

High-Tech Metals Limited

ACN 657 249 995

Annual Report - 30 June 2022

Corporate Directory

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

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High-Tech Metals Limited

Directors' Report

For the period ended 30 June 2022

The Directors present their report, together with the financial statements, of High-Tech Metals Limited ('Company'), which was incorporated on the 11th February 2022, for the period ended 30 June 2022.

Directors

The following persons were Directors of High-Tech Metals Limited from incorporation on 11 February 2022 until the end of the financial period and up to the date of this report, unless otherwise stated:

Charles Thomas – Non-executive Chairman (appointed 11 February 2022)

Sonu Cheema – Executive Director (appointed 11 February 2022)

Mitchell Smith – Non-executive Director (appointed 11 February 2022)

Company Secretary

Quinton Meyers - Company Secretary (appointed 11 February 2022)

Principal Activities

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

Operating Results

The net loss after income tax for the period was (\$195,973).

Dividends

No dividends were paid during the period and no dividend has been declared for the period ended 30 June 2022.

Meetings of Directors

The number of meetings of the Company's Board of Directors ('the Board') and of each Board committee held during the period, and the number of meetings attended by each Director were:

Name	Board Meetings	
	Attended	Held ¹
Charles Thomas	-	-
Sonu Cheema	-	-
Mitchell Smith	-	-

¹As the Company was incorporated on the 11 February 2022 with minimal activity thereafter, no Board meetings were held during the period.

Interest in the Share and Options of the Company

As at the date of this report, the interest of the Directors in the shares and options of the Company were:

Name	Shares	Options
Charles Thomas	680,000	380,000C
Sonu Cheema	-	-
Mitchell Smith	-	-

Significant Changes in the State of Affairs

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

Matters Subsequent to the End of the Financial period

In September 2022, the Company performed a Series B Funding Round to raise \$50,000 through the issue of 500,000 fully paid ordinary shares at \$0.10 per share.

High-Tech Metals Limited

Directors' Report (cont'd)

For the period ended 30 June 2022

On 14 September 2022, the Company entered into two unsecured loan agreements for \$25,000, each for a total of \$50,000 (**Loans**), with the directors: Charles Thomas and Harpreet Cheema. The Loans incur an interest rate of 10% p.a. and are repayable the earlier of the Company listing on the ASX or 14 September 2023.

Future Developments

The Company intends to acquire the Werner Lake Cobalt Project, Ontario, Canada, in the coming financial year.

Environmental Regulation

The Company is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Indemnity and Insurance of Officers or Auditors

No indemnities have been given or agreed to be given or insurance premiums paid or agreed to be paid, during or since the end of the financial period, to any person who is or has been an officer or auditor of the Company.

Proceedings on Behalf of the Company

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

Officers of the Company Who are Former Partners of HLB Mann Judd (WA Partnership)

There are no officers of the Company who are former partners of HLB Mann Judd (WA Partnership).

Audit and Non-audit Services

Details of the amounts paid or payable to the auditor (HLB Mann Judd) for audit and non-audit services during the period are disclosed in note 11.

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.

Auditor

HLB Mann Judd (WA Partnership) continues in office in accordance with section 327 of the Corporations Act 2001.

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

On behalf of the Directors



Sonu Cheema
Director

15 September 2022

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of High-Tech Metals Limited for the period ended 30 June 2022, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Perth, Western Australia
15 September 2022



N G Neill
Partner

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

High-Tech Metals Limited

Statement of Profit or Loss and Other Comprehensive Income

For the period ended 30 June 2022

	Note	11 February 2022 to 30 June 2022 \$
Revenue from continuing operations		
Expenses		
Administration expense		(135,945)
Director fees		(34,874)
Exploration Expenses		(25,154)
Loss before income tax expense from continuing operations		(195,973)
Income tax expense	8	-
Loss from continuing operations for the period		(195,973)
Other comprehensive income for the period, net of tax		-
Total comprehensive income for the period		(195,973)
 Earnings/(loss) per share	 13	 Cents per Share
Basic loss per share		(15.55)

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

High-Tech Metals Limited

Statement of Financial position

As at 30 June 2022

	Note	2022 \$
Current Assets		
Cash and cash equivalents	3	103,452
Trade and other receivable	4	4,786
Total current assets		108,238
Total assets		108,238
Liabilities		
Current Liabilities		
Trade and other payables	5	153,961
Total current liabilities		153,961
Total liabilities		153,961
Net Assets/(Liabilities)		(45,723)
Equity		
Issued capital	6	150,250
Accumulated Losses		(195,973)
Total Equity/(Deficiency)		(45,723)

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

High-Tech Metals Limited
Statement of Changes in Equity
For the period ended 30 June 2022

	Notes	Issued Capital \$	Accumulated Losses \$	Total \$
Incorporated on 11 February 2022				
Loss for the Period		-	(195,973)	(195,973)
Other Comprehensive Loss		-	-	-
Total Comprehensive Loss		-	(195,973)	(195,973)
Proceeds from Shares Issued	6	150,250	-	150,250
Balance as at 30 June 2022		150,250	(195,973)	(45,723)

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

High-Tech Metals Limited
Statement of Cash Flows
For the period ended 30 June 2022

	Notes	11 February 2022 to 30 June 2022 \$
Cash flows from operating activities		
Payment to suppliers and employees		(46,798)
Net cashflows used in operating activities		<u>(46,798)</u>
Cash flows from investing activities		
Net cashflows from investing activities		<u>-</u>
Cash flows from financing activities		
Proceeds from Shares issued		150,250
Net cashflows from financing activities		<u>150,250</u>
Net increase in cash and cash equivalents		<u>103,452</u>
Cash and cash equivalents at beginning of financial period		-
Cash and cash equivalents at end of financial period	3	<u>103,452</u>

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

High-Tech Metals Limited

Notes to the Financial Statements

For the period ended 30 June 2022

Note 1. Significant Accounting Policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied since the Company's incorporation on 11 February 2022. The financial period ended 30 June 2022 is the Company's first Financial Statements, therefore there are no comparisons for previous years.

New or Amended Accounting Standards and Interpretations Adopted

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

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

Basis of Preparation

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

Going concern

The Company incurred a loss of \$195,973 for the period ended 30 June 2022. In addition, the Company has a working capital deficiency of \$45,723. Cash and cash equivalents at the year-end amounted to \$103,452.

The ability of the Company to continue as a going concern is dependent on a combination of a number of factors, the most significant of which is the ability of the company to raise additional funds in the following 12 months through issuing additional shares.

In August, the Company completed a Series B Funding Round to raise \$50,000 through the issue of 500,000 fully paid ordinary shares at \$0.10 per share.

The Company is finalizing a prospectus to raise a minimum of \$4,500,000 through the initial public offer of 22,500,000 fully paid ordinary shares at \$0.20 per share.

These factors indicate a material uncertainty exists, that may cast significant doubt as to whether the Company will continue as going concern and therefore whether they will realise their assets and extinguish their liabilities in the normal course of business and at the amounts stated in the financial report.

Historical Cost Convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical Accounting Estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

High-Tech Metals Limited

Notes to the Financial Statements (cont'd)

For the period ended 30 June 2022

Operating Segments

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

Current and Non-current Classification

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

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

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

Cash and Cash Equivalents

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

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

Impairment of Non-financial Assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and Other Payables

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

Issued Capital

Ordinary shares are classified as equity.

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

High-Tech Metals Limited

Notes to the Financial Statements (cont'd)

For the period ended 30 June 2022

Earnings Per Share

Basic Earnings Per Share

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

Diluted Earnings Per Share

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

Goods and Services Tax ('GST') and Other Similar Taxes

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

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

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

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

New Accounting Standards and Interpretations not yet Mandatory or Early Adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Company for the annual reporting period ended 30 June 2022. The Company has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Note 2. Critical accounting judgements, estimates and assumptions

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

High-Tech Metals Limited

Notes to the Financial Statements (cont'd)

For the period ended 30 June 2022

Coronavirus (COVID-19) pandemic

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

Note 3. Cash and Cash Equivalents

	2022
	\$
Cash at Bank	103,452
Total Cash and Cash Equivalents	103,452

Note 4. Trade and other receivables

	2022
	\$
GST receivable	4,786
Total trade and other receivables	4,786

Note 5. Trade and other Payables

	2022
	\$
Accrued Expenses	116,113
Trade creditors	37,848
Total trade and other payables	153,961

Note 6. Issued Capital

	No. of Shares	2022 \$
Ordinary Shares fully paid	5,500,010	150,250

Movement in Shares on Issue

	No. of Shares	2022 \$
Ordinary shares at beginning of period	10	1
Issue of 2,500,000 founder shares at \$0.0001	2,500,000	250
Issue of 3,000,000 seed shares at \$0.05	3,000,000	150,000
Share issue costs	-	-
Closing balance	5,500,010	150,251

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

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

High-Tech Metals Limited

Notes to the Financial Statements (cont'd)

For the period ended 30 June 2022

Note 7. Reconciliation of Net Loss After Income Tax to Net Cash Flow from Operations

	2022
	\$
Net loss after income tax	(195,973)
Change in operating assets and liabilities:	
(Increase)/Decrease in trade and other receivables	(4,786)
Increase/(Decrease) in trade and other payables	153,961
Net cash flow from operations	(46,798)

Note 8. Income Tax Expense

	2022
	\$
a) Income tax expense/(benefit)	
<i>Current tax</i>	
Current tax on profit/(loss) for the period	-
<i>Deferred income tax</i>	
Other deferred tax assets and liabilities not recognised	-
Total deferred tax expense/(benefit)	-
Income tax expense/(benefit)	-

	2022
	\$
b) Numerical reconciliation of income tax expense/(benefit) to prima facie tax payable/(asset)	
Profit/(loss) from continuing operations before income tax expense/(benefit)	(195,973)
Tax at the Australian tax rate of 30%	(58,792)
Unrecognised carry forward losses	58,792
Income tax expense/(benefit)	-

	2022
	\$
c) Tax losses	
Unused tax losses for which no deferred tax assets have been recognised	(58,792)
Income tax expense/(benefit)	(58,792)

Note 9. Events After Balance Date

In September 2022, the Company performed a Series B Funding Round to raise \$50,000 through the issue of 500,000 fully paid ordinary shares at \$0.10 per share.

On 14 September 2022, the Company entered into two unsecured loan agreements for \$25,000, each for a total of \$50,000 (**Loans**), with the directors: Charles Thomas and Harpreet Cheema. The Loans incur an interest rate of 10% p.a. and are repayable the earlier of the Company listing on the ASX or 14 September 2023.

Note 10. Financial Instruments

Financial Risk Management Objectives

The Company's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Company. The Company uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks, ageing analysis for credit risk and beta analysis in respect of investment portfolios to determine market risk.

High-Tech Metals Limited

Notes to the Financial Statements (cont'd)

For the period ended 30 June 2022

Risk management is carried out by senior finance executives ('finance') under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the Company and appropriate procedures, controls and risk limits. Finance identifies, evaluates and hedges financial risks within the Company's operating units. Finance reports to the Board on a monthly basis.

Price Risk

The Company is not exposed to any significant price risk.

Interest Rate Risk

The Company is not exposed to any significant interest rate risk at reporting period.

Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The Company obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The Company does not hold any collateral.

The Company has adopted a lifetime expected loss allowance in estimating expected credit losses to trade receivables through the use of a provisions matrix using fixed rates of credit loss provisioning. These provisions are considered representative across all customers of the Company based on recent sales experience, historical collection rates and forward-looking information that is available.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Following the Company's anticipated admission to the ASX, and the expected raise of \$4,500,000 to \$5,500,000 before costs, the Company will manage liquidity risk by maintaining adequate cash reserves by continuously monitoring forecast and actual cash flows.

The Company's liquidity risk arises from other financial liabilities and trade and other payables, together comprising the Company's financial liabilities.

Financial liabilities maturing profiles as follows:

	2022
	\$
<i>Less than 6 months</i>	153,961
<i>6 months to 1 year</i>	-
<i>Later than 1 year but not later than 5 years</i>	-
<i>Over 5 years</i>	-
Income tax expense/(benefit)	153,961

These liabilities existing at 30 June 2022 are planned to be settled through the \$4,500,000 to \$5,500,000 (before costs) equity raise.

High-Tech Metals Limited

Notes to the Financial Statements (cont'd)

For the period ended 30 June 2022

Fair Values

Fair values versus carrying amounts

The fair values of financial assets and financial liabilities, together with the carrying amounts shown in the statement of financial position, are as follows:

	2022 \$	Fair value
Trade and other receivables	4,786	4,786
Trade and other payables	153,961	153,961
	158,747	158,747

The Directors consider the carrying amount of the financial assets and financial liabilities to be a reasonable approximation of their fair value on account of the short maturity cycle.

Note 11. Auditor's Remuneration

	2022 \$
Audit Services	
Amounts accrued for services to be provided by HLB Mann Judd	
An audit and review of the financial reports of the Company	10,000
Other assurance services (independent limited assurance report)	10,000
Total remuneration for audit & non-audit services	20,000

Note 12. Director and Executive Disclosures

Details of Key Management Personnel

- Charles Thomas – Non-executive Chairman (appointed 11 February 2022)
- Sonu Cheema – Executive Director (appointed 11 February 2022)
- Mitchell Smith – Non-executive Director (appointed 11 February 2022)

Compensation of Key Management Personnel

The Directors, or their related Company, accrued fees totaling \$34,874 during the period ended 30 June 2022. The accrued fees are payable upon successfully being admitted to the ASX.

Note 13. Earnings Per Share

	2022 Cents Per Share
Basic loss per share	(15.55)
	\$
Earnings/(loss) used in calculation of basic and diluted loss per share	(195,973)
Weighted average number of ordinary shares on issue used in the calculation of basic loss per share	1,260,278

High-Tech Metals Limited

Directors' Declaration

For the period ended 30 June 2022

In the Director's Opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with the International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of the Company's financial position as at 30 June 2022 and of its performance for the financial period ended on that date;
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
- Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the Directors



Sonu Cheema
Executive Director

15 September 2022

Independent Auditor's Report

To the Members of High-Tech Metals Limited

Report on the Audit of the Financial Report*Opinion*

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

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

- (a) giving a true and fair view of the Company's financial position as at 30 June 2022 and of its financial performance for the period then ended; and
- (b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Material Uncertainty Regarding Going Concern

We draw attention to Note 1 in the financial report, which indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the period ended 30 June 2022, but does not include the financial report and our auditor's report thereon.

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

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

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

Responsibilities of the Directors for the Financial Report

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

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

Auditor's Responsibilities for the Audit of the Financial Report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



HLB Mann Judd
Chartered Accountants

Perth, Western Australia
15 September 2022



N G Neill
Partner