Peako LIMITED

2022 Annual Report

For the Year Ended 30 June 2022

ABN 79 131 843 868

ASX: **PKO**
peako.com.au

Corporate Directory

DIRECTORS

Geoffrey Albers (Non-Executive Chairman)

Raewyn Clark (Executive Director)

Paul Kitto (Non-Executive Technical Director)
Appointed 20 September 2021

COMPANY SECRETARY

Robert Wright

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Chairman's Letter

Peako has made important breakthroughs in its understanding of the geology and potential of our Eastman PGE Project in the East Kimberley region of Western Australia. We are seeking platinum and palladium, the two major Platinum Group Elements (PGEs).

Platinum and palladium are essential for green energy technologies, including current usage in catalytic converters in combustion engines. However, major growth is expected to unfold in applications with green energy technologies and low carbon energy solutions.

Peako's exploration team completed an initial prospectivity review of the Eastman Project and identified ultramafic intrusions that we considered to have the potential to host a large PGE mineralised system. Subsequently, several phases of exploration were completed, aimed at delivering the highest priority prospects as well as improving our understanding of the controls on mineralisation. Importantly, these programs indicated that previous PGE exploration, which had focused on the discontinuous strataform chromite lenses, may not be the optimal exploration target. In parallel with exploration undertaken by the other explorers in the region, we now believe that PGE mineralisation is not limited to the chromite lenses but, importantly, that our targets should also include the stratabound mineralisation within the entire suit of ultramafic units.

This understanding became an important focus for the exploration effort, with the drill program that recently commenced, focusing on the ultramafic units. The results are expected to be released soon.

Geochemical surface sampling has also confirmed the presence of PGEs, with targeted samples taken at Louisa, The Gap and Grand Central prospects returning excellent PGE + Au indications. Further details are included in the Operations Review in this Annual Report.

All this work is a testament to the dedication and focus of our management and exploration team. Led by Executive Director, Rae Clark, and Technical Director, Dr Paul Kitto, the Peako team has significantly increased the understanding of the Eastman PGE Project over the past year. I thank them and the entire Peako team for their hard work.

The coming year looks exciting for the Company. With geology becoming better understood and RC drill results due shortly, we are excited for what we may be able to achieve over the next 12 months.

On behalf of the Board, I thank our shareholders for their support and financial contribution and to our team, consultants and my fellow directors for their efforts.

E.G. Albers

Chairman, Peako Limited

29th September 2022

> Platinum and palladium are essential for green energy technologies, including current usage in catalytic converters in combustion engines. However, major growth is expected to unfold in applications with green energy technologies and low carbon energy solutions.

Operations Review

Peako's focus during FY2022 was its East Kimberley Project with intensive field campaigns conducted across each of the 2021 and 2022 field seasons. Peako's tenure in the region totals 4,029 km^2 (Figure 1).

Activities in 2021 were directed towards assessment of the potential for gold and base metal mineralisation and this incorporated surface mapping, an initial phase of aircore geochemistry drilling across target areas defined from surface geochemistry, geology, geophysics and satellite imagery and a follow up phase of RC drilling.

In 2022, Peako focused its exploration efforts on Platinum Group Elements (PGEs). Encouraged by reporting of wide intercepts of PGEs at Pantoro Limited's nearby Halls Creek Project and Future Metals NL's Panton Project, Peako completed a prospectivity review of the ultramafic intrusions within its Eastman tenement and identified potential for a large PGE mineralised system at the Eastman Intrusive Complex.

Field activities during 2022 included a tectonic-stratigraphic architecture study, mapping and rock chip traverses as well as reconnaissance soil sampling. A 4,500m RC drilling program commenced shortly after the end of the financial year, designed to test PGE endowment across the 16.5km strike of the layered Eastman Intrusive Complex.

"In 2022, Peako focused its exploration efforts on Platinum Group Elements (PGEs).

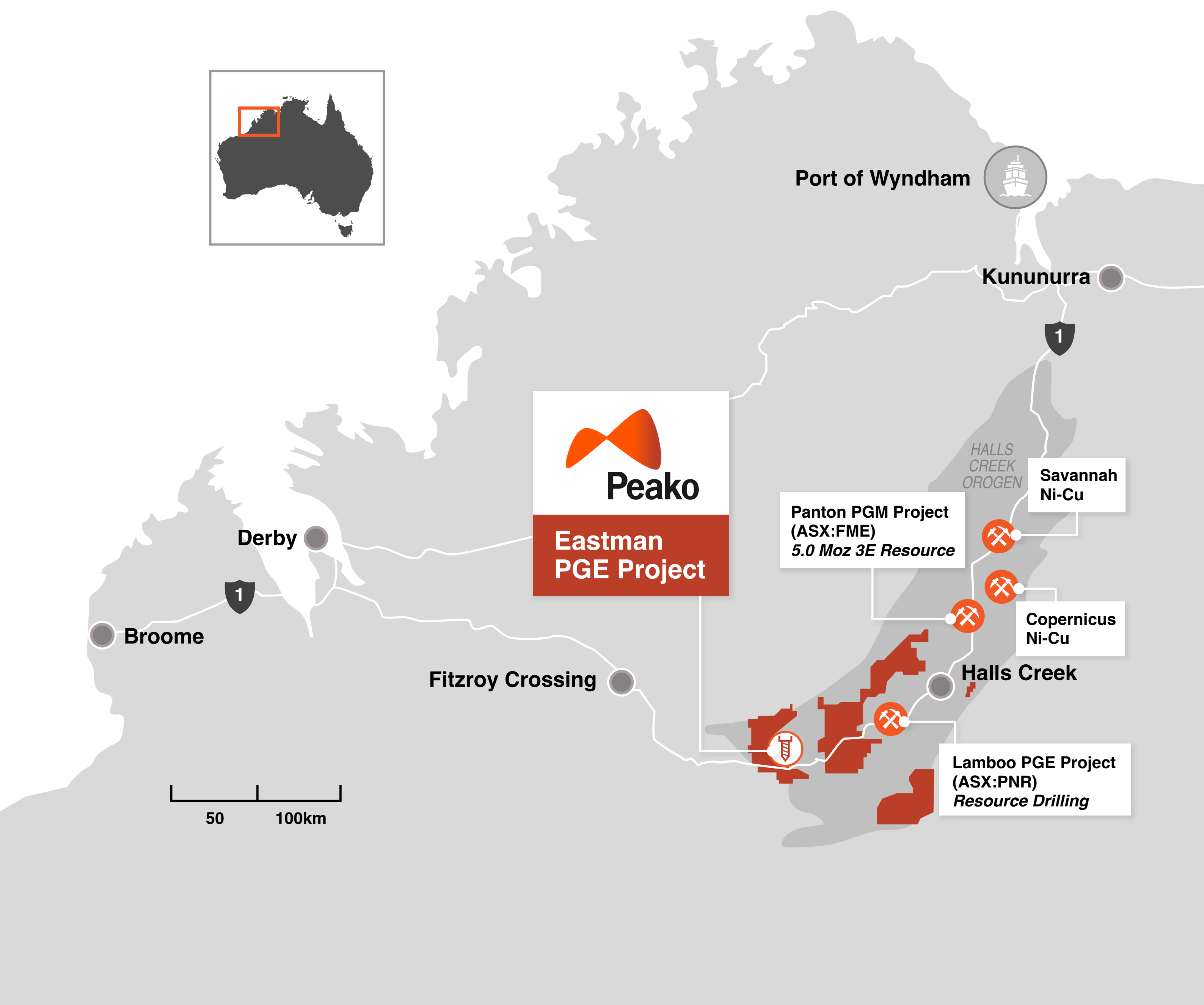


Figure 1: Peako's East Kimberley Tenement Package (in red)

Eastman PGE Project

Peako's Eastman Intrusion is a large relatively underexplored intrusive complex that Peako considers prospective for a major PGE mineral resource.

The Eastman Intrusion is located within the Central Zone of the Halls Creek Oregon, where an array of mineralised layered mafic-ultramafic intrusive complexes are defined with an established mineral endowment (refer Figure 1).

Known endowment from layered intrusions in the Halls Creek Oregon include:

- Savannah - 15Mt @ 1.40% Ni, 0.62% Cu
- Copernicus - 0.825 Mt @1.24% Ni, 0.81% Cu
- Panton – 5.0 Moz 3E PGE resource

Recent drilling by Pantoro at the Lamboo Intrusion (Figure 1) has also defined wide PGE intercepts, with mineral resource drilling currently in progress.

Eastman Intrusion

The Eastman Intrusion is interpreted to extend along strike for approximately 16.5km; divided into an Eastern and Western zone by a granite intrusion. The Eastern Zone extends for ~9.4km with 2.5km under cover, and the Western zone for 7.1km, mostly under cover.

The Eastman Intrusion is a layered mafic to ultramafic intrusive complex comprised predominately of pyroxenite, anorthosite and gabbro. The pyroxenite forms the basal unit with the gabbro and anorthosite overlaying it. The sequence has been variously folded and faulted in places resulting in structural repetition of the sequence. Having multiple layers of the sequence adds considerably to the prospectivity of the intrusive complex.

Widespread anomalous PGE intercepts from sparse, wide-spaced historical drilling over the 16.5km extent of the Eastman Intrusion indicate an extensive PGE mineralised system (refer Figure 2). Historical exploration was focused on the eastern most outcropping ~6.9 km length of the intrusive complex, targeting short discontinuous chromite lenses within the sequence. PGE mineralisation, however, is shown to be stratabound within the ultramafic intrusives.

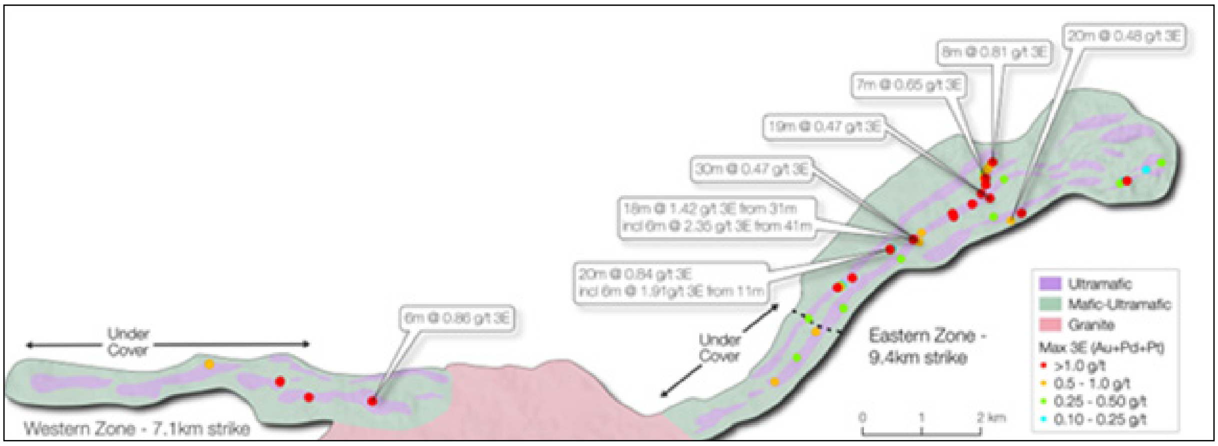


Figure 2: Eastman Intrusion with interpreted geology and location of historical drillholes and selected assay highlights for 3E mineralisation

Analogue Intrusions

The Eastman Intrusion appears geologically similar to the nearby Panton and Lamboo Intrusions. The three intrusive complexes each have the same ultramafic-mafic rock types and similar intrusion sequencing (refer Figure 3).

2022 Field Campaign

Peako's 2022 field campaign focussed predominantly on the PGE exploration

Eastman Intrusion Study

A tectono-stratigraphic architectural study completed by Dr David Selley was directed to defining a framework for emplacement of the Eastman Intrusion, and PGE mineralisation contained within it to assist drillhole targeting. Field work involved numerous mapping traverses across the intrusion to evaluate structural controls on emplacement and deformation history. A collection of rock samples at regular intervals for pXRF analysis assisted the definition of magmatic units making up the intrusion as well as Koongie Park Formation host rocks to the intrusion.

The study highlighted associations between carbonate units within the Koongie Park Formation and emplacement of the PGE-bearing ultramafic complex. In addition, the stratigraphic framework identified the occurrence of multiple ultramafic horizons, many having open to isoclinal fold forms associated with thickness variations across the ultramafic intrusions.

Rock Chip Analyses

Geochemistry

Geochemistry results from rock chip samples collected during mapping traverses across three prospects: The Gap, Grand Central and Louisa were returned, with 3E PGE grades up to 2.9g/t. Twelve of the 54 submitted rock chips returned 3E values greater than 0.5 g/t.

Nine of those rock chip samples were subsequently analysed using the nickel sulphide (NiS) fire assay method with total Platinum Group Element (PGE) values for those samples significantly increased.

The NiS fire assay method allows for the analysis of all PGEs (Platinum, Palladium, Rhodium, Iridium, Ruthenium and Osmium) as well as gold. The samples were initially analysed using Aqua Regia and lead collection fire assay methods to provide values for a large suite of elements (53 elements), however this method was unable to analyse for the less abundant PGEs (Rhodium, Iridium, Osmium and Ruthenium).

The best rock-chip NiS fire assay method results were returned from the Louisa Prospect where all five samples returned PGE+Au results greater than 1g/t. Highest assay results from each of the prospects were 3.49g/t PGE+Au at Grand Central, 2.17g/t PGE+Au at Louisa, and 1.17g/t PGE+Au at The Gap (Figure 4).

QEMSCAN and laser petrography study

A preliminary petrography study on 10 weathered surface samples was completed using QEMSCAN microscopy and LA-ICP-MS laser ablation imaging.

The results defined alteration assemblages and identified positive correlations between Pd and Cu–Ni that could serve as a potential guide for Pd mineralisation in the field. An association between Pt and the weathered rock types were observed, with Pt associated with both chromite and silicate minerals. Chromite samples were also observed to have slightly higher levels of Pt together with occasional PGE nuggets.

Laser results also highlighted the presence of Ruthenium (Ru), Rhodium (Rh), Iridium (Ir), and Osmium (Os), which positively correlated with chromite. In addition, gold (Au) also correlated with the occurrence of chromite.

QEMSCAN (Quantitative Evaluation of Materials by Scanning Electron Microscopy) is an integrated automated mineralogy and petrography solution providing quantitative analysis of minerals and rocks. It is configured to measure mineralogical variability based on chemistry at the micrometre-scale.

LA-ICP-MS (Laser Ablation – Inductively Coupled Plasma – Mass Spectrometry) is an analytical technique for determining the chemical and isotopic composition of solid samples.

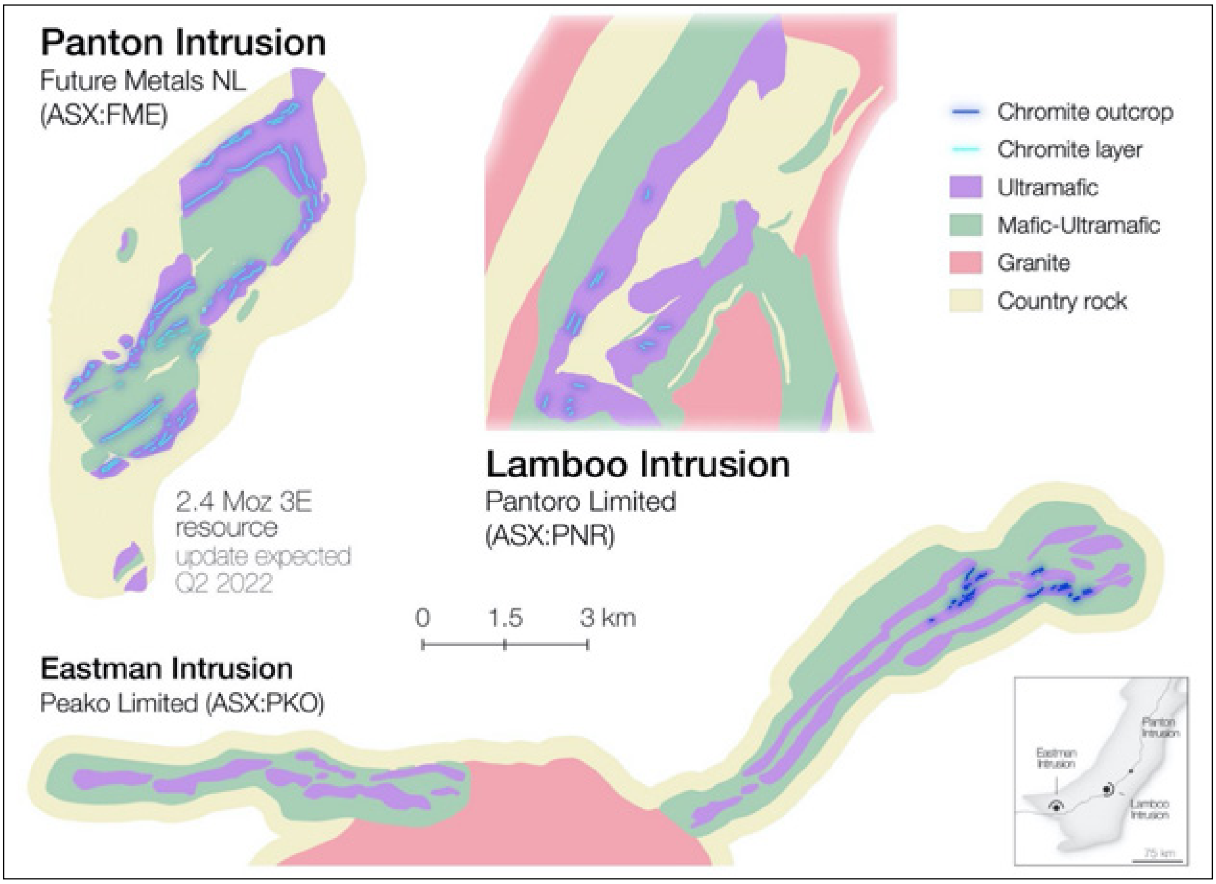


Figure 3: Panton, Lamboo and Eastman Intrusions

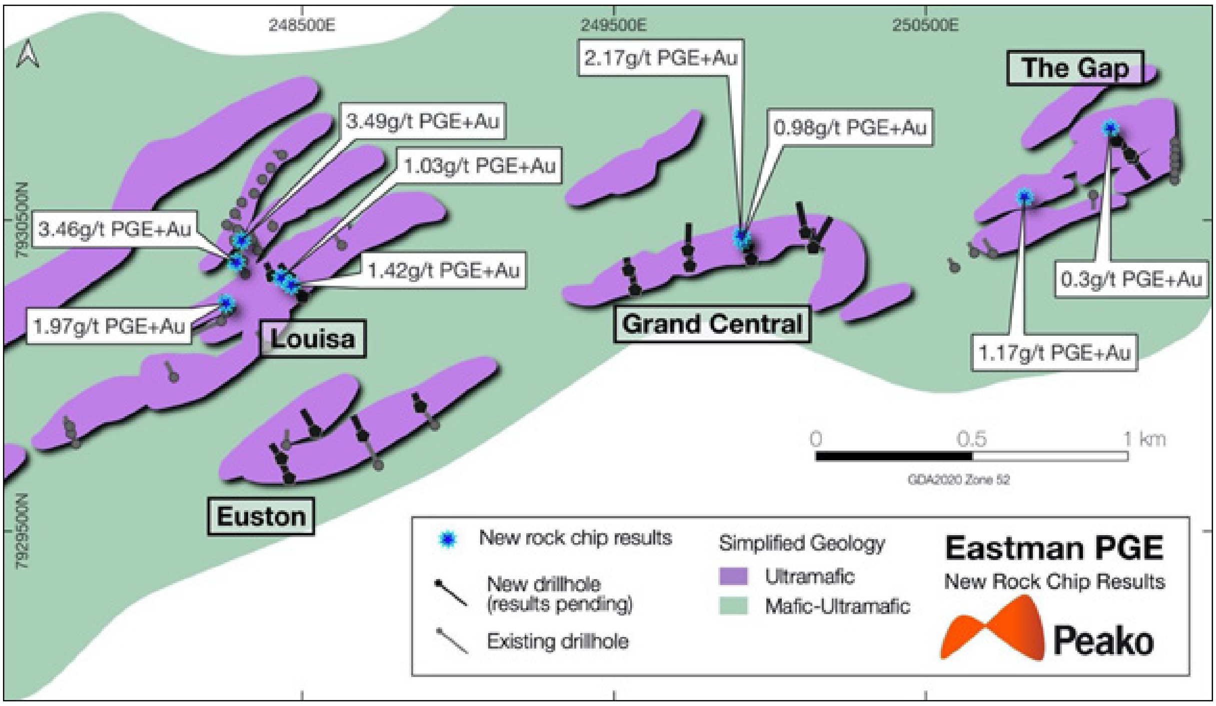


Figure 4: Location of rock chip NiS fire assay method results at the Eastman PGE project

Reconnaissance Soil Sampling at Eastman South Area

Reconnaissance soil sampling along 400m spaced lines at 50m intervals was completed at the newly identified Eastman South area, with assay results revealing a number of areas that are anomalous in PGE elements.

The Eastman South area is an interpreted ultramafic sequence with no record of prior exploration. Ultramafic outcrop was identified in the area during fieldwork, confirming the area's potential prospectivity. A total of 1,216 samples were submitted for geochemical analysis of 53 elements including platinum, palladium and gold.

Assay results from the soil geochemistry revealed a number of anomalous PGE trends (Figure 5), which aid mapping the location of ultramafic units, particularly in areas of shallow cover. Subsequent work will focus on these trends and will include infill soil sampling, geological mapping and rock chip sampling to identify potential mineralisation for follow-up drill programs.

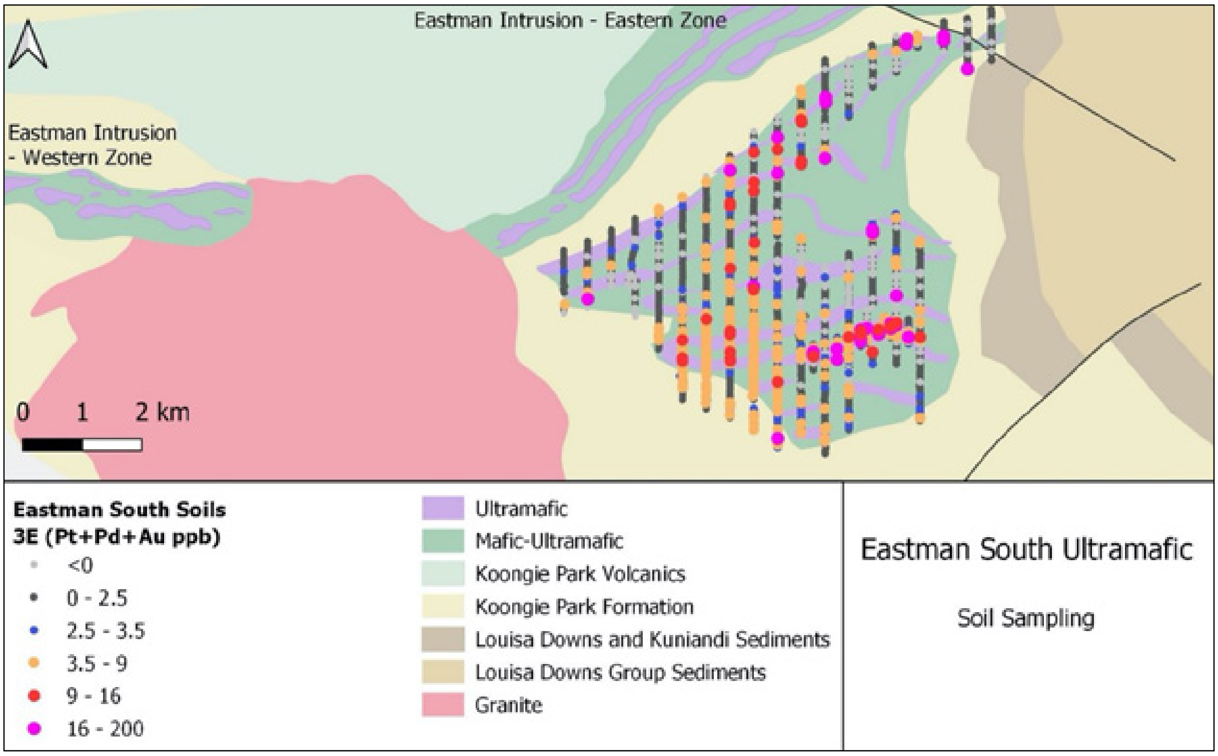


Figure 5: Eastman South Ultramafic Soil Sampling Results

RC drilling

During the reporting period, Peako completed groundwork preparations for a planned 4,500m reverse circulation (RC) drill program, which commenced in July 2022.

The RC drill program was designed to complete first pass wide spaced testing across the Eastman Intrusion's 16.5km strike length to define zones with higher-grade PGE-rich mineralisation within the ultramafics.

As well as incorporating wide-spaced drill fences to test PGE endowment of the complete ultramafic stratigraphy, the drilling program was designed to also include targeted drill sections defined from new and historical data (refer Figure 6).

These drill targets incorporated testing of structural repetition and folding of chromite-rich ultramafic layers within the intrusive sequence, untested soil and rock anomalies as well as VTEM anomalies.

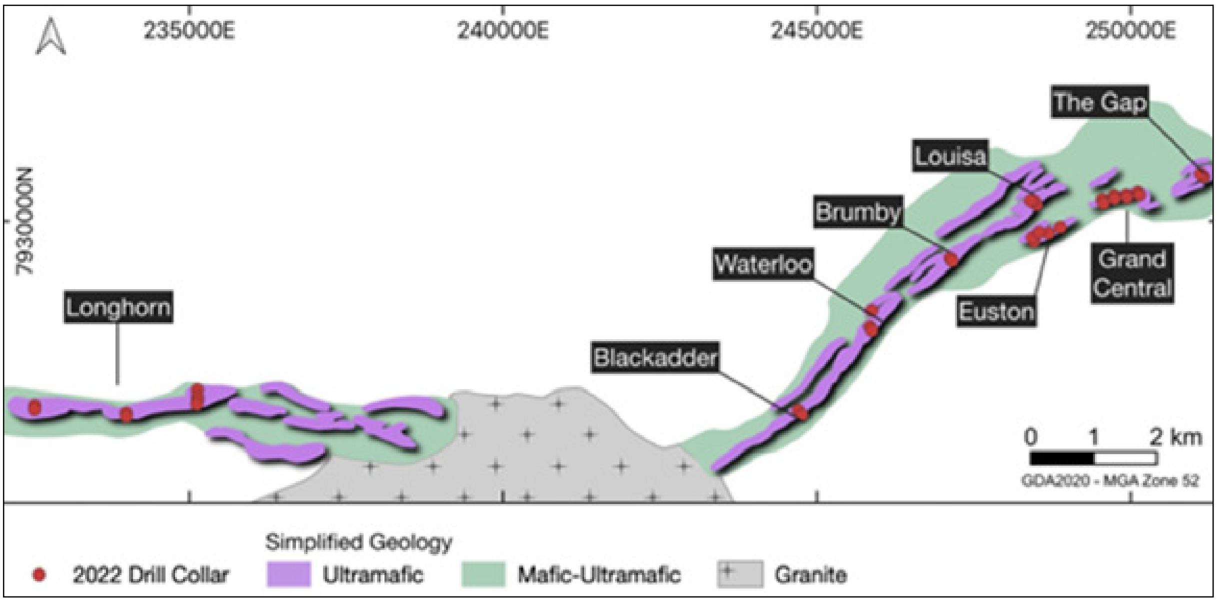


Figure 6: Location of RC drillholes completed at the Eastman PGE Project (shown on simplified geology)

> "In 2022, Peako focused its exploration efforts on Platinum Group Elements (PGEs). Encouraged by reporting of wide intercepts of PGEs at Pantoro Limited's nearby Halls Creek Project and Future Metals NL's Panton Project."

2021 Field Campaign – Gold Exploration

Peako's 2021 field campaign was directed at evaluating a widely identified but often overlooked latent gold potential recorded in historical exploration data.

Aircore Geochemistry

An aircore geochemistry drilling program was completed in 2021 that incorporated 473 holes for a total of 3,017 metres across target areas defined from surface geochemistry, geology, geophysics and satellite imagery. Assay results defined two anomalous base metal corridors at Eastman East and Eastman No.2 (refer Figure 7).

'Scout' Drilling

A total of 30 holes for 1,249 metres were completed across six prospects (refer Figure 8), supported by an Exploration Incentive Scheme drilling grant from the Western Australian Government.

While predominantly aimed at testing gold-bearing vein systems, all targets were affiliated with polymetallic sulphide halo zones with potential for copper, lead, silver and zinc. Unfortunately, at a number of prospects, highly fractured ground conditions and excessive water hindered the program, resulting in a number of targets not being tested due to rig limitations.

Best drill results were from the Landrigan Prospect where eight reverse circulation (RC) drillholes, totalling 449m were drilled to test the near surface continuation of gold and base metal mineralisation intersected in previous Peako and historic BHP drilling (Figure 9). This zone was attractive as it was located in a fold hinge with coincident surface geochemistry.

Best results at Landrigan included:

- 4m @ 6.2 g/t Au from 11m,
  inc 1m @ 11.6 g/t Au from 12m (PRC0030)
- 13m @ 40.7 g/t Ag from 11m (PRC0030)
- 15m @ 2.3% Pb from 9m (PRC0030)
- 14m @ 0.4% Cu from 11m (PRC0030)
- 4m @ 1.08 g/t Au from 4m (PRC028
- 12m @ 0.55% Pb from 0m (PRC028)
- 7m @ 1.04% Cu from 64m (PRC0028)
- 4m @ 1.6% Cu from 40m (PRC0029)
- 16m @ 0.7% Pb from 24m to EOH (PRC0025)

The Landrigan Prospect was originally identified by BHP as a base metal prospect with Peako recognising the prospect's gold potential from results of its 2019 RC drill program. That program intersected Cu-Au mineralisation with results that included 15m @ 1.04% Cu from 184m in PLRC011 and 7m @ 1.1 g/t Au from 133m in PLRC001.

The intercepts from drillhole PRC0030 extend known mineralisation at Landrigan to the north-east by 80m, resulting in a total mineralised strike length of approximately 300m. The mineralisation intersected in hole PRC0030 includes a gold-rich central zone with a polymetallic envelope of Ag-Pb-Cu, with the mineralised trend remaining open to the north-east.

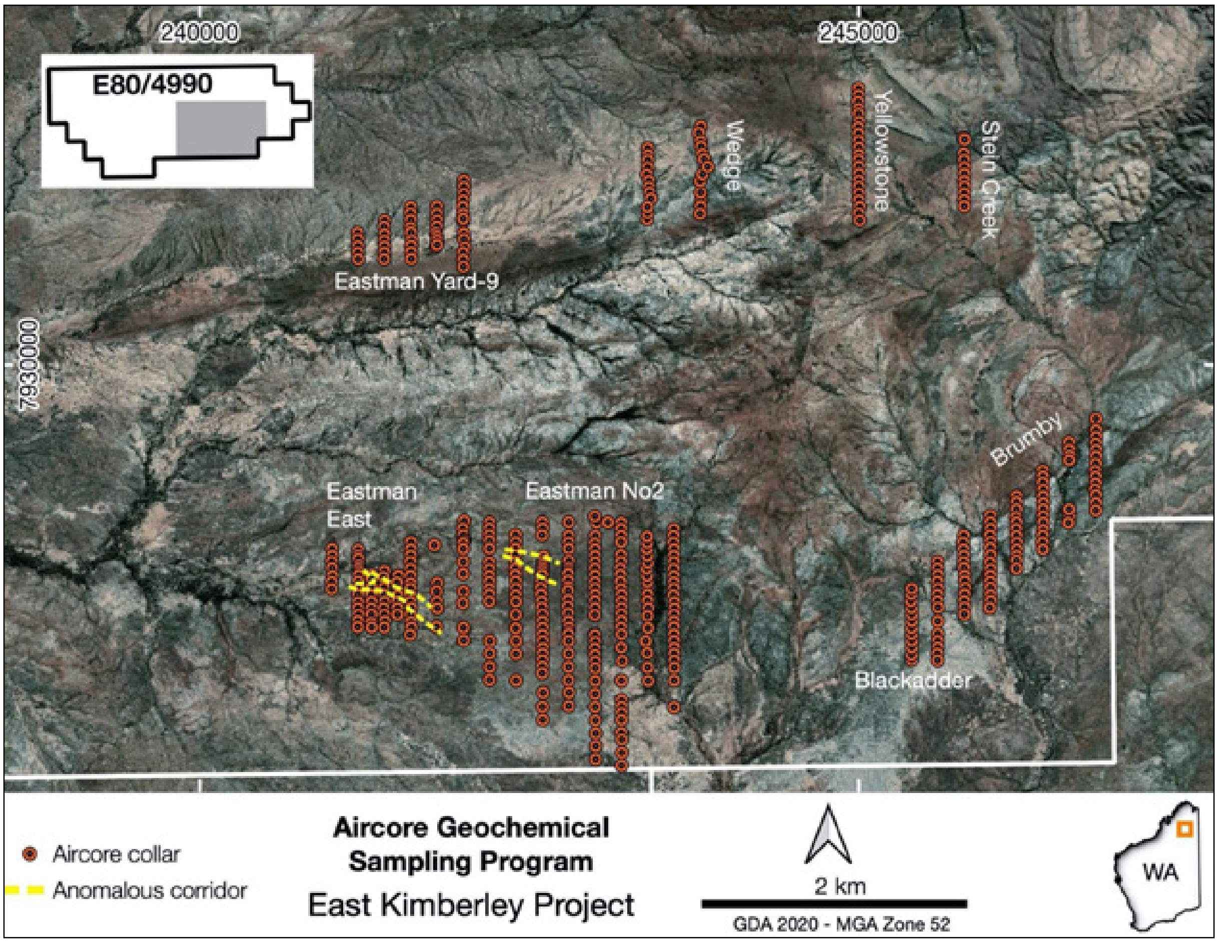


Figure 7: Aircore Geochemical Sampling Program Locations from 2021 field program

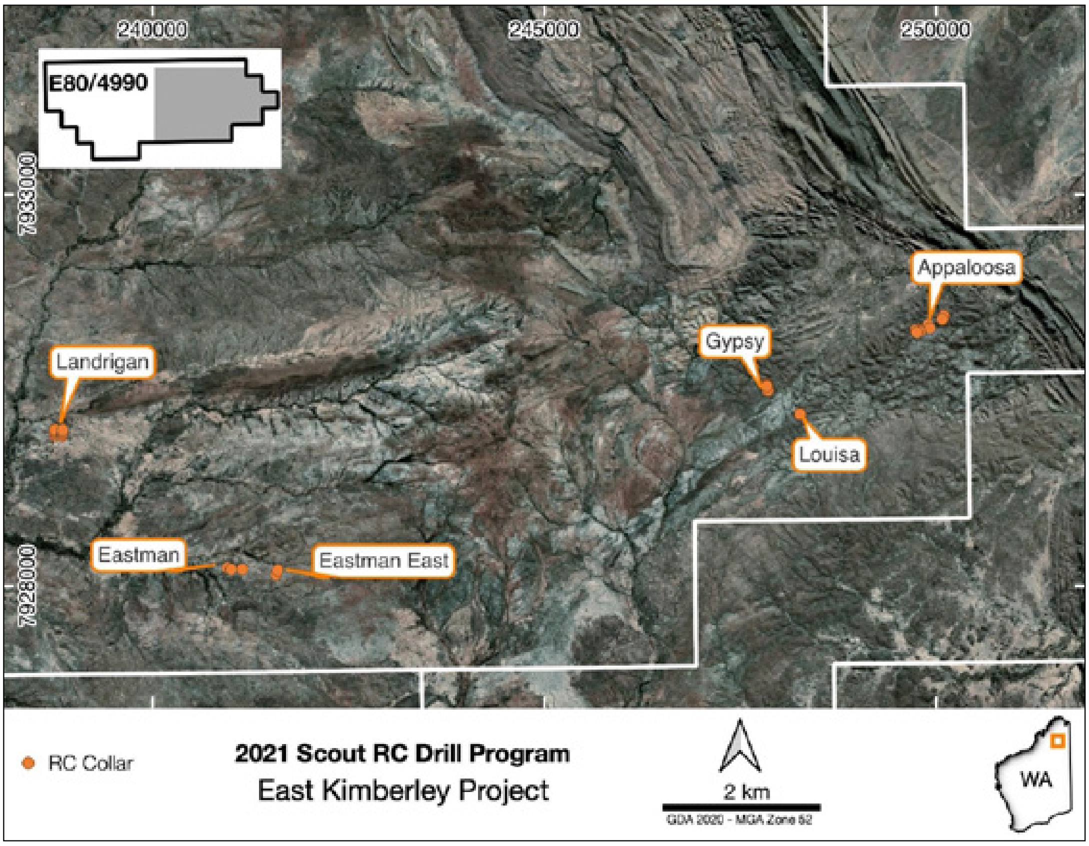


Figure 8: Scout drilling locations at Peako's East Kimberley Project in 2021

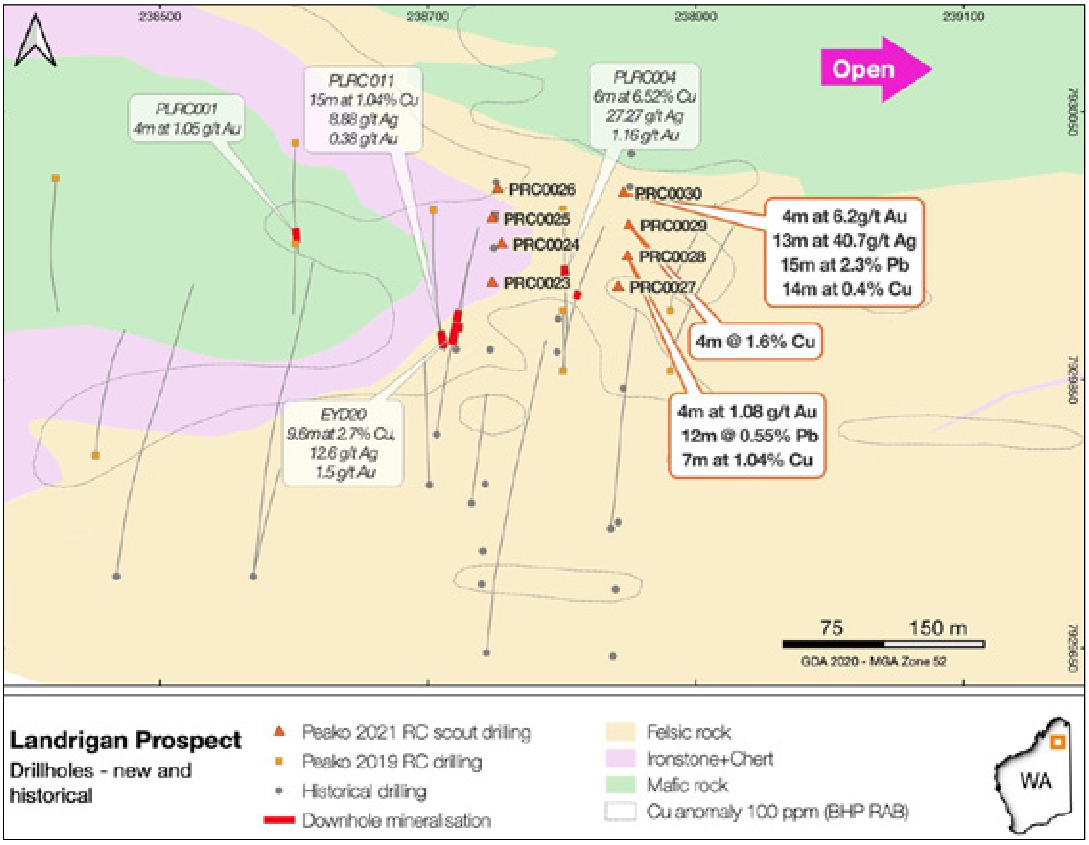


Figure 9: Plan location of new 2021 and historical drillholes at the Landrigan Prospect on simplified interpreted geology

Tenement Schedule

As at 28 September 2022

Tenement	Peako interest	Tenement status
Western Australia (East Kimberley Region)		
E80/4990	100%	Granted
E80/5182	100%	Granted
E80/5346	100%	Application
E80/5472	100%	Application
E80/5520	100%	Application
E80/5623	100%	Application
E80/5624	100%	Application
E80/5658	100%	Application
E80/5703	100%	Application
E80/5704	100%	Application
E80/5706	100%	Application
E80/5758	100%	Application
E80/5779	100%	Application

Glossary

3E	The sum of Palladium (Pd) and Platinum (Pt) and Gold (Au)
PGE	Platinum Group Elements; the six platinum group elements are Platinum (Pt), Palladium (Pd), Rhodium (Rh), Ruthenium (Ru), Osmium (Os) and Iridium (Ir)
PGE+Au	The sum of Platinum (Pt), Palladium (Pd), Rhodium (Rh), Ruthenium (Ru), Osmium (Os), Iridium (Ir) and Gold (Au)

References

The information in this report that relates to Exploration Results previously reported in ASX announcements are listed below. The Company is not aware of any new information or data that materially affects the information included in each relevant market announcement.

Further details can be found in the following Peako ASX announcements:

- **13 September 2022** Eastman PGE Rock Chips Assay up to 3.49 g/t PGE and Au
- **31 August 2022** Eastman PGE Drilling Program Completed
- **1 August 2022** Eastman PGE Drilling Program Update
- **31 January 2022** PGE Potential of the Lamboo Ultramafic Complex
- **14 January 2022** Scout Drilling Intersects Gold and Base Metals
- **13 December 2021** Gold and Base Metal Potential Highlighted in East Kimberley

Competent Person Declaration

The information in this report that relates to Exploration Results is based on information compiled or reviewed by Dr Paul Kitto who is a member of the Australian Institute of Geoscientists. Dr Kitto is Technical Director of and a consultant to Peako Limited and has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Dr Kitto consents to the inclusion in this report of the matters based on information provided by him and in the form and context in which it appears.

Directors' Report

Your directors present their annual financial report on the consolidated entity (referred to hereafter as the "Group") consisting of Peako Limited (the "Company" or "parent entity") and the entities it controlled at the end of, or during, the financial year ended 30 June 2022. In order to comply with the Corporations Act 2001, the directors' report is as follows:

Directors

The names and details of the Company's directors in office during the financial year and until the date of this report are as follows. Directors were in office for the entire period unless otherwise stated.

E. Geoffrey (Geoff) Albers
LLB, FAICD
Non-executive Chairman

Mr Albers was appointed to the board of Peako Limited on 4 February 2013. Mr Albers has over 35 years' experience as a director and administrator in corporate law, resource exploration and resource sector investment.

Mr Albers has interests in a number of companies active in the petroleum industry in Australia. Mr Albers is a director of ASX listed companies Octanex Limited and Enegex Limited.

His companies are active resource sector investors.

Raewyn (Rae) Clark
B.Bus(dist), CA, MAICD, AGIA, ACIS
Executive Director

Ms Clark has more than twenty years experience focussed primarily on the upstream oil and gas sector. Her experience includes business development, financial modelling and analysis, capital raising and mergers and acquisitions, as well as managing joint venture partners, government, regulator and investor relations.

Ms Clark was appointed to the Board on 4 December 2014.
Ms Clark is also a director of ASX listed companies Octanex Limited and Enegex Limited.

Paul Kitto
BSc (Hons), PhD, Dip Ed
Non-executive Technical Director

Dr Kitto has over thirty years' experience working within the mining industry having served on a number of ASX Boards and holding senior level management positions around the world.

Most recently Dr Kitto was Exploration Manager, Africa for Newcrest Mining Ltd and prior to that, was Chief Executive Officer and Managing Director of ASX listed Ampella Mining Ltd from 2008 until 2014, when Ampella was acquired by LSE/TSX listed Centamin PLC.

Throughout his career, Dr Kitto has led or been part of exploration teams that have discovered numerous multi-million ounce gold deposits in Africa, Australia and Papua New Guinea. Dr Kitto has extensive experience associated with a wide range of deposit types, predominantly associated with gold and base metal deposits.

Dr Kitto was appointed to the Board on 20 September 2021. He is also a director of ASX listed companies Tietto Minerals Limited and Meteoric Resources NL.

Darryl Clark
BSc (Hons), PhD
Non-Executive Director

Dr Clark is an exploration geologist whose career has taken him throughout Australia, Central Asia and South East Asia for over 26 years. During previous corporate roles he has been responsible for business development strategies, designing multi-commodity exploration programs and the co-ordination of exploration teams to deliver discovery events. Dr Clark was appointed to the Board on 20 March 2019. Dr Clark is also a director of ASX listed company Battery Minerals Limited. Resigned 20 September 2021.

Company Secretary

Robert Wright
B Bus, CPA

Mr Wright was appointed as Company Secretary of Peako on 2 May 2017. Mr Wright is a senior financial professional with over 35 years commercial experience in the resource, energy and manufacturing industries gained at various companies and locations, including 14 years at BHP. As well as carrying out his secretarial duties for Peako, he is the company's Chief Financial Officer and the Company Secretary and CFO of the ASX listed companies Octanex Limited and Enegex Limited. Mr Wright is a member of CPA Australia.

Ordinary shares

At 30 June 2022 the Company's share capital consists of 308,454,101 ordinary fully paid shares (2021: 234,911,319).

On 21 July 2021, the Share Purchase Plan ("SPP") announced by the Company on 15 June 2021 concluded. The company issued 59,527,066 shares and granted 29,763,522 unlisted options pursuant to the SPP, raising a $2,074,000; prior to costs.

On 30 July 2021 the following shares were issued and options granted following approval of members. These shares and options formed part of a two-tranche placement announced on 15 June 2021:

- 21,428,571 first tranche unlisted options exercisable at $0.055 on or before 30 June 2022
- 14,285,716 second tranche shares
- 7,142,857 second tranche unlisted options exercisable at $0.055 on or before 30 June 2022.

The 30 July 2021 issue raised $500,000 prior to costs.

Subsequent to 30 June 2002, on 2 September 2022 a Non Renounceable Rights Issue (Rights Issue) closed .Total ordinary fully paid shares issued from the Rights Issue was 70,727,848. After the Rights Issue. At 6 September 2022 the Company's share capital consists 379,181,949 ordinary fully paid shares

Options

Movement in options	**2022**	**2021**
Unlisted options at 30 June		
Start of year	57,737,799	13,000,000
Granted[1]	65,199,980[1]	46,737,799
Expired	(93,937,779)	(2,000,000)
End of the year	**29,000,000**	**57,737,799**

[1] 58,199,980 options were granted to shareholders who participated in the placements that occurred during the year ended 30 June 2022. The balance of 7,000,000 options granted for the year ended 30 June 2022 were granted to directors, an employee and consultants (See Accounting Note 12 for details).

Subsequent to 30 June 2002, on 2 September 2022 a Non Renounceable Rights Issue (Rights Issue) closed .Total ordinary fully paid shares issued from the Rights Issue was 70,727,848. Attached to each issued share was an unlisted option exercisable at $0.05 with an expiry date of 30 September 2025. At 6 September 2022 the Company's unlisted options granted is 99,727,848.

Dividends

No dividend has been paid or declared since the start of the financial year and the directors do not recommend the payment of a dividend in respect of the financial year.

Principal activities

The principal activities of the Group during the financial year continued to be advancing the exploration for and development of natural resources.

Review of operations

A detailed review of the Group's activities and operations is set out on pages 6-19 of this Report.

Significant changes in the state of affairs

There have been no significant changes in the state of affairs of the Group to the date of this Report, other than those changes detailed in the review of activities and operations, and elsewhere in this Report.

Matters subsequent to balance date

On 2 September 2022 the company announced that a Non Renounceable Rights Issue (Rights Issue) had closed oversubscribed, raising a total of $1,223,353 before costs. To accommodate excess demand, the Company also agreed to undertake a placement to raise an additional $180,000 on the same terms and conditions as the Rights Issue offer. Total funds realised prior to costs were $1,403,353. Total ordinary fully paid shares issued was 70,727,848. Attached to each issued share was an unlisted option exercisable at $0.05 with an expiry date of 30 September 2025. Total unlisted options granted was 70,727,848.

In September 2022 the company relinquished its exploration tenure in the Paterson region of Western Australia which comprised one granted exploration licence as well as three exploration licence applications.

Likely developments and expected results

The likely developments in the company's operations in future years and the expected result from those operations are dependent on exploration success in the tenements in which the company holds an interest.

Environmental legislation

The Group is subject to significant environmental legal regulations in respect to its exploration and evaluation activities in Australia. There have been no known breaches of these regulations and principles.

Proceedings on behalf of Company

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

Indemnification of directors and officers

During the financial year and to the date of this report, the company paid premiums in respect of contracts insuring directors and officers of the company against liabilities arising from their position as directors and officers of the company.

The Company has entered into Deeds of Access and Indemnity with each of the Directors referred to in this report who held office during the year indemnifying each against all liabilities incurred in their capacity as directors of the Company to the full extent permitted by law

Meetings of directors

The number of formal meetings of the Company's board of directors and relevant committees attended by each director are set out in the following table. All other matters that required formal Board resolutions were dealt with via written circular resolutions. In addition, the directors met and corresponded at numerous times throughout the financial year to discuss the Company' affairs. The board undertakes all audit committee functions.

	Directors' Meetings	
	Held	**Attended**
Geoffrey Albers	2	2
Raewyn Clark	2	2
Paul Kitto	2	2

Corporate Governance Statement

A corporate governance statement reporting on Peako's governance framework, principles and practices is provided on the Peako website www.peako.com.au.

Remuneration report (audited)

The Directors present the Remuneration Report for the Company and its controlled entities for the year ended 30 June 2022. This Remuneration Report for the Group forms part of the Directors' Report and has been prepared in accordance with section 300A of the Corporations Act 2001.

During the year there were no employees or consultants to the company that meet the definition of key management personnel, other than the directors.

Remuneration levels are reviewed annually through a process that considers the performance of individual directors and the overall performance of the entity.

Director Remuneration

During the year under review, directors were remunerated a total of $56,816 (2021: $97,806) which included shareholder-approved non-executive remuneration of $56,816 (2021: $48,219).

There is no performance related remuneration for directors. There is no direct relationship between remuneration of directors and the company's performance for the last five years.

Additional information

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

	2022	2021	2020	2019	2018
	$	$	$	$	$
Loss after income tax	-1,010,079	-714,743	-485,918	-285,286	-156,431
Share price at financial year end (cents per share)	1.1	4.1	0.9	1.7	1.5

Components of directors' compensation are disclosed in the following table.

	Primary benefits paid / payable			Equity Settled	
	Salary	Directors' fees	Super-annuation	Equity option issues(1)	TOTAL
	$	$	$	$	$
Year ended 30 June 2022					
Geoffrey Albers	-	-	-	-	-
Raewyn Clark	-	-	-	-	-
Darryl Clark (2)	8,750	-	875	-	9,625
Paul Kitto	-	30,000	-	17,191	47,191
	8,750	**30,000**	**875**	**17,191**	**56,816**
Year ended 30 June 2021					
Geoffrey Albers	-	-	-	-	-
Raewyn Clark	-	-	-	49,587	49,587
Darryl Clark (2)	10,000	-	950	37,269	48,219
	10,000	**-**	**950**	**86,856**	**97,806**

(1) The whole value of options granted during the year has been disclosed as remuneration rather than the amount vested.
(2) Darryl Clark resigned 20 September 2021 and Paul Kitto was appointed.

Loans to key management personnel

No loans were made to key management personnel during the current or previous financial year.

Other transactions with key management personnel

In the year ended 30 June 2022, the Company incurred consulting fees of $92,400 (2021: $68,415) with Samika Pty Ltd, a director-related entity of Raewyn Clark. The fees were provided under normal commercial terms and conditions with $Nil remaining unpaid at 30 June 2022 (2021: $nil).

In the year ended 30 June 2022, the Company incurred consulting fees of $49,200 (2021: $Nil) with Paul Kitto. The fees were provided under normal commercial terms and conditions with $Nil remaining unpaid at 30 June 2022 (2021: $nil).

Key management personnel interest in equity holdings

Fully paid ordinary shares

	Number of shares at start of year	Other Change	Number of shares at end of year
30 June 2022	*1 July 2021*		*30 June 2022*
Geoffrey Albers[1]	89,465,962	11,714,282	101,180,244
Darryl Clark[2]	1,200,000	(1,200,000)	-
	90,665,962	**10,514,282**	**101,180,244**

[1] Other Change in shares – on market purchases and share placement and purchase plan participation.
[2] Darryl Clark resigned 20 September 2021 and Paul Kitto was appointed.

Unlisted options

The Company granted 3,000,000 options over ordinary shares to the director Paul Kitto during the financial year (2021: 7,000,000). All 3,000,000 options have an employment condition and so vest over that service condition. The options granted during the year ended 30 June 2022 have been valued using the Black Scholes Option Valuation The fair value of these share-based payment (for accounting) at grant date was $17,191 (2021: $86,856). A share based payment expense of $6,949 has been recognised for the year ended 30 June 2022 (2021: $53,295). This includes the release from prior year grants.

	Number of options at start of year	Options granted during year	Options exercised / expired during year	Number of options at end of year
30 June 2022	*1 July 2021*			*30 June 2022*
Options exercisable at $0.055 on or before 30 June 2022				
Geoffrey Albers	3,125,000	-	(3,125,000)	-
Darryl Clark[1]	100,000	-	(100,000)	-
	3,225,000	**-**	**(3,225,000)**	**-**

[1] Darryl Clark resigned 20 September 2021 and Paul Kitto was appointed

Options exercisable at $0.04 on or before 28 November 2022				
Geoffrey Albers	-	-	-	-
Raewyn Clark	2,000,000	-	-	2,000,000
Darryl Clark[1]	1,000,000	-	(1,000,000)	-
	3,000,000	**-**	**(1,000,000)**	**2,000,000**

30 June 2022	**Number of options at start of year** *1 July 2021*	**Options granted during year**	**Options exercised / expired during year**	**Number of options at end of year** *30 June 2022*
Options exercisable at $0.05 on or before 28 November 2023				
Raewyn Clark	2,000,000	-	-	2,000,000
	2,000,000	**-**	**-**	**2,000,000**
Options exercisable at $0.044 on or before 5 November 2023				
Raewyn Clark	3,000,000	-	-	3,000,000
Darryl Clark[1]	2,000,000	-	(2,000,000)	-
	5,000,000	**-**	**(2,000,000)**	**3,000,000**

[1] Darryl Clark resigned 20 September 2021 and Paul Kitto was appointed

Options exercisable at $0.06 on or before 21 June 2023				
Raewyn Clark	1,000,000	-	-	1,000,000
Darryl Clark[1]	1,000,000	-	(1,000,000)	-
	2,000,000	**-**	**(1,000,000)**	**1,000,000**

[1] Darryl Clark resigned 20 September 2021 and Paul Kitto was appointed

Options exercisable at $0.06 on or before 29 March 2024				
Paul Kitto	-	1,000,000	-	1,000,000
	-	**1,000,000**	**-**	**1,000,000**
Options exercisable at $0.10 on or before 25 November 2024				
Paul Kitto	-	1,000,000	-	1,000,000
	-	**1,000,000**	**-**	**1,000,000**
Options exercisable at $0.20 on or before 25 November 2025				
Paul Kitto	-	1,000,000	-	1,000,000
	-	**1,000,000**	**-**	**1,000,000**

End of remuneration report

Auditor independence

Section 307C of the *Corporations Act 2001* requires our auditors, Grant Thornton Audit Pty Ltd, to provide the directors of the Company with an Independence Declaration in relation to the audit of the annual report. This Independence Declaration is set out on page 30 and forms part of this directors' report for the year ended 30 June 2022.

Non-audit services

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company and/or the Group are important. The Company has considered the position and is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The auditor has not provided any non-audit services and as such auditor independence was not compromised.

This report is made in accordance with a resolution of the directors.

RClark

R.L. Clark
Director
29 September 2022

Grant Thornton Audit Pty Ltd
Level 22 Tower 5
Collins Square
727 Collins Street
Melbourne VIC 3008
GPO Box 4736
Melbourne VIC 3001

T +61 3 8320 2222

Auditor's Independence Declaration

To the Directors of Peako Limited

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of Peako Limited for the year ended 30 June 2022, I declare that, to the best of my knowledge and belief, there have been:

a no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

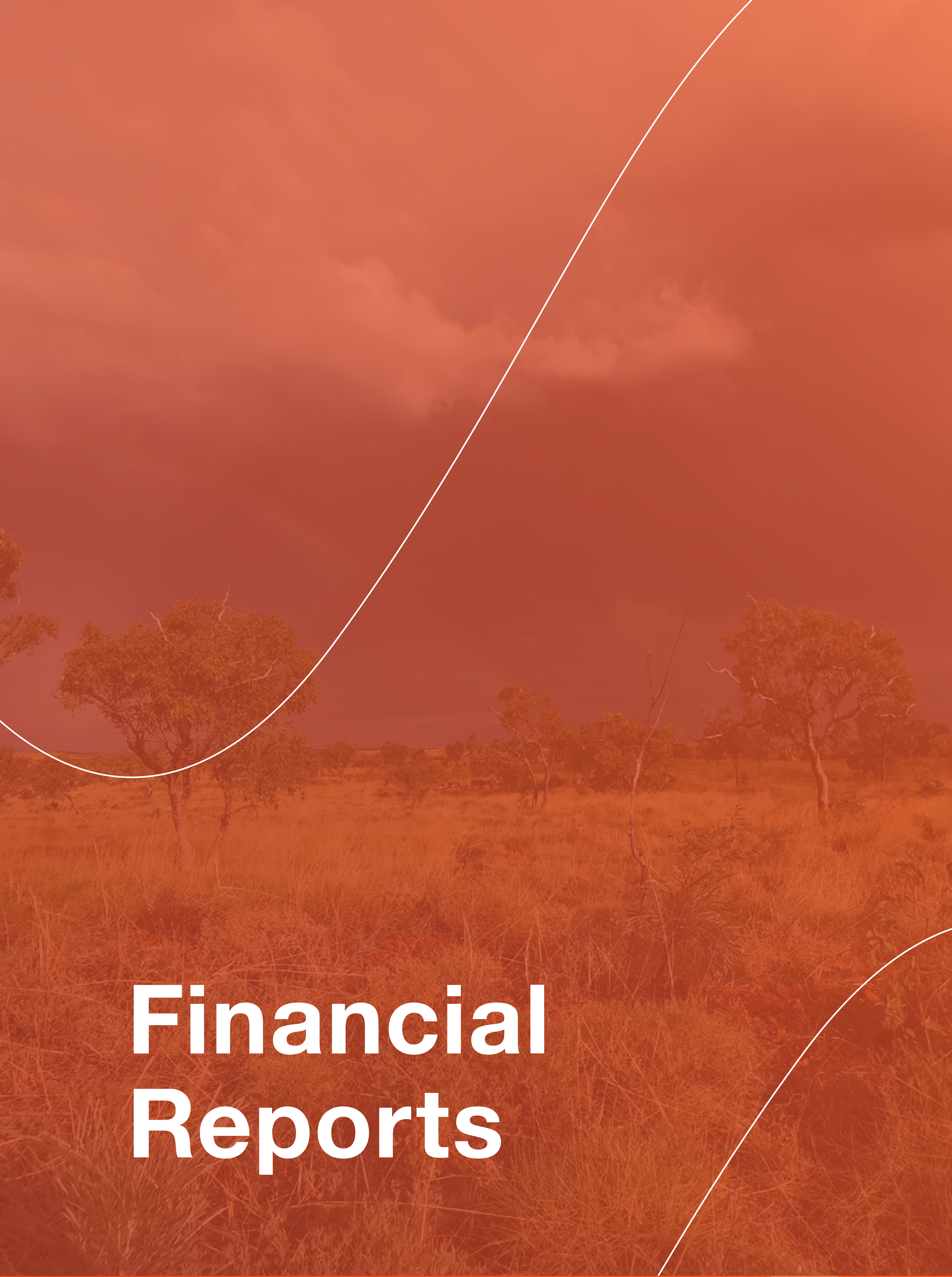
b no contraventions of any applicable code of professional conduct in relation to the audit.

Grant Thornton

Grant Thornton Audit Pty Ltd
Chartered Accountants

T S Jackman
Partner – Audit & Assurance

Melbourne, 29 September 2022



Financial Reports

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 $	2021 $
Government grants - Covid		-	20,000
Sundry income		1,863	350
		1,863	20,350
Expenses			
Accounting fees		(169,529)	(147,045)
Audit fees	19	(50,303)	(52,876)
Conferences and travel		(29,982)	(1,370)
Depreciation		(33,347)	(12,680)
Director Fees		(30,000)	-
Heritage Protection – Community and Management fees		(82,202)	(49,600)
Impairment of exploration asset	8,17	(94,039)	-
Insurance		(19,320)	(6,202)
Professional and consultancy fees		(229,084)	(128,407)
Office costs		(114,292)	(87,612)
Other costs		(120,870)	(63,021)
Salary and wages		(3,443)	(6,596)
Share based payment		(43,543)	(144,505)
Stock exchange and share registry costs		(47,185)	(29,524)
Tenement management		(38,842)	(5,655)
		(1,105,981)	(735,093)
Loss before income tax expense		**(1,104,118)**	**(714,743)**
Income tax expense	2	-	-
		(1,104,118)	**(714,743)**
Net loss for the year		**(1,104,118)**	**(714,743)**
Other comprehensive income			
Items that may be reclassified to profit or loss			
Foreign exchange loss on translation of subsidiary financial statements		-	-
Other comprehensive income net of tax		**-**	**-**
Total comprehensive income for the year		**(1,104,118)**	**(714,743)**
		Cents	Cents
Basic loss per share	3	(0.36)	(0.40)
Diluted loss per share	3	(0.36)	(0.40)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022

	Note	2022 $	2021 $
Current Assets			
Cash and cash equivalents		1,510,559	1,419,805
Trade and other receivables	4	92,754	107,749
Prepayments	5	176,569	107,657
Total Current Assets		**1,779,882**	**1,635,211**
Non-Current Assets			
Motor Vehicles	6	71,551	94,736
Plant and Equipment	7	41,002	48,977
Exploration and evaluation assets	8	3,401,043	2,154,834
Total Non-Current Assets		**3,513,596**	**2,298,547**
Total Assets		**5,293,478**	**3,933,758**
Current Liabilities			
Trade and other payables	9	343,608	480,954
Provisions		13,229	-
Total Current Liabilities		**356,837**	**480,954**
Total Liabilities		**356,837**	**480,954**
Net Assets		**4,936,641**	**3,452,804**
Equity			
Issued capital	10	44,186,207	41,641,845
Reserves	11	206,401	165,684
Accumulated losses		(39,455,967)	(38,354,725)
Total Equity		**4,936,641**	**3,452,804**

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2022

	Issued capital $	Share compensation reserve $	Foreign currency translation reserve $	Accumulated losses $	Total equity $
Balance at 1 July 2021	**41,641,845**	**164,172**	**1,512**	**(38,354,725)**	**3,452,804**
Loss for the year	-	-	-	(1,104,118)	(1,104,118)
Other comprehensive loss	-	-	-	-	-
Total comprehensive loss for the year	**-**	**-**	**-**	**(1,104,118)**	**(1,104,118)**
Issue of Shares	2,574,000	-	-	-	2,574,000
Costs of issue	(29,638)	-	-	-	(29,638)
Grant of options	-	43,593	-	-	43,593
Reclassification of foreign currency translation reserve	-	-	(1,512)	1,512	-
Reclassification of expired options	-	(1,364)	-	1,364	-
Balance at 30 June 2022	**44,186,207**	**206,401**	**-**	**(39,455,967)**	**4,936,641**
Balance at 1 July 2020	**38,284,139**	**53,411**	**1,512**	**(37,673,726)**	**665,336**
Loss for the year	-	-	-	(714,743)	(714,743)
Other comprehensive loss	-	-	-	-	-
Total comprehensive loss for the year	**-**	**-**	**-**	**(714,743)**	**(714,743)**
Issue of Shares	3,451,671	-	-	-	3,451,671
Costs of issue	(93,965)	-	-	-	(93,965)
Grant of options	-	144,505	-	-	144,505
Reclassification of expired options	-	(33,744)	-	33,744	-
Balance at 30 June 2021	**41,641,845**	**164,172**	**1,512**	**(38,354,725)**	**3,452,804**

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

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 $	2021 $
Cash flows from operating activities			
Administration fees received		9,808	**-**
Payments to suppliers and employees		(1,074,943)	(730,384)
Government Grants – Covid		-	20,000
Net cash outflows from operating activities	18	**(1,065,135)**	**(710,384)**
Cash flows from investing activities			
Payments to suppliers - exploration		(1,409,191)	(1,221,259)
Payments for exploration vehicles, plant and equipment		(2,188)	(149,915)
Proceeds from exploration grant		110,906	-
Net cash outflows from investing activities		**(1,300,473)**	**(1,371,174)**
Cash flows from financing activities			
Proceeds from the issue of shares		2,574,000	3,449,671
Share issue costs		(117,638)	(93,965)
Net cash inflows from financing activities		**2,456,362**	**3,355,706**
Net increase in cash held		**90,754**	**1,274,148**
Cash at the beginning of reporting period		1,419,805	145,657
Cash at the end of the reporting period		**1,510,559**	**1,419,805**

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

Note 1: Statement of significant accounting policies

(a) Basis of preparation

The financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001*, Accounting Standards and Interpretations and other requirements of the law. The financial report has also been prepared on a historical cost basis. The Parent Entity is registered and domiciled in Australia.

The financial statements comprise the consolidated financial statements for the Group. For the purposes of preparing the consolidated financial statements, the Company is a for-profit entity.The financial statements are presented in Australian dollars, unless otherwise stated.

Going concern

For the year ended 30 June 2022 the Group incurred a net cash outflow from operating and investing activities of $2,365,608 (2021: $2,081,558) and a net loss after tax of $1,104,118 (2021: $714,743). As at 30 June 2022, the Group has positive working capital of $1,423,045 (2021: $1,154,257).

Directors expect that the group will be able to successfully raise sufficient funding to enable it to continue as a going concern for at least 12 months from the signing of annual financial report.

The Group raised $1,403,353 (before costs) in a rights issue completed during September 2022. (Note 17).

This financial report has been prepared on a going concern basis which contemplates the continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. In the event that sufficient funds are not raised to meet all of the Group's commitments, debt and payables, the interest in some or all of the Group's tenements may be affected and all assets and liabilities may not be realised at the amounts disclosed. No adjustments have been made relating to the recoverability and reclassification of recorded asset amounts and classification of liabilities that might be necessary should the Group not continue as a going concern, particularly the write-down of capitalised exploration expenditure should the exploration permits be ultimately surrendered or cancelled. Having assessed the potential uncertainties relating to the Group's ability to effectively fund exploration activities and operating expenditures, the Directors believe that the Group will continue to operate as a going concern for the foreseeable future. Therefore, the Directors consider it appropriate to prepare the financial statements on a going concern basis

(b) Adoption of new and revised standards Changes in accounting policies on initial application of Accounting Standards

The Group has adopted all of the new and revised Accounting Standards issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for annual reporting periods beginning on 1 July 2021.

(c) Statement of compliance

The financial report was authorised by the board of directors for issue on 29 September 2022.

The consolidated financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards, including the Accounting Interpretations, issued by the Australian Accounting Standards Board ('AASB') and the *Corporations Act 2001*. The financial report of the company complies with International Financial Reporting Standards and interpretations adopted by the International Accounting Standards Board

(d) Basis of consolidation

The consolidated financial statements consolidate those of the parent company and all of its subsidiaries as of 30 June 2022 ("Group"). The Parent controls a subsidiary if it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. All subsidiaries have a reporting date of 30 June.

Note 1: Statement of significant accounting policies (continued)

All transactions and balances between Group companies are eliminated on consolidation, including unrealised gains and losses on transactions between Group companies. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from a group perspective.

Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Profit or loss and other comprehensive income of subsidiaries acquired or disposed of during the year are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable.

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's profit or loss and net assets that is not held by the Group. The Group attributes total comprehensive income or loss of subsidiaries between the owners of the parent and the non-controlling interests based on their respective ownership interests.

(e) Exploration and evaluation

Exploration and evaluation assets, including the costs of acquiring tenements, are capitalised as exploration and evaluation assets on an area of interest basis. Exploration and evaluation assets are only recognised if the rights to tenure of the area of interest are current and either:

(i) the expenditures are expected to be recouped through successful development and exploitation of the area of interest, or alternatively, by its sale or partial sale: or

(ii) activities in the area of interest have not at the reporting date, reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves and active and significant operations in, or in relation to, the area of interest are continuing.

The tests contained in AASB6.20 are applied to determine whether exploration and evaluation assets are assessed for impairment indicators:

(i) the exploration and evaluation tenure right has expired or are expected to expire in the near future, and is not expected to be renewed.

(ii) substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned.

(iii) exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area.

(iv) sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale

(f) Revenue and other income

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Interest income

Interest revenue is recognised on a time proportionate basis that takes into account the effective yield on the financial asset.

(g) Cash and cash equivalents

Cash comprises cash at bank and in hand. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Temporary bank overdrafts are included in cash at bank and in hand. Permanent bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

Note 1: Statement of significant accounting policies (continued)

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

(h) Income tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance date.

Deferred income tax is provided on all temporary differences at the balance date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except:

- when the deferred income tax liability arises from the initial recognition of goodwill or of 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 profit nor taxable profit or loss; or
- when the taxable temporary difference is associated with investments in controlled entities, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the deductible temporary difference is associated with investments in controlled entities, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each balance date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the financial period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance date.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

(i) Other taxes

Revenues, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables, which are stated with the amount of GST included

Note 1: Statement of significant accounting policies (continued)

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority, are classified as operating cash flows.

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

(j) Motor Vehicles, plant and equipment

Motor Vehicles Plant and equipment are stated at cost less accumulated depreciation and impairment. Costs include expenditure that is directly attributable to the acquisition of the item. In the event that settlement of all or part of the purchase consideration is deferred, costs are determined by discounting the amounts payable in the future to their present value as at the date of acquisition. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

All other repairs and maintenance are charged to profit or loss during the financial period in which they incurred.

All tangible assets have limited useful lives and are depreciated using the straight-line method over their existing useful lives.

Depreciation is calculated as follows:

Motor Vehicles, plant and equipment	10% - 33% on a straight line basis

The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial period end.

(j) Impairment of assets

The carrying amounts of the company's assets are reviewed at each statement of financial position date to determine whether there are indicators of impairment. At each reporting date the company assesses whether there is any indication that individual assets are impaired. Where impairment indicators exist, recoverable amount is determined and impairment losses are recognised in profit or loss where the asset's carrying value exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purpose of assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

(k) Trade and other payables

Trade payables and other payables are carried at amortised cost and represent liabilities for goods and services provided to the Group prior to the end of the financial period that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services.

(l)Provisions

Where applicable, provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit or loss and other comprehensive income net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability.

Note 1: Statement of significant accounting policies (continued)

When discounting is used, the increase in the provision due to the passage of time is recognised as a borrowing cost.

(m) Share-based payment transactions

Equity settled transactions
Equity-settled transactions are awards of shares, or options over shares, that are provided to employees or consultants in exchange for the rendering of services or to incentivise the receiver in their future efforts.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value determined using a 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 Consolidated Entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost 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.

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.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the Consolidated Entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Consolidated Entity or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

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(n) Issued capital

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

(o) Earnings per share

Basic earnings per share is calculated as net profit attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares.

(p) Foreign currency translation

Both the functional and presentation currency of Peako Limited and its Australian subsidiaries is Australian dollars. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions in foreign currencies are initially recorded in the functional currency by applying the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance date.

Note 1: Statement of significant accounting policies (continued)

All exchange differences in the consolidated financial report are taken to profit or loss with the exception of differences on foreign currency borrowings that provide a hedge against a net investment in a foreign entity. These are taken directly to equity until the disposal of the net investment, at which time they are recognised in profit or loss.

Tax charges and credits attributable to exchange differences on those borrowings are also recognised in equity.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

The functional currencies of the foreign operations are not nominated in Australian Dollars. As at the balance date the assets and liabilities of these subsidiaries are translated into the presentation currency of Peako Limited at the rate of exchange ruling at the balance date and their income statements are translated at the weighted average exchange rate for the year. The exchange differences arising on the translations are taken directly to a separate component of recognised in the foreign currency translation reserve in equity.

On disposal of a foreign entity, the deferred cumulative amount recognised in equity relating to that particular foreign operation is recognised in profit or loss.

(q) Trade and other receivables and contract assets

The company makes uses of a simplified approach in accounting for trade and other receivables as well as contract assets and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, the company uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

(r) Segment Reporting

Operating segments are reported in a manner that is consistent with the internal reporting provided to the chief operating decision maker, which has been identified as the Board of Directors of Peako Limited.

(s) Parent entity financial information

The financial information for the parent entity, Peako Limited, disclosed in Note 16 has been prepared on the same basis as the consolidated financial statements, except as set out below.

(i) Investments in subsidiaries, associates and joint venture entities
Investments in subsidiaries, associates and joint venture entities are accounted for at cost in the parent entity's financial statements. Dividends received from associates are recognised in the parent entity's profit or loss, rather than being deducted from the carrying amount of these investments.

(t) Critical accounting estimates and judgements

Management determine the development, selection and disclosure of the company's critical accounting policies and estimates and the application of these policies and estimates. There are no estimates and judgements that are considered to have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year

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

Recovery of exploration expenditure

Management exercise judgement as to whether exploration expenditure is assessed for impairment. Any judgement may change as new information becomes available. If, after having capitalised exploration and evaluation expenditure, management concludes that the capitalised expenditure is unlikely to be recovered by future sale or exploitation, then the relevant capitalised amount will be written off through profit or loss and other comprehensive income.

Note 1: Statement of significant accounting policies (continued)

(u) Financial Instruments

Recognition and derecognition

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument. Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and initial measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with AASB 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- amortised cost
- fair value through profit or loss (FVTPL)
- fair value through other comprehensive income (FVOCI).

In the periods presented the corporation does not have any financial assets categorised as FVOCI. The classification is determined by both:

- the entity's business model for managing the financial asset
- the contractual cash flow characteristics of the financial asset

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

Subsequent measurement of financial assets

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding

Impairment of financial assets

AASB 9's impairment requirements use forward-looking information to recognise expected credit losses – the 'expected credit loss (ECL) model'. Instruments included loans and other debt-type financial assets measured at amortised cost and FVOCI, trade receivables, contract assets recognised and measured under AASB 15 and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss.

The Group considers a range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument. In applying this approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1') and
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').

Note 1: Statement of significant accounting policies (continued)

'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date. '12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Classification and measurement of financial liabilities

The Group's financial liabilities include borrowings, trade and other payables and derivative financial instruments.
Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments).

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

Note 2: Income tax

	Consolidated 2022 $	2021 $
Income tax expense recognised in statement of comprehensive income		
Current income tax		
Current income tax payable	-	-
Deferred income tax		
Relating to origination and reversal of temporary differences	-	-
Income tax expense	-	-
Reconciliation to income tax expense on accounting loss		
Accounting loss before tax	(1,104,118)	(714,743)
Tax benefit at the statutory income tax rate of 30%	(331,235)	(214,423)
Non-deductible expenses	41,289	-
Non-assessable income	-	7
Unrealised tax losses not recognised	669,762	598,162
Temporary differences not recognised	(379,816)	(383,746)
Income tax expense	**-**	**-**
Unrecognised deferred tax balances		
Deferred tax assets:		
Tax revenue losses (Australian)	20,677,992	18,309,724
Tax capital losses (Australian)	4,430,516	4,430,516
Tax revenue losses (Foreign)	-	135,727
Unamortised business related costs	(105,207)	(54,003)
Accruals & provisions	43,229	26,000
Deferred tax liabilities:		
Exploration expenses	(3,577,613)	(2,262,491)
Net unrecognised deferred tax assets	**21,468,917**	**20,585,473**
Potential tax benefit @ 30% (2021: 30%)	**6,440,675**	**6,175,642**

The deductible temporary differences and tax losses do not expire under current tax legislation.

Deferred tax assets have not been recognised in respect of these items because there is presently no expectation of future taxable profit against which the Group could utilise such benefits.

Note 3: Earnings per share

The loss and weighted average number of ordinary shares used in the calculation of basic and dilutive loss per share is as follows:

	2022	2021
Net loss for the year	(1,104,118)	(714,743)
The weighted average number of ordinary shares	304,111,248	177,758,267
Total basic and dilutive loss per share (cents)	(0.36)	(0.40)

Despite having options on issue, basic and dilutive loss per share are the same as there is a loss position and to include options would be anti-dilutive.

	Consolidated 2022 $	2021 $

Note 4: Trade and other receivables

	2022 $	2021 $
GST	50,047	75,120
Trade and other receivables	42,707	32,629
	92,754	**107,749**

The carrying amount of all receivables is equal to their fair value as they are short term. At 30 June 2022 no receivables are impaired or past due. All receivables are non-interest bearing.

Note 5: Prepayments

	2022 $	2021 $
Balance at the beginning of the year	107,657	27,200
Prepaid tenement rent for the year	68,912	80,457
Balance at the end of the year	176,569	107,657

The Company applied for exploration tenements E80/5658, E805703, E80/5704, E80/5706, E80/5758 and E80/5779 during the year ended 30 June 2022. Prior year applications for exploration tenements are E80/5472, E805520, E80/5623 and E80/5624 during the year ended 30 June 2021 and E80/5346 in March 2019. If a tenement is granted rent paid on application will cover rent required on the first year of exploration in the tenement. As at 30 June 2022 and to the date of signing the report the tenement applications have not been granted. If a tenement is not granted the rent paid on application is fully refundable.

Note 6: Motor Vehicles

	2022 $	2021 $
Balance at the beginning of the year	94,736	-
Additions	-	100,800
Depreciation	(23,185)	(6,064)
Balance at the end of the year	71,551	94,736

Note 7: Plant and Equipment

	2022 $	2021 $
Balance at the beginning of the year	48,977	-
Additions	2,187	49,115
Depreciation	(10,162)	(138)
Balance at the end of the year	41,002	48,977

Note 8: Exploration and evaluation assets

	2022 $	2021 $
Balance at the beginning of the year	2,154,834	861,929
Costs for the year	1,340,248	1,292,905
Impairment of exploration asset	94,039	-
Balance at the end of the year	3,401,43	2,154,834

The recoupment of exploration costs carried forward is dependent upon the recoupment of costs through successful development and commercial exploitation, or alternatively by sale of the respective areas. Exploration assets relate to the areas of interest in the exploration phase for minerals exploration licences as shown in the table below:

30/06/2022	**30/06/2021**	**Notes**
E 45/3278	E 45/3278	*Granted 30 September 2016. Surrendered 19 September 2022 (Note 17).*
E 80/4990	E 80/4990	*Granted 4 October 2017*
E 80/5182	E 80/5182	*Granted 28 September 2018*

Note 9: Trade and other payables

	Consolidated 2022 $	2021 $
Current		
Trade and other payables*	212,279	309,370
Director-related entities – other payables (Note 15)	131,329	171,584
	343,608	**480,954**

* Trade payables are non-interest bearing and are normally paid on 30 day terms.

Note 10: Issued Capital

As at 30 June 2022 there were 234,911,319 fully paid ordinary shares on issue (2021: 234,911,319).

	Consolidated			
Movement in ordinary share capital	**2022 $**	**2021 $**	**2022 #**	**2021 #**
At the beginning of the year	41,641,845	38,284,139	234,911,319	128,931,579
Shares issued during the year	2,574,000	3,451,671	73,542,782	105,979,740
Costs associated with share issue	(29,638)	(93,965)	-	-
Balance at the end of the year	**44,186,207**	**41,641,845**	**308,454,101**	**234,911,319**

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares. On a show of hands every shareholder of ordinary shares present at a meeting in person or by proxy is entitled to one vote and upon a poll each share is entitled to one vote. Ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

Movement in options	**2022 Listed**	**2021 Listed**	**2022 Unlisted**	**2021 Unlisted**
At the beginning of the year	-	-	57,737,799	13,000,000
Options granted	-	-	65,199,980[1]	46,737,799[1]
Expired	-	-	(93,937,779)	(2,000,000)
Exercised	-	-		
Balance at the end of the year	**-**	-	**29,000,000**	**57,737,799**

[1]58,199,980 options were granted to shareholders who participated in the placements that occurred during the year ended 30 June 2022. The balance of 7,000,000 options granted for the year ended 30 June 2022 were granted to directors, an employee and consultants (Note 12).

Note 11: Reserves

	Consolidated 2022 $	2021 $
Foreign currency translation reserve [(a)]	-	1,512
Share compensation reserve [(b)]	206,401	164,172
	206,401	165,684

[(a)] The foreign currency translation reserve represents foreign exchange movements on the translation of financial statements for controlled entities from the functional currency into the presentation currency of Australian dollars.
[(b)] The share compensation reserve is used to record the value of equity benefits provided to employees, consultants and directors as part of their remuneration.

Note 12: Share based payments

	Consolidated 2022 $	2021 $
Shared based payment expense - directors	6,949	53,295
Share based payment expense – consultants and employees	36,644	92,210
	43,593	**145,505**

Share options to directors

3,000,000 options were granted to directors in the year ended 30 June 2022. (2021: 7,000,000 options). On 26 November 2021 3,000,000 options were granted to Pau Kitto. The options have an employment condition and so vest over that service condition.

The 3,000,000 options granted to directors were valued using the Black Scholes Option Valuation model and the following inputs:

Exercise price	6 -20 cents
Share price at approval date	2.3 cents
Maximum option life	3.0 years
Expected volatility	88%
Risk free interest rate	0.93%

The fair value of this share based payment (for accounting) at grant date was $17,191. The options vest over the service condition so a share based payment expense with a corresponding increase in equity of $3,448 has been recognised for the year ended 30 June 2022.

Options granted to directors in prior years have an employment condition and so vest over the service condition. A share based payment expense of $3,501 has been recognised for the year ended 30 June 2022 for these options.

Share options to others

Share options to a consultant
The 500,000 options granted to consultants on 31 July 2021 have no employment condition and so vest on grant date. They were valued using the Black Scholes Option Valuation model and the following inputs:

Exercise price	6.0 cents
Share price at approval date	3.2 cents
Maximum option life	1.9 years
Expected volatility	88%
Risk free interest rate	0.20%

The fair value of this share based payment (for accounting) at grant date was $4,657. The options vest on grant of the option so a share based payment expense with a corresponding increase in equity of $4,657 has been recognised for the year ended 30 June 2022.

Share options to an executive
The 1,000,000 options granted to an executive on 26 November 2021 have an employment condition and so vest over the service condition. They were valued using the Black Scholes Option Valuation model and the following inputs:

Exercise price	6 cents
Share price at approval date	2.3 cents
Maximum option life	3.0 years
Expected volatility	88%
Risk free interest rate	0.93%

The fair value of this share based payment (for accounting) at grant date was $3,805. The options vest over the service condition so a share based payment expense with a corresponding increase in equity of $751 has been recognised for the year ended 30 June 2022.

Share options to an employee
The 3,000,000 options granted to an employee on 1 December 2021 have an employment condition and so vest over the life of the option. They were valued using the Black Scholes Option Valuation model and the following inputs:

Exercise price	6 -20 cents
Share price at approval date	2.3 cents
Maximum option life	3.0 years
Expected volatility	88%
Risk free interest rate	0.93%

The fair value of this share based payment (for accounting) at grant date was $13,837. The options vest over the service condition so a share based payment expense with a corresponding increase in equity of $3,945 has been recognised for the year ended 30 June 2022.

Options granted to others in prior years have an employment condition and so vest over the service condition. A share based payment expense of $27,091 has been recognised for the year ended 30 June 2022 for these options.

Note 13: Financial instruments

Capital risk management

Prudent capital risk management implies maintaining sufficient cash and marketable securities to ensure continuity of tenure to exploration assets and to be able to conduct the Group's business in an orderly and professional manner. The Board monitors its future capital requirements on a regular basis and will when appropriate consider the need for raising additional equity capital, debt funding or to farm-out exploration projects as a means of preserving capital.

Categories of financial instruments

The Group's principal financial instruments comprise of cash and short-term deposits and short term borrowings. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various

other financial assets and liabilities such as receivables and trade payables, which arise directly from its operations. It is, and has been throughout the period under review, the Group's policy that no trading in financial instruments shall be undertaken.

Financial risk management objectives

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

The main risks arising from the Group's financial instruments are interest rate risk and credit risk. The Board reviews and agrees policies for managing each of these risks and they are summarised below.

Note 13: Financial instruments (continued)

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

Interest rate risk management
All cash balances attract a floating rate of interest. Excess funds that are not required in the short term are placed on deposit for a period of no more than 6 months. The Group's exposure to interest rate risk and the effective interest rate by maturity periods is set out below.

Interest rate sensitivity analysis
At 30 June 2022, if interest rates had changed on cash and cash equivalent by 100 basis points (1%) and all other variables were held constant, the Group's after tax profit would have been $10,574 (2021: $9,939) lower/higher as a result of higher/lower interest income on cash and cash equivalents.

Credit risk management
Credit risk relates to the risk that counterparties will default on their contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with credit worthy counterparties and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from any defaults.

Foreign currency risk
The Group is exposed to foreign currency risk on purchases that are denominated in a currency other than the respective functional currency. The functional currency of the group is denominated is Australian dollars.

Liquidity risk management
Liquidity risk is the risk that the group will not be able to meet its financial obligations as they fall due. Liquidity risk is monitored to ensure sufficient monies are available to meet contractual obligations as and when they fall due.

The following are the contractual maturities of the financial liabilities, including interest payments. Contractual amounts have not been discounted.

	Carrying Amount	Contractual cash flows	0-12 months	1-2 years	2-10 years
	$	$	$	$	$
30 June 2022 Consolidated:					
Non-derivative Financial Liabilities					
Trade and other payables	343,608	343,608	343,608	-	-
Borrowings	-	-	-	-	-
	343,608	343,608	343,608	-	-
30 June 2021 Consolidated:					
Non-derivative Financial Liabilities					
Trade and other payables	480,954	480,954	480,954	-	-
Borrowings	-	-	-	-	-
	480,954	480,954	480,954	-	-

Note 14: Commitments for expenditure

	Consolidated 2022 $	2021 $
Not longer than 1 year	74,250	40,000
Longer than 1 year and not longer than 5 year	195,000	492,000
	269,290	**532,000**

Expenditure commitments (minerals)
The Group had a commitment in minerals tenement E45/3278 of $50,000. The permit year ended 29 September each year until 2026.The permit was surrendered 19 September 2022 (Note 17).

On 4 October 2017 the Group was granted minerals tenement E80/4990. On 28 September 2018 the Group was granted minerals tenement E80/5182. Combined expenditure has been granted by the Western Australia Department of Mines, Industry Regulation and Safety allowing for expenditure obligations for E80/4990 and E80/5182 to be combined. The yearly combined expenditure commitment is $297,000.

Note 15: Related party disclosure

The ultimate parent entity in the wholly-owned group and the ultimate Australian parent entity is Peako Limited. The consolidated financial statements include the financial statements of Peako Limited and the controlled entities listed in the following table:

Name of entity	Country of incorporation	Class of shares	Equity holding % 2022	2021
Peako Resources Pty Ltd	Australia	Ordinary	100	100
Peak Royalties Ltd (1)	British Virgin Islands	Ordinary	-	100
Peak Oil & Gas Philippines Ltd(1)	British Virgin Islands	Ordinary	-	100
Energy Best Limited(1)	British Virgin Islands	Ordinary	-	100
SA Drilling Pty Ltd	Australia	Ordinary	100	100
Samarai Pty Ltd	Australia	Ordinary	100	100
EKEX Pty Ltd	Australia	Ordinary	100	-

(1) British Virgin Islands companies have been deregistered.

Director-related entities

During the year services and/or facilities were provided under normal commercial terms and conditions by director-related entities as disclosed below:

Entity	Related director	Service	Amounts Paid 2022 $	2021 $	Payable at 30/06/22 $	30/06/21 $
Samika Pty Ltd	RL Clark	Consulting	92,400	68,415	-	-
Exoil Pty Ltd	EG Albers	Office services	114,292	87,612	44,568	55,466
PA Kitto	PA Kitto	Exploration consulting	49,200	-	11,400	-
Enegex Limited	EG Albers	Geological services	4,200	15,950	3,010	18,271
Natural Resources Group Pty Ltd	EG Albers	Project management	20,000	20,000	20,000	20,000
Octanex Limited	EG Albers	Accounting and administrative support	168,820	147,045	52,351	77,847
			448,912	**339,022**	**131,329**	**171,584**

Note 16: Parent entity disclosure

	Parent Entity 2022 $	2021 $
Financial position		
Current assets	1,553,133	1,452,434
Non-current assets	3627,327	2,333,866
Total assets	5,180,460	3,786,300
Current liabilities	306,790	405,834
Non-current liabilities	-	-
Total liabilities	306,790	405,834
Net Assets	**4,873,670**	**3,380,466**
Issued capital	66,103,079	63,558,717
Accumulated losses	(61,266,140)	(60,276,129)
Options reserve	36,731	97,878
Total Equity	**4,873,670**	**3,380,466**
Financial performance		
Loss for the year	(1,095,752)	(659,843)
Other comprehensive income		
Total comprehensive loss		
	(1,095,752)	**(659,843)**

Note 17 Matters Subsequent to Balance Date

On 2 September 2022 the company announced that a Non Renounceable Rights Issue (Rights Issue) had closed oversubscribed, raising a total of $1,223,353 before costs. To accommodate excess demand, the Company also agreed to undertake a placement to raise an additional $180,000 on the same terms and conditions as the Rights Issue offer. Total funds realised prior to costs were $1,403,353.

On 19 September 2022 the company relinquished its exploration tenure in the Paterson region of Western Australia which comprised one granted exploration licence as well as three exploration licence applications. The carrying value of the exploration licence E45/3278, $94,039 was written off at 30 June 2022. Costs associated with the three licence applications had not been capitalised.

Note 18: Reconciliation of loss after income tax to net cash outflow from operating activities

	Consolidated 2022 $	2021 $
Net loss for the year	(1,104,118)	(714,743)
Depreciation	33,348	6,202
Capitalisation of salary/consultant costs	(262,570)	(89,100)
Grant of options	43,593	144,505
Impairment of exploration asset	94,039	-
Employee provisions	13,229	-
(Increase) decrease in trade and other receivables	14,995	(99,828)
Decrease (increase) in trade and other payables	69,005	(85,642)
Exploration expensed	33,344	128,221
Net cash outflow from operating activities	**(1,065,135)**	**(710,385)**

Note 19: Auditor's remuneration

The auditors of the Group are Grant Thornton Audit Pty Ltd.

Assurance services		
Grant Thornton Audit Pty Ltd	50,303	52,876
Non-Audit services		
Grant Thornton Audit Pty Ltd	-	-
	50,303	52,876

Note 20: Segment information

Under AASB 8 Operating Segments, segment information is presented using a 'management approach', i.e. segment information is provided on the same basis as information used for internal reporting purposes by the board of directors

At regular intervals the board is provided management information at a group level for the group's cash position, the carrying values of exploration permits and a group cash forecast for the next twelve months of operation. On this basis, no segment information is included in these financial statements.

All interest received has been derived in Australia. All exploration and evaluation assets are held in Australia.

Note 21 Key Management Personnel

Executive Director
RL Clark

Non-Executive Directors
EG Albers
P Kitto

Individual compensation disclosures

Information regarding individual director's compensation is provided in the remuneration report section of the directors' report. There are no employees who meet the definition of key management personnel other than the directors of the company. A summary of the remuneration report is shown below.

		Short Term		*Post Employment*		*Equity Settled*	*Total*
		Directors Fees	*Salary*	*Superannuation*	*Retirement Benefits*	*Options*	
		$	*$*	*$*	*$*	*$*	*$*
Total	**2022**	**30,000**	**8,750**	**875**	**-**	**17,191**	**56,816**
	2021	-	10,000	950	-	86,856	97,806

The directors of the company declare that:

1. The financial statements, comprising the consolidated statement of profit or loss and other comprehensive income, statement of financial position, statement of cash flows, statement of changes in equity, and accompanying notes, are in accordance with the Corporations Act 2001 and:
   a) comply with Accounting Standards and the Corporations Regulations 2001;
   b) give a true and fair view of the consolidated entity's financial position as at 30 June 2022 and of its performance for the year ended on that date; and
   c) the financial statements and notes also comply with International Financial Reporting Standards as disclosed in Note 1(a).
2. In the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.
3. The remuneration disclosures included in pages 25 to 28 of the directors' report, (as part of audited Remuneration Report), for the year ended 30 June 2022, comply with section 300A of the Corporations Act 2001.
4. The directors have been given the declarations by the chief executive officer and chief financial officer required by section 295A.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:

R.L Clark
Director
29 September 2022

GrantThornton

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Independent Auditor's Report

To the Members of Peako Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of Peako Limited (the Company) and its subsidiaries (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, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated 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:

a giving a true and fair view of the Group's financial position as at 30 June 2022 and of its performance for the year ended on that date; and

b 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 (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Material uncertainty related to going concern

We draw attention to Note 1(a) in the financial statements, which indicates that the Group incurred a net loss after tax of $1,104,118 during the year ended 30 June 2022 and a net cash outflow from operating and investing activities of $2,365,608. As stated in Note 1(a), these events or conditions, along with other matters as set forth in Note 1(a), indicate that a material uncertainty exists that may cast doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Exploration and Evaluation Assets Valuation (Note 8)	
At 30 June 2022 the carrying value of exploration and evaluation assets was $3,401,043 In accordance with AASB 6 *Exploration for and Evaluation of Mineral Resources*, the Group is required to assess at each reporting date if there are any triggers for impairment which may suggest the carrying value is in excess of the recoverable value. The process undertaken by management to assess whether there are any impairment triggers in each area of interest involves an element of management judgement. This area is a key audit matter due to the significant judgement involved in determining the existence of impairment triggers.	Our procedures included, amongst others: • obtaining the management reconciliation of capitalised exploration and evaluation expenditure and agreeing to the general ledger; • reviewing management's area of interest considerations against AASB 6; • conducting a detailed review of management's assessment of trigger events prepared in accordance with AASB 6 including; – tracing projects to statutory registers, exploration licenses and third party confirmations to determine whether a right of tenure existed; – enquiry of management regarding their intentions to carry out exploration and evaluation activity in the relevant exploration area, including review of management's budgeted expenditure; – understanding whether any data exists to suggest that the carrying value of these exploration and evaluation assets are unlikely to be recovered through development or sale; • evaluating the competence and capabilities of management in the evaluation of potential impairment triggers; and • assessing the appropriateness of the related financial statement disclosures.

Information other than the financial report and auditor's report thereon

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 our auditor's report thereon.

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

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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 Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the 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/ar1_2020.pdf.This description forms part of our auditor's report.

Report on the remuneration report

Opinion on the remuneration report

We have audited the Remuneration Report included in pages 25 to 28 of the Directors' report for the year ended 30 June 2022.

In our opinion, the Remuneration Report of Peako 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.

Grant Thornton

Grant Thornton Audit Pty Ltd
Chartered Accountants

T S Jackman
Partner – Audit & Assurance

Melbourne, 29 September 2022

ASX additional Information (unaudited)

As at 26 September 2022

Additional information required by the ASX Limited Listing Rules and not disclosed elsewhere in this report is set out below.

Distribution of Ordinary Shares

Ordinary Shares	No. of Holders	No. of Shares
1 – 1,000	216	92,875
1,001 – 5,000	173	417,948
5,001 – 10,000	45	345,686
10,001 – 100,000	319	13,205,507
100,001 and over	327	365,119,933
Total on Issue	**1,080**	**379,181,949**

557 holders held less than a marketable parcel of ordinary shares. There is no current on-market buy-back.

Substantial Shareholders

As disclosed in notices given to the Company.

Name	Interest in Number of Shares	% of Shares
Albers Group	116,519,096	30.73

The 20 Largest Holders of Ordinary Shares

Holder Name	Holding	%
Hawkestone Resources Pty Ltd	26,028,603	6.86%
Mr Ernest Geoffrey Albers	14,567,974	3.84%
Sacrosanct Pty Ltd	13,895,999	3.66%
Southern Energy Pty Ltd	13,814,177	3.64%
Jimzbal Pty Ltd	10,200,000	2.69%
Great Australia Corporation Pty Ltd	9,030,806	2.38%
Auralandia Pty Ltd	8,853,052	2.33%
Sanperez Pty Ltd	8,573,740	2.26%
500 Custodian Pty Ltd	8,131,428	2.14%
Australis Finance Pty Ltd	7,940,398	2.09%
Rydale Holdings Pty Ltd	7,000,000	1.85%
Ram Platinum Pty Ltd	5,802,359	1.53%
Mr Don Cheng	5,344,064	1.41%
Gant Capital Pty Ltd	5,056,096	1.33%
Vivien Enterprises Pte Ltd	5,000,000	1.32%
BNP Paribas Nominees Pty Ltd	4,812,990	1.27%
Calama Holdings Pty Ltd	4,800,000	1.27%
Great Missenden Holdings Pty Ltd	4,634,684	1.22%
Ms Xiaodan Wu	4,540,421	1.20%
Mr Nicholas David Green	4,250,000	1.12%
Total	**172,276,791**	**45.43%**

DISTRIBUTION OF UNLISTED OPTIONS - EXERCISABLE AT $0.05 ON OR BEFORE 30 SEPTEMBER 2025

Distribution of unlisted Options - exercisable at $0.05 on or before 30 September 2025

Numbers of holders of unlisted options by size of holding and the total number of unlisted options:

Listed Options	No. of Holders	No. of Unlisted Options
1 – 1,000	5	1,282
1,001 – 5,000	9	22,932
5,001 – 10,000	6	43,988
10,001 – 100,000	38	1,850,800
100,001 and over	73	68,808,846
Total on Issue	**131**	**70,727,848**

Other Unlisted Options – 30,000,000 at various prices and dates

Three holders hold 4,000,000 unlisted options (exercisable at $0.04 on or before 28 November 2022).
Two holders hold 1,000,000 unlisted options (exercisable at $0.10 on or before 30 November 2022).
One holder hold 1,000,000 unlisted options (exercisable at $0.06 on or before 13 May 2023).
Six holders hold 4,500,000 unlisted options (exercisable at $0.06 on or before 21 June 2023).
Three holders hold 5,000,000 unlisted options (exercisable at $0.044 on or before 5 November 2023).
One holder holds 1,000,000 unlisted options (exercisable at $0.06 on or before 21 November 2023).
One holder holds 2,000,000 unlisted options (exercisable at $0.05 on or before 28 November 2023).
Three holders hold 3,000,000 unlisted options (exercisable at $0.040 on or before 29 March 2024).
One holder holds 1,000,000 unlisted options (exercisable at $0.10 on or before 21 November 2024).
One holder holds 500,000 unlisted options (exercisable at $0.06 on or before 25 November 2024).
One holder holds 1,000,000 unlisted options (exercisable at $0.05 on or before 25 November 2024).
One holder holds 1,000,000 unlisted options (exercisable at $0.055 on or before 29 March 2025).
One holder holds 2,000,000 unlisted options (exercisable at $0.05 on or before 1 May 2025).
Two holders hold 1,000,000 unlisted options (exercisable at $0.05 on or before 30 September 2025).
One holder holds 1,000,000 unlisted options (exercisable at $0.20 on or before 21 November 2025).
One holder holds 1,000,000 unlisted options (exercisable at $0.15 on or before 25 November 2025).

Peako
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