

Pan Asia Metals Limited and its subsidiaries

Registration Number (Singapore) 201729187E

Interim Financial Information

For the six months ended 30 June 2022

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Directors	Mr Paul Lock (Managing Director) Mr David Hobby (Technical Director) Mr David Docherty (Non-Executive Director) Mr Thanasak Chanyapoon (Non-Executive Director) Mr Ian B Mitchell (Non-Executive Director, resigned on 23 June 2022) Mr Roger Jackson (Non-Executive Director, resigned on 23 June 2022) Ms Supriya Sen (Non-Executive Director, appointed on 10 May 2022)
Company secretaries	Mr Wayne John Kernaghan (Australia) Ms Fiza Alwi (Singapore)
Registered office	77 Robinson Road #06-03 Robinson 77 Singapore 068896
Principal place of business	Level 23, 52 Thaniya Plaza, Zone B, Silom Road, Suriyawong, Bangkok Thailand, 10500
Auditor (Singapore)	PKF-CAP LLP 6 Shenton Way OUE Downtown 1 #38-01 Singapore 068809
Solicitors	Ian B. Mitchell & Associates Level 9, 19-29 Martin Place Sydney, NSW, 2000 Phone: +61 2 9232 5444
Website	www.panasiametals.com

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Consolidated Entity') consisting of Pan Asia Metals Limited (referred to hereafter as the 'Company') and its subsidiaries for the six months period ended 30 June 2022.

Directors

The following persons were directors of Pan Asia Metals Limited during the whole of the financial period and up to the date of this report, unless otherwise stated:

Mr Paul Lock
 Mr David Hobby
 Mr David Docherty
 Mr Thanasak Chanyapoon
 Ms Supriya Sen (Appointed on 10 May 2022)
 Mr Ian B Mitchell (Resigned on 23 June 2022)
 Mr Roger Jackson (Resigned on 23 June 2022)

Principal activities

Pan Asia Metals Limited (Pan Asia) is a Singapore registered Asian oriented minerals exploration Company focused on the identification and development of battery and critical metals assets situated in low cost environments proximal to advanced industrial centres. The Company places emphasis on assets which present it an opportunity to move beyond the mine gate and value add.

Review of operations

The loss for the Consolidated Entity after providing for income tax amounted to US\$939,208 (30 June 2021: US\$667,168).

The net assets of the Consolidated Entity decreased by US\$980,139 to US\$11,460,569 as at 30 June 2022 (31 December 2021: US\$12,440,708).

Working capital, being current assets less current liabilities, decreased by US\$2,097,357 to US\$2,809,250 (31 December 2021: US\$4,906,607). The Consolidated Entity had net cash outflows from operating activities for the period of US\$757,654 (30 June 2021: US\$579,416 cash outflow). The total cash and cash equivalents at the 30 June 2022 amounted to US\$3,153,935 (31 December 2021: US\$5,274,787).

For the six months ended 30 June 2022 PAM continued its focus on infill and extension drilling at the Reung Kiet Lithium Project (RKLP). A total of 29 diamond core holes were drilled for 4,839.5m and PAM delivered an inaugural Mineral Resource Estimate (MRE) for RKLP of 10.4Mt @ 0.44% Li₂O for approximately 113,000t contained LCE. The MRE was estimated by CSA Global in accordance with the JORC Code (2012), see below Table 1 "RKLP Inferred Mineral Resource" and refer to PAM's ASX announcement date 28 June, 2022, and titled "Inaugural Mineral Resource Estimate, Reung Kiet Lithium Prospect, Thailand."

Table 1. RKLP Inferred Mineral Resource

	Million Tonnes	Li ₂ O %	Sn %	Ta ₂ O ₅ %	Rb %	Cs %	LCE (t)
Oxide & Transitional	3.2	0.49	0.03	0.009	0.15	0.02	38,611
Fresh	7.2	0.42	0.04	0.009	0.16	0.02	74,416
Total	10.4	0.44	0.04	0.009	0.16	0.02	113,027

Mineral Resource reported above 0.25% Li₂O% cut-off. Appropriate rounding applied. Refer to ASX announcement dated 28 June, 2022.

The MRE was in line with PAM's expectations and the contained LCE of ~113,000t positions PAM well to meet its objective of producing 10,000t LCE per annum for 10 years, to begin with.

Review of operations (continued)

The MRE is reported at a lower cut-off grade of 0.25% Li₂O. The MRE has also been reported at various other cut-off grades, see Table 2 below titled "RKLP Mineral Resource at various cut-off grades". Table 2 indicates substantial increases of contained LCE when lower cut-off grades are used and it may be possible that a lower cut-off grade is eventually used at RKLP:

Table 2. RKLP Mineral Resource at various cut-off grades

Cut-off	Million Tonnes	Li ₂ O %	Sn %	Ta ₂ O ₅ %	Rb %	Cs %	LCE (t)
0.10	21.5	0.30	0.03	0.007	0.13	0.02	159,315
0.15	17.1	0.34	0.03	0.007	0.14	0.02	143,606
0.20	13.3	0.39	0.04	0.008	0.15	0.02	128,119
0.25	10.4	0.44	0.04	0.009	0.15	0.02	113,027

Subsequent to the period end PAM defined a drill supported Exploration Target of 8 to 14 million tonnes at a grade ranging between 0.5% to 0.8% Li₂O in accordance with the JORC Code 2012 at the Bang I Tum Lithium Prospect (Bang I Tum) located in southern Thailand. Grades have also been estimated for Sn, Ta₂O₅, Rb, Cs and K, see Table 3 below and ASX Announcement dated 27 July, 2022, and titled 'Reung Kiet Lithium Project Exploration Target'. The potential quantity and grade of the Exploration Target are conceptual in nature. There has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

Table 3. RKLP – Bang I Tum Prospect - Exploration Target, 27 July, 2022

	Million Tonnes	Li ₂ O %	Sn %	Ta ₂ O ₅ (ppm)	Rb %	Cs (ppm)	K (%)
Lower	8.0	0.80	0.09	120	0.30	250	2.80
Upper	14.0	0.50	0.07	95	0.24	210	2.40

Bang I Tum is located about 8km north-east of the Reung Kiet Lithium Prospect in southern Thailand. Pan Asia Metals retains a 100% interest in the project via Special Prospecting Licence 1 (JSPL1/2562).

During the period PAM released three (3) RKLP drilling updates, see ASX announcements dated 28 January, 9 February and 22 April 2022 and titled accordingly. The 28 January update related to assay results received for infill and extensional sampling from drill holes RKDD006-009 and RKDD016-019 and assay results from drill holes RKDD031-035. The 9 February update related to assay results received for drill holes RKDD036-042 and pegmatites intersected in drill hole RKDD046. The 22 April announcement related to assay results received for infill and extensional sampling from drill holes RKDD043-046. Lithium assay results continue to be positive with potential by-product assay grades for Sn, Ta, Cs, Rb and K on par or better than the peer group. PAM completed the First Half on drill hole RKDD072 with 11,699.2 meters drilled at Reung Kiet Prospect and a total of 12,662.2 meters at RKLP inclusive of drilling at the Bang I Tum Prospect.

During the period PAM announced that it had engaged BGRIMM Machinery & Automation Technology Co., Ltd. (BGRIMM) in China to conduct its metallurgical test work. The test work concerns grinding and flotation to produce a lepidolite concentrate which can then be used in additional test-work to extract lithium and other valuable compounds. BGRIMM will also evaluate the potential to recover tin and tantalum concentrate. This work is ongoing.

Review of operations (continued)

During the period PAM announced the appointment Ms Supriya Sen as an Independent Non-executive Director of PAM. Supriya is a former banker and project finance investments specialist, with over 3 decades of experience at financial and investment institutions including GE Capital, World Bank, Asian Development Bank and Citibank. Supriya led investments into infrastructure and cleantech sectors across Asia and the Middle East. More recently Supriya was a senior advisor at a leading strategic consultancy firm and currently is an independent board director of several other public and private sector companies active in infrastructure, financial services and digital platforms in Asia and around the world. As an advisor, Supriya worked with companies on assignments linked to infrastructure, project and structured finance, innovation, and strategic transformation, to enhance financial inclusion, sustainability and orderly low-carbon transitions. Subsequent to the period end Ian Mitchell and Roger Jackson stepped down from the Board. See ASX Announcement dated 10 May, 2022, and titled 'Director Appointment and Board Changes'.

During the period PAM announced the appointment Dr Evan Kirby of Metallurgical Management Services to steer PAM's lepidolite concentrate test work with BGRIMM. Dr Kirby is a metallurgist with over 45 years experience in minerals testing and feasibility work and was closely involved in European Metal Holdings Limited's (ASX:EMH) feasibility study. PAM also announced the appointment of Lithium Consultants Australasia (LCA) to act as PAM's metallurgical and chemical engineering advisor and representative tasked with designing and overseeing test work for the extraction of lithium from Reung Kiet Lithium Project (RKLP) concentrate to produce battery grade lithium chemicals. LCA's principal, Grant Harman, has a long history in lithium chemical processing. See PAM's ASX Announcements dated 28 January, 2022, and titled 'December 2021 Quarterly Report' and 22 March, 2022, and titled 'Metallurgical and Chemical Consultant Appointments, Reung Kiet Lithium Prospect'.

During the period PAM released its 2021 Annual Report in which it laid out its planned Sustainability Strategy, which is a merging of the World Economic Forum's (WEF) 'Stakeholder Capitalism Metrics' (SCM) and the United Nations' (UN) 'Sustainable Development Goals' (SDGs). The WEF's SCM has four key pillars, being People, Planet, Prosperity and Governance. The UN's SDG comprises 17 categories, PAM will focus on 7 of these with a key focus on Goal 4 'Quality Education', Goal 5 'Gender Equality' and Goal 12 'Responsible Consumption and Production', and as the Company and its projects develop it will incorporate additional SDGs. Underlying these frameworks is PAM's core tenet of Exploring a Better Future®, PAM has been a community oriented operator since establishment, with a focus on education, health and sports sponsorship, applying its education sponsorship via The Village Scientist, an initiative PAM plans to formalize during this year. See PAM's ASX Announcement dated 31 March, 2022, and titled 'Annual Report to Shareholders'.

Competent Persons Statement

The information in this report that relates to Mineral Resources is based on information compiled by Ms Millicent Canisius and Mr Anthony Wesson, both full-time employees of CSA Global. Mr Anthony Wesson is a Fellow and Chartered Professional of the Australasian Institute of Mining and Metallurgy and Ms Millicent Canisius is a Member of the Australasian Institute of Mining and Metallurgy. Mr Anthony Wesson and Ms Millicent Canisius have sufficient experience, relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking, to qualify as Competent Persons as defined in the 2012 Edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). Mr Anthony Wesson and Ms Millicent Canisius consent to the disclosure of the information in this report in the form and context in which it appears.

The information in this report that relates to Exploration Targets and Exploration Results, is based on information compiled by Mr. David Hobby, is a Member of the Australasian Institute of Mining and Metallurgy. Mr. Hobby is a full time employee, Director and Shareholder of Pan Asia Metals Limited. Mr. Hobby has sufficient experience, relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). Mr. Hobby consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the Consolidated Entity during the financial period.

Matters subsequent to the end of the financial period

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


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

On behalf of the directors



Paul David Lock
Director

13 September 2022



David John Hobby
Director

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF PAN ASIA METALS LIMITED**

Report on review of interim financial information

For the six months ended 30 June 2022

Introduction

We have reviewed the accompanying condensed interim financial information of Pan Asia Metals Limited (the "Company") and its subsidiaries (collectively, the "Consolidated Entity"), which comprises the consolidated statement of financial position as at 30 June 2022, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the six months period then ended, selected notes comprising a summary of significant accounting policies and other explanatory information.

Management is responsible for the preparation and fair presentation of this interim financial information in accordance with Singapore Financial Reporting Standard (International) 1-34, *Interim Financial Reporting* ("SFRS(I) 1-34"). Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with the Singapore Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Singapore Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis of Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information does not present fairly, in all material respects, the financial position of the Consolidated Entity as at 30 June 2022, and of its financial performance and its cash flows for the six-month period then ended in accordance with Singapore Financial Reporting Standard (International) 1-34, *Interim Financial Reporting*.

PKF-CAP LLP

PKF-CAP LLP

Public Accountants and
Chartered Accountants

Singapore

13 September 2022

Pan Asia Metals Limited and its subsidiaries
Interim consolidated statement of comprehensive income
For the six months ended 30 June 2022

PAN ASIA METALS

	Consolidated	
	30.06.2022	30.06.2021
	US\$	US\$
Other income	34,391	-
Expenses		
Employment expenses	(293,028)	(252,102)
Depreciation expense	(19,355)	(14,245)
Finance costs on liabilities	(481)	(1,292)
Short term rental expenses	(6,303)	(5,814)
Corporate and administration expenses	(183,650)	(191,374)
Professional fee	(96,418)	(100,708)
Marketing and promotion expenses	(143,391)	(59,790)
Subscription expenses	(30,015)	(25,035)
Unrealised foreign exchange losses	(200,958)	(16,808)
Loss before income tax expense	(939,208)	(667,168)
Income tax expense	-	-
Loss after income tax expense for the period attributable to the owners of Pan Asia Metals Limited	(939,208)	(667,168)
Other comprehensive loss		
<i>Items that may be reclassified subsequently to profit or loss</i>		
Foreign currency translation	(139,056)	(143,251)
Other comprehensive loss for the period, net of tax	(139,056)	(143,251)
Total comprehensive loss for the period attributable to the owners of Pan Asia Metals Limited	(1,078,264)	(810,419)
	Cent	Cent
Basic and diluted loss per share	0.64	0.53

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

Pan Asia Metals Limited and its subsidiaries
Interim consolidated statement of financial position
As at 30 June 2022

	Note	Consolidated 30.06.2022 US\$	31.12.2021 US\$
Assets			
Current assets			
Cash and cash equivalents	4	3,153,935	5,274,787
Other receivables		71,755	27,253
Prepayments		31,439	40,081
Total current assets		<u>3,257,129</u>	<u>5,342,121</u>
Non-current assets			
Property, plant and equipment		65,413	76,251
Right-of-use assets		11,737	24,804
Exploration and evaluation	5	8,596,780	7,464,621
Other receivables		-	22,960
Total non-current assets		<u>8,673,930</u>	<u>7,588,636</u>
Total assets		<u>11,931,059</u>	<u>12,930,757</u>
Liabilities			
Current liabilities			
Trade and other payables	6	102,898	102,673
liabilities		12,551	26,168
Accrued expenses	7	332,430	306,673
Total current liabilities		<u>447,879</u>	<u>435,514</u>
Non-current liabilities			
Provision for employee benefit	7	22,611	54,535
Total non-current liabilities		<u>22,611</u>	<u>54,535</u>
Total liabilities		<u>470,490</u>	<u>490,049</u>
Net assets		<u>11,460,569</u>	<u>12,440,708</u>
Equity			
Issued capital	8	13,072,507	12,974,382
Reserves	9	(193,078)	(54,022)
Accumulated losses		(1,418,860)	(479,652)
Total equity		<u>11,460,569</u>	<u>12,440,708</u>

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

Pan Asia Metals Limited and its subsidiaries
Interim consolidated statement of changes in equity
For the six months ended 30 June 2022

Consolidated	Issued capital US\$	Capital reserve US\$	Foreign currency translation reserve US\$	Accumulated losses US\$	Total equity US\$
Balance at 1 January 2021	7,412,600	3,331,620	(28,389)	(2,105,523)	8,610,308
Loss for the period	-	-	-	(667,168)	(667,168)
Other comprehensive loss for the period, net of tax	-	-	(143,251)	-	(143,251)
Total comprehensive loss for the period	-	-	(143,251)	(667,168)	(810,419)
Cancellation of deferred contingent consideration shares	-	(3,331,620)	-	3,331,620	-
Balance at 30 June 2021	<u>7,412,600</u>	<u>-</u>	<u>(171,640)</u>	<u>558,929</u>	<u>7,799,889</u>

Consolidated	Issued capital US\$	Capital reserve US\$	Foreign currency translation reserve US\$	Accumulated losses US\$	Total equity US\$
Balance at 1 January 2022	12,974,382	-	(54,022)	(479,652)	12,440,708
Issuance of new shares to directors	98,125	-	-	-	98,125
Loss for the period	-	-	-	(939,208)	(939,208)
Other comprehensive loss for the period, net of tax	-	-	(139,056)	-	(139,056)
Total comprehensive loss for the period	-	-	(139,056)	(939,208)	(1,078,264)
Balance at 30 June 2022	<u>13,072,507</u>	<u>-</u>	<u>(193,078)</u>	<u>(1,418,860)</u>	<u>11,460,569</u>

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

Pan Asia Metals Limited and its subsidiaries
Interim consolidated statement of cash flows
For the six months ended 30 June 2022

Note	Consolidated 30.06.2022 US\$	30.06.2021 US\$
Cash flows from operating activities		
Loss of the financial year	(939,208)	(667,168)
Adjustments for:		
Unrealised foreign exchange differences	200,958	32,136
Depreciation of plant and equipment	5,729	5,348
Depreciation of right of use assets	13,626	8,897
Finance costs on lease liabilities	481	1,086
Write back of provision for employee benefit	(34,362)	-
	<u>(752,776)</u>	<u>(619,701)</u>
Changes in working capital:		
- Prepayments	8,642	(14,973)
- Other receivables	(21,542)	91,693
- Other payables and accruals	5,583	(30,410)
- Provision of employee benefit	2,439	(6,025)
	<u>(757,654)</u>	<u>(579,416)</u>
Cash flows from investing activities		
Payments for plant and equipment	(765)	(23,550)
Payments for exploration and evaluation	(1,161,558)	(484,556)
	<u>(1,162,323)</u>	<u>(508,106)</u>
Cash flows from financing activities		
Repayment of lease liabilities	(14,097)	(12,840)
	<u>(14,097)</u>	<u>(12,840)</u>
Net decrease in cash and cash equivalents	(1,934,074)	(1,100,362)
Cash and cash equivalents at the beginning of the period	5,274,787	2,417,703
Effects of exchange rate changes on cash and cash equivalents	(186,778)	(69,725)
Cash and cash equivalents at the end of the period	<u><u>3,153,935</u></u>	<u><u>1,247,616</u></u>

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

Note 1. General information

Pan Asia Metals Ltd is a company limited by shares, incorporated and domiciled in Singapore and whose shares are publicly traded on the Australian Securities Exchange. Its registered office and principal place of business are:

Registered office

77 Robinson Road
#06-03
Robinson 77
Singapore 068896

Principal place of business

Level 23, 52 Thaniya Plaza, Zone B
Silom Road, Suriyawong, Bangkok
Thailand
10500

These condensed interim financial statements as at and for the six-month period ended 30 June 2022 comprise Pan Asia Metals Limited ("the Company") and its subsidiaries ("the Consolidated Entity").

The principal activity of the Company is investment holding. The principal activities of its subsidiaries are in the identification and development of specialty metals assets situated in low-cost environments which are proximal to advanced industrial centres. The Consolidated Entity's principal operations are in Southeast Asia.

The condensed interim financial statements are presented in United States dollars, which is Pan Asia Metals Limited's functional currency.

The condensed interim financial statements were authorised for issue, in accordance with a resolution of the board of directors, on 13 September 2022.

Note 2. Significant accounting policies

These condensed interim financial statements for the six months ended 30 June 2022 have been prepared in accordance with Singapore Financial Reporting Standards SFRS(I) 1-34 Interim Financial Reporting and the Companies Act 1967 (the Act). Compliance with SFRS(I) 1-34 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Consolidated Entity's financial position and performance of the Consolidated Entity since the last annual financial statements for the year ended 31 December 2021.

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

A number of amendments to Standards have become applicable for the current reporting period. The Consolidated Entity did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

Use of judgements and estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Consolidated Entity's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2021.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Seasonal operations

The Consolidated Entity's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

Note 3. Operating segments

The Consolidated Entity does not have any reportable operating segments as it solely operates in one segment, being the exploration of resources within the South East Asian region. The internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM') in assessing performance and in determining allocation of resources are prepared on the Consolidated Entity as a whole

Note 4. Cash and cash equivalent

	Consolidated	
	2022	2021
	US\$	US\$
Cash at bank	3,153,935	5,274,787

Note 5. Non-current assets - exploration and evaluation

	Consolidated	
	2022	2021
	US\$	US\$
Exploration and evaluation at cost	8,596,780	7,464,621

Reconciliations of the carrying amount at the beginning and end of the current and previous financial period are set out below:

Consolidated	Reung Kiet Lithium Project US\$
Balance at 1 January 2022	7,464,621
Expenditure during the period	1,224,638
Exchange difference	<u>(92,479)</u>
Balance at 30 June 2022	<u>8,596,780</u>

The expenditure during the period was predominantly in respect of costs incurred on the Khao Soon Tungsten Project and Reung Kiet Lithium Project.

Note 5. Non-current assets - exploration and evaluation (continued)

Accounting policy for exploration and evaluation assets

Exploration and evaluation expenditure in relation to separate areas of interest for which rights of tenure are current is carried forward as an asset in the statement of financial position where it is expected that the expenditure will be recovered through the successful development and exploitation of an area of interest, or by its sale; or exploration activities are continuing in an area and activities have not reached a stage which permits a reasonable estimate of the existence or otherwise of economically recoverable reserves. Where a project or an area of interest has been abandoned, the expenditure incurred thereon is written off in the year in which the decision is made.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The recoverable amount of the exploration and evaluation asset (or the cash-generating unit(s) to which it has been allocated, being no larger than the relevant area of interest) is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years. Where a decision is made to proceed with development, accumulated expenditure will be tested for impairment, transferred to property, plant and equipment expenditure, and then amortised over the life of the reserves associated with the area of interest once production have commenced.

Note 6. Trade and other payables

	Consolidated	
	2022	2021
	US\$	US\$
Trade payables	24,198	13,204
Other payables	78,711	89,469
	<u>102,898</u>	<u>102,673</u>

Note 7. Accrued expenses

	Consolidated	
	2022	2021
	US\$	US\$
Directors' fee	170,753	207,944
Professional fee	98,597	85,714
Other accrued expenses	63,080	13,015
	<u>332,430</u>	<u>306,673</u>

Note 8. Equity - issued capital

	Consolidated			
	2022	2021	2022	2021
	Number of shares		US\$	
Ordinary shares - fully paid	<u>146,855,590</u>	<u>146,593,992</u>	<u>13,072,507</u>	<u>12,974,382</u>
			No. of	Amount
			ordinary	US\$
			shares	US\$
2022				
Beginning of financial year			146,593,992	12,974,382
Shares issued to directors			261,598	98,125
End of financial year			<u>146,855,590</u>	<u>13,072,507</u>

Note 8. Equity - issued capital (continued)

	No. of ordinary shares	Amount US\$
2021		
Beginning of financial year	126,010,288	7,412,600
Shares issued to investors	20,000,000	5,865,677
Shares issued to directors	583,704	60,082
Share issue expenses	-	(363,977)
	<u>146,593,992</u>	<u>12,974,382</u>
End of financial year	<u>146,593,992</u>	<u>12,974,382</u>

Ordinary shares

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

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

Note 9. Equity - reserves

	Consolidated	
	2022 US\$	2021 US\$
Foreign currency reserve	<u>(193,078)</u>	<u>(54,022)</u>

Foreign currency reserve

The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to United States dollars.

Note 10. Contingent assets and liabilities

The Company has following contingent liabilities towards Thai Goldfields NL as performance payments related to tungsten production at the Khao Soon Tungsten Project:

- (i) Thai Goldfields NL (TGF) will receive a A\$2m cash payment upon first WO3 concentrate production being achieved for a tungsten project on Special Prospecting Licence Application No.1/2549 (TSPLA 1/2549) or its successor title over the historic Khao Soon Tungsten Mine; and
- (ii) TGF will receive a A\$2m cash payment upon first WO3 concentrate production being achieved for a project on any tenement abutting TSPLA 1/2549 or any successor title.

(b) On 15 December 2021, the Company adopted the Bonus share plan for its employees. The scheme allows for the issue of 250,000 shares per year for the next 4 years. This is a discretionary scheme with the distribution to the staff based on the recommendation by management. As of 30 June 2022, there were no bonus shares issued to the staff.

Note 11. Events after the reporting period

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

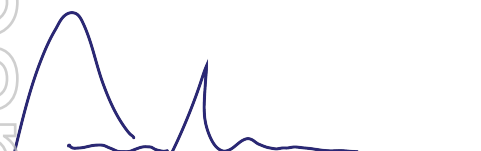
Note 12. Related party transactions

There are no material related party transactions apart from those disclosed elsewhere in the financial statements.


In the directors' opinion:

- the attached financial information and notes comply with the Companies Act 1967 (the Act), Singapore Financial Reporting Standards SFRS(I) 1-34 Interim Financial Reporting and other mandatory professional reporting requirements;
- the attached financial information and notes give a true and fair view of the Consolidated Entity's financial position as at 30 June 2022 and of its financial performance, changes in equity and cash flows for the six months period ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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



Paul David Lock
Director



David John Hobby
Director

13 September 2022