

# **Fish Hawk Resources Pty Ltd**

**ABN 52 604 942 403**

**Annual Report - 30 June 2022**

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**Fish Hawk Resources Pty Ltd**  
**Directors' report**  
**30 June 2022**

The directors present their report, together with the financial statements, on the Fish Hawk Resources Pty Ltd "the (Company)" for the year ended 30 June 2022.

**Directors**

The following persons were directors of the Company during the whole of the financial year and up to the date of this report, unless otherwise stated:

Rickie James Pobjoy  
James Andrew Davidson  
Michelle Louise Waters

**Company Secretary**

James Andrew Davidson

**Principal activities**

During the financial year the principal activity of the Company is exploration for and development of Mineral Sands projects in Australia, and particularly in Victoria.

**Dividends**

No dividends were paid or declared since the start of the financial year (2021: nil).

**Review of operations**

The loss for the Company amounted to \$33,259 (30 June 2021: \$11,533).

**Significant changes in the state of affairs**

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

**Matters subsequent to the end of the financial year**

No other matter or circumstance has arisen since 30 June 2022 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

**Likely developments and expected results of operations**

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

**Environmental regulation**

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

**Shares issued on the exercise of options**

There were no ordinary shares of the Company issued on the exercise of options during the year ended 30 June 2022 and up to the date of this report.

**Indemnity and insurance of officers**

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

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

**Fish Hawk Resources Pty Ltd**  
**Directors' report**  
**30 June 2022**

**Indemnity and insurance of auditor**

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

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

**Proceedings on behalf of the Company**

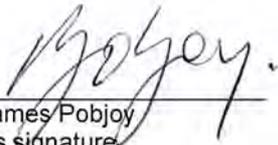
No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

**Auditor's independence declaration**

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

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



Rickie James Pobjoy  
Director's signature

Dated 10<sup>th</sup> October 2022  
Adelaide

To the Board of Directors,

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

As lead audit Director for the audit of the financial statements of Fish Hawk Resources Pty Ltd for the financial year ended 30 June 2022, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Yours Faithfully

*Hall Chadwick*

**HALL CHADWICK WA AUDIT PTY LTD**

*Mark Delaurentis*

**MARK DELAURENTIS CA**  
**Director**

Dated Perth, Western Australia this 10<sup>th</sup> day of October 2022

**Fish Hawk Resources Pty Ltd**

**Contents**  
**30 June 2022**

|  |    |
|--|----|
| Statement of profit or loss and other comprehensive income | 5  |
| Statement of financial position                            | 6  |
| Statement of changes in equity                             | 7  |
| Statement of cash flows                                    | 8  |
| Notes to the financial statements                          | 9  |
| Directors' declaration                                     | 17 |
| Independent auditor's report                               | 18 |

**General information**

The financial statements cover Fish Hawk Resources Pty Ltd (the "Company") as an individual entity. The financial statements are presented in Australian dollars, which is Fish Hawk Resources Pty Ltd's functional and presentation currency.

Fish Hawk Resources Pty Ltd is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

**Registered office**

157 Grenfell Street, ADELAIDE, SA 5000

**Principal place of business**

Level 7, 19 Grenfell Street, ADELAIDE, SA 5000

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

The financial statements were authorised for issue, in accordance with a resolution of directors, on 10<sup>th</sup> October 2022. The directors have the power to amend and reissue the financial statements.

**Fish Hawk Resources Pty Ltd**  
**Statement of profit or loss and other comprehensive income**  
**For the year ended 30 June 2022**

|   | Note | 2022<br>\$    | 2021<br>\$    |
|---|------|---------------|---------------|
| <b>Expenses</b>   |      |               |               |
| Accounting Fees   |      | 4,320         | 2,140         |
| Advertising   |      | 27            | 540           |
| Audit Fees  |      | 2,500         | 2,500         |
| Filing Fees   |      | -             | 273           |
| Exploration Expensed                                    |      | 25,788        | 1,994         |
| Exploration Written-Off                                 |      | -             | 4,086         |
| Other expense   |      | 624           | -             |
| <b>Loss before income tax expense</b>                   |      | <b>33,259</b> | <b>11,533</b> |
| Income tax (expense)/benefit                            | 3    | -             | -             |
| <b>Loss for the year</b>                                |      | <b>33,259</b> | <b>11,533</b> |
| <b>Other comprehensive income</b>                       |      | <b>-</b>      | <b>-</b>      |
| <b>Total comprehensive loss attributable to members</b> |      | <b>33,259</b> | <b>11,533</b> |

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

Fish Hawk Resources Pty Ltd  
Statement of financial position  
As at 30 June 2022

|  | Note | 2022<br>\$      | 2021<br>\$      |
|--|------|-----------------|-----------------|
| <b>CURRENT ASSETS</b>                  |      |                 |                 |
| Cash and cash equivalents              | 4    | 713             | 84              |
| Trade and other receivables            | 5    | 697             | 148             |
| <b>TOTAL CURRENT ASSETS</b>            |      | <b>1,410</b>    | <b>232</b>      |
| <b>NON CURRENT ASSETS</b>              |      |                 |                 |
| Exploration and evaluation expenditure | 6    | 4,351           | 2,159           |
| <b>TOTAL NON CURRENT ASSETS</b>        |      | <b>4,351</b>    | <b>2,159</b>    |
| <b>TOTAL ASSETS</b>                    |      | <b>5,761</b>    | <b>2,391</b>    |
| <b>CURRENT LIABILITIES</b>             |      |                 |                 |
| Trade and other payables               | 7    | 30,500          | 9,715           |
| <b>TOTAL CURRENT LIABILITIES</b>       |      | <b>30,500</b>   | <b>9,715</b>    |
| <b>NON-CURRENT LIABILITIES</b>         |      |                 |                 |
| Long-term borrowings                   | 8    | 62,314          | 46,470          |
| <b>TOTAL NON-CURRENT LIABILITIES</b>   |      | <b>62,314</b>   | <b>46,470</b>   |
| <b>TOTAL LIABILITIES</b>               |      | <b>92,814</b>   | <b>56,185</b>   |
| <b>NET ASSETS</b>                      |      | <b>(87,053)</b> | <b>(53,794)</b> |
| <b>EQUITY</b>                          |      |                 |                 |
| Issued capital                         | 9    | 2               | 2               |
| Retained earnings                      |      | (87,055)        | (53,796)        |
| <b>TOTAL EQUITY</b>                    |      | <b>(87,053)</b> | <b>(53,794)</b> |

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

**Fish Hawk Resources Pty Ltd**  
**Statement of changes in equity**  
**For the year ended 30 June 2022**

|  | <b>Issued Capital</b><br>\$ | <b>Accumulated</b><br><b>Losses</b><br>\$ | <b>Total</b><br>\$ |
|--|-----------------------------|---|--------------------|
| <b>Beginning Balance, 01 July 2020</b>               | <b>2</b>                    | <b>(42,263)</b>                           | <b>(42,261)</b>    |
|  |                             |   | -                  |
| Profit for the year                                  | -                           | (11,533)                                  | (11,533)           |
| Other comprehensive income                           | -                           | -   | -                  |
| Total comprehensive income                           | -                           | <b>(11,533)</b>                           | <b>(11,533)</b>    |
| Transactions with owners on their capacity as owners | -                           | -   | -                  |
| <b>Ending Balance, 30 June 2021</b>                  | <b>2</b>                    | <b>(53,796)</b>                           | <b>(53,794)</b>    |
| <b>Beginning Balance, 01 July 2021</b>               | <b>2</b>                    | <b>(53,796)</b>                           | <b>(53,794)</b>    |
|  |                             |   | -                  |
| Profit for the year                                  | -                           | (33,259)                                  | (33,259)           |
| Other comprehensive income                           | -                           | -   | -                  |
| Total comprehensive income                           | -                           | <b>(33,259)</b>                           | <b>(33,259)</b>    |
| Transactions with owners on their capacity as owners | -                           | -   | -                  |
| <b>Ending Balance, 30 June 2022</b>                  | <b>2</b>                    | <b>(87,055)</b>                           | <b>(87,053)</b>    |

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

Fish Hawk Resources Pty Ltd  
Statement of cash flows  
For the year ended 30 June 2022

|   | Note | 2022<br>\$      | 2021<br>\$     |
|---|------|-----------------|----------------|
| <b>Cash flows from operating activities</b>                   |      |                 |                |
| Payments to suppliers   |      | (4,020)         | (1,540)        |
| <b>Net cash (outflow) from operating activities</b>           | 10   | <b>(4,020)</b>  | <b>(1,540)</b> |
| <b>Cash flows from investing activities</b>                   |      |                 |                |
| Payments for exploration and evaluation activities            |      | (11,195)        | (7,524)        |
| <b>Net cash (outflow) from investing activities</b>           |      | <b>(11,195)</b> | <b>(7,524)</b> |
| <b>Cash flows from financing activities</b>                   |      |                 |                |
| Proceeds from Loans from related parties                      |      | 15,844          | 8,756          |
| <b>Net cash inflow from financing activities</b>              |      | <b>15,844</b>   | <b>8,756</b>   |
| <b>Net increase/ (decrease) in cash and cash equivalents</b>  |      | <b>629</b>      | <b>(308)</b>   |
| <b>Cash and cash equivalents at the beginning of the year</b> |      | <b>84</b>       | <b>392</b>     |
| <b>Cash and cash equivalents at the end of the year</b>       | 4    | <b>713</b>      | <b>84</b>      |

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

## **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 to all the years presented, unless otherwise stated.

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

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

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

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Company.

The following Accounting Standards and Interpretations are most relevant to the Company:

#### *Conceptual Framework for Financial Reporting (Conceptual Framework)*

The Company has adopted the revised Conceptual Framework from 1 July 2022. The Conceptual Framework contains new definition and recognition criteria as well as new guidance on measurement that affects several Accounting Standards, but it has not had a material impact on the Company's financial statements.

#### *AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities*

The Company has adopted AASB 1060 from 1 July 2022. The standard provides a new Tier 2 reporting framework with simplified disclosures that are based on the requirements of IFRS for SMEs. As a result, there is increased disclosure in these financial statements for key management personnel, related parties, tax and financial instruments.

### **Basis of preparation**

These general-purpose financial statements have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities.

#### *Historical cost convention*

The financial statements have been prepared under the historical cost convention, except for, where applicable, financial assets at fair value through profit or loss.

#### *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.

### **Going Concern**

The financial report has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The Company incurred a loss for the year of \$33,259 (2021: \$11,533) and net cash outflows of \$4,020 (2021: \$1,054). As at 30 June 2022, the Company has a working capital deficit of \$29,090 (2020: \$9,483).

The ability of the Company to continue as a going concern is principally dependent upon the ability of the Company to secure funds by raising capital from equity markets and managing cashflow in line with available funds. These conditions indicate a material uncertainty that may cast significant doubt about the ability of the Company to continue as a going concern. In the event the above matters are not achieved, the Company will be required to raise funds for working capital from debt or equity sources.

The directors have prepared a cash flow forecast, which indicates that the Company will have sufficient cash flows to meet all commitments and working capital requirements for the 12 month period from the date of signing this financial report.

Based on the cash flow forecasts and other factors referred to above, the directors are satisfied that the going concern basis of preparation is appropriate. In particular, given the Company's history of raising capital to date, the directors are confident of the Company's ability to raise additional funds as and when they are required.

## **Note 1. Significant accounting policies (continued)**

### **Going Concern (continued)**

Should the Company be unable to continue as a going concern it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different to those stated in the financial statements. The financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or to the amount and classification of liabilities that might result should the Company be unable to continue as a going concern and meet its debts as and when they fall due

### **Current and non-current classification**

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

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

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

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

### **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.

### **Fair value measurement**

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

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

### **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.

**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.

**Note 3. Income tax benefit**

|   | 2022<br>\$ | 2021<br>\$ |
|---|------------|------------|
| (a) <b>Income tax expense</b>   |            |            |
| Current tax   | -          | -          |
| Deferred tax  | -          | -          |
|   | -          | -          |
|   | -          | -          |
| (b) <b>Numerical reconciliation of income tax expense and tax at the statutory rate</b>     |            |            |
| Profit / (Loss) before income tax expense   | (33,259)   | (11,533)   |
| Tax at the statutory tax rate of 25% (2021: 26%)  | (8,315)    | (2,999)    |
| <i>Tax effect amounts which are not deductible/(taxable) in calculating taxable income:</i> |            |            |
| Effect of deductible capitalised exploration expenditure                                    | (548)      | (561)      |
| Effect of unrecognised temporary difference   | 1,000      | 1,040      |
| Effect of unused tax losses not recognised as deferred tax assets                           | 7,863      | 2,520      |
|   | -          | -          |
| (c) <b>Unrecognised deferred tax assets</b>   |            |            |
| Unused tax losses for which no deferred tax asset has been recognised                       | 49,236     | 17,785     |
| Potential tax benefit @ 25% (2021: 26%)   | 12,309     | 4,624      |

**Accounting policy for Income tax**

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

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for when the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits. Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

**Note 3. Income tax benefit (continued)**

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

**Note 4. Cash and cash equivalents**

|                       | 2022<br>\$ | 2021<br>\$ |
|-----------------------|------------|------------|
| <i>Current assets</i> |            |            |
| Cash on hand          | 2          | 2          |
| Cash at bank          | 711        | 82         |
|                       | <u>713</u> | <u>84</u>  |

For the purpose of statement of cash flows, cash and cash equivalents comprises the above.

*Accounting policy for 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.

**Note 5. Trade and other receivable**

|                       | 2022<br>\$ | 2021<br>\$ |
|-----------------------|------------|------------|
| <i>Current assets</i> |            |            |
| GST Receivable        | 697        | 148        |
|                       | <u>697</u> | <u>148</u> |

*Accounting policy for trade and other receivables*

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

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

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

**Note 6. Exploration and Exploration Expenditure**

|                                  | 2022<br>\$   | 2021<br>\$   |
|----------------------------------|--------------|--------------|
| Beginning balance                | 2,159        | -            |
| Exploration expenditure incurred | 2,192        | 2,159        |
| Closing balance                  | <u>4,351</u> | <u>2,159</u> |

The principal activity of the Company is exploration for and development of Mineral Sands projects in Australia, and particularly in Victoria. During the course of the year desktop studies were undertaken of the potential prospectivity of regions adjoining EL007642 (the Watchem Prospect) to host as yet undefined WIM Style Heavy Mineral Resources, as a result of that study the area described by Victorian EL007932 was applied for to undertake exploration activities there. Assistance was also sought during the reporting period in Regulatory Approvals (EL Applications/Objections) for EL007642.

*Accounting policy*

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. A regular review for impairment is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

**Note 7. Trade and other payables**

|                            | 2022<br>\$    | 2021<br>\$   |
|----------------------------|---------------|--------------|
| <i>Current liabilities</i> |               |              |
| Trade creditors            | 17,500        | 715          |
| Accrued expenses           | 13,000        | 9,000        |
|                            | <u>30,500</u> | <u>9,715</u> |

*Accounting policy for Trade and other payables*

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

**Note 8. Borrowings**

|                                 | 2022<br>\$    | 2021<br>\$    |
|---------------------------------|---------------|---------------|
| <b>NON CURRENT:</b>             |               |               |
| <i>Unsecured liabilities:</i>   |               |               |
| Loan Payable to related parties | <u>62,314</u> | <u>46,470</u> |

*Terms of loan payable to related parties*

The shareholders of the Company have agreed to provide shareholder loans for the Company's operating expenses until such time as the loans can be repaid via operating cashflow or alternative sources of income at the discretion of the Board. The loans are zero interest and do not have an end-date. The shareholders may not call the loans as due at any point.

**Note 8. Borrowings (continued)**

*Accounting policy for borrowings*

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

The fair value of the liability portion of a convertible note is determined using a market interest rate for an equivalent non-convertible note. This amount is recorded as a liability on an amortised cost basis until extinguished on conversion or maturity of the note. The remainder of the proceeds is allocated to the conversion option. This is recognised and included in shareholders' equity, net of income tax effects.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled, or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

**Note 9. Issued capital**

|  | 2022<br>\$ | 2021<br>\$ |
|--|------------|------------|
| 2 (2021: 2) ordinary fully paid shares | 2          | 2          |

*Ordinary shares*

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

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

*Accounting policy for issued capital*

Ordinary shares are classified as equity.

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

**Note 10. Cash Flow Information**

|   | 2022<br>\$     | 2021<br>\$     |
|---|----------------|----------------|
| <b>(a) Reconciliation of Cash</b>   |                |                |
| Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the statement of financial position as follows: |                |                |
| Cash and cash equivalents   | 713            | 84             |
|   | <u>713</u>     | <u>84</u>      |
| <b>(b) Reconciliation of Cash Flow from Operations with Operating Profit after Income Tax</b>   |                |                |
| Operating profit/(loss) after income tax  | (33,259)       | (11,533)       |
| Adjusted for:   |                |                |
| Exploration Expensed  | 25,788         | 1,994          |
| Exploration Written-Off   | -              | 4,086          |
| Changes in assets and liabilities   |                |                |
| (Increase)/decrease in trade and other receivables  | (549)          | (87)           |
| Increase/(decrease) in trade and other payables   | 4,000          | 4,000          |
|   | <u>(4,020)</u> | <u>(1,540)</u> |

**Note 11. Key management personnel disclosures**

The company has paid remuneration to key management personnel totalling \$nil (2021: nil) during the year.

**Note 12. Remuneration of auditors**

During the financial year the following fees were paid or payable for services provided by Hall Chadwick, the auditor of the Company:

|  | 2022<br>\$   | 2021<br>\$   |
|--|--------------|--------------|
| Remuneration of the auditor of the Company for:  |              |              |
| - auditing or reviewing the financial statements | 2,500        | 2,500        |
| - accounting services                            | 1,500        | 1,500        |
|  | <u>4,000</u> | <u>4,000</u> |

**Note 13. Contingent liabilities**

The Company did not have any contingent liabilities at 30 June 2022 (30 June 2021: None).

**Note 14. Related party transactions**

*Parent entity*

Fish Hawk Resources Pty Ltd is the parent entity.

*Key management personnel*

Disclosures relating to key management personnel are set out in note 11.

*Transactions with related parties*

There were no transactions with related parties during the current and previous financial year.

*Receivable from and payable to related parties*

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

*Loans to/from related parties*

Disclosures relating to loans from related parties are set out in note 8.

**Note 15. Events after the reporting period**

No other matter or circumstance has arisen since 30 June 2022 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

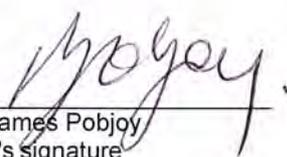
**Fish Hawk Resources Pty Ltd**  
**Directors' Declaration**  
**For the year ended 30 June 2022**

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards - Simplified Disclosures, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- 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 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 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

  
\_\_\_\_\_  
Rickie James Pobjoy  
Director's signature

Dated \_\_\_\_\_  
Adelaide

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FISH HAWK RESOURCES PTY LTD

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of Fish Hawk Resources Pty Ltd (“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 year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors’ declaration.

In our opinion:

- a. the accompanying financial report of the Company is in accordance with the Corporations Act 2001, including:
  - (i) giving a true and fair view of the Company’s financial position as at 30 June 2022 and of its financial performance for the year then ended; and
  - (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.
- b. the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

#### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement. 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 Related to Going Concern

We draw attention to Note 1 in the financial report which indicates that the Company incurred a net loss of \$33,259 during the year ended 30 June 2022. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern. Our opinion is not modified in this respect of this matter.

## Other Information

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 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 Note 1, the directors also state in accordance with Australian Accounting Standard *AASB 101 Presentation of Financial Statements*, that the financial report complies with International Financial Reporting Standards.

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

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

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

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.

*Hall Chadwick*  
HALL CHADWICK WA AUDIT PTY LTD

*Mark Delaurentis*  
MARK DELAURENTIS CA  
Director

Dated Perth, Western Australia this 10<sup>th</sup> day of October 2022