



METAL HAWK

LIMITED

Metal Hawk Limited

ABN 24 630 453 664

Annual Report

For the year ended 30 June 2024

METAL HAWK LIMITED ANNUAL REPORT
For the year ended 30 June 2024

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METAL HAWK LIMITED ANNUAL REPORT
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CORPORATE DIRECTORY

Directors

Mr William Belbin
Mr David Pennock
Mr Michael Edwards

Company Secretary

Mr Chris Marshall

Registered and Principal Office

Level 2, 18 Kings Park Road
West Perth WA 6005

Telephone: +61 478 198 665

Postal Address

Level 2, 18 Kings Park Road
West Perth WA 6005

Auditor

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

Share Registry

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

Telephone: 1300 288 664

Stock Exchange Listing

Shares: ASX Code MHK

Website and Email

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

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CHAIRMAN'S LETTER

Dear fellow Shareholders

It is my pleasure to present to you Metal Hawk's annual report for financial year 2024.

Having served as Chairman for over a year now, I am more convinced than ever that the Company has all the right ingredients to achieve significant success as a mineral explorer.

As I stated here last year, the main attributes that appealed to me in joining Metal Hawk were the people running the Company, the quality names on the share register and the tight capital structure.

The recent emergence of the Leinster South project as the main focus of our exploration efforts may just be the final piece in the puzzle.

When I took over as Chairman in September 2023, we had just acquired the Yarmany nickel and lithium project, north-west of Coolgardie in the West Australian goldfields, and were excited by the potential of the 282km² land package.

It was a sound strategic acquisition. Off the back of it, we were able to raise an initial \$1.2 million and after seeing a nice bump in the share price, another \$3.5 million in November 2023.

Unfortunately, nickel and lithium prices conspired against us and despite encouraging early results from the project, it became difficult to justify committing significant additional funds to advancing exploration there.

Leinster South comprises a large area of 430km² in the northeastern goldfields, with two granted tenements pegged by the Company in late 2022 and early 2023.

Our initial work on the project focused on the Siberian Tiger prospect, along the south-eastern limb of the Agnew greenstone belt and just 15km from the Lawlers mining centre. Historical production from the combined Agnew-Lawlers deposits totals more than 5 million ounces of gold at 5 grams per tonne (g/t).

Amazingly given its location in such a well-known goldfield and proximity to a major gold camp like Agnew-Lawlers, Siberian Tiger has never had a drill hole sunk into it.

To find high grade outcropping gold (rock chips up to 20g/t) over a large area (~1.5km) as we did in the first sampling program at the prospect was about the best start we could have hoped for.

There remains a lot of work to be done to prove up the discovery, but the early results and the unique nature of what we have found have prompted interest from a number of people with an idea about gold exploration.

Notably, since the end of the financial year, Lotaka Pty Ltd, an investment vehicle of well-known mining identity Tim Goyder, has become a substantial shareholder and now owns 6.2% of the Company.

Lotaka has been on the Metal Hawk register for some time, but the recent move above the 5 per cent threshold through on-market buying suggests that Tim recognises potential in Siberian Tiger, and South Leinster more broadly.

We are grateful for his support, and for the support of all our shareholders.

In my view, the shift in focus to gold at Leinster South perfectly highlights one of Metal Hawk's strengths – the ability to be nimble and adapt quickly to changing market conditions.

We are not acquiring existing resources; we are a small team trying to make new discoveries, as that is where the greatest uplift in shareholder value typically comes.

That often means cycling through projects once we have taken them as far as we reasonably believe we can take them.

For now, Leinster South is our focus and we still have unfinished business at Yarmany and Berehaven.

Subsequent to the end of the financial year, we surrendered our Fraser South tenements in the WA's Albany-Fraser Belt as part of that ongoing project rationalisation process.

With our partner Falcon Minerals, we are also seeking to divest the Viking gold project in the same region.

It is exciting to think about what's ahead.

Once heritage clearance is received, we hope to commence the maiden drilling program at Siberian Tiger in the March quarter of 2025.

Ideally, results from this drilling will support what we've seen in the field to date and we'll be further along the path towards proving a major new gold system and growing the Company.

Credit for getting us to this position must go to Managing Director Will Belbin and Executive Director David Pennock, who really are the driving forces behind Metal Hawk.

They are ably supported by some of the finest geological consultants in the country, including David Rawlings and the Newexco team led by Adrian Black and Bill Amann, who also deserve a vote of thanks.

Yours sincerely,



Mike Edwards

Chairman

REVIEW OF EXPLORATION ACTIVITIES

Metal Hawk Limited (“**Metal Hawk**”, “the Company”) has a suite of projects in Western Australia’s Eastern Goldfields (Figure 1) that are prospective for critical and precious metals.

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

During the reporting year, two exploration licenses were granted at the Leinster South Project and reconnaissance work commenced in late June 2024. Subsequent to the end of the financial year, Metal Hawk reported outstanding high grade gold results from rock chip samples on tenement E36/1068 at the Siberian Tiger prospect. The gold mineralisation is located along the eastern limb of the Lawlers Anticline and represents a potential regionally significant new gold discovery in a large area which has been overlooked by previous explorers. Leinster South is now the Company’s priority exploration project and management are focused on working towards a maiden drilling campaign at Siberian Tiger as soon as possible.

In July 2023 Metal Hawk signed an option to purchase the Yarmany Project northwest of Coolgardie from Horizon Minerals Limited. The Yarmany Project covers 300km² along the Ida Fault, a major regional structure and crustal boundary between the Kalgoorlie and Youanmi Terranes.

During the 2024 financial year, Metal Hawk commenced extensive exploration activities at Yarmany, completing geochemical surveys, a large airborne geophysical (VTEM) survey and a number of drilling campaigns. Encouraging exploration results warrant further work targeting lithium, gold and nickel mineralisation.

In June 2024 a drilling program was also completed at the Berehaven Project, following up gold mineralisation identified during the previous year at the Commodore North prospect. Gold assays from this drilling confirmed Commodore North as the second significant gold prospect along the north-northwest trending Commodore stratigraphy.

Following results from the maiden aircore drilling program at the Fraser South Project completed in May 2023, a stage-2 aircore program was carried out at Fraser South in September 2023. Although results confirmed further zones of rare earth element (REE) enrichment, the Company relinquished the project in order to focus on its core Goldfields projects.

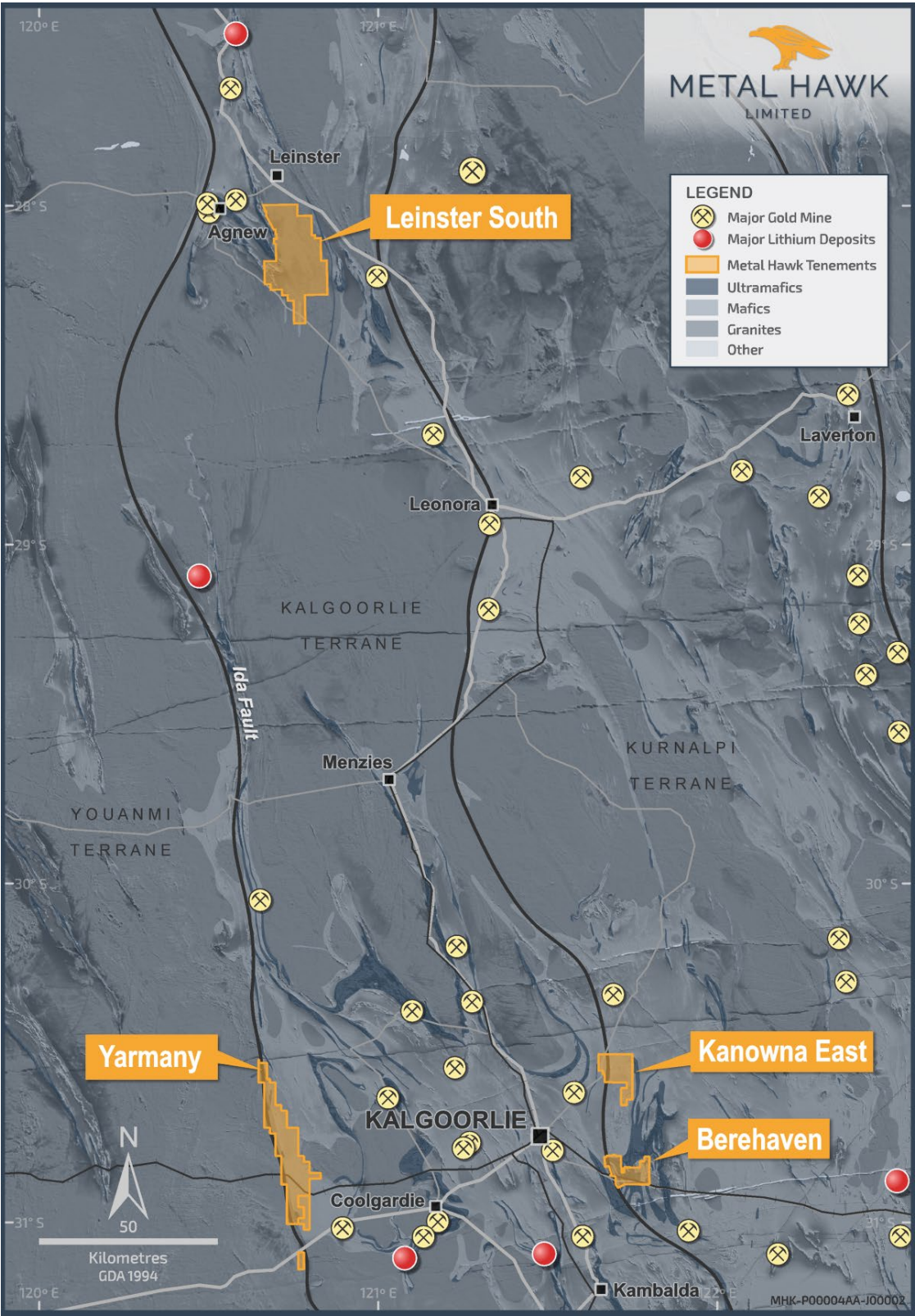


Figure 1. Metal Hawk project locations

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COMPANY PROJECTS – WESTERN AUSTRALIA

LEINSTER SOUTH PROJECT

The Leinster South project area covers more than 430km² and is situated between 10km and 40km south of Leinster (Figure 3). Limited historical exploration has been conducted on the tenements.

Field reconnaissance mapping and rockchip sampling commenced in late June 2024. The majority of work focused on tenement E36/1068, which is located along the southeastern limb of the Agnew Greenstone Belt and only 15km from the Lawlers mining centre. The initial field trip included follow-up of a highly anomalous geochemical gold anomaly (482ppb au) from historical wide-spaced soil sampling at the northern portion of this tenement.



Figure 2. Rockchip sample from Siberian Tiger grading 20.1 g/t Au

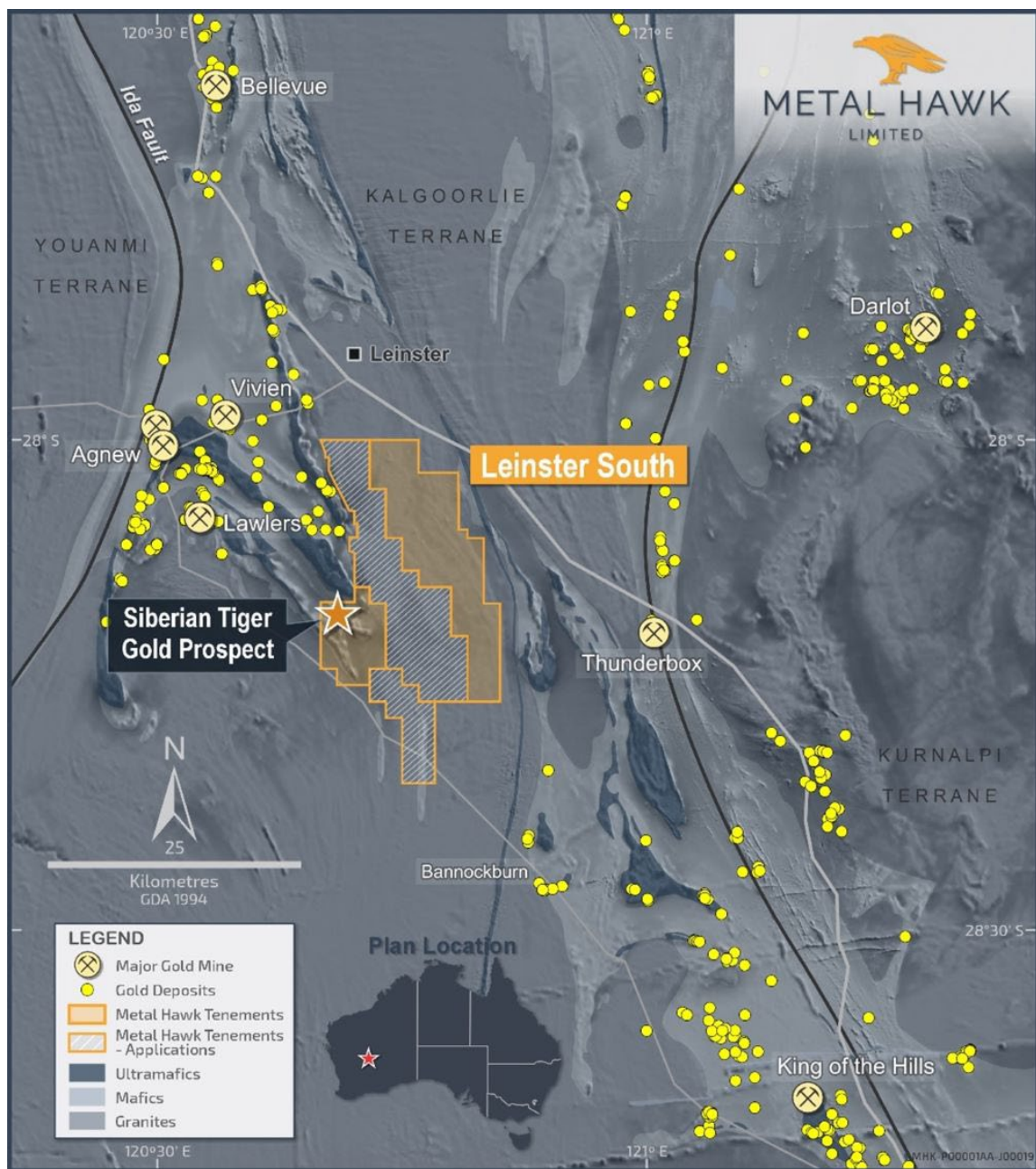


Figure 3. Leinster South project

Subsequent to the end of financial year, rock chip sampling results from Leinster South identified a large high-grade gold target at the Siberian Tiger prospect, located in the northern portion of the western tenement E36/1068. Outstanding gold assays (up to 20.2g/t) have been returned from numerous rock chip samples over a strike length of nearly 1.5km (Figure 4). Out of the 52 rock samples of quartz veining collected on the initial site trip, 27 returned anomalous gold (>0.1g/t Au) and 16 returned gold values over 1g/t Au.

The mapped geology at Siberian Tiger includes a series of extensive southeast trending mafic rocks, outcropping and sub-cropping sheeted and brecciated/boudinaged quartz veins with abundant iron

oxides present. The gold mineralised rock chip samples collected by Metal Hawk show textural similarities to the gold mineralisation recorded at several of the nearby high grade Lawlers gold deposits. There is also a comparable metal association of Au, Bi, W and Zn. This is interpreted to reflect an affinity with intrusion-related gold systems in the region.

The Company is continuing to follow up these outstanding initial results with more extensive mapping, geochemical sampling and geophysical surveys. Metal Hawk is focusing its exploration efforts on Leinster South and is working towards a maiden drilling program at Siberian Tiger.

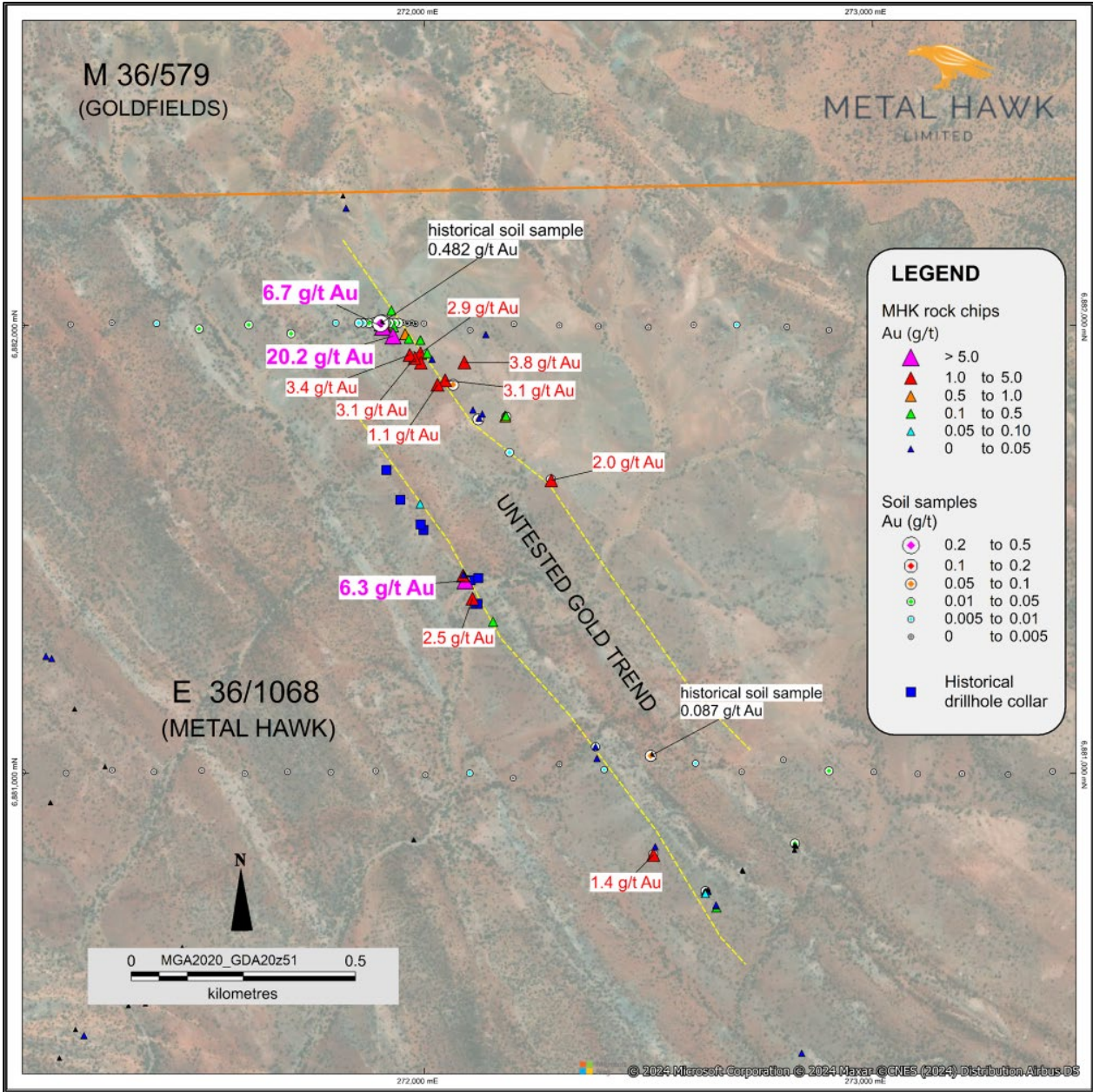


Figure 4. Rockchip sample results from Siberian Tiger (reported subsequent to end of the reporting period)

Yarmany Project

The Yarmany Project is located 40km north-west of Coolgardie in Western Australia and covers an area of over 300km². The tenure has 50km of strike potential along the Ida Fault and is considered prospective for lithium, gold and nickel sulphide mineralisation. This Project was the main focus for exploration activities during the financial year.

Prior to Metal Hawk’s work, the tenements had received only limited, mostly superficial exploration for pegmatite-hosted lithium-caesium-tantalum (LCT) mineralisation.

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

In September 2023 Metal Hawk completed an extensive airborne electromagnetic VTEM MAX™ survey over the majority of the Yarmany tenements. This survey identified a number of conductive responses which present as potential drill targets.

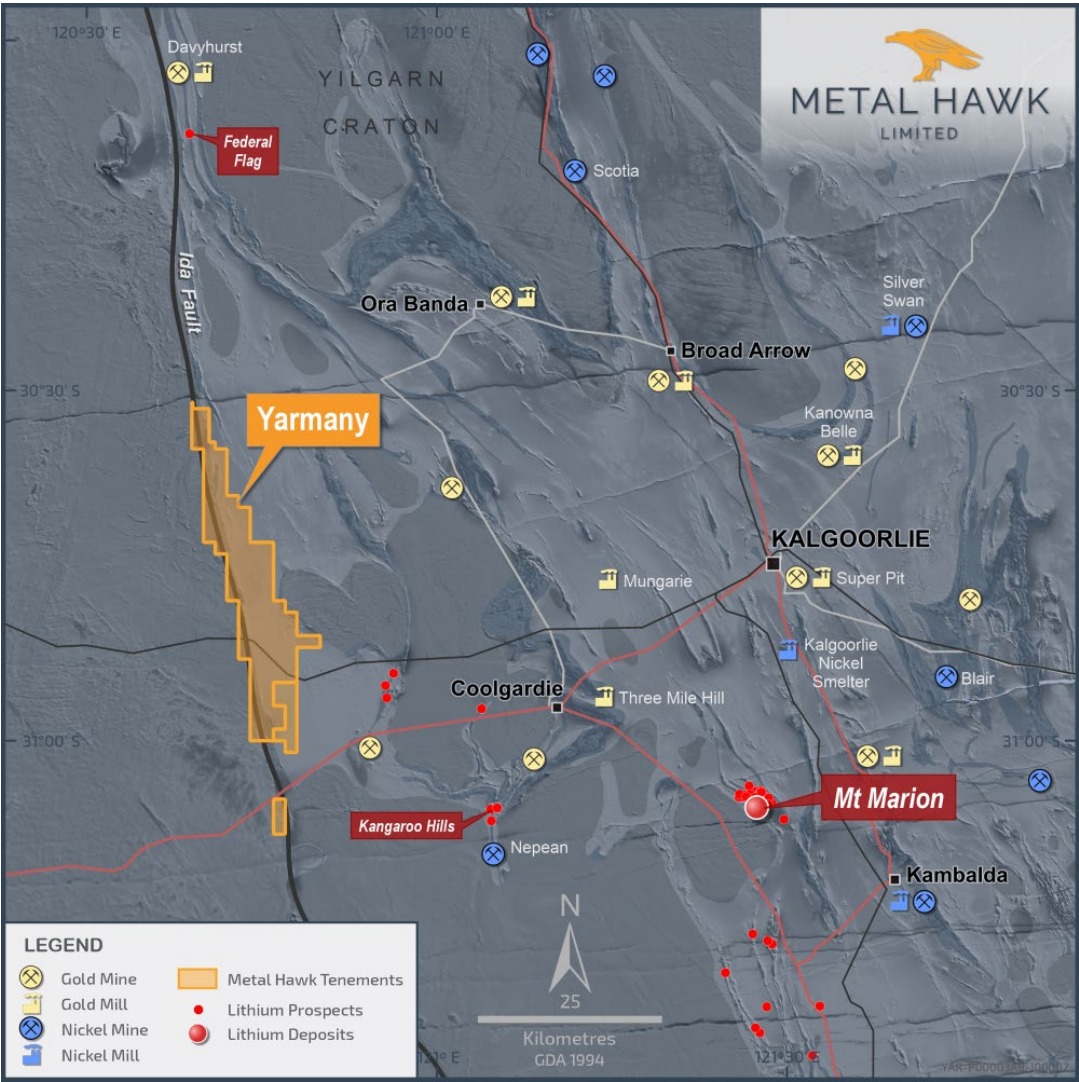


Figure 5. Yarmany Project location

During the reporting period the Company completed three aircore campaigns at Yarmany with a total of 307 holes drilled for 12,488m, and one small RC campaign at the F-camp prospect (6 holes drilled for 1,262m).

Encouraging thicknesses of pegmatites were intersected at a number of prospect locations (Figure 6) and positive indications of lithium fractionation were evident from the drilling. However, no economic levels of mineralisation were intersected. Metal Hawk geologists continue to generate several new LCT target areas across the broad project area with detailed mapping and geochemical sampling activities.

Additionally, results from AC drilling completed in the February-March campaign returned encouraging indications of nickel and gold mineralisation over a broad area at the southern project area. Follow-up drilling is warranted at a number of locations.

The Sidetrack prospect is located approximately 12km north of the southern boundary of the Yarmany Project. AC drilling results from Sidetrack returned the highest lithium values returned on the project to date: 2,011ppm Li₂O, accompanied by 67ppm Cs, 43ppm Ta, 175ppm Sn, 1797ppm Rb and 189ppm Nb. The rocks encountered include microcline-albite-muscovite-quartz pegmatite and mafic amphibolite (meta-dolerite). The rocks are very hard and fresh at surface, and drill holes only penetrated to a maximum of 20m, even using hammer. The LCT pathfinder element concentrations imply high degrees of fractionation and indicate that the system is fertile. Deeper follow-up drilling is recommended at the prospect with a more powerful RC rig.

Six east-west traverses of AC drilling were completed at the southern tenement area, across the extensive, highly magnetic target unit which runs parallel to the Ida Fault. This large and distinctive part of the Yarmany project area, named the Odyssey prospect (Figures 6, 7 & 8), is almost exclusively covered in a blanket of sand and ferricrete. Drilling encountered various rock types including ultramafics, mafic amphibolites, metasediments/schists, pegmatites and granite.

The drilling results at Odyssey confirm the presence of a broadly continuous package of high-MgO ultramafic rocks along the greenstone belt, where no previous nickel exploration drilling has been recorded. Several AC drillholes intersected shallow and thick intervals of significant nickel enrichment within the oxide profile (shown in Figure 7), including:

- YMAC24004: 41m @ 3774ppm Ni from 5m
Including 13m @ 6563ppm Ni from 25m
- YMAC24009: 60m @ 2401ppm Ni from 0m
- YMAC24020: 31m @ 3384ppm Ni from 0m
- YMAC24021: 26m @ 3763ppm Ni from 5m
- YMAC24022: 27m @ 3799ppm Ni from 15m
Including 5m @ 6759ppm Ni from 25m

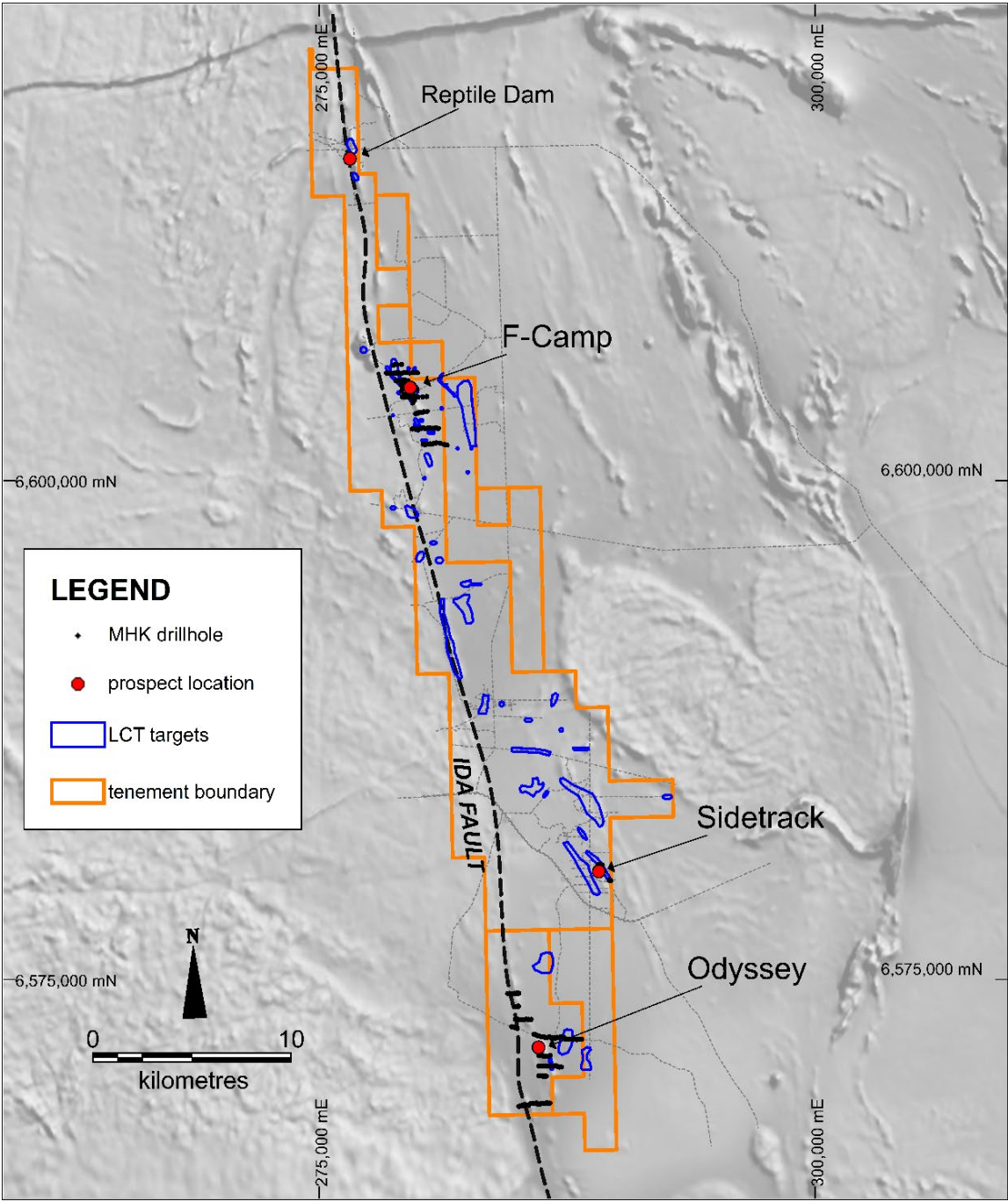


Figure 6. Yarmany prospect locations showing main prospects, LCT pegmatite targets, and MHK drilling

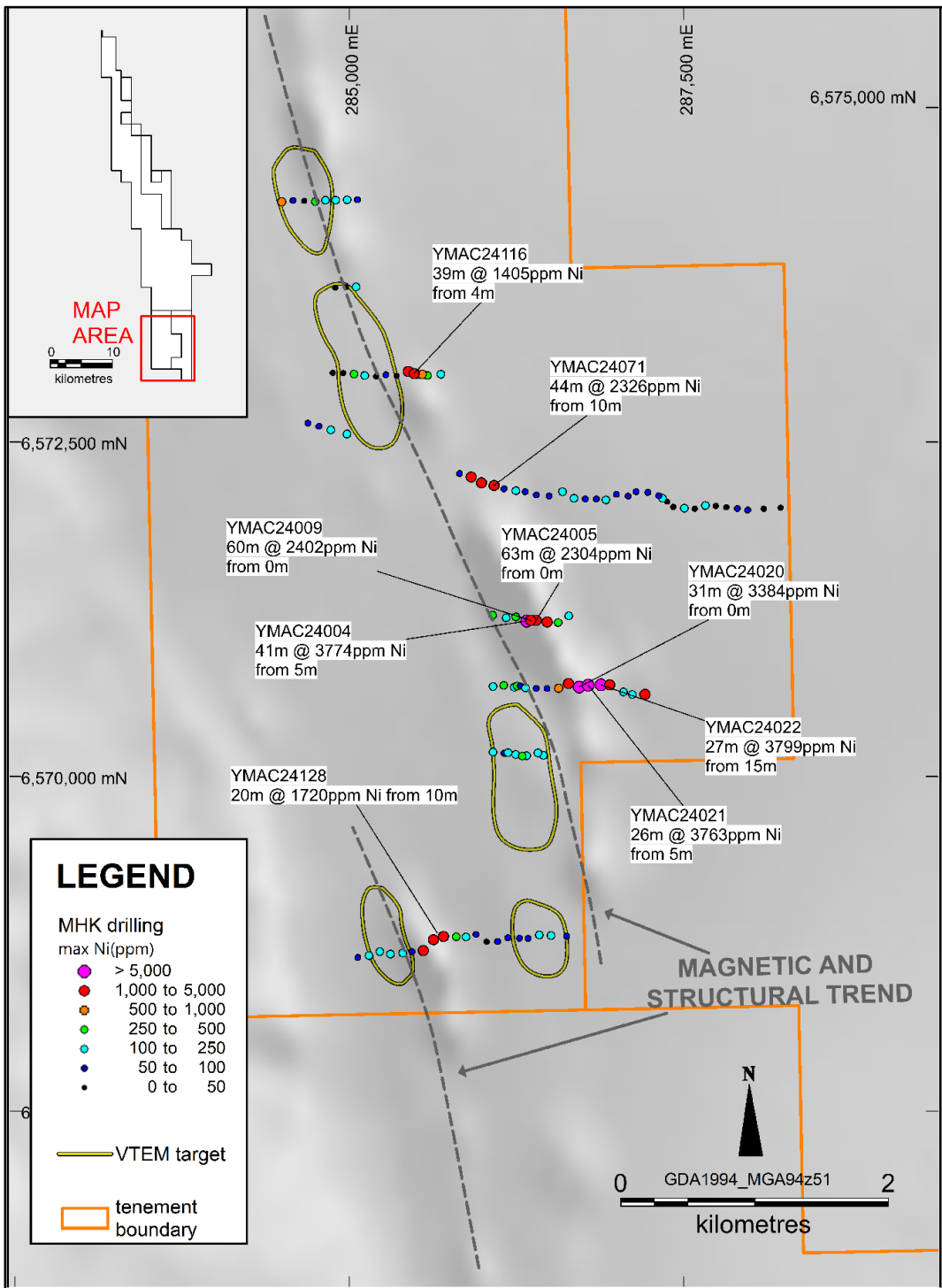


Figure 7. Odyssey prospect area showing AC drilling, maximum downhole nickel highlights and VTEM target outlines

A number of gold anomalies were identified from the drilling at Odyssey (see Figure 8). The best of these gold intersections came from near the margin of the greenstone belt and are proximal to the interpreted location of the Ida Fault, which is interpreted as a major fluid feeder system. Best results include:

- YMAC24003: 5m @ 0.35g/t Au from 0m, and
10m @ 0.59g/t Au from 40m
Including 5m @ 1.12g/t Au from 45m
- YMAC24115: 10m @ 0.57g/t Au from 15m
- YMAC24012: 1m @ 0.18g/t from 34m (EOH)

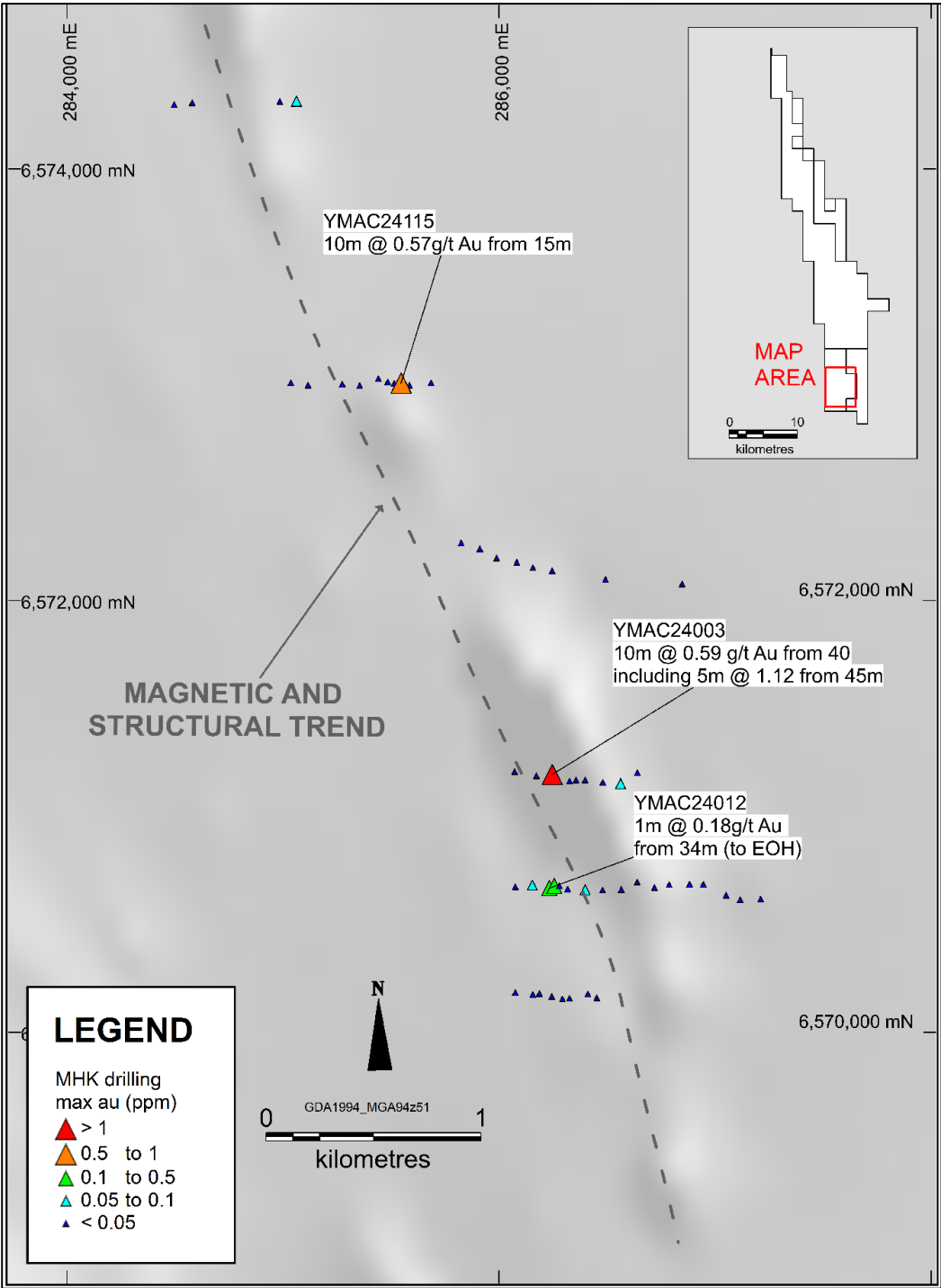


Figure 8. Odyssey prospect area - gold anomalies from AC drilling

Interpretation of broad geochemical results will continue to develop LCT pegmatite drill targets for testing in future campaigns. Metal Hawk will carry out further interpretation of the drilling results to help define and prioritise the VTEM conductors and nickel sulphide targets generated in late 2023. Next steps may include deeper RC and/or diamond drilling and detailed ground electromagnetic surveys.

Berehaven Project

The Berehaven Project is located approximately 20-30km east-southeast of Kalgoorlie. During the 2022 financial year the Company acquired the nickel rights on 12 tenements from Horizon Minerals Limited, resulting in a contiguous consolidated tenement package (Figure 9) covering 80km². The western-most Berehaven tenements are situated approximately 3km north of the Blair Nickel mine (which produced 1.26Mt @ 2.62% Ni for 32,900 tonnes of contained nickel) and the broader project area extends a further 10km east.

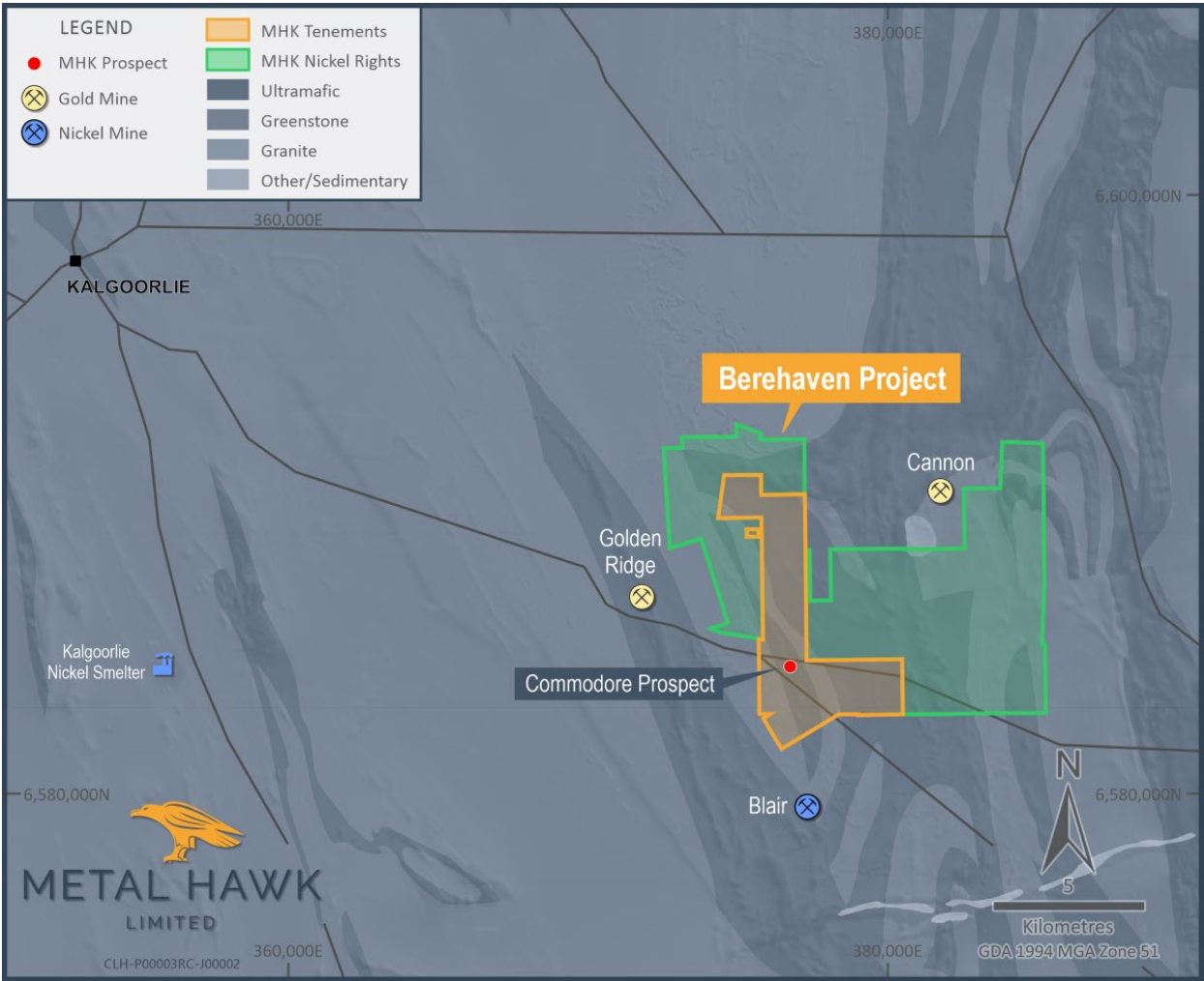


Figure 9. Berehaven Project

Metal Hawk discovered high-grade nickel sulphide and gold at the Commodore prospect within the Berehaven project area in late 2021. The Commodore North gold zone, located 500m north of Commodore (Figure 11), was discovered in May 2023 when a single reverse circulation (RC) hole **BVNC065** tested an end-of-hole aircore (AC) anomaly and returned multiple zones of quartz vein-hosted gold mineralisation.

In June 2024 Metal Hawk completed six RC holes at Commodore North for a total of 813m, following up gold mineralisation intersected in BVNC065. Several intervals of quartz veining were logged and assays have confirmed Commodore North as the second significant gold prospect along the north-northwest trending Commodore stratigraphy. New results include:

- **6m @ 1.58g/t Au from 40m (BVNC066)**
- **2m @ 2.51g/t Au from 105m (BVNC067)**
- **3m @ 1.41g/t Au from 92m (BVNC069)**

Commodore North is situated 500m north and along the same north-northwest trending stratigraphy as the Commodore gold prospect (Figure 11). Observations from the drilling completed have noted significantly more quartz veining within the deeply weathered rocks at Commodore North, which could indicate the potential for a significant gold system. It appears that the gold mineralisation at Commodore North has a similar orientation to the high-grade quartz-sulphide vein-hosted mineralisation at Commodore, where results from previous RC and diamond drilling by Metal Hawk included:

- **5.9m @ 6.7g/t Au from 244.4m (BVD001)**
- **2.5m @ 7.4g/t Au from 255.4m (BVD007)**
- **1.4m @ 4.1g/t Au from 223.1m (BVNCD002)**

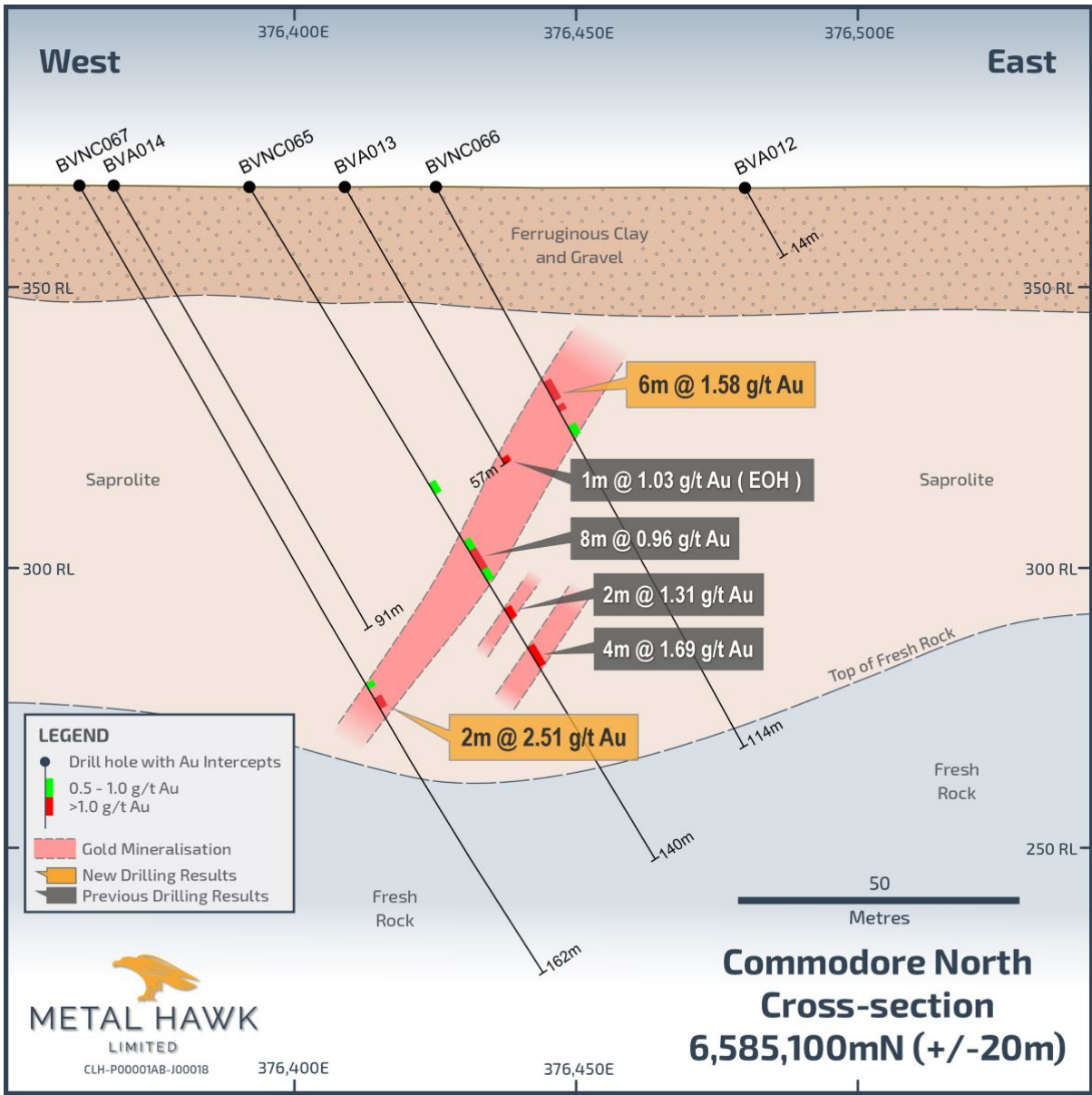


Figure 10. Commodore North cross-section

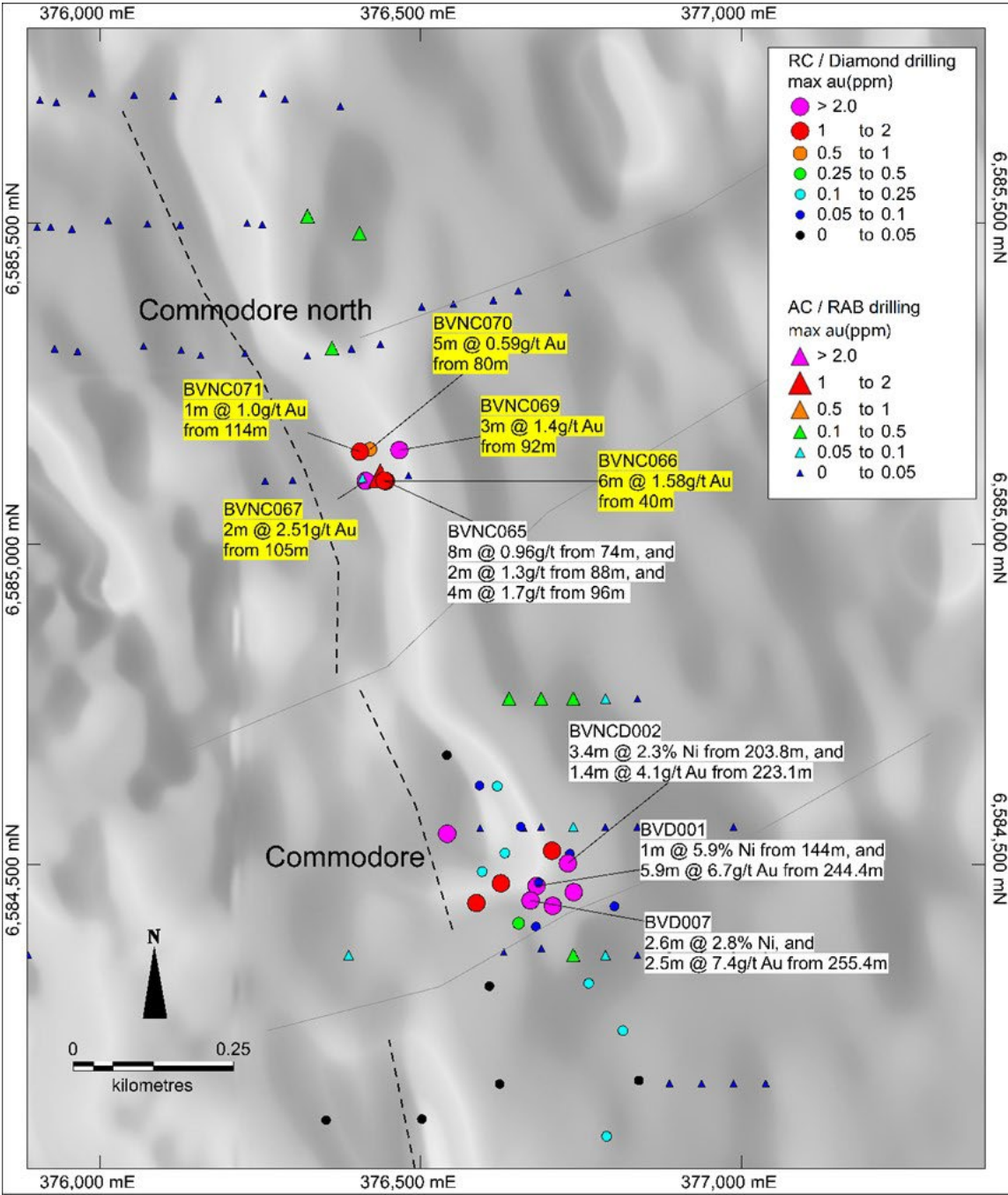


Figure 11. Commodore and Commodore North prospects showing maximum gold in drilling. New results highlighted yellow.

Fraser South Project

The Fraser South Project is located 150 km north-east of the town of Esperance in Western Australia (Figure 12).

Metal Hawk completed a maiden drilling program at the project in May 2023. The program was targeting rare earth element (REE) mineralisation and early-stage indicators of Ni-Cu-PGE mineralisation along the interpreted southern structural extension of the western margin of the Albany-Fraser belt. Encouraging clay-hosted REE enrichment was identified from this program and a small follow-up aircore campaign was completed in September 2023 (46 holes for 1,015m).

Although the results provided further evidence of REE-enriched clays over a broad area, the Company could not justify any further exploration at Fraser South due to the nature of non-ionic clay-hosted REE mineralisation.

Subsequent to the end of the reporting year, Metal Hawk surrendered its Fraser South tenements as part of a continuing rationalisation strategy in order to reduce expenditure and focus on its core goldfields projects.

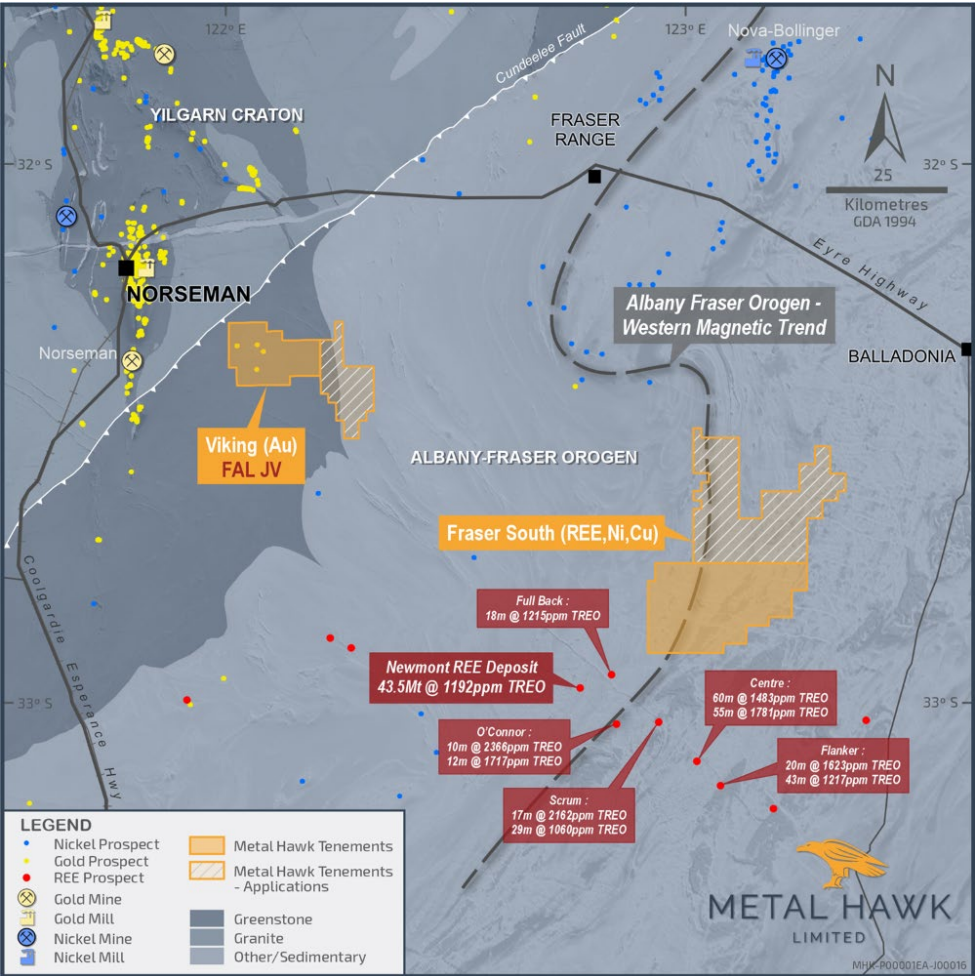


Figure 12. Fraser South and Viking Project locations

Viking Gold Project (MHK 49%)

The Viking Gold Project is located approximately 30km east of Norseman within the high grade metamorphic Albany Fraser Province (Figure 12). The project is under management of Falcon Metals Limited.

There was no field activity at the Viking Project during the financial year. Metal Hawk and Falcon are jointly seeking to divest the project.

Competent Person statement

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

Forward-Looking Statements

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

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REVIEW OF OPERATIONS AND CORPORATE

Metal Hawk Limited (“**Metal Hawk**”, “the Company”) is listed on the Australia Securities Exchange (**ASX: MHK**), classified as a West Australian junior gold, nickel and lithium explorer, and has approximately 100.67 million shares on issue at the date of this report. The Company has not reached a stage in its development where it is generating an operating profit.

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

The Company’s main focus during the year ended 30 June 2024 was nickel sulphide and lithium exploration at the Yarmany Project north-west of Coolgardie in Western Australia. In August 2024, the Company also reported good results from its maiden reconnaissance exploration program at the Leinster South project, located 30km south of Leinster in the West Australian goldfields. The recently granted project tenements cover over 200km² and present a significant new gold discovery opportunity for the Company. Please refer to the Company’s announcements for further information.

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

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

On 7 July 2023, the Company issued \$200,000 worth of fully paid shares to HRZ escrowed for six months. 1,134,430 shares were issued at a 20-day VWAP at \$0.17 per share. The Company also paid \$200,000 cash.

On 28 July 2023, the Company raised \$1.23 million (before costs) at \$0.11 per share via a placement to long-term sophisticated investors to accelerate exploration at the Yarmany projects.

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

On 24 November 2023, the Company raised \$3.5 million (before costs) through a placement to institutional, strategic and sophisticated investors at \$0.18 per share to advance the lithium exploration at Yarmany. After shareholder approval at an EGM held on 18 March 2024, the Company also issued a total of 255,556 fully paid ordinary shares to participating directors raising a total of \$46,000.

On 18 March 2024, the Company purchased two tenement applications E 15/2036 and E 15/2041 from LCT Precious Metals Pty Ltd for \$7,500 cash, \$70,000 worth of MHK shares, plus a 1% Royalty. The arrangement secures a potentially important parcel of untested tenure adjoining the southeastern boundary of the Yarmany Project. The 1,000,000 fully paid ordinary shares worth \$70,000 were issued on 25 March 2024.

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DIRECTORS' REPORT

The Directors present their report together with the financial statements of the Company for the financial year ended 30 June 2024 and the auditor's report thereon.

DIRECTORS

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

Name and independence status	Experience, qualifications, special responsibilities and other directorships
Michael Edwards Non-Executive Chairman Appointed: 11 September 2023 Non-Executive Director Appointed: 29 May 2023 <u>Interests:</u> Shares: 282,829 Options: 500,000 Performance Rights: 1,000,000 Past directorships within the last 3 years	Michael is an experienced geologist, economist, corporate executive and company director who has become increasingly active at the Board level, particularly in the junior resources sector, over the past 10 years. He holds a Bachelor of Business (Economics and Finance) from Curtin University of Technology and a Bachelor of Science (Geology) from the University of Western Australia. Executive Chairman of Future Battery Metals Limited Non-Executive Chairman of Greenstone Resources Limited and Firefly Resources Limited Non-Executive Director of De.mem Limited
William Belbin Managing Director Appointed: 8 December 2018 <u>Interests:</u> Shares: 2,800,000 Options: 3,250,000 Performance Rights: 1,500,000	Will has over 20 years' experience working in gold and base metals exploration, with extensive experience in project generation and evaluation. Will was an integral part of the Fisher East nickel sulphide discoveries as Exploration Manager for Rox Resources Limited. Previously Will has worked for Newexco on various roles. Will holds a Geology degree from UWA and a Masters of Mineral Economics from the Curtin Graduate School of Business.
David Pennock Executive Director Appointed: 8 December 2018 <u>Interests:</u> Shares: 3,727,273 Options: 2,500,000 Performance Rights: 1,000,000	David is a qualified geologist from the WA School of Mines and has over 15 years working in the exploration & resources sector. David has strong business development skills and is well connected within the resources sector.

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

COMPANY SECRETARY

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

DIRECTORS' MEETINGS

The number of meetings of the Company's Board of Directors and of each Board Committee held during the year ended 30 June 2024, and the number of meetings attended by each director were:

	Full meetings of Directors	
	Number of meetings attended	Number of meetings held whilst a Director
Michael Edwards	9	9
William Belbin	9	9
David Pennock	9	9
Brett Lambert ¹	2	2

¹ Resigned on 9 September 2023

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

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

PRINCIPAL ACTIVITIES

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

OPERATING RESULTS

The loss for the financial year ended 30 June 2024 attributable to members of Metal Hawk Limited after income tax was \$4,266,040 (2023: \$1,715,591).

OPERATIONS REVIEW

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

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SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

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

DIVIDENDS

The Directors recommend that no dividend be provided for the year ended 30 June 2024 (2023: Nil).

LIKELY DEVELOPMENTS

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

ENVIRONMENTAL REGULATION

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

INDEMNIFICATION AND INSURANCE OF OFFICERS

The Company has 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.

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

AUDITOR

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

AUDITOR'S INDEPENDENCE DECLARATION

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

NON-AUDIT SERVICES

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

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

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

METAL HAWK LIMITED ANNUAL REPORT
For the year ended 30 June 2024

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

	2024 \$	2023 \$
Taxation services		
Tax compliance services	6,695	6,180
	6,695	6,180

EVENTS SUBSEQUENT TO REPORTING DATE

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

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.

ROUNDING OF AMOUNTS

The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

SHARES ISSUED ON EXERCISE OF OPTIONS

On 17 November 2023, the Company issued a total of 1,000,000 fully paid ordinary shares in the Company through the conversion of 1,000,000 unlisted options, each having an issue price of \$0.20 per share (2023: nil).

No options were exercised subsequent to the end of the reporting period.

METAL HAWK LIMITED ANNUAL REPORT
For the year ended 30 June 2024

UNISSUED SHARES UNDER OPTION

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

Grant date	Number of shares under option	Exercise price of option cents	Expiry date of option
13-Sep-19	4,000,000	30	19-Nov-24
19-Nov-20	1,000,000	30	19-Nov-24
02-Dec-21	250,000	42	30-Nov-24
30-Nov-21	2,550,000	42	30-Nov-25
30-Nov-22	1,750,000	37	30-Nov-26
24-Feb-23	800,000	37	30-Nov-26
9-May-23	2,000,000	37	9-May-27
9-Nov-23	2,500,000 ⁽ⁱ⁾	18	10-Nov-27
9-Nov-23	1,750,000 ⁽ⁱⁱ⁾	29	10-Nov-27
10-Nov-23	2,200,000 ⁽ⁱⁱⁱ⁾	29	10-Nov-27
	<u>18,800,000</u>		

(i) As part consideration for the provision of lead manager services in connection with the Share Placement in July 2023, the Company issued the Lead Manager 2,500,000 unquoted options exercisable at \$0.18 each and expiring four years from the date of issue.

(ii) 1,750,000 unlisted options were issued to the Directors under the Company's Employee Share Plan, as approved by shareholders at the Company's AGM held on 9 November 2023.

(iii) On 10 November 2023, the Company issued 2,200,000 options exercisable at \$0.29 each expiring on 10 November 2027 under the Company's Employee Securities Incentive Plan.

All unissued shares are ordinary shares of the Company.

During the financial year, 9,450,000 options lapsed (2023: 100,000).

METAL HAWK LIMITED ANNUAL REPORT
For the year ended 30 June 2024

REMUNERATION REPORT

The Remuneration Report, which forms part of the Directors' Report, outlines the remuneration arrangements in place for the key management personnel of Metal Hawk Limited for the financial year ended 30 June 2024 and is included on page 9.

AUDITOR INDEPENDENCE

Section 307C of the *Corporations Act 2001* requires our auditors, BDO Audit Pty Ltd, to provide the Directors of the Company with an Independence Declaration in relation to the audit of the annual report. The Independence Declaration is set out on page 16 and forms part of this Directors' report for the year ended 30 June 2024.

Signed in accordance with a resolution of the Directors.



William Belbin

Managing Director

Dated at Perth: 26th September 2024

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METAL HAWK LIMITED
REMUNERATION REPORT
For the year ended 30 June 2024

REMUNERATION REPORT - AUDITED

This report, which forms part of the Directors' report, outlines the remuneration arrangements in place for the Directors of Metal Hawk Limited for the year ended 30 June 2024. The information provided in this remuneration report has been audited as required by Section 308(3C) of the *Corporations Act 2001*.

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

Remuneration philosophy

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

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

Remuneration and Nomination Committee

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

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

Remuneration structure

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

Executive Director remuneration

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

Fixed remuneration

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

Variable remuneration - Short-term incentive scheme

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

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

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

METAL HAWK LIMITED
REMUNERATION REPORT
For the year ended 30 June 2024

Remuneration structure (continued)

Variable remuneration - Short-term incentive scheme (continued)

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

Variable remuneration - Long-term incentive scheme

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

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

Performance on shareholder wealth

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

The table below sets out summary information about the Company's earnings and movements in shareholder's wealth for the five years to 30 June 2024:

	2024	2023	2022	2021	2020
Loss before income tax (\$)	4,266,040	1,715,591	1,341,884	1,465,766	912,240
Net loss attributable to equity holders (\$)	4,266,040	1,715,591	1,341,884	1,465,766	912,240
Share price at year end (cents)	5.0c	13.0c	15.5c	22.5c	16c
Number of fully paid ordinary shares	100,670,002	66,935,394	58,165,394	47,247,500	13,060,000
Weighted average number of shares	90,186,406	63,326,987	53,751,794	38,161,477	11,999,488
Basic loss per share EPS (cents)	4.73	2.71	2.50	3.84	7.60
Unlisted options	20,662,500	25,225,000	20,675,000	17,925,000	11,250,000
Market capitalisation (\$)	5,033,500	8,701,601	9,015,636	10,630,687	2,089,600
Net tangible assets (NTA) (\$)	2,343,030	933,107	1,981,724	3,862,120	207,449
NTA Backing (cents)	2.33	1.39	3.41	8.17	1.59

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

Non-Executive Director remuneration

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

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

METAL HAWK LIMITED
REMUNERATION REPORT
For the year ended 30 June 2024

Remuneration structure (continued)

Non-Executive Director remuneration (continued)

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

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

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

Employment contracts

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

Name	Terms of agreement	Employee notice period	Employer notice period	Base salary *	Termination Benefit **
Michael Edwards	Non-Executive Director	N/A	N/A	\$60,000	N/A
William Belbin	Executive Director	3 months	3 months	\$250,000	N/A
David Pennock	Executive Director	3 months	3 months	\$90,000	N/A
Brett Lambert ¹	Non-Executive Director	N/A	N/A	\$50,000	N/A

¹Resigned on 9 September 2023

* Base salary is exclusive of the superannuation guarantee charge rate applicable at the time (11.5% for the financial year ended 30 June 2024, increasing to 12% for financial year 2025).

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

Use of remuneration consultants

No remuneration consultants provided services during the year.

Voting at the Company's 2023 Annual General Meeting

At the 2023 AGM, 99.98% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2023. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

METAL HAWK LIMITED
REMUNERATION REPORT
For the year ended 30 June 2024

Remuneration of Directors

Name		Short-term employee benefits	Post Employment benefits	Share-based payments		Total	Share-based payments related %	
		Cash salary and fees	Superannuation	Shares	Options and Performance Rights			
		\$	\$	\$	\$	\$	%	
Non-Executive Directors								
Michael Edwards	2024	52,835	-	23,234	63,000	139,069	62.01	
	2023	3,300	-	-	-	3,300	-	
Brett Lambert ¹	2024	8,333	917	-	-	9,250	-	
	2023	50,000	5,250	-	76,000	131,250	57.90	
Sub-total Non-Executive Directors' remuneration	2024	61,168	917	23,234	63,000	148,319	58.14	
	2023	53,300	5,250	-	76,000	134,550	56.48	
Executive Director								
William Belbin	2024	247,917	27,271	34,850	94,500	404,538	31.97	
	2023	225,000	23,625	-	114,000	362,625	31.44	
David Pennock	2024	90,000	9,900	23,234	63,000	186,134	46.33	
	2023	90,000	9,450	-	76,000	175,450	43.32	
Sub-total Executive Directors' remuneration	2024	337,917	37,171	58,084	157,500	590,672	36.50	
	2023	315,000	33,075	-	190,000	538,075	35.31	
Total Directors' remuneration								
		2024	399,085	38,088	81,318	220,500	738,991	40.84
		2023	368,300	38,325	-	266,000	672,625	39.55

¹Resigned on 9 September 2023

METAL HAWK LIMITED
REMUNERATION REPORT
For the year ended 30 June 2024

Options

Granted as compensation

At the date of this report, share options granted to the Directors of the Company as part of their remuneration in FY2024 are:

	Number of options granted	Grant date	Value per option at grant date cents	Value of options at grant date \$	Vesting date	Exercise price per option cents	Expiry date
Brett Lambert	750,000	9-Nov-23	12.60	94,500	9-Nov-23	29	10-Nov-27
William Belbin	500,000	9-Nov-23	12.60	63,000	9-Nov-23	29	10-Nov-27
David Pennock	500,000	9-Nov-23	12.60	63,000	9-Nov-23	29	10-Nov-27

The options tabled above were provided at no cost to the recipients. Options granted during the year have been valued using the Black-Scholes Option Valuation model with the following inputs:

Exercise price (cents)	29
Grant date	9-Nov-23
Expiry date	10-Nov-27
Life of the options (years)	4
Volatility	100%
Risk free rate	4.22%
Fair value at grant date (cents)	12.6
Share price at grant date (cents)	19.5

No options granted as compensation in the current or prior years were exercised. No options granted as compensation in the prior years were forfeited, lapsed or cancelled (2023: nil).

METAL HAWK LIMITED
REMUNERATION REPORT
For the year ended 30 June 2024

Performance Rights

Granted as compensation

On 9 November 2023, the shareholders approved the grant of 1,000,000 Performance Rights to Michael Edwards, 1,500,000 Performance Rights to William Belbin and 1,000,000 Performance Rights to David Pennock. The Performance Rights granted have been valued using the Trinomial Barrier Option Valuation model with the following inputs:

	Tranche A	Tranche B
Number of options	1,750,000	1,750,000
Exercise price (cents)	-	-
Barrier price (cents)	30	40
Grant date	9-Nov-23	9-Nov-23
Expiry date	10-Nov-28	10-Nov-28
Life of the options (years)	5	5
Volatility	100%	100%
Risk free rate	4.22%	4.22%
Fair value at grant date (cents)	18.40	17.90
Share price at grant date (cents)	19.50	19.50

Other information

Ordinary shares held by Directors

	Held at 1 July 2023	Purchases	Granted as remuneration	Held at Resignation	Held at 30 June 2024
Michael Edwards	-	282,829	-	-	282,829
William Belbin	2,400,000	300,000	-	-	2,700,000
David Pennock	2,900,000	577,273	-	-	3,477,273
Brett Lambert ¹	400,000	-	-	(400,000)	-

¹Resigned on 9 September 2023

Options held by Directors

	Held at 1 July 2023	Granted	Expired²	Held at Resignation	Held at 30 June 2024	Vested and exercisable at 30 June 2024
Michael Edwards	-	500,000	-	-	500,000	500,000
William Belbin	3,750,000	750,000	(1,250,000)	-	3,250,000	3,250,000
David Pennock	3,250,000	500,000	(1,250,000)	-	2,500,000	2,500,000
Brett Lambert ¹	2,500,000	-	-	(2,500,000)	-	-

¹Resigned on 9 September 2023

²Unlisted options exercisable at \$0.25 expired on 19 November 2023

METAL HAWK LIMITED
REMUNERATION REPORT
For the year ended 30 June 2024

Performance Rights held by Directors

	Held at 1 July 2023	Granted	Exercised / Expired	Held at 30 June 2024	Vested at 30 June 2024
Michael Edwards	-	1,000,000	-	1,000,000	-
William Belbin	-	1,500,000	-	1,500,000	-
David Pennock	-	1,000,000	-	1,000,000	-
Brett Lambert ¹	-	-	-	-	-

¹Resigned on 9 September 2023

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

Cash bonuses included in remuneration

No cash bonuses were granted during 2024 (2023: nil).

Share-based remuneration granted as compensation

During the financial year, 1,750,000 unlisted options were issued to the Directors under the Company's Employee Share Plan, as approved by shareholders at the Company's AGM held on 9 November 2023.

On 9 November 2023, the shareholders approved the grant of 3,500,000 Performance Rights to the Directors.

Refer note 7.1 for the options and Performance Rights granted during the year.

Other transactions with Key Management Personnel

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

No other transactions with key management personnel, aside from direct remuneration as disclosed in note 7.3, occurred during 2024 (2023: Nil).

THIS IS THE END OF THE REMUNERATION REPORT – AUDITED.



Tel: +61 8 6382 4600
Fax: +61 8 6382 4601
www.bdo.com.au

Level 9, Mia Yellagonga Tower 2
5 Spring Street
Perth, WA 6000
PO Box 700 West Perth WA 6872
Australia

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

As lead auditor of Metal Hawk Limited for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been:

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

A handwritten signature in black ink, appearing to read 'Dean Just', is written over a light blue horizontal line.

Dean Just

Director

BDO Audit Pty Ltd

Perth

26 September 2024

METAL HAWK LIMITED
FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2024

	Note	2024 \$	2023 \$
Assets			
Cash and cash equivalents	3.1	2,148,364	932,581
Trade and other receivables		37,965	-
Deposits and bonds	3.2	18,927	18,927
Assets held for sale	3.3	100,000	-
Total current assets		2,305,256	951,508
Property, plant and equipment	5.1	202,988	165,671
Right of use assets	5.2	46,242	85,878
Exploration and evaluation	4.1	7,622,949	7,891,512
Total non-current assets		7,872,179	8,143,061
Total assets		10,177,435	9,094,569
Liabilities			
Trade and other payables	3.4	(65,214)	(184,072)
Lease liabilities	5.3	(41,171)	(37,574)
Total current liabilities		(106,385)	(221,646)
Lease liabilities	5.3	(10,805)	(51,977)
Total non-current liabilities		(10,805)	(51,977)
Total liabilities		(117,190)	(273,623)
Net assets		10,060,245	8,820,946
Equity			
Share capital	6.1	17,006,098	12,429,777
Reserves	6.1	2,822,393	1,893,375
Accumulated losses		(9,768,246)	(5,502,206)
Total equity		10,060,245	8,820,946

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

METAL HAWK LIMITED
FINANCIAL STATEMENTS

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024 \$	2023 \$
Other income		77,065	46,068
Exploration expensed		(522,146)	(212,493)
Provision of loss on disposal of tenements	3.3	(290,000)	-
Capitalised exploration impaired	4.1	(2,046,137)	(386,502)
General and administrative expenses		(113,210)	(139,830)
Professional fees		(228,097)	(165,412)
Personnel expenses	2.2	(1,021,095)	(739,728)
Marketing and business development		(57,777)	(41,143)
Depreciation and amortisation		(51,221)	(63,209)
Finance expenses		(5,536)	(6,038)
Other expenses		(7,886)	(7,304)
Loss before income tax		(4,266,040)	(1,715,591)
Income tax expense	2.4	-	-
Loss for the year		(4,266,040)	(1,715,591)
Loss per share			
Basic and diluted (cents per share)	2.3	(4.73)	(2.71)

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

METAL HAWK LIMITED
FINANCIAL STATEMENTS

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2024

	Note	Issued capital \$	Share-based payments reserve \$	Accumulated losses \$	Total \$
Balance at 1 July 2023		12,429,777	1,893,375	(5,502,206)	8,820,946
Total comprehensive loss for the year					
Loss for the year		-	-	(4,266,040)	(4,266,040)
Total comprehensive loss for the year		-	-	(4,266,040)	(4,266,040)
Transactions with owners, recorded directly in equity:					
Contributions by and distributions to owners					
Issue of ordinary shares	6.1	4,727,131	-	-	4,727,131
Conversion of unlisted options	6.1	200,000	-	-	200,000
Acquisition of exploration assets	6.1	270,000	-	-	270,000
Share-based payment transactions	7.1	-	929,018	-	929,018
Capital raising costs		(620,810)	-	-	(620,810)
Total contributions by and distributions to owners		4,576,321	929,018	-	5,505,339
Balance at 30 June 2024		17,006,098	2,822,393	(9,768,246)	10,060,245

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

METAL HAWK LIMITED
FINANCIAL STATEMENTS

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

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

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

METAL HAWK LIMITED
FINANCIAL STATEMENTS

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024 \$	2023 \$
Cash flows from operating activities			
Payments to suppliers and employees		(891,964)	(580,924)
Payments for exploration expensed		(522,146)	(179,388)
Interest paid		(5,536)	(6,038)
Interest received		77,065	18,251
Net cash used in operating activities	3.1(b)	(1,342,581)	(748,099)
Cash flows from investing activities			
Payments for capitalised exploration		(2,011,481)	(1,342,533)
Payments for property, plant and equipment		(48,902)	(921)
Net cash used in investing activities		(2,060,383)	(1,343,454)
Cash flows from financing activities			
Proceeds from issue of shares		4,927,131	1,051,280
Share issue transaction costs		(270,810)	(62,723)
Repayment of lease liabilities		(37,574)	(36,340)
Net cash from financing activities		4,618,747	952,217
Net increase/(decrease) in cash and cash equivalents		1,215,783	(1,139,336)
Cash and cash equivalents at commencement of year		932,581	2,071,917
Cash and cash equivalents at 30 June	3.1(a)	2,148,364	932,581

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

SECTION 1 BASIS OF PREPARATION

Metal Hawk Limited presents its financial statements in a format and style that is relevant and clear to shareholders and other users. In preparing the 2024 financial statements, we have grouped notes into sections under seven key categories:

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

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

1.1 GENERAL INFORMATION

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

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

The financial statements of the Company as at and for the year ended 30 June 2024 were authorised for issue by the Board of Directors on 26 September 2024. The financial statements are general purpose financial statements which:

- have been prepared in accordance with Australian Accounting Standards adopted by the Australian Accounting Standards Board and the Corporations Act 2001. The financial statements comply with International Financial Reporting Standards (IFRS's) as issued by the International Accounting Standards Board;
- are presented in Australian Dollars, being the Company's functional currency;
- adopts all new and revised Australian Accounting Standards and Interpretations issued by the AASB that are relevant to the operations of the Company and effective for reporting periods beginning on or after 1 July 2023. Refer to note 1.3 for further details; and
- does not early adopt any Australian Accounting Standards and Interpretations that have been issued or amended but not yet effective. Refer to note 1.3 for further details.

1.2 MATERIAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

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

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

Share-based payment transactions

The Company measures the cost of equity-settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. For option transactions entered into in the current year, the fair value has been determined using a Black-Scholes model using the assumptions detailed in note 7.1. Regarding Performance Rights granted during the year, a Trinomial Barrier Option Valuation model was applied as per note 7.1.

Exploration and evaluation costs

Exploration and evaluation costs are capitalised on the basis that the entity will commence commercial production in the future, from which time the costs will be amortised in proportion to the depletion of the mineral resources. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised. In addition, costs are only capitalised that are expected to be recovered either through successful development or sale of the relevant mining interest. Factors that could impact the future commercial production at the mine include the level of reserves and resources, future technology changes, which could impact the cost of mining, future legal changes and changes in commodity prices. To the extent that capitalised costs are determined not to be recoverable in the future, they will be written off in the period in which this determination is made. Refer note 4.1.

Asset acquisitions

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

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

1.3 ADOPTION OF NEW OR AMENDED ACCOUNTING STANDARDS AND INTERPRETATIONS

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

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 30 June 2024. The Group has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

1.4 GOING CONCERN

The financial report has been prepared on a going concern basis which contemplates continuity of normal business activities and realisation of assets and settlement of liabilities in the normal course of business. For the year ended 30 June 2024, the Company incurred a net loss before tax of \$4,266,040 and had net cash outflows from operating activities of \$1,342,581, in conjunction with \$2,011,481 of exploration payments classified in investing cash flows. On 30 June 2024, the Company had net assets of \$10,060,245, with a total cash on hand of \$2,148,364.

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

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

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

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

SECTION 2 RESULTS FOR THE YEAR

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

2.1 OPERATING SEGMENTS

Accounting Policy

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

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

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

There have been no changes to the basis of segmentation or the measurement basis for the segment profit or loss since 30 June 2023.

2.2 PERSONNEL EXPENSES AND EMPLOYEE BENEFITS

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

	Note	2024 \$	2023 \$
Directors' remuneration	7.3	738,991	672,625
Wages and salaries		503,397	286,073
Personnel costs capitalised to exploration and evaluation		(221,293)	(218,970)
		1,021,095	739,728

METAL HAWK LIMITED
NOTES TO THE FINANCIAL STATEMENTS

2.3 LOSS PER SHARE

Basic and diluted loss per share

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

The calculation of basic loss per share at 30 June 2024 has been based on the loss attributable to ordinary shareholders and weighted average number of ordinary shares outstanding.

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

Loss per share attributable to ordinary shareholders

	2024	2023
Net loss attributable to ordinary shareholders - \$	(4,266,040)	(1,715,591)
Issued ordinary shares at beginning of year	66,935,394	58,165,394
Effect of shares issued – number	23,251,012	5,161,593
Weighted average number of ordinary shares at 30 June	90,186,406	63,326,987
Basic and diluted loss per share (cents)	(4.73)	(2.71)

* At 30 June 2024, 20,662,500 options (2023: 25,225,000 options) were excluded from diluted weighted average number of ordinary shares calculation as their effect would have been anti-dilutive.

2.4 INCOME TAX EXPENSE

(a) Reconciliation of effective tax rate

	2024	2023
	\$	\$
Loss for the year	(4,266,040)	(1,715,591)
Income tax using the Company's domestic tax rate of 30% (2023: 30%)	(1,279,812)	(514,678)
Non-deductible expenses	178,424	111,971
Adjustment for prior periods	-	(15,592)
Timing differences	(66,292)	(46,939)
Capitalised exploration immediately deductible	140,569	(250,054)
Tax losses not brought to account	1,027,111	715,292
Income tax expense	-	-

All unused tax losses were incurred in Australia.

Potential future income tax benefits of up to \$3,729,247 (2023: \$2,649,040) attributed to tax losses have not been brought to account.

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

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

METAL HAWK LIMITED
NOTES TO THE FINANCIAL STATEMENTS

2.4 INCOME TAX EXPENSE (continued)

(b) Unrecognised deferred tax assets and liabilities

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

	2024	2023
	\$	\$
Deferred tax assets		
Black hole deductible costs – s40-880	218,320	126,267
Right of use assets and lease liabilities	1,720	1,102
Trade and other payables	12,585	10,664
Carry forward tax losses	3,729,247	2,649,040
Total deferred tax assets	3,961,872	2,787,073
Deferred tax liabilities		
Exploration and evaluation	(1,392,554)	(1,533,123)
Total deferred tax liabilities	(1,392,554)	(1,533,123)
Net unrecognised deferred tax assets	2,569,318	1,253,950

The DTA / DTL have not been brought to account.

SECTION 3 WORKING CAPITAL DISCLOSURES

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

3.1 CASH AND CASH EQUIVALENTS

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

	2024	2023
	\$	\$
Cash and cash equivalents in the statement of cash flows	2,148,364	932,581

METAL HAWK LIMITED
NOTES TO THE FINANCIAL STATEMENTS

3.1 CASH AND CASH EQUIVALENTS (continued)

(b) Reconciliation of cash flows from operating activities

	Note	2024 \$	2023 \$
Cash flows from operating activities			
Loss for the year		(4,266,040)	(1,715,591)
Adjustments for:			
Equity-settled share-based payment transactions	7.1	579,018	354,766
Exploration expenditure written off	4.1	-	33,105
Exploration expenditure impaired	4.1	2,046,137	386,502
Loss on disposal of tenements		290,000	-
Depreciation and amortisation		51,221	63,209
<i>Change in operating assets and liabilities:</i>			
Change in other receivables		(27,965)	103,301
Change in trade and other payables		(17,675)	18,034
Change in provisions		2,723	8,575
Net cash used in operating activities		(1,342,581)	(748,099)

(c) Non-cash investing and financing activities

	Note	2024 \$	2023 \$
Additions of right-of-use assets	5.2	-	115,604
Acquisition of tenements via shares and options capitalised	4.1	200,000	438,000
Acquisition of tenements via shares not capitalised		70,000	-
Options issued to lead manager	7.1	350,000	-
		620,000	553,604

METAL HAWK LIMITED
NOTES TO THE FINANCIAL STATEMENTS

3.2 DEPOSITS AND BONDS

	2024	2023
	\$	\$
Current		
Rental bond	18,927	18,927
	18,927	18,927

Rental bond matures within one year, rolls over at expiry.

3.3 ASSETS HELD FOR SALE

Accounting Policy

Recognition and measurement

An entity shall classify a non-current asset as held for sale if its carrying amount will be recovered principally through a sale of transaction rather than continuing use.

Events or circumstances may extend the period to complete the sale beyond one year. An extension of the period required to complete a sale does not preclude an asset from being classified as held for sale if the delay is caused by events or circumstances beyond the entity's control and there is sufficient evidence that the entity remains committed to its plan to sell the asset.

The Company measures a non-current asset classified as held for sale at the lower of its carrying amount and fair value less costs to sell.

		2024	2023
		\$	\$
Fair value of assets held for sale	(i)	100,000	-
		100,000	-

During the year, the Company disposed Emu Lake exploration tenements 27/562 and 27/615 for a consideration of \$100,000 consisting of 2,000,000 shares in the capital of Raptor Resources Limited valued at 5 cents per share. The disposal has yet to be finalised on 30 June 2024. As such, the exploration and evaluation expenditure related to the tenements have been classified as assets held for sale and recognised at the lower of the total carrying amount and fair value less costs to sell.

METAL HAWK LIMITED
NOTES TO THE FINANCIAL STATEMENTS

3.3 ASSETS HELD FOR SALE (continued)

The difference between the tenements' carrying amount and fair value has been taken to the Statement of Profit or Loss and Comprehensive Income as provision of loss on disposal of tenements as follows:

		2024	2023
	Note	\$	\$
Carrying amount of exploration and evaluation expenditure	4.1	400,000	-
Less: Fair value (i)		(100,000)	-
Less: GST on sale consideration, recoverable from Raptor Resources Limited		(10,000)	-
Provision of loss on disposal of tenements		290,000	-

3.4 TRADE AND OTHER PAYABLES

Trade and other payables are presented as current liabilities unless payment is not due within 12 months.

		2024	2023
		\$	\$
Current			
Trade payables	(i)	23,264	144,838
Other payables and accruals		41,950	39,234
		65,214	184,072

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

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

SECTION 4 ASSETS AND LIABILITIES SUPPORTING EXPLORATION AND EVALUATION

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

Key estimates and assumptions in this section

Indicators of impairment for exploration and evaluation assets

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

4.1 EXPLORATION AND EVALUATION EXPENDITURE

Accounting Policy

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

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

Exploration and evaluation costs are capitalised on the basis that the entity will commence commercial production in the future, from which time the costs will be amortised in proportion to the depletion of the mineral resources. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised. In addition, costs are only capitalised that are expected to be recovered either through successful development or sale of the relevant mining interest. Factors that could impact the future commercial production at the mine include the level of reserves and resources, future technology changes, which could impact the cost of mining, future legal changes and changes in commodity prices. To the extent that capitalised costs are determined not to be recoverable in the future, they will be written off in the period in which this determination is made.

	Note	2024 \$	2023 \$
Costs carried forward in respect of areas of interest			
Exploration and evaluation expenditure		7,622,949	7,891,512
Movements for the year			
Opening balance		7,891,512	6,619,998
Tenements acquisition – via cash ⁽ⁱ⁾		200,000	-
Tenement acquisitions – via share-based payments ⁽ⁱ⁾		200,000	438,000
Capitalised expenditure		1,777,574	1,253,121
Tenements transferred to assets held for sale ⁽ⁱⁱ⁾	3.3	(400,000)	-
Tenements written off ⁽ⁱⁱⁱ⁾		-	(33,105)
Tenements impaired ^(iv)		(2,046,137)	(386,502)
Closing balance		7,622,949	7,891,512

⁽ⁱ⁾ On 5 July 2023, the Company announced that it has entered into a binding agreement for an option to purchase the western Yarmany project tenements from Black Mountain Gold Limited, a wholly owned subsidiary of Horizon Minerals Limited (ASX: HRZ). In July 2023, the Company paid \$200,000 cash and issued \$200,000 worth of fully paid shares to HRZ escrowed for six months. 1,134,430 shares were issued at a 20-day VWAP at \$0.17 per share.

⁽ⁱⁱ⁾ Disposal of Emu Lake exploration tenements 27/562 and 27/615 for a consideration of \$100,000 plus GST consisting of 2,000,000 shares in the capital of Raptor Resources Limited at 5 cents per share. The disposal is yet to be finalised on 30 June 2024.

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

^(iv) Impairment of Fraser South and Kanowna East projects. Indicators of impairment were identified for these areas of interest and as a result of impairment testing, they were impaired to nil.

SECTION 5 NON-CURRENT ASSETS AND LEASE LIABILITIES

5.1 PROPERTY, PLANT AND EQUIPMENT

Accounting Policy

Recognition and measurement

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

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

Depreciation

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

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

The estimated useful lives of the assets are as follows:

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

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

	Plant & Equipment \$	Office Equipment \$	Motor Vehicles \$	Computer Equipment \$	Total \$
Gross carrying amount					
Balance at 1 July 2022	60,807	12,526	142,125	2,660	218,118
Additions	-	921	-	-	921
Balance at 1 July 2023	60,807	13,447	142,125	2,660	219,039
Additions	45,900	3,002	-	-	48,902
Balance at 30 June 2024	106,707	16,449	142,125	2,660	267,941
Depreciation					
Balance at 1 July 2022	(5,137)	(2,886)	(19,863)	(1,183)	(29,069)
Depreciation for the year	(5,899)	(2,824)	(15,129)	(447)	(24,299)
Balance at 1 July 2023	(11,036)	(5,710)	(34,992)	(1,630)	(53,368)
Depreciation for the year	(2,965)	(1,684)	(6,712)	(224)	(11,585)
Balance at 30 June 2024	(14,001)	(7,394)	(41,704)	(1,854)	(64,953)
Carrying amounts					
Balance at 30 June 2023	49,771	7,737	107,133	1,030	165,671
Balance at 30 June 2024	92,706	9,055	100,421	806	202,988

5.2 RIGHT OF USE ASSETS

Accounting Policy

Recognition and measurement

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

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

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

Amortisation

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

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

	2024	2023
	\$	\$
Gross carrying amount		
Balance as at 1 July	115,604	70,407
Recognised on lease inception	-	115,604
Lease ended	-	(70,407)
Closing balance	115,604	115,604
Amortisation		
Balance as at 1 July	(29,726)	(61,223)
Amortisation expense	(39,636)	(38,910)
Lease ended	-	70,407
Closing balance	(69,362)	(29,726)
Closing balance	46,242	85,878

METAL HAWK LIMITED
NOTES TO THE FINANCIAL STATEMENTS

5.3 LEASE LIABILITIES

Accounting Policy

Recognition and measurement

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

	2024	2023
	\$	\$
Opening balance	89,551	10,287
Liability recognised on lease inception	-	115,604
Principal and interest repayments	(42,658)	(42,378)
Interest expense	5,083	6,038
Closing Balance	51,976	89,551
<i>Classification</i>		
Current liabilities	41,171	37,574
Non-current liabilities	10,805	51,977
	51,976	89,551
<i>Amounts recognised in the Statement of Profit or Loss</i>		
Amortisation of right-of-use asset	(39,636)	(38,910)
Interest expense on lease liabilities	(5,083)	(6,038)

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SECTION 6 EQUITY AND FUNDING

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

6.1 CAPITAL AND RESERVES

Accounting Policy

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

Share capital

	Ordinary shares			
	Number of shares		Amount in \$	
	2024	2023	2024	2023
On issue at commencement of year	66,935,394	58,165,394	12,429,777	11,153,220
<i>Shares issued and expensed during the year:</i>				
Issue of shares for cash ⁽ⁱ⁾	30,600,178	6,570,000	4,727,131	1,051,280
Issue of shares on conversion of options ⁽ⁱⁱ⁾	1,000,000	-	200,000	-
Option fee to acquire Onslow Project	-	200,000	-	28,000
Issue of shares for acquisition of exploration tenements ⁽ⁱⁱⁱ⁾	2,134,430	2,000,000	270,000	260,000
Capital raising costs ^(iv)	-	-	(620,810)	(62,723)
On issue at 30 June	100,670,002	66,935,394	17,006,098	12,429,777

⁽ⁱ⁾ July 23 placement comprise a total of 11,155,734 fully paid ordinary shares at an issue price of \$0.11 per share, which included 454,546 shares to David Pennock and Michael Edwards. December 23 placement comprise 19,444,444 fully paid ordinary shares at an issue price of \$0.18 per share, which included 255,556 shares to William Belbin, David Pennock and Michael Edwards.

⁽ⁱⁱ⁾ On 17 November 23, the Company issued a total of 1,000,000 fully paid ordinary shares in the Company through the conversion of 1,000,000 unlisted options, each having an issue price of \$0.20 per share.

⁽ⁱⁱⁱ⁾ On 7 July 2023, the Company issued \$200,000 worth of fully paid shares to HRZ escrowed for six months for the option to purchase of Yarmany tenements. 1,134,430 shares were issued at a 20-day VWAP at \$0.17 per share. On 25 March 2024, the Company issued \$70,000 worth of 1,000,000 fully paid shares to LCT Precious Metals Pty Ltd escrowed for six months for the option to purchase of tenement application E15/2036 and tenement application E15/2041.

^(iv) Capital raising costs for the year ended 30 June 2024 include \$350,000 of broker options as disclosed in note 7.1.

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

METAL HAWK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

6.1 CAPITAL AND RESERVES (continued)

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

All issued shares are fully paid.

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

Reserve	2024	2023
	\$	\$
Balance as at 1 July	1,893,375	1,388,609
Options issued to Directors	220,500	267,750
Options issued to employees	277,200	87,016
Performance rights issued to Directors	81,318	-
Options issued to lead manager	350,000	-
Options issued to a vendor	-	150,000
Closing balance	2,822,393	1,893,375

Nature and purpose of reserves

Share-based payments reserve

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

SECTION 7 OTHER DISCLOSURES

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

7.1 SHARE-BASED PAYMENT PLANS

Accounting Policy

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

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

METAL HAWK LIMITED
NOTES TO THE FINANCIAL STATEMENTS

7.1 SHARE-BASED PAYMENT PLANS (continued)

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

	2024	2023
	\$	\$
Expensed in personnel expenses		
Options issued to Directors	220,500	267,750
Options issued to employees	277,200	87,016
Performance Rights issued to Directors	81,318	-
Expensed in Statement of Profit or Loss and Other Comprehensive Income	579,018	354,766
Capital raising costs within equity		
Options issued to lead manager	350,000	-
Recognised in Share-Based Payments Reserve	929,018	354,766
Capitalised within exploration and evaluation		
Shares issued to vendors	200,000	288,000
Options issued to vendors	-	150,000
Total capitalised	200,000	438,000
Included within exploration expensed		
Shares issued to vendors	70,000	288,000
Total capitalised	200,000	438,000

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

Shares

On 7 July 2023, the Company issued \$200,000 worth of fully paid shares to HRZ escrowed for six months for the purchase of Yarmany tenements. 1,134,430 shares were issued at a 20-day VWAP at \$0.17 per share.

On 18 March 2024, the Company issued \$70,000 worth of 1,000,000 fully paid shares to LCT Precious Metals Pty Ltd escrowed for six months for the option to purchase of tenement application E15/2036 and tenement application E15/2041.

Share-based payment programme

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

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

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

METAL HAWK LIMITED
NOTES TO THE FINANCIAL STATEMENTS

7.1 SHARE-BASED PAYMENT PLANS (continued)

Options

At 30 June 2024, excluding free-attaching options issued, a summary of the Company options in issue and not exercised are as follows. Options are settled by the physical delivery of shares:

Grant date	Vesting date	Expiry date	Exercise Price (cents)	Balance at the start of the year	Granted during the year	Exercised during the year	Expired / lapsed during the year	Balance at the end of the year	Vested and exercisable at the end of the year
13-Sep-19	19-Nov-20	19-Nov-23	25	4,500,000	-	-	(4,500,000)	-	-
13-Sep-19	19-Nov-20	19-Nov-24	30	4,000,000	-	-	-	4,000,000	4,000,000
10-Sep-20	10-Sep-20	10-Sep-23	20	1,000,000	-	(1,000,000)	-	-	-
19-Nov-20	19-Nov-20	19-Nov-23	25	1,000,000	-	-	(1,000,000)	-	-
19-Nov-20	19-Nov-20	19-Nov-24	30	1,000,000	-	-	-	1,000,000	1,000,000
30-Nov-21	30-Nov-21	30-Nov-25	42	2,550,000	-	-	-	2,550,000	2,550,000
02-Dec-21	02-Dec-22	30-Nov-24	42	450,000	-	-	-	450,000	450,000
30-Nov-22	30-Nov-22	30-Nov-26	37	1,750,000	-	-	-	1,750,000	1,750,000
23-Feb-23	23-Feb-23	30-Nov-26	37	900,000	-	-	-	900,000	900,000
9-May-23	9-May-23	9-May-27	37	2,000,000	-	-	-	2,000,000	2,000,000
9-Nov-23	9-Nov-23	10-Nov-27	18	-	2,500,000	-	-	2,500,000	2,500,000
9-Nov-23	9-Nov-23	10-Nov-27	29	-	1,750,000	-	-	1,750,000	1,750,000
10-Nov-23	10-Nov-23	10-Nov-27	29	-	2,200,000	-	-	2,200,000	2,200,000
Total				19,150,000	6,450,000	(1,000,000)	(5,500,000)	19,100,000	19,100,000
Weighted Average Exercise Price (cents)				31.62	24.74	25.00	24.09	31.81	31.81

The weighted average remaining contractual life of options outstanding at year end was 2.07 years (30 June 2023: 1.72 years).

METAL HAWK LIMITED
NOTES TO THE FINANCIAL STATEMENTS

7.1 SHARE BASED PAYMENT PLANS (continued)

Options (continued)

Options granted during the financial year ended 30 June 2024

As part consideration for the provision of lead manager services in connection with the Share Placement in July 2023, the Company issued the Lead Manager 2,500,000 unquoted options exercisable at \$0.18 each and expiring four years from the date of issue (Lead Manager Options). The Lead Manager Options were approved by shareholders at the Company's AGM held on 9 November 2023.

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

	Lead Manager Options
Number of options	2,500,000
Exercise price (cents)	18
Grant date	9-Nov-23
Expiry date	10-Nov-27
Life of the options (years)	4
Volatility	100%
Risk free rate	4.22%
Fair value at grant date (cents)	14.0
Share price at grant date (cents)	19.5

The options vest immediately. The options were valued at \$350,000 with the share-based payment expense recognised as capital raising costs in equity.

During the year ended 30 June 2024, 1,750,000 unlisted options were issued to the Directors under the Company's Employee Share Plan, as approved by shareholders at the Company's AGM held on 9 November 2023.

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

	Directors Options
Number of options	1,750,000
Exercise price (cents)	29
Grant date	9-Nov-23
Expiry date	10-Nov-27
Life of the options (years)	4
Volatility	100%
Risk free rate	4.22%
Fair value at grant date (cents)	12.6
Share price at grant date (cents)	19.5

The options vest immediately. The options were valued at \$220,500 with the share-based payment expense recognised the Statement of Profit or Loss and Other Comprehensive Income.

METAL HAWK LIMITED
NOTES TO THE FINANCIAL STATEMENTS

7.1 SHARE BASED PAYMENT PLANS (continued)

Options granted during the financial year ended 30 June 2024 (continued)

On 10 November 2023, the Company issued 2,200,000 options exercisable at \$0.29 each expiring on 10 November 2027 under the Company's Employee Securities Incentive Plan.

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

	Employee Options
Number of options	2,200,000
Exercise price (cents)	29
Issue date	10-Nov-23
Expiry date	10-Nov-27
Life of the options (years)	4
Volatility	100%
Risk free rate	4.31%
Fair value at grant date (cents)	12.6
Share price at grant date (cents)	19.5

The options vest immediately. The options were valued at \$277,200 with the share-based payment expense recognised the Statement of Profit or Loss and Other Comprehensive Income.

Performance Rights granted during the financial year ended 30 June 2024

At 30 June 2024, a summary of the Company Performance Rights in issue are as follows:

Tranche	Grant date	Expiry date	Balance at the start of the year	Granted during the year	Exercised during the year	Expired during the year	Balance at the end of the year	% vested
A	9-Nov-23	10-Nov-28	-	1,750,000	-	-	1,750,000	Nil
B	9-Nov-23	10-Nov-28	-	1,750,000	-	-	1,750,000	Nil
			-	3,500,000	-	-	3,500,000	

On 9 November 2023, the shareholders approved the grant of 3,500,000 Performance Rights to the Directors, with the vesting terms as below:

- 1) Tranche A shall vest upon the Company's VWAP being at least \$0.30 over 20 consecutive trading days on which the Company's shares have actually traded (commencing after 9 November 2023).
- 2) Tranche B shall vest upon the Company's VWAP being at least \$0.40 over 20 consecutive trading days on which the Company's shares have actually traded (commencing after 9 November 2023).

The Performance Rights will expire and lapse if the Director ceases employment with the Company.

METAL HAWK LIMITED
NOTES TO THE FINANCIAL STATEMENTS

7.1 SHARE BASED PAYMENTS (continued)

Performance Rights granted during the financial year ended 30 June 2024 (continued)

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

	Tranche A Performance Rights	Tranche B Performance Rights
Number of options	1,750,000	1,750,000
Exercise price (cents)	-	-
Barrier price (cents)	30	40
Grant date	9-Nov-23	9-Nov-23
Expiry date	10-Nov-28	10-Nov-28
Life of the options (years)	5	5
Volatility	100%	100%
Risk free rate	4.22%	4.22%
Fair value at grant date (cents)	18.40	17.90
Share price at grant date (cents)	19.50	19.50

The Tranche A and B Performance Rights were valued at \$635,250 and expensed over the life of the Performance Rights of 5 years. Share-based payment expense of \$81,318 was recognised in the Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2024.

Options granted during the financial year ended 30 June 2023

During the financial year ended 30 June 2023, 1,750,000 unlisted options were granted to the Directors under the Company's Employee Share Plan, as approved by shareholders at the Company's AGM held on 30 November 2022. The options have been valued using the Black-Scholes Option Valuation model, which takes account of factors including the option exercise price, the current level and volatility of the underlying share price, the risk-free interest rate, expected dividends on the underlying share, current market price of the underlying share and the expected life of the option. See below for the assumptions used for grants made.

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

The options vested immediately.

METAL HAWK LIMITED
NOTES TO THE FINANCIAL STATEMENTS

7.1 SHARE BASED PAYMENTS (continued)

Options granted during the financial year ended 30 June 2023 (continued)

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

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

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

The options vested immediately.

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

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

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

The options vested immediately.

7.2 FINANCIAL INSTRUMENTS

Capital risk management

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

The Company's overall strategy remains unchanged from 2023.

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

The Company is not subject to externally imposed capital requirements.

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

Financial risk management objectives

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

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

Market risk

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

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

Foreign currency exchange rate risk management

The Company is not exposed to foreign currency risk.

Interest rate risk management

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

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

7.2 FINANCIAL INSTRUMENTS (continued)

Interest rate risk sensitivity analysis

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

At 30 June 2024 and 30 June 2023, the interest rate risk is minimal.

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

Credit risk management

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

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

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

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

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

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

Liquidity risk management

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

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

Non-derivative financial liabilities

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

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

The table includes both interest and principal cash flows.

METAL HAWK LIMITED
NOTES TO THE FINANCIAL STATEMENTS

7.2 FINANCIAL INSTRUMENTS (continued)

	Weighted average interest rate %	Less than 6 months \$	6 months to 1 year \$	1 – 5 years \$
30 June 2024				
Trade and other payables	-	(65,214)	-	-
Right of use lease liabilities	7%	(20,585)	(20,586)	(10,805)
		(85,799)	(20,586)	(10,805)
30 June 2023				
Trade and other payables	-	(184,072)	-	-
Right of use lease liabilities	7%	(18,787)	(18,787)	(51,977)
		(202,859)	(18,787)	(51,977)

Fair value measurement

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

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

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

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

7.3 RELATED PARTIES

Accounting Policy

Key management personnel compensation

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

(a) Key management personnel compensation

Key management personnel compensation comprises the following:

	2024	2023
	\$	\$
Short-term employee benefits	437,173	406,625
Share-based payments – options	301,818	266,000
	738,991	672,625

(b) Other transactions with related parties

During the year ended 30 June 2024, the Company issued 1.75m options and 3.5m Performance Rights to Directors of the Company, as disclosed above in note 7.1. The Company was assigned a 3-year office lease from Pennock Pty Ltd, a company associated with Director David Pennock, with details disclosed in note 5.2 and 5.3. The assignment has been entered into on arms-length terms. No other related party transactions occurred during the year ended 30 June 2024.

7.4 AUDITORS' REMUNERATION

BDO Audit Pty Ltd

Audit and other assurance services

Audit services	60,925	37,392
Total remuneration for audit and other assurance services	60,925	37,392

Taxation Services

Tax compliance services	6,695	6,180
TOTAL AUDITORS' REMUNERATION	67,620	43,572

The BDO entity performing the audit of the Company transitioned from BDO Audit (WA) to BDO Audit Pty Ltd on the 10 September 2024. The disclosures include amounts received or due and receivable by BDO Audit (WA) Pty Ltd, BDO Audit Pty Ltd and their respective related entities.

7.5 SUBSEQUENT EVENTS

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

7.6 COMMITMENTS AND CONTINGENCIES

Horizon Acquisition

On 5 July 2023, the Company announced that it has entered into a binding agreement for an option to purchase the western Yarmany project tenements from Black Mountain Gold Limited, a wholly owned subsidiary of Horizon Minerals Limited (ASX: HRZ). In July 2023, the Company paid \$200,000 cash and issued \$200,000 worth of fully paid shares to HRZ escrowed for six months. 1,134,430 shares were issued at a 20-day VWAP at \$0.17 per share.

Further to this, HRZ has future consideration as follows:

- a) Fully paid MHK shares to the value of \$1 million (Consideration Shares) or cash (at MHK's election) to exercise the option on or before 30 June 2025. MHK must spend \$1 million on project expenditure before it can exercise the option and a minimum of \$500,000 before it can withdraw from the option; or
- b) HRZ may elect to forego the payment and retain a 20% free-carried interest in the Tenements (until decision to mine).

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METAL HAWK LIMITED
CONSOLIDATED ENTITY DISCLOSURE STATEMENT

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

Metal Hawk Limited has no controlled entities and, therefore, is not required by the Australian Accounting Standards to prepare consolidated financial statements. As a result, section 295(3A)(a) of the *Corporations Act 2001* does not apply to the entity.

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DIRECTORS' DECLARATION

1. In the opinion of the Directors of Metal Hawk Limited (the "Company"):
 - (a) the accompanying financial statements and notes are in accordance with the *Corporations Act 2001* including:
 - (i) giving a true and fair view of the Company's financial position as at 30 June 2024 and of its performance for the year then ended; and
 - (ii) complying with Australian Accounting Standards, the *Corporations Regulations 2001*, professional reporting requirements and other mandatory requirements.
 - (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
 - (c) the financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.
 - (d) the information disclosed in the consolidated entity disclosure statement is true and correct.
2. This declaration has been made after receiving the declarations required to be made to the Directors in accordance with Section 295A of the *Corporations Act 2001* for the financial year ended 30 June 2024.

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

Dated at Perth 26th of September 2024.



William Belbin
Managing Director

INDEPENDENT AUDITOR'S REPORT

To the members of Metal Hawk Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Metal Hawk Limited (the Company), which comprises the statement of financial position as at 30 June 2024, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

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

- (i) Giving a true and fair view of the Company's financial position as at 30 June 2024 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

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

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Material uncertainty related to going concern

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

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Valuation of Capitalised Exploration and Evaluation Expenditure

Key audit matter	How the matter was addressed in our audit
As disclosed in Note 4.1 to the Financial Report, the carrying value of the capitalised exploration and evaluation expenditure represents a significant asset of the Company. Refer to Notes 1.2 and 4.1 of the Financial Report for a description of the accounting policy and significant judgements applied to capitalised exploration and evaluation expenditure. In accordance with AASB 6 Exploration and Evaluation of Mineral Resources, the recoverability of exploration and evaluation requires significant judgement by management in determining whether there are any facts or circumstances that exist to suggest that the carrying amount of this asset may exceed its recoverable amount. During the year, the Company undertook an impairment assessment and recognised an impairment charge as disclosed in Note 4.1. As a result, this is considered a key audit matter.	Our procedures included, but were not limited to: • Obtaining a schedule of the areas of interest held by the Company and assessing whether the rights to tenure of those areas of interest remained current at balance date; • Considering the status of the ongoing exploration programmes in the respective areas of interest by holding discussions with management and reviewing the Company's exploration budgets, ASX announcements and Director's minutes; • Verifying, on a sample basis, evaluation expenditure capitalised during the year for compliance with the recognition and measurement criteria of AASB 6; • Considering whether any such areas of interest had reached a stage where a reasonable assessment of economically recoverable reserves existed; • Considering whether there are any other factors or circumstances existing to suggest impairment testing was required; • Evaluating and assessing the accuracy of the Company's calculation on the impairment recognised for the year ended 30 June 2024; and • Assessing the adequacy of the related disclosures in Notes 1.2 and 4.1 to the Financial Report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Company's annual report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon.

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

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

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

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of:

- a) the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and
- b) the consolidated entity disclosure statement that is true and correct in accordance with the Corporations Act 2001, and

for such internal control as the directors determine is necessary to enable the preparation of:

- i) the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the Financial Report

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



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

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

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 9 to 15 of the directors' report for the year ended 30 June 2024.

In our opinion, the Remuneration Report of Metal Hawk Limited, for the year ended 30 June 2024, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

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

BDO Audit Pty Ltd

A handwritten signature in black ink, appearing to read 'Dean Just', is written over a faint, stylized 'BDO' logo.

Dean Just

Director

Perth, 26 September 2024

SECURITIES EXCHANGE INFORMATION

The shareholder information set out below was applicable as at 7 September 2024:

1. Distribution of ordinary shares

Range	Total holders	Ordinary shares	% of issued capital
1 - 5,000	342	822,236	0.82
5,001 - 10,000	169	1,385,716	1.38
10,001 – 100,000	420	16,934,089	16.82
100,001 and over	136	81,527,961	80.99
Total	1,067	100,670,002	100.00

2. Substantial shareholders

The substantial shareholders are set out below:

Shareholders	Number of Shares
IGO Forrester Limited	6,808,891

3. Voting rights

Ordinary shares

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

Options and rights

No voting rights.

4. Unlisted options as at 24 September 2024

Grant date	Number	Number of holders	Expiry date	Exercise price (cents)
13-Sep-19	4,000,000	5	19-Nov-24	30
19-Nov-20	1,000,000	5	19-Nov-24	30
02-Dec-21	250,000	3	30-Nov-24	42
30-Nov-21	2,550,000	5	30-Nov-25	42
30-Nov-22	1,750,000	3	30-Nov-26	37
24-Feb-23	800,000	4	30-Nov-26	37
09-May-23	2,000,000	1	9-May-27	37
10-Nov-23	2,500,000	2	10-May-27	18
10-Nov-23	3,950,000	8	10-May-27	29

METAL HAWK LIMITED
SECURITIES EXCHANGE INFORMATION

5. Twenty largest shareholders as at 07 September 2024.

Shareholders	Ordinary shares	
	Number held	% of issued shares
IGO FORRESTANIA LIMITED	6,808,891	6.76%
LOTAKA PTY LTD	4,359,599	4.33%
MR NAVEEN DANDA	4,005,499	3.98%
GKMI PTY LTD	3,825,000	3.80%
WAGOE INVESTMENTS PTY LTD	2,627,273	2.61%
ARIES HOLDINGS WA PTY LTD	2,626,147	2.61%
CAMELWOOD INVESTMENTS PTY LTD	2,500,000	2.48%
CALIFORNIA GROUP PTY LTD	2,200,000	2.19%
PENNOCK PTY LTD	2,050,000	2.04%
MS ERICA JOAN ALLAN	2,001,409	1.99%
BNP PARIBAS NOMS PTY LTD	1,556,956	1.55%
MR GLENN LANCE BAUER	1,493,662	1.48%
MRS JULIE AVOTINS	1,484,597	1.47%
LADYMAN SUPER PTY LTD	1,476,768	1.47%
MR MARCUS FIELD HARRIS	1,202,702	1.19%
HORIZON MINERALS LIMITED	1,134,430	1.13%
MR NEIL MORRISON & MRS LYNETTE ESTHER MORRISON	1,100,000	1.09%
PATINA RESOURCES PTY LTD	1,023,111	1.02%
ODETTE GEOSCIENCE PTY LTD	1,000,000	0.99%
SKRYNE HILL PTY LTD	1,000,000	0.99%
OCEANVIEW ROAD PTY LTD	1,000,000	0.99%
VAN DER WALT SUPER PTY LTD	962,692	0.96%
TOTAL	47,438,736	47.12%

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METAL HAWK LIMITED
SECURITIES EXCHANGE INFORMATION

6. Tenements listing as at 7 September 2024

Project	Tenement	Status	Percentage Interest
Berehaven	E26/0210	Granted	Metal Hawk Limited (100%)
Berehaven	E26/0216	Granted	Metal Hawk Limited (100%)
Berehaven	P26/4174	Granted	Metal Hawk Limited (100%)
Berehaven	P25/2634	Granted	Metal Hawk Limited (100%)
Berehaven	P25/2716	Granted	Metal Hawk Limited (100%)
Berehaven	P26/4656	Granted	Metal Hawk Limited (100%)
Berehaven	E25/0349	Granted	Aurenne Cannon Pty Ltd (100%)
Berehaven	E25/0543	Granted	Black Mountain Gold Limited (100%)
Berehaven	E25/0564	Granted	Aurenne Cannon Pty Ltd (100%)
Berehaven	E25/0511	Granted	Kalgoorlie Ore Treatment Company Pty Ltd (100%)
Berehaven	P25/2526	Granted	Kalgoorlie Ore Treatment Company Pty Ltd (100%)
Berehaven	P26/4381	Granted	Kalgoorlie Ore Treatment Company Pty Ltd (100%)
Berehaven	P26/4382	Granted	Kalgoorlie Ore Treatment Company Pty Ltd (100%)
Berehaven	P26/4383	Granted	Kalgoorlie Ore Treatment Company Pty Ltd (100%)
Berehaven	P26/4384	Granted	Kalgoorlie Ore Treatment Company Pty Ltd (100%)
Berehaven	P26/4385	Granted	Kalgoorlie Ore Treatment Company Pty Ltd (100%)
Berehaven	P26/4386	Granted	Kalgoorlie Ore Treatment Company Pty Ltd (100%)
Berehaven	P26/4405	Granted	Kalgoorlie Ore Treatment Company Pty Ltd (100%)
Fraser South	ELA69/3584	Pending	Skryne Hill Pty Ltd (100%)
Fraser South	ELA69/3593	Pending	Skryne Hill Pty Ltd (100%)
Fraser South	ELA63/1936	Live	Skryne Hill Pty Ltd (100%)
Fraser South	ELA69/3808	Pending	Metal Hawk Limited (100%)
Kanowna East	E27/0596	Live	Metal Hawk Limited (100%)
Kanowna East	P27/2428	Live	Metal Hawk Limited (100%)
Kanowna East	E25/614	Live	Metal Hawk Limited (100%)
Kanowna East	E27/700	Pending	Metal Hawk Limited (100%)

METAL HAWK LIMITED

SECURITIES EXCHANGE INFORMATION

6. Tenements listing as at 7 September 2024

Project	Tenement	Status	Percentage Interest
Kanowna East	E27/704	Pending	Metal Hawk Limited (100%)
Leinster South	E36/1048	Live	Metal Hawk Limited (100%)
Leinster South	E36/1068	Live	Metal Hawk Limited (100%)
Norseman East	E63/2042	Live	Metal Hawk Limited (100%)
Onslow	E08/3231	Live	Skryne Hill Pty Ltd (100%) – Subject to Option Agreement
Onslow	E08/3232	Live	Skryne Hill Pty Ltd (100%) – Subject to Option Agreement
Wilbah West	P29/2679	Live	Metal Hawk Limited (100%)
Viking	E63/1963	Live	Metal Hawk Limited (100%)
Viking	ELA63/2201	Pending	Metal Hawk Limited (100%)
Yarmany	E15/1655	Live	Subject to Option Agreement
Yarmany	E16/521	Live	Subject to Option Agreement
Yarmany	E16/507	Live	Subject to Option Agreement
Yarmany	E15/1723	Live	Subject to Option Agreement
Yarmany	E16/503	Live	Subject to Option Agreement
Yarmany	E16/506	Live	Subject to Option Agreement
Yarmany	E16/591	Live	Subject to Option Agreement
Yarmany	ELA 15/2036	Pending	Subject to Option Agreement
Yarmany	ELA 15/2039	Pending	Subject to Option Agreement
Yarmany	ELA 15/2041	Pending	Subject to Option Agreement