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Annual Report

For the year ended 30 June 2022

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Directors	Mr Alan Broome AM (Non-Executive Chairman) Mr Joshua Wellisch (Executive Director) Mr Adrien Wing (Non-Executive Director)
Company Secretaries	Mr Adrien M Wing Ms Pauline Moffatt
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Auditor	RSM Australia Partners Level 21 55 Collins Street Melbourne VIC 3000
Solicitors	Quinert Rodda & Associates Suite 1, Level 6 50 Queen Street Melbourne VIC 3000
Stock Exchange Listing	New Age Exploration Limited shares are listed on the Australian Securities Exchange (ASX code: NAE)

KEY MILESTONES

PILBARA GOLD PROJECTS

- Acquired northern Pilbara tenements from Monterey
- Drilling encountered previously unrecognised mafic-ultramafic lithologies with low level anomalous Gold and Base Metal results
- Programme comprised 37 holes for a total of ~1159m as a first pass litho-geochemical assessment of the 12 high priority “Hemi-style” targets
- A synthesis of all available geophysical datasets over the Company’s Central Pilbara Project identified multiple new Hemi-Style gold targets and rare metal pegmatites

Gold

- Data filtering technology identified 104 new Hemi-style Intrusion Related Gold targets (IRGS) and 66 structural targets
- An improved understanding of the structural architecture of the region and of the controls on known mineralisation has resulted in a reinterpretation and refinement of existing targets and the identification of many new high priority target areas

Rare Metal Pegmatites

- Helicopter supported field work confirmed the presence of rare metal pegmatites with recorded Lithium-Tantalum-Tin mineralisation at several locations along strike to the southwest of the Wodgina-Mt. Francisco Lithium-Caesium-Tantalum (LCT) Pegmatite Belt
- Phase 2 Drilling commenced on high priority Hemi-style and structural gold targets, a total of 1500m of the planned 5000m RC drilling programme completed on schedule
- Multiple high priority “Hemi Style” and Structural gold targets identified for immediate drill testing across the Company’s extensive project portfolio
- Focus was on high priority targets within the Brahman and Droughtmaster Gold projects
- Strike Drilling completed the drilling programme

Brahman Project

- Encouraging results received from the first 13 holes totalling 1500m of the planned 5000m Phase 2 Reverse Circulation drilling program
- The drilling was focused on high priority “Hemi Style” intrusive related and structural gold targets identified from an assessment of multiple geophysical datasets and multi-element geochemistry
- Proof of concept has been confirmed with the drilling encountering significant widths of previously unrecognised Mallina basin sediments
- Gold potential confirmed with broad, coherent, low order gold and multi-element gold pathfinder geochemical anomalism reported from several drillholes at the Brahman Project. Significant results include:
 - **20m @ 2.3ppb Au, 3.1ppm As from 8m depth (21BRC0006), and**
 - **4m @ 104ppb Au, 4.6ppm As from 108m depth**
 - **40m @ 5.5ppb Au, 11.7ppm As from 36m depth (21BRC0008)**
 - **12m @ 9.1ppb Au, 41.0ppm As from 100m depth (21BRC0012)**
- Lithium potential now also confirmed with broad, coherent, low order lithium and multi-element lithium pathfinder geochemical anomalism also reported from several drillholes, including:
 - **56m @ 137.5ppm Li, 20.7ppm Cs; 2.0ppm Be, 69.4ppm Rb from 36m depth (21BRC0008)**
 - **40m at 111.4ppm Li, 1.8ppm Cs from 80m depth (21BRC0012)**
 - **52m @ 76.4ppm Li, 1.2ppm Cs from 16m depth (21BRC0013)**

Quartz Hill Project

- Exploration licences granted within Quartz Hill project:
 - **E47/4408 and E47/4450**
 - **E47/5724, E47/5725 and E47/5726 covering an additional 651km²**
- NAE's 100% owned and granted Pilbara Projects now total +2000km²
- Lithium bearing pegmatite confirmed within the Quartz Hill Project located southwest along strike from the world class Wodgina Deposit, one of the world's largest known hard rock lithium deposits

NEW ZEALAND GOLD PROJECTS**Lammerlaw**

- Application for extension of duration for Lammerlaw Prospecting Permit (MPP60544) was approved, retaining 132km² until 27th November 2023.
- Continued soil sampling across electromagnetic lineaments within Lammerlaw Prospecting Permit (MPP60544) proves a technical success, confirming coincident arsenic and gold anomalism.
- Further regional soil sampling programs are planned during the 2022/2023 field season.

Lammerlaw East

- The Lammerlaw East Exploration Permit (MEP60807) has advanced with a successful subsequent exploration permit application over 75km².
- Additional in-fill soil sampling confirms a series of northwest trending shear-hosted arsenic and gold anomalies that are approximately 3km in strike length and open at either end.
- Targeted rock sampling has highlighted strong arsenic anomalism mirroring trends defined by soil sampling, gold assays pending - four broad targets have been defined; Antimony Mine, Bucks, Bella and Fulton's Prospects.
- Trenching and possible drilling will be used to refine prospect areas during the next financial year, by testing prospective areas where shallow cover inhibits further surface prospecting.

OPQ

- Prospects within the OPQ Exploration Permit (MEP60502) have been advanced to a trench/drill ready status with work planned for the 2023 field season.
- Historic review and three-dimensional modelling of historic OPQ Mine plans demonstrate an outstanding drill target with potential to host high-grade and disseminated sulphide hosted gold.
- Targeted rock and auger sampling along lines of historic prospecting has successfully delineated several new high-grade narrow vein gold prospects – visible gold identified in float samples.
- Trenching along the OPQ Fault Zone at Burtenshaws Prospect produced spotty gold results to 108ppb Au and strong tungsten anomalism.

Manorburn

- The Manorburn Prospecting Permit (MPP60716) was granted 20th January 2022, significantly expanding a strategic landholding within the highly endowed Central Otago Gold Belt.
- Manorburn secures an area of 235km² situated immediately adjacent to Santana Minerals (ASX:SMI) Bendigo-Ophir Gold Project, some 85km west of Oceana Gold's (ASX:OGC) World Class Macraes Gold Mine.
- Numerous key target areas identified following a review of legacy exploration data.
- Field visit confirms the presence of mineralised, crustal scale north-east and north-west Mesozoic aged structures known to host gold deposits elsewhere in Otago. Gold assays pending.

Marlborough

- The Marlborough Prospecting Permit (MPP60725) was granted 5th August 2022 expanding a further 499km² of landholding into the Marlborough Schist, the equivalent rock group to the Otago Schist located NW of the Alpine Fault.
- The Marlborough Schist has been deformed and mineralised under the same conditions as Otago and have the potential to host high-grade lode and bulk tonnage style gold orogenic gold systems.
- Four priority targets have been identified; initial access negotiations are positive.

LOCHINVAR COAL PROJECT - SCOTLAND

- Lochinvar central licence renewal executed ensuring all tenements are in good standing and 100% owned by NAE.
- Economic outlook for Lochinvar continues to improve.
- Geopolitical events increase global demand for metallurgical coal.
- Excellent location to supply European markets.
- Independent technical consultants, Palaris Australia, engaged to provide a further update to its initial Scoping Study.

PILBARA GOLD PROJECTS – WESTERN AUSTRALIA

Project Background

NAE’s Central Pilbara Project comprises 17 Exploration Licences (all granted) which collectively secure a total area of 2,030 km² centred over the highly prospective yet under-explored Mallina-Whim Creek Basin, Central Pilbara Tectonic Zone (CPTZ), Pilbara Craton Western Australia.

The Project surrounds De Grey Mining’s Mallina Gold Project and the recently discovered Hemi Gold Deposit (Refer ASX: DEG), and is near the world class rare metal LCT pegmatite mining operations of Wodgina (Mineral Resources ASX:MIN) and Pilgangoora (Pilbara Minerals ASX: PLS)

The region has remained under-explored due largely to its relative remoteness, extensive areas of recent cover and restricted access. NAE considers the area to have the potential to host Orogenic gold deposits, Hemi-style IRGS and Shear Zone hosted lode gold deposits, epithermal gold mineralisation, Whim Creek style sedimentary hosted VHMS Copper-Zinc-Lead-Silver base metal deposits and rare metal LCT pegmatite deposits. (Refer Figure 1.)

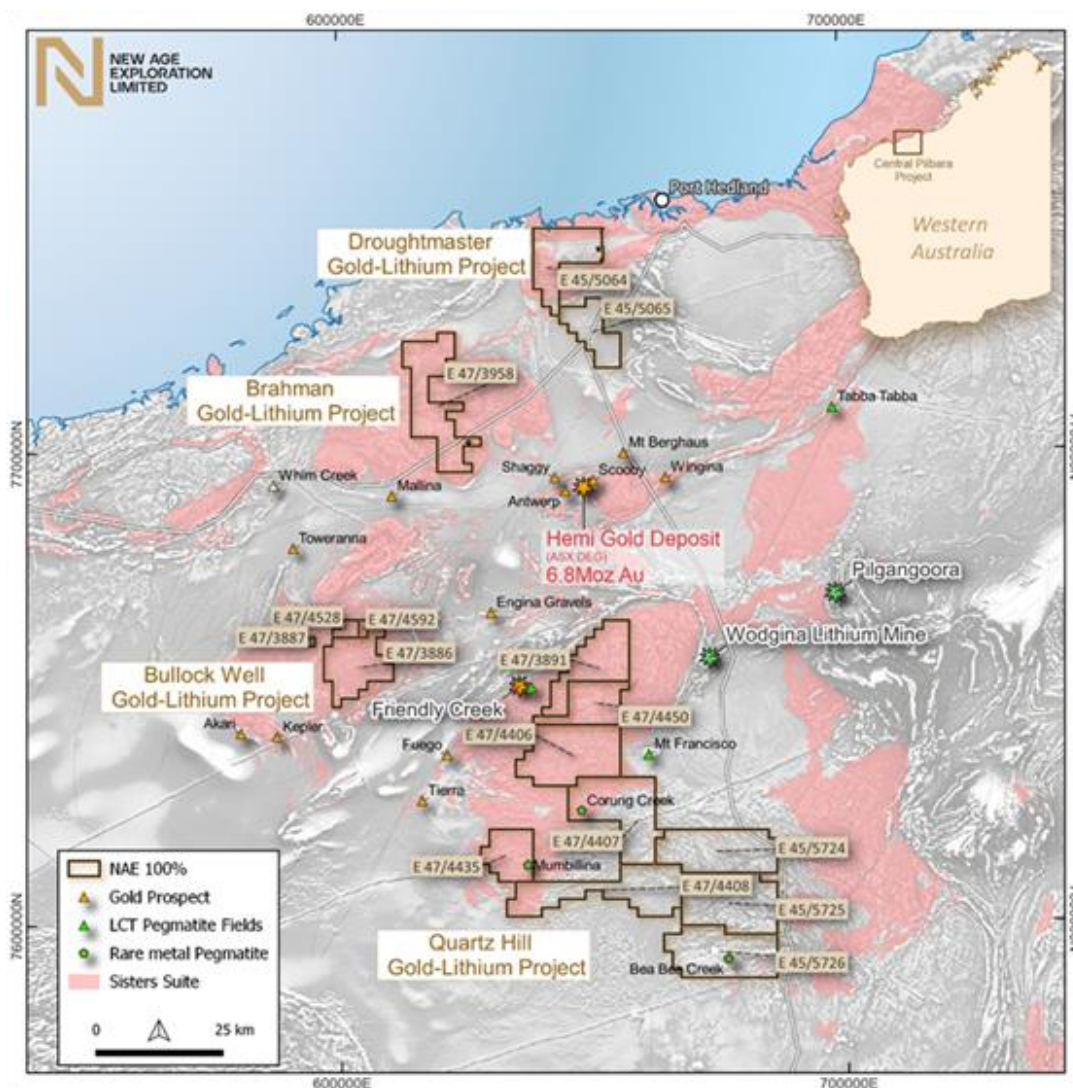


Figure 1: Location of NAE’s Central Pilbara Gold and Lithium Projects

Monterey Acquisition

In August 2021, the Company announced its acquisition of the northern Pilbara tenements from Monterey Minerals Inc (CSE:MREY) (**Monterey**). Under the Option and Asset Sale Agreement dated 28 September 2020 between NAE, Monterey and their subsidiaries, NAE had the right to acquire 100% ownership of the Tenements from Monterey. Completion of this acquisition has now occurred with the following consideration being paid by NAE:

- (a) upfront consideration of 7.5 million shares in NAE; and
- (b) deferred consideration consisting of 30 million NAE shares issuable to Monterey upon NAE delineating a 250koz gold indicated JORC resource on the Tenements and a further 30 million shares upon NAE delineating a 500koz gold indicated JORC resource on the Tenements.

Update on Activities

The Monterey acquisition followed an initial review of the results from the first phase of drilling completed on the tenements. The drill programme comprised 37 shallow air core holes for ~1159m on the high priority targets within the northern package of Pilbara Gold projects including E47/5064, E47/5065 and E47/3958. The tenure is located North of, and within ~50km of De Grey Mining's (ASX:DEG) Hemi gold discovery containing 6.87Moz of gold in the highly prospective Central Pilbara Gold district, Western Australia.

In June 2021, a detailed aeromagnetic survey was completed over the entire project area and a preliminary assessment of the data was undertaken by Core Geophysics.

The results indicated that the tenements consist primarily of granitic intrusive basement rocks beneath recent alluvial cover, with windows of Mallina Basin, De Grey Group rocks interpreted to occur in the E47/3958 E47/5064 and E47/5065 tenements. Several discrete, circular magnetic anomalies with characteristics similar to the intrusions which host the Hemi Deposits have been defined within the surveys which warrant drill testing (Figure 2). The shallower, more discrete anomalies represent the high priority Phase 1 drill targets.

Profile modelling completed over several discrete intrusion style anomalies suggest depths of magnetic bodies from 10m to 150m (mostly < 75m), with some larger magnetic anomalies having depths of 350m. The recommendation was that the high priority anomalies be tested by shallow aircore drilling. The survey results also delineated major structures within the granite bodies which may have some prospectivity to host gold and base metals mineralisation.

The Phase 1 drilling program was planned to comprise 40 holes for a total of 2,800m. However, due to limited depth capability of the rig which was available at the time only half of the planned metres of the program was completed during this campaign. Follow up drilling with a more powerful Reverse Circulation rig is now being planned for later this year.

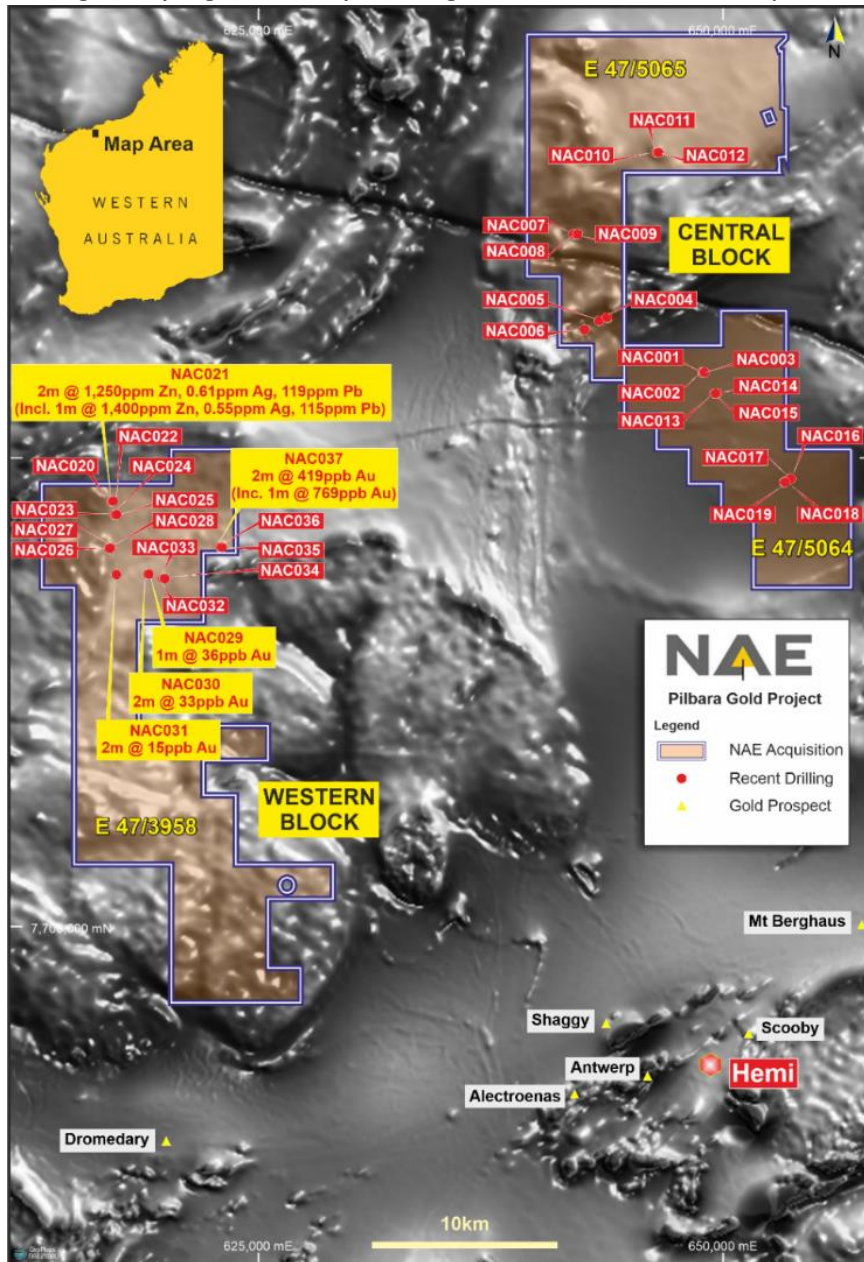
Importantly, whilst most of the modelled magnetic targets remain untested several of the holes encountered previously unrecognised mafic-ultramafic rocks and low-level gold and base metal geochemical anomalism in bottom of hole samples. Mafic and ultramafic rocks such as these are a key feature of the geological setting at Hemi and their identification in first pass regional scale scout drilling within NAE's tenure is considered highly encouraging.

Indicative results:

- NACO37: 2m @ 419 ppb Au from 37m depth
 - *inc 1m @ 769ppb Au*
- NACO21: 2m @ 1250ppm Zn, 0.61ppm Ag, 119ppm Pb from 10m depth
 - *inc 1m @ 1400ppm Zn, 0.55ppm Ag, 115ppm Pb*

In addition, the Company received confirmation that the remaining 2 tenements E47/4408 and E47/4450 were granted. This, with the completion of the Northern Pilbara acquisition, brings NAE’s 100% owned and granted landholding to 2400km².

Figure 2: High Priority Magnetic “Hemi Style” drill targets on Central and West Block with phase 1 drill holes



In October 2021, the Company announced that it had completed a synthesis of all available geophysical datasets over its Central Pilbara Project. The application of industry leading, proprietary data filtering technology enhanced critical features relevant to the mineral systems and deposit models being targeted. Understanding these key elements was a critical next step in guiding effective exploration across the Company’s extensive ground holding in the region (2,030 km²).

The synthesis was completed by specialist geophysical consulting group, Fathom Geophysics, under the guidance of Dr Amanda Buckingham (Principal Geophysicist). Fathom Geophysics are internationally recognised for their expertise in successfully targeting mineralisation in areas where the bedrock geology of interest is hidden beneath younger transported cover.

The recent work identified 104 new Hemi-style IRGS targets, 66 new structural targets and refined previously reported targets. Numerous high priority targets display clear similarities with the Hemi Gold Deposit and with those associated with the Scholl, Mallina and Tabba Shear Zones. None of the new targets had been previously drill tested.

Importantly, refinement of previously identified targets now indicated that much of the initial campaign of drilling by NAE did not reach target depths due to limited capacity of the rig which was available at the time and therefore those targets also remain untested. Low order gold and base metal geochemical anomalism reported from this phase of drilling is however encouraging in that it may be associated with a deeper, untested source.

The geophysical data synthesis completed by Fathom Geophysics incorporated a range of open file public domain regional scale data sets together with prospect scale surveys completed by NAE during April 2021 including:

- Regional and detailed aeromagnetic data
- Regional airborne electromagnetic data
- Regional airborne and ground-based gravity data
- Satellite imagery



Photo 1: Helicopter landed onsite at Quartz Hill Project.

In addition, recent helicopter supported field reconnaissance confirmed the presence of lithium-tantalum-tin rare metal pegmatites at several locations within the interpreted extension of the world class Wodgina-Mt. Francisco Rare Metal Lithium-Caesium-Tantalum (LCT) Pegmatite Belt ~50km southwest of Mineral Resources' (ASX: MIN) Wodgina Mine (one of the largest hard rock lithium mines in the world) and ~29km southwest of Pilbara Minerals' (ASX: PLS) Mt. Francisco Lithium-Tantalum Project.

Geophysical Data Filtering work completed by Fathom Geophysics clearly shows the majority of known gold occurrences (including the Hemi Gold Deposit) to be situated on or in close proximity to major NNE to E-W trending structures or second and third order N-S to NNW trending splay faults. These features represent a potential locus of deep crustal/mantle tapping faults and an associated plumbing system for circulating and trapping mineralising fluids. Numerous of these same structures trend through NAE's project and represent high priority target areas considered worthy of drill testing. (Refer Figure 3.)

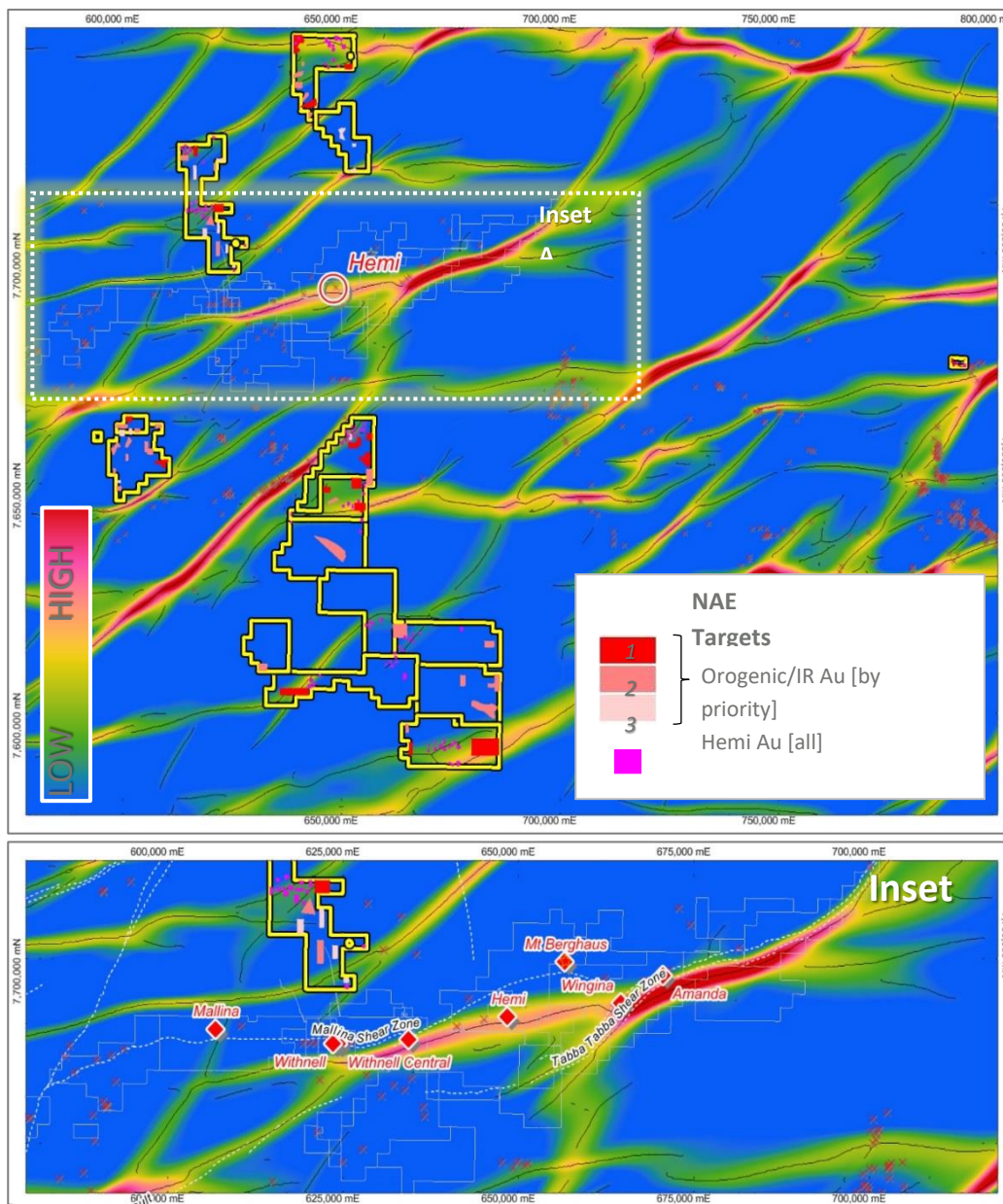


Figure 3: Shows the NAE targets over gravity derived belt parallel structure. An inset over the De Grey Mining tenement package is included, highlighting the location of Hemi and other significant deposits. Note the number of Hemi-type belt parallel and linking structures passing through NAE’s project tenure.

Prospect Scale

The geophysical data synthesis significantly improved the Company’s understanding of the regional framework and structural architecture of the project area. The work identified 104 new Hemi-style IRGS targets, 66 structural targets and refined previously reported targets. (Refer Figures 4 and 5.)

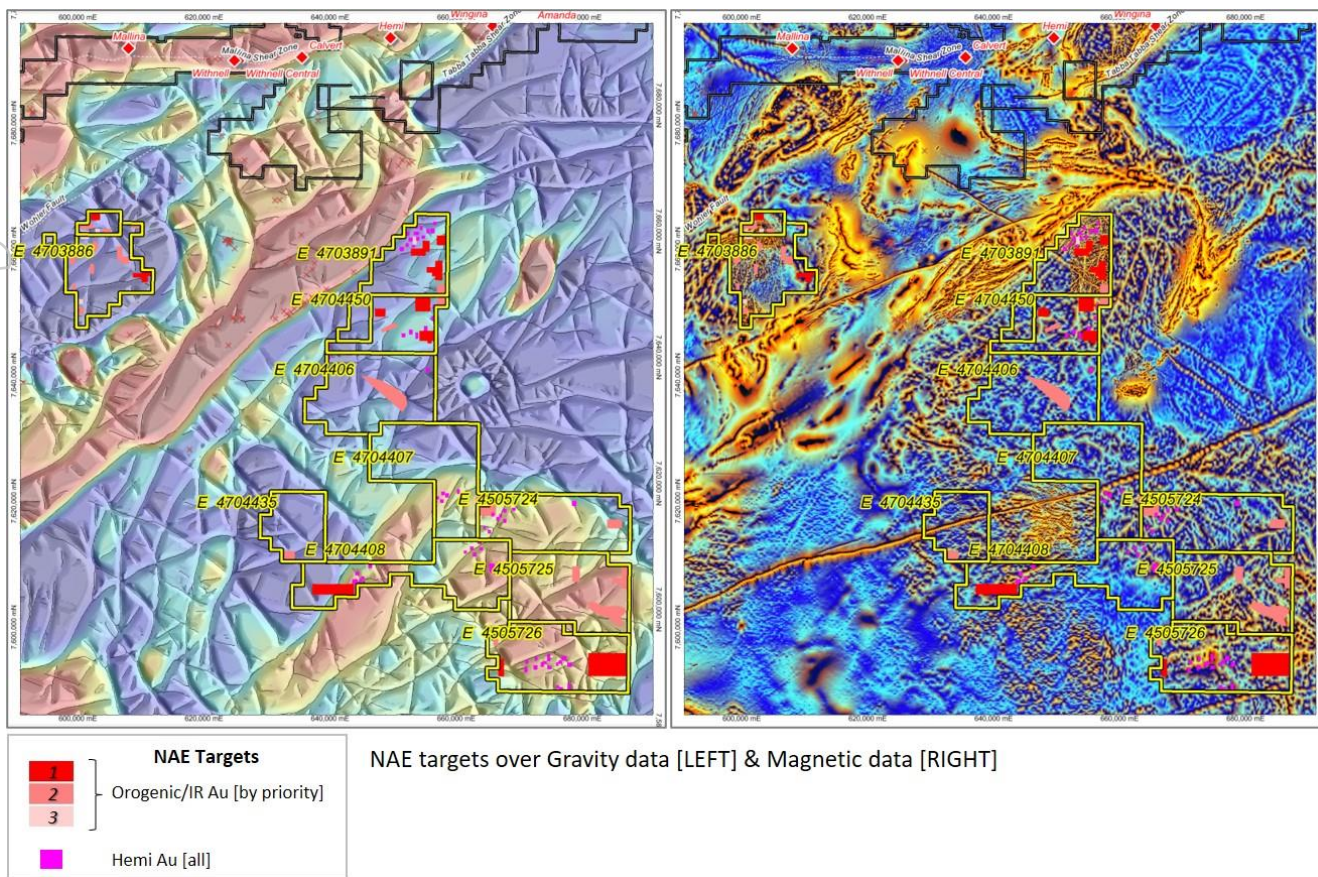


Figure 4: NAE targets over Bullock Well and Quartz Hill Gold Projects.

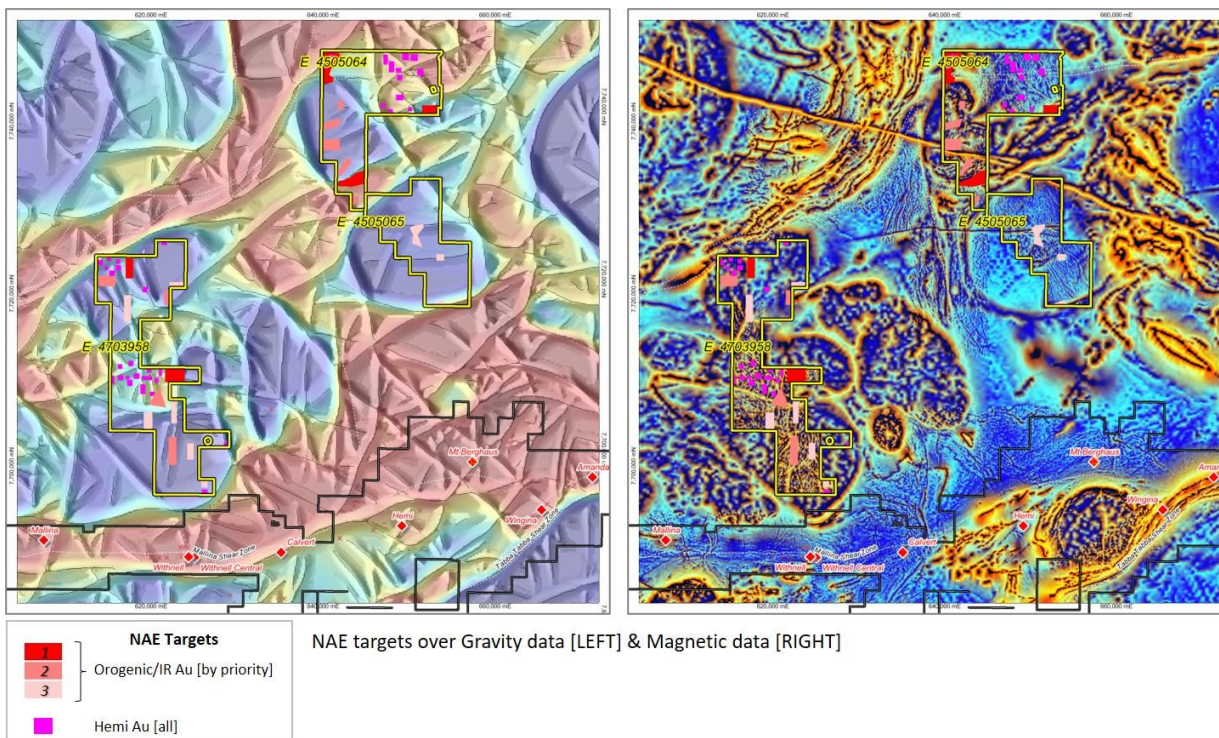


Figure 5: NAE targets over Brahman and Droughtmaster Gold Projects.

Rare Metal Pegmatites

NAE’s helicopter supported field work confirmed the presence of historically mapped occurrences of rare metal pegmatites with recorded Lithium-Tantalum-Tin-Beryl mineralisation at several locations along strike to the southwest of the Wodgina-Mt. Francisco Lithium-Caesium-Tantalum (LCT) Pegmatite Belt. Historical reports indicate small scale production of tin, tantalum and beryl. None of the occurrences have been previously drill tested. Assessment of all project areas for additional rare metal pegmatites is ongoing. Figure 6 presents a schematic model of mineral zonation within rare metal pegmatites.

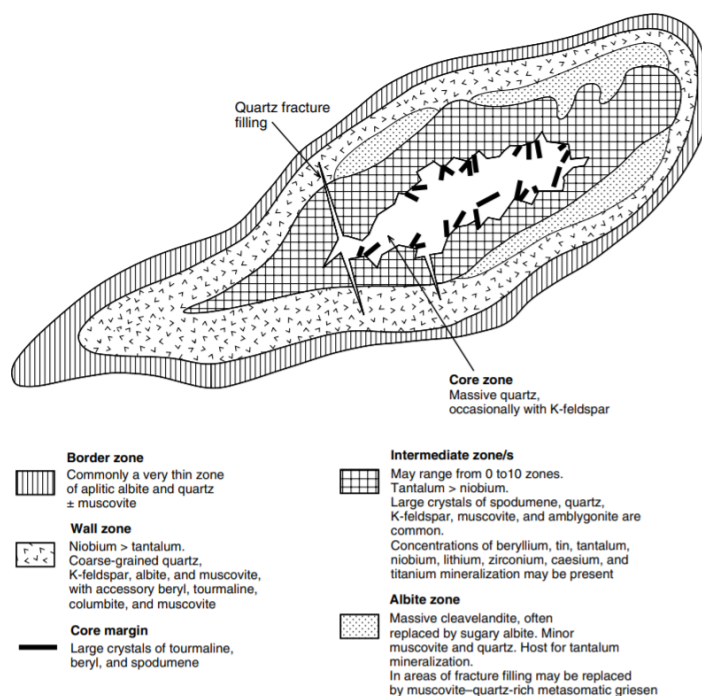


Figure 6: Rare Metal Pegmatite Zonation – Schematic Model after Cerny et al 1993

In November 2021, the Company announced that it had commenced Phase 2 drilling programme at its Central Pilbara Gold Projects. The program was designed to follow-up high priority targets defined from its Phase 1 drilling in conjunction with a pipeline of new targets identified from recent data synthesis and proprietary data filtering technology undertaken on multiple geophysical data sets by Fathom Geophysics.

The following month, the Company announced that the first 1500m of the Phase 2 drilling programme had been completed. The Company engaged Strike Drilling to undertake the program and was committed to completing as much of the planned drilling as possible prior to the closure of the 2021 field season. Helicopter and ground supported regional and prospect scale soil geochemical surveys over priority areas at all Projects to further refine additional targets ahead of follow-up drill testing.



Photo 2: Strike Drilling T450 Aircore/Reverse Circulation Rig

Initial focus was on the Brahman and Droughtmaster Gold Projects (E47/3958 and E47/5064/5065 respectively) which are located north of, and within ~50km of De Grey Mining's (ASX:DEG) Mallina Gold Project and the recent Hemi gold discovery. The first 1500m of the planned 5000m were completed prior to closure of the 2021 field season. (Refer Figure 7.)

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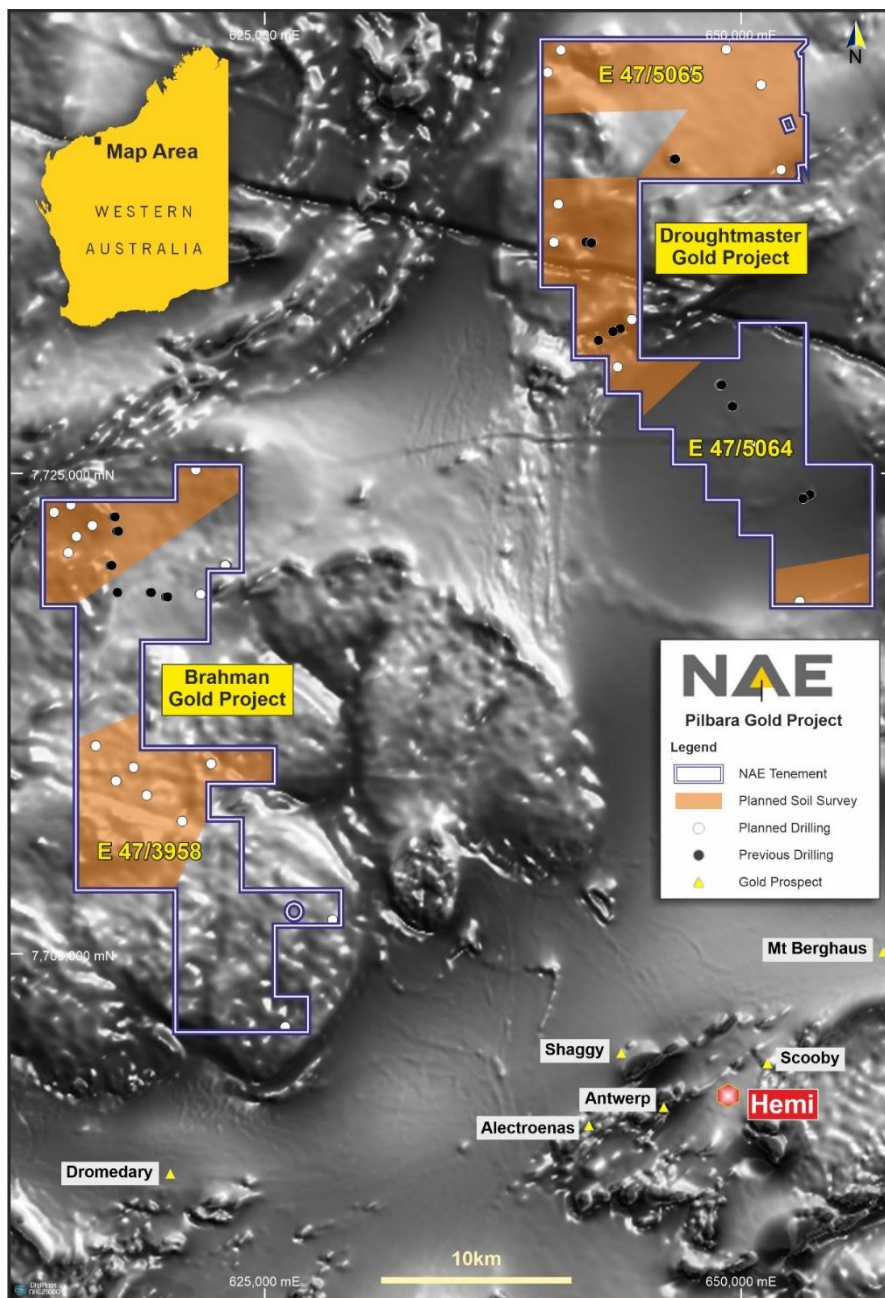


Figure 7: Location of NAE’s Central Pilbara Brahma and Droughtmaster Gold Projects over regional grey scale aeromagnetics showing planned drilling and areas of soil geochemical surveys.

In May 2022, the Company announced it had received results from the first 13 holes of its Phase 2 drilling programme completed at the Company’s Brahma Project, and from limited rock chip sampling of lithium pegmatite targets at the Quartz Hill Project, within its extensive Central Pilbara Gold-Lithium Project.

All of the drilling completed in this most recent campaign was undertaken within the Brahma Project area (E47/3958) which is located north of, and within ~20-30km of De Grey Mining’s Mallina Gold Project and the recent Hemi gold discovery (ASX:DEG).

Thirteen Reverse Circulation drillholes for a total of 1506m were completed prior to closure of the 2021 field season. The majority of samples represent four (4) metre composites. (Refer Figure 8.)

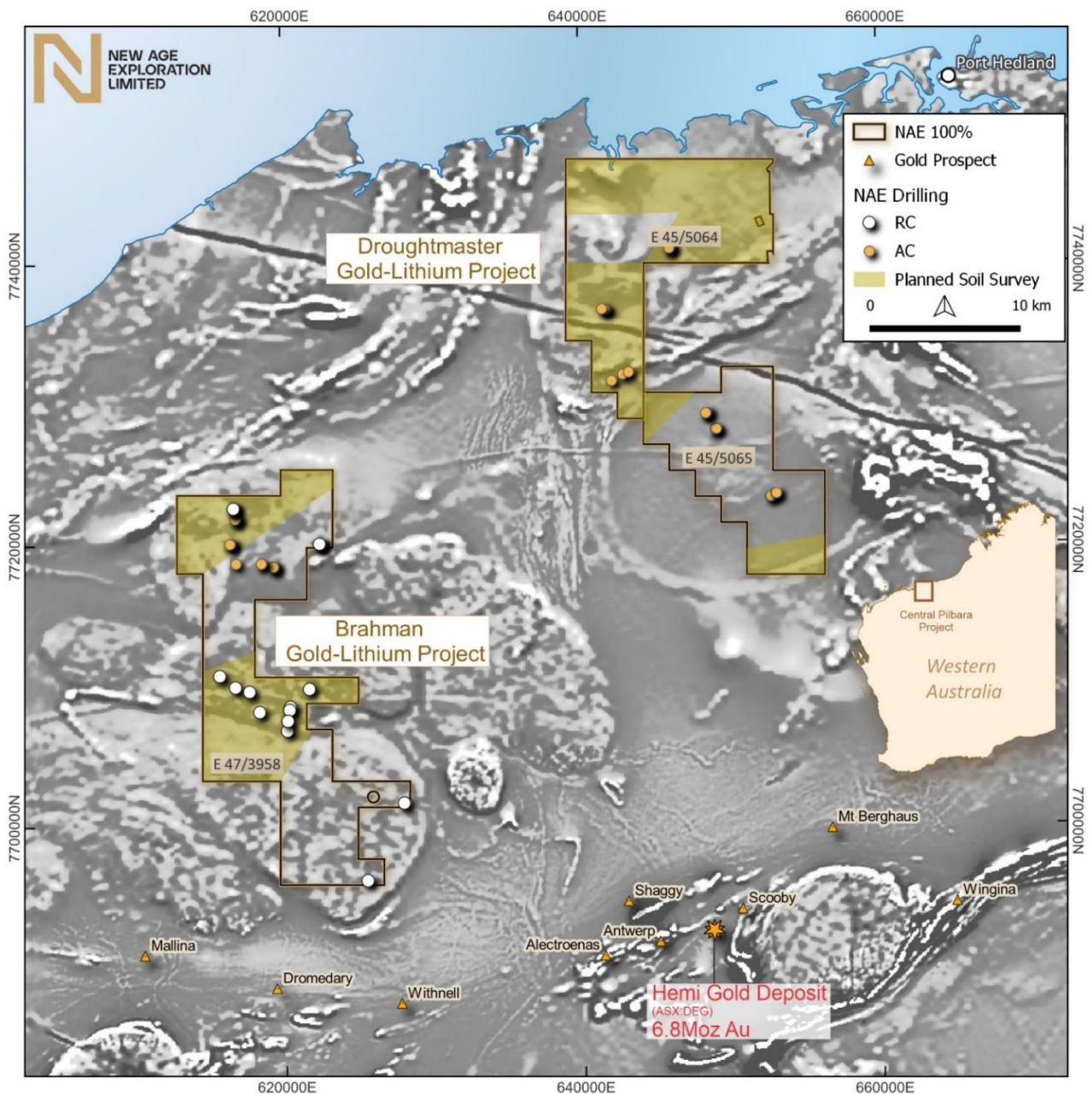
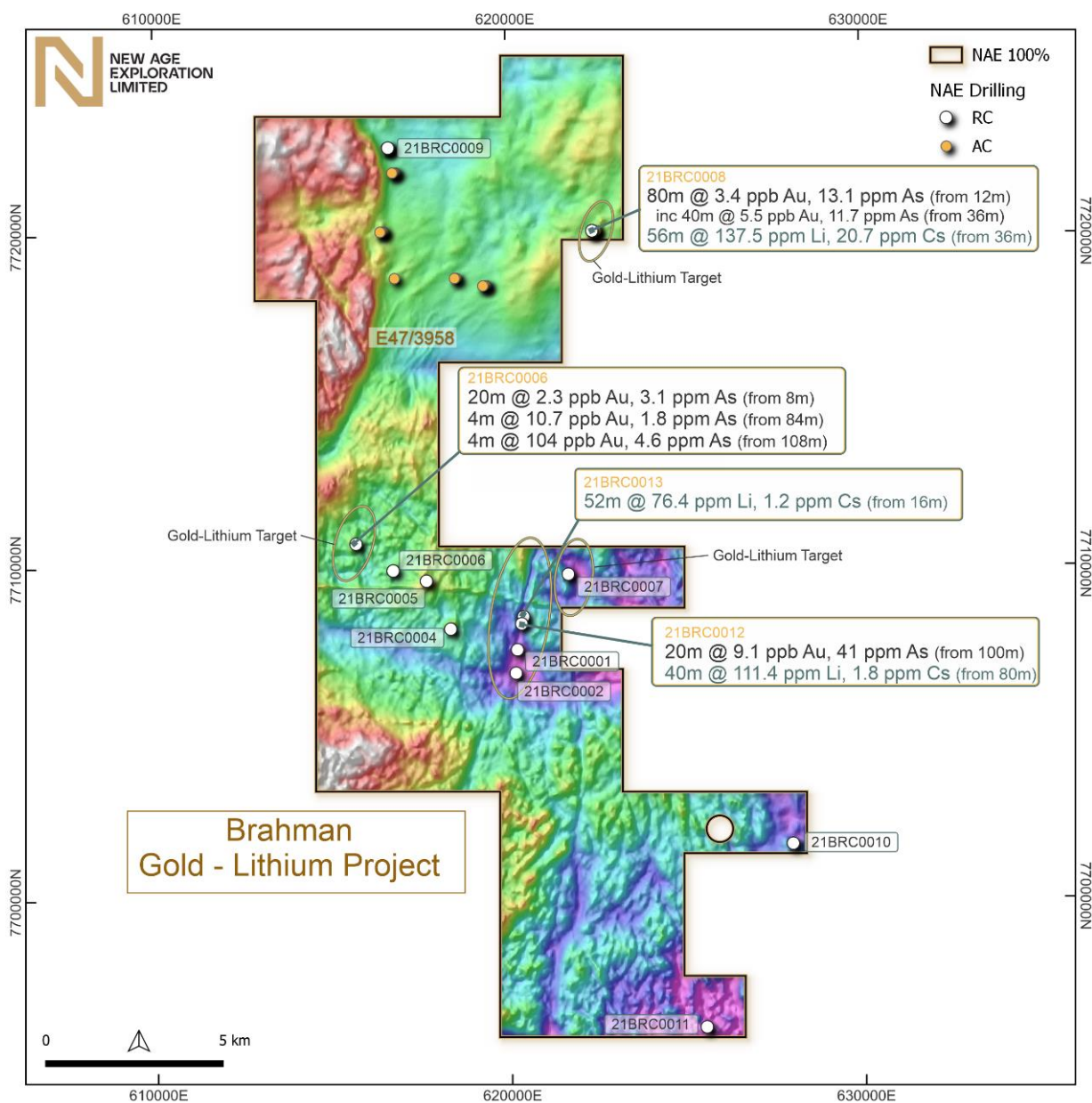


Figure 8: Location of NAE’s Central Pilbara Brahman and Droughtmaster Gold and Lithium Projects over regional grey scale aeromagnetics showing recent drilling and areas of planned soil geochemical surveys.

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Brahman Project Drilling – Gold & Lithium

All of the drilling completed prior to the closure of the 2021 field season was carried out within the Brahman Project area. The drilling was designed to follow-up a selection of high priority targets defined from the previously reported Phase 1 aircore drilling campaign in conjunction with a pipeline of new targets identified from data synthesis and proprietary data filtering technology undertaken on multiple geophysical data sets by specialist Geophysical Consulting Group, Fathom Geophysics. (Refer Figure 9.)



The 2021 campaign comprised thirteen (13) very widely spaced “scout” reverse circulation drillholes (21BRC0001-21BRC0013) for a total of 1506 metres. Despite the area being shown as granite on existing GSWA map sheets the holes encountered a variety of prospective rock types including granite, granodiorite, Mallina Basin sediments, cherts/quartzites and mafic-ultramafic intrusives showing abundant quartz-carbonate veining and extensive alteration including strongly developed zones of disseminated and veinlet sulphides (pyrite).

Assay results indicate coherent and largely coincident low level multi-element Gold (IRGS) and Lithium-Caesium-Tantalum (LCT) pegmatite pathfinder geochemical anomalism within a number of holes

Reverse circulation drillholes 21BRC0001/0002/0012 and 21BRC0013 were drilled to test a prominent NE trending “linking” structure between the regionally important ENE trending Mallina Shear Zone to the south (host to De Grey’s Mallina Gold Project and the recent Hemi discovery) and the Scholl Shear Zone to the north. In the vicinity of holes 21BRC0012 and 21BRC0013 cover thins to provide a rare window into the basement rocks of interest. Mapping at this location revealed the target of interest to comprise a structurally deformed package including brecciated and silicified chert/quartzite, Mallina Basin sediments and mafic-ultramafic intrusives displaying intense stockwork and sheeted quartz veining. (Refer Photos 3-6.)



Photo 3: Brahman Project – Sheeted and Stockwork quartz veining within Mallina Basin sediments and mafic-ultramafic intrusives in the vicinity of holes 21BRC0012 and 21BRC0013.

This setting is similar to the sequence hosting De Grey’s Mallina Gold Project and to the tectono-stratigraphic setting at both the Wodgina and Pilgangoora Lithium mining operations where maximum LCT pegmatite development occurs within mafic-ultramafic rock types.

Broad zones of highly anomalous lithium and multi-element lithium pathfinder geochemistry reported within ultramafic rocks at NAE’s Brahman Project provide compelling evidence of a well-developed alteration halo emanating from an as yet undiscovered lithium-bearing pegmatite source located in close proximity to these holes.

Similar alteration haloes are well documented from a number of globally significant lithium deposits including the buried world class Tanco Deposit in Canada (New Age Metals; TSXV: NAM) which displays a large Lithium-Rubidium halo within surrounding mafic country rocks (Trueman and Cerny, 1992).



Photo 4: Quartz Stockwork veining within Mallina Basin sediments and weathered mafic-ultramafics – vicinity of 21BRC0012.



Photo 5: Brahman Project - 21BRC0012 – brecciated chert/quartzite outcrop.

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Photo 6: 21BRC0012 - Quartz carbonate veined mafic-ultramafic intrusive showing 3-5% disseminated sulphide (pyrite).

At Pilgangoora, there is a confirmed spatial and timing relationship between the main gold mineralising event (ie the Mt. York, Iron Stirrup gold deposits) and emplacement of lithium bearing pegmatites. The relationship provides clear evidence that the gold bearing fluids and pegmatite melts exploited the same structural “plumbing system”. A similar Au/Li association is emerging from the work completed at Brahman, and as a consequence the results achieved to date within NAE’s Central Pilbara Project are considered to be highly encouraging.

Significant intersections include the following:

Gold

- 12m @ 1.1ppb Au, 6.5ppm As from 8m (21BRC0001)
- 12m @ 2.7ppb Au, 10.6ppm As from 8m (21BRC0002)
- 12m @ 1.6ppb Au, 8.4ppm As from 4m (21BRC0003)
- 8m @ 1.5ppb Au, 9.4ppm As from 8m (21BRC0004)
- 4m @ 1.5ppb Au, 7.8ppm As from 8m (21BRC0005), and
 - 4m @ 6.2ppb Au, 0.7ppm As from 92m
- 20m @ 2.3ppb Au, 3.1ppm As from 8m 21BRC0006), and
 - 4m @ 10.7ppb Au, 1.8ppm As from 84m, and
 - 4m @ 104.0ppb Au, 4.6ppm As from 108m
- 20m @ 2.0ppb Au, 9.3ppm As from 12m (21BRC0007)
- 80m @ 3.4ppb Au, 13.1ppm As from 12m (21BRC0008), including:
 - 40m @ 5.45ppb Au, 11.7ppm As from 36m
- 68m @ 1.1ppb Au, 6.8ppm As (21BRC0009)
- 12m @ 2.3ppb Au, 7.1ppm As from 8m 21BRC0012), and
 - 12m @ 9.1ppb Au, 41.0ppm As from 100m
- 12m @ 3.4ppb Au, 13.2ppm As from 32m (21BRC0013), and
 - 28m @ 3.1ppb Au, 7.2ppm As from 96m

Lithium

- 12m @ 88.9ppm Li, 6.6ppm Cs from 100m (21BRC0007)
- 56m @ 137.5ppm Li, 20.7ppm Cs, 2.0ppm Be, 69.4ppm Rb from 36m (21BRC0008)
- 40m @ 111.4ppm Li, 1.8ppm Cs from 80m (21BRC0012)
- 52m @ 76.4ppm Li, 1.2ppm Cs, from 16m (21BRC0013), including:
 - 36m @ 96.0ppm Li, 1.5ppm Cs from 16m

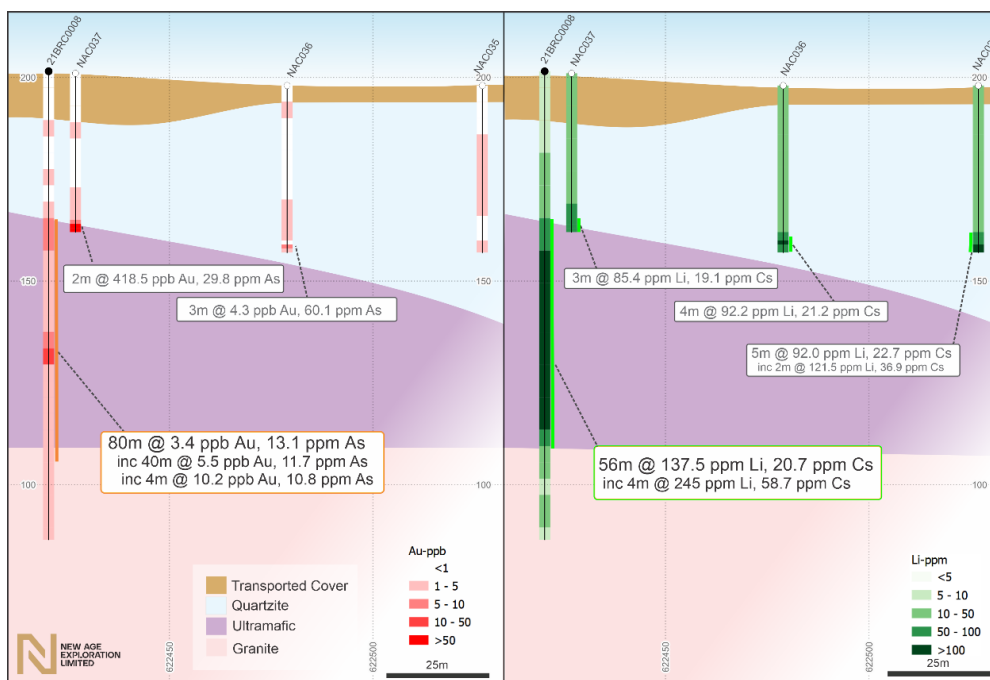


Figure 10: Schematic Geological Cross-Section – RC Drillhole 21BRC0008 showing zones of Au-As anomalism

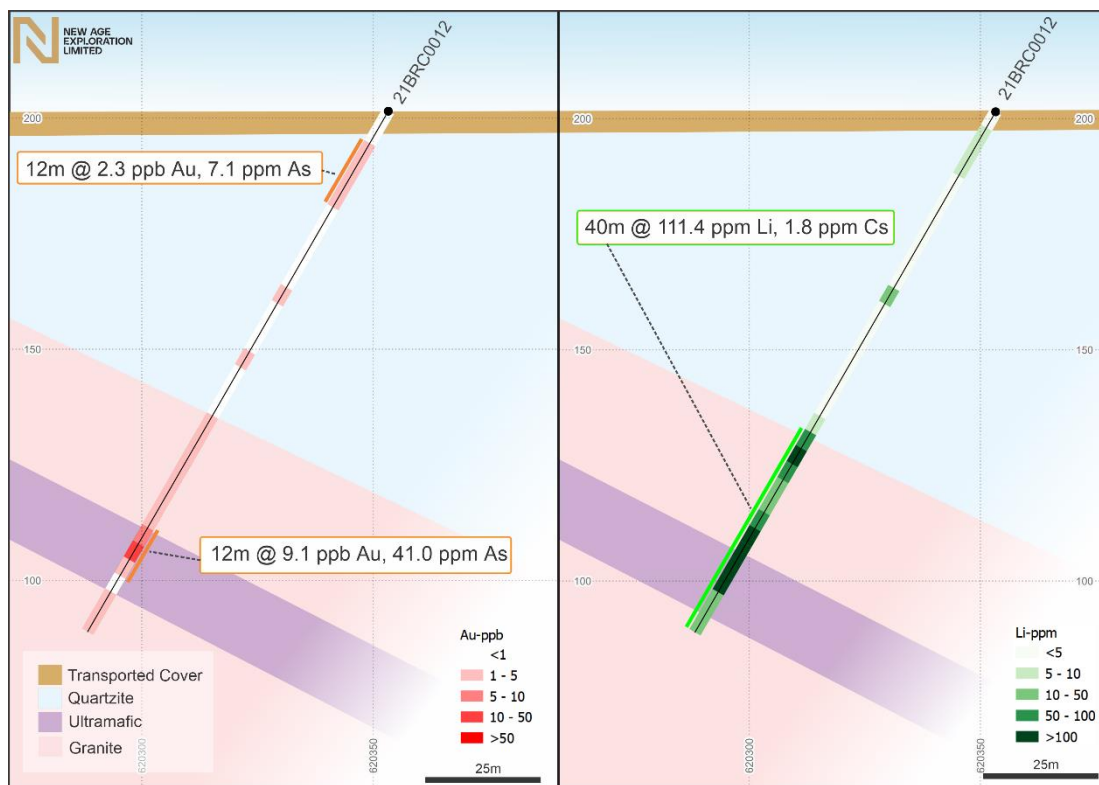


Figure 11: Schematic Geological Cross-Section – RC Drillhole 21BRC0012 showing zones of Au-As anomalism

Quartz Hill Project – Rock Chip Sampling - Lithium

The Quartz Hill Project secures potential extensions to both the world class Wodgina-Mt. Francisco Lithium-Caesium-Tantalum (LCT) and the Friendly Creek LCT pegmatite structural corridors. Refer to Figure 12. Results from a single reconnaissance rock chip/surficial float sample of a rare metal pegmatite occurrence identified in Mindex reports and confirmed in the field, located centrally within the southwestern extension of the Wodgina-Mt. Francisco LCT pegmatite corridor have now been received.

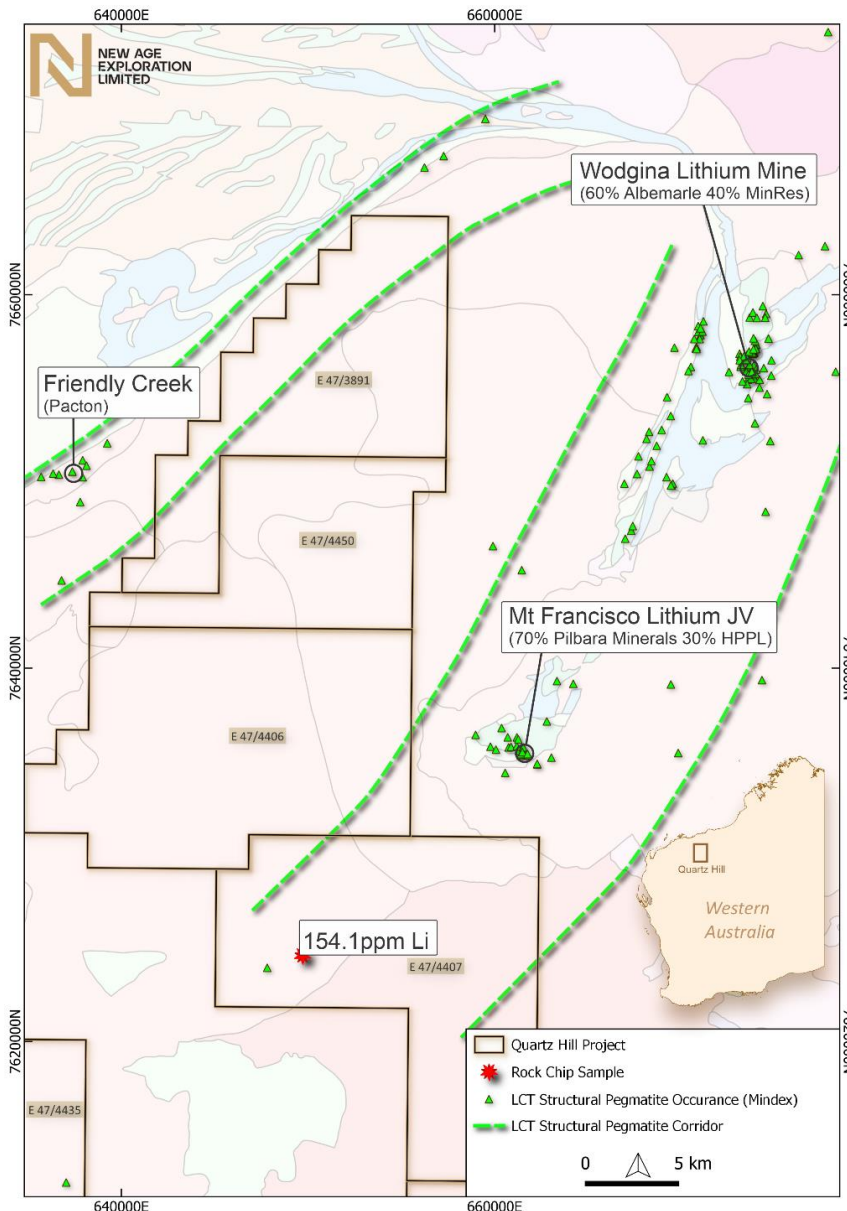


Figure 12: Quartz Hill Project – Location plan showing the Wodgina Lithium Mine, Mt Francisco and Friendly Creek LCT pegmatite fields, interpreted LCT Pegmatite Structural Corridors and recent NAE rock chip sampling.

The assay confirmed low level lithium geochemical anomalism (sample D001984: 154.1ppm Li, 1.1ppm Cs) associated with a classically zoned rare metal pegmatite. Outcrop is limited to the quartz core and immediate marginal quartz-feldspar-muscovite portions only with strike and depth extensions obscured beneath recent cover.

Next Steps

Following confirmation of the lithium potential of the project in addition to gold the Company has now commenced regional and prospect scale geochemical soil surveys to fast-track prioritising both gold and lithium targets across NAE’s extensive Central Pilbara Project tenure. Ongoing target generation, refinement and prioritisation will be underpinned by results obtained from the current phase of exploration activity including these surface geochemical surveys and continued assessment of all available airborne and ground geophysical data. Follow up drill testing of priority targets is planned to commence in Q3/4 2022.

NEW ZEALAND GOLD PROJECTS

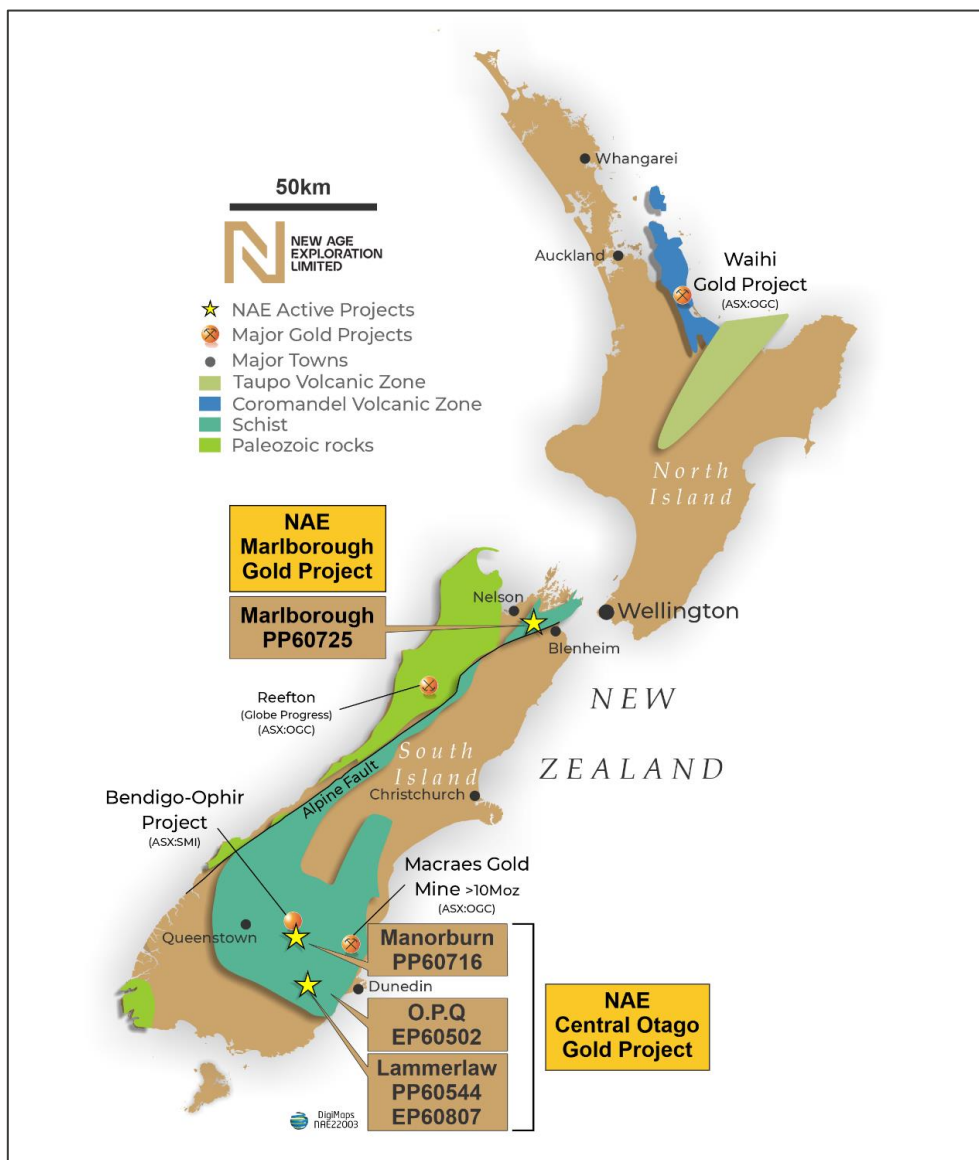


Figure 13: Location of NAE’s Central Otago and Marlborough Gold Projects, New Zealand

CENTRAL OTAGO AND MARLBOROUGH GOLD PROJECTS

Background

NAE’s Central Otago and Marlborough Gold Projects are centred within the highly prospective Central Otago/Marlborough Schist Belt of New Zealand’s South Island. The Central Otago Gold Project is located 50-100 kilometres west-northwest of Dunedin and the Marlborough Gold Project is located 50km south-east of Nelson (Refer Figures 13 and 14).

The Central Otago Schist Belt is regarded as one of the most highly endowed yet underexplored regions in New Zealand. The World Class Macraes Gold Deposit is the largest active gold mine in New Zealand with a Combined Production and Current Mineral Resource totalling in excess of 10 million ounces of gold (Refer ASX:OGC). Exploration activity in the region has increased significantly in recent times with the discovery of the Bendigo-Ophir Deposits by Santana Minerals (Current Mineral Resource Estimate +2 million ounces of gold. Refer ASX:SMI)

NAE considers its Marlborough/ Central Otago Gold Projects to have the potential to host structurally controlled orogenic gold mineralisation similar to Macraes and the more recent discoveries of Santana within extensions and/or repetitions of the structural corridors of the Hyde-Macraes and Bendigo – Ophir Shear Zones. Numerous historical gold occurrences have

been reported from within each of the Marlborough/ Central Otago Gold Project permits areas confirming the potential of each to host significant mineralisation.

NAE’s granted landholding has expanded to a total 1,013km² during 2022, following the granting of Company’s 100%-owned Manorburn and Marlborough Prospecting Permits (announced in February 2022 and August 2022 respectively). This total was offset by the partial relinquishment of Lammerlaw Prospecting Permit PP60544 (132km² reduction announced in July 2022).

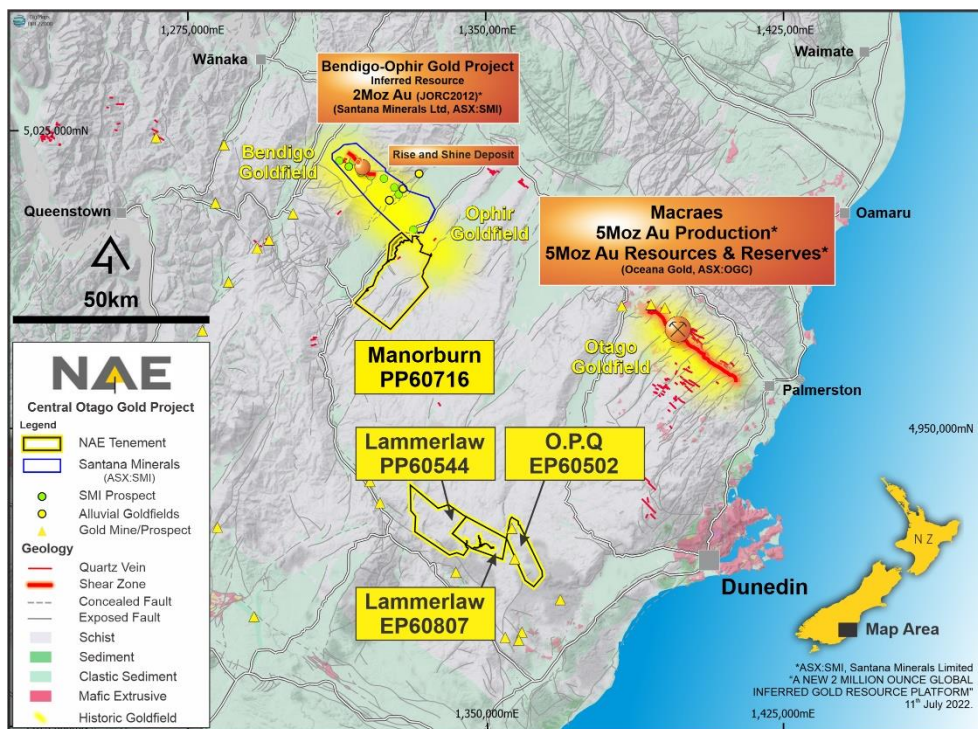


Figure 14: Location of NAE’s Central Otago Gold Project

Lammerlaw Gold Project

In July 2021, the Company made an application for a subsequent exploration permit for its Lammerlaw Gold Project. An exploration permit is the next stage of permitting in New Zealand with the permit enabling NAE to advance the Lammerlaw Gold Project to a drilling stage. This application was approved on 16th December 2022 resulting in the Lammerlaw East Exploration permit (MEP60807) and partial retention of the Lammerlaw Prospecting Permit (MPP60544), 132km² of the original MPP60544 was relinquished during this process (Figure 16).

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Figure 15: Lammerlaw view over permit

During 2022, re-processed geophysical data sets covering all NAE's Otago gold project were acquired. For the Lammerlaw Gold Project area, new geophysical image has allowed accurate delineation of these prospective geological lineaments. The targeting strategy for Lammerlaw uses contrasting high and low electromagnetics response or as lineaments, potential indicators of favorable structural and lithological contacts for gold mineralisation (Figure 16). Results returned for surface sampling Lammerlaw Prospecting Permit have successfully proven this concept. Coincident arsenic and gold geochemical trends follow contacts between high and low electromagnetic response.

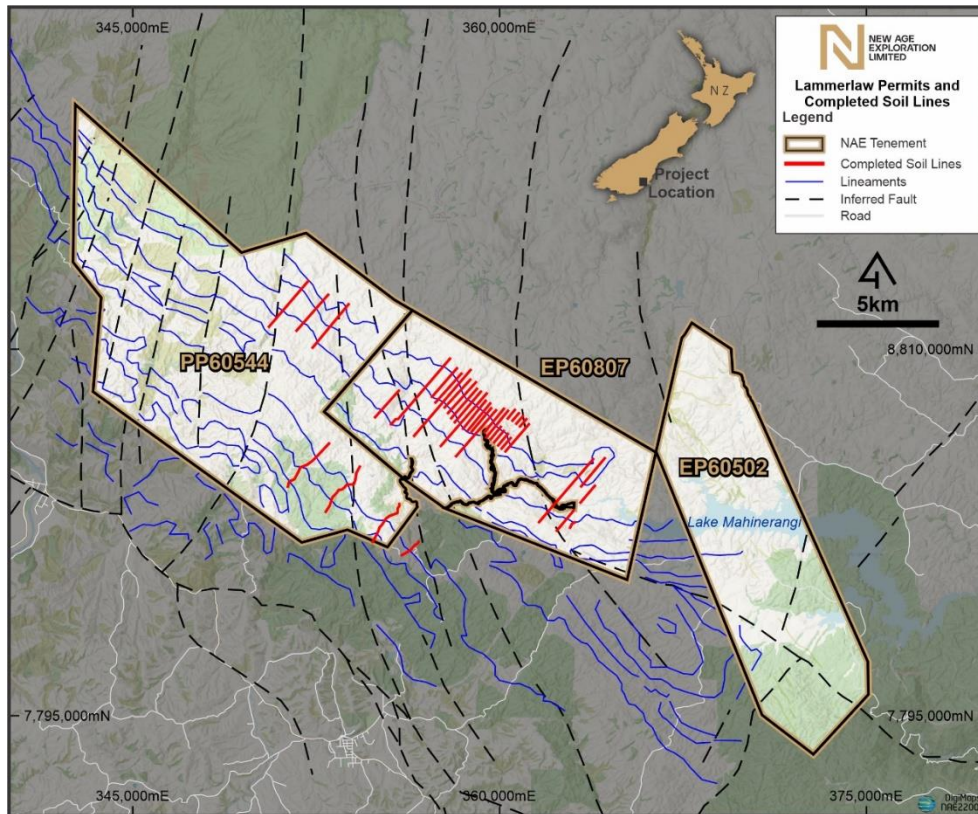


Figure 16: Location of Lammerlaw Prospecting Permit MPP60544, Lammerlaw East Exploration Permit MEP60807 and OPQ Exploration Permit MEP60502.

Lammerlaw Prospecting Permit Extension

NAE applied for a two-year extension for Lammerlaw Prospecting Permit (MPP60544), this was successful granted taking the current expiry date to 27 November 2023. This extension of duration will enable NAE to complete further soil sampling along north-west trending electromagnetic lineaments where the gold and arsenic anomalies extend away for the Lammerlaw East Exploration Permit.

During the previous year, seven soil sampling lines were collected in the Lammerlaw Prospecting Permit (the area underling one soil line was relinquished). Four soils lines in the southern portion did not produce any positive gold/arsenic results. To the north-west, five kilometres along strike from the Lammerlaw East prospects, gold and arsenic anomalism was detected in association with electromagnetic lineaments (refer to Figure 16 for location of soil lines with in MPP60544). This proof of concept highlights up to 25km of prospective strike length for further testing.

Further regional scale soil sampling traverses within Lammerlaw prospecting permit will continue over the next year.

Lammerlaw East Exploration Permit

The granting of a subsequent Lammerlaw East Exploration Permit (MEP60807) enables NAE to progress exploration by carrying out trenching and drilling activities. NAE is planning additional sampling and detail geological mapping in the meantime to better constrain the anomalies and finalise initial drilling targets. During late 2021 and 2022, infill soil and rock geochemical sampling further defined four broad prospective areas; Antimony Mine, Buck, Fulton's and Bella. Arsenic geochemical trends best define these prospective geochemical trends (Figure 17). Gold assays are pending for these samples.

The next phase of exploration activity within Lammerlaw East Exploration Permit is to define drill targets. A program of trench sampling in late 2022-2023 will be used to refine prospective targets along each of the geochemical trends. Infill soil sampling will be used to extend the strike length arsenic and gold anomalism to the north-east and south-west.

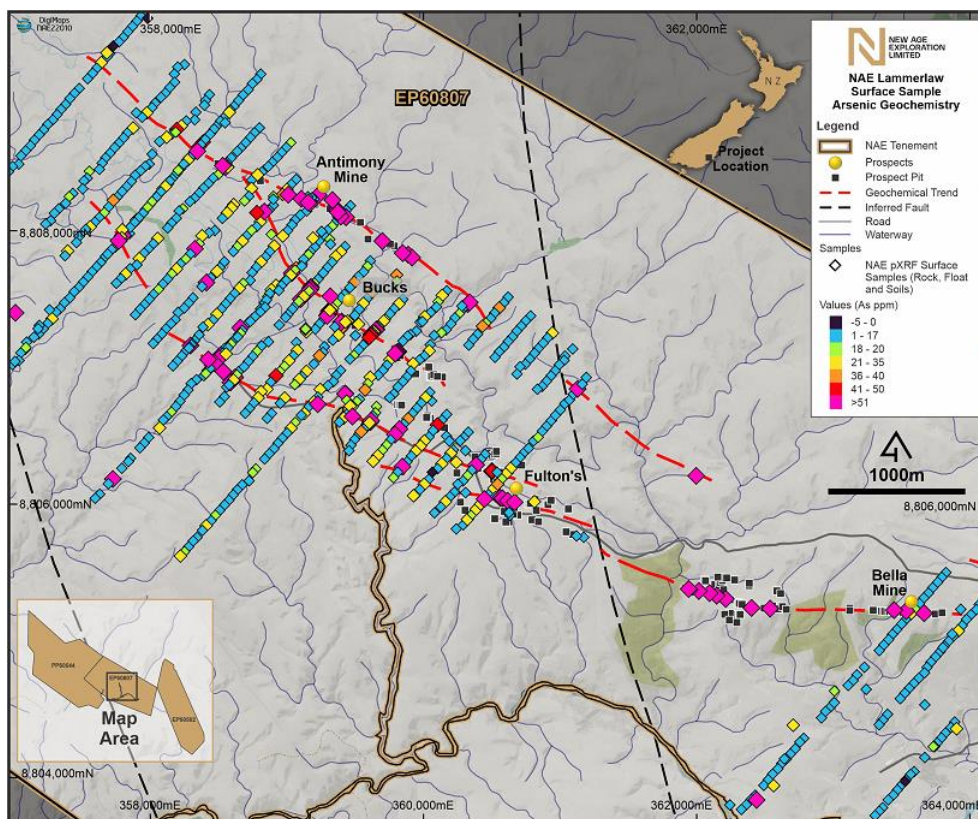


Figure 17: Location of prospects within Lammerlaw East Exploration Permit MEP60807.

OPQ Gold Project

The OPQ Exploration Permit (MEP60502) contains NAE’s most advanced New Zealand gold projects. The permit contains several historic underground mines which produced high-grade gold in the 1860’s-1900’s. During the previous year, work has continued to progress OPQ prospects towards a drill ready phase.

In early 2021 NAE obtained an access arrangement to complete a trenching program. Three trenches were completed on the northern side of Lake Mahinerangi along strike extension of the O.P.Q. trend at Burtenshaws Prospect (Figures 18 and 20). Trenches were designed to follow up strongly anomalous Au geochemistry in soil samples coincident with a historically documented gold and tungsten occurrence. Gold results from trenched were encouraging but spotty, showing anomalous soil sample were caused by concentration in the regolith zone. Gold values up to 108ppb and anomalous tungsten up to 250ppm was recorded. Further trenching is planned for the 2022-2023 field season.

A historic mine plan obtained for the OPQ Mine was used for three-dimensional modelling of the workings and structure hosting ore/mineralisation (Figure 21). This detailed record of mining provides confidence for future drill testing of the OPQ target.

Newly acquired geophysical images have highlighted numerous targets with structural similarities to known gold occurrences (Figure 18). These targets will be visited and sampled during the 2023 field season.

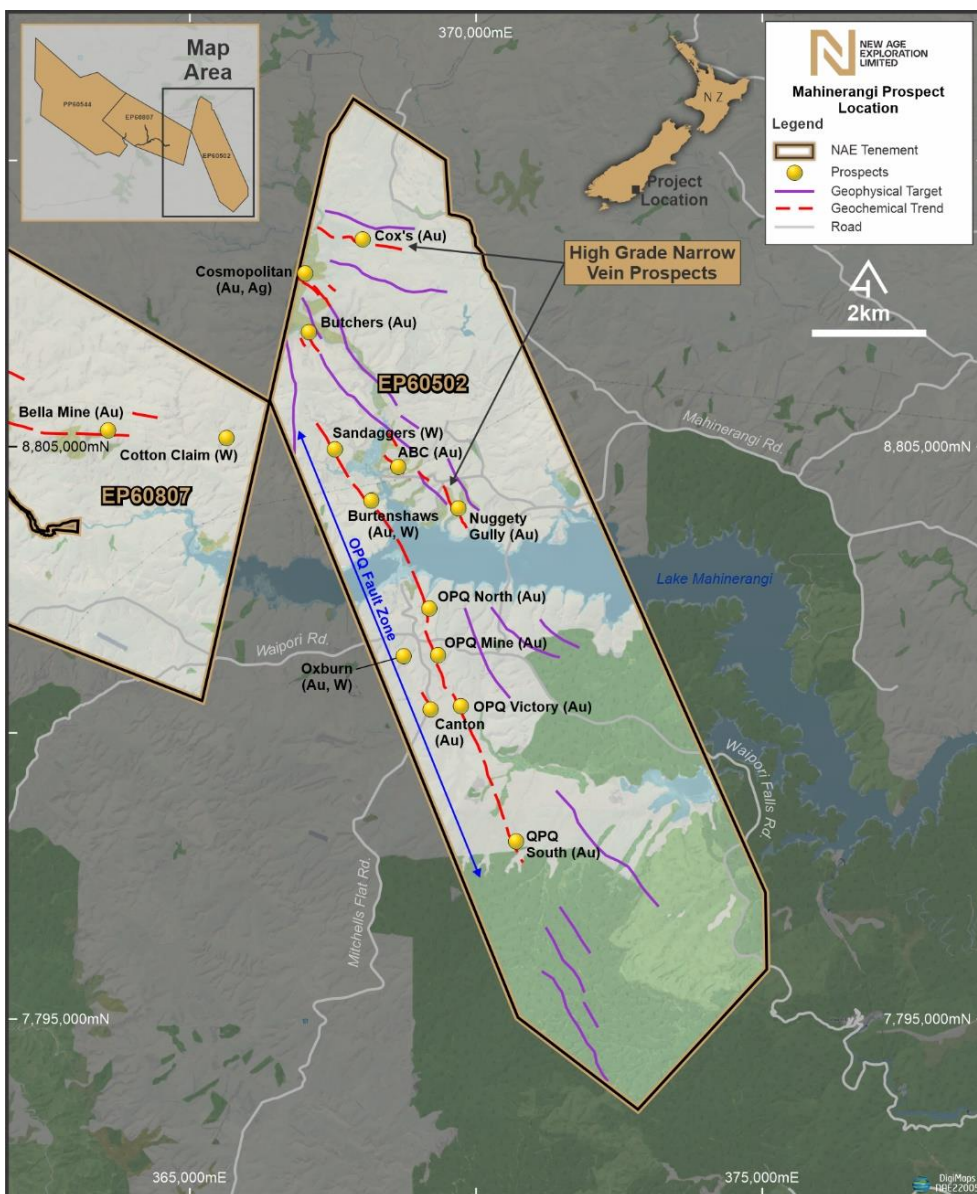


Figure 18: O.P.Q. estimated strike length. Taken from NAE ASX Announcement 12 December 2019

Improvements in understanding of historic mines and prospects locations within the OPQ Gold Project area led to a targeted surface sampling campaign. Thin wind-blown loess masks outcrop in the Lammerlaw and OPQ areas, hindering detection of narrow vein high-grade gold lodes with small geochemical footprints. Targeted rock and soil auger samples were used to demonstrate positive arsenic geochemistry at narrow vein high-grade prospects Cox's, Cosmopolitan, ABC and Nuggety

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Gully (Figures 19 and 20). Float samples containing visible gold were located (Figures 22 and 23). Gold assays are pending for these recent samples.

Subject to results from recent surface sampling, narrow vein high-grade prospects will be further tested by trenching or targeted shallow air-core drilling.

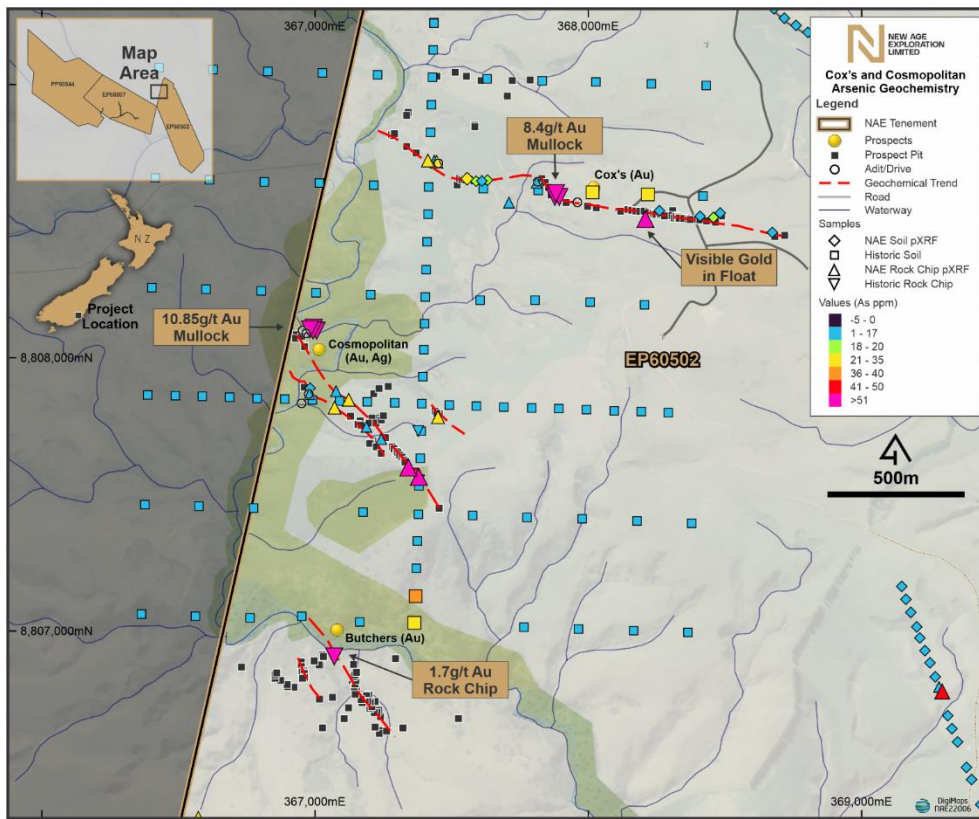


Figure 19: Arsenic geochemistry at Cox's, Cosmopolitan and Butchers Gully Prospects.

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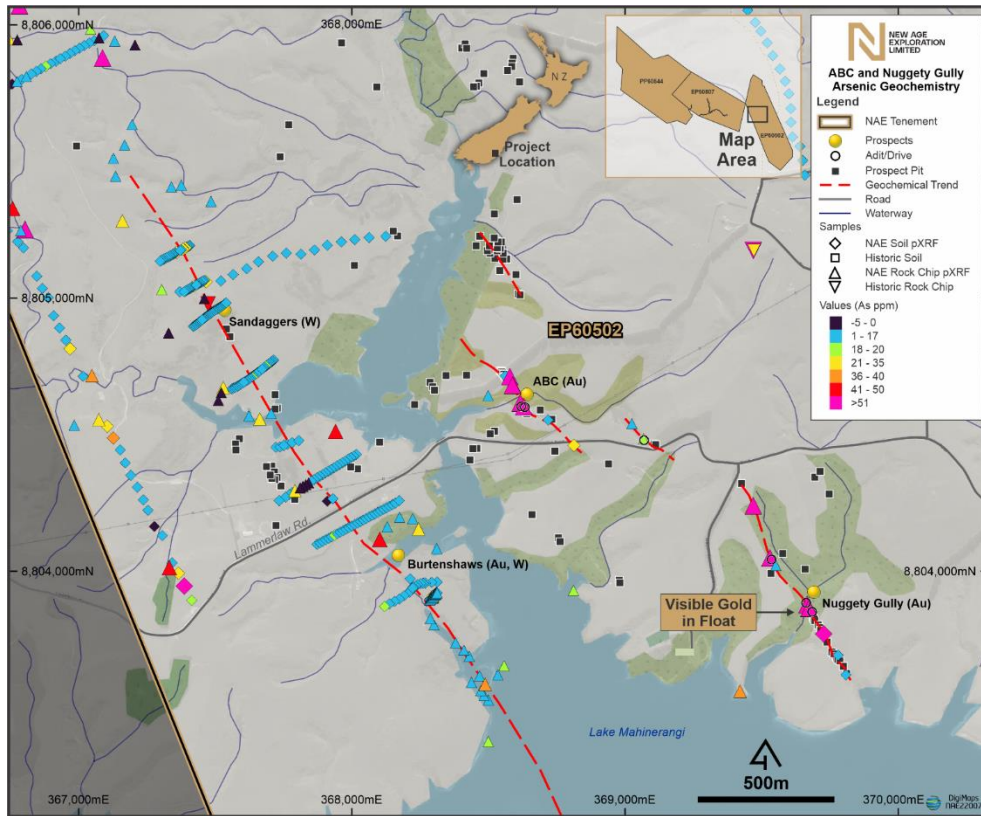


Figure 20: Arsenic geochemistry for ABC and Nuggety Gully prospects plus surrounds.

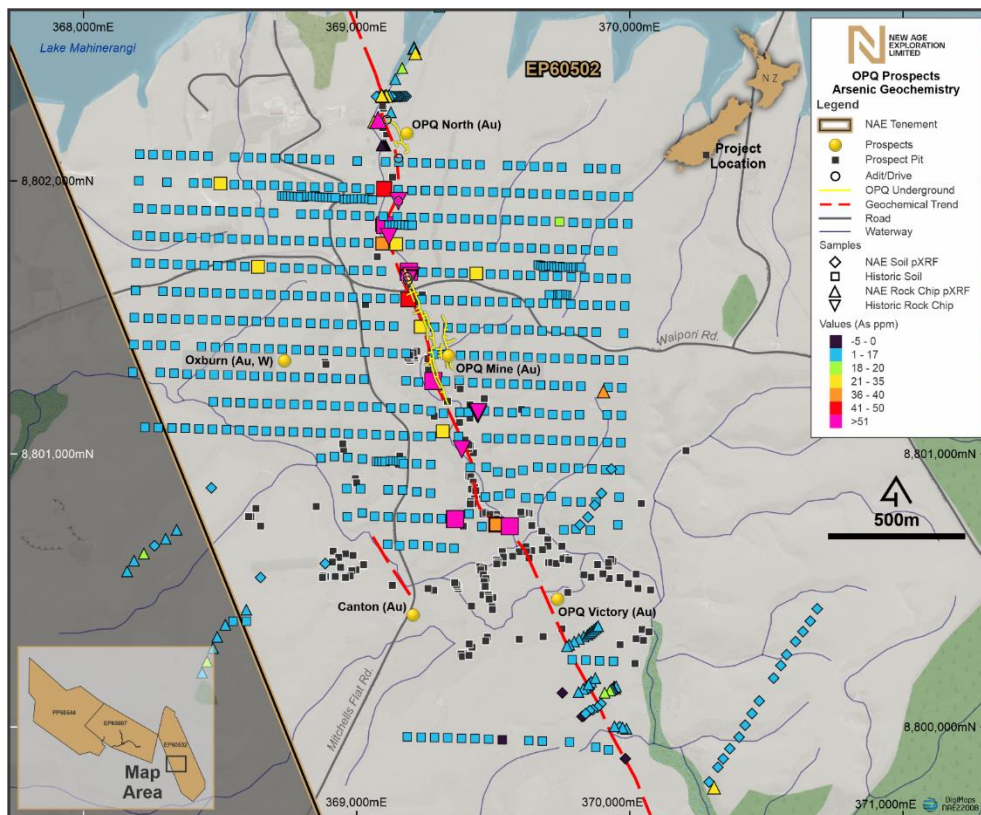


Figure 21: Arsenic geochemistry for the OPQ Mine group of prospects. Note the OPQ Mine underground workings in yellow.

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Figure 22: Visible gold at Cox's Prospect, OPQ Permit



Figure 23: Visible gold at Nuggety Gully Prospect, OPQ Permit

Manorburn Gold Project

Manorburn Prospecting Permit (MPP60716) was granted on 20 January 2022 and covers 235km² of highly prospective Otago schist (Figure 25). The permit is located immediately adjacent to the Bendigo-Ophir Deposits, where Santana Minerals continues to produce positive drilling results (Current Mineral Resource Estimate +2 million ounces of gold. Refer ASX:SMI, refer Figure 14). Exploration and evaluation of the Manorburn Project has commenced as a high priority with numerous key target areas identified following a review of legacy exploration data.



Figure 24: Manorburn view over permit

Initial field visits were delayed by ongoing Covid 19 restrictions and on-farm activities. Geological mapping and surface geochemical surveys commenced mid 2022 over the central part of the tenement. Sampling focused on testing north-west and north-east trending structure defined in re-processed geophysical data, particularly in areas adjacent to historical alluvial workings. Gold assay results are pending.

Field activities will recommence within the Manorburn Gold Project in late 2022 following lambing. Further soil and rock samples will be used to test north-west and north-east trending structures in the northern portion of the permit. In the southern half of the permit where geochemical data is sparse, a stream sediment survey is planned.

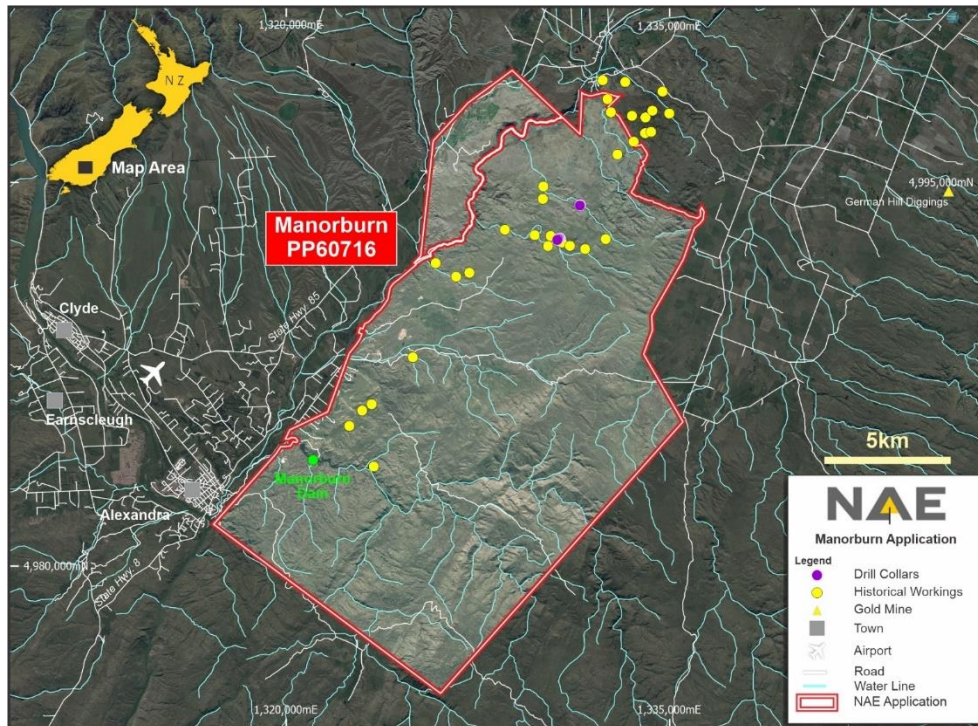


Figure 25: Location of historic gold workings within Manorburn Prospecting Permit MEP60807.

Marlborough Gold Project

The Marlborough Gold Project is NAE’s most recent addition to its New Zealand permit portfolio. Approval was granted for the 499km² Marlborough Prospecting Permit (MPP60725) on the 5th August 2022. The permit is located between Nelson and Blenheim (Figure 26), on the north-western side of the Alpine Fault – a regional significant structure dividing the South Island into two related geological portions. The highly prospective Central Otago Schist/Gold Belt is offset by the Alpine Fault, the continuation known as the Marlborough Schist underlies the Marlborough Permit area. NAE considers the Marlborough Gold Project to potentially host structurally controlled orogenic gold mineralisation similar to the bulk tonnage Macraes and Bendigo-Ophir deposits, as well as high-grade quartz lode gold systems seen elsewhere in the Otago Goldfield. The Marlborough Gold Project contains analogous rock types and was subject to the same geological setting during episodes of mineralisation in Otago. Despite this potential, no systematic ground-based exploration methodology has been applied the Marlborough Permit area, with prior explorers collecting scattered surface samples and airborne geophysics.

Desktop studies have identified four primary targets within the Marlborough Gold Project: Top Valley, Sutherlands, Wakamarina and Waikakaho. All are prospective for gold and tungsten and have been actively mined near the turn of last century. Access negotiations have progressed well, and field work is due to commencing later this year.

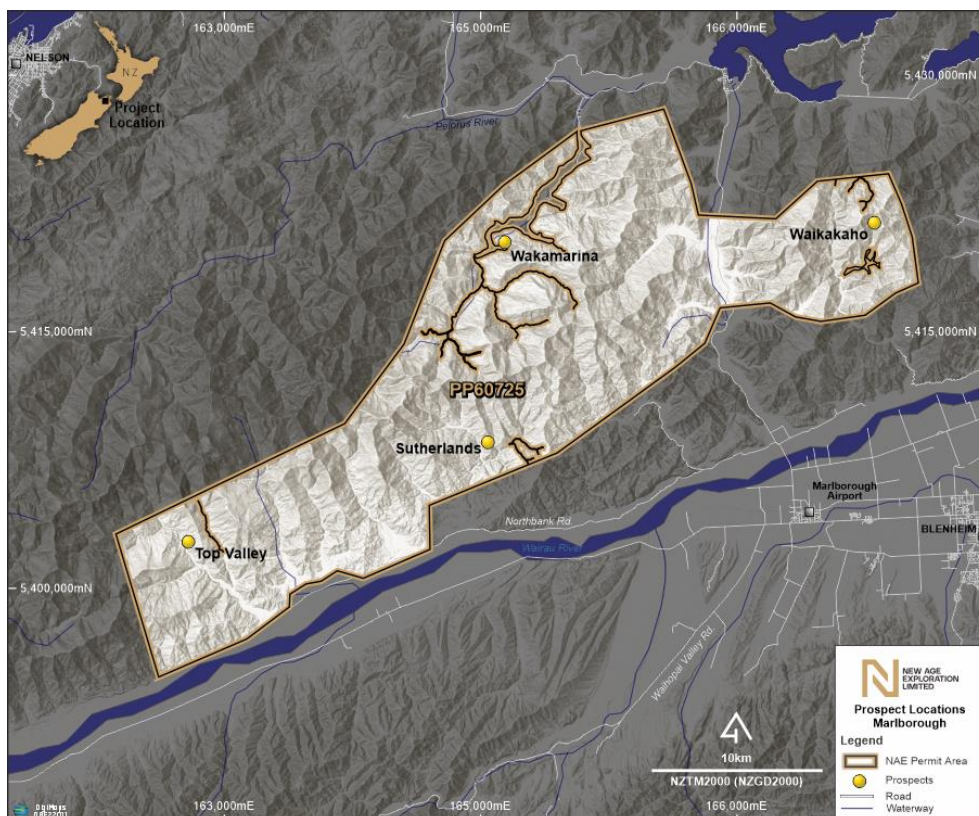


Figure 26: Prospect location map for the Marlborough Prospecting Permit.

Next Steps

NAE now holds five granted, 100% owned New Zealand prospect/exploration permits. Work completed over the past year has continued to progress targets/prospects to a drill ready state. Advanced targets in the Lammerlaw East and OPQ Exploration Permits will be tested by trenching/drilling and surface sampling programs will continue within the Lammerlaw, Manorburn and Marlborough Prospecting Permits during the next financial year. The three prospecting permits are in their first-year tenure and will be evaluated based on results during 2023 before application for subsequent exploration permits. NAE is now holds a strong position within New Zealand, with highly prospective gold projects in a productive geological settings. The recent discovery of the Bendigo-Ophir Deposits by Santana Minerals (Current Mineral Resource Estimate +2 million ounces of gold. Refer ASX:SMI) highlights this potential and the value achieved by drill testing ground in historically productive goldfields.

LOCHINVAR COKING COAL PROJECT

NAE's Lochinvar metallurgical coal project, located on the border of England and Scotland in the United Kingdom, consists of three adjacent exploration and conditional underground mining licences known as Lochinvar, Lochinvar North and Lochinvar South. All three licences are 100% owned by NAE.

Economic outlook for Lochinvar continues to improve amid increased demand for metallurgical coal

Since the start of the 2022 calendar year, the economic outlook for NAE's Lochinvar metallurgical coal project has continued to improve. Import bans on Russian coal imposed as a result of its invasion of Ukraine have led to increased global demand and prices for metallurgical coal. Prior to the bans, Russia typically supplied 30% of European Union and UK metallurgical coal needs and, based on provisional data, was the UK's largest source of metallurgical coal in 2021.

NAE is cautiously optimistic that geopolitical events, combined with the UK's recent change in government leadership, will continue to lead to an improved regulatory environment for metallurgical coal projects such as Lochinvar.

Scoping Study update commissioned

In 2014, NAE commissioned Palaris Australia Pty Ltd (Palaris) to undertake the Scoping Study for the Lochinvar coking coal project. An update to the Scoping Study was subsequently undertaken in 2017 to revise the project operating and capital cost structure as well as the underlying macroeconomic assumptions.

In an environment of elevated metallurgical coal prices and where global demand for metallurgical coal remains strong, NAE announced in September 2022 that Palaris had been commissioned to undertake a further update to the Scoping Study. The update will focus on the areas of coal price assumptions, capital and operating cost structure and is expected to take approximately six weeks to complete.

Market and Infrastructure

Lochinvar is ideally located to become a supplier of low cost, high volatile hard metallurgical coal to the European steel industry as a result of:

- Located 7km from the main West Coast Main Line railway – which links directly to UK steel mills and nearby ports to access European market
- Lower labour rates when compared to Australian mining costs
- Excellent UK fiscal regime with low corporate taxes and royalties
- European Metallurgical Coal imports forecast to grow from around 52Mt (2017) to 61Mt (2035)
- European High Volatile Hard Coking Coal (HV HCC) imports forecast to increase from 10.4Mt (2017) to 15.9Mt (2035)
- Lochinvar anticipated 1.4Mtpa annual production per the Scoping Study completed in 2017 would represent ~12% of UK/Europe High Volatile HCC metallurgical coal imports in 2021
- Lochinvar coal enjoys a clear distance and freight cost advantage over competing imported coal and the benefit of regular local deliveries reducing customer inventories.

Metallurgical Coal

Metallurgical coal, as found at Lochinvar, is used in the steel-making process in blast furnaces. It has very different demand dynamics to thermal coal which is used to generate electricity in coal-fired power stations. Global steel production is continuing to grow in-line with global GDP and is particularly fast growing in the developing world (e.g., India). KPMG forecast global metallurgical coal seaborne trade to grow from 317Mt in 2021 to 335Mt in 2025.

At this stage there are no commercially viable substitutes for metallurgical coal in the blast furnace steel-making process. Metallurgical coal provides three important functions in making steel in blast furnaces; 1) a source of the energy, 2) a reducing agent to convert iron ore to liquid iron and CO₂ and 3) provides the structure and permeability within the furnace to prevent the furnace becoming clogged. Steel is an alloy of iron and carbon, and metallurgical coal also provides the carbon atoms to produce steel.

Metallurgical coal prices recently spiked above US\$500/t due to supply/demand imbalances post the Russian invasion of Ukraine, well above the KPMG long-term forecast of US\$150/t. NAE expects prices to remain elevated for a number of years due to strong demand, ongoing trade imbalances post the Russia/Ukraine war and a lack of investment in new mine capacity over recent years.

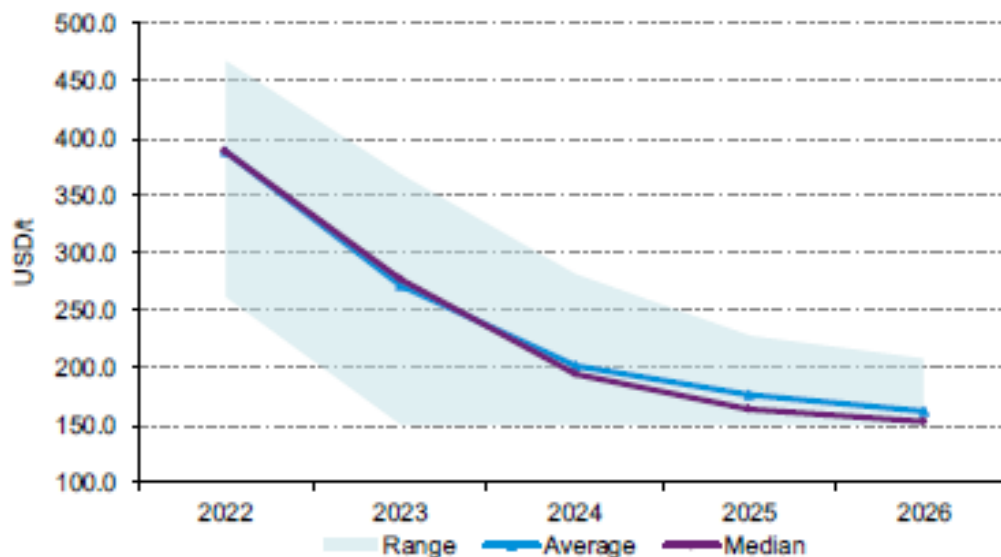


Figure 27: Hard Metallurgical Coal Price Forecasts (KPMG)

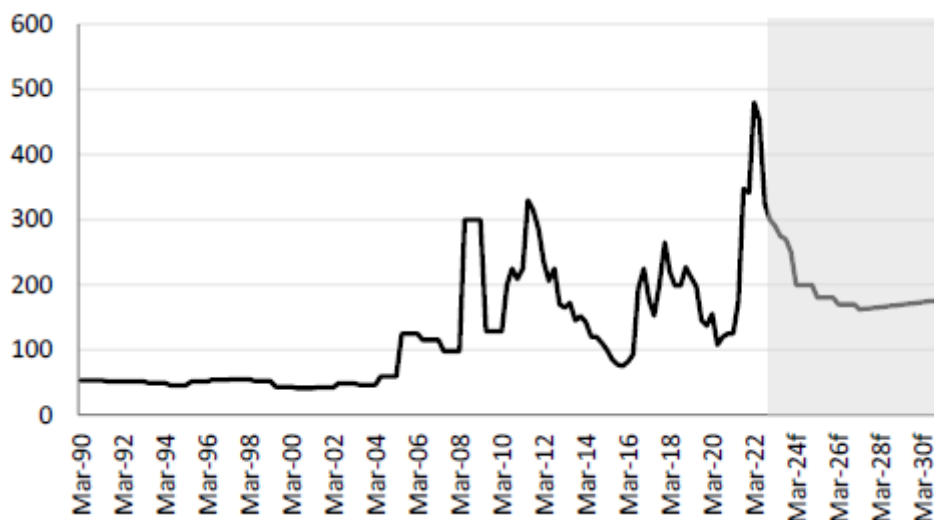


Figure 28: Premium HCC price (US\$/t) (Meta Bulletin and Factset)

Next Steps/Outlook for Project

The following areas will be considered in the Palaris scoping study update:

- Marketing – review coal price relativities and make update where required
- Financial model updates – valuation date, discount rate, macroeconomic assumptions, opex, capex, production split and coal price relative to benchmark(s)

NAE previously reported a nil valuation for its Lochinvar project in its June 2021 Annual Report. In light of the changed geopolitical environment and as the economic outlook continues to improve, it expects to be in a position to revisit that valuation within the next six to nine months.

Forward Looking Statements

This announcement contains 'forward-looking information' that is based on the Company's expectations, estimates and projections as of the date on which the statements were made. This forward-looking information includes, among other things, statements with respect to the Company's business strategy, plans, development, objectives, performance, outlook, growth, cash flow, projections, targets and expectations, mineral reserves and resources, results of exploration and related expenses. Generally, this forward-looking information can be identified by the use of forward-looking terminology such as 'outlook', 'anticipate', 'project', 'target', 'potential', 'likely', 'believe', 'estimate', 'expect', 'intend', 'may', 'would', 'could', 'should', 'scheduled', 'will', 'plan', 'forecast', 'evolve' and similar expressions. Persons reading this announcement are cautioned that such statements are only predictions, and that the Company's actual future results or performance may be materially different. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the Company's actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information.

Competent Person's Statement

OPQ Gold Exploration Project and Lammerlaw Prospecting Permit

The information in this report that relates to Exploration Results is based on information reviewed by Kyle Howie, who is an exploration geologist and is a Member of the Australian Institute of Geoscientists. Kyle Howie has over 25 years' experience in precious and base metal exploration and resource calculation including gold exploration and resource definition in the Otago region. Kyle Howie has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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'. Kyle Howie consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Pilbara Gold Project

The information in this report that relates to Exploration Results is based on information reviewed by Steve Vallance, who is an exploration geologist and is a Member of the Australian Institute of Geoscientists (MAIG). Steve Vallance has over 30 years' experience in precious and base metal exploration including gold exploration and resource definition in the Pilbara region. Steve Vallance has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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'. He consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

New Age Exploration Limited provides its list of exploration licences (as at 30 June 2022).

Licence No.	Project	Country	Area (km ²)	Licence Type	NAE Group % Interest
CA11/EXP/0515/N	Lochinvar	United Kingdom	67.5	Exploration Licence	100%
CA11/UND/0176/N	Lochinvar	United Kingdom	67.5	Conditional Underground Licence and Option Agreement	100%
CA11/EXP/0545/N	Lochinvar South	United Kingdom	51.0	Exploration Licence	100%
CA11/UND/0182/N	Lochinvar South	United Kingdom	51.0	Conditional Underground Licence and Option Agreement	100%
CA11/EXP/570/N	Lochinvar North	United Kingdom	66.5	Exploration Licence	100%
CA11/OPC/0447/N	Lochinvar North	United Kingdom	66.5	Conditional Surface and Underground Licence and Option Agreement	100%
EP60502	Otago Pioneer Quartz	New Zealand	71.55	Exploration Permit	100%
PP60544	Lammerlaw	New Zealand	132.26	Prospecting Permit	100%
EP60807	Lammerlaw East	New Zealand	74.76	Exploration Permit	100%
PP60725	Marlborough Schist	New Zealand	498.6	Prospecting Permit	100%
PP60716	Manorburn	New Zealand	235.78	Prospecting Permit	100%
E47/4406, E47/4407, E47/4408, E45/5724, E45/5725, E45/5726, E47/4435, E47/4450, E47/3981	Quartz Hill	Western Australia	1,319	Exploration Licence	100%
E47/3887, E47/3886, E47/4592, E47/4528	Bullock Well	Western Australia	166.5	Exploration Licence	100%
E47/3958, E47/5064 E47/5063, E47/5065	Brahman Droughtmaster	Western Australia	538	Exploration Licence	100%
E45/5180	Talga, Talga	Western Australia	6.4	Exploration Licence	100%

The Directors present their report, together with the consolidated financial statements of the Group comprising of New Age Exploration Limited (the Company) and its subsidiaries, for the financial year ended 30 June 2022.

Directors

Directors of the Company during the whole of the financial year and up to the date of this report, unless otherwise stated:

Mr A Broome AM (Non-Executive Chairman)
 Mr J Wellisch (Executive Director)
 Mr A Wing (Non-Executive Director)

Company Secretaries

Mr Adrien Wing (B.Bus, CPA) was the company secretary of the Company during the whole of the financial year and up to the date of this report. Mr Wing is CPA qualified. He practised in the audit and corporate divisions of a chartered accounting firm before working with a number of public companies listed on the ASX as a corporate/accounting consultant and company secretary.

Ms Pauline Moffatt is a graduate of the Australian Institute of Company Directors (GAICD) and a fellow GIA ICSA of the Governance Institute of Australia. Ms Moffatt has a wealth of experience, providing specialised accounting and company secretary services to public companies for over 20 years.

Meetings of directors

The number of meetings of the Company's Board of Directors held during the year ended 30 June 2022, and the number of meetings attended by each director were:

	Full Board	
	Held	Attended
Mr A Broome AM	9	9
Mr J Wellisch	9	9
Mr A Wing	9	9

'Held' represents the number of meetings held during the time the Director held office or was a member of the relevant committee. The table includes decisions by circular resolutions.

Information on directors

Name:	Mr Alan Broome AM (I.Eng, F.AusIMM, FAICD, FICME, MInstD (NZ))
Title:	Non-Executive Director and Chairman
Experience and expertise:	Mr Broome is a metallurgist with over 40 years' experience in mining and metals. A well-known figure in the Australian mining industry, Alan has extensive board experience, both as a director and chairman, of a number of listed and unlisted mining and mining technology companies. Over the past 20 years, Alan has had in-depth experience in coal mining, mining technology, equipment, services and research sectors, both in Australia and abroad.
Other current directorships:	Strategic Minerals plc (Chairman) Mustang energy plc (Chairman) DDH1 Limited (Non-Executive Director)
Former directorships (in the last 3 years):	Nil
Special responsibilities:	Chairman of the Board
Interests in shares:	1,725,000 ordinary shares
First appointed to the Board:	18 February 2013

Name: **Mr Joshua Wellisch**
 Title: Executive Director
 Experience and expertise: Mr Wellisch is a corporate professional whose career has included several Executive Management and Director roles in ASX listed companies. Mr Wellisch has a breadth of experience in the acquisition, management and development of mineral geological projects within the energy and minerals sector. Mr Wellisch has a substantial background in Project Management and is a member of the Project Management Institute (PMI). Mr Wellisch is also currently a director of NRG Capital specialising in capital raisings, corporate structuring and the facilitation of ASX listings.

Other current directorships: Nil
 Former directorships (in the last 3 years): Nil
 Special responsibilities: Executive Director
 Interests in shares: 35,777,692 ordinary shares
 First appointed to the Board: 12 October 2018

Name: **Mr Adrien Wing**
 Title: Non-Executive Director
 Experience and expertise: Mr Wing is a Certified Practising Accountant. He practiced in the audit and corporate advisory divisions of a chartered accounting firm before working with a number of public companies listed on the Australian Securities Exchange as a corporate/accounting consultant and company secretary.

Other current directorships: Red Sky Energy Ltd (Non-Executive Director)
 Mitre Mining Corporation Limited (Non-Executive Director)
 Former directorships (in the last 3 years): Jade Gas Holdings Ltd (Non-Executive Director) – until September 2021
 Mithril Resources Ltd (Non-Executive Director) - May 2019 to February 2021
 Special responsibilities: Nil
 Interests in shares: 120,959,027 ordinary shares
 First appointed to the Board: 3 July 2020

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships in all other types of entities, unless otherwise stated.

'Former directorships (in the last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships in all other types of entities, unless otherwise stated.

Principal activities

During the financial year, the Group made significant progress with advancing its gold projects. The Group is focused on advancing gold exploration projects in the Pilbara Gold district and the South Island of New Zealand and to strengthen efforts to acquire new opportunities which establish shareholder value.

Dividends

There were no dividends paid or declared during the current or previous financial year.

Review of operations

The loss for the Group after providing for income tax amounted to \$1,180,445 (2021: \$5,524,106).

Additional information on the Group's operations is included in the detailed Activities Report preceding this Directors' report.

Significant changes in the state of affairs

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

Matters subsequent to the end of the financial year

No matters or circumstances have arisen since 30 June 2022 that have significantly affected, or may significantly affect the Group's operations, the results of those operations or the Group's state of affairs in future financial years.

Likely developments and expected results of operations

The Group is continuing to advance its portfolio of exploration projects and examine the potential for investment in new opportunities as they arise.

Environmental regulation

The Group's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory in Australia as at this date.

The Group's exploration activities in the United Kingdom, New Zealand and Australia are subject to environmental regulations in those countries. The Board maintains responsibility that the Group is in compliance with all relevant environmental legislation and maintains a high standard of environmental care. During the year, there were no known breaches of tenement conditions, and no such breaches have been notified by any government agencies.

Remuneration report (audited)

The remuneration report details the key management personnel remuneration arrangements for the consolidated entity, in accordance with the requirements of the Corporations Act 2001 and its Regulations. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors.

The remuneration report is set out under the following main headings:

- A - Principles used to determine the nature and amount of remuneration
- B - Details of remuneration
- C - Service agreements
- D - Share-based compensation
- E - Additional information

A Principles used to determine the nature and amount of remuneration**Remuneration Policy**

The Board practice for determining the nature and amount of remuneration of directors and other key management personnel is agreed by the Board of Directors as a whole. The Board obtains professional advice where necessary to ensure that the Group attracts and retains talented and motivated Directors and employees who can enhance Group performance through their contributions and leadership.

Remuneration consists of a fixed remuneration, performance-based bonuses and long-term share options as considered appropriate. The Board believes that options are an effective remuneration tool which preserves the cash reserves of the Group whilst providing valuable remuneration.

Executive Director Remuneration

Due to the limited size of the Group and of its operations and financial affairs, the use of a separate remuneration committee is not considered appropriate. In determining the level and make-up of the Executive Director remuneration, the Board negotiates a remuneration to reflect the market salary for a position and individual of comparable responsibility and experience.

Remuneration is periodically compared to relevant external market conditions. This is done based on surveys of peer companies' Managing Director remuneration and also taking into account the increase in consumer price index. If required, the Board may engage an external consultant to provide independent advice in the form of a written report detailing market levels of remuneration for comparable executive roles.

No external consultant was engaged during the year for the purpose of remuneration review.

Non-Executive Director Remuneration

Non-executive Directors' fees are paid within an aggregate limit which is approved by the shareholders from time to time. Retirement payments, if any, are agreed to be determined in accordance with the rules set out in the Corporations Act at the time of the Directors retirement or termination. Non-Executive Directors remuneration may include an incentive portion consisting of bonuses and/or options, as considered appropriate by the Board, which may be subject to shareholder approval in accordance with the ASX Listing Rules.

The amount of aggregate remuneration sought to be approved by shareholders and the manner in which it is apportioned amongst directors is reviewed annually. The Board considers the amount of Director fees being paid by comparable companies with similar responsibilities and the experience of the Non-Executive Directors when undertaking the annual review process.

The Group determines the maximum amount for remuneration, including thresholds for share-based remuneration, for Directors by resolution. At the Annual General Meeting held on 28 November 2012, shareholders approved \$300,000 as the annual maximum amount of remuneration that may be allocated to all Non-Executive Directors. Further details regarding components of Director and executive remuneration are provided in the following tables.

Group performance, shareholder wealth and director and other key management personnel remuneration

The remuneration policy has been tailored to increase goal congruence between shareholders, Directors and other key management personnel through successfully achieving its primary objectives. During exploration project development phase, these objectives are not linked to earnings. Instead, the successful discovery or acquisition of mineral resources and progress with project development are the primary means of value creation and thus, are the primary objectives of the Company. The achievement of this aim has been through the issue of options to Directors to encourage the alignment of personal and shareholder interests. The recipients of the options are responsible for growing the Group and increasing shareholder value. If they achieve this goal, the value of the options granted to them will also increase. Therefore, the options provide an incentive to the recipients to remain with the Group and to continue to work to enhance the Group's value.

In the financial year ended 30 June 2022, Mr J Wellisch received a bonus entitlement of \$36,000 relating to the successful achievement of certain performance criteria. There was no bonus in 2021.

B Details of remuneration

Details of the remuneration of the Directors and other key management personnel (defined as those who have the authority and responsibility for planning, directing and controlling major activities) of the Group are set out in the following tables.

	Short-term benefits		Post-employment benefits		Total	Performance Related
	Salary/Fees	Bonus	Superannuation	Options		
	\$	\$	\$	\$	\$	%
2022						
<i>Non-Executive Directors:</i>						
Mr A Broome AM	85,000	-	-	-	85,000	-
Mr A M Wing	120,000	-	-	-	120,000	-
<i>Executive Directors:</i>						
Mr J Wellisch	198,000	36,000	-	-	234,000	15.4
	403,000	36,000	-	-	439,000	
2021						
<i>Non-Executive Directors:</i>						
Mr A Broome AM	75,790	-	-	83,546	159,336	52.4
Mr S Layton ⁽¹⁾	12,000	-	-	-	12,000	-
Mr A M Wing ⁽²⁾	110,600	-	-	250,638	361,238	69.4
<i>Executive Directors:</i>						
Mr J Wellisch	142,750	-	-	334,184	476,934	70.1
	341,140	-	-	668,368	1,009,508	

(1) Resigned 29 September 2020.

(2) Appointed Director on 3 July 2020.

C Service agreements

Effective 15 March 2021, Mr Josh Wellisch entered into a service agreement for his role as an Executive Director at a rate of \$198,000 per annum. Short-term incentives of up to 30% of the annual fee are also able to be granted at the discretion of the Board. The agreement can be terminated by either party upon providing 3 months notice.

In the financial year ended 30 June 2022, Mr J Wellisch received a bonus entitlement of \$36,000 relating to the successful achievement of certain performance criteria. There was no bonus in 2021.

NAE has no other existing service agreements as at 30 June 2022.

Key management personnel have no entitlement to termination payments in the event of removal for misconduct.

D Share-based compensation**Issue of shares**

There were no shares issued to Directors and other key management personnel as part of compensation during the year ended 30 June 2022.

Shareholding

The number of shares in the Company held during the financial year by each director and other members of key management personnel, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/ Other	Balance at the end of the year
2022					
<i>Ordinary shares</i>					
Alan Broome AM	1,725,000	-	-	-	1,725,000
Joshua Wellisch	35,777,692	-	-	-	35,777,692
Adrien Wing	120,959,027	-	-	-	120,959,027
	158,461,719	-	-	-	158,461,719
2021					
<i>Ordinary shares</i>					
Alan Broome AM	475,000	-	1,250,000	-	1,725,000
Joshua Wellisch	22,777,692	-	13,000,000	-	35,777,692
Stephen Layton ⁽¹⁾	45,000,000	-	-	(45,000,000)	-
Adrien Wing	80,959,027	-	40,000,000	-	120,959,027
	149,211,719	-	54,250,000	(45,000,000)	158,461,719

(1) Resigned 29 September 2020.

Issue of Options

On 25 November 2020, at the Company's Annual General Meeting ("AGM"), shareholders approved the issue of 120,000,000 Options to the Directors with an exercise price of \$0.03 (3 cents) and an expiry date of 31 December 2023. In accordance with Accounting Standard AASB 2 Share-Based Payment, these Options have been valued at 0.56 cents each for a total of \$668,368 on the grant date, being the date of the AGM, and expensed during the 2021 financial year.

The number of Options held during the financial year by each director is set out below:

	Balance at the start of the year	Received as part of remuneration	Exercised / Expired	Disposals/ Other	Balance at the end of the year
2022					
Alan Broome AM	15,000,000	-	-	-	15,000,000
Joshua Wellisch	60,000,000	-	-	-	60,000,000
Adrien Wing	45,000,000	-	-	-	45,000,000
	120,000,000	-	-	-	120,000,000

E Additional information

The earnings of the Group for the five years to 30 June 2022 are summarised below:

	2018 \$	2019 \$	2020 \$	2021 \$	2022 \$
Revenue and other income	1,776,869	51,835	109,677	12,077	7,177
Net profit/(loss) before tax	960,492	(1,158,486)	(4,965,036)	(5,524,106)	(1,180,455)
Net profit/(loss) after tax	960,492	(1,158,486)	(4,965,036)	(5,524,106)	(1,180,455)

The factors that are considered to affect total shareholders return (TSR) are summarised below:

	2018	2019	2020	2021	2022
Share price at start of year (\$)	0.010	0.006	0.004	0.007	0.011
Share price at end of year (\$)	0.006	0.004	0.007	0.011	0.006
Basic earnings/(loss) per share (cents per share)	0.21	(0.15)	(0.56)	(0.49)	(0.08)
Diluted earnings/(loss) per share (cents per share)	0.21	(0.15)	(0.56)	(0.49)	(0.08)

This concludes the remuneration report, which has been audited.

Shares under option

There were unissued ordinary shares of the Company under option at the balance date as follows:

- 15,000,000 exercisable at 2 cents each with an expiry date of 28 September 2023; and
- 254,618,667 exercisable at 3 cents each with an expiry date of 31 December 2023.

Shares issued on the exercise of options

No shares of the Company were issued during the year ended 30 June 2022 on the exercise of options granted.

Indemnity and insurance of officers

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

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

Indemnity and insurance of auditor

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

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

Proceedings on behalf of the Group

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 Group for all or part of those proceedings.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on the following page.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the *Corporations Act 2001*.

On behalf of the directors



Joshua Wellisch
Executive Director

26 September 2022
Melbourne

RSM Australia Partners

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of New Age Exploration Limited and its controlled entities for the year ended 30 June 2022, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

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



RSM AUSTRALIA PARTNERS



R J MORILLO MALDONADO
Partner

Dated: 26 September 2022
Melbourne, Victoria

For personal use only

STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
For The Year Ended 30 June 2022

NEW AGE EXPLORATION LTD
Annual Report 30 June 2022

	Note	Consolidated 30 June 2022 \$	Consolidated 30 June 2021 \$
Revenue from continuing operations			
Other revenue	4	7,177	12,077
Expenses			
Corporate expenses		(174,015)	(156,547)
Employee benefits expenses		(469,846)	(372,241)
Employee benefits expenses – options		-	(668,368)
Exploration and evaluation expenses		(72,945)	(1,136,938)
Exploration and evaluation impairment	11	-	(2,740,461)
Administrative expenses		(303,257)	(221,492)
Occupancy expenses		(46,220)	(31,244)
Legal expenses		(18,844)	(32,574)
Investor relations and marketing		(102,495)	(176,318)
		<u>(1,187,622)</u>	<u>(5,536,183)</u>
(Loss)/profit before tax from continuing operations		(1,180,445)	(5,524,106)
Income tax expense	6	-	-
(Loss)/profit for the year		<u>(1,180,445)</u>	<u>(5,524,106)</u>
Other comprehensive income for the year			
Items that may be reclassified subsequently to profit or loss			
- Exchange differences on translation of foreign operations		(1,061)	84,719
Other comprehensive income for the year, net of tax		<u>(1,061)</u>	<u>84,719</u>
Total comprehensive (loss)/income for the year		<u>(1,181,506)</u>	<u>(5,439,387)</u>
Earnings/(loss) per share attributable to the owners of New Age Exploration Limited			
		Cents	Cents
Basic per share	21	(0.08)	(0.49)
Diluted per share	21	(0.08)	(0.49)

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

STATEMENT OF FINANCIAL POSITION
As at 30 June 2022

NEW AGE EXPLORATION LTD
Annual Report 30 June 2022

	Note	Consolidated 30 June 2022 \$	Consolidated 30 June 2021 \$
Current assets			
Cash and cash equivalents	7	4,180,504	6,375,836
Trade and other receivables	8	27,521	80,065
Prepayments		18,576	13,398
Other financial assets	9	25,000	25,000
Total current assets		4,251,601	6,494,299
Non-current assets			
Property, plant and equipment	10	26,973	21,708
Exploration and evaluation assets	11	1,835,098	851,148
Total non-current assets		1,862,071	872,856
Total assets		6,113,672	7,367,155
Current liabilities			
Trade and other payables	12	141,216	285,489
Total current liabilities		141,216	285,489
Total liabilities		141,216	285,489
Net assets		5,972,456	7,081,666
Equity			
Contributed equity	13	33,953,352	33,880,516
Reserves	14	1,862,564	1,864,165
Accumulated losses		(29,843,460)	(28,663,015)
Total equity		5,972,456	7,081,666

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

STATEMENT OF CHANGES IN EQUITY
For The Year Ended 30 June 2022

NEW AGE EXPLORATION LTD
Annual Report 30 June 2022

Consolidated

	Contributed Equity \$	Reserves \$	Accumulated Losses \$	Total \$
At 1 July 2021	33,880,516	1,864,165	(28,663,015)	7,081,666
Loss for the year	-	-	(1,180,445)	(1,180,445)
Other comprehensive income	-	(1,601)	-	(1,601)
Total comprehensive loss for the year	-	(1,601)	(1,180,445)	(1,181,506)
Transactions with owners in their capacity as owners:				
Monterey tenements acquisition	82,508	-	-	82,508
Issue costs	(9,672)	-	-	(9,672)
As at 30 June 2022	33,953,352	1,862,564	(29,843,460)	5,972,456
At 1 July 2020	27,990,778	740,578	(23,138,909)	5,592,447
Loss for the year	-	-	(5,524,106)	(5,524,106)
Other comprehensive income	-	84,719	-	84,719
Total comprehensive loss for the year	-	84,719	(5,524,106)	(5,439,387)
Transactions with owners in their capacity as owners:				
Issue of shares	6,465,508	-	-	6,465,508
Issue of options	-	450	-	450
Share-based payments	-	876,868	-	876,868
Share issue costs	(575,770)	161,550	-	(414,220)
As at 30 June 2021	33,880,516	1,864,165	(28,663,015)	7,081,666

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

STATEMENT OF CASH FLOWS
For The Year Ended 30 June 2022

NEW AGE EXPLORATION LTD
Annual Report 30 June 2022

	Note	Consolidated 30 June 2022 \$	Consolidated 30 June 2021 \$
Cash flows from operating activities			
Payments to suppliers and employees		(1,227,602)	(1,706,944)
Interest received		6,436	12,008
Net cash flows used in operating activities	20 (a)	<u>(1,221,166)</u>	<u>(1,694,936)</u>
Cash flows from investing activities			
Payments for exploration and evaluation assets		(946,936)	(318,663)
Payments for plant and equipment		(15,957)	(25,598)
Net cash flows used in investing activities		<u>(962,893)</u>	<u>(344,261)</u>
Cash flows from financing activities			
Proceeds from issue of shares		-	5,758,000
Share issue costs		(9,672)	(138,880)
Net cash flows (used in)/provided by financing activities		<u>(9,672)</u>	<u>5,619,120</u>
Net (decrease)/increase in cash and cash equivalents held		(2,193,731)	3,579,923
Cash and cash equivalents at beginning of the year		6,375,836	2,795,592
Effects of foreign exchange rate changes on cash		(1,601)	321
Cash and cash equivalents at the end of the year	7	<u>4,180,504</u>	<u>6,375,836</u>

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

General information

The consolidated financial report of New Age Exploration Limited as at and for the year ended 30 June 2022 comprises the Company and its subsidiaries (together referred to as the "Group").

The financial report is presented in Australian dollars, which is New Age Exploration Limited's functional and presentation currency. New Age Exploration Limited is a listed for-profit public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 2
480 Collins Street
Melbourne VIC 3000

A description of the nature of the Group's operations and its principal activities are included in the Directors' report. The financial report was authorised for issue, in accordance with a resolution of directors, on the date of the signing of the Directors' declaration.

Note 1 Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New, revised or amending Accounting Standards and Interpretations adopted

In the year ended 30 June 2022, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group and effective for the current annual reporting period. There has been no material impact on the Group.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2022 reporting periods and have not been early adopted by the group. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

Basis of preparation

These general-purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial statements have been prepared on an accrual basis under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 2.

Parent entity information

In accordance with the *Corporations Act 2001*, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 22.

Principles of Consolidation

The consolidated financial statements are those of the consolidated entity, comprising the company (the 'parent entity') and its controlled entities (the 'Group'). Details of the controlled entities are contained in Note 18.

Note 1 Significant accounting policies (cont'd)

Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. Financial statements for controlled entities are prepared for the same reporting period as the parent entity, using consistent accounting policies. Controlled entities are fully consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group.

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable IFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under AASB 9 *Financial Instruments*, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates or joint ventures are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as disposal group held for sale, in which case it is accounted for in accordance with AASB 5 *Non-current Assets Held for Sale and Discontinued Operations*. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

Note 1 Significant accounting policies (cont'd)

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The requirements of AASB 9 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate or a joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with AASB 136 *Impairment of Assets* as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with AASB 136 to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with AASB 9. The difference between the carrying amount of the associate or joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities. When a group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

Foreign Currency

Functional and Presentation Currency

The financial statements of each group entity are measured using its functional currency, which is the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars, as this is the parent entity's functional and presentation currency.

Transactions and Balances

Transactions in foreign currencies of entities within the consolidated entity are translated into functional currency at the rate of exchange ruling at the date of the transaction.

Foreign currency monetary items that are outstanding at the reporting date (other than monetary items arising under foreign currency contracts where the exchange rate for that monetary item is fixed in the contract) are translated using the spot rate at the end of financial year.

Resulting exchange differences arising on settlement or re-statement are recognized as revenues and expenses for the financial year.

Note 1 Significant accounting policies (cont'd)

Group Companies

The financial statements of foreign operations whose functional currency is different from the group's presentation currency are translated as follows:

- Assets and liabilities are translated at year-end exchange rates prevailing at that reporting date;
- Income and expenses are translated at average exchange rates for the period where this rate approximates the rate at the date of the transaction; and
- All resulting exchange differences are recognized as a separate component of equity.

Exchange differences arising on translation of foreign operations are transferred directly to the group's foreign currency translation reserve as a separate component of equity in the statement of financial position.

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

In addition, in relation to a partial disposal of a subsidiary that includes a foreign operation that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates or joint arrangements that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

Interest Revenue

Interest revenue is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax

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

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

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

Note 1 Significant accounting policies (cont'd)

Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

Trade and other receivables are recognised at amortised cost, less any allowance for impairment.

Other Financial Assets

Other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless, an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at fair value through profit or loss

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income include equity investments which the consolidated entity intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

Impairment of financial assets

The consolidated entity recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the consolidated entity's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit or loss.

Plant and Equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over its expected useful life as follows:

Plant and equipment: 3-5 years

Residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at the reporting date.

An item of plant and equipment is derecognised upon disposal or when there is no future economic benefit to the consolidated entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

Note 1 Significant accounting policies (cont'd)

Exploration and Evaluation Assets

Expenditure on acquisition, exploration and evaluation relating to an area of interest is carried forward at cost where rights to tenure of the area of interest are current and:

It is expected that expenditure will be recouped through successful development and exploitation of the area of interest or alternatively by its sale; and/or

Exploration and evaluation activities are continuing in an area of interest but at reporting date have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. Where uncertainty exists as to the future viability of certain areas, the value of the area of interest is written off or impaired.

Impairment

The carrying value of capitalised exploration and evaluation expenditure is assessed for impairment at the cash generating unit level whenever facts and circumstances suggest that its carrying amount may exceed its recoverable amount.

An impairment exists when the carrying amount of an asset or cash-generating unit exceeds its estimated recoverable amount. The asset or cash-generating unit is then written down to its recoverable amount. Any impairment losses are recognised in the profit and loss.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably.

Trade and other payables

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

Employee benefits

Wages and salaries, annual leave and sick leave

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave, and sick leave when it is probable that settlement will be required, and they are capable of being measured reliably.

Liabilities recognised in respect of short-term employee benefits are measured at their nominal values using the remuneration rate expected to apply at the time of settlement. Liabilities recognised in respect of long-term employee benefits are measured as the present value of the estimated future cash outflows to be made by the Group in respect of services provided by employees up to reporting date.

Share-based payments

Equity-settled and cash-settled share-based compensation benefits are provided to employees.

Note 1 Significant accounting policies (cont'd)

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The costs of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using the Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the Group receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The costs of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying the Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:

- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

Market conditions are taken into consideration in determining fair value. Therefore, any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

Contributed equity

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

Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of New Age Exploration Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Goods and Services Tax (GST) and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case, it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Note 1 Significant accounting policies (cont'd)

Cash flows are presented on a gross basis. The GST components of cash flows from investing or financing activities which are recoverable from, or payable to, the tax authority are presented as operating cash flows.

Commitments and contingencies are disclosed net of the GST recoverable from, or payable to, the tax authority.

Note 2 Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenues and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, which management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Exploration and evaluation

Exploration and evaluation expenditure is capitalised if the activities in the area of interest have not yet reached a stage that permits a reasonable assessment of the existence or otherwise of economically recoverable reserves. To the extent that it is determined in the future that this capitalised expenditure is not recoverable and should be written off, profits and net assets will be reduced in the period in which this determination is made.

The future recoverability of capitalised exploration and evaluation expenditure is dependent on a number of factors, including whether economically recoverable minerals are proven and whether the consolidated entity decides to exploit the related lease itself or, if not, whether it successfully recovers the related exploration and evaluation asset through sale.

Factors that would impact the future recoverability include the level of reserves and resources, future technological changes (which would impact the cost of mining), future legal changes (including changes to environmental restoration obligations) and changes to commodity prices.

Note 3 Operating segments

The Group operated predominately as an explorer with the view to identify attractive mineral deposits of sufficient grade and size to provide sustainable returns to shareholders.

The directors do not believe that there are any reportable segments that meet the requirements of Accounting Standard AASB 8 *Segment Reporting*, on the basis that the chief operating decision maker, being the Board of Directors, review geological results and other qualitative measures as a basis for decision making.

Types of products and services

The Group currently has no significant revenue from products or services.

Major customers

The Group has no reliance on major customers.

Geographical areas

The Group's exploration assets are located as follows:

- New Zealand \$700,011 (2021: \$493,431)
- Australia \$1,135,087 (2021: \$357,717)
- Total \$1,835,098 (2021: \$851,148)

Note 4 Other income

	Consolidated 2022 \$	Consolidated 2021 \$
Interest from financial assets measured at amortised cost	7,177	12,077

Note 5 Expenses

	Note	Consolidated 2022 \$	Consolidated 2021 \$
Loss before income tax includes the following expenses:			
Superannuation expense (defined contribution)		512	2,355
Short-term lease expenses		37,255	26,475
Depreciation	10	10,692	6,815

Note 6 Income tax expense

	Consolidated 2022 \$	Consolidated 2021 \$
(a) Components of Tax expense		
Current tax expense/(benefit)	(274,924)	(431,787)
Deferred tax expense	274,924	431,787
	-	-
(b) Numerical reconciliation of income tax expense to prima facie tax payable		
(loss)/profit before income tax expense	(1,180,455)	(5,524,106)
Tax at the Australian tax rate of 25% (2021: 26%)	(295,114)	(1,436,268)
Share-based payments	-	282,976
Other non-deductible items	20,190	721,505
	(274,924)	(431,787)
Current year tax losses not recognised	274,924	431,787
Income tax expense	-	-

Deferred tax assets not recognised

Deferred tax assets not recognised comprises temporary differences attributable to:

Tax losses	3,800,804	3,517,843
Capital losses	502,576	522,679
Temporary differences	(165,435)	18,863

Total deferred tax assets not recognised

4,137,945	4,059,385
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The above potential tax benefit has not been recognised in the statement of financial position as the recovery of this benefit is uncertain.

The taxation benefits of tax losses and temporary differences not brought to account will only be obtained if:

- (i) the Group derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the losses to be realised;
- (ii) the Group continues to comply with the conditions for deductibility imposed by law; and
- (iii) no change in tax legislation adversely affects the Group in realising the benefits from deducting the losses.

Note 7 Cash and cash equivalents

	Consolidated 2022 \$	Consolidated 2021 \$
Cash at bank	660,782	857,767
Short-term deposits	3,519,722	5,518,069
	4,180,504	6,375,836

Note 8 Trade and other receivables

	Consolidated 2022 \$	Consolidated 2021 \$
Interest receivable	1,029	288
GST and VAT receivable	26,492	79,777
	<u>27,521</u>	<u>80,065</u>

Due to the short-term nature of the receivables, their carrying value is assumed to approximate their fair value. Given the nature of the receivables as detailed, exposure to credit risk is not considered material.

Note 9 Other financial assets

	Consolidated 2022 \$	Consolidated 2021 \$
Security deposit	25,000	25,000
	<u>25,000</u>	<u>25,000</u>

Note 10 Property, plant and equipment

	Consolidated 2022 \$	Consolidated 2021 \$
Office equipment – at cost	35,570	24,108
Accumulated depreciation	(14,195)	(5,561)
	<u>21,375</u>	<u>18,547</u>

Office furniture – at cost	6,648	4,489
Accumulated depreciation	(3,252)	(1,328)
	<u>3,396</u>	<u>3,161</u>

Fittings & fixtures – at cost	2,335	-
Accumulated depreciation	(133)	-
	<u>2,202</u>	<u>-</u>
	<u>26,973</u>	<u>21,708</u>

	Office equipment \$	Office furniture \$	Fittings & fixtures \$
2022			
Movements during the year:			
Opening balance – 1 July 2021	18,547	3,161	-
Additions	11,463	2,159	2,335
Depreciation	(8,635)	(1,924)	(133)
Closing balance – 30 June 2022	<u>21,375</u>	<u>3,396</u>	<u>2,202</u>

	Office equipment \$	Office furniture \$	Fittings & fixtures \$
2021			
Movements during the year:			
Opening balance – 1 July 2020	2,925	-	-
Additions	21,109	4,489	-
Depreciation	(5,487)	(1,328)	-
Closing balance – 30 June 2021	<u>18,547</u>	<u>3,161</u>	<u>-</u>

Note 11 Exploration and evaluation assets

	Consolidated 2022 \$	Consolidated 2021 \$
Exploration and evaluation assets	1,835,098	851,148

Reconciliations

Reconciliations of the written down values are set out below:

	Exploration and evaluation \$
Balance at 1 July 2020	2,960,098
Additions	631,511
Impairment	(2,740,461)
Balance at 30 June 2021	851,148
Additions	983,950
Balance at 30 June 2022	1,835,098

The recoverability of the carrying amount of the exploration and evaluation assets is dependent on the continuation of the Group's rights to tenure of the interests, results of future exploration and successful development or alternatively, sale of the respective areas of interest.

In the 2021 year, the Directors reviewed of the capitalised exploration and evaluation assets and determined that, in light of current market conditions, there were further indications of impairment relevant to the carrying value of the Lochinvar exploration asset. In the current climate the development of new coal mines has become increasingly difficult due to the inability to gain government approvals and secure funding. A valuation of \$nil was determined and, as a result, an impairment expense of \$2,600,000 was incurred during the 2021 year.

Note 12 Trade and other payables

	Consolidated 2022 \$	Consolidated 2021 \$
Trade creditors	55,128	201,851
Accruals and other payables	86,088	83,638
	141,216	285,489

Note 13 Contributed equity

	Consolidated 2022 Number	Consolidated 2021 Number	Consolidated 2022 \$	Consolidated 2021 \$
Ordinary shares – fully paid	1,435,898,910	1,428,398,910	33,953,352	33,880,516

Movements in Ordinary Share Capital

	No. of Shares	Issue Price	\$
Balance 30 June 2020	888,780,410		27,990,778
Placement of shares	269,750,000	\$0.008	2,158,000
Acquisition of tenements	25,000,000	\$0.008	200,000
Settlement of creditors	3,500,000	\$0.008	28,000
Acquisition facilitation fee	30,000,000	\$0.010	300,000
Settlement of creditors	2,512,500	\$0.008	20,100
Placement of shares	182,000,000	\$0.018	3,276,000
Placement of shares	18,000,000	\$0.018	324,000
Settlement of creditors	8,856,000	\$0.018	159,408
Issue costs	-		(575,770)
Balance 30 June 2021	1,428,398,910		33,880,516
Monterey tenement acquisition	7,500,000	\$0.011	82,508
Capital raising costs			(9,672)
Balance 30 June 2022	1,435,898,910		33,953,352

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Group in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value. 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.

Capital risk management

The Group's objectives when managing capital is to safeguard its ability to continue as a going concern so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may return capital to shareholders, issue new shares or sell assets to reduce debt.

Note 14 Reserves

	Consolidated 2022 \$	Consolidated 2021 \$
Foreign exchange reserve	823,696	825,297
Options reserve	1,038,868	1,038,868
	1,862,564	1,864,165

The foreign exchange reserve is used to record exchange differences arising on translation of foreign controlled subsidiaries with functional currency different from the Groups' presentation currency.

The Options reserve records the value of equity benefits provided as consideration for remuneration and other expenses.

	Foreign Exchange \$
Balance at beginning of the year	825,297
Foreign currency translation differences for foreign operations	(1,601)
Balance at end of the year	823,696

Note 15 Financial instruments

Financial risk management objectives

The Group's activities expose it to a variety of financial risks: market risk (including interest rate risk), credit risk, and foreign currency risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate and foreign exchange risks, ageing analysis for credit risk and beta analysis in respect of investment portfolios to determine market risk.

Risk management is carried out by the Board. The policies employed to mitigate risk include identification and analysis of the risk exposure of the Group and appropriate procedures, controls and risk limits. The Board identifies risk and evaluates the effectiveness of its responses.

Market risk

Interest rate risk

The Group's main exposure to interest rate risk is in relation to deposits held.

As at the reporting date, the Group had the following variable rate cash balances.

	Consolidated 2022 \$	Consolidated 2021 \$
Cash and cash equivalents	4,180,504	6,375,836
Other financial assets	25,000	25,000

An increase/decrease in interest rate of 1 percent would have a favourable/adverse effect on loss before tax of \$42,055 per annum (2021: \$64,008). The percentage change relates to the expected volatility of interest rates using market data and analysts' forecasts.

Credit risk

Credit risk is managed on a Group basis. Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has minimal exposure to credit risk as its only receivables relate to security deposits, interest receivable, and GST refunds due. Deposits are held with reputable banking financial institutions.

Foreign Currency Risk

As a result of operations in the United Kingdom and New Zealand, the Group's Statement of Financial Position can be affected significantly by movements in the British Pound (GBP)/ Australian Dollar (AUD) exchange rate as well as the New Zealand Dollar (NZD)/AUD exchange rate. The Group does not have a formal policy or strategy implemented to mitigate the effects of its foreign currency exposure. As the majority of the Group's operations occur within subsidiaries located in foreign countries, foreign currency risk is considered to be an inherent risk of the Group. At 30 June, the Group had the following exposure to GBP and NZD foreign currency that is not designated as cash flow hedges:

	Assets		Liabilities		Net Exposure	
	2022 \$	2021 \$	2022 \$	2021 \$	2022 \$	2021 \$
GBP	14,780	16,539	(2,418)	(4,269)	12,362	12,270
NZD	-	-	(22,529)	(16,163)	(22,529)	(16,163)

Note 16 Remuneration of auditors

During the financial year, the following audit fees were paid or payable:

	Consolidated 2022 \$	Consolidated 2021 \$
Audit and review of the financial reports RSM Australia Partners	43,500	46,190

Note 17 Commitments for expenditure

The Group pays minimal annual licence and lease fees related to its tenements. These payments are discretionary; however, the Company intends to make these payments and maintain the licences in good standing.

Note 18 Related party disclosures

Key Management Personnel Compensation

The aggregate compensation made to Directors and other members of key management personnel of the Group is set out below:

	Consolidated 2022 \$	Consolidated 2021 \$
Short-term employee benefits	439,000	341,140
Share-based payment benefits	-	668,368
	439,000	1,009,508

Controlled entities

Name of entity	Country of incorporation	Class of shares	Equity holding % 2022	Equity holding % 2021
Lochinvar Coal Limited	United Kingdom	Ordinary	100	100
New Pilbara Gold Pty Ltd	Australia	Ordinary	100	100

Controlled entities hold exploration licences for operational activities.

Note 19 Events occurring after the reporting date

No matters or circumstances have arisen since 30 June 2022 that has significantly affected, or may significantly affect the Group's operations, the results of those operations or the Group's state of affairs in future financial years.

Note 20 Cash Flow statement information

Note 20 (a) Reconciliation of loss after income tax to net cash used in operating activities

	Consolidated 2022 \$	Consolidated 2021 \$
Loss after income tax expense for the year	(1,180,445)	(5,524,106)
Adjustments for:		
Share-based payment expenses	-	1,088,368
Depreciation and amortisation	10,692	6,815
Exploration impairment	-	2,740,461
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	25,901	(68,591)
(Increase)/decrease in prepayments	(5,177)	(4,126)
(Increase)/decrease in trade and other payables	(72,137)	66,243
Net cash used in operating activities	<u>(1,221,166)</u>	<u>(1,694,936)</u>

Note 20 (b) Non-cash investing and financing activities

During the 2022 financial year, the Group issued new shares and options valued at \$82,508 as consideration for remuneration and other expenses.

Note 21 Earnings per share

	Consolidated 2022 \$	Consolidated 2021 \$
Loss after income tax from continuing operations	(1,180,445)	(5,524,106)
	Number	Number
Weighted average number of ordinary shares used in calculating basic and diluted earnings per share	1,434,748,225	1,133,004,774
	Cents	Cents
Basic and diluted earnings/(loss) per share from continuing operations	(0.08)	(0.49)
Basic and diluted earnings/(loss) per share	(0.08)	(0.49)

The company has no options on issue that can affect the calculation of diluted EPS.

Note 22 Parent entity information

	2022	2021
	\$	\$
Financial position		
Current assets	4,235,011	6,477,622
Non-current assets	1,876,243	885,264
Total assets	6,111,254	7,362,886
Current liabilities	138,798	281,220
Total liabilities	138,798	281,220
Net assets	5,972,456	7,081,666
Contributed equity	33,953,352	33,880,516
Reserves	1,038,868	1,038,868
Accumulated losses	(29,019,764)	(27,837,718)
Total equity	5,972,456	7,081,666
Financial performance		
Loss for the year	(1,182,046)	(5,439,386)
Comprehensive loss for the year	(1,182,046)	(5,439,386)

The parent entity, New Age Exploration Limited, has not entered into any guarantees in respect to its controlled entities.

Note 23 Capital Commitments

There are no commitments for the acquisition of plant and equipment contracted for at the reporting date.

Note 24 Contingent Assets

In March 2019, NAE entered into an agreement to sell its 50% share in Cornwall Resources Ltd ("CRL") to Strategic Minerals plc ("SML"). The transaction was completed in July 2019 with the consideration including \$2.0m in royalty payments payable with \$1m falling due when net smelter sales arising from Redmoor production reaches A\$50m and the final \$1m falling due when net smelter sales arising from Redmoor production reaches A\$100m.

Note 25 Contingent Liabilities

In August 2021, the Company acquired the northern Pilbara tenements from Monterey Minerals Inc (CSE:MREY) (Monterey). Under the Option and Asset Sale Agreement dated 28 September 2020 between NAE, Monterey and their subsidiaries, NAE had the right to acquire 100% ownership of the tenements from Monterey. The purchase price includes deferred consideration consisting of 30 million shares upon NAE delineating a 250koz gold indicated JORC resource on the tenements and a further 30 million shares upon NAE delineating a 500koz gold indicated JORC resource on the tenements.

In June 2016, NAE's majority owned subsidiary, NAE Aurora JV Cesar SAS (liquidated in the commercial registry of the Chamber of Commerce of Bogotá on 17 December 2015), received notice from the mining authority in Colombia for unpaid exploration licence payments. No legal proceeding has been filed and based on legal advice, management believes that any payment on this matter is unlikely. No liability has been recorded in the statement of financial position for this contingency.

In the directors' opinion:

- the attached financial statements and notes thereto comply with the Corporations Act 2001, the Australian Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes thereto comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in Note 1 to the financial statements;
- the attached financial statements and notes thereto give a true and fair view of the Group's financial position as at 30 June 2022 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

The Directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of Directors, made pursuant to section 295(5) of the Corporations Act 2001.

On behalf of the Directors



Joshua Wellisch
Executive Director

26 September 2022
Melbourne

RSM Australia Partners

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INDEPENDENT AUDITOR'S REPORT
To the Members of New Age Exploration Limited

Opinion

We have audited the financial report of New Age Exploration Limited ("the Company") and its subsidiaries (together referred to as "the Group"), which comprises the consolidated statement of financial position as at 30 June 2022, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

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

- i. giving a true and fair view of the Group's financial position as at 30 June 2022 and of its financial performance for the year then ended; and
- ii. complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

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 Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We 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.

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.

Key Audit Matter	How our audit addressed this matter
Exploration and evaluation assets Refer to Note 11 in the financial statements	
<p>As at 30 June 2022, the carrying value of the Group's capitalised Exploration and evaluation assets amounted to \$1,835,098. We determined this to be a key audit matter due to the significance of these assets in the statement of financial position (30% of the total assets of the Group). Also, there are significant management estimates and judgments involved in assessing the carrying value in accordance with AASB 6 <i>Exploration for and Evaluation of Mineral Resources</i>, including:</p> <ul style="list-style-type: none"> • Determination of whether expenditure can be associated with finding specific mineral resources, and the basis on which that expenditure is allocated to an area of interest. • Assessing whether any indicators of impairment are present, and if so, the judgments applied to determine and quantify any impairment loss. • Determination of whether exploration activities have progressed to the stage at which the existence of an economically recoverable mineral reserve may be assessed. 	<p>Our audit procedures in relation to the carrying value of Exploration and evaluation assets included:</p> <ul style="list-style-type: none"> • Critically reviewing the Group's assessment that no indicator of impairment existed in relation to the Otago Pioneer Quartz Gold project in New Zealand and Pilbara project in Western Australia; • Enquiring with management and reviewing budgets and plans to determine that the Group will incur substantive expenditure on further exploration for and evaluation of mineral resources in the specific areas of interests; • Agreeing a sample of the additions to supporting documentation and ensuring that the amounts were capital in nature; and • Discussions with management and a review of the Group's ASX announcements and other relevant documentation, to assess management's determination that exploration activities have not yet progressed to the point where the existence or otherwise of an economically recoverable mineral resource may be determined.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2022; but does not include the financial report and the auditor's report thereon.

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

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

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

Responsibilities of the Directors for the Financial Report

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

In preparing the financial report, the directors are responsible for assessing the ability of the Group 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 Group or to cease operations, or have 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 at: http://www.auasb.gov.au/auditors_responsibilities/ar2.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 43 to 46 of the directors' report for the year ended 30 June 2022.

In our opinion, the Remuneration Report of New Age Exploration Limited for the year ended 30 June 2022, 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.



RSM AUSTRALIA PARTNERS



R J MORILLO MALDONADO
Partner

Dated: 26 September 2022
Melbourne, Victoria

Additional information required by the Australian Securities Exchange Limited and not shown elsewhere in the annual report are set out below. The information was applicable as at 19 September 2022.

1. Shareholdings – Ordinary Shares

a. Distribution of Shareholders

Analysis of number of equitable security holders by size of holding:

	Number of holders
1 to 1,000	365
1,001 to 5,000	51
5,001 to 10,000	77
10,001 to 100,000	811
100,001 and over	<u>1,092</u>
	<u>2,396</u>
Holdings less than a marketable parcel	<u>754</u>

b. Substantial Shareholders

Substantial holders in the Group are set out below.

	Number held	% of total shares issued
NORTHERN STAR NOMINEES PTY LTD / WING INVESTMENT HOLDINGS PTY LTD	120,959,027	8.42

c. Voting rights

The voting rights attached to ordinary shares are set out below.

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, each share shall have one vote.

d. Restricted Securities

There are no restricted securities as at 19 September 2022.

1. Shareholdings – Ordinary Shares (cont'd)**e. Twenty largest quoted equity security holders**

The names of the twenty largest security holders of quoted equity securities are listed below.

	Number held	% of total shares issued
NORTHERN STAR NOMINEES PTY LTD	105,959,027	7.38
COSMEC NOMINEES PTY LIMITED	36,759,631	2.56
PAND JR PTY LTD	36,385,000	2.53
LTJ INVESTMENTS PTY LTD	30,777,692	2.14
CITICORP NOMINEES PTY LIMITED	27,304,004	1.90
BODIE INVESTMENTS PTY LTD	25,000,000	1.74
MR VINCENZO MONTELEONE	20,000,000	1.39
WHITEHALL NOMINEES PTY LTD	20,000,000	1.39
BODIE INVESTMENTS PTY LTD	20,000,000	1.39
FINCLEAR NOMINEES PTY LTD	17,177,303	1.20
BNP PARIBAS NOMINEES PTY LTD	15,363,354	1.07
WING INVESTMENT HOLDINGS PTY LTD	15,000,000	1.04
MR AARON TSAMASIROS	12,000,000	0.84
V & F TRUDA PTY LTD	11,882,342	0.83
MR MOUSA FAWZI GHANANIM	11,147,544	0.78
H LOUEY PANG & CO PTY LTD	10,790,000	0.75
PARRAC PTY LTD	10,652,697	0.74
MR MATTHEW KEVIN WELLISCH & MR KEVIN FREDERICK WELLISCH	10,500,000	0.73
MR ROGER BLAKE & MRS ERICA LYNETTE BLAKE	10,000,000	0.70
NEAL PTY LTD	10,000,000	0.70
	456,698,594	31.81

2. 15,000,000 Unlisted Options expiring 28 November 2023 exercisable at 2 cents each

Option holders as at 19 September 2022 are set out below.

	Number held	% of total Options issued
CANDOUR ADVISORY PTY LTD	15,000,000	100.00

Voting rights

No voting rights are attached to Options issued.

3. 254,618,667 Listed Options expiring 31 December 2023 exercisable at 3 cents each

Analysis of number of equitable security holders by size of holding:

	Number of holders
10,001 to 100,000	7
100,001 and over	103
	<u>110</u>

The names of the twenty largest security holders of quoted Options as at 19 September 2022 are listed below.

	Number held	% of total Options issued
LTJ INVESTMENTS PTY LTD	61,000,000	23.96
NORTHERN STAR NOMINEES PTY LTD	45,000,000	17.67
MR PETER ANDREW PROKSA	21,000,000	8.25
B&H CONSULTING AND ENGINEERING PTY LTD	15,000,000	5.89
THIRD PARTY NOMINEES PTY LTD	15,000,000	5.89
MR HARLEY COILS	13,313,709	5.23
COMSEC NOMINEES PTY LIMITED	5,800,000	2.28
JAWAF ENTERPRISES PTY LTD	5,266,666	2.07
CANDOUR ADVISORY PTY LTD	5,000,000	1.96
WING INVESTMENT HOLDINGS PTY LTD	5,000,000	1.96
IRX ENTERPRISES PTY LTD	5,000,000	1.96
LDU PTY LTD	4,740,741	1.86
AUKERA CAPITAL PTY LTD	4,000,000	1.57
MR NELSON MARIZ	2,098,520	0.82
MR ROGER BLAKE & MRS ERICA LYNETTE BLAKE	2,000,000	0.79
J K DEMARIA PTY LTD	1,971,236	0.77
MICHAEL BEER & ASSOC PTY LTD	1,933,334	0.76
P&J BUTTIGIEG NOMINEES PTY LTD	1,851,852	0.73
MRS JUDITH PIGGIN & MR DAMIEN PIGGIN & MR GLENN PIGGIN	1,851,852	0.73
IAMSF CAPITAL PTY LTD	1,700,000	0.67
	<u>218,527,910</u>	<u>85.82</u>

Voting rights

No voting rights are attached to Options issued.

4. Other

- a. The name of the Company Secretaries are Adrien Wing and Pauline Moffatt.
- b. The principal registered address in Australia is Level 2, 480 Collins Street, Melbourne, Victoria 3000.
- c. Registers of securities are held at the following address: Link Market Services, Level 12, 250 St George's Street, Perth WA 6000.
- d. Stock Exchange Listing: Quotation has been granted for all ordinary shares on all Member Exchanges of the ASX Limited

Corporate Governance: A copy of the Company's Corporate Governance Statement is available on the Company's website at <http://www.nae.net.au>.