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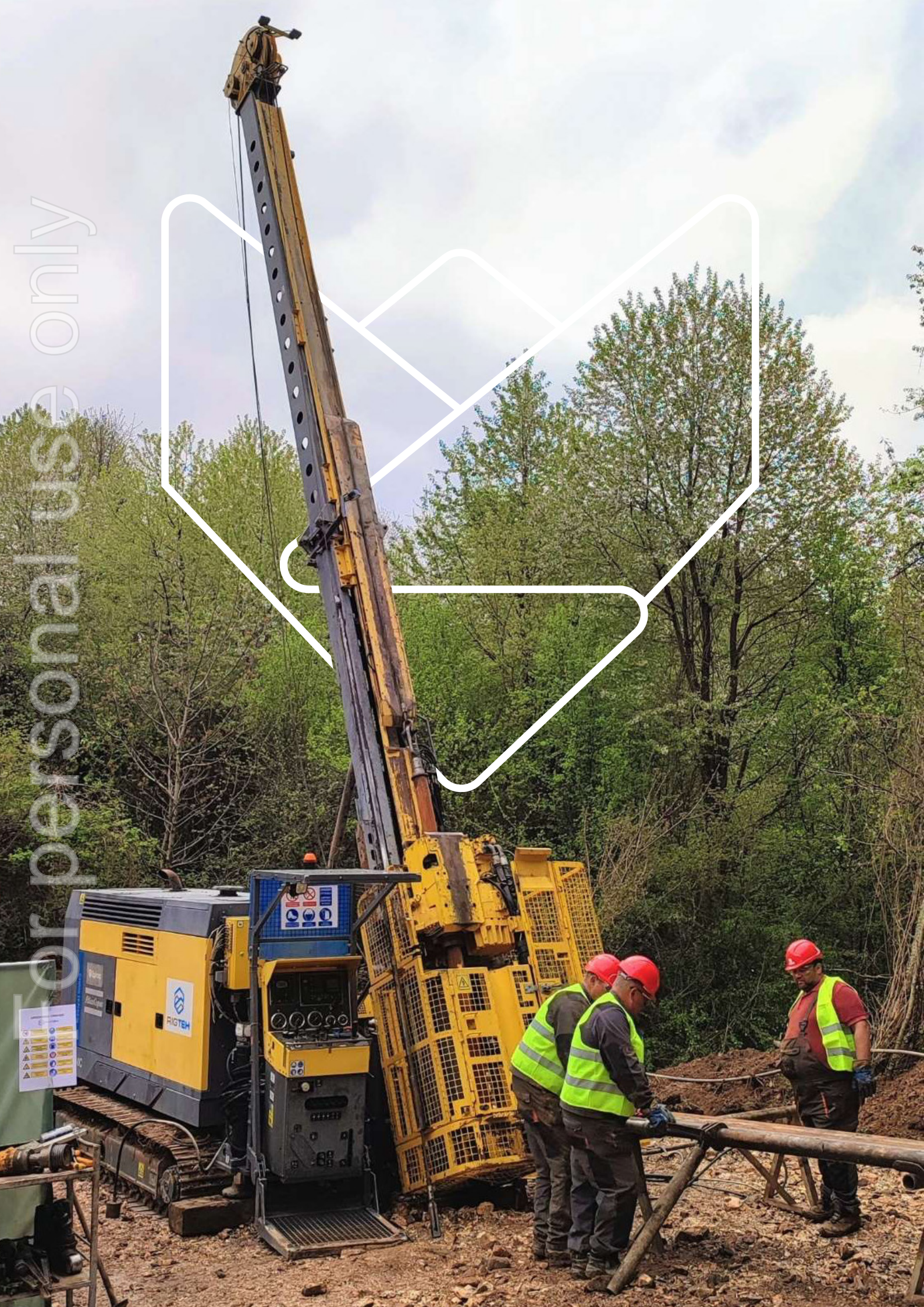
LYKOS  
METALS LIMITED

# Annual Report

2022



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# Chairman's Letter

**Dear shareholders,**

I am delighted to present Lykos Metals' inaugural Annual Report.

The Company listed on the ASX in October 2021 with the remit to conduct concurrent exploration programs across its portfolio of base and precious metals projects in Bosnia-Herzegovina – Sinjakovo, Cajnice and Sockovac.

Strong investor support culminated in Lykos fast tracking the listing process by more than three weeks through a heavily oversubscribed \$12 million IPO for the issue of 60 million shares at 20¢ per share – fully-funding the Company's exploration activities for the year.

All three of Lykos' projects are located within Europe's most prospective mining destination, the Tethyan Metallogenic Belt, and were selected for their potential for meaningful discovery through the application of modern mining and exploration techniques to historic operations.

Bosnia-Herzegovina has a rich mining history and has been identified as a strategic supplier to Europe's burgeoning EV industry.

Within weeks of listing, the Company had boots on the ground in Bosnia-Herzegovina to begin extensive soil and rock chip sampling programs across all three projects. Managing Director Mladen Stevanovic, former Principal Geologist at Gold Fields, moved to Bosnia-Herzegovina in November to oversee progress.

While the Company had planned to commence drilling in November, the winter off season arrived earlier than expected which meant drilling could not be conducted safely and was therefore postponed. The season lasted longer than expected, meaning drilling could not safely commence until May 2022.

During the off season, the exploration team accelerated soil and rock chip sampling programs which greatly increased its knowledge and understanding of the mineralisation within the projects – culminating in a reassessment of priority targets.

In early May, Lykos commenced a maiden seven-hole diamond drilling program to test a copper-silver bearing outcrop at the Gramusovici Prospect, within the Cajnice Project.

Weeks later, the Company commenced an initial 19-hole diamond drilling program at the RDK Prospect, within the Sinjakovo Project, to follow up on exceptionally high-grade copper and cobalt samples from rock dumps at the historic mining area.

Lykos was disappointed by the Ministry of Energy and Mining for the Republic of Srpska's decision to seek to revoke its permission to explore at the Sockovac Project. The opinions of a minority of individuals who are co-owners of plots of land within the Sockovac Project area are not reflective of the broad community support the Company receives. Many see the real job-creating potential and economic flow on effects a meaningful discovery could bring to the area.

Lykos has compelling grounds to support its legal challenge over the Ministry's action and this, coupled with recent commercial developments on this matter, leaves the Company confident the Ministry will restore Lykos' rights and the planned drilling program at Sockovac will proceed.

Subsequent to the reporting period, Sinjakovo has emerged as a priority project for exploration activities in the 2023 financial year.

In early-August, a gold-bearing breccia was identified from the first trench of a seven-trench program at the Zekil-Erak Prospect, which returned gold grades of up to 5.78 grams per tonne from 15 samples. This trenching program also identified two polymetallic shear zones – Erak 1 and Erak 2 – returning up to 12.6 grams per tonne and 2.89 grams per tonne of gold equivalent, respectively. Lykos believes that further shear zones are likely to emerge as exploration activities continue.

Trenching continues at the Zekil-Erak Prospect, and preparation of drilling programs are underway. The Company plans to commence drilling in the December 2022 quarter.

Lykos made some welcome additions to our board during the reporting period. With the retirement of Lykos' inaugural chairman, Mathew Worner, I accepted the appointment of Non-Executive Chairman, and the Company welcomed

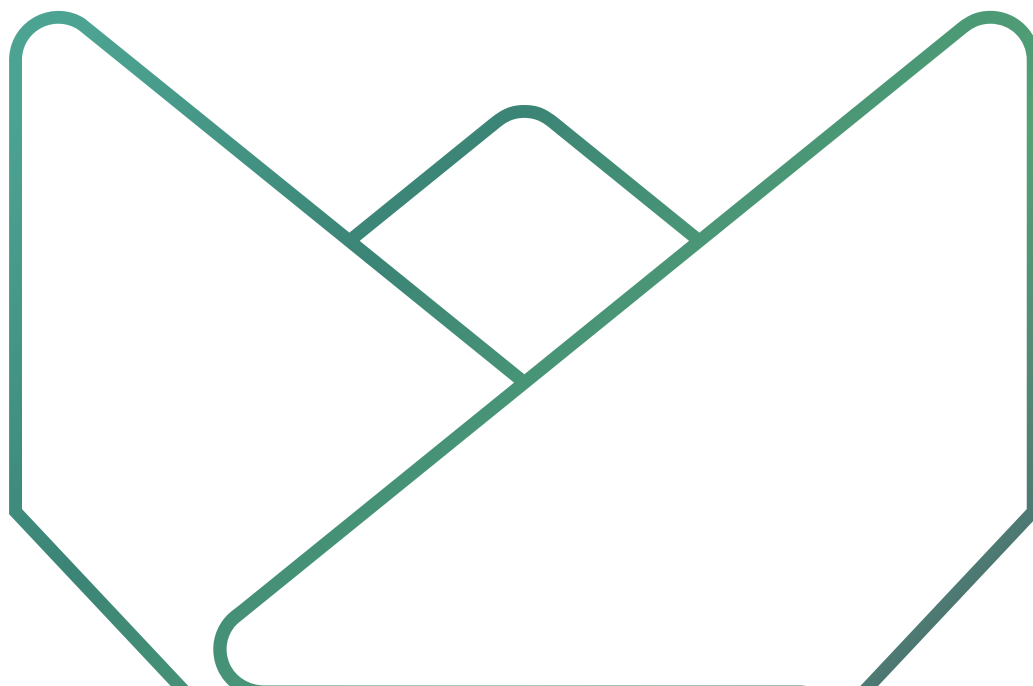
Swiss-based investor and advisor Johan Züger as an Independent Non-Executive Director, reflecting the significant interest from European investors.

I would like to take this opportunity to thank our Managing Director, Mladen Stevanovic, and the entire exploration team in Bosnia-Herzegovina for a solid first year. Most importantly, I would like to thank our shareholders for their support, trust and confidence in our projects and management.



A stylized, handwritten signature in black ink, appearing to read 'Stephen Allen'.

**Stephen Allen**  
Chairman



# Operations Review

Lykos is the 100% owner of three base and precious metals projects in Bosnia-Herzegovina – Sinjakovo, Cajnice and Sockovac.

Sinjakovo is prospective for copper, cobalt, gold and silver; Cajnice is prospective for copper, gold, silver, zinc and cobalt; and Sockovac is prospective for nickel, cobalt, copper, gold and silver. Lykos selected its project portfolio based on the potential for meaningful discovery through the application of modern mining and exploration techniques to historic mining areas.

## Sinjakovo Project

The Sinjakovo Project is presently emerging as the highest-priority project in Lykos' portfolio.

The historic Sinjakovo copper mine was operational from 1894 until 1910 where reported grades of 3-25% copper ore was extracted from underground tunnels. The mining operation ceased once head grades dropped below 3% copper. Material grading less than 3% copper was considered waste at the time and was stockpiled at the portal or used to backfill tunnels.

During and subsequent to the reporting period, Lykos collected a total of 3,212 soil samples and 434 rock chip samples systematically over Sinjakovo and Jezero tenements (total area 81km<sup>2</sup>). These samples uncovered evidence of extensive mineralisation at several localities to generate a healthy pipeline of targets for follow up trenching and drilling targets.

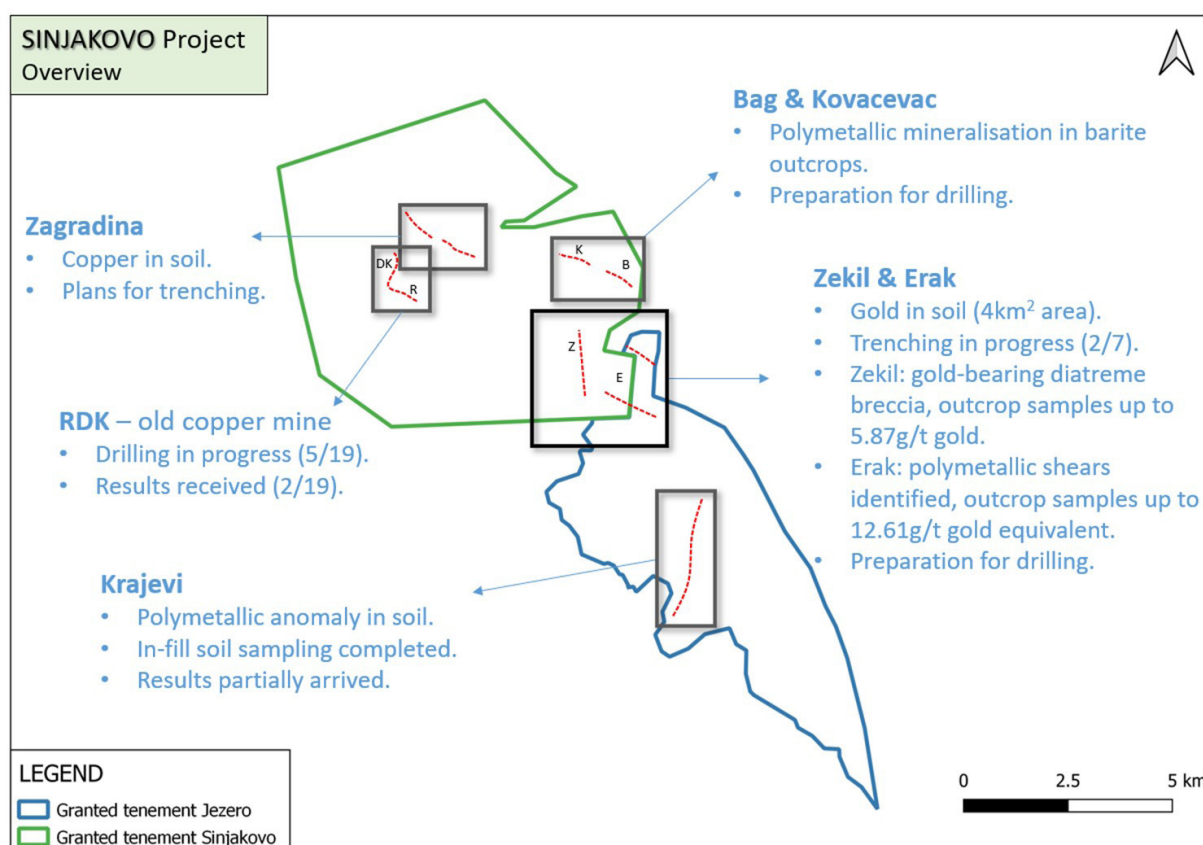


Figure 1 – Overview of the Sinjakovo Project area

In March 2022, Lykos reported the addition of the Jezero tenement to the Sinjakovo Project area, and lodgement of the application for the Jajce tenement.

The highly prospective Zekil-Erak, Bag and Kovacevac localities sit within the south-eastern part of the Sinjakovo tenement and at the adjoining part of the Jezero tenement, and the Krajevi Prospect sits in the centre of the Jezero tenement.

## RDK Prospect

The RDK Prospect, in the centre of the project area, was selected for first drilling at Sinjakovo in May 2022. The Prospect comprises the historic Sinjakovo copper mine, a 15-16kt waste rock dump, and about 3km of strike length of favourable siderite-ankerite rock unit, interpreted to host copper-iron mineralisation. Samples taken in 2021 from the waste dump returned grades of up to 5.21% copper and 965 grams per tonne of cobalt.

An initial 19-hole drilling program commenced in late May to test two target planes – the primary upper target plane and a deeper hypothetical target plane. Drill hole SDD001 was the first ever modern exploration hole at Sinjakovo, and intercepted the historical copper mine lithological sequence at a depth of 22.5m down hole.

Subsequent to the reporting period, Lykos has completed five planned holes. Results for the first two drillholes (SIDD001 and SIDD002) returned promising cobalt mineralisation of up to 0.065% cobalt over 1m interval, but lower-grade copper results.

The Company believes the cobalt results are associated with strong sulphidic zones from cobalt-bearing pyrite. Cobalt was never assayed prior to Lykos acquiring the Sinjakovo Project, and this warrants further investigation.

## Zekil-Erak Prospect

Subsequent to the reporting period, Lykos commenced a seven-trench program at the Zekil-Erak Prospect designed to follow up a 4km<sup>2</sup> gold-in-soil anomaly.

The first trench of the program uncovered a “diatreme” gold bearing breccia at Zekil locality that returned up to 5.78g/t gold (1.35g/t gold on average) from 15 outcropping samples. The Company believes that the diatreme breccia complex observed in the outcrop appears as a system of several breccia dykes over 70 metres width, and that the shallow habitus of this gold mineralisation is potentially economically interesting.

At the Erak locality, trenching has identified two new polymetallic shear zones – Erak 1 and Erak 2 – hosting gold-silver-copper-antimony mineralisation. These shears were promptly followed up with sampling in the trench and over nearby outcrops. Erak 1 returned exceptional results up to 12.61 grams per tonne of gold equivalent with 3.75 grams per tonne of gold equivalent on average for 13 samples. Erak 2 returned up to 2.89 grams per tonne of gold equivalent with 2.22 grams per tonne of gold equivalent on average for four samples.

The Company expects that ongoing trenching at the Erak locality will expose further shears from under surface soil cover.

Preparations are underway for diamond drilling to commence at Zekil-Erak in the December quarter.

## Other prospects

Subsequent to the reporting period, Lykos reported that soil sampling at the Krajevi Prospect identified a significant-sized polymetallic (silver, barite, lead, antimony and zinc) anomaly in soil, extending 3 kilometres in an almost north-south direction. The Company's next steps involve detailed geological mapping and trenching, scheduled to begin in the March quarter of the 2023 financial year.

At the Bag and Kovacevac prospects, drilling is planned to commence in the December quarter, and will follow up on high-grade zinc, lead and silver grades in outcrop associated with barite veining in limestone.

## Cajnice Project

As with Sinjakovo, Lykos conducted extensive soil and rock chip sampling programs at the Cajnice Project which delivered a pipeline of exciting exploration targets.

In total, Lykos collected 2,285-samples from the soil sampling program. At September 2022, 97% of results were returned, which identified several major trends at emerging targets. Lykos is conducting and preparing follow-up work programs which include detailed geological mapping, trenching and drilling.

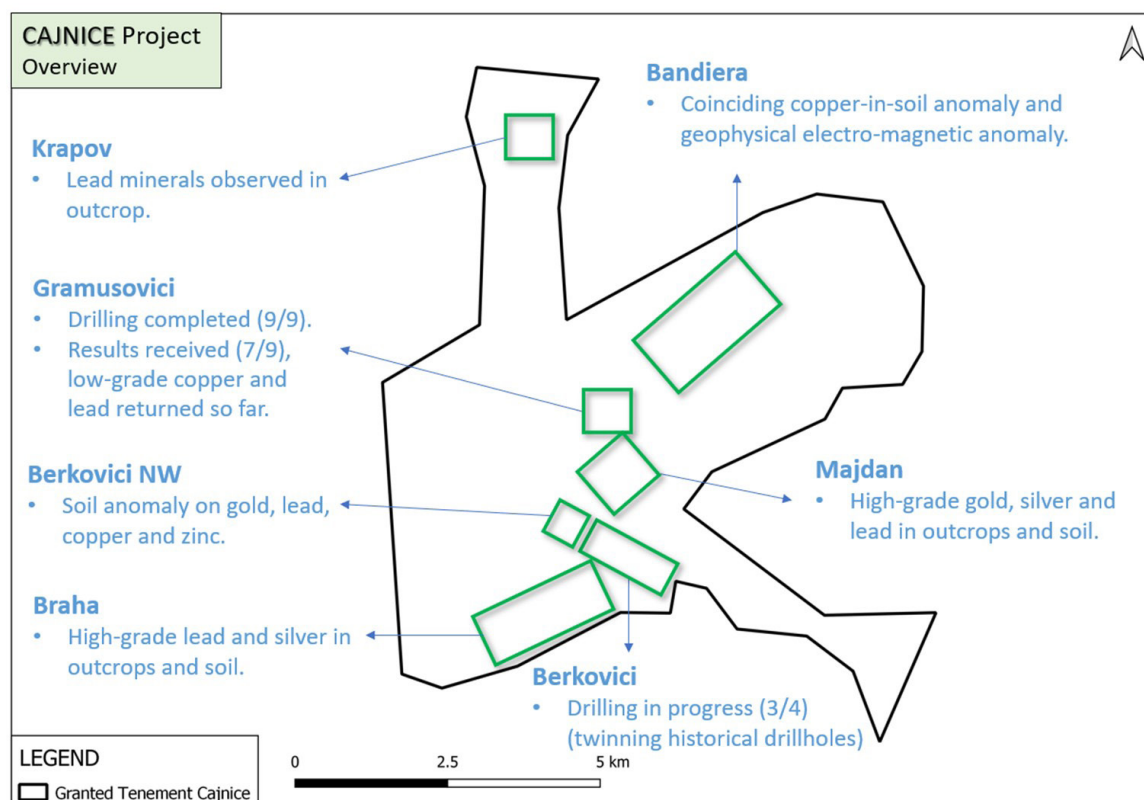


Figure 2 – Overview of the Cajnice Project area



## Gramusovici Prospect

The Gramusovici Prospect emerged as a priority target, following the identification of a 1.4-metre wide and several-metres-long quartz carbonate outcropping copper-bearing lode. Initial samples returned results of up 10.05% copper and 155 grams per tonne of silver, accompanied by a trace of gold (up to 0.15 grams per tonne).

The initial seven-hole diamond drilling program commenced in May 2022 to test the outcropping at Gramusovici. This program was expanded to nine holes to follow up on the strong sulphidic mineralisation encountered in drillhole CADD006. At September 2022, results for seven of nine holes had been returned.

The Company believes the zone close to the high-grade copper outcrop has been tested adequately at 50-80m drill spacing, however results returned did not adequately explain the grades of copper mineralisation in the discovery outcrop (1-10% copper). Further geological interpretation is required before any more work is conducted at the Gramusovici Prospect.

## Berkovici Prospect

Lykos' second target at Cajnice was the Berkovici Prospect, where historic data reported that two of five drill holes (completed in 1970) intersected several narrow but exceptionally high-grade lead mineralisation intervals. Interestingly, none of these high-grade intercepts were assayed for gold and silver. Lykos scheduled a four-hole drilling program to twin historic holes and, subsequent to the reporting period, had completed three of the holes. Assays remain pending.

## Majdan and Braha Prospects

The Majdan Prospect is located in the centre of the Cajnice project area to the south of the Gramusovici Prospect. It is the location of the historic quarry that was used for the sheeting of local roads. The outcrop at Majdan shows contact between granites and strongly altered sediments. Several rock-chip samples were taken from this locality, and two samples from the silicified gently dipping layers have returned significant results up to 1.91 grams per tonne of gold, 220 grams per tonne of silver and 13% lead. Follow-up exploration work in the form of detailed mapping and sampling, has been completed. Drilling has been designed, and drill site preparation will commence in the December quarter.

The Braha Prospect is located in the southern part of the Cajnice project area. Rock-chip samples have been assayed as up to 2.78% lead and 51 grams per tonne of silver. Geological interpretation of this prospect will be presented upon completion of ongoing reconnaissance work.

## Sockovac Project

The Sockovac Project was intended as the first drilling target for Lykos in 2021, however the winter off season arrived early and lasted longer than anticipated which postponed first drilling.

In November 2021, Lykos added the Gostilj area, a 50km extension, to the Sockovac Project license area. In the lead up to maiden drilling, the Company completed 2,165 soil samples and 217 rock chip samples to delineate a 13km<sup>2</sup> mineralised nickel-cobalt anomaly that remained open to the south.

On 14 June 2022, Lykos informed the market it had received a notification from the Ministry of Energy and Mining for the Republic of Srpska, Bosnia-Herzegovina, advising of the revocation of Lykos' wholly owned subsidiary Medeni Brijeg d.o.o's permission to conduct detailed geological exploration activities on its Sockovac Project area.

Indications are that a minority group of individuals - who are not representative of the wider community in the region of the Sockovac Project - approached the Ministry.

Lykos has approved rights to its tenement position at Sockovac, and it is disappointing that the Ministry took this action. Through consultation with its legal team, Lykos has developed and lodged a challenge against the action of the Ministry, which the Company anticipates will ultimately see it resume its rights at Sockovac and enable it to proceed with its exploration program.

Sockovac remains a highly prospective target for nickel and cobalt mineralisation, and the Company remains committed to following up on the exciting 13km<sup>2</sup> nickel-cobalt anomaly, as well as twinning historic holes at the historic Sockovac mining area.

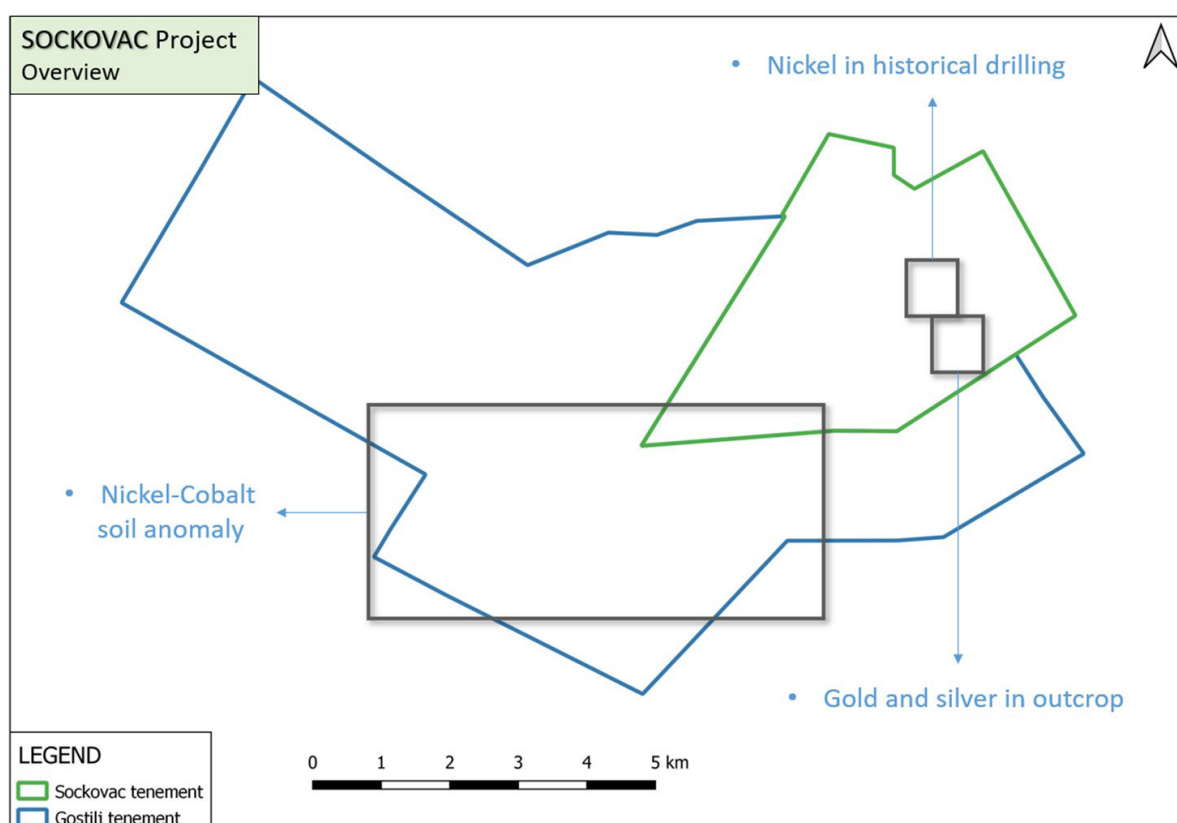


Figure 3 – Overview of the Sockovac Project area



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# Financial Report



## Director's Report

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The directors present the financial statements for the financial year ended 30 June 2022 for the Consolidated Entity ("Group") consisting of Lykos Metals Limited (the "Company") and the entities it controlled at the end of, or during the year ended 30 June 2022.

### Directors

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

- Stephen Allen (Non-executive Chairman) – resigned 21 July 2021 and reappointed 1 April 2022;
- Milos Bosnjakovic (Executive Director);
- Jonathan Murray – resigned 7 July 2021 ;
- Mladen Stevanovic (Managing Director) - appointed 7 July 2021;
- Matthew Worner – appointed 7 July 2021 and resigned 31 March 2022; and
- Johan Züger (Independent Non-executive Director) – appointed 1 April 2022.

### Principal Activity

The principal activity of the Group is to explore for base and precious metals on tenement interests it holds in Bosnia and Herzegovina.

### Dividends

No dividends were paid during the financial year ended 30 June 2022 (30 June 2021: nil).

### Review of Operations

The total comprehensive consolidated loss for the year was \$2,215,231 (30 June 2021: \$5,543).

On 16 September 2021, the Company issued a prospectus ("IPO Prospectus") and subsequently raised \$12 million and listed on the Australian Securities Exchange ("ASX") on 21 October 2021 with a total of 113,400,002 shares then on issue. During the ASX listing process the Company acquired 100% of the issued capital of Lykos Balkan Metals d.o.o. Bijeljina which owns 100% of the issued capital of SNK Metali d.o.o. Bijeljina, Medeni Brijeg d.o.o. Bijeljina and Braha Resources d.o.o. Zvornik, with each of these companies having rights to mineral exploration properties located in Bosnia and Herzegovina.

For the purposes of accounting, the transaction whereby the Company acquired Lykos Balkan Metals d.o.o. Bijeljina, is not within the scope of AASB 3 *Business Combinations* and is recognised as an asset acquisition, as the assets acquired are concentrated into a group of similar identifiable assets being mineral exploration assets.

Subsequent to listing on the ASX, the Company commenced an exploration programme on the mineral properties it had acquired in Bosnia and Herzegovina and has used the cash it had at the time of admission to the Official List of the ASX in a way consistent with the business objectives stated in its IPO Prospectus.



## Director's Report

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### Events After the Balance Sheet Date

In the opinion of the directors of the Group, in the period from 30 June 2022 to the date of this report no items, transactions or events of a material or unusual nature have arisen which will significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future periods.

### Future Developments

The Company expects to continue with the exploration programme on its mineral properties in Bosnia and Herzegovina, in accordance with the disclosures in its IPO Prospectus.

### Environmental Reporting

The Company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth, State or Territory or laws of Bosnia and Herzegovina.

## Director's Report

### Information on the Directors in office at the date of this report

#### Stephen Allen

Title:	Non-Executive Chairman
Qualifications:	FCA (England & Wales), CA (Australia and New Zealand)
Experience and expertise:	Stephen has over 30 years experience in the resources sector, including the last 23 years with specialist resource sector corporate finance advisory and investment group RFC Ambrian, where he is presently managing director.
Other current directorships:	None
Former directorships (last 3 years):	None
Interests in shares:	12,075,002
Interests in options:	3,475,000 listed 30c options plus 2,000,000 unlisted 30c options
Contractual rights to shares:	None

#### Mladen Stevanovic

Title:	Managing Director
Qualifications:	BSc Geology, MSc Economic Geology
Experience and expertise:	Mladen is an exploration geologist with experience across a range of commodities in Australia, Africa and the Balkans. Most recently prior to joining Lykos metal Limited in 2021, Mladen was the Principal Geologist, Australia at Gold Fields Limited.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	None
Interests in shares:	None
Interests in options:	1,800,000 unlisted 20c options all of which remain subject to vesting conditions
Contractual rights to shares:	None

#### Milos Bosnjakovic

Title:	Executive Director
Qualifications:	Bachelor of Laws (LLB)
Experience and expertise:	Milos is a lawyer by profession with strong networks, business and political links in the Balkans and is resident of Bosnia Herzegovina.
Other current directorships:	None
Former directorships (last 3 years):	Adriatic Metals plc and Balkan Mining and Minerals Limited.
Special responsibilities:	None
Interests in shares:	40,000,000
Interests in options:	750,000 unlisted 20c options all of which remain subject to vesting conditions
Contractual rights to shares:	None

#### Johan Züger

Title:	Independent non-Executive Director
Qualifications:	MA (Economics)
Experience and expertise:	Johan is a Swiss based investor and investment advisor. He has an extensive career in both corporate banking and wealth management.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	None
Interests in shares:	Nil
Interests in options:	Nil
Contractual rights to shares:	None

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## Director's Report

### Company Secretary

Candice Van Der Plas LLB (UNDA), GDipConstrLaw (UNDA) has held the role of company secretary since May 2021.

### Meetings of Directors

During the financial year, 11 meetings of Directors were held. Attendances by each of the directors during the period were:

	Number eligible to attend	Number attended
Stephen Allen	4	4
Milos Bosnjakovic	11	11
Jonathan Murray	-	-
Mladen Stevanovic	11	10
Matthew Worner	8	8
Johan Züger	3	3

### Remuneration report (audited)

The remuneration report details the key management personnel remuneration arrangements for the entity, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of the entity, directly or indirectly, including all directors.

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

- Principles used to determine the nature and amount of remuneration;
- Details of remuneration;
- Service agreements;
- Share-based compensation;
- Additional information; and
- Additional disclosures relating to key management personnel.

### Principles used to determine the nature and amount of remuneration

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

## Director's Report

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- competitiveness and reasonableness;
- acceptability to shareholders;
- performance linkage / alignment of executive;
- compensation; and
- transparency.

The Board is responsible for determining and reviewing remuneration arrangements for its directors and executives. The performance of the entity depends on the quality of its directors and executives. The remuneration philosophy is to attract, motivate and retain high performance and high-quality personnel. The reward framework is designed to align executive reward to shareholders' interests. The Board have considered that it should seek to enhance shareholders' interests by:

- having economic profit as a core component of plan design;
- focusing on sustained growth in shareholder wealth, consisting of dividends and growth in share price, and delivering constant or increasing return on assets as well as focusing the executive on key non-financial drivers of value; and
- attracting and retaining high calibre executives.

Additionally, the reward framework should seek to enhance executives' interests by:

- rewarding capability and experience;
- reflecting competitive reward for contribution to growth in shareholder wealth; and
- providing a clear structure for earning rewards.

In accordance with best practice corporate governance, the structure of non-executive director and executive director remuneration is separate.

### Non-executive directors' remuneration

Fees and payments to non-executive directors reflect the demands and responsibilities of their role. Non-executive directors' fees and payments are reviewed annually by the Board. The Board may, from time to time, receive advice from independent remuneration consultants to ensure non-executive directors' fees and payments are appropriate and in line with the market. The chairman's fees are determined independently to the fees of other non-executive directors based on comparative roles in the external market. The chairman is not present at any discussions relating to the determination of his own remuneration.

ASX listing rules require the aggregate non-executive directors' remuneration be determined periodically by a general meeting. The most recent determination was through a sole shareholder resolution on 21 July 2021, where the shareholder approved a maximum annual aggregate remuneration of \$500,000.

### Executive remuneration

The entity aims to reward executives based on their position and responsibility, with a level and mix of remuneration which has both fixed and variable components.

The executive remuneration and reward framework has two components:

## Director's Report

- base pay including superannuation; and
- retention incentives through the provision of share options.

The combination of these comprises the executive's total remuneration.

Fixed remuneration, consisting of base salary and superannuation are reviewed annually by the Board based on individual and business unit performance, the overall performance of the entity and comparable market remunerations.

The retention incentives ('LTI') presently comprises share options which vest over a period of three years.

### Details of remuneration

#### Amounts of remuneration

Details of the remuneration of key management personnel of the entity are set out in the following tables. The key management personnel of the entity consisted of the following directors Lykos Metals Limited:

- Stephen Allen (Non-executive Chairman) – resigned 21 July 2021 and reappointed 1 April 2022;
- Milos Bosnjakovic (Executive Director);
- Jonathan Murray – resigned 7 July 2021 ;
- Mladen Stevanovic (Managing Director) - appointed 7 July 2021;
- Matthew Worner – appointed 7 July 2021 and resigned 31 March 2022; and
- Johan Züger (Independent Non-executive Director)- appointed 1 April 2022.

No remuneration was paid to any key management personnel prior to 1 July 2021.

Remuneration paid during the year ended 30 June 2022 is as tabulated below:

	Short-term benefits	Post- employment benefits	Share based payments	% of remuneration		
	Cash salary and fees	Super- annuation	Equity- settled options	Total	Limited to Fixed performance	Limited to performance
	\$	\$	\$	\$	%	%
Stephen Allen	18,750	-	-	18,750	100	Nil
Milos Bosnjakovic	115,846	-	43,359	159,205	100	Nil
Mladen Stevanovic	130,498	12,611	104,062	247,171	100	Nil
Matthew Worner	33,333	-	51,392	84,725	100	Nil
Johan Züger	10,000	-	-	10,000	100	Nil
	308,427	12,611	198,813	519,851		

### Service agreements

Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of the agreements for the director who are in office at the date of this report are as follows:



## Director's Report

Name	Stephen Allen
Title	Non-executive Chairman
Agreement commenced	1 April 2022
Term of agreement	Until validly terminated by either party.
Details	Base non-executive director fee of \$40,000 per annum plus a chairman's fee of \$35,000 per annum.

Name	Milos Bosnjakovic
Title	Executive Director
Agreement commenced	21 October 2021
Term of agreement	Until validly terminated by either party with three months notice required in respect of the executive role.
Details	Base salary of \$160,000 consisting of \$120,000 for the role as in-country manager in Bosnia and Herzegovina and \$40,000 for the role as a Director plus the issue of 750,000 20c four year options which vest in three equal parcels on the 1st, 2nd and 3rd anniversary of the Company having being admitted to the Official List of the ASX.

Name	Mladen Stevanovic
Title	Managing Director
Agreement commenced	21 October 2021
Term of agreement	Until validly terminated by either party with three months notice required in respect of the executive role.
Details	Base salary of \$200,000 and the issue of 1,800,000 four year 20c options which vest in three equal parcels on the 1st, 2nd and 3rd anniversary of the Company having been admitted to the Official List of the ASX.

Name	Johan Züger
Title	Independent Non-executive Director
Agreement commenced	1 April 2022
Term of agreement	Until validly terminated by either party.
Details	Director fee of \$40,000 per annum.

The key management personnel have not received any share or option-based payments other than set out above.

End of the remuneration report.

## Director's Report

### Indemnifying Officers or Auditor

The Company has, to the extent permitted by law, entered into agreements to indemnify its directors and officers for all losses or liabilities incurred as an officer of the Company or a related company. This includes losses or liabilities incurred as an officer of a company where such office is held for the benefit of the Company.

The Company also maintains and pays for insurance against any liability incurred by its directors or officers as officers of the Company or a related company including, but not limited to, a liability for negligence and for reasonable costs and expenses incurred in defending proceedings, whether civil or criminal and whatever their outcome. Premiums are paid on behalf of the Company by its parent. These contracts of insurance prevent disclosure of the amounts paid in premium for this insurance.

No claim has been made against or by the Company in relation to any such indemnities or insurance policies since the date of incorporation.

No indemnities have been given or insurance premium paid during or since the end of the financial period, for any person who is or has been an auditor of the company.

### Proceedings on Behalf of the Consolidated Entity

No person has applied for leave of Court to bring proceedings on behalf of the Consolidated Entity or 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 any part of those proceedings. The Company was not a party to any such proceedings during the financial period.

### Non-audit services

Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 2 to the financial statements.

The directors are satisfied that the provision of non-audit services during the financial year, by the auditor or by another person or firm on the auditor's behalf, is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The directors are of the opinion that the services are disclosed in note 2 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the follow reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing, or auditing the auditor's own work, acting in a management or decision-making capacity for the company, acting as advocate for the company or jointly sharing economic risks and rewards.

## Director's Report

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### Auditor's Independence Declaration

The auditor's independence declaration as required under Section 307C of the Corporations Act 2001 is set out on page 19.

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



Stephen Allen  
Non-executive Chairman



Mladen Stevanovic  
Managing Director

Dated: 30 September 2022



## Corporate Governance Statement

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Lykos Metals Limited and the Board are committed to achieving the highest standards of corporate governance. Lykos has reviewed its corporate governance practices against the Corporate Governance Principles and Recommendations (4th edition) published by the ASX Corporate Governance Council.

Due to the current size and nature of the existing Board and the magnitude of the Company's operations, the Board does not consider that the Company will gain any benefit from individual Board committees and that its resources would be better utilised in other areas as the Board is of the strong view that at this stage the experience and skill set of the current Board is sufficient to perform these roles. Under the Company's Board Charter, the duties that would ordinarily be assigned to individual committees are currently carried out by the full Board under the written terms of reference for those committees.

The 2022 corporate governance statement is dated 27 September 2022 and reflects the corporate governance practices in place throughout the financial year ended 30 June 2022.

A description of the consolidated entity's current corporate government practices (including the Company's Corporate Governance Statement) is set out in the consolidated entity's website at [www.lykosmetals.com](http://www.lykosmetals.com)



## AUDITOR'S INDEPENDENCE DECLARATION

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of Lykos Metals 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.

A blue ink signature that reads "Crowe Perth" in a cursive, handwritten style.

**Crowe Perth**

A blue ink signature of Cyrus Patell in a cursive, handwritten style.

**Cyrus Patell**  
Partner

Signed at Perth, 30 September 2022

## Consolidated Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2022

		2022	6 May 2021 to 30 June 2021
	Note	\$	\$
Revenue from continuing operations	2(b)	1,410	-
Employee benefit expenses		(968,344)	-
Geological work expensed		(148,170)	-
Travel expenses		(82,748)	-
Premise expenses		(73,550)	-
General and administration		(222,221)	-
IPO costs expensed		(287,245)	-
Other professional services		(232,309)	-
Foreign exchange loss		(85,806)	-
Other expenses		(116,248)	(5,543)
<b>Loss before income tax</b>		(2,215,231)	(5,543)
Income tax expense		-	-
<b>Net loss after income tax for the period</b>		(2,215,231)	(5,543)
<b>Other comprehensive income</b>		-	-
Other comprehensive income for the year,		-	-
<b>Total comprehensive loss for the period</b>		(2,215,231)	(5,543)
Basic loss per share	18	\$0.02	*
Diluted loss per share	18	\$0.02	*

\*Not meaningful as the Company was at a formation stage only.

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



## Consolidated Statement of Financial Position as at year ended 30 June 2022

	Note	2022 \$	2021 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	11	7,091,030	2
Other receivables	3	176,737	500
Other assets	4	405,589	25,875
<b>TOTAL CURRENT ASSETS</b>		<u>7,673,356</u>	<u>26,377</u>
<b>NON CURRENT ASSETS</b>			
Plant and equipment	5	302,725	-
Exploration and evaluation expenditure	6	3,175,260	-
<b>TOTAL NON CURRENT ASSETS</b>		<u>3,477,985</u>	<u>-</u>
<b>TOTAL ASSETS</b>		<u>11,151,341</u>	<u>26,377</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	7	148,203	31,918
Employee benefits provision	8	20,228	-
<b>TOTAL CURRENT LIABILITIES</b>		<u>168,431</u>	<u>31,918</u>
<b>TOTAL LIABILITIES</b>		<u>168,431</u>	<u>31,918</u>
<b>NET ASSETS</b>		<u>10,982,910</u>	<u>(5,541)</u>
<b>EQUITY</b>			
Issued Capital	9	12,878,287	2
Foreign currency translation reserve		(42,560)	-
Options reserve	10	367,957	-
Accumulated losses		(2,220,774)	(5,543)
<b>TOTAL EQUITY</b>		<u>10,982,910</u>	<u>(5,541)</u>

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

## Consolidated Statement of Changes in Equity for the year ended 30 June 2022

	Issued Capital \$	Foreign Currency Translation Reserve \$	Options Reserve \$	Retained Earnings \$	Total \$
<b>Balance at 6 May 2021 (date of incorporation)</b>	2	-	-	-	2
<b>Total comprehensive income for the period</b>					
Loss attributable to members of the Company	-	-	-	(5,543)	(5,543)
Other comprehensive income for the period	-	-	-	-	-
<b>Total comprehensive income for the period</b>	-	-	-	(5,543)	(5,543)
<b>Balance at 30 June 2021</b>	2	-	-	(5,543)	(5,541)
<b>Total comprehensive loss for the year</b>					
Loss attributable to members of the Company	-	-	-	(2,215,231)	(2,215,231)
Foreign currency translation difference for foreign operations	-	(42,560)	-	-	(42,560)
<b>Total comprehensive loss for the year</b>	-	(42,560)	-	(2,215,231)	(2,257,791)
<b>Transactions with owners in their capacity as owners</b>					
Issue of shares	13,986,000				13,986,000
Costs of issuing shares through Share based payment	(1,107,715)				(1,107,715)
	-	-	367,957	-	367,957
<b>Transactions with owners in their capacity as owners</b>	12,878,285	-	367,957	-	13,246,242
<b>Balance at 30 June 2022</b>	12,878,287	(42,560)	367,957	(2,220,774)	10,982,910

The above information should be read in conjunction with the accompanying notes to the financial report.

## Consolidated Statement of Cash Flows for the year ended 30 June 2022

		2022	6 May 2021 to 30 June 2021
	Note	\$	\$
<b>CASH FLOWS FROM OPERATING</b>			
Miscellaneous receipts		1,410	-
Payments to suppliers and employees (inclusive of GST)		(2,264,850)	-
<b>Net cash (used in) by operating activities</b>	11(b)	(2,263,440)	-
<b>CASH FLOWS FROM INVESTING</b>			
<b>ACTIVITIES</b>			
<b>Purchase of investments</b>		(1,539,260)	-
Payments for plant and equipment		(348,557)	-
<b>Net cash (used in) investing activities</b>		(1,887,817)	-
<b>CASH FLOWS FROM FINANCING</b>			
<b>ACTIVITIES</b>			
Proceeds from issue of shares		12,300,000	2
Payments of costs associated with the issue of shares and IPO		(1,057,715)	-
<b>Net cash provided by financing activities</b>		11,242,285	2
Net increase in cash held		7,091,028	2
Cash at beginning of financial year		2	-
<b>Cash at the end of the financial year</b>	11(a)	7,091,030	2

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



## Notes to the Financial Statements for the period ended 30 June 2022

### Note 1: Significant Accounting Policies

#### Statement of compliance

This full year financial report is a general-purpose financial report prepared in accordance with the *Corporations Act 2001* and Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") and with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IASB").

The Group is a for profit entity for financial reporting purposes under Australian Accounting Standards.

#### Basis of Preparation

The consolidated financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, which is the functional and presentational currency of the Group.

#### New or amended Standards and Interpretations adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the AASB that are mandatory for the current reporting period.

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

#### Comparative information

The parent entity, Lykos Metals Australia, was incorporated on 6 May 2021 and the consolidated entity came into existence on the acquisition of subsidiary companies Lykos Balkan Metals d.o.o. Bijeljina, SNK Metali d.o.o. Bijeljina, Medeni Brijeg d.o.o. Bijeljina and Braha Resources d.o.o. Zvornik on 2 September 2021. Accordingly, the comparative information at 30 June 2021 represents the parent entity only.

#### Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets and financial assets and financial liabilities for which the fair value basis of accounting has been applied as for-profit entities.

The following is a summary of the material accounting policies are adopted by the Economic Entity in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

#### Accounting Policies

##### a) Principles of Consolidation

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 transactions and balances between Group companies are eliminated on consolidation in full. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is

## Notes to the Financial Statements for the period ended 30 June 2022

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also tested for impairment from 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.

### b) Business combinations

The Company assesses its business combination transactions under AASB 3 – Business Combinations. In defining whether an acquisition meets the relevant definition criteria of the purchase of a business, the Company makes reference to whether the three elements of a business as per the Standards are met – whether the acquiree possesses the relevant Input, Process and Output in paragraphs B7 of Appendix B of AASB 3.

In the case where the definition of a business is not met, the Company accounts for an acquisition as an asset purchase and therefore measures the transaction in-line with the relevant policies for the classification of asset being purchased.

### c) Foreign currency translation

The financial statements are presented in Australian dollars, which is Lykos Metals Limited's functional and presentation currency.

#### *Foreign currency transactions*

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

#### *Foreign operations*

The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

### d) Goods and Services Tax ('GST') and other similar taxes

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

## Notes to the Financial Statements for the period ended 30 June 2022

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

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

### e) Exploration and evaluation

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

### f) Revenue

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

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

All revenue is stated net of the amount of goods and services tax (GST).

### g) Current and non-current classification

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

An asset is classified as current when:

- (i) it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle;
- (ii) it is held primarily for the purpose of trading;
- (iii) it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

- (i) it is either expected to be settled in the consolidated entity's normal operating cycle;
- (ii) it is held primarily for the purpose of trading;
- (iii) it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period.

## Notes to the Financial Statements for the period ended 30 June 2022

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All other liabilities are classified as non-current.

### h) Cash and cash equivalents

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

### i) Other Receivables and Other Assets

Other receivables and other assets are recognised at amortised cost, less any allowance for expressed credit losses.

### j) Property, Plant and Equipment

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

Depreciation is calculated on a straight-line basis to write off the net cost of each item of plant and equipment over their useful lives as follows:

- Lease hold improvements 3-10 years; and
- Equipment and motor vehicles 3-10 years.

### k) Trade and Other Creditors

These amounts represent liabilities for goods and services provided to the Consolidated Entity prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

### l) Employee Benefits

#### *Short-term employee benefits*

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

#### *Other long-term employee benefits*

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

#### *Defined contribution superannuation expense*

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.



## Notes to the Financial Statements for the period ended 30 June 2022

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### *Share-based payments*

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

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

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using the Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the 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.

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

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

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

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

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

## Notes to the Financial Statements for the period ended 30 June 2022

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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.

### m) Contributed Equity

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

### n) Earnings Per Share

Basic earnings per share: Basic earnings per share are determined by dividing the net loss attributable to equity holders of the Company, by the weighted average number of ordinary shares outstanding during the year.

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

### o) Critical Accounting Estimates and Judgements

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

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

The areas involving a higher degree of judgment or complexity, or areas of assumptions and estimates significant to the financial statements are disclosed in note (p) below "Equity-settled compensation" and (e) "Exploration and evaluation expenditure".

## Notes to the Financial Statements for the period ended 30 June 2022

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### p) Equity-settled Compensation

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

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

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using the Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the 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.

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

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

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

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

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.

## Notes to the Financial Statements for the period ended 30 June 2022

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 is 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.

### Note 2: Loss for the Year

	2022	6 May 2021 to 30 June 2021
	\$	\$
Profit/(Loss) before income tax has been determined after:		
<b>(a) Expenses</b>		
Depreciation of property, plant and equipment	45,832	-
Remuneration of auditor:		
audit	50,000	-
other services	-	-
	<u>45,832</u>	<u>-</u>
<b>(b) Revenue</b>		
Miscellaneous other income	1,410	-
	<u>1,410</u>	<u>-</u>

### Note 3: Trade and Other Receivables

#### CURRENT

Other receivables	<u>176,737</u>	<u>500</u>
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## Notes to the Financial Statements for the period ended 30 June 2022

### Note 4: Other Assets (Current)

	2022	
	\$	\$
Prepayments	322,419	25,875
Consumables	83,170	-
	<u>405,589</u>	<u>25,875</u>

### Note 5: Plant & Equipment

Geologist equipment at cost	92,003	-
Less accumulated depreciation	(12,342)	-
	<u>79,661</u>	-
Motor vehicles at cost	201,952	-
Less accumulated depreciation	(27,120)	-
	<u>174,832</u>	-
Leasehold improvements at cost	54,602	-
Less accumulated depreciation	(6,370)	-
	<u>48,232</u>	-
<b>Total Plant and Equipment</b>	<u>302,725</u>	-

### Note 6: Exploration and Evaluation Assets

Opening balance	-	-
Acquisition costs (i)	1,636,000	-
Capitalised costs for the period	1,539,260	-
	<u>3,175,260</u>	-

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## Notes to the Financial Statements for the period ended 30 June 2022

- (i) On 2 September 2021, the parent entity, Lykos Metals Limited, agreed to acquire 100% of the issued capital of Lykos Balkan Metals d.o.o. Bijeljina which in turn acquired 100% of the issued capital of Medeni Brijeg d.o.o. Bijeljina, SNK Metali d.o.o. Bijeljina and Braha Resources d.o.o. Zvornik. For the purposes of Accounting Standard *AASB 3 – Business Combinations*, the transaction is considered to be an asset acquisition, as the assets acquired are concentrated into a group of similar identifiable assets, being mineral exploration assets. Accordingly, AASB 3 does not apply to this transaction. The consideration for the acquisition was satisfied through the issue of 40,900,000 fully paid ordinary shares. The transaction was conducted at arm's length at the time at a value of \$0.04 per share, which was consistent with the prices achieved by the Group in previous capital raisings.

The ultimate recoupment of exploration and evaluation expenditure carried forward is dependent on successful development and commercial exploitation, or alternatively, a sale of the project areas either wholly or in part.

### Note 7: Trade and Other Payables

	2022	2021
	\$	\$
<b>CURRENT</b>		
Trade creditors	148,203	31,918
Other creditors and accruals	-	-
	<u>148,203</u>	<u>31,918</u>

### Note 8: Provisions

<b>CURRENT</b>		
Annual leave provision	<u>20,228</u>	<u>-</u>

## Notes to the Financial Statements for the period ended 30 June 2022

### Note 9: Issued Capital

The Company has issued shares during the period as follows:

113,400,002 ordinary shares (2021: 2 shares)	12,878,287	2
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Full year ended 30 June 2022	Number of shares	\$
Balance at 1 July 2021	2	2
Issue of ordinary shares at 1c each for cash subscription	5,000,000	50,000
Issue of ordinary shares at 4c each for cash subscription	6,250,000	250,000
Issue of shares at 4c each for advisory services	1,250,000	50,000
Issue of shares at 4c each on acquisition of subsidiaries	40,900,000	1,636,000
Issue of shares at 20c each pursuant to IPO	60,000,000	12,000,000
Expenses associated with the issue of IPO shares	-	(1,107,715)
Balance at 30 June 2022	113,400,002	12,878,287

### Note 10: Options Reserve

During the year the following movements in options over unissued shares occurred:

	No.	\$
Opening Balance	-	-
IPO Lead Manager Options (i)	2,000,000	169,144
Unvested Director Options issued (ii)	2,925,000	147,421
Vested Director Options issued (iii)	375,000	51,392
Free attaching options issued per IPO Prospectus	30,000,000	-
Closing Balance at 30 June 2022	34,925,000	367,957

## Notes to the Financial Statements for the period ended 30 June 2022

Details of the options issued, and the Black-Scholes valuation inputs used are as follows:

	No of Options	Exercise price	Grant date	Vesting date	Expiry date	Volatility	Risk free rate	Value of Options at Grant date
IPO Lead Manager options	2,000,000	\$0.30	21 October 2021	21 October 2021	21 October 2023	100%	0.40%	\$169,144
Managing Director and Director options	850,000	\$0.20	21 October 2021	21 October 2022	21 October 2025	100%	0.40%	\$116,448
Managing Director and Director options	850,000	\$0.20	21 October 2021	21 October 2023	21 October 2025	100%	0.40%	\$116,448
Managing Director and Director options	850,000	\$0.20	21 October 2021	21 October 2024	21 October 2025	100%	0.40%	\$116,448
Director options	375,000	\$0.20	21 October 2021	31 March 2022	21 October 2025	100%	0.40%	\$51,392
Free attaching options	30,000,000	\$0.30	21 October 2021	21 October 2021	21 October 2023	n/a	n/a	n/a

- (i) The amount of \$169,144 has been fully deducted against issued capital, in accordance with AASB 132, as it is considered to be a cost associated with the issue of new shares.
- (ii) The amount of \$147,421 represents the value of options expensed over the vesting period, which commenced on 21 October 2021. This amount is disclosed as a share-based payment expense in the consolidated statement of profit or loss and other comprehensive income.
- (iii) The amount of \$51,392 represents the value of options expensed on the early vesting of the 375,000 awarded to Matthew Worner.



## Notes to the Financial Statements for the period ended 30 June 2022

### Note 11: The Statement of Cash Flows

	2022	2021
	\$	\$

#### (a) Reconciliation to statement of cash flows

Cash at the end of the financial year in the statement of cash flows is reconciled to items in the balance

Cash and cash equivalents	7,091,030	2
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#### (b) Reconciliation of cash flow from operations with (loss) after income tax

	2022	6 May 2021 to 30 June 2021
(Loss) after income tax	(2,215,231)	(5,543)
Non-cash flows in profit:		
Depreciation	45,832	-
Changes in assets and liabilities:		
Increase to options reserve	367,957	
Change to foreign currency translation reserve	(42,560)	
(Increase) in receivables	(176,237)	(500)
(Increase) in other assets	(379,714)	(25,875)
Increase in payables & accruals	116,285	31,918
Increase in employee provisions	20,228	-
Cash flow used in operations	(2,263,440)	-

### Note 12: Related Party Transactions

During the period, the Group transacted with related parties as follows:

- (i) The Company's Chairman, Stephen Allen, is the Managing Director of RFC Ambrian Limited (RFC) which acted as the lead manager and corporate advisor to the Company's IPO. In consideration for the services provided, RFC was paid the following fees:
  - an advisory fee comprising a cash fee of \$50,000 and the issue of 1,250,000 ordinary shares for corporate advisory services;
  - a capital arrangement fee of 6% of the gross funds raised under the Group's IPO (\$720,000 in total); and
  - 2 million options exercisable at 30c each and having a two-year term which were assessed as having a value of \$169,144 on issue.

## Notes to the Financial Statements for the period ended 30 June 2022

- (ii) As consideration under the terms of the agreement relating to the acquisition of Lykos Balkan Metals d.o.o Bijeljina, the Group issued 40,000,000 ordinary shares to Mr Milos Bosnjakovic at an issue price of \$0.04 per share.
- (iii) On 8 September 2021, the Group entered into a Services Agreement with RFC for the provision of corporate, management and administrative services to the Group. The agreement was for an initial term of 2 months after which the agreement could be extended for periods of 2 months at the sole election of the Group. In consideration for the services provided, the Group agreed to pay RFC an amount of \$15,000 (exc GST) per month commencing from the date the Company was admitted to the Official List of the ASX on 21 October 2021. As already recorded at (i) above the Company's Chairman, Mr Stephen Allen is the Managing Director of RFC.
- (iv) Former director, Mr Jonathan Murray, is a Partner with Steinepreis Paganin, who was the Group's Australian legal advisers. Fees paid for these services totaled \$172,127 during the year.
- (v) Key management remuneration during the year was as tabled below:

	2022
Key Management Remuneration	\$
Salaries and fees	308,427
Post-employment benefits	12,611
Share-based payments	198,813
Total	519,851

### Note 13: Contingencies and Commitments

The Group does not have any material contingencies or commitments.

### Note 14: Segment information

The Group's sole activity is mineral exploration and resource development wholly within Bosnia & Herzegovina, therefore it has aggregated all operating segments into the one reportable segment being mineral exploration.

### Note 15: Subsequent Events

In the opinion of the directors of the Group, in the period from 30 June 2022 to the date of this report no items, transactions or events of a material or unusual nature have arisen which will significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future periods.

## Notes to the Financial Statements for the period ended 30 June 2022

### Note 16: Parent entity information

#### Statement of profit and loss and other comprehensive income

	Parent 2022	Parent 6 May 2021 to 30 June
	\$	\$
Loss after income tax	(1,339,075)	(5,543)
Total comprehensive loss	(1,339,075)	(5,543)

#### Statement of financial position

	Parent 2022	Parent 2021
Total current assets	6,990,774	26,377
Non current assets	5,003,363	-
Total assets	11,994,137	26,377
Total current liabilities	92,511	31,918
Total liabilities	92,511	31,918
Equity		
Issued capital	12,878,287	2
Revaluation surplus reserve	-	-
Options reserve	367,957	-
Accumulated losses	(1,334,618)	(5,543)
Total equity	11,901,626	(5,541)

#### Contingent liabilities

The parent entity had no contingent liabilities as at 30 June 2022 and 30 June 2021.

#### Capital commitments – Property, plant and equipment

The parent entity had no capital commitments as at 30 June 2022 and 30 June 2021.

#### Significant accounting policies

The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 1.

## Notes to the Financial Statements for the period ended 30 June 2022

### Note 17: Investments in Controlled entities

Name of controlled entities	Country of Incorporation	Class of Shares	Equity holding % 2022
Lykos Balkan Metals d.o.o.	Bosnia and Herzegovina (Republika Srpska)	Ordinary	100%
Merdeni Brijeg d.o.o.	Bosnia and Herzegovina (Republika Srpska)	Ordinary	100%
SNK Metali d.o.o.	Bosnia and Herzegovina (Republika Srpska)	Ordinary	100%
Braha Resources d.o.o.	Bosnia and Herzegovina (Republika Srpska)	Ordinary	100%

### Note 18: Loss per share

	2022
<i>weighted average shares used in calculation</i>	113,400,002
	Cents
Basic loss per share	2.00
Diluted loss per share	2.00

### Note 19: Carry forward Tax Losses

The Company has not recognised any value for the deferred tax asset associated with accumulated tax losses due to the uncertainty and time associated with the recovery of any amount.

### Note 20: Financial Instruments

#### *Financial risk management objectives*

The consolidated entity's activities expose it to a variety of financial risks and market risks most significantly foreign currency risk. The consolidated entity's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance of the consolidated entity.



## Notes to the Financial Statements for the period ended 30 June 2022

Risk management is carried out under policies approved by the Board of Directors (the Board). These policies include identification and analysis of the risk exposure of the consolidated entity and appropriate procedures, controls, and risk limits.

### *Market Risk*

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. In order to protect against exchange rate movements, the consolidated entity holds a combination of Australian dollars and the Euro based currency of Bosnia and Herzegovina (BAM).

	2022	2021
Consolidated	\$	\$
Australian dollar	5,233,023	2
BAM/Euro	1,858,007	-
	<u>7,091,030</u>	<u>2</u>

### Note 21: Financial Assets and Liabilities

Due to their short-term nature the carrying values of financial assets and liabilities equate to their fair values.

### Note 22: Equity-based Payments

During the year following options were granted to directors (see also note 10 to these financial statements).

*Vested options:* 375,000 options exercisable at 20 cents each on or before 21 October 2025.

*Unvested options:* 2,550,000 option exercisable at 20 cents each on or before 21 October 25. In addition, 2,000,000 options exercisable at 30 cents per share on or before 21 October 2023 were issued to the lead manager of the Company's ASX IPO, RFC Ambrian Limited.

## Directors' Declaration

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The Directors opinion:

1. The attached financial statements and notes are in accordance with the Corporations Act 2001, the Australian Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
2. The attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
3. The attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2022 and of its performance for the financial year ended 30 June 2022; and
4. There are reasonable grounds to believe that the Consolidated Entity will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors made pursuant to section 295(5)(a) of the Corporations Act 2001 and is signed for and on behalf of the directors by:



Stephen Allen  
Non-executive Chairman



Mladen Stevanovic  
Managing Director

Dated: 30 September 2022



## INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF LYKOS METALS LIMITED

### Report on the Audit of the Financial Report

#### Opinion

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

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

- (a) giving a true and fair view of the Group's financial position as at 30 June 2022 and of its financial performance for the year then ended; and
- (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.

#### 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. For each matter below, our description of how our audit addressed the matter is provided in that context.



Key Audit Matter	How we addressed the Key Audit Matter
<b>Impairment of capitalised mineral exploration and evaluation expenditure</b>	
<p>The consideration of impairment of the carrying value of the Group's Capitalised Mineral Exploration and Evaluation Expenditure assets was material to our audit and represented an area of significant estimate and judgement within the financial report.</p> <p>This matter is considered a key audit matter due to the high degree of judgement required by the directors to assess whether impairment indicators are present for specified tenements held and due to the significance of the capitalised amount of \$3.2 million at 30 June 2022.</p> <p>The conditions and assessment undertaken in relation to impairment are disclosed in the Group's accounting policy in Notes 1 and 6 of the financial report.</p>	<p>Our procedures included, but were not limited to:</p> <ul style="list-style-type: none"> <li>• Reviewing management's assessment of the existence or otherwise of impairment indicators from both internal and external sources, as well as considering whether there existed any facts and circumstances to indicate that the Group should test exploration and evaluation assets for impairment;</li> <li>• Verifying that the Group has satisfactory title to the exploration tenements held;</li> <li>• Corroborating representations made by management with available external data and evidence obtained by us during the course of our audit; and</li> <li>• Considering the appropriateness of relevant disclosures in the notes to the financial statements.</li> </ul>
<b>Decentralised operations</b>	
<p>The Lykos Group comprises 4 entities operating in Bosnia and Herzegovina with the parent company domiciled in Australia.</p> <p>Individual components are wide ranging in their size and operational status. The decentralised nature of the operations requires significant oversight by the Group to monitor the activities, review component financial reporting and undertake the Group consolidation process.</p>	<p>Our procedures included, but were not limited to:</p> <ul style="list-style-type: none"> <li>• Assessing the design and operating effectiveness of relevant controls over the Group's decentralised structure, including centralised monitoring controls at the Group and component level.</li> <li>• Planning, scoping and performing audit procedures on significant entities or significant balances focusing on areas requiring estimation and judgement. This included engaging the services of component auditors located in the operating jurisdiction of the subsidiaries in Bosnia and Herzegovina to perform full scope audits in compliance with instructions issued from the group engagement team.</li> <li>• Undertaking analytical review procedures on financial information of all components, including those not considered individually significant.</li> </ul>



Key Audit Matter	How we addressed the Key Audit Matter
Decentralised operations	<ul style="list-style-type: none"> <li>Evaluation of the adequacy of the Group's disclosures in the financial report.</li> </ul>

### ***Information Other than the Financial Report and the Audit's Report Thereon***

The directors are responsible for the other information. The other information comprises the information included in the Group's 2022 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.

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

### ***Responsibilities of the Directors for the Financial Report***

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

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

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

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





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

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

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the directors, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should be communicated in the auditor's report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



## Report on the Remuneration Report

### *Opinion on the Remuneration Report*

We have audited the Remuneration Report included within the directors' report for the year ended 30 June 2022.

In our opinion, the Remuneration Report of Lykos Metals 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.

A blue ink signature that reads "Crowe Perth".

**Crowe Perth**

A blue ink signature that appears to read "Cyrus Patell".

**Cyrus Patell**  
Partner

Signed at Perth, 30 September 2022

# Information on Shareholders

The shareholder information set out below was applicable as of 23 September 2022.

## Shareholders

Shares that are not subject to escrow restrictions:

	Name	Holding	Interest
1	Citicorp Nominees Pty Limited	3,500,000	11.67%
2	Stephen Allen Superannuation Pty Ltd <Stephen Allen Super Fund A/C>	1,350,000	4.50%
3	Celtic Capital Pte Ltd <Investment 1 A/C>	1,250,000	4.17%
4	Mrs Milijanka Maras	1,125,000	3.75%
5	Mr Stephen Charles Allen	1,000,000	3.33%
6	Twentieth Century Motor Company Pty Ltd <Walker Family S/F A/C>	675,000	2.25%
7	Quadratura Investments Pty Ltd	625,000	2.08%
8	Sunsand Nominees Pty Ltd <Sunsand SF A/C>	614,583	2.05%
9	Mr Keith Robert Allen & Mrs Phyllis Barbara Allen <ACC S/F A/C>	500,000	1.67%
10	Lomacott Pty Ltd <The Keogh Super Fund A/C>	437,500	1.46%
11	Lichfield Capital Pty Ltd	412,500	1.38%
12	Netwealth Investments Limited <WRAP Services A/C>	387,500	1.29%
13	Mrs Eleanor Jean Reeves <Elanwi A/C>	375,000	1.25%
14	Mr Rajko Macanovic	325,000	1.08%
15	Allen Cost Consultants Pty Ltd	325,000	1.08%
16	Al El Developments Pty Ltd	260,000	0.87%
17	Shohin Pty Ltd ATF Hantos Private Capital	250,000	0.83%
18	Mr Anthony Thomson	250,000	0.83%
19	Station Nominees Pty Ltd <Station Super Fund A/C>	250,000	0.83%
20	Cicero International Pte Ltd	250,000	0.83%
	Total – top 20 holders	28,612,820	45.83%
	Other shareholders	33,787,180	54.17%
	<b>Total issued shares not subject to escrow requirements</b>	<b>62,400,000</b>	<b>100.00%</b>

The holding ranges of the shares which are not subject to escrow restrictions are:

Holding ranges	Holders	Total shares	% of listed shares
Above 0 and including 1,000	11	2,255	0.00%
Above 1,000 up to and including 5,000	140	404,721	0.65%
Above 5,000 up to and including 10,000	102	859,855	1.38%
Above 10,000 up to and including 100,000	317	13,824,637	22.15%
Above 100,000	105	47,308,532	75.82%
Totals	675	62,400,000	100.00%

Of these holders 65 held a position which was lower than a marketable parcel.

Shares which are subject to escrow restrictions through to 21 October 2024:

	Name	Holding	Interest
1	Milos Bosnjakovic	40,000,000	78.43%
2	Quadratura Investments Pty Ltd	6,000,002	11.76%
3	Mrs Milijanka Maras	1,800,000	3.53%
4	Stephen Allen Superannuation Pty Ltd <Stephen Allen Super Fund A/C>	1,000,000	1.96%
5	Mrs Andrea Rae Murray <Murray family No 2 A/C>	500,000	0.98%
6	Nenad Toholj	315,000	0.62%
7	Boban Jolovic	315,000	0.62%
8	RH Adamson Pty Limited <Adamson Family S/F A/C>	300,000	0.59%
9	Aleksandar ILIC	270,000	0.53%
10	Bandit Ventures Pty Ltd	200,000	0.39%
11	Sorut Pty Ltd <SAS Investment A/C>	100,000	0.20%
12	Christopher Vinson	100,000	0.20%
13	Cian Caffrey	100,000	0.20%
	Total	51,000,002	100.00%

## Substantial Shareholders

As advised to the Company:

Name	Holders	Total shares
Milos Bosnjakovic	40,000,000	35.27%
Stephen Charles Allen *	11,925,002	10.52%
Robert Henry Richard Adamson *	8,250,002	7.27%
Quadratura Investments Pty Ltd *	7,500,002	6.61%
RCF Opportunities Fund LP	7,000,000	6.17%

\* Both of Stephen Charles Allen and Robert Henry Richard Adamson have advised they hold relevant interests in Quadratura Investments Pty Ltd and as such the holding of substantial shareholder Quadratura Investments Pty Ltd is included within each of their individual substantial shareholdings.



**Listed Option Holders** (exercisable at 30 cents each on or before 15 October 2023)

	Name	Holding	Interest
1	Citicorp Nominees Pty Limited	3,500,000	11.67%
2	Stephen Allen Superannuation Pty Ltd <Stephen Allen Super Fund A/C>	1,350,000	4.50%
3	Celtic Capital Pte Ltd <Investment 1 A/C>	1,250,000	4.17%
4	Mrs Milijanka Maras	1,125,000	3.75%
5	Mr Stephen Charles Allen	1,000,000	3.33%
6	Twentieth Century Motor Company Pty Ltd <Walker Family S/F A/C>	675,000	2.25%
7	Quadratura Investments Pty Ltd	625,000	2.08%
8	Sunsand Nominees Pty Ltd <Sunsand SF A/C>	614,583	2.05%
9	Mr Keith Robert Allen & Mrs Phyllis Barbara Allen <ACC S/F A/C>	500,000	1.67%
10	Lomacott Pty Ltd <The Keogh Super Fund A/C>	437,500	1.46%
11	Lichfield Capital Pty Ltd	412,500	1.38%
12	Netwealth Investments Limited <WRAP Services A/C>	387,500	1.29%
13	Mrs Eleanor Jean Reeves <Elanwi A/C>	375,000	1.25%
14	Mr Rajko Macanovic	325,000	1.08%
15	Allen Cost Consultants Pty Ltd	325,000	1.08%
16	Al El Developments Pty Ltd	260,000	0.87%
17	Shohin Pty Ltd ATF Hantos Private Capital	250,000	0.83%
18	Mr Anthony Thomson	250,000	0.83%
19	Station Nominees Pty Ltd <Station Super Fund A/C>	250,000	0.83%
20	Cicero International Pte Ltd	250,000	0.83%
	Total – top 20 holders	14,172,083	47.20%
	Other shareholders	15,827,917	52.80%
	<b>Total</b>	<b>30,000,000</b>	<b>100.00%</b>

The holding ranges of the listed options are:

Holding ranges	Holders	Total shares	% of Listed Shares
Above 0 and including 1,000	1	500	0.00%
Above 1,000 up to and including 5,000	73	354,489	1.18%
Above 5,000 up to and including 10,000	39	344,958	1.15%
Above 10,000 up to and including 100,000	229	8,379,012	27.93%
Above 100,000	65	20,921,041	69.74%
Totals	407	30,000,000	100.00%

Of these holders 235 held a position which was lower than a marketable parcel.

**Unlisted Option Holder** (options exercisable at 30 cents each on or before 15 October 2023 and subject to escrow through to 21 October 2023)

Name	Holding
Quadratura Investments Pty Ltd	2,000,000

**Unlisted Option Holders** (options exercisable at 20 cents each on or before 15 October 2025 and subject to escrow through to 21 October 2023)

	Name	Holding
1	Mladen Stevanovic *	1,800,000
2	Milos Bosnjakovic *	750,000
3	Matthew Worner <MM Worner Family A/C>	375,000

\*The holdings of Mladen S and Milos Bosnjakovic remain subject to vesting conditions.

# Schedule of Interests in Mineral Exploration Properties

The Consolidated Entity holds 100% interests in the following mineral exploration projects, all of which are located in Republika Srpska, Bosnia and Herzegovina:

- Sinjakovo, which covers an area of approximately 81 square kilometres; and
- Cajnice, which covers approximately 49.5 square kilometres.

The Consolidated Entity also believes it holds a 100% interest in the Sockovac Project which is also located in Republika Srpska, Bosnia and Herzegovina, with the Company's wholly owned subsidiary Medeni Brijeg d.o.o having been granted permission to conduct detailed geological exploration activities on the Sockovac Project Area, however, on Friday 10 June 2022 Medeni Brijeg d.o.o received a notification (Notice) from the Ministry of Energy and Mining for the Republic of Srpska, Bosnia-Herzegovina, (Ministry) advising of the revocation of the Resolution of the Ministry which granted permission to conduct detailed geological exploration activities on its Sockovac Project Area.

The Notice recorded that it was issued following a proposal for revocation by certain individuals who are owners or co-owners of plots of land on the Sockovac Project Area which centres on the procedure undertaken which led to the Ministry passing the Resolution. Legal advice received on this matter by Lykos is that while a legal framework for the intervention by the Ministry in the form of issuing a Notice exists, such an action is unusual in practice. Lykos has exercised its right to challenge the Notice through filing a lawsuit with the District Court of Banja Luka to initiate an administrative dispute. At the present date this dispute remains unresolved.

# Additional Shareholders Information

- The company confirms that each shareholder in the company is entitled to one vote for fully paid ordinary share - with all ordinary shares having equal rights
- The company also informs that there are no on market buy backs in operation.

# Corporate Directory

## Board of directors

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Stephen Allen – non-executive chairman

Mladen Stevanovic – managing director

Miloš Bošnjaković – executive director

Johan Züger – independent non-executive director

## Company secretary

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Candice Van Der Plas

### Registered office

Central Park, 152-158 St Georges terrace, Perth, WA, 6000

Telephone:  
(08) 9480 2500

### Website

[www.lykosmetals.com](http://www.lykosmetals.com)

### Australian Business Number

65 650 011 644

### Share register

Automatic Pty Ltd

Level 5, 191 St Georges Terrace, Perth, WA, 6000

Telephone:  
(02) 8072 1400 (General Enquiries)  
1300 288 664 (Investor Enquiries)

### Stock exchange code

LYK – ordinary shares

### Auditor – Crowe Perth

Level 5, 45 St Georges Terrace  
Perth WA 6000

### Legal advisors – Steinepreis Paganin

6 Milligan St  
Perth WA 6000



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**LYKOS**  
METALS LIMITED