

NewPeak Metals Limited

ABN 79 068 958 752

Interim Financial Report - 31 December 2022

Directors	Brian Moller - Non-executive Chairman David Mason - Non-executive Director Nicholas Mather - Non-executive Director Andrew Gladman - Non-executive Director
Company secretary	John Haley
Registered office and principal place of business	Level 27 111 Eagle Street Brisbane QLD 4000 Phone: (07) 3303 0650
Share register	Link Market Services Limited 10 Eagle Street Brisbane QLD 4000 Phone: 1300 554 474
Auditor	BDO Audit Pty Ltd Level 10 12 Creek Street Brisbane QLD 4000
Solicitors	HopgoodGanim Lawyers Level 8, Waterfront Place 1 Eagle Street Brisbane QLD 4000
Stock exchange listing	NewPeak Metals Limited shares are listed on the Australian Securities Exchange (ASX code: NPM). Additionally, the company has a secondary listing on the Frankfurt Stock Exchange, Frankfurter Wertpapierbörse (FSE ticker: NPM and Wertpapierkennnummer WKN: A2QCW3).
Website	www.newpeak.com.au

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity', 'Group' or 'NewPeak') consisting of NewPeak Metals Limited (referred to hereafter as the 'company' or 'parent entity') 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 NewPeak Metals Limited during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Brian Moller - Non-executive Chairman (appointed as Chairman on 25 January 2023)

David Mason - Non-executive Director

Nicholas Mather - Non-executive Director (resigned as Chairman on 25 January 2023)

Andrew Gladman - Non-executive Director

Company secretary

John Haley

Principal activities

During the half-year, the principal activity of the consolidated entity was holding strategic positions in several Gold properties in jurisdictions including Finland, New Zealand, and Argentina, together with Tungsten projects in Sweden. There were no significant changes in the principal activities of the consolidated entity.

Competent Persons Statement

The information herein that relates to Exploration Targets and Exploration Results is based information compiled by Mr Jason McNamara, who is a Fellow of The Australasian Institute of Mining and Metallurgy. Mr McNamara is a consultant to NewPeak Metals Limited.

Mr McNamara has more than twenty-five years' experience which is relevant to the style of mineralisation and types of deposits being reported and the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves" (the JORC Code). This public report is issued with the prior written consent of the Competent Person(s) as to the form and context in which it appears.

Review of operations

The loss for the consolidated entity after providing for income tax amounted to \$1,056,595 (31 December 2021: \$1,890,553).

NewPeak is a diversified junior explorer with strategies and plans to move it towards a mid-tier sized resource Group. The Group holds a suite of very promising Gold and Critical Minerals prospects globally. NewPeak's assets are held in the top mining jurisdictions internationally, including Argentina, Finland, New Zealand and Sweden. In the last 6 months, the Group has continued to move each project forward towards further development.

NewPeak is also a significant shareholder in Lakes Blue Energy (ASX:LKO), an Australian gas exploration Group with diversified petroleum and gas assets in Queensland, Victoria, South Australia and Papua New Guinea.

A detailed summary of the Group's corporate and project developments for the six months are set out below.

The summary covers:

A. Argentina Gold Projects

B. New Zealand Gold Projects

C. Finland Gold Projects

D. Sweden Strategic Metals Project

E. Interest in ASX listed Lakes Blue Energy NL, Australia

NewPeak's current suite of resource exploration projects are shown in **Figure 1**.

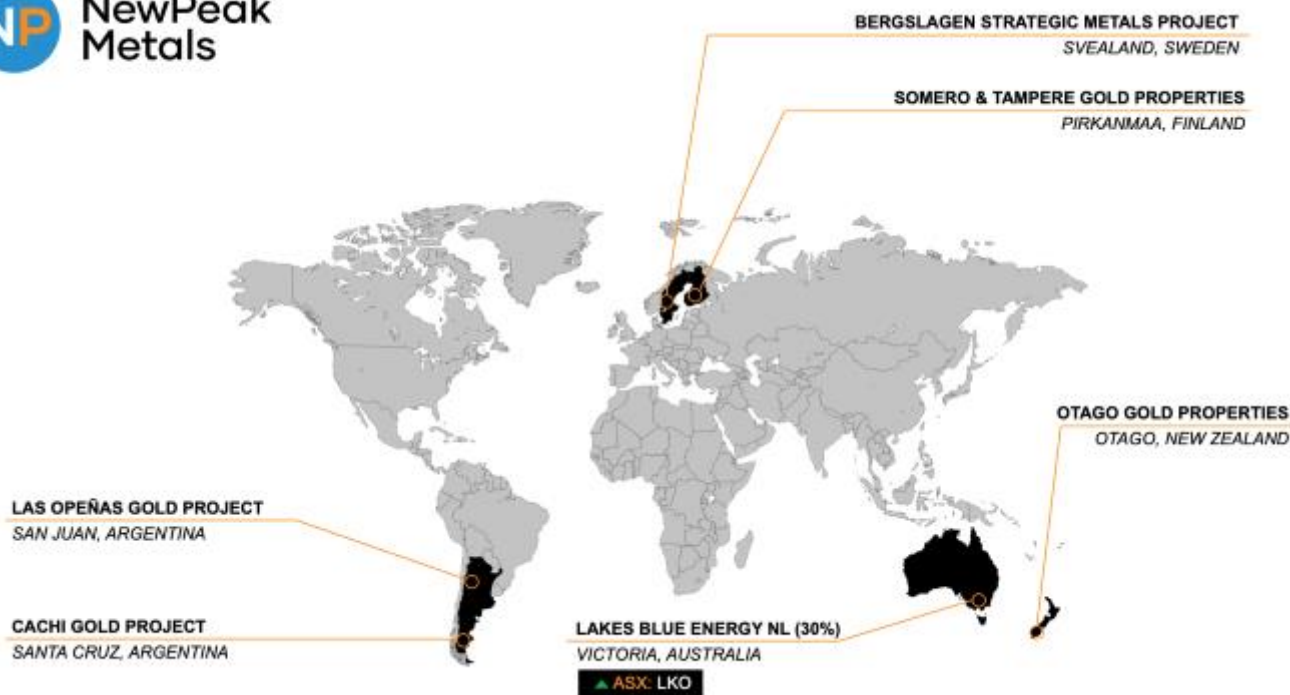


Figure 1 – Location of NewPeak Metals interests in world mineral properties and investments

A. Argentina Gold Projects

NewPeak holds interest in two properties in Argentina, the Las Opeñas Gold Project and the Cachi Gold Project. Both properties are highly mineralised in Gold and located in mining friendly provinces of Argentina.

Las Opeñas Gold Project

The Las Opeñas Gold Project is located in the San Juan province (**Figure 2**) at an elevation of 3,000m above sea level. The lease area is 1,462ha and lies on the same structural trends of the Indio Belt, which hosts several large deposits including the multi-million-ounce Gold Deposits of Barrick Gold's Veladero and Pascua Lama. The Group currently owns 51% of the Las Opeñas gold project.

No field work was completed during the half-year. The Group has designed a circa 2,000 meter drilling campaign which is currently scheduled for 2023, subject to funding, drill rig availability and/or joint venture discussions.



Figure 2 – Location map of Las Opeñas Gold Property

Cachi Gold Project

NewPeak Metals Limited has several gold properties in the Santa Cruz province of Argentina (**Figure 3**). The exploration of these properties is primarily in search of near surface epithermal vein systems. Across these properties, the Cachi Gold Project is currently the most advanced. The Cachi Gold Project is a vast Caldera hosted epithermal gold vein system spanning over 10km across and 5km in width with over 15 high quality targets currently defined.

The company has decided to hold its ownership position at 35% and is working with its co-owner Tres Cerros Exploraciones S.R.L to seek a joint venture partner to advance the exploration of this prospective gold project.

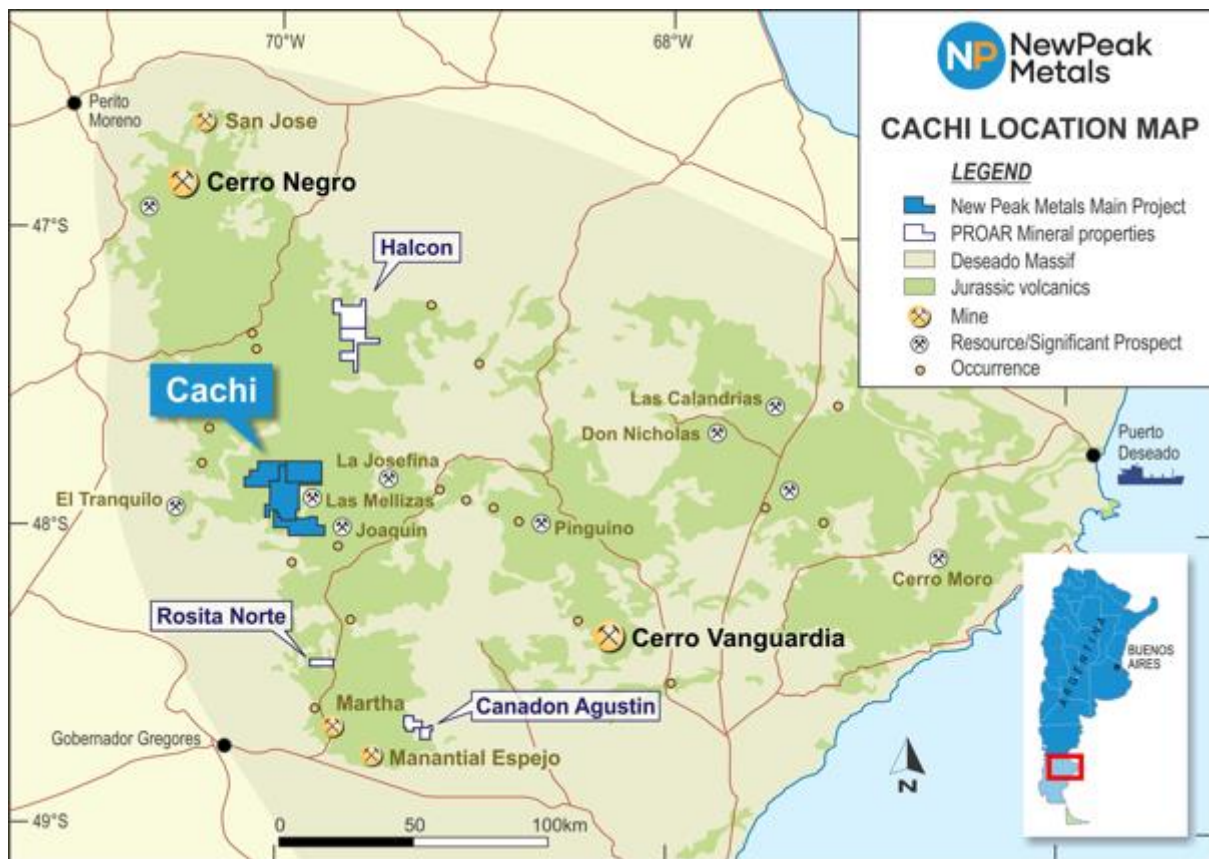


Figure 3 – Location map of Cachi Gold Project

B. New Zealand Gold Projects

NewPeak owns various properties in the Otago region of the South Island of New Zealand (**Figure 4**).

During the half-year, NewPeak Metals Limited rationalised its portfolio of mineral exploration permits in New Zealand. The Group has surrendered some permits and transferred others to its current joint venture partners. The Group was awarded the Garibaldi permit (AP 60677) and the Raggedy Range permit (EP 60733). The Group then entered into a joint venture over the Garibaldi permit (EP 60677), and the Raggedy Range permit (EP 60733). Both permits are near Santana's Bendigo-Ophir project. Under the joint venture, the Group will retain a free carried 25% interest in the two tenements with the joint venture partner to meet all required expenditure commitments until there is a defined inferred JORC resource. The Group has also been reimbursed \$25,000 of costs incurred in the granting of the two tenements.

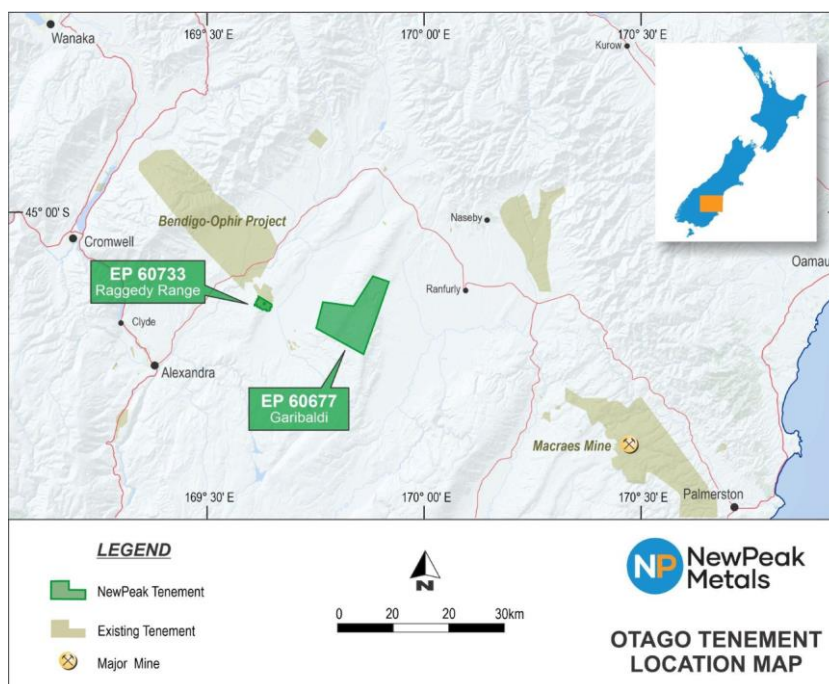


Figure 4 – Location map of Otago Gold Properties

C. Finland Gold Projects

NewPeak Metals Limited has a suite of gold projects in a region in Finland which currently hosts three Gold mines, Orivesi, Jokisivu and Kaapelinkulma, with a processing facility at Vammala (**Figure 5**), all operated by Dragon Mining Limited (HKEx: 1712). The two most advanced prospects in that suite are the Satulinmäki prospect and Hopeavouri prospect.

During the half-year, Swedish geological company Geovista completed a NI 43-101 technical report of its Finnish prospects.

NewPeak Metals Limited is continuing the process of seeking joint venture partners to advance its Finland Gold project and is in discussions with several interested parties.

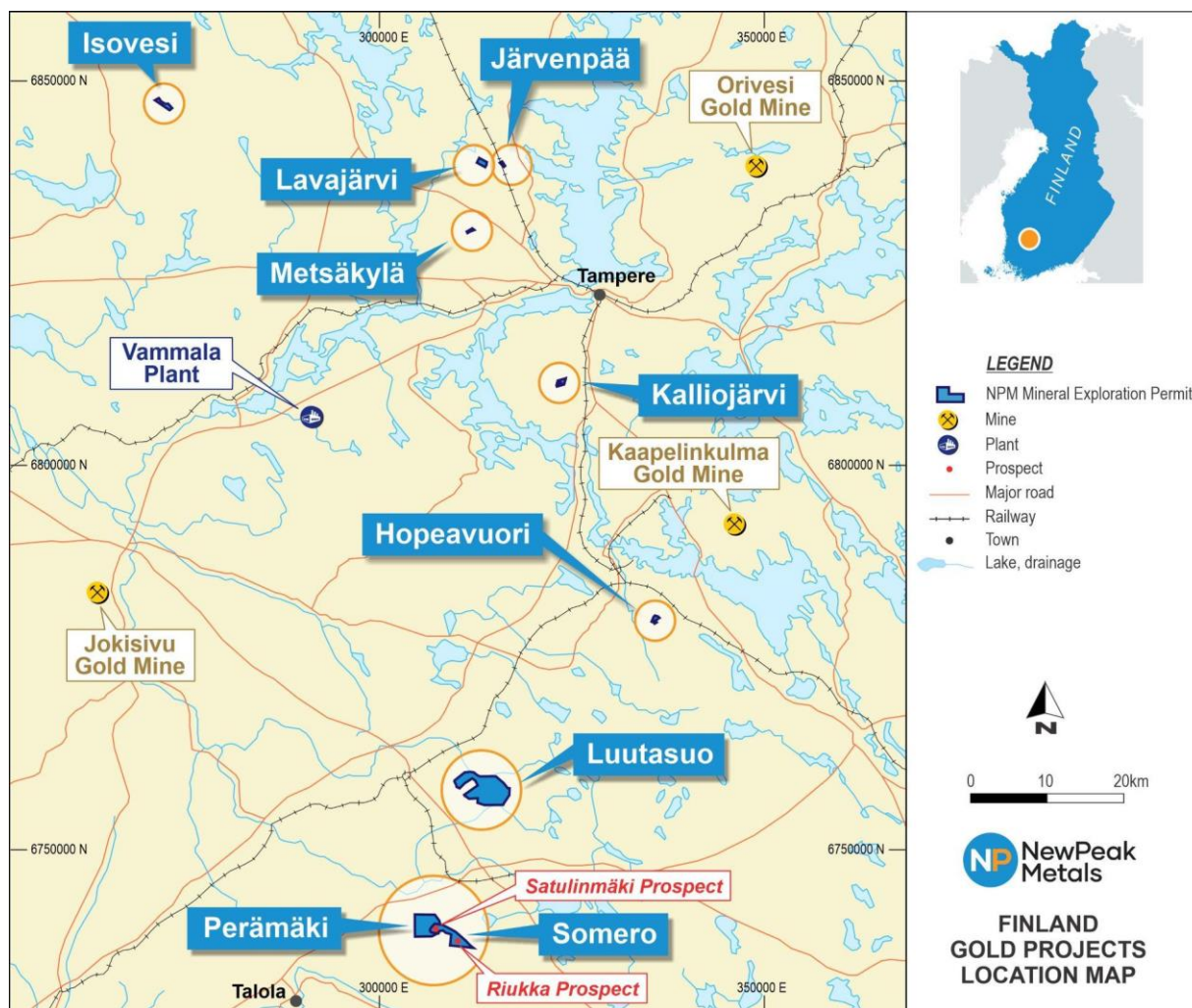


Figure 5 – Location map of Finland Gold permits

D. Sweden Strategic Metal Project

In mid-2020, NewPeak Metals Limited acquired a portfolio of exploration permits in south-central Sweden, in the Bergslagen mining district near Grängesberg. The project was acquired as a Tungsten focused project, though significant levels of Copper, Lead, Zinc and Molybdenum were found in a sampling program, which has expanded the potential scope of the project. There are seven permits within the project: Yxsjöberg, Gubbo, Hörken, Högfors, Sandudden, Gänsen and Baggetorp covering a total area of 11,870Ha (**Figure 6**).

During the half-year, Swedish geological company Geovista completed a NI 43-101 technical report of its Sweden prospects.

NewPeak Metals Limited is continuing the process of seeking joint venture partners or purchasers to advance the strategic metals project and is in discussions with several interested parties.



Figure 6 – Location map of Sweden Strategic Metals Project

E. Interest in ASX listed Lakes Blue Energy NL, Australia

NewPeak is the largest shareholder of Lakes Blue Energy NL (ASX:LKO) holding 9,883,714,010 shares, or 21.18% of the current issued share capital. Lakes is an Australian gas and oil exploration company with diversified exploration assets in Queensland, Victoria, South Australia and Papua New Guinea.

On 22 August 2022, NewPeak Metals Limited sold 125,000,000 shares in LKO. The company will continue to maintain the investment in LKO until such time that the underlying value of its large portfolio of oil and gas prospects are realised.

Significant changes in the state of affairs

On 7 November 2022, 186,666,668 ordinary shares were issued on the conversion of convertible notes with a total fair value of \$560,000.

On 2 December 2022, the company issued 28,125,000 options with an exercise date of 19 July 2023.

The company issued 56,250,000 and 48,465,000 new ordinary shares on 2 December 2022 and 14 December 2022 respectively (refer to note 7).

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

Matters subsequent to the end of the financial half-year

On 11 January 2023, the company executed a loan agreement with a private investor who is not a related party for a loan of \$200,000 to provide working capital to the company. Interest is to be charged at 12% per annum and the term of the loan is 12 months from 11 January 2023. The loan is secured over 1,000,000,000 shares of Lakes Blue Energy NL.

The company issued 260,000,000 performance rights on 25 January 2023. 250,000,000 of these performance rights were issued to the company's CEO, Boyd White, and 10,000,000 were issued to the company's CFO, John Haley.

Subsequent to 31 December 2022, the Group received approximately \$77,000 (C\$75,000) as an instalment payment for the sale of its 25% interest in Pampa Litio S.A (Argentina). The balance of C\$75,000 cash and issue of C\$75,000 of consideration shares in Greenshift Commodities Ltd (TSX-V GCOM) are due following execution of a formal definitive agreement. The consideration shares, subject to the approval of the TSX-V, will be issued at a price per share equal to the volume weighted average trading price of the GCOM Shares on the TSX-V on the seven trading days preceding the announcement the signing of the Definitive Agreement. The Consideration Shares will be subject to a hold period of four months plus one day from the date of issuance.

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.

Material business risks

Ongoing funding requirements	The Group's ability to raise further funding to meet both its operating and capital expenditure requirements depend upon a number of different factors. The Group's operations are unlikely to generate any or sufficient cash flow to meet the Group's operating and capital expenditure needs in the near or medium terms. Meanwhile the Group's ability to raise further equity financing is very sensitive to negative market sentiment, and the recent global economic outlook may make it challenging for the Group to raise new equity capital in the near future (particularly in light of the disruption to international trade and travel, and likely global economic contraction as a result of government and private sector reactions to the COVID 19 pandemic and the Russia/Ukraine conflict). Accordingly, there is no guarantee that the Group will be able to secure additional funding on terms favourable to the Group. Further the Group notes that to the extent that the Group can raise further additional equity, that financing will dilute existing Shareholders. If the Group is unable to obtain additional financing as required, it may not have sufficient working capital to be able to meet its financial commitments as and when they arise, and will be unable to further progress its exploration programs.
COVID-19 Pandemic and natural disasters	The performance of the Group will continue to be influenced by the overall condition of various markets for commodities that are the subject of the Group's exploration and mining ambitions. In addition, the Group's ability to continue operating is dependent on the health of the capital markets (both debt and equity) which the Group needs to access in order to fund its ongoing operations. While these markets are always influenced by the general condition of the wider economy, the COVID-19 Pandemic has had a materially adverse effect on, and continues to have such an effect on these markets. There is some continued uncertainty as to the future impact of the COVID-19 Pandemic including relation to government action, work stoppages, lockdowns, quarantines, travel restrictions and the impact on the Australian economy and securities markets, as well as those in countries where there may be a demand for the Group's target commodities.
Operational risks	Prosperity for the company and its subsidiaries will depend largely upon an efficient and successful implementation of all the aspects of exploration, developments, business activities and management of commercial factors. The operations of the company and its subsidiaries may be disrupted by a variety of risks and hazards which are beyond the control of the Group. Exploration has been and will continue to be hampered on occasions by accidents, unforeseen cost changes, environmental considerations, unforeseen weather events, and other natural events including but not limited to the COVID-19 Pandemic.
Government policy and taxation	Changes in relevant taxation, interest rates, other legal, legislative and administrative regimes, and Government policies in Australia (at Federal and State level), may have an adverse effect on the assets, operations and ultimately the financial performance of the Group.

Commodity prices	The Group's prospects and perceived value will be influenced from time to time by the prevailing short-term prices of the commodities targeted in exploration programs of the company and its subsidiaries. Commodity prices fluctuate and are affected by factors including supply and demand for mineral products, hedge activities associated with commodity markets, the costs of production and general global economic and financial market conditions. These factors may cause volatility which in turn, may affect the Group's ability to finance its future exploration and/or bring the Group's projects to market. As noted elsewhere above, the events relating to the COVID-19 Pandemic and the Russia/Ukraine war have had some impact on global demand for the Group's target commodities. It is difficult if not impossible to accurately predict the direction of those markets in the short or medium terms.
Tenement risks	All exploration permits in which Group has an interest (directly or indirectly) will require compliance with certain levels of expenditure and renewal from time to time. If for any reason expenditure requirements are not met or a licence or permit is not renewed then the Group may suffer damage and as a result may be denied the opportunity to develop certain mineral resources.
Land access risks	Land access is critical for exploration and evaluation to succeed. Access to land for exploration purposes can be affected by factors such as land ownership and Native title claims.
Environmental risks	The various tenements which the Group has interests in (whether directly or indirectly) are subject to laws and regulations regarding environmental matters, which mean there are potential liability risks.
Exploration and production	Tenements in which the Group or its Related Bodies Corporate has an interest are at various stages of exploration. There can be no assurance that exploration of the project areas will result in the discovery of an economic reserve.
Contractual risk	The Group's ability to efficiently conduct its operations in a number of respects depends upon a third-party product and service providers and contracts have, in some circumstances, been entered into by the company and its subsidiaries in this regard. Any default under such contracts by a third party may adversely affect the Group.

Climate change risks

The Group does not consider that it currently has a material exposure to the risks associated with Climate Change. Accordingly, the Group does not consider it necessary to reflect any impact associated with Climate Change risks (eg. impairments, provisions) in its financial statements for the half-year ended 31 December 2022. The Group considers the following matters to be relevant to this conclusion:

- (i) the Group's activities are predominantly focused on the discovery and definition phase of natural resource projects. The Group is not yet in a mine planning, development, construction or operational phase. Accordingly, having a predominantly greenfields exploration focus means that the Group currently has no significant man-made infrastructure that would be subject to the potential physical risks associated with Climate Change. Furthermore, the Group has a minimal carbon footprint and negligible emissions;
- (ii) the Group is not currently aware of any pending or proposed Climate Change related regulatory or legislative changes that would materially impact it, or its assets, at this time;
- (iii) the Group's exploration interests are predominantly focused on minerals that are not expected to be impacted by the various categories of risk associated with Climate Change. These minerals include gold and tungsten, with potential credits for copper and zinc;
- (iv) other than as outlined above, the Group considers that it currently has limited exposure to the technological market and reputational risks associated with Climate Change.

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



Brian Moller
Chairman

16 March 2023
Brisbane



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GPO Box 457 Brisbane QLD 4001
Australia

DECLARATION OF INDEPENDENCE BY T J KENDALL TO THE DIRECTORS OF NEWPEAK METALS LIMITED

As lead auditor for the review of NewPeak Metals Limited for the half-year ended 31 December 2022, 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 review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of NewPeak Metals Limited and the entities it controlled during the period.



T J Kendall
Director

BDO Audit Pty Ltd

Brisbane, 16 March 2023

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General information

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

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

Level 27
111 Eagle Street
Brisbane
QLD 4000

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 16 March 2023.

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



		Consolidated	
	Note	31 Dec 2022	31 Dec 2021
		\$	\$
Share of losses of associates accounted for using the equity method	4	(341,267)	-
Other income		93,304	37,391
Interest revenue		-	16
Expenses			
Consultancy fees		(203,012)	(125,519)
Depreciation and amortisation expense		-	(4,463)
Directors' fees		(100,000)	(139,583)
Employee benefits expense		(38,067)	(132,360)
Exploration costs written-off		-	(42,255)
General administrative overheads		(126,741)	(99,411)
Impairment of exploration costs		-	(1,029,576)
Insurances		(36,418)	(27,743)
Legal expenses		(15,718)	(7,052)
Loss on disposal of assets		(5,063)	-
Management fees		-	(150,000)
Marketing and promotion		(1,460)	(27,461)
Loss on equity settlement of convertible notes	8	(186,667)	-
Regulatory and compliance expenses		(94,361)	(112,803)
Finance costs		(1,125)	(29,734)
Total expenses		(808,632)	(1,927,960)
Loss before income tax expense		(1,056,595)	(1,890,553)
Income tax expense		-	-
Loss after income tax expense for the half-year attributable to the owners of NewPeak Metals Limited		(1,056,595)	(1,890,553)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		(658,357)	(20,628)
Other comprehensive income for the half-year, net of tax		(658,357)	(20,628)
Total comprehensive income for the half-year attributable to the owners of NewPeak Metals Limited		(1,714,952)	(1,911,181)
		Cents	Cents
Basic earnings per share	15	(0.01)	(0.03)
Diluted earnings per share	15	(0.01)	(0.03)

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

		Consolidated	
	Note	31 Dec 2022	30 Jun 2022
		\$	\$
Assets			
Current assets			
Cash and cash equivalents		92,114	314,486
Other receivables	3	87,042	60,009
		179,156	374,495
Non-current assets classified as held for sale		1,003	-
Total current assets		180,159	374,495
Non-current assets			
Investments accounted for using the equity method	4	2,382,046	2,756,570
Property, plant and equipment		1,041	36,104
Exploration and evaluation	5	5,942,070	6,223,361
Other non-current assets		66,507	73,903
Total non-current assets		8,391,664	9,089,938
Total assets		8,571,823	9,464,433
Liabilities			
Current liabilities			
Trade and other payables	6	1,104,153	567,427
Total current liabilities		1,104,153	567,427
Non-current liabilities			
Deferred tax		1,931	1,931
Total non-current liabilities		1,931	1,931
Total liabilities		1,106,084	569,358
Net assets		7,465,739	8,895,075
Equity			
Issued capital	7	40,721,027	40,062,966
Other equity	8	-	373,333
Reserves	9	(2,291,418)	(1,633,949)
Accumulated losses		(30,963,870)	(29,907,275)
Total equity		7,465,739	8,895,075

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

NewPeak Metals Limited
Statement of changes in equity
For the half-year ended 31 December 2022



Consolidated	Issued capital \$	Other equity \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2021	36,296,146	373,333	(1,239,484)	(29,969,154)	5,460,841
Loss after income tax expense for the half-year	-	-	-	(1,890,553)	(1,890,553)
Other comprehensive income for the half-year, net of tax	-	-	(20,628)	-	(20,628)
Total comprehensive income for the half-year	-	-	(20,628)	(1,890,553)	(1,911,181)
<i>Transactions with owners in their capacity as owners:</i>					
Contributions of equity, net of transaction costs	2,647,999	-	-	-	2,647,999
Balance at 31 December 2021	<u>38,944,145</u>	<u>373,333</u>	<u>(1,260,112)</u>	<u>(31,859,707)</u>	<u>6,197,659</u>
Consolidated	Issued capital \$	Other equity \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2022	40,062,966	373,333	(1,633,949)	(29,907,275)	8,895,075
Loss after income tax expense for the half-year	-	-	-	(1,056,595)	(1,056,595)
Other comprehensive income for the half-year, net of tax	-	-	(658,357)	-	(658,357)
Total comprehensive income for the half-year	-	-	(658,357)	(1,056,595)	(1,714,952)
<i>Transactions with owners in their capacity as owners:</i>					
Contributions of equity, net of transaction costs (note 7)	98,061	-	-	-	98,061
Share-based payments (note 16)	-	-	888	-	888
Equity-settled convertible notes (note 8)	560,000	(373,333)	-	-	186,667
Balance at 31 December 2022	<u>40,721,027</u>	<u>-</u>	<u>(2,291,418)</u>	<u>(30,963,870)</u>	<u>7,465,739</u>

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

		Consolidated	
	Note	31 Dec 2022	31 Dec 2021
		\$	\$
Cash flows from operating activities			
Payments to suppliers and employees (inclusive of GST)		(26,399)	(555,044)
Interest received		-	16
Other income received		26,561	-
Interest and other finance costs paid		(1,125)	(29,734)
Net cash used in operating activities		(963)	(584,762)
Cash flows from investing activities			
Payments for exploration and evaluation	5	(358,805)	(1,438,772)
Payments for security deposits		-	(23,484)
Proceeds from disposal of investments in associates	4	100,000	-
Proceeds from disposal of property, plant and equipment		30,000	-
Proceeds from release of security deposits		7,396	-
Net cash used in investing activities		(221,409)	(1,462,256)
Cash flows from financing activities			
Proceeds from issue of shares		-	2,439,000
Share issue transaction costs		-	(277,586)
Repayment of borrowings		-	(77,994)
Net cash from financing activities		-	2,083,420
Net increase/(decrease) in cash and cash equivalents		(222,372)	36,402
Cash and cash equivalents at the beginning of the financial half-year		314,486	566,453
Cash and cash equivalents at the end of the financial half-year		92,114	602,855

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. The adoption of these new or amended Accounting Standards and Interpretations did not have a material impact on the financial statements.

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

Going concern

For the half-year ended 31 December 2022 the consolidated entity incurred a loss of \$1,056,595 after income tax and net cash outflows from operating activities of \$963. At 31 December 2022, the consolidated entity had cash and cash equivalents of \$92,114 and net current liabilities of \$923,994.

These conditions give rise to a material uncertainty which may cast significant doubt over the consolidated entity's ability to continue as a going concern.

The ability of the consolidated entity to continue as a going concern is dependent upon the consolidated entity being able to manage its liquidity requirements by taking some or all of the following actions:

- (1) Raising additional capital or securing other forms of financing, as and when necessary to meet the levels of expenditure required for the consolidated entity to continue to earn into the mineral properties in which it has an interest (earn in expenditure) and to meet the consolidated entity's working capital requirements;
- (2) Reducing its level of capital expenditure through farm-outs and/or joint ventures; and
- (3) Reducing its working capital expenditure.

Notwithstanding the above, the Directors have concluded that the going concern basis of preparation of the financial statements is appropriate and any uncertainty regarding going concern is mitigated by the following:

- Proven ability of the consolidated entity to raise the necessary funding or settle debts via the issuance of shares, as evidenced by the raising of \$3,466,713 in cash (before share issue transaction costs) raised by way of a private placement and share purchase plan during the 30 June 2022 financial year as well as the conversion into shares of \$543,125 in debts.
- On 11 January 2023, the company announced that it had received a loan of \$200,000, repayable on 11 January 2024 (refer note 14).
- Subsequent to 31 December 2022, the Group received approximately \$77,000 as an instalment payment for the sale of its 25% interest in Pampa Litio S.A (Argentina). The balance of C\$75,000 cash and issue of C\$75,000 of consideration shares in Greenshift Commodities Ltd (TSX-V GCOM) are due following execution of a formal definitive agreement (refer note 14).
- At 31 December 2022, the company holds 9,883,714,010 shares in Lakes Blue Energy NL, valued at \$9,883,714 based on the share price of \$0.001.

Based on the above, the Directors are of the opinion that at the date of signature of the financial report there are reasonable and supportable grounds to believe that the consolidated entity will be able to meet its liabilities from its assets in the ordinary course of business, for a period of not less than 12 months from the date of this financial report and has accordingly prepared the financial report on a going concern basis.

Note 1. Significant accounting policies (continued)

Should the consolidated entity be unable to continue as a going concern, it may be required to realise its assets and liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements. The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts, or to the amount and classification of liabilities that might be required should the consolidated entity not be able to continue as a going concern.

Note 2. Operating segments

Identification of reportable operating segments

The consolidated entity has identified its operating segments based on the internal reports that are reviewed and used by the parent entity's Board of Directors (chief operating decision-makers) in assessing performance and determining the allocation of resources. The consolidated entity is managed primarily on a geographic basis that is the location of the respective areas of interest (tenements) in Australia and New Zealand, the Americas, and Europe. Operating segments are determined on the basis of financial information reported to the Board which is at the consolidated entity level. The consolidated entity does not have any products/services it derives revenue from.

NewPeak Metals Limited operates predominantly in one business being in the mining industry, and three geographic locations, being Australia and New Zealand, the Americas and Europe. No sales revenue from this activity has been earned to date as NewPeak Metals Limited is still in the exploration and evaluation stage. All significant operating decisions are based upon analysis of the consolidated entity as one segment. The financial results from the segment are equivalent to the financial statements of the consolidated entity as a whole.

Operating segment information

	Australia and New Zealand	Americas	Europe	Eliminations*	Total
	\$	\$	\$	\$	\$
Consolidated - 31 Dec 2022					
Operating result	(931,930)	(48,692)	(75,973)	-	(1,056,595)
Loss before income tax expense					(1,056,595)
Income tax expense					-
Loss after income tax expense					(1,056,595)
Assets					
Segment assets	20,795,974	4,095,296	1,727,351	(18,046,798)	8,571,823
Total assets					8,571,823
<i>Total assets includes:</i>					
Acquisition of non-current assets	160,415	110,507	112,883	-	383,805
Liabilities					
Segment liabilities	7,031,097	7,720,761	4,401,024	(18,046,798)	1,106,084
Total liabilities					1,106,084

* These eliminations relate to intercompany loans.

Note 2. Operating segments (continued)

	Australia and New Zealand \$	Americas \$	Europe \$	Eliminations* \$	Total \$
Consolidated - 31 Dec 2021					
Operating result	(1,743,066)	(28,093)	(119,394)	-	(1,890,553)
Loss before income tax expense					(1,890,553)
Income tax expense					-
Loss after income tax expense					(1,890,553)
Consolidated - 30 Jun 2022					
Assets					
Segment assets	21,019,267	4,775,353	1,533,161	(17,863,348)	9,464,433
Total assets					9,464,433
<i>Total assets includes:</i>					
Acquisition of non-current assets	331,893	855,068	1,144,100	-	2,331,061
Liabilities					
Segment liabilities	6,598,544	7,613,037	4,221,125	(17,863,348)	569,358
Total liabilities					569,358

* These eliminations relate to intercompany loans.

Note 3. Other receivables

	Consolidated	
	31 Dec 2022	30 Jun 2022
	\$	\$
<i>Current assets</i>		
Other receivables	4,476	11,079
Prepayments	366	-
GST receivable	82,200	48,930
	<u>87,042</u>	<u>60,009</u>

Note 4. Investments accounted for using the equity method

	Consolidated	
	31 Dec 2022	30 Jun 2022
	\$	\$
<i>Non-current assets</i>		
Investment in Lakes Blue Energy NL	<u>2,382,046</u>	<u>2,756,570</u>
<i>Reconciliation</i>		
Reconciliation of the carrying amounts at the beginning and end of the current and previous financial reporting periods are set out below:		
Opening carrying amount	2,756,570	-
Loss after income tax	(341,267)	(2,712,667)
Disposals	(33,257)	-
Reversal of impairment of investment in Lakes Blue Energy NL	-	5,469,237
Closing carrying amount	<u>2,382,046</u>	<u>2,756,570</u>

Interests in associates

Interests in associates are accounted for using the equity method of accounting. Information relating to associates that are material to the consolidated entity are set out below:

Name	Principal place of business / Country of incorporation	Ownership interest	
		31 Dec 2022	30 Jun 2022
		%	%
Lakes Blue Energy NL	Australia	21.18%	22.10%

Summarised financial information

	Ownership interest	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Revenue and other income	Loss before tax	Other comprehensive income
	%	\$	\$	\$	\$	\$	\$	\$
Lakes Blue Energy NL								
31 Dec 2022	21.18%	<u>2,365,062</u>	<u>14,310,635</u>	<u>9,797,519</u>	<u>942,914</u>	<u>8,009</u>	<u>(1,596,960)</u>	-
30 June 2022	22.10%	<u>3,038,612</u>	<u>13,931,355</u>	<u>9,450,019</u>	<u>1,058,326</u>	<u>36,713</u>	<u>(14,242,307)</u>	-
31 Dec 2021	28.18%	<u>1,897,756</u>	<u>23,531,908</u>	<u>1,574,007</u>	<u>11,505,301</u>	<u>33,002</u>	<u>(1,668,979)</u>	-

On 22 August 2022, NewPeak Metals Limited sold 125,000,000 shares in Lakes with a carrying value of \$33,257 for \$0.0008 per share. At 31 December 2022, NewPeak Metals Limited held 9,883,714,010 shares in Lakes and the share price was \$0.001 which valued the shares at \$9,883,714. No impairment of the investment is required at 31 December 2022.

Note 5. Exploration and evaluation

	Consolidated	
	31 Dec 2022	30 Jun 2022
	\$	\$
<i>Non-current assets</i>		
Exploration and evaluation assets - at cost	6,956,304	7,218,255
Less: Impairment	(1,014,234)	(994,894)
	<u>5,942,070</u>	<u>6,223,361</u>

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial half-year are set out below:

Consolidated	Exploration and evaluation \$
Balance at 1 July 2022	6,223,361
Additions*	383,805
Exchange differences	(665,096)
Balance at 31 December 2022	<u>5,942,070</u>

* Includes \$25,000 of equity-settled costs (refer to note 7).

Note 6. Trade and other payables

	Consolidated	
	31 Dec 2022	30 Jun 2022
	\$	\$
<i>Current liabilities</i>		
Trade payables	958,625	414,044
Accrued expenses	120,483	129,208
Other payables	25,045	24,175
	<u>1,104,153</u>	<u>567,427</u>

Note 7. Issued capital

	Consolidated			
	31 Dec 2022	30 Jun 2022	31 Dec 2022	30 Jun 2022
	Shares	Shares	\$	\$
Ordinary shares - fully paid	<u>9,145,131,702</u>	<u>8,853,750,034</u>	<u>40,721,027</u>	<u>40,062,966</u>

Note 7. Issued capital (continued)

Movements in ordinary share capital

Details	Date	Shares	Issue price	\$
Balance	1 July 2022	8,853,750,034		40,062,966
Convertible notes converted to ordinary shares (note 8)	7 November 2022	186,666,668	\$0.003	560,000
Debt conversion (a)	2 December 2022	56,250,000	\$0.001	56,250
Debt conversion (a)	14 December 2022	48,465,000	\$0.001	48,465
Share issue costs				(6,654)
Balance	31 December 2022	<u>9,145,131,702</u>		<u>40,721,027</u>

(a) Debt conversion

On 2 December 2022, the company issued 56,250,000 ordinary shares at \$0.001 per share in satisfaction of \$56,250 of directors' fees payable to a company director - David Mason.

On 14 December 2022, the company issued 48,465,000 ordinary shares at \$0.001 per share in satisfaction of the finders fee for the Garribaldi project in New Zealand, totalling \$25,000 (refer to note 5) and outstanding supplier payments of \$23,465 for consultancy services.

Note 8. Other equity

	Consolidated	
	31 Dec 2022	30 Jun 2022
	\$	\$
Convertible notes	-	373,333

On 7 November 2022, \$560,000 of convertible notes were converted to ordinary shares at \$0.003 per share (refer note 7), resulting in a loss on settlement of the notes of \$186,667 in the half-year to 31 December 2022.

Note 9. Reserves

	Consolidated	
	31 Dec 2022	30 Jun 2022
	\$	\$
Financial assets at fair value through other comprehensive income reserve	(264,905)	(264,905)
Foreign currency reserve	(3,559,710)	(2,901,353)
Share-based payments reserve	<u>1,533,197</u>	<u>1,532,309</u>
	<u>(2,291,418)</u>	<u>(1,633,949)</u>

Note 9. Reserves (continued)

Movements in reserves

Movements in each class of reserve during the current financial half-year are set out below:

	Financial assets at fair value through other comprehensive income \$	Foreign currency reserve \$	Share-based payments reserve \$	Total \$
Consolidated				
Balance at 1 July 2022	(264,905)	(2,901,353)	1,532,309	(1,633,949)
Foreign currency translation	-	(658,357)	-	(658,357)
Share-based payments (note 16)	-	-	888	888
Balance at 31 December 2022	<u>(264,905)</u>	<u>(3,559,710)</u>	<u>1,533,197</u>	<u>(2,291,418)</u>

Note 10. Fair value measurement

Fair value hierarchy

The Group's assets and liabilities can be measured using a three level hierarchy, if measured at fair value, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: Unobservable inputs for the asset or liability

The following table presents the Group's assets and liabilities which are not carried at fair value at 31 December 2022 or 30 June 2022 wherein their carrying values do not approximate their fair value:

	Level 1 \$	Level 2 \$	Level 3 \$	Carrying value \$
31 December 2022				
Investments accounted for using the equity method	9,883,714	-	-	2,382,046
30 June 2022				
Investments accounted for using the equity method	10,008,714	-	-	2,756,570

Note 11. Contingent liabilities

As consideration for the acquisition of Kultatie Holding Oy and Kultatie Oy, NewPeak Metals Limited (NewPeak) has agreed to pay a milestone payment of \$1,500,000 in cash upon NewPeak delivering a JORC Indicated category resource of a minimum of 500,000 ounces of gold equivalent.

Note 12. Related party transactions

Subsidiaries

Interests in subsidiaries are set out in note 13.

Associates

Interests in associates are set out in note 4.

Note 12. Related party transactions (continued)

Transactions with related parties

The following transactions occurred with related parties:

	Consolidated	
	31 Dec 2022	31 Dec 2021
	\$	\$
Payment for goods and services:		
Payment for services - DGR Global Ltd (a)	4,252	150,000
Payment for services - HopgoodGanim Lawyers (b)	17,196	111,032
Payment for other expenses:		
Interest paid to a director (c)	-	5,721

- (a) The Group had a commercial arrangement with DGR Global Limited (common Directors include Nicholas Mather and Brian Moller), which ceased in January 2022, for the provision of various services, whereby DGR Global Limited provided resources and services including the provision of its administration staff, its premises (for the purposes of conducting the Group's business operations), use of existing office furniture, equipment and stationery, together with general telephone, IT infrastructure, reception and other office facilities (Services). In consideration for the provision of the Services, the Group paid DGR Global Limited a monthly administration fee. Ad hoc consultancy services are ongoing and are invoiced as the services are provided.
- (b) Mr Brian Moller (a Director), is a partner in the Australian firm HopgoodGanim Lawyers. HopgoodGanim Lawyers provides legal services to the Group and the fees are based on normal commercial terms and conditions.
- (c) Mr David Mason (a Director) provided an unsecured loan to the company that was fully repaid in the year ended 30 June 2022.

Receivable from and payable to related parties

The following balances are outstanding at the reporting date in relation to transactions with related parties:

	Consolidated	
	31 Dec 2022	30 Jun 2022
	\$	\$
Current payables:		
Trade payables - DGR Global Ltd	45,151	40,900
Trade payables - HopgoodGanim Lawyers	67,512	60,315

The outstanding balances at each relevant year end are unsecured, interest free and settlement occurs in cash.

Note 13. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1:

Name	Principal place of business / Country of incorporation	Ownership interest	
		31 Dec 2022	30 Jun 2022
		%	%
Excarb Pty Ltd	Australia	100%	100%
Dark Horse Energy Holdings Pty Ltd	Australia	100%	100%
Dark Horse Lithium Holdings Pty Ltd	Australia	100%	100%
Excarb S.A.	Argentina	100%	100%
NewPeak NZ Ltd	New Zealand	100%	100%
NewPeak Finland Ltd	Finland	100%	100%
Kultatie Holding Oy	Finland	83%	83%
Kultatie Oy	Finland	100%	100%
NewPeak Sweden Ltd	Sweden	100%	100%

Note 14. Events after the reporting period

On 11 January 2023, the company executed a loan agreement with a private investor who is not a related party for a loan of \$200,000 to provide working capital to the company. Interest is to be charged at 12% per annum and the term of the loan is 12 months from 11 January 2023. The loan is secured over 1,000,000,000 shares of Lakes Blue Energy NL.

The company issued 260,000,000 performance rights on 25 January 2023. 250,000,000 of these performance rights were issued to the company's CEO, Boyd White, and 10,000,000 were issued to the company's CFO, John Haley.

Subsequent to 31 December 2022, the Group received approximately \$77,000 (C\$75,000) as an instalment payment for the sale of its 25% interest in Pampa Litio S.A (Argentina). The balance of C\$75,000 cash and issue of C\$75,000 of consideration shares in Greenshift Commodities Ltd (TSX-V GCOM) are due following execution of a formal definitive agreement. The consideration shares, subject to the approval of the TSX-V, will be issued at a price per share equal to the volume weighted average trading price of the GCOM Shares on the TSX-V on the seven trading days preceding the announcement the signing of the Definitive Agreement. The Consideration Shares will be subject to a hold period of four months plus one day from the date of issuance.

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.

Note 15. Earnings per share

	Consolidated	
	31 Dec 2022	31 Dec 2021
	\$	\$
Loss after income tax attributable to the owners of NewPeak Metals Limited	<u>(1,056,595)</u>	<u>(1,890,553)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>8,922,248,149</u>	<u>6,927,864,153</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>8,922,248,149</u>	<u>6,927,864,153</u>
	Cents	Cents
Basic earnings per share	(0.01)	(0.03)
Diluted earnings per share	(0.01)	(0.03)

Note 16. Shares under option

Unissued ordinary shares of NewPeak Metals Limited under option at 31 December 2022 are as follows:

Grant date	Expiry date	Exercise price	Number under option
27 October 2021	19 July 2023	\$0.004	813,000,010
16 February 2022	19 July 2023	\$0.004	615,000,000
24 May 2022	19 July 2023	\$0.004	2,000,000
2 December 2022	19 July 2023	\$0.004	<u>28,125,000</u>
			<u><u>1,458,125,010</u></u>

On 2 December 2022, 28,125,000 options were granted to a Director, David Mason, with an exercise price of \$0.004 and a fair value at grant date of \$888 in satisfaction of directors' fees payable.

There were no options exercised, expired or forfeited during the half-year ended 31 December 2022.

Note 16. Shares under option (continued)

For the options granted during the current financial half-year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility %	Dividend yield %	Risk-free interest rate %	Fair value at grant date
02/12/2022	19/07/2023	\$0.001	\$0.004	82%	-	3.81%	\$888

The total expense arising from share-based payment transactions recognised during the current financial half-year as part of employee benefits expense was \$888 (2021: \$nil).

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



Brian Moller
Chairman

16 March 2023
Brisbane

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of NewPeak Metals Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of NewPeak Metals Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2022, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the 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 accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

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

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual 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 the same terms if given to the directors as at the time of this auditor's review report.

Material uncertainty relating to going concern

We draw attention to Note 1 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 conclusion is not modified in respect of this matter.

Responsibility of the directors for the financial report

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

Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including giving a true and fair view of the Group'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.

BDO Audit Pty Ltd

BDO



T J Kendall

Director

Brisbane, 16 March 2023