

# **Leeuwin Metals Ltd**

**ACN 656 057 215**

## **Interim Report – 31 December 2022**

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Leeuwin Metals Ltd (referred to hereafter as the 'company' or Leeuwin') and the entities it controlled at the end of, or during, the half-year ended 31 December 2022.

## **Directors**

The following persons were directors of Leeuwin Metals Ltd during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

|                     |                        |
|---------------------|------------------------|
| Simon Jackson       | Non-Executive Chairman |
| Christopher Piggott | Managing Director      |
| Scott Williamson    | Non-Executive Director |

## **Principal activities**

During the financial half-year the principal continuing activities of the consolidated entity of the Company is to acquire, explore and develop mineral projects, in Australia and Canada.

The Company has the following portfolio of projects:

- William Lake Nickel Project – which covers 96km<sup>2</sup> located in the Southern end of World Class Thompson Nickel Belt in Manitoba, Canada.
- Jenpeg Project, Manitoba, Canada Project was generated by internal technical team targeting high grade lithium projects with resource potential. Project area under applications is ~600km<sup>2</sup>.
- Ignace, Ontario Canada – 44 claims covering 175km<sup>2</sup>, targeting extensions of neighbours Grid Metals Corp. high grade Li Rock Chips along from mapped pegmatites.
- Marble Bar, Western Australia – one tenement covering 89km<sup>2</sup>, targeting within a similar geological setting to neighbour Global Lithium Resources Limited.
- Gascoyne, Western Australia – three tenements and one under application covering 351km<sup>2</sup>, targeting lithium and rare earths in the Gascoyne mineral field within a similar geological setting to neighbour Kingfisher Mining Limited.

## **Review of operations**

The loss after tax for the half-year ended 31 December 2022 was \$112,275. During the financial half-year period, the Company's operations have been focused on the preparation of an Initial Public Offering (IPO). A strong board of directors is already in place for preparation and making of submissions to the Australian Securities Exchange ("ASX") regarding the Company's proposed initial public offering and listing on the Official List of the ASX anticipated in the first half of 2023.

In November 2022, the Company completed a strategic investment by Glencore, one of the world's largest globally diversified natural resource companies. Glencore acquired a 9.97% interest in Leeuwin signalling strong support for the advancement of the proposed IPO and of Leeuwin's 100% owned William Lake Nickel Project in Manitoba, Canada. The share placement of 3,076,576 fully paid ordinary shares at \$0.15 cents per share raising a total of \$461,486 and it is planned that Glencore will be maintaining their 9.97% shareholding at IPO.

In addition, Leeuwin formed a technical committee with Glencore, leveraging on their expertise and success in Canadian Nickel.

The Company added to its portfolio of assets during the half year period with applications for 100% ownership of the Jenpeg Lithium Project, Manitoba, Canada. The project is located on Metis and Spodumene Island, and has the potential for being a Company making asset, with 6.5km of known prospective strike and spodumene prominent drill logs never assayed for lithium, resampling of historic core is planned for Q1, 2023.

#### **Events Occurring After the Reporting Period**

In January 2023, the Company completed a share placement of 2,590,091 fully paid ordinary shares at \$0.15 cents per share to sophisticated investors raising a total of \$388,514.

#### **Significant changes in the state of affairs**

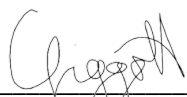
There were no significant changes in the state of affairs of the consolidated entity during the financial half-year.

#### **Auditor's independence declaration**

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

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors



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Christopher Piggott  
Director

3 February 2023  
Perth



## AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF LEEUWIN METALS LTD

I declare that, to the best of my knowledge and belief during the period ended 31 December 2022 there have been:

- no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- no contraventions of any applicable code of professional conduct in relation to the review.

A handwritten signature in blue ink that reads "William Buck".

**William Buck Audit (Vic) Pty Ltd**  
ABN 59 116 151 136

A handwritten signature in blue ink that reads "J. C. Luckins".

**J. C. Luckins**  
Director  
Melbourne, 3 February 2023

**Leeuwin Metals Ltd**  
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**31 December 2022**

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**General information**

The financial statements cover Leeuwin Metals Ltd as a consolidated entity consisting of Leeuwin Metals Ltd and the entities it controlled at the end of, or during, the half-year. The financial statements are presented in Australian dollars, which is Leeuwin Metals Ltd's functional and presentation currency.

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

**Registered office/Principal place of business**

Suite 16 Level 2, 420 Bagot Road, Subiaco WA 6008

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

The financial statements were authorised for issue, in accordance with a resolution of directors, on 3 February 2023.

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

|                                                                      |                  | Consolidated<br>14 Dec 2021<br>to 31 Dec<br>2021 |
|----------------------------------------------------------------------|------------------|--------------------------------------------------|
| Note                                                                 | 31 Dec 2022      |                                                  |
|                                                                      | \$               | \$                                               |
| <b>Revenue</b>                                                       |                  |                                                  |
| Interest revenue calculated using the effective interest method      | 742              | -                                                |
| <b>Expenses</b>                                                      |                  |                                                  |
| Accounting and audit fees                                            | (20,331)         | -                                                |
| Consultants and contractors                                          | (5,989)          | -                                                |
| Corporate and administrative costs                                   | (38,536)         | -                                                |
| Depreciation and amortisation expense                                | (35)             | -                                                |
| Exploration expenses                                                 | (48,086)         | -                                                |
| <b>Loss before income tax expense</b>                                | <b>(112,275)</b> |                                                  |
| <b>Income tax expense</b>                                            | <b>-</b>         |                                                  |
| <b>Loss after income tax expense for the half-year</b>               | <b>(112,275)</b> | <b>-</b>                                         |
| <b>Other comprehensive income</b>                                    |                  |                                                  |
| <i>Items that may be reclassified subsequently to profit or loss</i> |                  |                                                  |
| Foreign currency translation                                         | (57,276)         | -                                                |
| <b>Other comprehensive loss for the half-year, net of tax</b>        | <b>(57,276)</b>  | <b>-</b>                                         |
| <b>Total comprehensive loss for the half-year</b>                    | <b>(169,551)</b> | <b>-</b>                                         |
|                                                                      | <b>Cents</b>     | <b>Cents</b>                                     |
| Basic and diluted loss per share                                     | (0.44)           | -                                                |

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

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

|                                   |      | Consolidated      |                   |
|-----------------------------------|------|-------------------|-------------------|
|                                   | Note | 31 Dec 2022<br>\$ | 30 Jun 2022<br>\$ |
| <b>Assets</b>                     |      |                   |                   |
| <b>Current assets</b>             |      |                   |                   |
| Cash and cash equivalents         |      | 445,099           | 59,031            |
| Trade and other receivables       |      | 11,887            | 2,522             |
| Other - Prepayments               |      | 37,222            | -                 |
| Total current assets              |      | <u>494,208</u>    | <u>61,553</u>     |
| <b>Non-current assets</b>         |      |                   |                   |
| Exploration and evaluation assets | 5    | 1,742,985         | 1,733,045         |
| Property, plant and equipment     |      | 1,546             | -                 |
| Total non-current assets          |      | <u>1,744,531</u>  | <u>1,733,045</u>  |
| <b>Total assets</b>               |      | <u>2,238,739</u>  | <u>1,794,598</u>  |
| <b>Liabilities</b>                |      |                   |                   |
| <b>Current liabilities</b>        |      |                   |                   |
| Trade and other payables          |      | 257,698           | 105,502           |
| Total current liabilities         |      | <u>257,698</u>    | <u>105,502</u>    |
| <b>Total liabilities</b>          |      | <u>257,698</u>    | <u>105,502</u>    |
| <b>Net assets</b>                 |      | <u>1,981,041</u>  | <u>1,689,096</u>  |
| <b>Equity</b>                     |      |                   |                   |
| Issued capital                    | 4    | 2,058,987         | 1,597,501         |
| Reserves                          |      | 203,774           | 261,041           |
| Accumulated losses                |      | (281,720)         | (169,446)         |
| <b>Total equity</b>               |      | <u>1,981,041</u>  | <u>1,689,096</u>  |

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

Leeuwin Metals Ltd  
Statement of changes in equity  
For the half-year ended 31 December 2022

| <b>Consolidated</b>                                      | <b>Issued capital</b><br>\$ | <b>Options &amp; Share Based payments reserves</b><br>\$ | <b>Foreign Currency Reserve</b><br>\$ | <b>Accumulated Losses</b><br>\$ | <b>Total equity</b><br>\$ |
|----------------------------------------------------------|-----------------------------|----------------------------------------------------------|---------------------------------------|---------------------------------|---------------------------|
| <b>Balance at incorporation 14 December 2021</b>         | -                           | -                                                        | -                                     | -                               | -                         |
| Loss after income tax expense for the half-year          | -                           | -                                                        | -                                     | -                               | -                         |
| Other comprehensive income for the half-year, net of tax | -                           | -                                                        | -                                     | -                               | -                         |
| Foreign currency translation                             | -                           | -                                                        | -                                     | -                               | -                         |
| Total comprehensive income for the half-year             | -                           | -                                                        | -                                     | -                               | -                         |
| Transactions with owners in their capacity as owners:    |                             |                                                          |                                       |                                 |                           |
| Contributions of equity                                  | 50,000                      | -                                                        | -                                     | -                               | 50,000                    |
| <b>Balance at 31 December 2021</b>                       | <b>50,000</b>               | <b>-</b>                                                 | <b>-</b>                              | <b>-</b>                        | <b>50,000</b>             |
| <b>Balance at 1 July 2022</b>                            | <b>1,597,501</b>            | <b>219,142</b>                                           | <b>41,899</b>                         | <b>(169,446)</b>                | <b>1,597,501</b>          |
| Loss after income tax expense for the half-year          | -                           | -                                                        | -                                     | (112,275)                       | -                         |
| Other comprehensive income for the half-year, net of tax | -                           | -                                                        | -                                     | -                               | -                         |
| Foreign currency translation                             | -                           | -                                                        | (57,267)                              | -                               | -                         |
| Total comprehensive income for the half-year             | -                           | -                                                        | (57,267)                              | (112,275)                       | -                         |
| Transactions with owners in their capacity as owners:    |                             |                                                          |                                       |                                 |                           |
| Contributions of equity (Refer Note 4)                   | 461,486                     | -                                                        | -                                     | -                               | 461,486                   |
| <b>Balance at 31 December 2022</b>                       | <b>2,058,987</b>            | <b>219,142</b>                                           | <b>(15,368)</b>                       | <b>(281,720)</b>                | <b>2,058,987</b>          |

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



Leeuwin Metals Ltd  
Statement of cash flows  
For the half-year ended 31 December 2022

|                                                                              | Consolidated<br>31 Dec 2022<br>\$ | 14 Dec 2021<br>to 31 Dec<br>2021<br>\$ |
|------------------------------------------------------------------------------|-----------------------------------|----------------------------------------|
| <b>Cash flows from operating activities</b>                                  |                                   |                                        |
| Payments to suppliers and employees (inclusive of GST)                       | (51,547)                          | -                                      |
| Interest received                                                            | 702                               | -                                      |
| Net cash used in operating activities                                        | (50,845)                          | -                                      |
| <b>Cash flows from investing activities</b>                                  |                                   |                                        |
| Payments for exploration and evaluation                                      | (23,028)                          | -                                      |
| Payments for property, plant and equipment                                   | (1,615)                           | -                                      |
| Net cash used in investing activities                                        | (24,643)                          | -                                      |
| <b>Cash flows from financing activities</b>                                  |                                   |                                        |
| Proceeds from issue of shares                                                | 461,486                           | 50,000                                 |
| Net cash from financing activities                                           | 461,486                           | 50,000                                 |
| Net increase/(decrease) in cash and cash equivalents                         | 385,998                           | 50,000                                 |
| <b>Cash and cash equivalents at the beginning of the financial half-year</b> | <b>59,031</b>                     | <b>-</b>                               |
| Effects of exchange rate changes on cash and cash equivalents                | 70                                | -                                      |
| <b>Cash and cash equivalents at the end of the financial half-year</b>       | <b>445,099</b>                    | <b>50,000</b>                          |

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

## **Note 1. Significant accounting policies**

These general purpose financial statements for the interim half-year reporting period ended 31 December 2022 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2022 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

### **New or amended Accounting Standards and Interpretations adopted**

The consolidated entity 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.

## Note 2. Operating segments

Certain members of the Executive Team (the chief operating decision makers) and the Board of Directors monitor the segment results regularly for the purpose of making decisions about resource allocation and performance assessment.

### (a) Exploration

The Exploration segment includes the activities on all mineral exploration:

- Exploration and evaluation of minerals in Canada
- Exploration and evaluation of minerals in Western Australia

### (b) Unallocated

Unallocated items comprise corporate which includes those expenditures supporting the business during the period, and items that cannot be directly attributed to the exploration.

The segment information for the reportable segments for the period ended 31 December 2022 is as follows:

#### *Operating segment information*

| <b>Consolidated – 31 Dec 2022</b>       | <b>Australia</b> | <b>Canada</b> | <b>Total</b>     |
|-----------------------------------------|------------------|---------------|------------------|
|                                         | <b>\$</b>        | <b>\$</b>     | <b>\$</b>        |
| <b>Period ended 31 December 2022</b>    |                  |               |                  |
| Segment results – Loss after income tax | (2,972)          | (111,083)     | (114,055)        |
| Unallocated profit after income tax     |                  |               | 1,780            |
| <b>Loss after income tax</b>            |                  |               | <b>(112,275)</b> |
| <b>As at 31 December 2022</b>           |                  |               |                  |
| <i>Segment assets</i>                   | 13,828           | 1,730,703     | 1,744,531        |
| Unallocated assets                      |                  |               | 494,208          |
| <b>Total assets</b>                     |                  |               | <b>2,238,739</b> |
| <i>Segment liabilities</i>              | 10,757           | –             | <b>10,757</b>    |
| Unallocated liabilities                 |                  |               | 246,941          |
| <b>Total liabilities</b>                |                  |               | <b>257,698</b>   |
| <b>As at 30 June 2022</b>               |                  |               |                  |
| <i>Segment assets</i>                   | –                | 1,733,045     | 1,733,045        |
| Unallocated assets                      |                  |               | 61,553           |
| <b>Total assets</b>                     |                  |               | <b>1,794,598</b> |
| <i>Segment liabilities</i>              | –                | –             | –                |
| Unallocated liabilities                 |                  |               | 105,502          |
| <b>Total liabilities</b>                |                  |               | <b>105,502</b>   |

During the period 14 December 2021 to 31 December 2021 no significant transactions occurred within the consolidated entity and thus no comparative disclosure has been included in this report.

### Note 3. Loss per share

|                                                                                                  | <b>Consolidated</b> |                                       |
|--------------------------------------------------------------------------------------------------|---------------------|---------------------------------------|
|                                                                                                  | <b>31 Dec 2022</b>  | <b>14 Dec 2021 to<br/>31 Dec 2021</b> |
|                                                                                                  | <b>\$</b>           | <b>\$</b>                             |
| Loss attributable to the owners of Leeuwin used in calculating basic and dilutive loss per share | (112,275)           | -                                     |
| Weighted average number of ordinary shares used in calculating basic loss per share              | 25,712,841          | 5,000,000                             |
| <b>Basic and diluted loss per share-in cents</b>                                                 | <b>(0.44)</b>       | <b>-</b>                              |

### Note 4. Contributed Equity

|                                               | <b>31 Dec<br/>2022<br/>\$</b> | <b>30 June<br/>2022<br/>\$</b> |
|-----------------------------------------------|-------------------------------|--------------------------------|
| <b>Issued Capital</b>                         |                               |                                |
| <b>(a) Issued and paid up capital</b>         |                               |                                |
| Ordinary shares fully paid                    | <b>2,058,987</b>              | <b>1,597,501</b>               |
|                                               |                               |                                |
| <b>(b) Movements in shares on issue</b>       |                               |                                |
| <b>Opening balance at 1 July 2022</b>         | <b>25,191,672</b>             | <b>1,597,501</b>               |
| Shares issued during period                   |                               |                                |
| - Issue of Glencore shares (30 November 2022) | 3,076,576                     | 461,486                        |
| <b>Closing balance at 31 December 2022</b>    | <b>28,268,248</b>             | <b>2,058,987</b>               |

### Note 5. Exploration and evaluation assets

|                                                   | <b>Consolidated<br/>31 Dec 2022<br/>\$</b> | <b>Consolidated<br/>30 June 2022<br/>\$</b> |
|---------------------------------------------------|--------------------------------------------|---------------------------------------------|
| Exploration and evaluation phase – at cost        | <b>1,742,985</b>                           | <b>1,742,985</b>                            |
| <b>Carrying amount at beginning of the period</b> | <b>1,733,045</b>                           | <b>-</b>                                    |
| Additions                                         | 47,463                                     | 1,691,712                                   |
| Foreign exchange movement                         | (37,523)                                   | 41,333                                      |
| <b>Carrying amount at the end of the period</b>   | <b>1,742,985</b>                           | <b>1,733,045</b>                            |

#### **Note 7. Contingent liabilities**

The Company has a contingent liability of 2% net smelter returns royalty (NSR) with Glencore Canada Corporation in respect to mineral products produced at the William Lake Project. 1% NSR can be bought back for C\$1m, 12 months from the commencement of commercial production.

#### **Note 8. Events after the reporting period**

In January 2023, the Company completed a share placement of 2,590,091 fully paid ordinary shares at \$0.15 cents per share to sophisticated investors raising a total of \$388,514.

Apart from the above, no other matter or circumstance has arisen since 31 December 2022 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

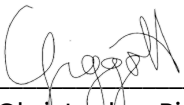
**Leeuwin Metals Ltd**  
**Directors' declaration**  
**31 December 2022**

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2022 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors



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Christopher Piggott  
Director

3 February 2023  
Perth

## Leeuwin Metals Ltd Independent auditor's review report

### REPORT ON THE REVIEW OF THE HALF-YEAR FINANCIAL REPORT

#### Conclusion

We have reviewed the accompanying half-year financial report of Leeuwin Metals Ltd (the Company) and the entities it controlled at the half-year's end or from time to time during the half year (the consolidated entity), which comprises the consolidated statement of financial position as at 31 December 2022, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Leeuwin Metals Ltd is not in accordance with the *Corporations Act 2001* including:

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

#### Basis for Conclusion

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

#### Responsibility of Management for the Financial Report

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

## Auditor's Responsibilities for the Review of the Financial Report

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

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



**William Buck Audit (Vic) Pty Ltd**

ABN 59 116 151 136



**J. C. Luckins**

Director

Melbourne, 3 February 2023