE DIRECTORY

Directors

Mr William Belbin
Mr David Pennock
Mr Michael Edwards
Mr Brett Lambert (resigned 9 September 2023)

Company Secretary

Mr Chris Marshall

Registered and Principal Office

Level 2, 18 Kings Park Road
West Perth WA 6005

Telephone: +61 8 9226 1022

Postal Address

Level 2, 18 Kings Park Road
West Perth WA 6005

Auditor

BDO Audit (WA) Pty Ltd
Level 9, Mia Yellagonga Tower 2, 5 Spring Street
Perth WA 6000

Share Registry

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

Telephone: 1300 288 664

Stock Exchange Listing

Shares: ASX Code MHK

Website and Email

Website: www.metalhawk.com.au
Email: admin@metalhawk.com.au

CHAIRMAN'S LETTER

Dear Shareholders

It is my great pleasure to address you for the first time as Chairman of Metal Hawk Limited.

After joining the Company in May as a Non-Executive Director, I was honoured to succeed founding Chairman Brett Lambert in September in what was a planned and orderly transition.

There are many elements to Metal Hawk that motivated me to get involved.

First and foremost, the people running the Company are first-class.

It is only a small team but Managing Director Will Belbin is a superb geologist and is growing into the role of leader admirably.

Executive Director David Pennock is very well connected in the WA mining industry and provides great support to Will on a daily basis.

Secondly, the capital structure is tight – three years after listing, the Company still has less than 80 million shares on issue, meaning strong leverage to discovery success.

The quality of the Metal Hawk share register was another point of attraction for me.

After issuing shares as a consideration for buying back a 51% interest in the Emu Lake, Kanowna East and Fraser South projects and reclaiming 100% ownership of those assets, the Company counts IGO Limited as its largest shareholder with 6.9%.

The next largest is Lotaka Pty Ltd, the investment vehicle of highly successful mining entrepreneur Tim Goyder, with 4.8%.

David and Will are both prominent in the Company's top 10 shareholders, as is Newexco Group, a consulting firm renowned for its expertise in nickel sulphide exploration.

At project level, we are working hard on getting the focus right and rationalising the portfolio once we ascertain that we have taken an asset as far as we can.

Our most recent acquisition – the Yarmany nickel and lithium project, north-west of Coolgardie in the WA goldfields – shapes as an exciting opportunity and is one that Will and David have had their eye on for some time.

Fieldwork geared around developing nickel sulphide and lithium targets at Yarmany has begun, with a maiden drilling program scheduled for the December quarter.

The Berehaven project, 20km east of Kalgoorlie, has been in the portfolio since IPO – or at least majority of the key tenements that make it up have – and remains a priority following the discovery of massive nickel sulphides and high-grade gold in late 2021.

At Fraser South, near Esperance, initial aircore drilling starting in the June quarter intersected thick zones of rare earth elements grading up to 4120ppm TREO. The results from this maiden program are highly encouraging and we look forward to assays from the recently completed second phase of drilling.

Beyond that, we are cleaning up the project portfolio through divestment.

In June, the Company signed a binding agreement to sell the Emu Lake Project to Raptor Resources Limited for two million shares (valued at $400,000) payable upon Raptor's successful listing on the ASX.

We are also in the process of finding buyers for our Kanowna East and Norseman East projects.

This rationalisation makes sense in that it ensures our holding costs are kept to a minimum and that we are concentrating on the assets where there are greater chances of discovering and defining an economic mineral deposit.

There is work to be done to realise the Company's full potential, but I am confident that the elements are in place that will see us get there.

Thank you for your support.

Yours sincerely,

Mike Edwards

Chairman

REVIEW OF OPERATIONS

Metal Hawk Limited ("**Metal Hawk"**, "the Company") has a suite of projects in Western Australia's Eastern Goldfields and Albany-Fraser regions (Figure 1) that are prospective for critical and precious metals.

The Company's main objective is to build shareholder value by making early-stage mineral discoveries through low-cost exploration.

During the 2023 financial year, Metal Hawk continued nickel sulphide and gold exploration activities at the Berehaven Project, 20-30km east-southeast of Kalgoorlie. The majority of drilling was conducted along strike from the Commodore nickel sulphide prospect and at the Torana prospect located approximately 1.5km north-northwest of Commodore. Additionally, a new zone of gold mineralisation was identified north of Commodore.

In early May 2023 Metal Hawk purchased IGO Limited's joint venture interest over three projects – Kanowna East, Emu Lake and Fraser South – returning it to 100% ownership of those assets. The Company subsequently signed an option to sell the Emu Lake project to Raptor Resources, a private exploration company seeking to list on the ASX in late 2023.

In late May 2023, Metal Hawk completed the maiden aircore drilling program at Fraser South which intersected significant zones of rare earth element (REE) enrichment. A Stage-2 program was carried out in September 2023, with results due in November 2023.

The Company has a Joint Venture Agreement with Falcon Metals Limited on the Viking Gold Project, east of Norseman. In January 2023 Falcon satisfied the Stage-1 Earn In requirement, having spent over $1 million on exploration at Viking. Falcon elected to proceed with Stage-2 of the Agreement, whereby it can earn an additional 19% joint venture interest by sole funding a further $1.75 million of exploration.

Subsequent to the reporting period, in July 2023 Metal Hawk signed an option to purchase the Yarmany Project northwest of Coolgardie from Horizon Minerals Limited. The Yarmany Project covers 282km^2 along the Ida Fault, a major regional structure and crustal boundary between the Kalgoorlie and Youanmi Terranes. Exploration has since commenced for nickel sulphide and pegmatite-hosted lithium mineralisation.

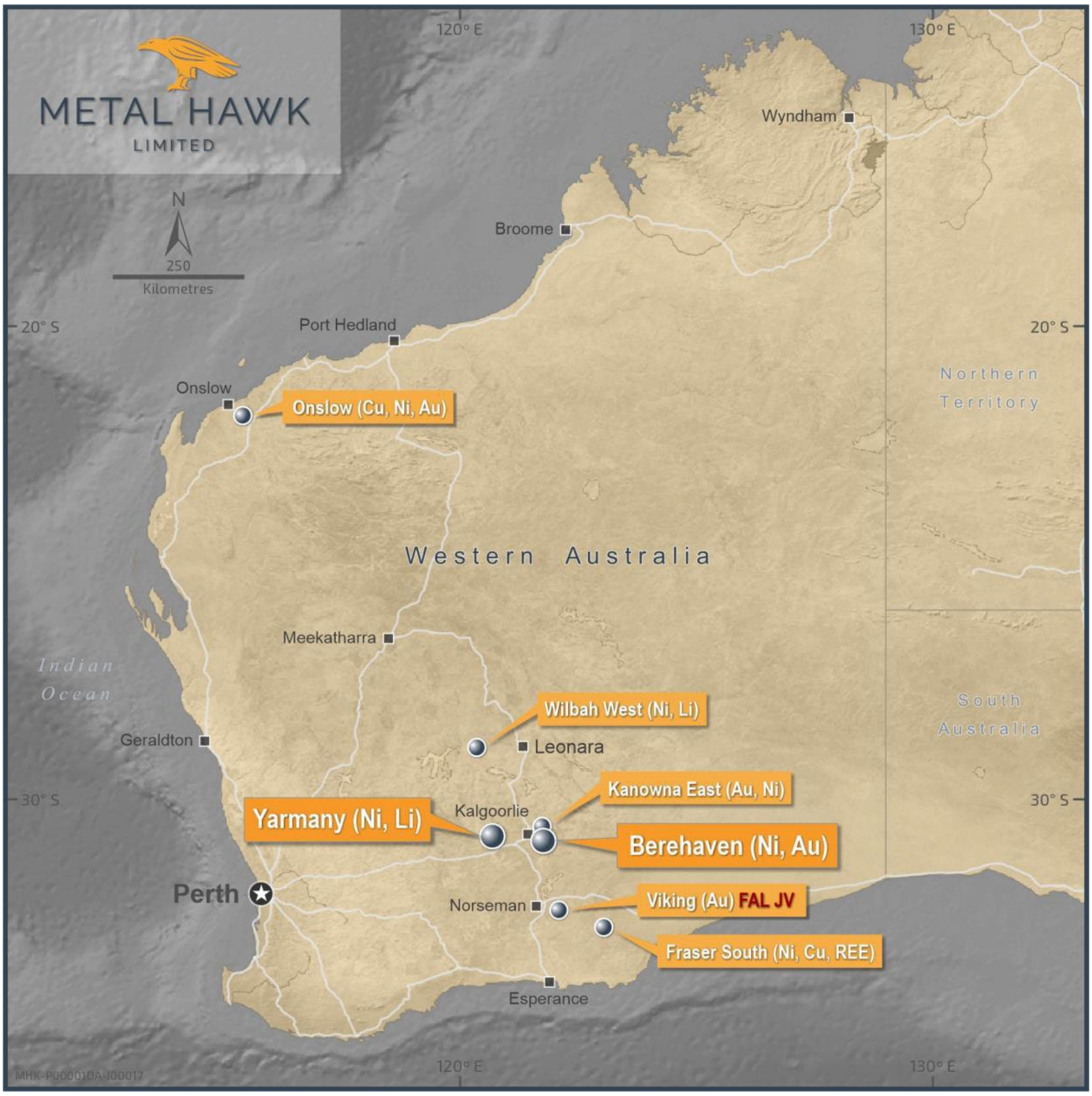

Figure 1. Metal Hawk project locations

Yarmany Project

The Yarmany Project is located 40km north-west of Coolgardie in Western Australia and covers an area of 282km^2. The tenure has 50km of strike potential along the Ida Fault and is considered prospective for both lithium and nickel sulphide mineralisation. This project will be the main focus for the Company's exploration over the next 12 months.

The tenements have received only limited, mostly superficial exploration for pegmatite-hosted lithium-caesium-tantalum (LCT) mineralisation.

Only sparse nickel sulphide exploration has been carried out on the project, with the majority of nickel exploration conducted in the 1970s. This work was done prior to the modern and gamechanging geophysical methods of electromagnetic surveying, which is now used by nickel explorers to great effect to detect conductive responses caused by massive nickel sulphide mineralisation.

Metal Hawk's dual focus at Yarmany will be regional lithium and nickel sulphide exploration. Pegmatite mapping and geochemical sampling has commenced, and an extensive airborne electromagnetic VTEM MAX™ survey has been completed.

The Company plans to commence a maiden drilling program at Yarmany in Q4 2023.

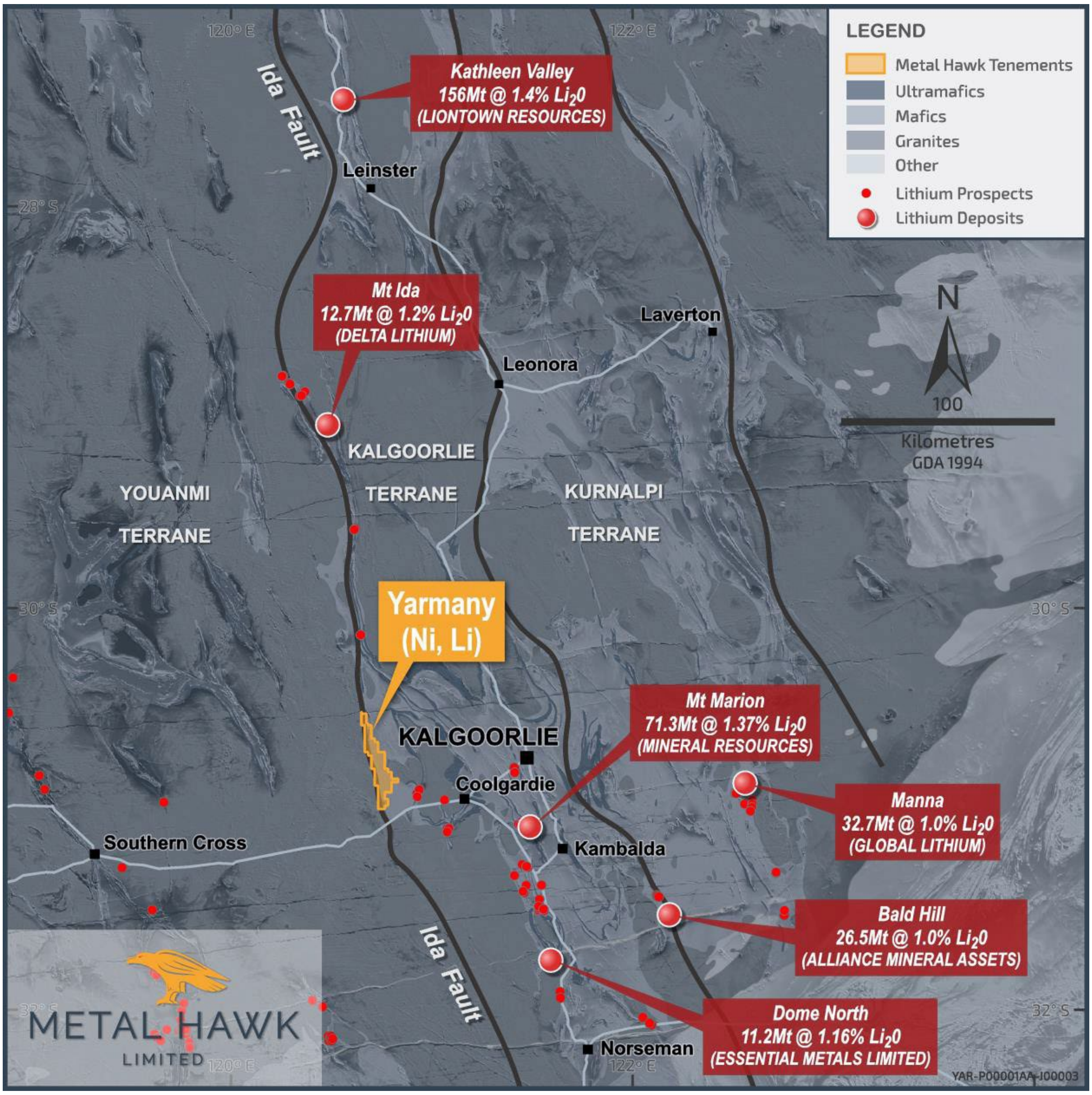

Figure 2. Yarmany Project Location showing significant goldfields lithium projects

Berehaven Project (MHK 100%)

The Berehaven Project is located approximately 20-30km east-southeast of Kalgoorlie. During the 2022 financial year the Company acquired the nickel rights on 12 tenements from Horizon Minerals Limited, resulting in a contiguous consolidated tenement package (Figure 3.). The western-most Berehaven tenements are situated approximately 3km north of the Blair Nickel mine (which produced 1.26Mt @ 2.62% Ni for 32,900 tonnes of contained nickel) and the broader project area extends a further 10km east.

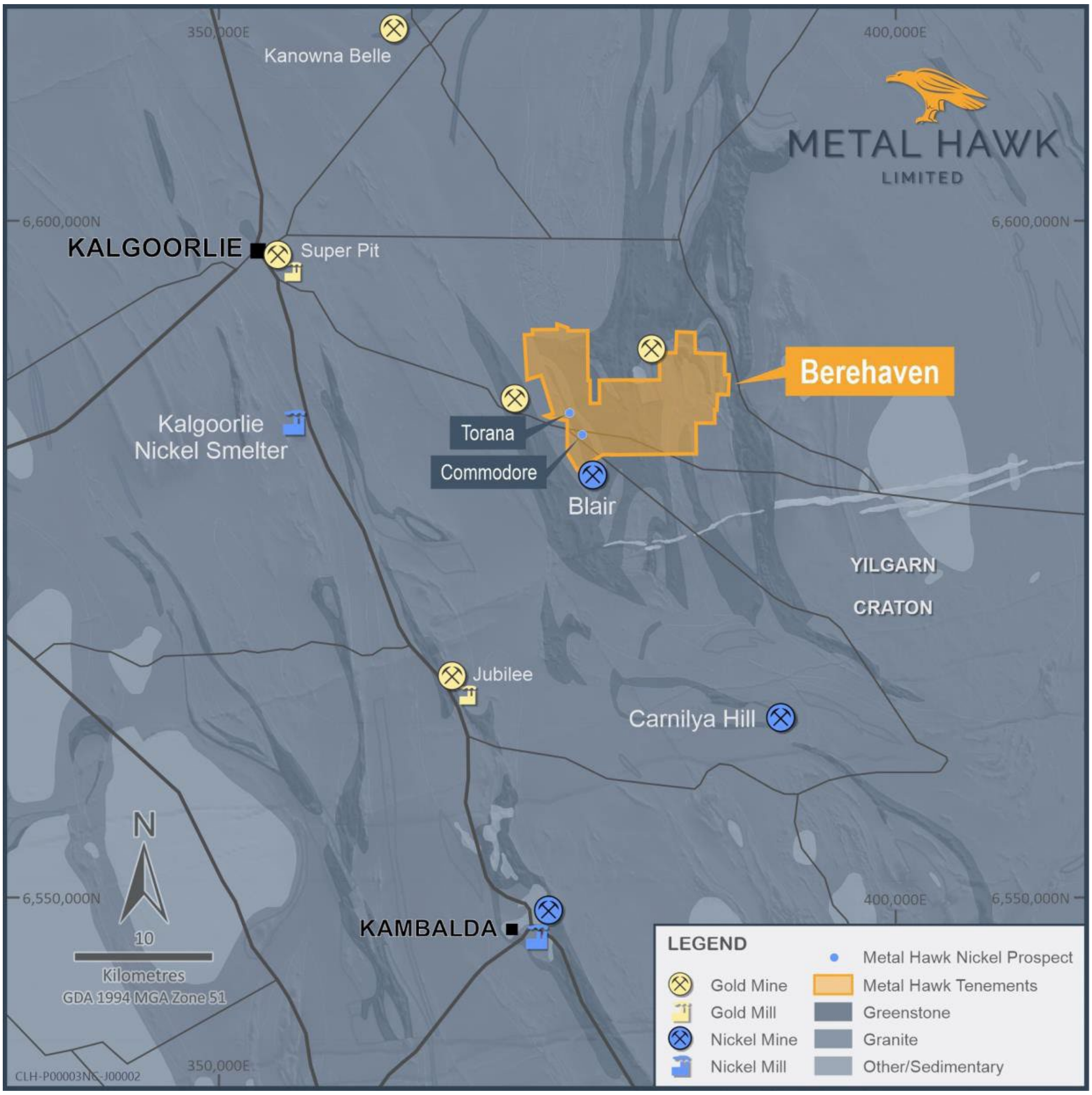

Figure 3. Berehaven Project

Following Metal Hawk's discovery of massive nickel sulphide at the Commodore prospect in September 2021, nickel exploration continued to focus along the north-west trending Commodore ultramafic unit. Regional drilling was also completed at a number of prospects east and south of Commodore.

Drilling completed at Berehaven during the period included a total of 56 AC holes (3,872m), 27 RC holes (5,223m) and one diamond hole (463m).

Reverse circulation (RC) drilling at the Torana prospect, located 1.5km north and along strike from Commodore, identified new zones of disseminated nickel sulphide mineralisation. Best results included:

- **BVNC033**: 13m @ 0.24% Ni from 167m
  Including 2m @ 0.54% Ni from 171m
- **BVNC045**: 32m @ 0.39% Ni from 90m
- **BVNC055**: 38m @ 0.23% Ni from 167m
  Including 1m @ 0.89% Ni from 175m

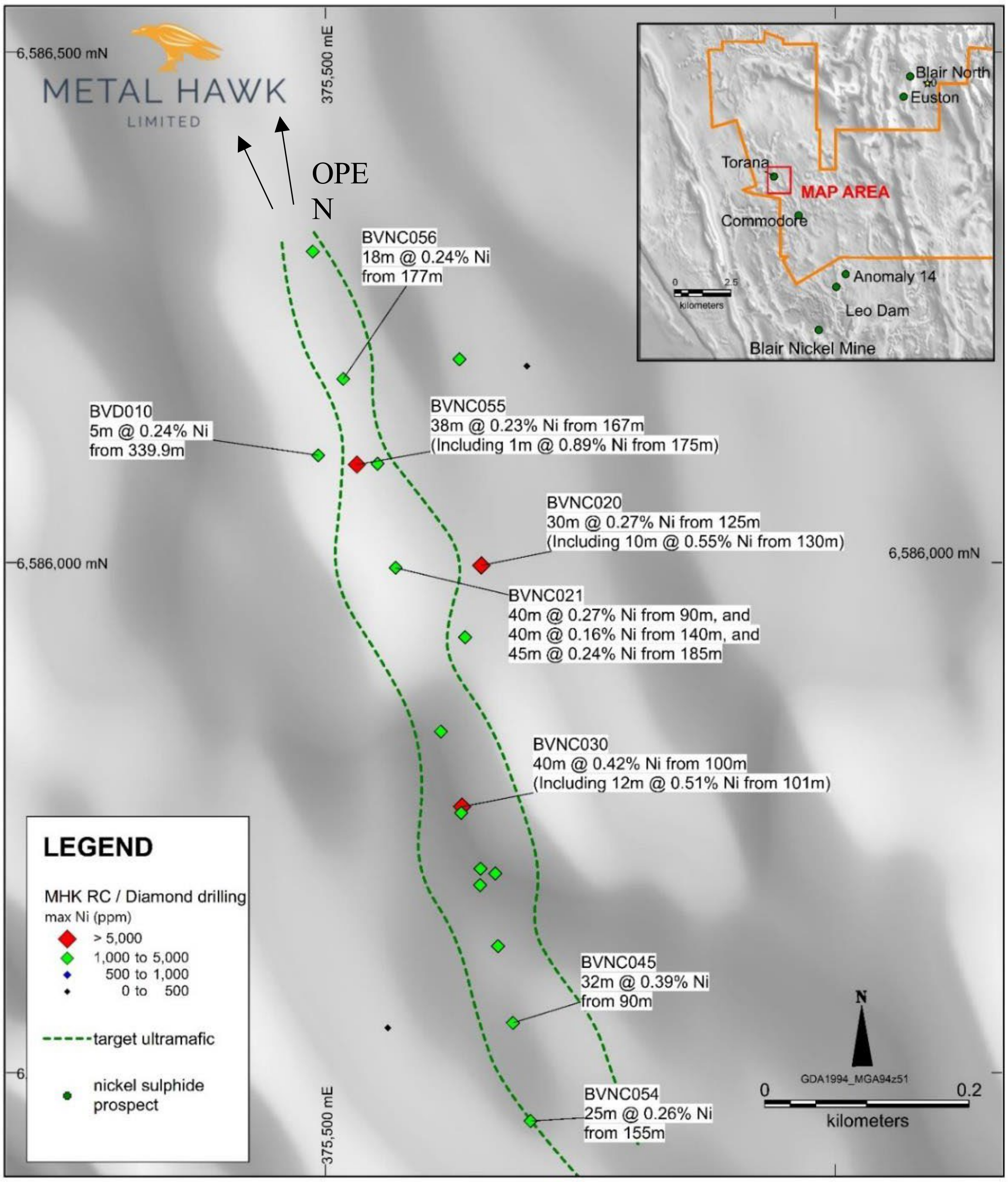

Figure 4. Torana prospect – RC and Diamond drilling showing highlights and target ultramafic trend

One diamond hole BVD010 was completed at Torana during the reporting period, testing a strong late-time downhole electromagnetic (DHEM) conductor situated from a depth of 350m below surface. A sequence of sulphidic metasediments and altered felsic rocks was intersected from 349.5m, with significant massive sulphides confirming the source of electromagnetic conductivity. Located above the metasediments a ~5m zone of weakly mineralised ultramafic rocks was logged from 339m.

In late 2022 a campaign of regional aircore drilling conducted south and east of Commodore identified a number of gold and nickel anomalies, including:

- **BVA289**: **5m @ 5.9g/t** Au from 35m
- **BVA292**: 5m @ 1.6g/t from 40m
- **BVA279**: 1m @ 1.5g/t Au from 72m to EOH
- **BVA287**: 3m @ 0.5g/t Au from 75m
- **BVA289**: 15m @ 1040ppm Ni, 156ppm Cu from 60m

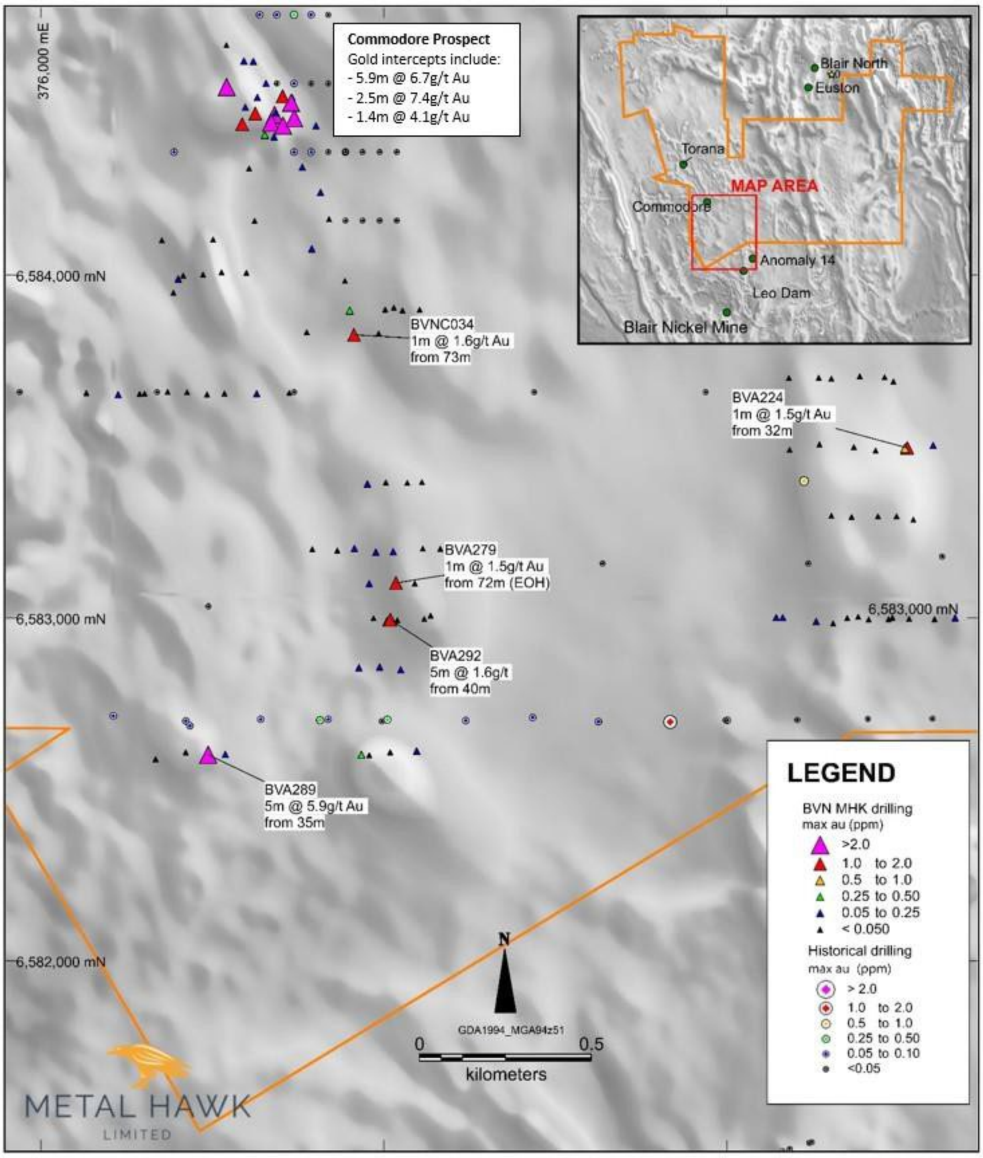

Figure 5. Berehaven drilling - southern AC gold anomalies labelled

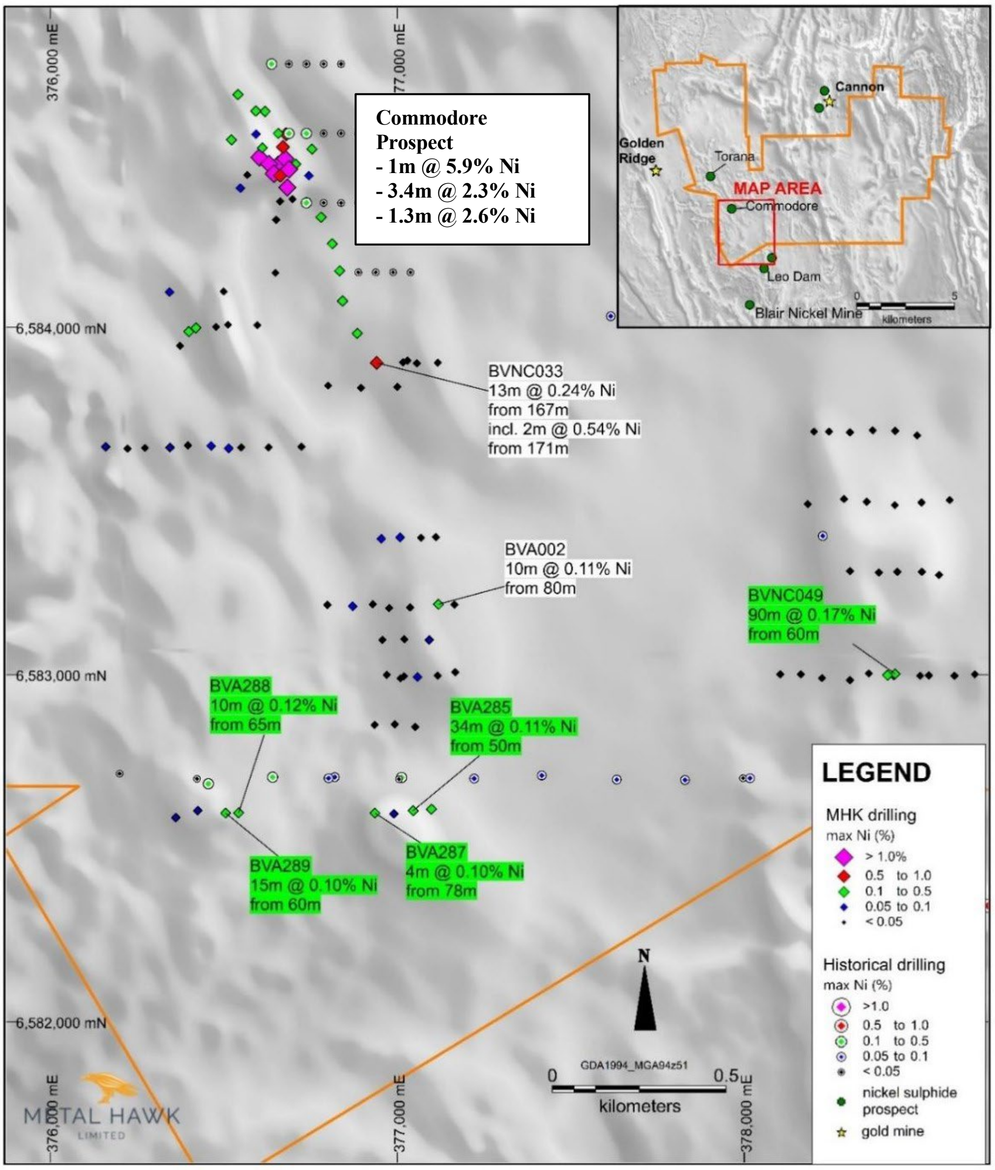

Figure 6. Berehaven drilling – new nickel results highlighted green

During the reporting period a new zone of gold mineralisation was discovered at the Commodore North prospect. A single RC hole (BVNC065) was drilled to test an end-of-hole aircore anomaly in BVA013 which intersected 1m @ 1.03g/t Au from 56m. **BVNC065** intersected a thick zone of gold mineralisation, with significant intervals of quartz veining and iron-oxides logged within weathered felsic volcanic rocks. Assay results returned from **BVNC065** included:

- **8m @ 0.96g/t Au from 74m**
- **2m @ 1.31g/t Au from 88m**
- **4m @ 1.69g/t Au from 96m**

This new gold prospect at Commodore North is located only 500m north of the high-grade gold zone discovered at Commodore in early 2022 and is positioned in a similar stratigraphic position within the felsic footwall rocks, east of the nickel-bearing ultramafic unit (Figure 7). Previous quartz-sulphide vein hosted gold intersections from Metal Hawk's 2022 diamond drilling included:

- **5.9m @ 6.7g/t Au from 244.4m (BVNCD002)**
- **2.5m @ 7.4g/t Au from 255.4m (BVD007)**

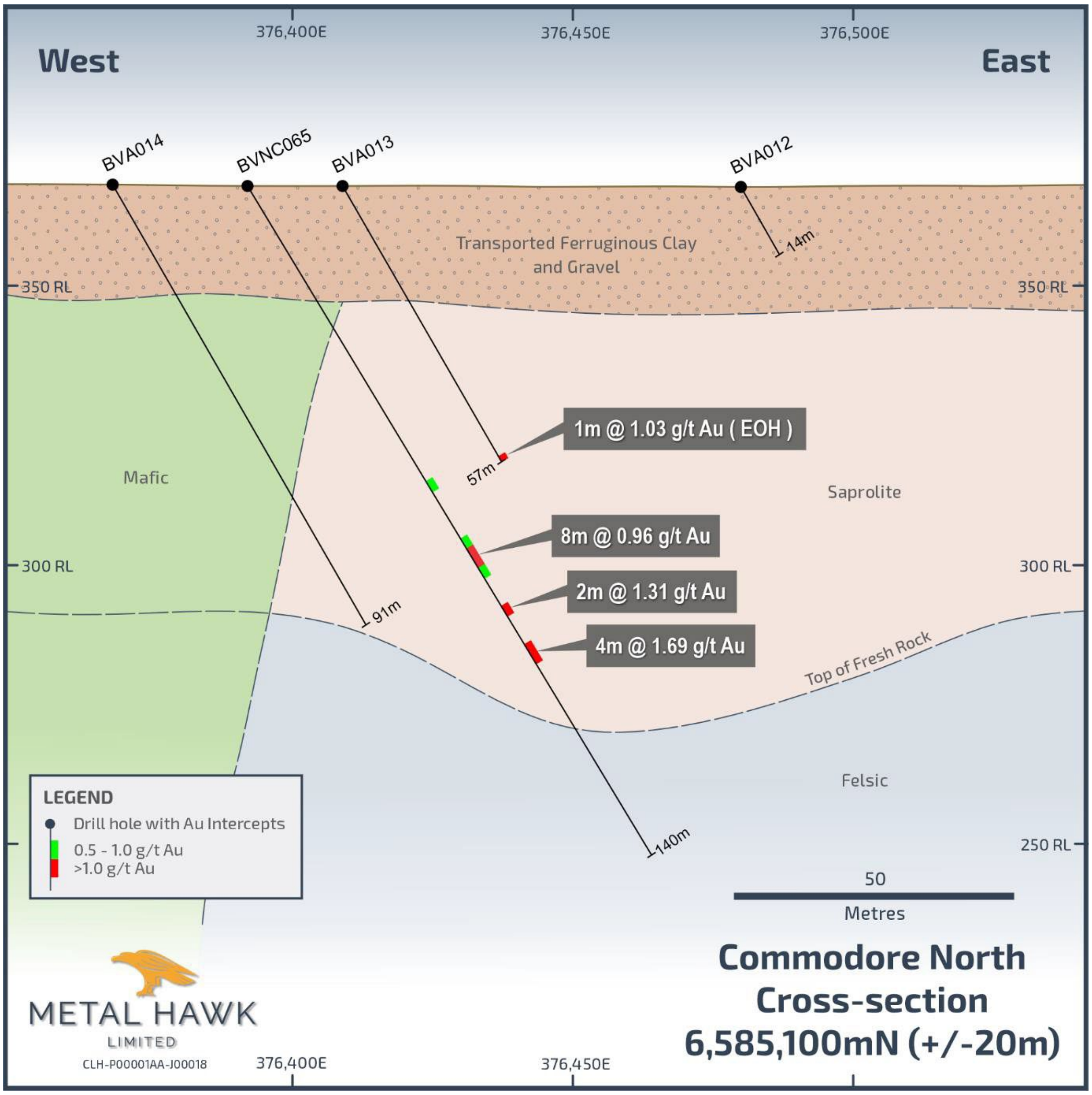

Figure 7. BVNC065 cross-section

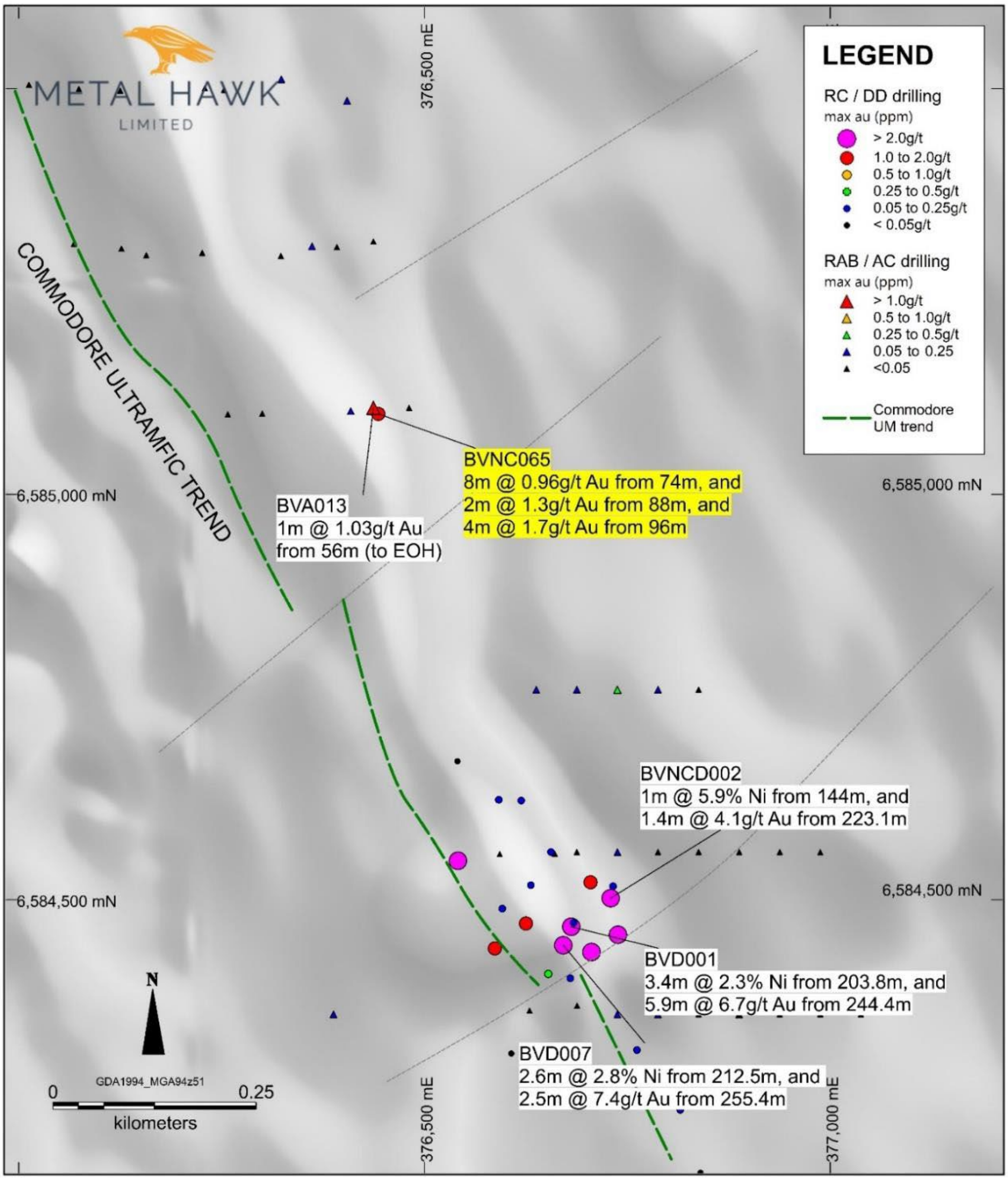

Figure 8. Commodore and Commodore North prospects showing maximum gold in drilling. New results highlighted yellow.

Fraser South Project (MHK 100%)

The Fraser South Project is located 150 km north-east of the town of Esperance in Western Australia (Figure 10).

Following the acquisition of IGO's 51% interest in Fraser South, Metal Hawk completed a maiden drilling program at the project in May 2023. The program was targeting rare earth element (REE) mineralisation and early-stage indicators of Ni-Cu-PGE mineralisation along the interpreted southern structural extension of the western margin of the Albany-Fraser belt.

A single traverse of 35 vertical shallow AC holes spaced at 400m intervals was drilled for a total of 935m, testing across an extensive 15km zone of variably weathered and metamorphosed granites.

The results returned from this drilling demonstrate the potential of the project, with high grades and thicknesses of clay REE mineralisation encountered in multiple holes. The most significant zone of mineralisation was seen in five consecutive 400m spaced holes (FSAC015 to FSAC019) over a 2km wide zone of deep weathering across the north-northeast striking REE-bearing Booanya Granite. This zone has been named the Bozwood prospect, with significant high-grade results including:

- **13m @ 1202ppm** TREO from 36m (FSAC015)
- **26m @ 1526ppm** TREO from 16m to EOH, incl. **8m @ 3101ppm** TREO from 32m (FSAC016)
- **26m @ 551ppm** TREO from 20m to EOH (FSAC017)
- **8m @ 1088ppm** TREO from 36m, and **10m @ 1781ppm** TREO from 52m (FSAC018)
- **19m @ 816ppm** TREO from 8m, incl **3m @ 2840ppm** TREO from 24m to EOH (FSAC019)

Subsequent to the end of reporting period, a program at Fraser South was completed with 46 holes drilled for 1,015m (assays pending).

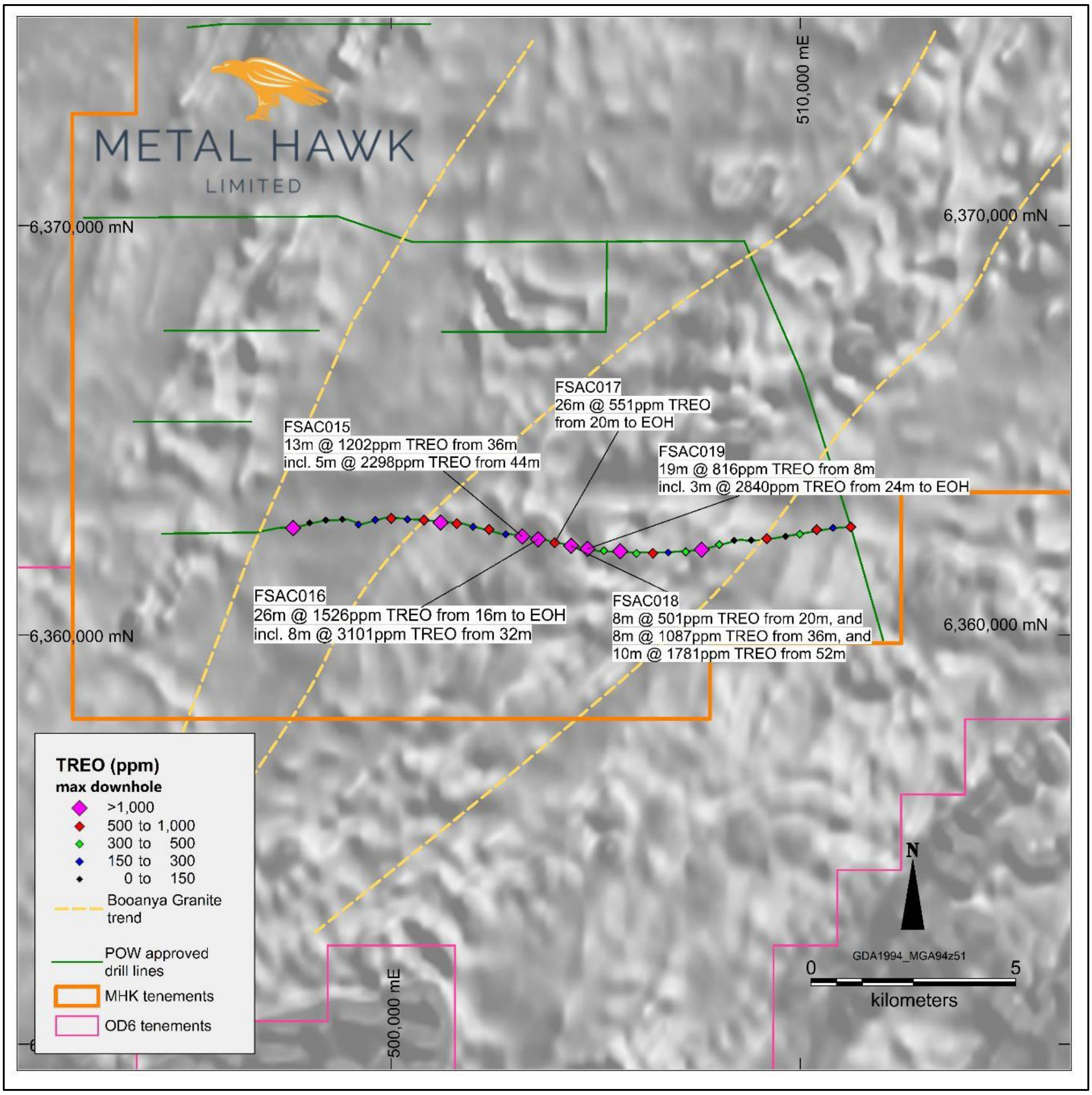

Figure 9. AC drillhole locations, maximum TREO values and drilling highlights from the Bozwood prospect, over aeromagnetics image (TMI)

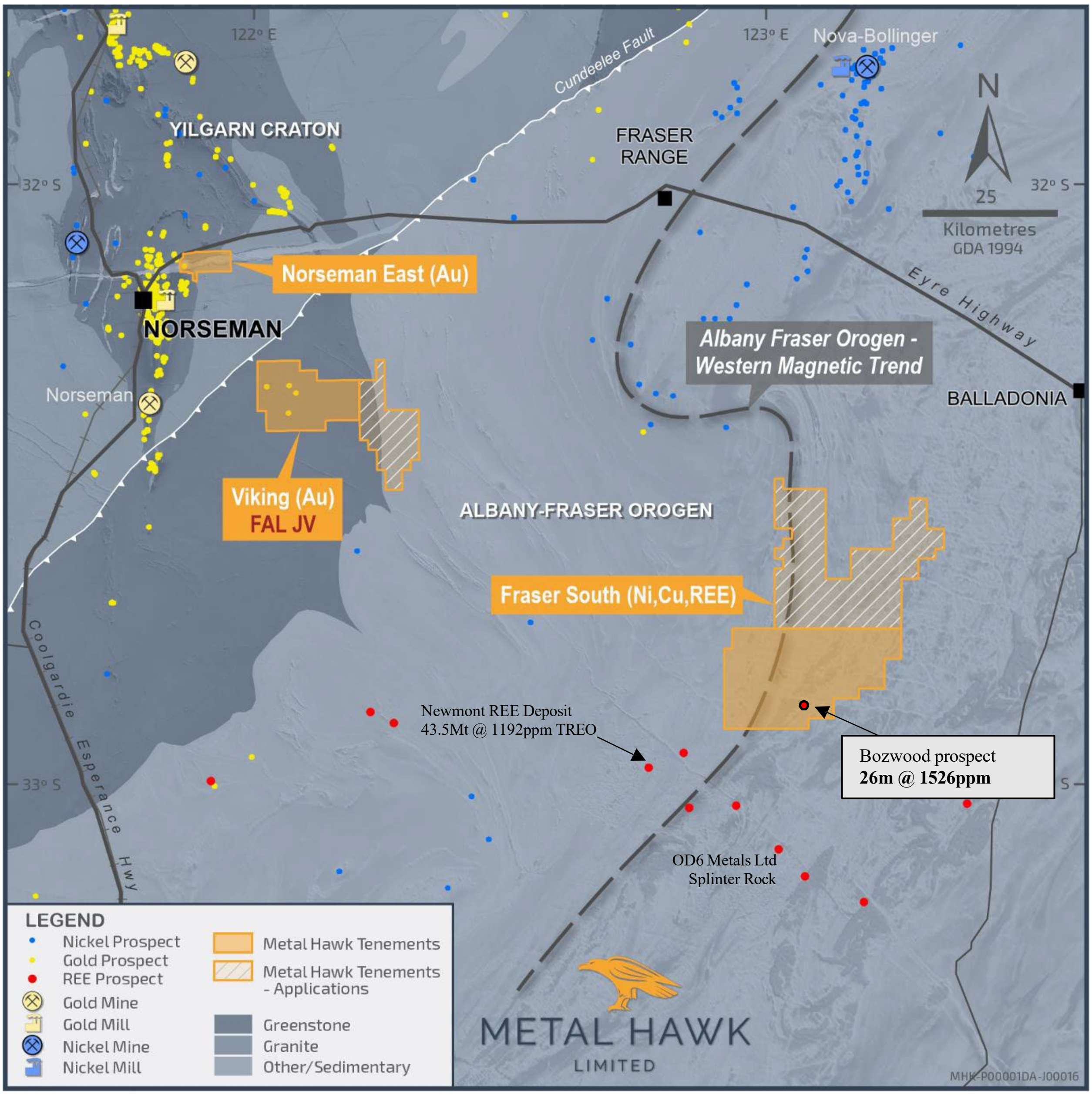

Figure 10. Fraser South Project location

Kanowna East Project (MHK 100%)

The Kanowna East project is located approximately 30km northeast of Kalgoorlie, approximately 9km northeast of the +5 million-ounce Kanowna Belle gold mine and 12km south of the Silver Swan/Black Swan nickel mine. During the year Metal Hawk applied for an additional three tenements at Kanowna East, increasing the tenure to over 100km^2.

During the reporting period, IGO completed seven diamond tails for a total of 1026.5m drilled. DHEM surveys were completed over 13 holes that successfully tested ultramafic contacts below weathering depths. No significant responses likely to represent massive nickel sulphides were identified.

Since acquiring IGO's 51% interest in Kanowna East, Metal Hawk is seeking to divest the project.

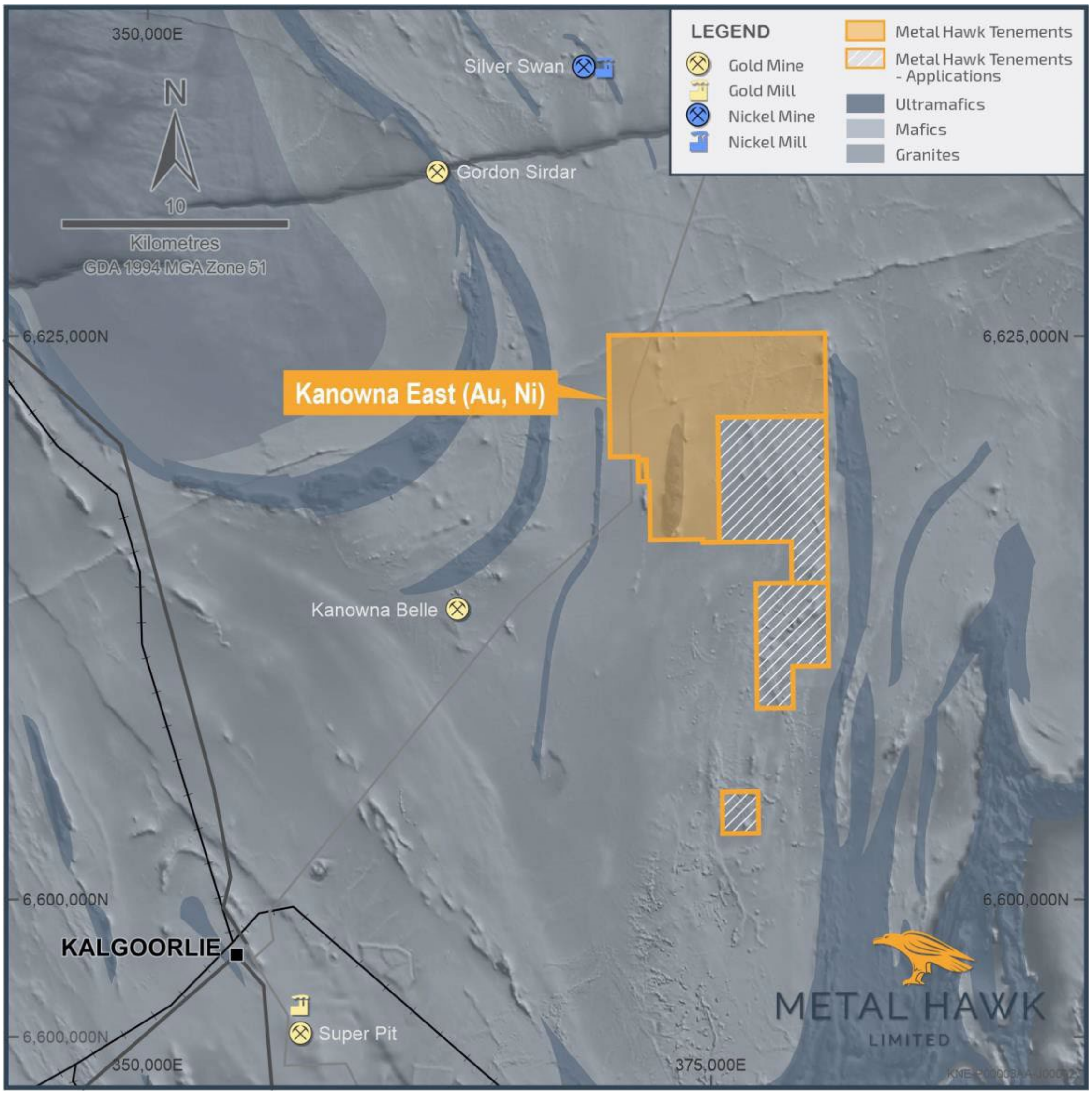

Figure 11. Kanowna East Project location

Wilbah West Project

During the reporting period, the Company acquired tenement application P29/2679 which was granted in May 2023. The project is located 70km west of Leonora (**Figure 12**) and is considered prospective for nickel sulphide and pegmatite-hosted lithium mineralisation.

An untested moving loop electromagnetic (MLEM) conductor, MAC-03, is located along a north-south trending ultramafic unit in the southern part of the tenement. Historical soil sampling identified a coincident geochemical anomaly above the conductor, with anomalous nickel (up to 560ppm), copper and platinum.

The Company has plans to test this target in early 2024.

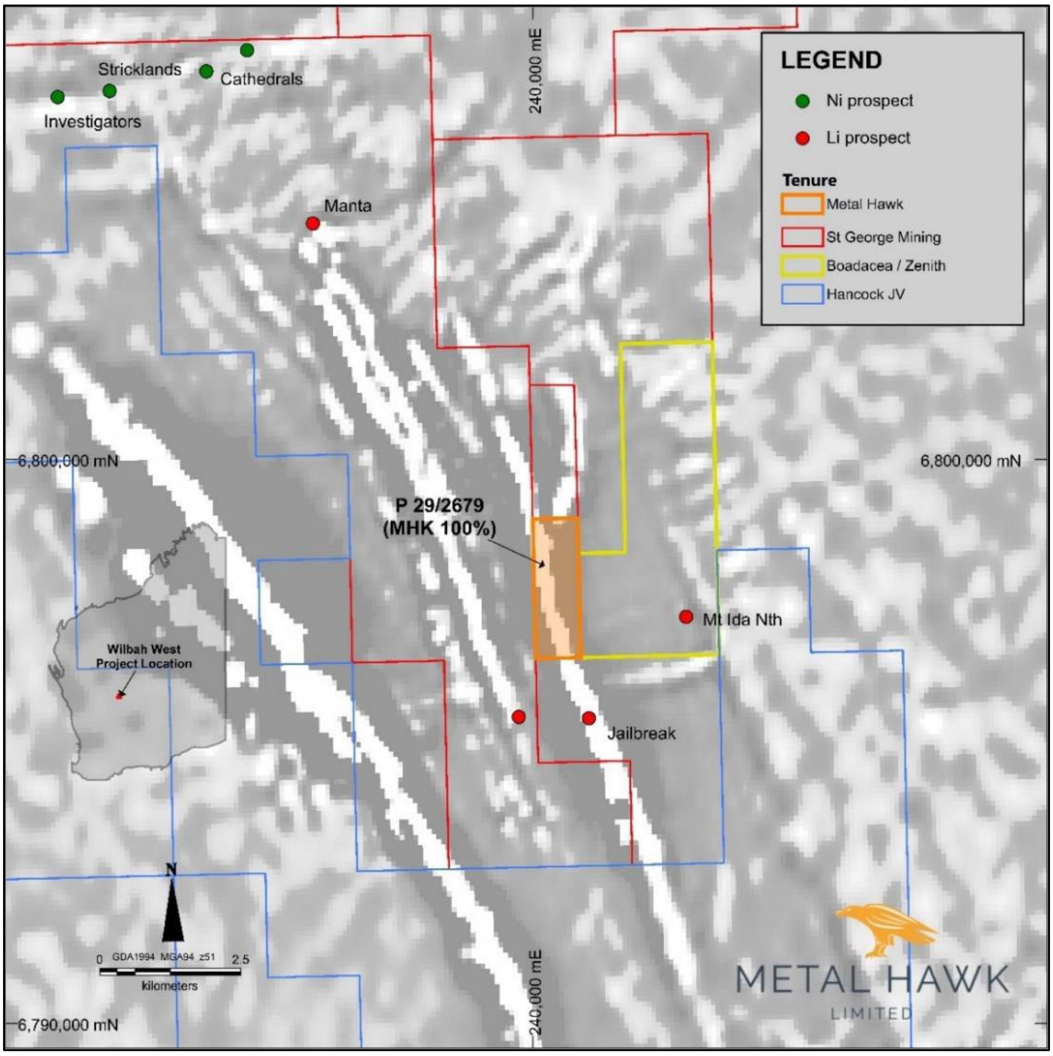

Figure 12. Wilbah West location plan

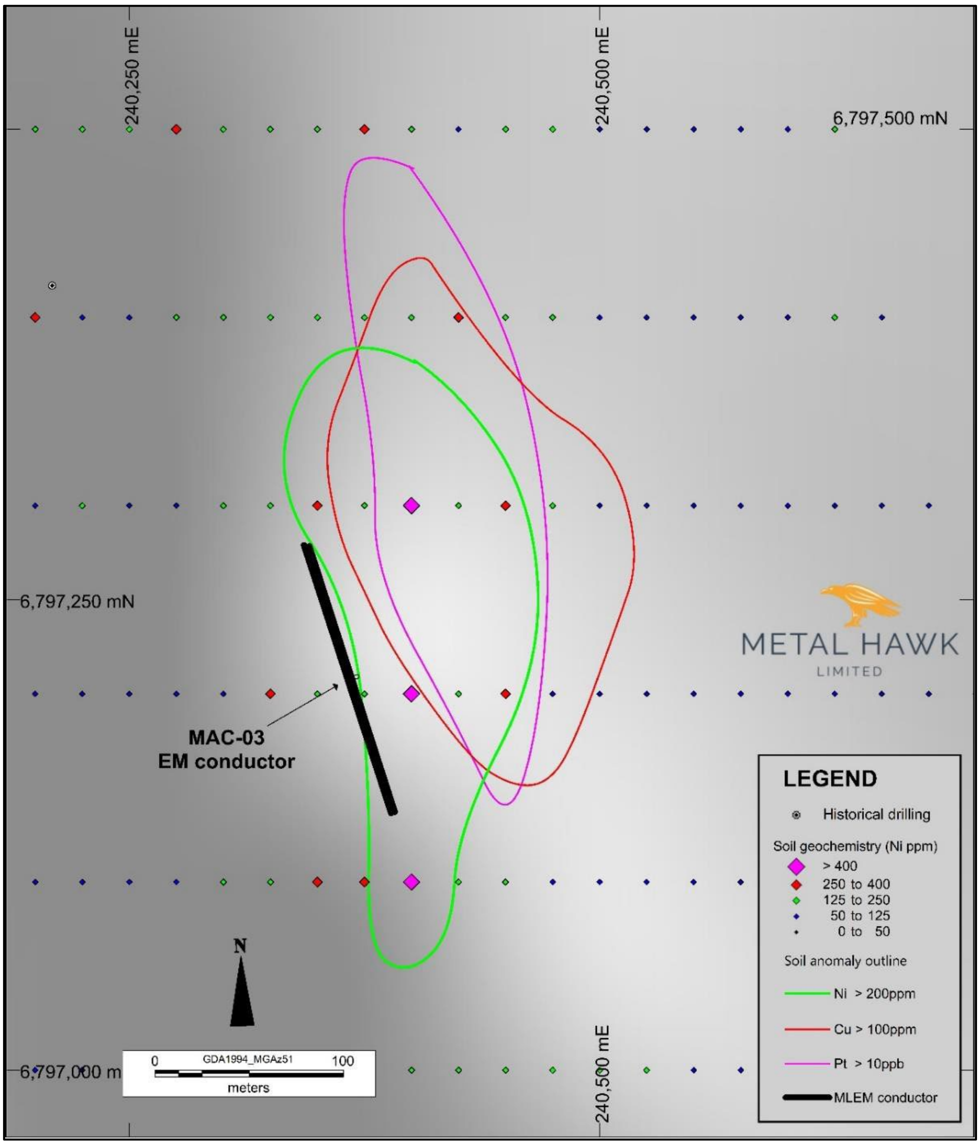

Figure 13. MLEM conductor MAC-03 with soil geochemical anomaly outlines

Viking Project (MHK 49%)

Metal Hawk's Viking Gold Project tenement (E63/1963) covers an area of 210km^2 and is located approximately 30km east of Norseman, within the southern portion of the world-class Albany-Fraser Province (Figure 10). The tenement is subject to an earn-in agreement with Falcon Metals Limited. During the year Falcon satisfied the Stage-1 requirements of the Earn-In, having spent $1 million on exploration. In January 2023 Falcon elected to proceed to Stage-2 of the Earn-In Agreement.

Falcon's maiden RC drilling campaign commenced in late September 2022, targeting down-dip and potential down-plunge extensions to existing shallow high-grade gold intercepts. Primary

mineralised shear zones were intersected in all RC holes drilled at Beaker 1 and Beaker 2 prospects, with high grade gold assays up to 28.5g/t returned.
Assay highlights from the RC drilling included:

- **VKB2RC004** 6m @ 1.02g/t Au from 93m; including
  1m @ 5.01g/t Au from 93m; and
  6m @ 5.11g/t Au from 141m; including
  1m @ 28.5g/t Au from 141m
- **VKB2RC001** 3m @ 6.07g/t Au from 43m; including
  1m @ 13.4g/t Au from 45m
- **VKB1RC003** 4m @ 1.87g/t Au from 124m; including
  1m @ 5.01g/t Au from 124m

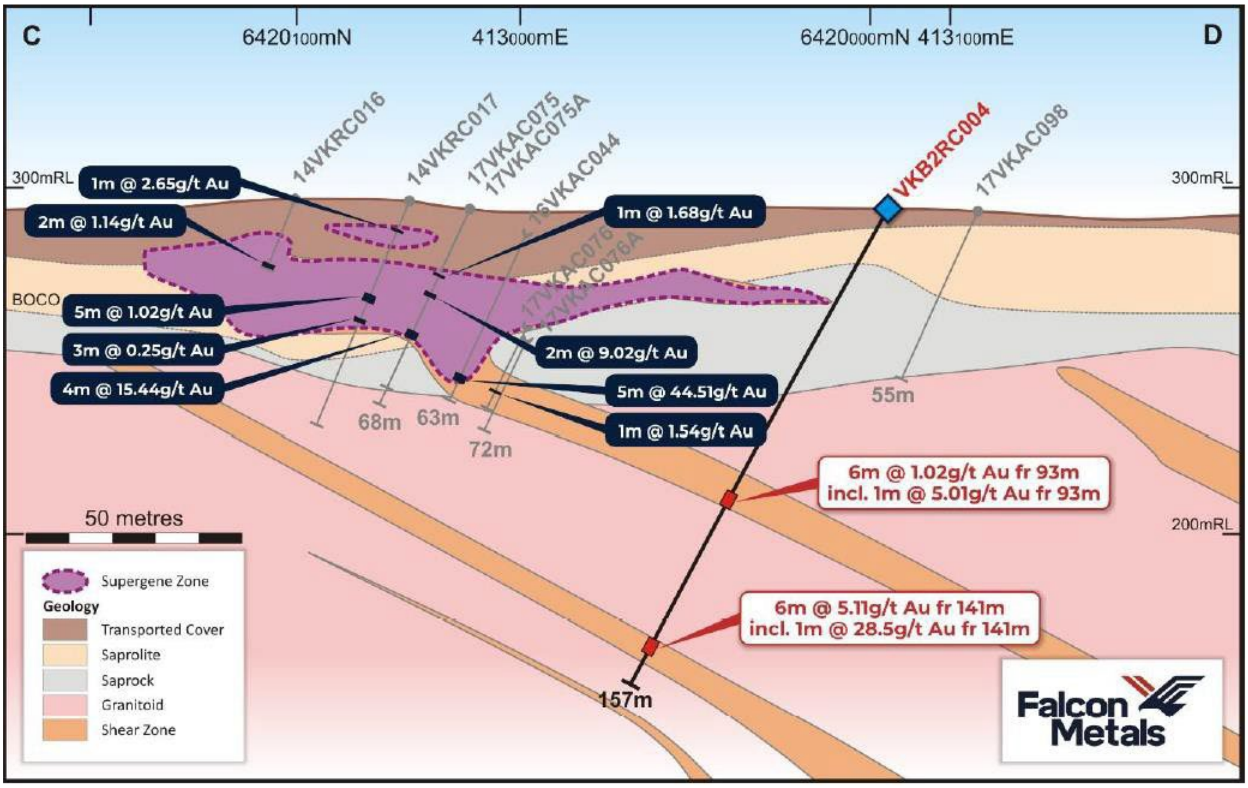

Figure 7. Beaker 2 cross-section showing new results VKB2RC004 (sourced from FAL ASX announcement dated 21 November 2022)

A follow-up diamond drilling campaign was carried out in December 2022. Unfortunately, no significant results were returned. Falcon is reviewing its strategy with respect to the Viking Project and is considering potential opportunities to progress the project.

Onslow Project (option)

In February 2023 Metal Hawk acquired an option to purchase the Onslow base metals project from Skryne Hill Pty Ltd. In June 2023 the Company completed ground electromagnetic surveys on the project. No bedrock conductors were identified. Subsequent to the end of the financial year Metal Hawk has withdrawn from the Option.

Competent Person statement

The information in this announcement that relates to Exploration Targets and Exploration Results is based on information compiled and reviewed by Mr William Belbin and represents an accurate representation of the available data. Mr Belbin is the Managing Director of Metal Hawk Limited and is a "Competent Person" and a Member of the Australian Institute of Geoscientists (AIG). Mr Belbin is a full-time employee of the Company and hold shares and options in the Company. Mr Belbin has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he has undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Belbin consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Forward-Looking Statements

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Metal Hawk Limited's planned exploration program(s) and other statements that are not historical facts. When used in this document, the words such as "could," "plan," "estimate," "expect," "intend," "may", "potential," "should," and similar expressions are forward looking statements. Metal Hawk confirms that it is not aware of any new information or data that materially affects the information included in this quarterly.

DIRECTORS' REPORT

The Directors present their report together with the financial statements of the Company for the financial year ended 30 June 2023 and the auditor's report thereon.

DIRECTORS

The Directors of the Company at any time during or since the end of the financial year are noted below. Directors were in office for the entire period unless otherwise stated.

Name and independence status	Experience, qualifications, special responsibilities and other directorships
Michael Edwards Non-Executive Chairman Appointed: 11 September 2023 Non-Executive Director Appointed: 29 May 2023 Interests: Shares and Options: Nil Past directorships within the last 3 years	Michael is an experienced geologist, economist, corporate executive and company director who has become increasingly active at the Board level, particularly in the junior resources sector, over the past 10 years. He holds a Bachelor of Business (Economics and Finance) from Curtin University of Technology and a Bachelor of Science (Geology) from the University of Western Australia. Executive Chairman of Future Battery Metals Limited Non-Executive Chairman of Greenstone Resources Limited and Firefly Resources Limited Non-Executive Director of De.mem Limited
William Belbin Managing Director Appointed: 8 December 2018 Interests: Shares: 2,400,000 Options: 3,750,000	Will has over 20 years' experience working in gold and base metals exploration, with extensive experience in project generation and evaluation. Will was an integral part of the Fisher East nickel sulphide discoveries as Exploration Manager for Rox Resources Limited. Previously Will has worked for Newexco on various roles. Will holds a Geology degree from UWA and a Masters of Mineral Economics from the Curtin Graduate School of Business.
David Pennock Executive Director Appointed: 8 December 2018 Interests: Shares: 2,900,000 Options: 3,250,000	David is a qualified geologist from the WA School of Mines and has over 15 years working in the exploration & resources sector. David runs Pennock Management Consultants, working with a range of clients from large scale producers to small cap explorers. David has strong business development skills and is well connected within the resources sector.

Brett Lambert Non-Executive Chairman Appointed: 3 July 2019 Resigned: 9 September 2023 Interests: Shares: 400,000 Options: 2,500,000	Brett is a Mining Engineer from the WA School of Mines with 40 years' experience in the resources industry. Brett has held senior management positions with Western Mining Corporation, Herald Resources, Western Metals, Intrepid Mines, Thundelarra Exploration and Bullabulling Gold. Brett has a wide range of experience from exploration through to mine development & operations. Brett is currently the Non-Executive Chairman of Mincor Resources NL and Saturn Metals Limited and a Non-Executive Director of Musgrave Minerals Limited and Australian Potash Limited.
Past directorships within the last 3 years	Non-Executive Director De Grey Mining Limited Non-Executive Director Metals X Limited

COMPANY SECRETARY

Chris Marshall (BA, LLB) has held the role of Company Secretary since 3 July 2019.

DIRECTORS' MEETINGS

The number of meetings of the Company's Board of Directors and of each Board Committee held during the year ended 30 June 2023, and the number of meetings attended by each director were:

	Full meetings of Directors	
	Number of meetings attended	**Number of meetings held whilst a Director**
Brett Lambert[2]	6	6
William Belbin	6	6
David Pennock	6	6
Michael Edwards[1]	1	1

[1] Appointed on 29 May 2023
[2] Resigned on 9 September 2023

The small size of the Board means that Members of the Board meet informally on a regular basis to discuss company operations, risks and strategies, and as required, formalise key actions through circular resolutions.

The audit and risk management, finance and environmental functions are handled by the full Board of the Company.

PRINCIPAL ACTIVITIES

During the financial year, the principal activities of the Company consisted of exploration and evaluation of the Company's exploration tenements situated in Western Australia.

OPERATING RESULTS

The loss for the financial year ended 30 June 2023 attributable to members of Metal Hawk Limited after income tax was $1,715,591 (2022: $1,341,884).

OPERATIONS REVIEW

Information on the operations of the Company and its strategies is set out in the Review of Operations at the beginning of this Annual Report.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

In the opinion of the Directors there were no matters that significantly affected the state of affairs of the Company during the financial year, other than those matters referred to in the overview above.

DIVIDENDS

The Directors recommend that no dividend be provided for the year ended 30 June 2023 (2022: Nil).

LIKELY DEVELOPMENTS

The Company will continue to pursue the exploration and evaluation of resources over its base metals tenement interests and assess corporate growth opportunities.

MATERIAL BUSINESS RISKS

The business activities of the Company are subject to risks and there are many risks which may impact on the Company's future performance. Some of these risks can be mitigated by the use of safeguards and appropriate systems and controls, but many are outside of the control of the Company and cannot be mitigated.

- Exploration projects: Mineral exploration is high-risk, with no guarantee of economic ore discoveries. MHK operates in grass roots exploration jurisdictions with many factors impacting the future likelihood of making economic discoveries like geological conditions, water supply, and government regulations can affect exploration.

- Regulatory risks: Extensive laws and regulations affect exploration, including permits, environmental compliance, and native title issues. Obtaining permits may be time-consuming, and non-compliance can lead to fines or suspension of activities.

- Environmental risks: All mining projects are subject to scrutiny for environmental protection issues and are at risk of not being approved if the impact on the environment is significant.

- Title risk: Maintaining tenure over the Company's projects depend on meeting license conditions and the ability to fund future work programs. Tenement renewals are uncertain, and new conditions may be imposed.

- Legal proceedings: Legal proceedings may arise from time to time in the course of the Company's business. As at the date of this report, there are no material legal proceedings affecting the Company and the Directors are not aware of any legal proceedings pending or threatened against or affecting the Company.

ENVIRONMENTAL REGULATION

The Company is subject to significant environmental regulation in relation to its exploration activities. It aims to ensure that the highest standard of environmental care is achieved, and that it complies with all relevant environmental legislation. The Directors are not aware of any breaches during the period covered by this report.

INDEMNIFICATION 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 financial year, the Company paid a premium in respect of a contract to insure the directors and executives of the Company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

AUDITOR

BDO Audit (WA) Pty Ltd continues in office in accordance with section 327 of the *Corporations Act 2001*.

AUDITOR'S INDEPENDENCE DECLARATION

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

NON-AUDIT SERVICES

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company is important.

The Board has considered the non-audit services provided during the year by the auditor and are satisfied that the provision of these non-audit services during the year by the auditor is compatible with, and did not compromise, the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- all non-audit services were subject to the corporate governance procedures adopted by the Company; and
- the non-audit services provided do not undermine the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants*, as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision making capacity for the Company, acting as an advocate for the Company or jointly sharing risks and rewards.

Details of the remuneration for non-audit services provided by the auditor of the Company, BDO Audit (WA) Pty Ltd including network firms, and its related practices during the year are set out below:

	2023 $	2022 $
Taxation services		
Tax compliance services	6,180	15,046
	6,180	**15,046**

EVENTS SUBSEQUENT TO REPORTING DATE

On 5 July 2023, the Company announced that it has entered into a binding agreement for an option to purchase the western Yarmany project tenements from Black Mountain Gold Limited, a wholly owned subsidiary of Horizon Minerals Limited (ASX: HRZ) with the following terms:

1. $400,000 on signing as an option fee, consisting of payment of $200,000 cash and $200,000 worth of fully paid MHK shares (Option Shares) escrowed for six months.

    a) Fully paid MHK shares to the value of $1 million (Consideration Shares) or cash (at MHK's election) to exercise the option on or before 30 June 2025. MHK must spend $1 million on project expenditure before it can exercise the option and a minimum of $500,000 before it can withdraw from the option; or

    b) HRZ may elect to forego the payment and retain a 20% free-carried interest in the Tenements (until decision to mine).

On 28 July 2023, the Company raised $1.2 million (before costs) at $0.11 per share via a placement to long-term sophisticated investors.

On 9 September 2023, Brett Lambert has retired as a director and Non-Executive Chairman of the Company and Michael Edwards has been appointed as Non-Executive Chairman.

On 15 September 2023, 1,562,500 options with exercise price of 25 cents expired without exercise or conversion.

Aside from the matters noted above, there have been no other matters or circumstances that have arisen since the end of the financial year that have significantly affected, or may significantly affect, the operations of the Company, the results of these operations, or the state of affairs of the Company in future financial years.

PROCEEEDINGS 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.

SHARES ISSUED ON EXERCISE OF OPTIONS

There were no options exercised during the reporting period, and nil options exercised subsequent to the end of the reporting period (2022: 350,000 options exercised during the reporting period).

UNISSUED SHARES UNDER OPTION

At the date of this report unissued ordinary shares of the Company under option are:

Grant date	Number of shares under option	Exercise price of option cents	Expiry date of option
19-Nov-20	2,950,000	25	19-Nov-23
19-Nov-20	4,500,000	25	19-Nov-23
19-Nov-20	4,000,000	30	19-Nov-24
19-Nov-20	1,000,000	20	19 Nov-23
15-Sep-20	1,562,500	30	15-Sep-24
19-Nov-20	1,000,000	25	19-Nov-23
19-Nov-20	1,000,000	30	19-Nov-24
02-Dec-21	450,000	42	30-Nov-24
30-Nov-21	2,550,000	42	30-Nov-25
30-Nov-22	1,750,000 (i)	37	30-Nov-26
14-Feb-23	900,000 (ii)	37	30-Nov-26
9-May-23	2,000,000 (iii)	37	9-May-27
	23,662,500		

(i) 1,750,000 unlisted options were issued to the Directors under the Company's Employee Share Plan, as approved by shareholders at the Company's AGM held on 30 November 2022.

(ii) On 24 February 2023, the Company issued 900,000 unlisted options exercisable at $0.37 each expiring on 30 November 2026 under the Company’s Employee Securities Incentive Plan.

(iii) On 9 May 2023, the Company issued 2,000,000 unlisted options as Consideration Options forming part of consideration payable to Western Areas Limited (wholly owned subsidiary of IGO Limited) for the acquisition of WSA's 51% joint venture interest in the Fraser South, Kanowna East and Emu Lake Projects in Western Australia.

All unissued shares are ordinary shares of the Company.

During the financial year, 100,000 options lapsed (2022: nil).

REMUNERATION REPORT

The Remuneration Report, which forms part of the Directors' Report, outlines the remuneration arrangements in place for the key management personnel of Metal Hawk Limited for the financial year ended 30 June 2023 and is included on page 10.

AUDITOR INDEPENDENCE

Section 307C of the *Corporations Act 2001* requires our auditors, BDO Audit (WA) Pty Ltd, to provide the Directors of the Company with an Independence Declaration in relation to the audit of the annual report. The Independence Declaration is set out on page 16 and forms part of this Directors' report for the year ended 30 June 2023.

Signed in accordance with a resolution of the Directors.

William Belbin

Managing Director

Dated at Perth 28th September 2023

REMUNERATION REPORT - AUDITED

This report, which forms part of the Directors' report, outlines the remuneration arrangements in place for the Directors of Metal Hawk Limited for the year ended 30 June 2023. The information provided in this remuneration report has been audited as required by Section 308(3C) of the *Corporations Act 2001.*

The Remuneration Report details the remuneration arrangements for the Directors who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company, directly or indirectly, whether executive or otherwise.

Remuneration philosophy

The objective of the Company's executive remuneration framework is to ensure reward for performance is competitive and appropriate for the results achieved. The framework aligns executive remuneration with the achievement of strategic objectives and the creation of value for shareholders, and it is considered to conform to the market best practice for the delivery of remuneration. The Board of Directors ("**the Board**") ensures that executive remuneration satisfies the following key criteria for remuneration governance practices:

- Set competitive remuneration packages to attract and retain high calibre employees;
- Link executive rewards to shareholder value creation; and
- Establish appropriate, demanding performance hurdles for variable executive remuneration.

Remuneration and Nomination Committee

The Company at present does not have a Remuneration and Nomination Committee. Due to the size and nature of the Company, all members of the Board would be involved with Remuneration and Nomination Committee meetings, therefore, the Board is currently responsible for determining and reviewing compensation arrangements for the Key Management Personnel.

The Board assesses the appropriateness of the nature and amount of remuneration of Key Management Personnel on a periodic basis by reference to relevant employment market conditions with an overall objective of ensuring maximum stakeholder benefit from the retention of a high-quality Board and executive team.

Remuneration structure

In accordance with best practice corporate governance, the structure of Executive Director and Non-Executive Directors' remuneration is separate and distinct.

Executive Director remuneration

Remuneration consists of fixed remuneration and variable remuneration (compromising short-term and long-term incentive schemes).

Fixed remuneration

Fixed remuneration is reviewed annually by the Board. The process consists of a review of relevant comparative remuneration in the market and internally and, where appropriate, external advice on policies and practices. The Board has access to external, independent advice where necessary.

Variable remuneration - Short-term incentive scheme

Short term incentives (STI) reward employees for their individual achievements and contributions to business success and organisation outcomes during the financial year. STI's are a variable reward and are not guaranteed. Upon implementation of an STI scheme, each year, the Board will consider the appropriate targets and Key Performance Indicators (KPIs) to link the STI and the level of payout if targets are met.

At this stage the Company does not award any STIs. This may include capping the maximum payout under the STI scheme and determining the minimum levels of performance to trigger payment of the STI's. Depending upon the level of management, KPI's may include the following:

- satisfactory completion of development programs, on time and on budget;
- securing funding to support planned work programs;

Remuneration structure (continued)

Variable remuneration - Short-term incentive scheme (continued)

- investor relations; and
- consideration of safety performance, corporate governance, external relations and general management.

Variable remuneration - Long-term incentive scheme

The Company makes long-term incentive payments such as share options and / or performance rights to reward Executive Directors and other key management in a manner that aligns this element of remuneration with the creation of shareholder wealth.

The Company has adopted an Employee Securities Incentive Plan (**ESIP**). Under the ESIP, the Company may grant options to eligible Directors, employees and consultants to attract, motivate and retain key employees over a period of three years up to a maximum of 5% of the Company's total issued ordinary shares at the date of the grant. Director options are granted at the discretion of the Board and approved by shareholders. Performance hurdles are not attached to vesting periods however, the Board determines appropriate vesting periods to provide rewards over time.

Performance on shareholder wealth

The remuneration of the Company's key management personnel, including any component of remuneration that consists of securities in the Company, is not formally linked to the prior performance of the Company. The rationale for this approach is that the Company is in the exploration phase, and it is currently not appropriate to link remuneration to factors such as profitability or share price.

The table below sets out summary information about the Company's earnings and movements in shareholder's wealth for the four years to 30 June 2023:

	2023	2022	2021	2020
Loss before income tax ($)	1,715,591	1,341,884	1,465,766	912,240
Net loss attributable to equity holders ($)	1,715,591	1,341,884	1,465,766	912,240
Share price at year end (cents)	13.0c	15.5c	22.5c	16c
Number of fully paid ordinary shares	66,935,394	58,165,394	47,247,500	13,060,000
Weighted average number of shares	63,326,987	53,751,794	38,161,477	11,999,488
Basic loss per share EPS (cents)	2.71	2.50	3.84	7.60
Unlisted options	25,225,000	20,675,000	17,925,000	11,250,000
Market capitalisation ($)	8,701,601	9,015,636	10,630,687	2,089,600
Net tangible assets (NTA) ($)	933,107	1,981,724	3,862,120	207,449
NTA Backing (cents)	1.39	3.41	8.17	1.59

During the financial years noted above, there were no dividends paid or other returns of capital made by the Company to shareholders.

Non-Executive Director remuneration

The Board seeks to set aggregate remuneration at a level that provides the Company with the ability to attract and retain Non-Executive Directors of the highest calibre, whilst incurring a cost that is acceptable to shareholders.

The ASX Listing Rules specify that the aggregate remuneration of Non-Executive Directors shall be determined from time to time by a general meeting. The constitution of the Company adopted prior to listing specifies the maximum annual aggregate of Non-Executive Director remuneration is currently set at $300,000.

Remuneration structure (continued)

Non-Executive Director remuneration (continued)

The amount of aggregate remuneration and the manner in which it is apportioned amongst Non-Executive Directors is reviewed annually. The Board considers advice from external consultants as well as the fees paid to Non-Executive Directors of comparable companies when undertaking the annual review process. No external consultants were utilised in the current year.

Each Non-Executive Director receives a fee for being a Director of the Company which is inclusive of statutory superannuation and membership of sub-committees.

The Board reviews the workload and activities undertaken by each Director.

Employment contracts

Remuneration and other terms of employment of Directors and other key management personnel are formalised in an employment contract. The major provisions of the agreement related to remuneration are set out below.

Name	Terms of agreement	Employee notice period	Employer notice period	Base salary *	Termination Benefit **
William Belbin	Executive Director	3 months	3 months	$225,000	N/A
David Pennock	Executive Director	3 months	3 months	$90,000	N/A
Brett Lambert	Non-Executive Director	N/A	N/A	$50,000	N/A
Michael Edwards	Non-Executive Director	N/A	N/A	$36,000	N/A

* Base salary is exclusive of the superannuation guarantee charge rate applicable at the time (10.5% for the financial year ended 30 June 2023, increasing to 11% for financial year 2024).

** Termination benefits are payable upon early termination by the Company, other than for gross misconduct. They are equal to base salary and superannuation payable for the notice period.

Use of remuneration consultants

No remuneration consultants provided services during the year.

Voting at the Company’s 2022 Annual General Meeting

At the 2022 AGM, 98.51% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2022. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

Remuneration of Directors

Name		Short-term employee benefits	Post Employment benefits	Share-based payments			
		Cash salary and fees	Superannuation	Shares	Options	Total	Option related
		$	$	$	$	$	%
Non-Executive Directors							
Brett Lambert[2]	**2023**	**50,000**	**5,250**	**-**	**76,000**	**131,250**	**57.90**
	2022	50,000	5,000	-	64,107	119,107	53.82
Michael Edwards[1]	**2023**	**3,300**	**-**	**-**	**-**	**3,300**	**-**
Sub-total Non-Executive	**2023**	**53,300**	**5,250**	**-**	**76,000**	**134,550**	**56.48**
Directors' remuneration	2022	50,000	5,000	-	64,107	119,107	53.82
Executive Director							
William Belbin	**2023**	**225,000**	**23,625**	**-**	**114,000**	**362,625**	**31.44**
	2022	225,000	22,500	-	96,160	343,660	27.98
David Pennock	**2023**	**90,000**	**9,450**	**-**	**76,000**	**175,450**	**43.32**
	2022	90,000	9,000	-	64,107	163,107	39.30
Sub-total Executive	**2023**	**315,000**	**33,075**	**-**	**190,000**	**538,075**	**35.31**
Directors' remuneration	2022	315,000	31,500	-	160,267	506,767	31.63
Total Directors' remuneration	**2023**	**368,300**	**38,325**		**266,000**	**672,625**	**39.55**
	2022	365,000	36,500	-	224,374	625,874	35.85

[1]Appointed on 29 May 2023
[2]Resigned on 9 September 2023

Options

Granted as compensation

At the date of this report, share options granted to the Directors of the Company as part of their remuneration in FY 2023 are:

	Number of options granted	Grant date	Value per option at grant date cents	Value of options at grant date $	Vesting date	Exercise price per option cents	Expiry date
Brett Lambert	500,000	30-Nov-22	15.20	76,000	30-Nov-22	37	30-Nov-26
William Belbin	750,000	30-Nov-22	15.20	114,000	30-Nov-22	37	30-Nov-26
David Pennock	500,000	30-Nov-22	15.20	76,000	30-Nov-22	37	30-Nov-26

The options tabled above were provided at no cost to the recipients.

No options granted as compensation in the current or prior years were exercised. No options granted as compensation in the prior years were forfeited, lapsed or cancelled (2022: nil).

Other information

Options held by Directors

	Held at 1 July 2022	Granted	Exercised / Expired	Held at 30 June 2023	Vested and exercisable at 30 June 2023
Brett Lambert[2]	2,000,000	500,000	-	2,500,000	2,500,000
William Belbin	3,000,000	750,000	-	3,750,000	3,750,000
David Pennock	2,750,000	500,000	-	3,250,000	3,250,000
Michael Edwards[1]	-		-	-	-

[1]Appointed on 29 May 2023
[2]Resigned on 9 September 2023

Ordinary shares held by Directors

	Held at 1 July 2022	Purchases	Granted as remuneration	Exercise of options	Held at 30 June 2023
Brett Lambert[2]	400,000	-	-	-	400,000
William Belbin	2,300,000	100,000	-	-	2,400,000
David Pennock	2,700,000	200,000	-	-	2,900,000
Michael Edwards[1]	-	-	-	-	-

[1]Appointed on 29 May 2023
[2]Resigned on 9 September 2023

During the reporting period, no shares were issued on the exercise of options previously granted as compensation.

Cash bonuses included in remuneration
No cash bonuses were granted during 2023 (2022: nil).

Share-based remuneration granted as compensation

During the financial year, 1,750,000 unlisted options were granted to the Directors under the Company's Employee Share Plan, as approved by shareholders at the Company's AGM held on 30 November 2022.

The options have been valued using the Black-Scholes Option Valuation model, which takes account of factors including the option exercise price, the current level and volatility of the underlying share price, the risk-free interest rate, expected dividends on the underlying share, current market price of the underlying share and the expected life of the option. See below for the assumptions used for grants made during the year.

	Directors Options
Number of options	1,750,000
Exercise price (cents)	37
Grant date	30-Nov-22
Expiry date	30-Nov-26
Life of the options (years)	4
Volatility	100%
Risk free rate	3.42%
Fair value at grant date (cents)	15.20
Share price at grant date (cents)	24

The options vest immediately. The options were valued at $266,000 with the share-based payment expense recognised the Statement of Profit or Loss and Other Comprehensive Income.

Other transactions with Key Management Personnel

During the year to 30 June 2023, MHK was assigned a 3-year office lease from Pennock Pty Ltd, a company associated with Director David Pennock, with details disclosed in Note 5.2 and 5.3. The assignment has been entered into on arms-length terms.

No other transactions with key management personnel, aside from direct remuneration as disclosed in note 7.3, occurred during 2023 (2022: Nil).

THIS IS THE END OF THE REMUNERATION REPORT – AUDITED.

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DECLARATION OF INDEPENDENCE BY DEAN JUST TO THE DIRECTORS OF METAL HAWK LIMITED

As lead auditor of Metal Hawk Limited for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

Dean Just

Director

BDO Audit (WA) Pty Ltd

Perth

28 September 2023

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023

	Note	2023 $	2022 $
Assets			
Cash and cash equivalents	3.1	932,581	2,071,917
Trade and other receivables		-	125,381
Deposits and bonds	3.2	18,927	18,927
Total current assets		**951,508**	**2,216,225**
Property, plant and equipment	5.1	165,671	189,049
Right of use assets	5.2	85,878	9,184
Exploration and evaluation	4.1	7,891,512	6,619,998
Total non-current assets		**8,143,061**	**6,818,231**
Total assets		**9,094,569**	**9,034,456**
Liabilities			
Trade and other payables	3.3	(184,072)	(268,955)
Lease liabilities	5.3	(37,574)	(10,287)
Total current liabilities		**(221,646)**	**(279,242)**
Lease liabilities	5.3	(51,977)	-
Total non-current liabilities		**(51,977)**	**-**
Total liabilities		**(273,623)**	**(279,242)**
Net assets		**8,820,946**	**8,755,214**
Equity			
Share capital	6.1	12,429,777	11,153,220
Reserves	6.1	1,893,375	1,388,609
Accumulated losses		(5,502,206)	(3,786,615)
Total equity		**8,820,946**	**8,755,214**

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

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023 $	2022 $
Other income		46,068	13,993
Exploration expensed		(212,493)	(98,432)
Capitalised exploration impaired	4.1	(386,502)	-
General and administrative expenses		(139,830)	(152,669)
Professional fees		(165,412)	(285,684)
Personnel expenses	2.2	(739,728)	(627,178)
Marketing and business development		(41,143)	(106,868)
Depreciation and amortisation		(63,209)	(57,792)
Finance expenses		(6,038)	(2,660)
Other expenses		(7,304)	(24,594)
Loss before income tax		**(1,715,591)**	**(1,341,884)**
Income tax expense	2.4	-	-
Loss for the year		**(1,715,591)**	**(1,341,884)**
Loss per share			
Basic and diluted (cents per share)	2.3	(2.71)	(2.50)

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

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2023

	Note	Issued capital $	Share-based payments reserve $	Accumulated losses $	Total $
Balance at 1 July 2022		**11,153,220**	**1,388,609**	**(3,786,615)**	**8,755,214**
Total comprehensive loss for the year					
Loss for the year		-	-	(1,715,591)	(1,715,591)
Total comprehensive loss for the year		**-**	**-**	**(1,715,591)**	**(1,715,591)**
Transactions with owners, recorded directly in equity:					
Contributions by and distributions to owners					
Issue of ordinary shares	6.1	1,051,280	-	-	**1,051,280**
Acquisition of exploration assets	4.1	288,000	150,000	-	**438,000**
Share-based payment transactions	7.1	-	354,766	-	**354,766**
Capital raising costs		(62,723)	-	-	**(62,723)**
Total contributions by and distributions to owners		**1,276,557**	**504,766**	**-**	**1,781,323**
Balance at 30 June 2023		**12,429,777**	**1,893,375**	**(5,502,206)**	**8,820,946**

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

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

	Note	Issued capital $	Share-based payments reserve $	Accumulated losses $	Total $
Balance at 1 July 2021		7,030,655	1,024,000	(2,444,731)	**5,609,924**
Total comprehensive loss for the year					
Loss for the year		-	-	(1,341,884)	**(1,341,884)**
Total comprehensive loss for the year		**-**	**-**	**(1,341,884)**	**(1,341,884)**
Transactions with owners, recorded directly in equity:					
Contributions by and distributions to owners					
Issue of ordinary shares	6.1	4,212,306	-	-	**4,212,306**
Option exercises		75,000	-	-	**75,000**
Share-based payment transactions	7.1	-	364,609	-	**364,609**
Capital raising costs		(164,741)	-	-	**(164,741)**
Total contributions by and distributions to owners		**4,122,565**	**364,609**	**-**	**4,487,174**
Balance at 30 June 2022		**11,153,220**	**1,388,609**	**(3,786,615)**	**8,755,214**

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

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023 $	2022 $
Cash flows from operating activities			
Payments to suppliers and employees		(580,924)	(903,805)
Payments for exploration expensed		(179,388)	(98,432)
Interest paid		(6,038)	(2,660)
Interest received		18,251	13,993
Net cash used in operating activities	3.1(b)	**(748,099)**	**(990,904)**
Cash flows from investing activities			
Payments for capitalised exploration		(1,342,533)	(2,888,333)
Receipt from investments at maturity		-	2,000,000
Payments for property, plant and equipment		(921)	(115,095)
Net cash used in investing activities		**(1,343,454)**	**(1,003,428)**
Cash flows from financing activities			
Proceeds from issue of shares		1,051,280	2,499,206
Share issue transaction costs		(62,723)	(164,741)
Repayment of lease liabilities		(36,340)	(38,016)
Net cash from financing activities		**952,217**	**2,296,449**
Net (decrease)/increase in cash and cash equivalents		(1,139,336)	302,117
Cash and cash equivalents at commencement of period		2,071,917	1,769,800
Cash and cash equivalents at 30 June	3.1(a)	**932,581**	**2,071,917**

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

SECTION 1 BASIS OF PREPARATION

Metal Hawk Limited presents its financial statements in a format and style that is relevant and clear to shareholders and other users. In preparing the 2023 financial statements, we have grouped notes into sections under seven key categories:

1. Basis of preparation
2. Results for the year
3. Working capital disclosures
4. Assets and liabilities supporting exploration and evaluation
5. Property, plant and equipment and lease liabilities
6. Equity and funding
7. Other disclosures

Significant accounting policies specific to one note are included within that note and where possible, wording has been simplified to provide clearer commentary on the financial report of the Company. Accounting policies determined non-significant are not included in the financial statements. There have been no changes to the Company's accounting policies that are no longer disclosed in the financial statements.

1.1 GENERAL INFORMATION

The Company is a for-profit, listed public company domiciled in Australia. The Company's registered office is located at Level 2, 18 Kings Park Road, West Perth, WA, 6005.

The Company is primarily involved in the mineral exploration industry in Australia.

The financial statements of the Company as at and for the year ended 30 June 2023 were authorised for issue by the Board of Directors on 28 September 2023. The financial statements are general purpose financial statements which:

- have been prepared in accordance with Australian Accounting Standards adopted by the Australian Accounting Standards Board and the Corporations Act 2001. The financial statements comply with International Financial Reporting Standards (IFRS's) as issued by the International Accounting Standards Board;
- have been prepared on a historical cost basis, except for share-based payments which are measured at fair value. The basis of measurement is discussed further in the individual notes;
- are presented in Australian Dollars, being the Company's functional currency;
- adopts all new and revised Australian Accounting Standards and Interpretations issued by the AASB that are relevant to the operations of the Company and effective for reporting periods beginning on or after 1 July 2022. Refer to note 1.3 for further details; and
- does not early adopt any Australian Accounting Standards and Interpretations that have been issued or amended but not yet effective. Refer to note 1.3 for further details.

1.2 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions are recognised in the period in which the estimate is revised if it affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements and information about assumptions and estimation uncertainties that have a significant risk of resulting in material adjustment are included in the following notes:

Share-based payment transactions

The Company measures the cost of equity-settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. For transactions entered into in the current year, the fair value has been determined using a Black-Scholes model using the assumptions detailed in note 7.1.

Exploration and evaluation costs

Exploration and evaluation costs are capitalised on the basis that the entity 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 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. Refer note 4.1.

Contingent consideration

The Company executed several asset acquisitions during the current and prior periods, of which, deferred contingent consideration has been agreed as disclosed in the 30 June 2022 and 30 June 2023 financial reports at note 7.6. The Company holds the right, in their complete discretion, to settle any deferred consideration payable upon achievement of certain milestones via payment of cash or issue of equity. Judgement has been exercised in determining the fair value of consideration.

Asset acquisitions

Where an acquisition does not meet the definition of a business combination, the transaction is accounted for as an asset acquisition. The consideration transferred for the acquisition of an asset comprises the fair values of the assets transferred, the liabilities assumed, and the equity interests issued by the Company. The consideration transferred also includes the fair value of any asset, liability or equity resulting from a contingent consideration arrangement. Acquisition related costs with regards to the acquisition are capitalised. Identifiable assets acquired and liabilities assumed in the acquisition are measured at their fair value at the date of acquisition.

1.2 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

Asset acquisitions (continued)

Where settlement of any part of cash consideration is deferred and/or contingent, the probability of making these future payments is assessed at acquisition date and measured accordingly. The amounts payable in the future are discounted to their present value as at the date of exchange. Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently re-measured to fair value with changes in fair value recognised in profit or loss.

1.3 ADOPTION OF NEW OR AMENDED ACCOUNTING STANDARDS AND INTERPRETATIONS

The Group has adopted all of new or amended Accounting Standards and Interpretations issued by the Australia Accounting Standards Board ("AASB") that are mandatory for the current reporting period. The adoption of the new or amended Accounting Standards and Interpretations did not result in any significant changes to the Group's accounting policies in the current or future period.

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 30 June 2023. The Group has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

1.4 GOING CONCERN

The financial report has been prepared on a going concern basis which contemplates continuity of normal business activities and realisation of assets and settlement of liabilities in the normal course of business. For the year ended 30 June 2023, the Company incurred a net loss before tax of $1,715,591 and had net cash outflows from operating activities of $748,099, in conjunction with $1,342,533 of exploration payments classified in investing cash flows. On 30 June 2023, the Company had net assets of $8,820,946, with a total cash on hand of $932,581.

The Company's ability to continue as a going concern is principally dependent upon its ability to source working capital funding for ongoing operations. The Directors are aware that additional funds may need to be sourced from one or more of the following alternatives for the Company to carry on its business moving forward, to meet its working capital requirements and its planned exploration commitments for the tenements it holds:

- Capital raising via:
    - Private placement;
    - Rights issue; and/or
    - Share purchase plan.
- Borrowings from related or third parties.
- Farming out of assets to reduce exploration expenditures.
- Sale of tenements to provide capital and reduce exploration expenditures.

Should the activities identified above be unsuccessful in increasing cash flows to the entity, there is a material uncertainty that exists that may cast significant doubt as to whether the Company will be able to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business. Notwithstanding the above, the Directors are of the opinion that the Company can carry on operations for the foreseeable future, and that it will be able to realise its assets and discharge its liabilities in the normal course of business. If necessary, the Company has the capacity to delay or cancel expenditures that are considered discretionary in naturing, including administrative costs and exploration expenditure that is not contractually binding. The timing of raising additional capital will depend on the investment markets, as well as current and future planned exploration activities.

Should the entity not be able to continue as a going concern it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements. The financial report does not include any adjustments relating to the recoverability or classification of recorded asset amounts, nor the amounts or classification of liabilities that might be necessary should the Company not be able to continue as a going concern.

SECTION 2 RESULTS FOR THE YEAR

This section focuses on the results and performance of the Company, with disclosures including segmental information, components of the operating profit, taxation and earnings per share.

2.1 OPERATING SEGMENTS

Accounting Policy

AASB 8 Operating Segments requires operating segments to be identified based on internal reports about components of the Company that are regularly reviewed by the Chief Operating Decision Maker in order to allocate resources to the segment and to assess its performance.

The Company's operating segment has been determined with reference to the management accounts used by the Chief Operating Decision Maker to make decisions regarding the Company's operations and allocation of working capital.

Based on the quantitative thresholds included in AASB 8, there is only one reportable segment, being base minerals exploration and evaluation in Western Australia.

The revenues and results of this segment are those of the Company as a whole and are set out in the statement of profit or loss and other comprehensive income and the assets and liabilities of the Company as a whole are set out in the statement of financial position.

There have been no changes to the basis of segmentation or the measurement basis for the segment profit or loss since 30 June 2022.

2.2 PERSONNEL EXPENSES AND EMPLOYEE BENEFITS

The table below sets out personnel costs expensed during the year, inclusive of remuneration of Directors.

	Note	2023 $	2022 $
Directors' remuneration	7.3	672,625	625,874
Wages and salaries		286,073	275,514
Personnel costs capitalised to exploration and evaluation		(218,970)	(274,210)
		739,728	**627,178**

2.3 LOSS PER SHARE

Accounting Policy

Basic earnings per share is the amount of a company's profit or loss for a reporting period that is available to the ordinary shareholders of its common stock that are outstanding during the reporting period. The amount presented is on a per share basis that is calculated by division of the profit or loss by the weighted average number of shares on issue for the year.

Basic and diluted loss per share

Earnings / (loss) per share (EPS) is the amount of post-tax profit or loss attributable to each share.

The calculation of basic loss per share at 30 June 2023 has been based on the loss attributable to ordinary shareholders and weighted average number of ordinary shares outstanding.

Diluted EPS takes account of the dilutive effect of all potential ordinary shares, being share options on issue.

Loss per share attributable to ordinary shareholders

	2022	**2022**
Net loss attributable to ordinary shareholders - **$**	(1,715,591)	(1,341,884)
Issued ordinary shares at beginning of period	58,165,394	47,247,500
Effect of shares issued - number	5,161,593	6,504,294
Weighted average number of ordinary shares at 30 June	**63,326,987**	**53,751,794**
Basic and diluted loss per share (cents)	(2.71)	(2.50)

* At 30 June 2023, 25,225,000 options (2022: 20,675,000 options) were excluded from diluted weighted average number of ordinary shares calculation as their effect would have been anti-dilutive.

2.4 INCOME TAX EXPENSE

Accounting Policy

Income tax expense or benefit comprises current and deferred tax. Current tax assets and liabilities are measured at the amount expected to be recovered from, or paid to, the taxation authorities. Current tax is based on tax rates enacted or substantively enacted at the balance date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax base used for calculating taxable profits. Deferred tax balances are disclosed net to the extent that they relate to taxes levied by the same authority and the Company has the right of set-off.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probably that taxable profits will be available against which deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that taxable profits will be available to allow all or part of the assets to be recovered. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on substantively enacted rates at the balance date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in the income statement.

2.4 INCOME TAX EXPENSE (continued)

Accounting Policy (continued)

Other taxes
Revenues, expenses and assets are recognised net of the amount of GST except:

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

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payable in the statement of financial position.

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

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

(a) Reconciliation of effective tax rate

	2023	2022
	$	$
Loss for the period	(1,715,591)	(1,341,884)
Income tax using the Company's domestic tax rate of 30% (2022: 30%)	(514,678)	(402,565)
Non-deductible expenses	111,971	133,405
Adjustment for prior periods	(15,592)	(278,444)
Timing differences	(46,939)	(90,794)
Capitalised exploration immediately deductible	(250,054)	(925,228)
Tax losses not brought to account	715,292	1,563,626
Income tax expense	-	-

All unused tax losses were incurred in Australia.

Potential future income tax benefits of up to $2,649,040 (2022: $1,918,158) attributed to tax losses have not been brought to account.

The benefit of these tax losses will only be obtained if:

i) future assessable income is derived of a nature and of an amount sufficient to enable the benefit to be realised;
ii) the conditions for deductibility imposed by tax legalisation continue to be complied with;
iii) no changes in tax legislation adversely affect the Company in realising the benefit; and
iv) satisfaction of either the continuity of ownership or the same business test.

2.4 INCOME TAX EXPENSE (continued)

(b) Unrecognised deferred tax assets and liabilities

Deferred tax assets and liabilities have not been recognised in respect of the following items:

	2023	2022
	$	$
Deferred tax assets		
Black hole deductible costs – s40-880	126,267	164,391
Right of use assets and lease liabilities	1,102	18,367
Trade and other payables	10,664	1,200
Carry forward tax losses	2,649,040	1,918,158
Total deferred tax assets	**2,787,073**	**2,102,116**
Deferred tax liabilities		
Exploration and evaluation	(1,533,123)	(1,283,069)
Property, plant and equipment	-	(6,315)
Total deferred tax liabilities	**(1,533,123)**	**(1,289,384)**
Net unrecognised deferred tax assets	**1,253,950**	**812,732**

The DTA / DTL have not been brought to account.

SECTION 3 WORKING CAPITAL DISCLOSURES

This section focuses on the cash funding available to the Company and working capital position at year end.

3.1 CASH AND CASH EQUIVALENTS

Accounting Policy

Cash comprises cash at bank and in hand.

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

(a) Reconciliation of cash recorded in Statement of Financial Position to Statement of Cash Flows

	2023 $	2022 $
Cash and cash equivalents in the statement of cash flows	932,581	2,071,917

(b) Reconciliation of cash flows from operating activities

	Note	2023 $	2022 $
Cash flows from operating activities			
Loss for the period		(1,715,591)	(1,341,884)
Adjustments for:			
Equity-settled share-based payment transactions	7.1	354,766	364,609
Exploration expenditure written off	4.1	33,105	-
Exploration expenditure impaired	4.1	386,502	-
Depreciation and amortisation		63,209	57,792
Change in other receivables		103,301	(89,954)
Change in trade and other payables		18,034	18,533
Change in provisions		8,575	-
Net cash used in operating activities		**(748,099)**	**(990,904)**

(c) Non-cash investing and financing activities

	Note	2023 $	2022 $
Additions of right-of-use assets	5.2	115,604	-
Acquisition of tenements via shares and options	4.1 / 7.1	438,000	1,788,100
		553,604	**1,788,100**

3.2 DEPOSITS AND BONDS

	2023	2022
	$	$
Current		
Rental bond	18,927	18,927
	18,927	**18,927**

Rental bond matures on 26 November 2023, rolls over at expiry.

3.3 TRADE AND OTHER PAYABLES

Accounting Policy

Trade and other payables are carried at amortised cost and represent liabilities for goods and services provided to the Company prior to the end of the financial year that are unpaid and arise when the Company becomes obliged to make future payments in respect of the purchase of these goods and services. Trade and other payables are presented as current liabilities unless payment is not due within 12 months.

		2023	2022
		$	$
Current			
Trade payables	(i)	144,838	202,235
Other payables and accruals		39,234	66,720
		184,072	**268,955**

(i) Trade payables are non-interest bearing and are normally settled on 30-day terms. All amounts are short-term. The net carrying amount of trade payables is considered a reasonable approximation of fair value.

Information regarding the interest rate, foreign exchange and liquidity risk exposure is set out in note 7.2.

SECTION 4 ASSETS AND LIABILITIES SUPPORTING EXPLORATION AND EVALUATION

This section focuses on the assets and liabilities which form the core of the ongoing business, including those assets and liabilities which support ongoing exploration and evaluation as well as capital and other commitments existing at year end.

Key estimates and assumptions in this section

Indicators of impairment for exploration and evaluation assets

The Company has reviewed exploration and evaluation assets for indicators of impairment in accordance with AASB 6 and has concluded that capitalised exploration and evaluation expenditure was not impaired at year end. In making this evaluation, management is required to make assessments on the status of each project and the future plans towards successful development and commercial exploitation, or alternatively sale, of the respective areas of interest.

4.1 EXPLORATION AND EVALUATION EXPENDITURE

Accounting Policy

Exploration for and evaluation of mineral resources is the search for mineral resources after the entity has obtained legal rights to explore in a specific area, as well as the determination of the technical feasibility and commercial viability of extracting the mineral resource. Accordingly, exploration and evaluation expenditures are those expenditures incurred by the Company in connection with the exploration for and evaluation of mineral resources before the technical feasibility and commercial viability of extracting a mineral resource are demonstrable.

Accounting for exploration and evaluation expenditures is assessed separately for each 'area of interest'. An 'area of interest' is an individual geological area which is considered to constitute a favourable environment for the presence of a mineral deposit or has been proved to contain such a deposit.

Exploration and evaluation costs are capitalised on the basis that the entity 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 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.

	2023	2022
	$	$
Costs carried forward in respect of areas of interest		
Exploration and evaluation expenditure	7,891,512	6,619,998
Movements for the year		
Opening balance	6,619,998	1,747,805
Tenement acquisitions – via share-based payments(i)	438,000	1,788,100
Capitalised expenditure	1,253,121	3,084,093
Tenements written off(ii)	(33,105)	-
Tenements impaired(iii)	(386,502)	-
	7,891,512	**6,619,998**

(i) Refer Note 7.1 Share-based payments for details of the tenements acquired via share-based payments.

(ii) Clinker Hill tenements P25/2289, P25/2290, P25/2335, P25/2370, P25/2371, P25/2673 forgone.

(iii) Impairment of Emu Lake, Norseman East / Queen Victoria Rocks and Onslow projects. Indicators of impairment were identified for these areas of interest and as a result of impairment testing, they were impaired to their fair value, based on a fair value less costs to sell methodology.

SECTION 5 NON-CURRENT ASSETS AND LEASE LIABILITIES

5.1 PROPERTY, PLANT AND EQUIPMENT

Accounting Policy

Recognition and measurement

Items of property, plant and equipment are measured at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the asset. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and recognised net within "other gains and losses" in profit or loss.

Depreciation

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

The estimated useful lives of the assets are as follows:

Plant and equipment	3 – 20 years
Motor vehicles	5 - 15 years
Computer equipment & software	2 – 4 years
Office equipment	4 – 15 years

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

	Plant & Equipment $	Office Equipment $	Motor Vehicles $	Computer Equipment $	Total $
Gross carrying amount					
Balance at 1 July 2021	3,300	7,798	89,265	2,660	**103,023**
Additions	57,507	4,728	52,860	-	**115,095**
Balance at 1 July 2022	60,807	12,526	142,125	2,660	**218,118**
Additions	-	921	-	-	**921**
Balance at 30 June 2023	**60,807**	**13,447**	**142,125**	**2,660**	**219,039**
Depreciation					
Balance at 1 July 2021	(122)	(1,273)	(6,320)	(296)	**(8,011)**
Depreciation for the period	(5,015)	(1,613)	(13,543)	(887)	**(21,058)**
Balance at 1 July 2022	(5,137)	(2,886)	(19,863)	(1,183)	**(29,069)**
Depreciation for the period	(5,899)	(2,824)	(15,129)	(447)	**(24,299)**
Balance at 30 June 2023	**(11,036)**	**(5,710)**	**(34,992)**	**(1,630)**	**(53,368)**
Carrying amounts					
Balance at 30 June 2022	**55,670**	**9,640**	**122,262**	**1,477**	**189,049**
Balance at 30 June 2023	**49,771**	**7,737**	**107,133**	**1,030**	**165,671**

5.2 RIGHT OF USE ASSETS

Accounting Policy

Recognition and measurement

The Company assesses whether a contract is or contains a lease at inception of the contract. The Company will recognise a right-of-use asset and corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and lease of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The right-of-use assets comprise the initial measurement of the corresponding lease liability (Note 5.3), lease payments made at or before the commencement date, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated amortisation and impairment losses.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "general and administrative expenses" in profit and loss.

Amortisation

Right-of-use assets are amortised over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is amortisation over the useful life of the underlying asset. The amortisation starts at the commencement date of the lease.

The Company had an office lease at 18 Kings Park Road which commenced on 1 October 2020 for period of 23 months. Upon expiry of the lease, the Company commenced a new office lease for a period of 3 years. The lease liability is measured at the present value of the remaining lease payments, discounted using the Company's incremental borrowing rate of 7%.

	2023	2022
	$	$
Gross carrying amount		
Balance as at 1 July	70,407	70,407
Recognised on lease inception	115,604	-
Lease ended	(70,407)	-
Closing balance	**115,604**	**70,407**
Amortisation		
Balance as at 1 July	(61,223)	(24,489)
Amortisation expense	(38,910)	(36,734)
Lease ended	70,407	-
Closing balance	**(29,726)**	**(61,223)**
Closing balance	**85,878**	**9,184**

5.3 LEASE LIABILITIES

Accounting Policy

Recognition and measurement

The Company assesses whether a contract is or contains a lease at inception of the contract. The Company will recognise a right-of-use asset and corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and lease of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date
- Amount expected to be payable by lessee under residual guarantee values
- Exercise price or purchase options, if the lessee is reasonably certain to exercise these options
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an early termination option

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

	2023	2022
	$	$
Opening balance	10,287	48,302
Liability recognised on lease inception	115,604	-
Principal and interest repayments	(42,378)	(40,225)
Interest expense	6,038	2,210
Closing Balance	**89,551**	**10,287**
Classification		
Current liabilities	37,574	10,287
Non-current liabilities	51,977	-
	89,551	**10,287**
Amounts recognised in the Statement of Profit or Loss		
Amortisation of right-of-use asset	**(38,910)**	(36,734)
Interest expense on lease liabilities	**(6,038)**	(2,110)

SECTION 6 EQUITY AND FUNDING

This section focuses on the debt and equity funding available to the Company at year end, most notably covering share capital, loans and borrowings.

6.1 Capital and Reserves

Accounting Policy

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

Share capital

	Ordinary shares			
	Number of shares		Amount in $	
	2023	2022	2023	2022
On issue at commencement of period	**58,165,394**	**47,247,500**	**11,153,220**	**7,030,655**
Shares issued and expensed during the period:				
Issue of shares for cash[(i)]	6,570,000	5,387,125	1,051,280	2,424,206
Issue of shares on conversion of options	-	330,769	-	75,000
Option fee to acquire Onslow Project[(ii)]	200,000	-	28,000	-
Issue of shares for acquisition of exploration tenements[(iii)]	2,000,000	5,200,000	260,000	1,788,100
Capital raising costs	-	-	(62,723)	(164,741)
On issue at 30 June	**66,935,394**	**58,165,394**	**12,429,777**	**11,153,220**

(i) Placement of 6,570,000 ordinary shares at 16 cents each on 7 October 2022, which included 200,000 ordinary shares to David Pennock and 100,000 ordinary shares to William Belbin as approved by shareholders in the Company's Annual General Meeting on 30 November 2022.

(ii) The Company was granted of an option to acquire Onslow Project tenements E08/3231 and E08/3232 from Skryne Hill Pty Ltd. On 14 February 2023, 200,000 fully paid ordinary shares at deemed issued price of 14 cents each were issued. The shares form part of the Option Fee paid to Skryne Hill.

(iii) On 9 May 2023, the Company issued "Consideration Shares" forming part of consideration payable to Western Areas Limited (wholly owned subsidiary of IGO Limited) for the acquisition of WSA's 51% joint venture interest in the Fraser South, Kanowna East and Emu Lake Projects in Western Australia.

The holders of ordinary shares are entitled to receive dividends as declared from time and are entitled to one vote per share at meetings of the Company. Option holders cannot participate in any new share issues by the Company without exercising their options.

In the event of a winding up of the Company, ordinary shareholders rank after all other shareholders (if any) and creditors and are fully entitled to any proceeds on liquidation.

All issued shares are fully paid.

The Company has also share options on issue (see note 7.1).

6.1 Capital and Reserves (continued)

Reserve	2023	2022
	$	$
Balance as at 1 July	1,388,609	1,024,000
Options issued to Directors	267,750	224,374
Options issued to employees	87,016	37,658
Options issued to consultants	-	102,577
Options issued to a vendor	150,000	-
Closing balance	**1,893,375**	**1,388,609**

Nature and purpose of reserves

Share-based payments reserve
The share-based payments reserve represents the fair value of options issued to Directors, consultants and vendors. Refer to note 7.1 for further details of these plans.

SECTION 7 OTHER DISCLOSURES

The disclosures in this section focuses on share schemes in operation and financial risk management of the Company. Other mandatory disclosures, such as details of related party transactions, can also be found here.

7.1 SHARE-BASED PAYMENT PLANS

Accounting Policy

The share option programme allows Directors, employees and consultants to receive rights to acquire shares of the Company. The grant date fair value of share-based payment awards granted to employees is recognised as a personnel expense or professional fees expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do not meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

Where the fair value of an employee share option has been recognised as a share-based payment and the option lapses on expiry, the total amount of the share-based payment expense is transferred from the share-based payment reserve to accumulated losses.

7.1 SHARE-BASED PAYMENT PLANS (continued)

The share-based payment expense included within the financial statements can be broken down as follows:

	2023	2022
	$	$
Expensed in personnel expenses		
Options issued to Directors	267,750	224,374
Options issued to employees	87,016	37,658
Expensed in professional fees		
Options issued to consultants	-	102,577
Expensed in Statement of Profit or Loss and Other Comprehensive Income	**354,766**	**364,609**
Capitalised within exploration and evaluation		
Shares issued to vendors	288,000	1,788,100
Options issued to vendors	150,000	-
Total capitalised	**438,000**	**1,788,100**

Refer to note 4.1 for further details of the share-based payments capitalised within exploration and evaluation.

Share-based payment programme

The Company has adopted an Employee Securities Incentive Plan ("ESIP"). Under the ESIP, the Company may grant options and rights to Company eligible employees to acquire securities to a maximum of 5% of the Company's total issued ordinary shares at the date of the grant. The fair value of share options granted is measured using the Black Scholes option pricing model.

The options and rights vest on a time scale as specified in the ESIP and are granted for no consideration. Options and rights granted under the plan carry no dividend or voting rights. When exercisable, each option is converted into one ordinary share. The maximum term of an option is 5 years from grant date and the exercise price is settled in cash.

Options may not be transferred other than to an associate of the holder.

Shares

The Company was granted of an option to acquire Onslow Project tenements E08/3231 and E08/3232 from Skryne Hill Pty Ltd. On 14 February 2023, 200,000 fully paid ordinary shares of $28,000 at deemed issued price of 14 cents each were issued. The shares form part of the Option Fee paid to Skryne Hill and valued using the share price on 14 February 2023.

On 9 May 2023, the Company issued 2,000,000 fully paid ordinary shares ("Consideration Shares") forming part of consideration payable to Western Areas Limited (wholly owned subsidiary of IGO Limited) for the acquisition of WSA's 51% joint venture interest in the Fraser South, Kanowna East and Emu Lake Projects in Western Australia. The Consideration Shares have a deemed issue price equal to the VWAP for the 5 trading days prior to the completion of the purchase of 13 cents. The total value of the Consideration Shares is $260,000.

7.1 SHARE-BASED PAYMENT PLANS (continued)

Options

At 30 June 2023, excluding free-attaching options issued, a summary of the Company options in issue and not exercised are as follows. Options are settled by the physical delivery of shares:

Grant/Issue date	Vesting date	Expiry date	Exercise Price (cents)	Balance at the start of the year	Granted during the year	Exercised during the year	Expired / lapsed during the year	Balance at the end of the year	Vested and exercisable at the end of the year
13-Sep-19	19-Nov-20	19-Nov-23	25	4,500,000	-	-	-	4,500,000	4,500,000
13-Sep-19	19-Nov-20	19-Nov-24	30	4,000,000	-	-	-	4,000,000	4,000,000
19-Nov-20	19-Nov-20	19-Nov-23	20	1,000,000	-	-	-	1,000,000	1,000,000
19-Nov-20	19-Nov-20	19-Nov-23	25	1,000,000	-	-	-	1,000,000	1,000,000
19-Nov-20	19-Nov-20	19-Nov-24	30	1,000,000	-	-	-	1,000,000	1,000,000
30-Nov-21	30-Nov-21	30-Nov-25	42	2,550,000	-	-	-	2,550,000	2,550,000
02-Dec-21	02-Dec-22	30-Nov-24	42	550,000	-	-	(100,000)	450,000	450,000[1]
30-Nov-22	30-Nov-22	30-Nov-26	37	-	1,750,000	-	-	1,750,000	1,750,000
23-Feb-23	23-Feb-23	30-Nov-26	37	-	900,000	-	-	900,000	900,000
9-May-23	9-May-23	9-May-27	37	-	2,000,000	-	-	2,000,000	2,000,000
Total				**14,600,000**	**4,650,000**	**-**	**(100,000)**	**19,150,000**	**19,150,000**
Weighted Average Exercise Price (cents)				29.98	37.00	-	42.00	31.62	31.62

The weighted average remaining contractual life of options outstanding at year end was 1.72 years (30 June 2022: 1.73 years).

[1] 450,000 options issued on grant date 2 December 2021 vested during the year upon satisfaction of a continued service condition after 12 months. 100,000 lapsed because the vesting condition had not been satisfied.

7.1 SHARE BASED PAYMENT PLANS (continued)

Options (continued)

During the financial year, 1,750,000 unlisted options were granted to the Directors under the Company's Employee Share Plan, as approved by shareholders at the Company's AGM held on 30 November 2022.

The options have been valued using the Black-Scholes Option Valuation model, which takes account of factors including the option exercise price, the current level and volatility of the underlying share price, the risk-free interest rate, expected dividends on the underlying share, current market price of the underlying share and the expected life of the option. See below for the assumptions used for grants made during the year.

	Directors Options
Number of options	1,750,000
Exercise price (cents)	37
Grant date	30-Nov-22
Expiry date	30-Nov-26
Life of the options (years)	4
Volatility	100%
Risk free rate	3.42%
Fair value at grant date (cents)	15.20
Share price at grant date (cents)	24

The options vest immediately. The options were valued at $266,000 with the share-based payment expense recognised the Statement of Profit or Loss and Other Comprehensive Income.

On 24 February 2023, the Company issued 900,000 options exercisable at $0.37 each expiring on 30 November 2026 under the Company’s Employee Securities Incentive Plan.

The options have been valued using the Black-Scholes Option Valuation model, which takes account of factors including the option exercise price, the current level and volatility of the underlying share price, the risk-free interest rate, expected dividends on the underlying share, current market price of the underlying share and the expected life of the option. See below for the assumptions used for grants made during the year.

	Employee Options
Number of options	900,000
Exercise price (cents)	37
Issue date	24-Feb-23
Expiry date	30-Nov-26
Life of the options (years)	4
Volatility	100%
Risk free rate	3.56%
Fair value at grant date (cents)	6.56
Share price at grant date (cents)	13

The options vest immediately. The options were valued at $59,400 with the share-based payment expense recognised the Statement of Profit or Loss and Other Comprehensive Income.

7.1 SHARE BASED PAYMENT PLANS (continued)

Options (continued)

On 9 May 2023, the Company issued 2,000,000 unlisted options as Consideration Options forming part of consideration payable to Western Areas Limited (wholly owned subsidiary of IGO Limited) for the acquisition of WSA's 51% joint venture interest in the Fraser South, Kanowna East and Emu Lake Projects in Western Australia.

The options have been valued using the Black-Scholes Option Valuation model, which takes account of factors including the option exercise price, the current level and volatility of the underlying share price, the risk-free interest rate, expected dividends on the underlying share, current market price of the underlying share and the expected life of the option. See below for the assumptions used for grants made during the year.

	Consideration Options
Number of options	2,000,000
Exercise price (cents)	37
Issue date	9-May-23
Expiry date	9-May-27
Life of the options (years)	4
Volatility	100%
Risk free rate	3.07%
Fair value at grant date (cents)	7.51
Share price at grant date (cents)	14

The options vest immediately. The options were valued at $150,000 with the share-based payment expense recognised as Exploration and Evaluation Asset.

7.2 FINANCIAL INSTRUMENTS

Accounting Policy

Recognition and derecognition

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred.

A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and initial measurement of financial assets

Except for any trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with AASB 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

For the purpose of subsequent measurement, financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- amortised cost;
- fair value through profit or loss (FVTPL);
- equity instruments at fair value through other comprehensive income (FVOCI);
- debt instruments at fair value through other comprehensive income (FVOCI).

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

The classification is determined by both:

- the entity's business model for managing the financial asset; and
- the contractual cash flow characteristics of the financial asset.

7.2 FINANCIAL INSTRUMENTS (continued)

Accounting Policy (continued)

Subsequent remeasurement of financial assets

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets to collect its contractual cash flows;
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised costs using the effective interest method.

Impairment of financial assets

AASB 9's impairment requirements use more forward-looking information to recognise expected credit losses – the expected credit loss (ECL) model.

Instruments within the scope of the new requirements included loans and other debt-type financial assets measured at amortised cost and FVOCI, trade receivables, contract assets recognised and measured under AASB 15 and loan commitments that are not measured at fair value through profit or loss.

Recognition of credit losses is no longer dependent on the Company first identifying a credit loss event. Instead the Company considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Level 1'); and
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Level 2').
- 'Level 3' would cover financial assets that have objective evidence of impairment at the reporting date.

12-month expected credit losses are recognised for the first category whilst 'lifetime expected credit losses' are recognised for the second category. The Company does not have any material expected credit losses.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

The Company makes use of a simplified approach in accounting for trade and other receivables and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, the Company uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

Derivative financial instruments

Derivative financial instruments are accounted for at fair value through profit and loss (FVTPL). The Company did not have any derivative financial instruments during the current or previous financial year.

7.2 FINANCIAL INSTRUMENTS (continued)

Classification and measurement of financial liabilities

The Company's financial liabilities include borrowings, trade and other payables and derivative financial instruments.

Financial liabilities are initially measured at fair value, and where applicable, adjusted for transaction costs unless the Company designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are initially measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss.

Capital risk management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance.

The Company's overall strategy remains unchanged from 2022.

The capital structure of the Company consists of cash and cash equivalents and equity attributable to equity holders of the Company, comprising issued capital, reserves and retained earnings.

The Company is not subject to externally imposed capital requirements.

Operating cash flows are used to maintain and expand operations, as well as to make routine expenditures such as tax and general administrative outgoings.

Financial risk management objectives

The Company is exposed to market risk (including interest rate risk), credit risk and liquidity risk.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed on a continuous basis to reflect changes in market conditions and the Company's activities. The Company does not trade financial instruments, including derivative financial instruments, for speculative purposes.

Market risk

The Company's activities expose it primarily to the financial risks of changes in interest rates. As there are no foreign operations or sales of commodities at present, the Company is not exposed to foreign exchange risk or commodity price risk. Fair value risk is managed by monitoring interest rate movements and limiting the duration of term deposits.

There has been no change to the Company's exposure to market risks or the manner in which it manages and measures the risk from the previous period.

Foreign currency exchange rate risk management

The Company is not exposed to foreign currency risk.

Interest rate risk management

The Company is not exposed to interest rate risk as it presently does not have outstanding borrowings.

The Company's exposure to interest rate on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

7.2 FINANCIAL INSTRUMENTS (continued)

Interest rate risk sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for non-derivative instruments at the balance date.

At 30 June 2023, the interest rate risk is minimal. For the year ended 30 June 2022, if interest rates had been 100 points higher or lower and all other variables were held constant, the Company's profit or loss would increase / (decrease) by $30,099 / ($13,993).

The Company's sensitivity to interest rates has remained constant during the year due to having minimal exposure to interest rates at the current time. The Company's only exposure to interest rates is through term deposits held with financial institutions and implicit interest calculated on lease liabilities.

Credit risk management

Credit risk is the risk that a counterparty fails to discharge an obligation to the Company. The Company is exposed to credit risk from financial assets including cash and cash equivalents held at banks, term deposits held with banks and trade and other receivables.

The Company has adopted a policy of only dealing with creditworthy counterparties.

The Company only transacts with entities that are rated the equivalent of investment grade and above. This information is supplied by independent rating agencies where available and, if not available, the Company uses publicly available financial information and its own trading record to rates its customers.

The Company's exposure and the credit ratings of its counterparties are continuously monitored, and the aggregate value of transactions concluded is spread amongst approved counterparties.

The Company does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The credit risk on liquid funds is limited because the counterparties are banks or government agencies with high credit ratings assigned by international credit rating agencies.

The carrying amount of financial assets recorded in the financial statements, represents the Company's maximum exposure to credit risk.

Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Board of Directors, who have built an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements.

The Company manages liquidity risk by maintaining adequate banking and borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Non-derivative financial liabilities

The table on the following page details the Company's expected contractual maturities for its non-derivative financial liabilities.

These have been drawn up based on undiscounted contractual maturities of the financial liabilities based on the earliest date the Company can be required to repay.

The table includes both interest and principal cash flows.

7.2 FINANCIAL INSTRUMENTS (continued)

	Weighted average interest rate %	Less than 6 months $	6 months to 1 year $	1 – 5 years $
30 June 2023				
Trade and other payables	-	(184,072)	-	-
Right of use lease liabilities	7%	(18,787)	(18,787)	(51,977)
		(202,859)	**(18,787)**	**(51,977)**
30 June 2022				
Trade and other payables	-	(268,955)	-	-
Right of use lease liabilities	7%	(10,287)	-	-
		(279,242)	**-**	**-**

Fair value measurement

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy.

The three levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Directors consider that the carrying amounts of current receivables, current payables, and current interest-bearing borrowings, approximate their fair values.

7.3 RELATED PARTIES

Accounting Policy

Key management personnel compensation
Directors' remuneration is expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount because of past service provided by the employee and the obligation can be estimated reliably.

(a) Key management personnel compensation

Key management personnel compensation comprises the following:

	2022 $	2022 $
Short-term employee benefits	406,625	401,500
Share-based payments – options	266,000	224,374
	672,625	**625,874**

7.3 RELATED PARTIES (continued)

(b) Other transactions with related parties

During the year ended 30 June 2023, the Company issued 1.75m options to Directors of the Company, as disclosed above in note 7.1. The Company was assigned a 3-year office lease from Pennock Pty Ltd, a company associated with Director David Pennock, with details disclosed in Note 5.2 and 5.3. The assignment has been entered into on arms-length terms. No other related party transactions occurred during the year ended 30 June 2023.

7.4 AUDITORS' REMUNERATION

	2023 $	2022 $
BDO Audit (WA) Pty Ltd		
Audit and other assurance services		
Audit services	37,932	44,307
Total remuneration for audit and other assurance services	**37,392**	**44,307**
Taxation Services		
Tax compliance services	6,180	15,046
TOTAL AUDITORS' REMUNERATION	**43,572**	**59,353**

7.5 SUBSEQUENT EVENTS

Subsequent to year end, Metal Hawk secured an option to purchase seven Yarmany project tenements from Black Mountain Gold Limited, a wholly owned subsidiary of Horizon Minerals Limited (ASX: HRZ). The Yarmany Project is located 40km north-west of Coolgardie in Western Australia and covers an area of 282km^2. The tenure has 50km of strike potential along the Ida Fault and is considered prospective for both lithium and nickel sulphide mineralisation.

The 2-year Option has the following terms:

1) $400,000 on signing as an option fee, consisting of payment of $200,000 cash and $200,000 worth of fully paid MHK shares (Option Shares). The Option Shares will be issued at a 20-day VWAP and will be escrowed for six months.
2) a) Fully paid MHK shares to the value of $1 million (Consideration Shares) or cash (at MHK's election) to exercise the option on or before 30 June 2025. MHK must spend $1 million on project expenditure before it can exercise the option and a minimum of $500,000 before it can withdraw from the option.
   or
   b) HRZ may elect to forego the payment and retain a 20% free-carried interest in the Tenements (until decision to mine).

On 28 July 2023, the Company raised $1.2 million (before costs) at $0.11 per share via a placement to long-term sophisticated investors.

On 9 September 2023, Brett Lambert has retired as a director and Non-Executive Chairman of the Company and Michael Edwards has been appointed as Non-Executive Chairman.

On 15 September 2023, 1,562,500 options with exercise price of 25 cents expired without exercise or conversion.

Aside from the matters noted above, there have been no matters or circumstances that have arisen since the end of the financial year that have significantly affected, or may significantly affect, the operations of the Company, the results of these operations, or the state of affairs of the Company in future financial years.

7.6 CONTINGENCIES

Tasex Contingency

On 26 June 2020, Metal Hawk executed a deed of variation and option exercise to acquire the tenements held by Tasex Geological Services ('Tasex'). On 3 August 2020, the consideration of $150,000 due under the deal was paid.

Further to this, Tasex has future consideration due to it, should:

1. A JORC compliant Indicated and/or Measured Resource of 100,000 oz contained gold or 15,000 tonnes contained Ni Metal on the acquired tenement be found. Tasex would receive either $500,000 cash or shares worth $500,000 at the issue price at the time.
2. A JORC compliant Indicated and/or Measured Resource of 500,000 oz contained gold or 75,000 tonnes contained Ni Metal on the acquired tenement be found. Tasex would receive either $1,000,000 cash or shares worth $1,000,000 at the issue price at the time.

DIRECTORS' DECLARATION

1. In the opinion of the Directors of Metal Hawk Limited (the "Company"):

    (a) the accompanying financial statements and notes are in accordance with the *Corporations Act 2001* including:

    (i) giving a true and fair view of the Company's financial position as at 30 June 2023 and of its performance for the year then ended; and

    (ii) complying with Australian Accounting Standards, the *Corporations Regulations 2001*, professional reporting requirements and other mandatory requirements.

    (b) Subject to the matters described in note 1.4, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

    (c) the financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.

2. This declaration has been made after receiving the declarations required to be made to the Directors in accordance with Section 295A of the *Corporations Act 2001* for the financial year ended 30 June 2023.

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

Dated at Perth 28th of September 2023.

William Belbin
Managing Director

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INDEPENDENT AUDITOR'S REPORT

To the members of Metal Hawk Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Metal Hawk Limited (the Company), which comprises the statement of financial position as at 30 June 2023, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the directors' declaration.

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

(i) Giving a true and fair view of the Company's financial position as at 30 June 2023 and of its financial performance for the year ended on that date; 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 *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.

Material uncertainty related to going concern

We draw attention to Note 1.4 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the group's ability to continue as a going concern and therefore the group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

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. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Valuation of Capitalised Exploration and Evaluation Expenditure

Key audit matter	*How the matter was addressed in our audit*
The carrying value of the capitalised exploration and evaluation asset as at 30 June 2023 is disclosed in Note 4.1 of the financial report. As the carrying value of the exploration and evaluation asset represents a significant asset of the Group, we considered it necessary to assess whether any facts or circumstances exist to suggest that the carrying amount of this asset may exceed its recoverable amount. Judgement is applied in determining the treatment of exploration expenditure in accordance with Australian Accounting Standard AASB 6 *Exploration for and Evaluation of Mineral Resources*. In particular: • Whether the conditions for capitalisation are satisfied; • Which elements of exploration and evaluation expenditures qualify for recognition; and • Whether facts and circumstances indicate that the exploration and expenditure assets should be tested for impairment.	Our procedures included, but were not limited to: • Obtaining a schedule of the area of interest held by the Company and assessing whether the rights to tenure of the area of interest remained current at balance date; • Considering the status of the ongoing exploration programmes in the area of interest by holding discussions with management, and reviewing the Company's exploration budgets, ASX announcements and director's minutes; • Considering whether the area of interest had reached a stage where a reasonable assessment of economically recoverable reserves existed; • Verifying, on a sample basis, evaluation expenditure capitalised during the year for compliance with the recognition and measurement criteria of AASB 6; • Considering whether any facts or circumstances existed to suggest impairment testing was required; • Reviewing the basis of impairment recorded by management and the methodology used to determine the fair value for compliance with the relevant accounting standards; and • Assessing the adequacy of the related disclosures in Notes 1.2 and 4.1 to the financial report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Company's annual report for the year ended 30 June 2023, 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 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the 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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (http://www.auasb.gov.au/Home.aspx) at:

https://www.auasb.gov.au/admin/file/content102/c3/ar2_2020.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 11 to 17 of the directors' report for the year ended 30 June 2023.

In our opinion, the Remuneration Report of Metal Hawk Limited, for the year ended 30 June 2023, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

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

BDO Audit (WA) Pty Ltd

BDO

Dean Just

Director

Perth

28 September 2023

SECURITIES EXCHANGE INFORMATION

The shareholder information set out below was applicable as at 7 September 2023:

1. Distribution of ordinary shares

Range	Total holders	Ordinary shares	% of issued capital
1 - 5,000	383	944,076	1.22
5,001 - 10,000	177	1,454,919	1.88
10,001 – 100,000	408	15,511,783	20.03
100,001 and over	109	59,525,803	76.87
Total	**1,077**	**77,436,581**	**100.00**

2. Substantial shareholders

The substantial shareholders are set out below:

Shareholders	Number of Shares
IGO Forrestania Limited	5,480,556
GKMI Pty Ltd	3,825,000
Lotaka Pty Ltd	3,804,043
Mr Naveen Danda	3,275,000

3. Voting rights

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

Options and rights
No voting rights.

4. Unlisted options

Grant date	Number	Number of holders	Expiry date	Exercise price (cents)
1-Jun-19	100,000	1	19-Nov-23	25
28-Jun-19	2,850,000	25	19-Nov-23	25
13-Sep-19	4,500,000	5	19-Nov-23	25
13-Sep-19	4,000,000	5	19-Nov-24	30
10-Sep-20	1,000,000	1	10-Sep-23	20
15-Sep-20	1,562,500	1	15-Sep-23	25
15-Sep-20	1,562,500	1	15-Sep-24	30
19-Nov-20	1,000,000	5	19-Nov-23	25

Grant date	Number	Number of holders	Expiry date	Exercise price (cents)
19-Nov-20	1,000,000	5	19-Nov-24	30
30-Nov-21	2,550,000	5	30-Nov-21	42
02-Dec-21	450,000	3	30-Nov-24	42
30-Nov-22	1,750,000	3	30-Nov-26	37
24-Feb-23	900,000	4	30-Nov-26	37
09-May-23	2,000,000	1	9-May-27	37

5. Twenty largest shareholders as at 07 September 2023.

	Ordinary shares	
Shareholders	**Number held**	**% of issued shares**
IGO FORRESTANIA LIMITED	5,480,556	7.08%
GKMI PTY LTD	3,825,000	4.94%
LOTAKA PTY LTD	3,804,043	4.91%
MR NAVEEN DANDA	3,275,000	4.23%
CAMELWOOD INVESTMENTS PTY LTD	2,400,000	3.10%
WAGOE INVESTMENTS PTY LTD	2,300,000	2.97%
CALIFORNIA GROUP PTY LTD	2,050,000	2.65%
PENNOCK PTY LTD	2,000,000	2.58%
BERNADINE HOLDINGS PTY LTD	1,797,248	2.32%
MR GLENN LANCE BAUER	1,493,662	1.93%
LADYMAN SUPER PTY LTD	1,254,546	1.62%
MS ERICA JOAN ALLAN	1,201,575	1.55%
ALIANDA OAKS PTY LTD	1,100,000	1.42%
MR MARCUS FIELD HARRIS	1,032,702	1.33%
PATINA RESOURCES PTY LTD	1,023,111	1.32%
SKRYNE HILL PTY LTD	1,000,000	1.29%
VAN DER WALT SUPER PTY LTD	962,692	1.24%
NORFOLK BLUE PTY LTD	800,000	1.03%
MRS JIN-HEE JEON	760,000	0.98%
SPARTAN EXPLORATION PTY LTD	750,000	0.97%
BONEYARD INVESTMENTS PTY LTD	750,000	0.97%
TOTAL	39,060,135	50.43%

6. Tenements listing as at 7 September 2023

Project	Tenement	Status	Percentage Interest
Berehaven	E26/0210	Granted	Metal Hawk Limited (100%)
Berehaven	E26/0216	Granted	Metal Hawk Limited (100%)
Berehaven	P26/4174	Granted	Metal Hawk Limited (100%)
Berehaven	P25/2634	Granted	Metal Hawk Limited (100%)
Berehaven	P25/2716	Granted	Metal Hawk Limited (100%)
Berehaven	P26/4656	Granted	Metal Hawk Limited (100%)
Berehaven	E25/0349	Granted	Aurenne Cannon Pty Ltd (100%)
Berehaven	E25/0543	Granted	Black Mountain Gold Limited (100%)
Berehaven	E25/0564	Granted	Aurenne Cannon Pty Ltd (100%)
Berehaven	E25/0511	Granted	Kalgoorlie Ore Treatment Company Pty Ltd (100%)
Berehaven	P25/2526	Granted	Kalgoorlie Ore Treatment Company Pty Ltd (100%)
Berehaven	P26/4381	Granted	Kalgoorlie Ore Treatment Company Pty Ltd (100%)
Berehaven	P26/4382	Granted	Kalgoorlie Ore Treatment Company Pty Ltd (100%)
Berehaven	P26/4383	Granted	Kalgoorlie Ore Treatment Company Pty Ltd (100%)
Berehaven	P26/4384	Granted	Kalgoorlie Ore Treatment Company Pty Ltd (100%)
Berehaven	P26/4385	Granted	Kalgoorlie Ore Treatment Company Pty Ltd (100%)
Berehaven	P26/4386	Granted	Kalgoorlie Ore Treatment Company Pty Ltd (100%)
Berehaven	P26/4405	Granted	Kalgoorlie Ore Treatment Company Pty Ltd (100%)
Emu Lake	E27/0615	Live	Metal Hawk Limited (100%)
Emu Lake	E27/0562	Live	Metal Hawk Limited (100%)
Emu Lake	E27/710	Pending	Metal Hawk Limited (100%)
Emu Lake	E31/1358	Pending	Metal Hawk Limited (100%)
Fraser South	ELA69/3584	Pending	Skryne Hill Pty Ltd (100%)
Fraser South	ELA69/3593	Pending	Skryne Hill Pty Ltd (100%)
Fraser South	ELA63/1936	Live	Skryne Hill Pty Ltd (100%)
Fraser South	ELA69/3808	Pending	Metal Hawk Limited (100%)
Fraser South	ELA69/3809	Live	Metal Hawk Limited (100%)

Project	Tenement	Status	Percentage Interest
Kanowna East	E27/0596	Live	Metal Hawk Limited (100%)
Kanowna East	P27/2428	Live	Metal Hawk Limited (100%)
Kanowna East	E25/614	Live	Metal Hawk Limited (100%)
Kanowna East	E27/700	Pending	Metal Hawk Limited (100%)
Kanowna East	E27/704	Pending	Metal Hawk Limited (100%)
Leinster South	E36/1048	Pending	Metal Hawk Limited (100%)
Leinster South	E36/1068	Pending	Metal Hawk Limited (100%)
Norseman East	E63/2042	Live	Metal Hawk Limited (100%)
Onslow	E08/3231	Live	Skryne Hill Pty Ltd (100%) – Subject to Option Agreemen t
Onslow	E08/3232	Live	Skryne Hill Pty Ltd (100%) – Subject to Option Agreemen t
Wilbah West	P29/2679	Live	Metal Hawk Limited (100%)
Viking	E63/1963	Live	Metal Hawk Limited (100%)
Viking	ELA63/2201	Pending	Metal Hawk Limited (100%)