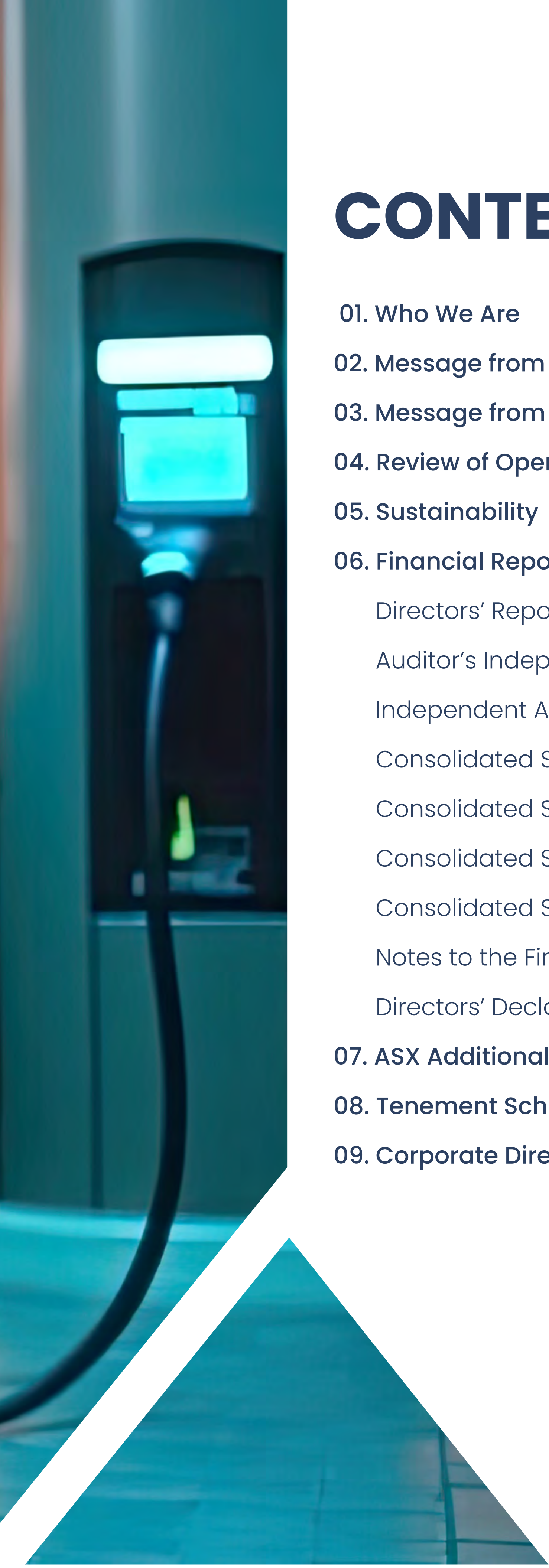
Peak
RARE EARTHS

2023 ANNUAL REPORT



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01. WHO WE ARE

Peak Rare Earths Limited (the "Company" or "Peak") is focused on developing its world-class Ngualla Rare Earth Project ("Ngualla Project") in Tanzania.

Development of the Ngualla Project will create substantial shareholder value, generate thousands of jobs and billions of dollars of revenue for the Government of Tanzania over its life, enhance infrastructure and economic opportunities for the local community and produce rare earths that will support low carbon technologies in powering the green transformation.

The Ngualla Project is widely regarded as one of the world's premier underdeveloped rare earths projects. It contains one of the largest and highest-grade Neodymium and Praseodymium ("NdPr") deposits in the world.

It is located approximately 147km from the city of Mbeya in the Songwe Region in southern Tanzania and on the edge of the East African Rift Valley.

The Ngualla Project has been granted a Special Mining Licence and benefits from an executed Framework Agreement with the Government of Tanzania.

The Ngualla Project entails the construction of a mine, mill, beneficiation plant, community projects and associated infrastructure. The concentrate produced will initially be shipped to refineries that will produce "NdPr Oxide" and other separated rare earths products.

Longer-term there is the potential for the Ngualla Project to move further downstream into the production of a Mixed Rare Earth Carbonate and potentially NdPr Oxide.

NdPr Oxide is a critical component of high-strength permanent magnets, which are used in the production of electric vehicles and wind turbines. The demand outlook for NdPr Oxide is strong and closely aligned to global trends around decarbonisation, the electrification of transport and renewable energy generation.

High-Grade Ore Reserves[1]
TREO - 4.80% and NdPr - 1.02%

Low Radionuclides[1]
U - 15ppm and Th - 53ppm

Multi-Generational
24-year life-of-mine based on Ore Reserves, which account for less than 20% of Mineral Resources[1]

Significant Explorations and Development Upside
Includes heavy rare earths, niobium, phosphate and fluorspar

Compelling Project Economics[1]
$NPV_{8\%}$ of USD$1,483m and IRR of 37.3%

Significant milestones were achieved at the Ngualla Project during FY2023 which support the future development of the Ngualla Project.

[1]See Bankable Feasibility Study Update announced on ASX on 24 October 2022 and the Compliance Statement on page 105.

VISION AND VALUES

We believe that our vision and values are well captured in the Swahili phrase "Kazi Wajibu Utu", which reflects the themes of "Work, Responsibility and Humanity".

PURPOSE STATEMENT

To develop and operate world-class and sustainable rare earth projects that support global decarbonisation, local communities and shareholder value creation.

VALUES STATEMENT

At Peak Rare Earths, we act with Integrity to achieve our purpose and to ensure the safety, health and wellbeing of our people and communities.

We are accountable to our shareholders, employees and stakeholders to deliver and operate our assets by employing a sustainability ethos and a progressive mindset.

VALUES

Our five values guide our behaviours and the decision making of the Company.

Safety, Health & Wellbeing
Commitment to safety best practice and the health and wellbeing of our people

Integrity
Ethics, transparency and adherence to anti bribery and corruption

Accountability
Reliability, trust and responsibility

Sustainability
Long-term sustainability ethos

Progressive Mindset
Innovation, diversity, new technologies, commitment to continuous improvement, empowerment, and speaking-up

02. MESSAGE FROM THE EXECUTIVE CHAIRMAN

RUSSELL SCRIMSHAW

Dear Peak Shareholders,

It is my pleasure to present to you the Annual Report for Peak Rare Earths Limited ("Peak" or "Company") for the 2023 Financial Year.

Based on my several decades of experience in the global resources industry, I have come to learn there are three simple but critical factors in developing a successful greenfields resource project:

1. An outstanding resource or deposit;
2. A highly capable and motivated team; and
3. A supportive market for your product.

In all three categories Peak shareholders can have confidence that the Company has the necessary ingredients in place to grow the Company into an important supplier of rare earths and critical minerals in the future.

Firstly, our Ngualla Rare Earths Project ("Ngualla") has a high-grade rare earths deposit with a high proportion of neodymium and praseodymium ("NdPr"), two critical elements needed in decarbonisation applications. The deposit is multi-generational with a mine life of 24 years already demonstrated and significant potential to extend. The bastnaesite mineralisation which hosts the rare earths has low radionuclides and has well understood metallurgical characteristics.

Ngualla is also a multi-element carbonatite system with potential for other high value critical minerals such as niobium and phosphate which could provide additional revenue streams in future years.

On top of these geological benefits, the Ngualla resource has the capacity to support an operation with strong financial returns. As outlined in our Updated Bankable Feasibility Study released in October 2022, Ngualla's NPV, IRR and operating cash flow potential places it right at the top of the world's most attractive undeveloped rare earths projects.

Since I joined the business in July 2022, I have been impressed throughout our interactions with the Government of Tanzania which culminated in the signing of a Framework Agreement for Ngualla in April 2023. I would like to again extend my thanks to Her Excellency, Dr Samia Suluhu Hassan, the President of Tanzania; Honourable Minister for Minerals; Honourable Deputy Minister for Minerals; Cabinet members; Permanent Secretary for Minerals; Honourable MP for Songwe Province; Regional Commissioner for the Songwe Region; and the District Commissioners of the Songwe District for their support in reaching our agreement.

Peak is committed to delivering the foreign direct investment, direct and indirect jobs and the community development benefits from the transition of Ngualla through construction and operations. We have already seen these benefits begin during our studies phase and we will be delighted to see a step change when Tanzania becomes one of the major rare earth producers outside of China.

Secondly, in terms of having the right people, during the year we continued to evolve our core team to capitalise on the latent economic potential of the Ngualla resource.

At a Board level, we appointed three highly regarded professionals as Non-Executive Directors in Ian Chambers, Nick Bowen and Hannah Badenach. Shasha Lu also joined the Board as the nominee of substantial holder, Shenghe.

Mr Chambers is a former Head of Institutional Equities and Head of Wealth Management at Morgan Stanley Australia. He brings more than 35 years of experience in international financial markets including institutional securities, wealth management and capital markets.

Mr Bowen has 35 years with ASX-listed construction and contract mining companies operating in Australia, Africa and other overseas jurisdictions where he was involved in the construction, development and operation of international mining projects. His previous roles include Managing Director of Macmahon Holdings Limited and Executive Global Head of Mining Services with Orica Limited.

Ms Badenach has more than 20 years of experience in resources, supply chain, business development, commodity trading and marketing in global markets across Africa, Europe, Asia, South America and the Middle East. She has held a number of senior positions with global commodity trading house, Noble Resources Limited.

Ms Shasha Lu is Managing Director of Shenghe Resources Overseas Development where she leads and manages overseas investment, cross-border corporate management, international trade and the building of a complete rare earth/monazite supply chain. Previous roles include directorships with ASX-listed companies, Arafura Resources Limited and Globe Metals and Mining Corporation.

Collectively they bring significant relevant experience to what we're trying to achieve at Peak.

I would also like to acknowledge the valuable contributions of Tony Pearson and Giles Stapleton who both retired from their Non-Executive Director positions in 2023.

Our management team led by Chief Executive Officer, Bardin Davis, was further bolstered by senior metallurgical and geological appointments as we prepare for development. The team delivered critical milestones in FY2023 and early FY2024 which has made this period the most formative of the Company's life to date.

Through the execution of a binding offtake agreement for Ngualla and a non-binding memorandum of understanding (MOU) for cooperation on delivering an EPC and funding solution in August 2023, we have enhanced the capabilities of our internal team with a partnership with Shenghe, one of the world's leading rare earths companies. This strategic co-operation agreement differentiates Peak's strategy from our development peers and supports a pathway to a successful project funding solution for Ngualla which we hope to achieve in FY2024.

Finally, in terms of the market, in my first letter to you as Executive Chairman last year, I commented on the clear and rapidly growing role NdPr plays in the permanent magnets needed to build the electric vehicles and wind turbines essential to significantly reducing carbon emissions. These trends have shown no signs of slowing and demand for NdPr is forecast to roughly double in a decade from now, presenting a clear market opportunity for Ngualla.

I trust you can see why we believe Peak has a tremendous opportunity to become a significant global player in the burgeoning critical minerals sector for decades to come. There are a range of aspiring rare earth producers with mature development assets and we believe our underlying resource, team and strategic partnership with Shenghe place Peak and Ngualla at the front of the pack.

To you, our shareholders, I would like to express my gratitude for the faith and support you have shown to the Company throughout the year, including participation in the $2.5 million two tranche placement completed in June 2023.

We look forward to moving through final engineering, project financing and a development decision for Ngualla in FY2024.

We believe the Company has a very bright future. Although I feel our share price does not reflect the advances we have made during the last twelve months, I am very grateful to all our stakeholders for your ongoing support and interest in the longer term value, success and benefits of Peak.

Yours faithfully,

Dr Russell Scrimshaw AM
Executive Chairman

03. MESSAGE FROM THE CHIEF EXECUTIVE OFFICER

BARDIN DAVIS

Dear Peak Shareholders,

Our vision for Peak is to be a leading international rare earths and critical minerals group that develops world-class projects, creates substantial shareholder value, supports and invests in our communities and plays an important role in decarbonisation and the green energy transformation.

During the 2023 Financial Year, Peak completed critical steps towards fulfilling this vision. We believe our Ngualla Rare Earths Project ("Ngualla Project") is clearly now the most financially attractive, bankable and deliverable rare earths development project in the world today. This view has also been supported by our strategic partner Shenghe, one of the world's leading rare earths companies.

The completion of the Bankable Feasibility Study Update ("BFS Update") in October 2022 built a strong foundation for this belief. The BFS Update re-affirmed the world-class nature of the Ngualla Project from both a technical and economic perspective. It made advancements on the technical studies undertaken for the original 2017 Bankable Feasibility Study and applied a current financial and market overlay to those findings. Importantly, the BFS Update was also aligned with our adoption of a staged integration and development approach.

A more detailed summary of the BFS Update is contained within the Operations Review of this Annual Report which I would encourage you to review. Highlights included a post-tax NPV(8%, real) of US$1,483m (A$2,353m), an equity IRR of 37.3% and average operating cashflow per annum of $438m for the 24-year life of mine, based on the then prevailing Adamas rare earth pricing forecasts. These outcomes were based on the Ngualla Ore Reserve, which accounts for less than 20% of overall Mineral Resources, highlighting the multi-generational potential of the Ngualla Project deposit.

We believe that Ngualla has the longer-term potential to be not only multi-generational, but also a multi-commodity project. To this end, a new exploration programme focused on the critical minerals' potential of the Ngualla Deposit has commenced. No exploration drilling had been undertaken for over five years as Peak focused on development studies and approvals. The new exploration programme entails an initial RC drilling campaign of approximately 4,000m and builds upon historical drilling and trenching, which delivered high-grade intercepts of rare earths, niobium, phosphate and fluorspar.

Two landmark milestones were achieved in April 2023, being the signing of the Framework Agreement and the grant of the Special Mining Licence ("SML") for Ngualla Project.

The Framework Agreement was executed in the presence of Her Excellency, Dr Samia Suluhu Hassan, at the State House in Dodoma. It sets out the basis of the Government of Tanzania's agreement for the licencing, development, economic benefit sharing and the formation of a joint venture with respect to the development and operation of the Ngualla Project. In alignment with the Framework Agreement, the Government of Tanzania holds a 16% interest in Peak's Tanzanian operating subsidiaries, Mamba Minerals Corporation (operator of the Ngualla Project) and Mamba Refinery Corporation (operator of any future Tanzanian refining and downstream operations).

The SML covers an initial area of approximately 18km^2, which contains the Ngualla Project deposit and applies for a term of up to 30 years.

We were delighted to celebrate the Ngualla Project Framework Agreement and SML with over 5,000 members of our local Ngwala community in early July 2023. The Deputy Minister for Minerals, the Hon. Dr. Steven Kiruswa was the guest of honour. Other dignitaries included Members of Parliament, the Songwe District Commissioner, senior representatives from the Mining Commission and members of the Songwe District Council.

Our sustainability philosophy is well captured by the Swahili phrase "Kazi Wajibu Utu", which reflects the themes of "Work, Responsibility and Humanity". We actively support the local Ngwala community through the construction of classrooms and teachers housing, the development and maintenance of local road and infrastructure and through the funding of local medical clinics as well as sporting and cultural events. The construction of the Ngualla Project will deliver substantial benefits to both the community and Tanzania including the creation of thousands of jobs, the development of additional infrastructure and the generation of substantial revenue for the Government of Tanzania.

The translation of our non-binding Memorandum of Understanding ("MOU") with Shenghe in October 2022 into a binding offtake agreement in August 2023 is a key enabler for the Project. The offtake covers 100% of the rare earth concentrate produced for an initial term of seven years, significantly de-risking the Ngualla Project. The concurrent signing of a non-binding MOU for co-operation on delivering a fixed price and turnkey Engineering, Procurement and Construction ("EPC") and project funding solution provides a clear and highly credible de-risked pathway to project development.

The strategic alliance with Shenghe is also expected to deliver other benefits. Collaboration to lower the upfront capital is underway and Shenghe's extensive experience in beneficiating and processing bastnaesite rare earth ores, such as those we have at Ngualla, will assist in supporting the commissioning and further optimisation of the Project. Following the signing of the MOU with Shenghe, we are targeting a final investment decision and start of construction by the end of May 2024 and the completion of construction by early 2026. Early works and front-end engineering and design to support this timeline are underway.

In May 2023 we completed a Placement to raise $27.5 million (before costs) to a range of institutional and high net worth investors. Shenghe participated in the raising to top-up its shareholding, as did several of our Directors. The Placement leaves Peak well-funded as it progresses to a final investment decision.

On behalf of the Company, I would like to extend my thanks to our employees, contracting partners, local communities, the Government of Tanzania, our Board of Directors and our shareholders for their engagement and support throughout FY2023. The Peak team will be working hard to continue our recent success in advancing Ngualla in the upcoming period with the aim of commencing construction ahead of this time in 2024.

Yours sincerely,

Bardin Davis
Chief Executive Officer

04. REVIEW OF OPERATIONS

Peak has continued to progress the pre-development and commercialisation of its world-class Ngualla Project in Tanzania.

In August 2022, the Company made the strategic decision to adopt a staged development approach entailing:

- Initially developing the Ngualla Project on a standalone basis to produce a high-grade rare earth concentrate for export to third-party refiners; and
- Subject to the outcome of an independent feasibility study, assess the potential to undertake further downstream processing in the future in Tanzania, including the development of a Mixed Rare Earth Carbonate (MREC) refinery and possibly a final separation facility.

The key events of the Company's operations over the last 12 months and to the date of this Directors' Report are as follows:

- Completion of the Ngualla Project Bankable Feasibility Update;
- Execution of a Framework Agreement with the Government of Tanzania for the Ngualla Project;
- Grant of a Special Mining Licence for the Ngualla Project;
- Execution of a Binding Offtake Agreement (subject to conditions precedent) and a Non-Binding Strategic EPC and Funding MOU for Ngualla;
- Completion of a $27.5m capital raising;
- Commencement of FEED, early works planning and procurement of long lead items;
- Undertaking a new critical minerals exploration programme;
- Progression of the strategic sustainability roadmap; and
- Key board and technical team appointments.

COMPLETION OF THE NGUALLA PROJECT BANKABLE FEASIBILITY UPDATE

During the year Peak completed a Bankable Feasibility Study Update ("BFS Update") on the Ngualla Project. The BFS Update followed a Bankable Feasibility Study ("BFS") that was completed in April 2017. Both the BFS and BFS Update are backed by extensive pilot plant test work, detailed engineering design and cost studies, and JORC 2012 Compliant Ore Reserves and Mineral Resources estimates.

The BFS Update was commissioned in August 2021 to reflect a material improvement in the outlook for Neodymium-Praseodymium ("NdPr") Oxide prices, an expansion in production capacity, movements in capital expenditure and operating costs, optimisation opportunities, a reduction in carbon footprint and the potential to further de-risk development.

The BFS Update supports a technically robust project with an increased capacity and highly attractive economics and shareholder returns.

PROJECT METRICS AND FINANCIAL SUMMARY

Financial outputs for the Ngualla Project are shown below net of distributions to the Government of Tanzania which include corporate taxes, royalties and other fees, and dividends attributable to the Government of Tanzania's 16% Free Carried Interest ("FCI"). The NPV for Peak's interest in the Ngualla Project is estimated at US$1,483m under the base case pricing assumptions.

PRODUCTION METRICS	UNIT	YEARS 1-6	LOM
GRADE MINED	% TREO	5.40%	4.80%
CONCENTRATE PRODUCTION	ktpa dry	40.5	36
CONCENTRATE PRODUCTION	ktpa TREO	18.2	16.2
CONCENTRATE GRADE	% TREO	45.00%	45.00%
NdPr % (OF CONCENTRATE BASKET)	% mass	22.60%	22.30%
MINE LIFE	Years	24[1]	
COST METRICS	**UNIT**	**US$**	**A$[2]**
PRE-PRODUCTION CAPITAL	$m	321	509
AVERAGE ANNUAL OPERATING COST	$m p.a.	93	148
AVERAGE ANNUAL OPERATING COST	$/kg TREO	5.8	9.2
REVENUE AND PROFIT METRICS[2]	**UNIT**	**US$**	**A$**
AVERAGE PRICE	$/kg NdPr	$232/kg	$368/kg
AVERAGE ANNUAL REVENUE	$m p.a.	538	854
AVERAGE ANNUAL EBITDA	$m p.a.	448	711
AVERAGE OPERATING CASHFLOW	$m p.a.	276	438
FINANCIAL OUTPUTS[3]	**UNIT**	**US$**	**A$**
PEAK POST-TAX NVP8%, REAL	$m	1,483	2,353
EQUITY IRR	%	37.30%	

[1]Based on Ore Reserves only
[2]Based on AUD-USD exchange rate of USD 0.63/ AUD $1.00 (as of 21 October 2022)
[3]Real discount rate (all modelling is in real terms)

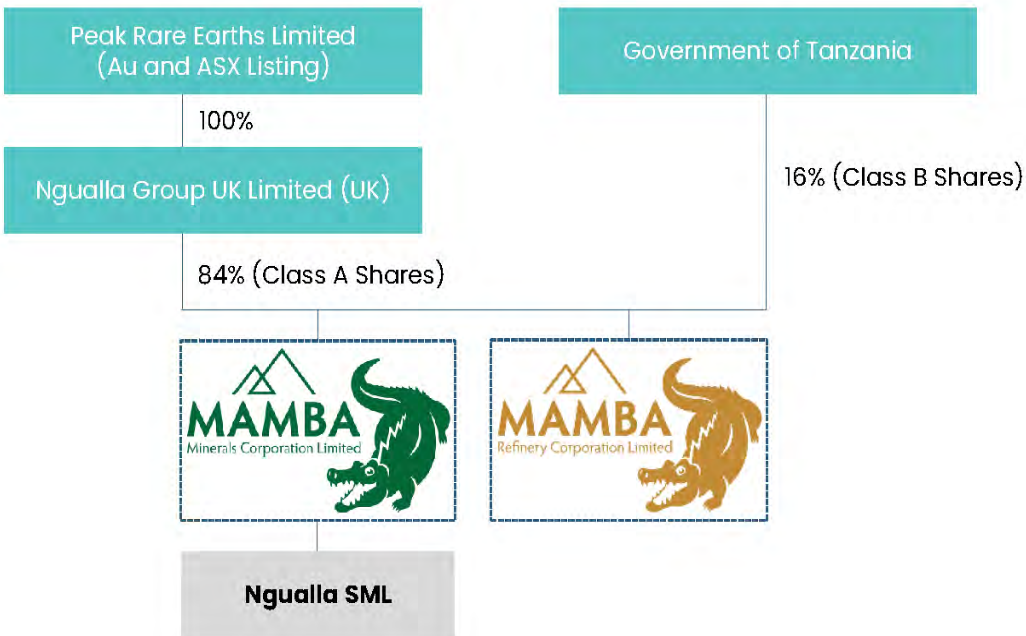
Further details on the BFS Update study outcomes can be found in the Company announcement dated 24 October 2022, titled "Completion of Ngualla Project BFS Update". The Company confirms that at this time it is not aware of any new information or data that materially affects the information included in the announcement and that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed. The Company further advises that there are various workstreams being undertaken, including Front End Engineering and Design ("FEED"), a dual-track assessment of Engineering, Procurement, Construction and Management ("EPCM") and Engineering, Procurement and Construction ("EPC") execution models and further optimisation of the project flow sheet, the outcomes of which may change the information included in the BFS Update in future.

SIGNING OF FRAMEWORK AGREEMENT FOR THE NGUALLA PROJECT

On 17 April 2023 a binding Framework Agreement was executed with the Government of Tanzania with respect to the Ngualla Project. The Framework Agreement sets out the basis of the Government of Tanzania's agreement for the licencing, development, economic benefit sharing and the formation of entities held by Peak and the Government of Tanzania with respect to the development and operation of the Ngualla Project.

The signing of the Framework Agreement followed the establishment and incorporation of the following companies held by Peak and the Government of Tanzania:

- Mamba Minerals Corporation Limited ("MML") – that owns and will operate the Ngualla Project; and
- Mamba Refinery Corporation Limited ("MRL") – that will own and operate any future Tanzanian refining and downstream operations.



Both entities are owned 84% by Peak (via a 100% owned UK subsidiary, Ngualla Group UK Limited) and 16% by the Government of Tanzania (via the Treasury Registrar).

Peak and the Government of Tanzania have also agreed a series of other documents contemplated by the Framework Agreement relating to the formation and management of MML and MRL, including Memorandum and Articles of Association and a Shareholders Agreement.

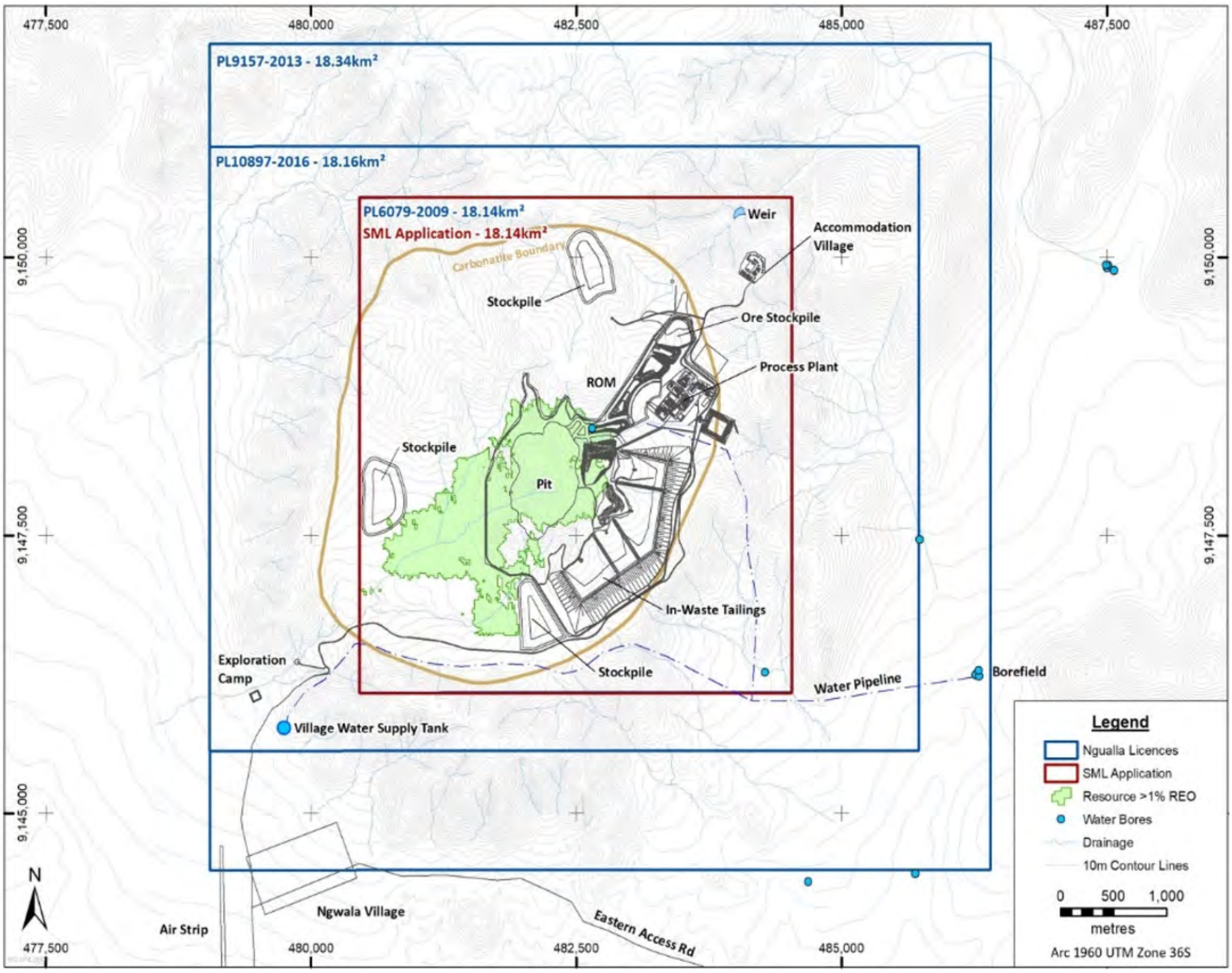
For the year ended 30 June 2023, the Group recognised a share-based payment for government participation amounting to $21,189,140 (2022: $Nil) as required and determined by accounting standards. Estimating the fair value of the share-based payment arising on the issue of the 16% interest in the Ngualla Project to the Tanzanian Government required determination of an appropriate valuation model under accounting standard AASB 2. The fair value was determined by applying 16% of the Group's adjusted market capitalisation of $132,432,122 at the date on which the Framework Agreement was executed.

GRANT OF SPECIAL MINING LICENCE FOR THE NGUALLA PROJECT

On 25 April 2023, the Government of Tanzania granted a Special Mining Licence ("SML") for the Ngualla Project to MML, which is owned 84% by Peak (via a 100% owned UK subsidiary, Ngualla Group UK Limited) and 16% by the Government of Tanzania (via the Treasury Registrar).

The Ngualla Project SML has initially been granted over the original SML application area of approximately 18.14km^2. Under the Framework Agreement, the Government of Tanzania has undertaken to expand the SML area to include an existing Prospecting Licence (PL 10897/2016) and a recently expired Prospecting Licence (PL 9157/2013), which would increase the SML area to approximately 54.64km^2.

Ngualla Project – Special Mining Licence Area



The initial term of the SML is the shorter of 33 years or the life of the mine, with the ability to extend on application in accordance with the law at the time.

COMPLETION OF A $27.5 MILLION CAPITAL RAISING

During the June 2023 quarter, Peak completed a $27.5 million (before costs) institutional placement with the issuance of 55 million shares at an offer price of $0.50 per share.
Peak's largest shareholder, Shenghe Resources (Singapore) Pte Ltd ("Shenghe"), participated in the placement and topped-up its shareholding from 19.8% to 19.9%. Two of Peak's directors also participated in the placement and further increased their shareholdings. The placement was also well supported by other existing shareholders and resulted in a range of new high quality institutional and high net worth investors joining the register.

SIGNING OF A BINDING OFFTAKE AGREEMENT AND A NON-BINDING STRATEGIC EPC AND FUNDING MOU FOR NGUALLA

On 19 October 2022, Peak and Shenghe signed a non-binding MOU covering concentrate offtake and strategic co-operation in support of the development of the Ngualla Project.

On 9 August 2023, Peak executed a binding offtake agreement with Shenghe and signed a non-binding memorandum of understanding ("MOU") covering cooperation on delivering an EPC and funding solution with Shenghe's holding company, Shenghe Resources Holding Co., Ltd (Shenghe Holdco).

The Binding offtake agreement terms include:

- 100% of rare earth concentrate;
- Minimum of 50% of intermediate and final rare earth products;
- An initial term of 7 years; and
- A number of conditions precedent, including Peak shareholder approval.

The non-binding MOU supports an integrated development and funding solution with:

- Shenghe Holdco to arrange and provide a fixed price and turnkey Engineering, Procurement and Construction ("EPC") solution and project funding solution;
- Peak and Shenghe Holdco to collaborate around opportunities to reduce capital and operating costs, expedite construction and further optimise the Ngualla project; and
- Potential for Shenghe Holdco to subscribe for a significant non-controlling equity interest in the Ngualla Project (via a 100% Peak owned subsidiary), which would substantially lower Peak's equity and debt funding requirements.

COMMENCEMENT OF FEED, EARLY WORKS PLANNING AND PROCUREMENT OF LONG LEAD ITEMS

A Front-End Engineering Design ("FEED") study for the Ngualla Project was commenced in the June 2023 quarter to build upon the Bankable Feasibility Study Update ("BFS Update") completed in October 2022.

Key components of the FEED study include:

- An assessment of contract mining and surface mining technology;
- A logistics study, including an evaluation of a rail option with the Tanzania-Zambia Railway Authority ("TAZARA") for transportation;
- Development of vendor packages and an evaluation of a potential EPC delivery solutions; and
- Appointment of Wood Group Plc as FEED study manager.

Enabling works for the Ngualla Project were also commenced during the June 2023 quarter and included the commencement of geotechnical and water borefield drilling, upgrading of the Ngualla camp facilities to support construction activities and advancement of detailed designed packages for long lead equipment items.

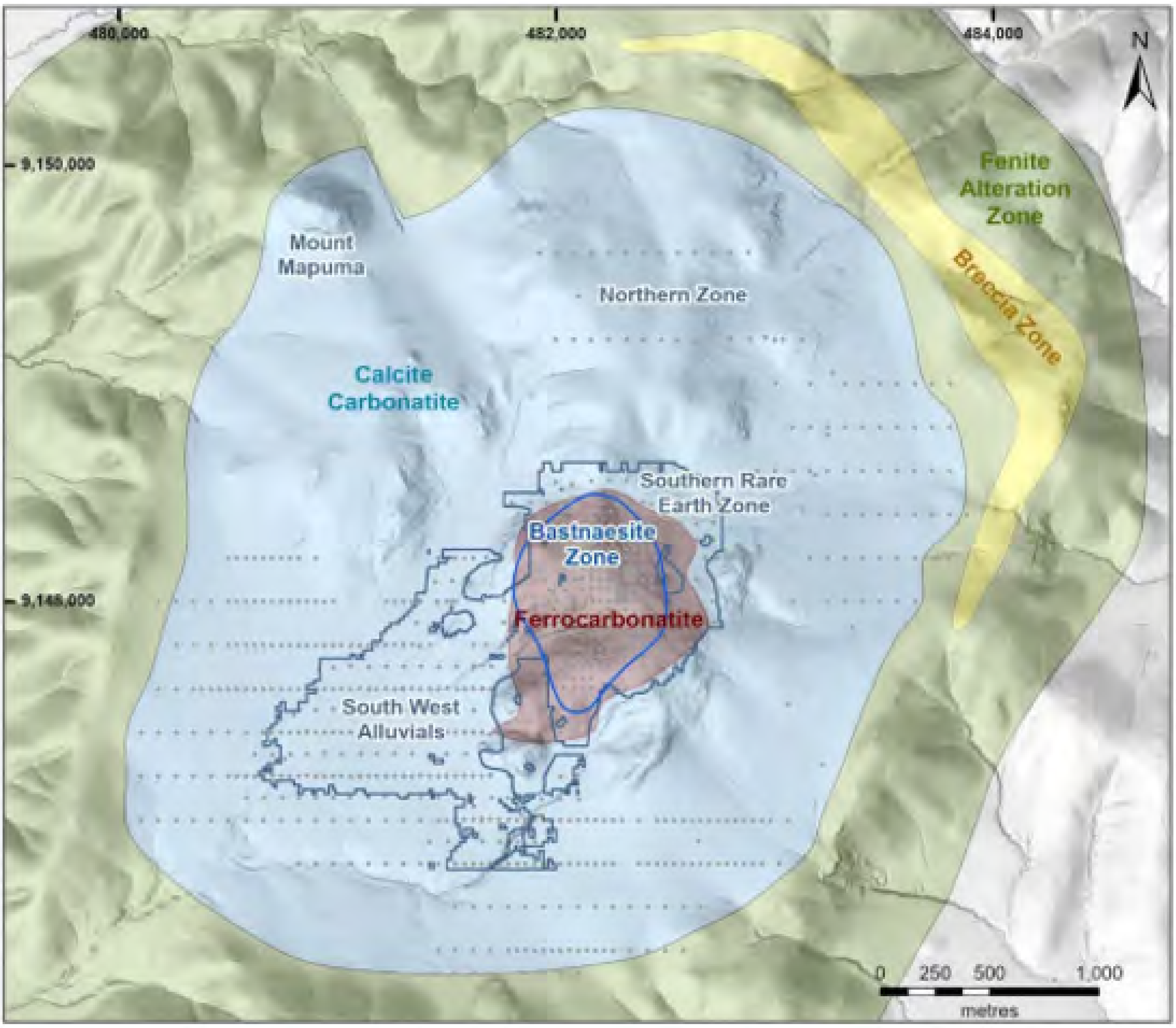
UNDERTAKING A NEW CRITICAL MINERALS EXPLORATION PROGRAMME

In June 2023 an exploration programme focussing on the critical mineral potential of the Ngualla deposit was initiated. The programme will initially focus on two areas within the deposit, the Northern Zone and the Breccia Zone, which are prospective for a range of critical minerals including heavy rare earths, monazite-hosted rare earths, niobium, phosphate and fluorspar.

The drilling programme commenced in September 2023 and will comprise of ~40 Reverse Circulation ("RC") drill holes and ~4,000 metres of drilling. SRK has also been engaged to develop a conceptual model for the Northern Zone, which will further delineate prospective mineralisation as well as refine individual drill targets.

A large number of samples from previous trenching of the Breccia Zone have been identified. These samples will be transported to Perth for assaying and further analysis. The Breccia Zone remains highly prospective for fluorite; an important critical mineral with growing use in a range of EV related applications and technologies.

Ngualla Deposit – including the Bastnaesite Zone and other prospective areas



PROGRESSION OF THE STRATEGIC SUSTAINABILITY ROADMAP

During the year, Peak completed several activities in accordance with its Sustainability Strategy. Key activities included:

- Continued community engagement with Peak hosting the annual Nanenane Festival in Ngwala to commemorate the National Farmers Day and sponsoring the sports festival, and together with the Songwe District Medical Office, launching health awareness campaigns;
- Completed an impact assessment of the Ngwala- Kininga Road upgrade undertaken last year;
- Finalised a Sustainability Materiality Assessment via a survey of internal and external stakeholders; and
- Implemented a Sustainability Policy.

KEY BOARD AND TECHNICAL TEAM APPOINTMENTS

Board Appointments

On 15 August 2022, Dr Russell Scrimshaw (AM), a distinguished corporate executive was appointed to the role of Executive Chairman. Following this appointment, the Company completed a Board reorganisation with Tony Pearson transitioning to the role of Non-Executive Deputy Chair and Managing Director Bardin Davis assuming the role of Chief Executive Officer, stepping down from the Board to focus on his executive duties.

Shasha Lu was appointed as a Non-Executive Director at the 2022 Annual General Meeting following her nomination by Shenghe pursuant to the marketing and strategic MOU with Shenghe.

The board was further strengthened with the following non-executive director appointments:

- Ian Chambers as a Non-Executive Director on 20 March 2023;
- Nick Bowen as a Non-Executive Director on 5 June 2023 ; and
- Hannah Badenach as a Non-Executive Director on 1 July 2023.

During the year, Tony Pearson, Giselle Collins and Giles Stapleton resigned as a Non-Executive Directors of the Company. The Company thanks all retired directors for their valuable contribution and stewardship during their time as Directors.

TECHNICAL TEAM APPOINTMENTS

Peak appointed Ray Anguelov as Head of Technical Services and Patrick Odhiambo as Head of Exploration during the June 2023 quarter to support ongoing technical workstreams.

Ray Anguelov has over 25 years of metallurgical experience with specific expertise in developing and commissioning rare earth plants. He was most recently General Manager of Commissioning at Vital Metals Limited (ASX:VML) and was also previously Metallurgical Superintendent at Northern Minerals Limited (ASX:NTU). Ray will replace Mark Godfrey, who has retired from his full-time position, but has been retained on a consulting basis.

Patrick Odhiambo has over 20 years of geological and exploration experience with specific expertise in carbonatite geological systems. He previously held the role of Geology Manager at Peak for over 10 years and was instrumental in the development and definition of the Ngualla Project Mineral Resource and Ore Reserve. More recently Patrick was Geology Manager at OreCorp Limited (ASX:ORR).

RISK MANAGEMENT

The Risk Management commentary is contained in the section below on page 32.

05. SUSTAINABILITY

At Peak, we hold a primary belief in 'kazi wajibu utu' which means to 'work responsibly to better humanity' in Swahili. It is this belief that underpins our purpose and approach to sustainability.

OUR APPROACH TO SUSTAINABILITY

Through our world-class, Ngualla Project we are committed to delivering low carbon technologies to drive the decarbonisation transition. This commitment is essential to ensuring the long-term success of our business.

The Peak Values Statement incorporates the kazi wajibu utu principle. We act with integrity to achieve our purpose and to ensure the safety, health and wellbeing of our people and communities. We are accountable to our shareholders, employees, and stakeholders to deliver and operate our assets by employing a sustainability ethos and a progressive mindset. By operating in affiliation with the kazi wajibu utu principle and our five values, we are clear on the pathway to evolve Peak's culture and derive how we go about delivering our purpose.

SUSTAINABILITY POLICY

Our sustainability governance is bounded by our Sustainability Policy which was formalised this year. The Policy reinforces our sustainability obligations to meet our responsibilities and objectives. Acceptance of the Sustainability Policy is a fundamental term of engagement with the Company and is the responsibility of each person who works for, contracts with or does business with the Company.

OUR VALUES

Safety, Health & Wellbeing

Integrity

Accountability

Sustainability

Progressive Mindset

Implementation of the Sustainability Policy is the responsibility of management under the oversight of the Chief Executive Officer, and the Board. At this time, the Audit and Risk Committee are responsible for the identification and management of environmental, social and governance risks where appropriate.

Our Sustainability Policy is available on our website and can be found here.

OUR SUSTAINABILITY AMBITION

We are working responsibly to build a better, greener and more sustainable future for our communities, customers and stakeholders.

SUSTAINABILITY AMBITION

We continue to work on our objective to integrate sustainability into every aspect of our business. We strive to hold ourselves to the highest standards so that the Ngualla Project becomes a long term, environmentally and socially sustainable supplier of choice in the global rare earth market.

To ensure we fully embed sustainability into our business as we progress from development to production, we must ensure everyone is aligned to the purpose and values of the business. Our statement of ambition articulates what sustainability means to Peak. It aims to set a standard and give focus to the overall objectives of Peak's sustainability and ESG activities.

ESG JOURNEY

STRATEGIC PLAN

Last year, we developed an ESG roadmap to ensure we are targeting global best practice as we mature, increase our scope, and expand transparency. The roadmap timeline has been updated this year to reflect the latest project timelines following the signing of the binding Framework Agreement and issuance of the Special Mining Licence to Mamba Minerals Limited in April 2023, and the commencement of the early works program.

The following table showcases the updated roadmap for our realistic and achievable goals alongside our business growth strategies. The roadmap begins with establishing measurement systems to understand our current level of ESG maturity. Once measurement systems have been established, the next stages are to improve our ESG performance.

FY2022

- Internal stakeholder engagement mapping
- Materiality assessment
- Sustainability positioning
- Annual Report
- Gap review and roadmap finalised

FY2023

- Sustainability Policy formalised
- External Stakeholder engagement survey
- Selection of priority materiality topics
- Second Annual Report Sustainability section
- Governance Review

FY2024

- Life Cycle Assessment (LCA)
- Preferred ESG frameworks selected
- ESG submission to Digbee
- Set sustainability targets
- Engage with ESG rating agencies
- Establish reporting systems
- Supply chain / responsible sourcing engagement project
- Inaugural sustainability report

FY2025

- Commence reporting against selected frameworks
- Engage with ESG rating agencies
- Governance review
- Human Rights Policy
- Second sustainability report

STAKEHOLDER IDENTIFICATION

At Peak, we know that trusted partnerships and relationships are the foundation of a strong social licence to operate. Developing strong, effective, and long-lasting relationships with our stakeholders will ensure the long term, multigenerational success of the business.

During the year we continued to strengthen our relationships with our stakeholders. Of particular importance were the engagement activities with various Tanzanian Authorities, the regional communities near the Ngualla Project, our major shareholder and offtake partner Shenghe, other shareholders contractors, as well as prospective suppliers and financiers.

We understand the importance of our stakeholders to the success of the Ngualla Project, and we conducted a stakeholder engagement survey on Sustainability. In addition to helping us update our material topics (discussed further in this report), the survey gave stakeholders the opportunity to provide feedback on our sustainability performance. The stakeholder mapping exercise undertaken last year helped identify the stakeholders to invite to participate in the survey. The figure below depicts the invited stakeholder groups.

The survey asked participants to provide qualitative feedback on our key achievements, key improvement areas, emerging risks, and emerging opportunities. This feedback is helping us to shape our sustainability strategy and has been incorporated into our Risk Management process (refer to the Materiality and Risk Management sections for more detail).

MATERIALITY ASSESSMENT

At Peak Rare Earths, we recognise the importance of integrating sustainability into every aspect of our business, to ensure there is a strong pathway to achieve long term sustainability goals. This will require continual improvement of our sustainability performance year after year. In recognition of our sustainability journey and to ensure it is aligned to the expectations of those most important to our business, we conducted a stakeholder engagement survey. The results of this survey helped form the basis of our updated materiality assessment.

Background

We prepared a survey with the aim of ranking the sustainability priorities most important to our internal and external stakeholders. These priorities have now been embedded into our sustainability strategy. Survey participants were selected based on the results of our stakeholder mapping exercise conducted last year.

A review of international trends allowed us to identify 24 sustainability topics relevant for Peak's sustainability context. The topics were broken down into Environment (9 topics), Social (8 topics), and Governance (7 topics) categories.

The objective was for participants to rank the sustainability topics in order of importance and to provide feedback on their perception of our sustainability performance. We invited 153 internal and external stakeholders to complete the survey.

All responses were anonymous and non-attributable, with online and paper options available. The survey was broken down into three sections:

Section 1: Stakeholder group identification.

Section 2: Ranking sustainability issues in order of relative importance in each ESG category.

Section 3: Qualitative feedback on sustainability aspects where Peak has performed well, areas for improvement, and emerging risks and opportunities.

Results

Following a five week open period, the survey was closed with a 48% response rate with all stakeholder groups represented. In order to compare the average rankings of stakeholders between the three categories, raw data was normalised according to a 0-10 scale. The average ranking score was calculated for each topic. From these results, a materiality matrix was developed to unite the average rankings of importance between internal and external stakeholders. All external stakeholders (55 responses) were selected to represent importance to 'Stakeholders'. Peak Employees (both corporate and Tanzanian based) and board members (19 responses) represented the importance to 'Business'. Topics with an average ranking of 5 and above could be considered most material to Peak.

From the materiality assessment results, the following material topics were selected to be the priority topics for measuring, monitoring and reporting going forward:

ENVIRONMENT

- Waste and Hazardous Materials
- Tailings and Tailings Storage Facilities
- Water Management

SOCIAL

- Health and Safety
- Community Engagement
- Community benefit and Security

GOVERNANCE

- Business Ethics and Governance
- Government, Legal and Regulatory Compliance
- Risk management

This group of topics represents the preferences of the wide selection of stakeholders surveyed and allows us to capture a balance of all ESG pillars.

ESG HIGHLIGHTS

PRESENCE IN TANZANIA

In December of 2022, we completed negotiations with the Special Presidential Government Negotiation Team ("SPGNT") with respect to a Framework Agreement for the Ngualla Rare Earth Project ("Ngualla Project" or "the Project"). In April of this year, we were pleased to announce the final approval of the binding Framework Agreement with the Government of the United Republic of Tanzania (Government of Tanzania).

The Framework Agreement sets out the basis of the Government of Tanzania's agreement for the licencing, development, economic benefit sharing and the formation of a joint venture between Peak and the Government of Tanzania with respect to the development and operation of the Ngualla Project.

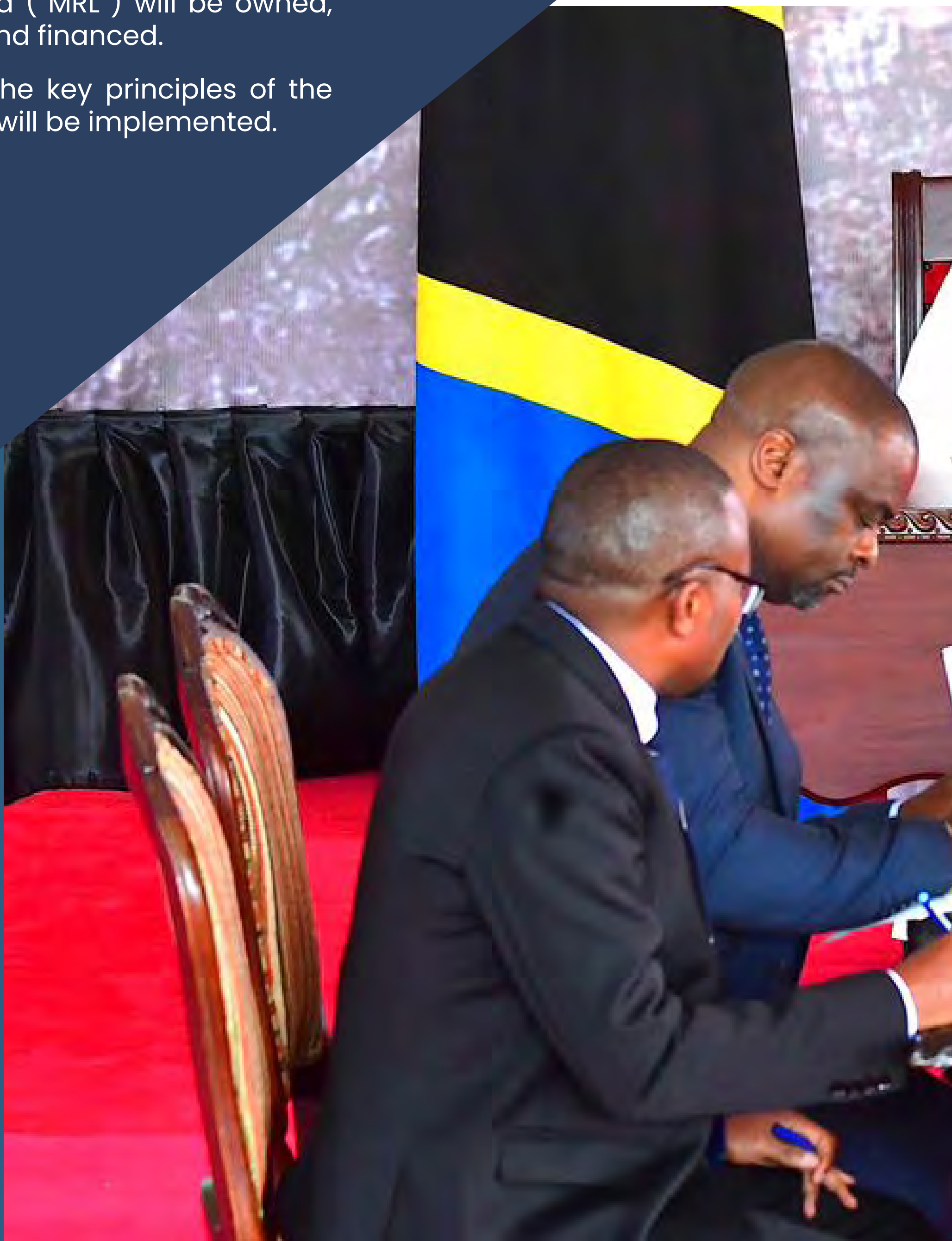
The Ngualla Project is one of the largest, highest grade and lowest cost Neodymium and Praseodymium ("NdPr") rare earth projects in the world. It is located approximately 147km from the city of Mbeya in southern Tanzania on the edge of the East African Rift Valley. As part of a staged development strategy, the Project will initially be developed to produce a high-grade concentrate for export to third-party refiners. A Bankable Feasibility Study Update ("BFS Update") covering the development of the Project as a standalone concentrate project was completed in October 2022.

The Ngualla Project includes the development of a mine, mill, beneficiation facilities, concentrator, community projects and associated infrastructure. It will create around 600 direct jobs and 3,000 indirect jobs during construction as well as around 220 direct and 1,000 indirect jobs during operations. The Project will deliver the Government of Tanzania a substantial source of revenue in the form of corporate taxes, indirect taxes, royalties, and dividends arising from its 16% non-dilutable free carried interest.

> *"The Ngualla Project will position Tanzania as a major player in the international rare earths sector and enables us to play an important role in supporting global decarbonisation initiatives."*
>
> *Minister for Minerals of the United Republic of Tanzania, the Hon. Dr Dotto Biteko*

The Framework Agreement sets out the fiscal outline for the project and provides for the economic and legal benefits provided to each party. The Framework formalises the following aspects:

- The rights and obligations of the parties in relation to the Ngualla Project.
- The term, development and conduct of mining and beneficiation operations on the site of the Ngualla Project.
- The fiscal assumptions underlying how economic benefits will be shared between parties.
- The way the joint venture entities Mamba Minerals Corporation Ltd ("MML") and Mamba Refinery Corporation Ltd ("MRL") will be owned, controlled, managed, and financed.
- The manner in which the key principles of the Framework Agreement will be implemented.



Following the signing of the Framework Agreement, a Special Mining Licence for the Ngualla Project was granted by the Government of Tanzania to MML in accordance with the terms of the Framework Agreement. The initial term of the licence will be the shorter of 33 years and the life of the mine, with the ability to extend on application in accordance with the laws at that time. This term extends Peak's presence in Tanzania which began in 2008 with exploration activities, for many decades to come.

GOVERNANCE

FY2023 has been significant for Peak in establishing its corporate presence in Tanzania. Peak and the Government of Tanzania, after negotiations throughout FY2022-2023, executed the Framework Agreement, the Shareholder's Agreement, and the Memorandum and Articles of Association in April 2023.

These Agreements established the basis for the joint venture structure between Peak and the Government of Tanzania. In February of this year, Peak registered and incorporated Mamba Minerals Corporation Limited ("MML") and Mamba Refinery Corporation Limited ("MRL"). Both entities share the same ownership structure, with Peak owning 84% via wholly owned subsidiaries and the Government of Tanzania owning 16% free carried interest via the Treasury Register. MML now holds the Special Mining Licence ("SML") for the Ngualla Project and MRL will own and operate any future Tanzanian refining and downstream operations. These arrangements provide the basis to mine, refine, and export minerals from Tanzania.

In order to ensure full and ongoing compliance with the terms of the Agreements and Tanzanian regulations, and in alignment with the key governance materiality topics around ethics and governance, compliance and risk management, Peak has been working to establish the appropriate policies, protocols and structures for the businesses. This has included the appointment of the Directors to the Boards of MML and MRL and the holding of the inaugural MML Board meeting. The Peak and MML Boards will have oversight of all the company's policies and governance frameworks, including but not limited to Governance and compliance, Anti-bribery and Corruption, Code of Business Conduct, Risk Management, and Sustainability.

RISK MANAGEMENT

The Company is exposed to various risks which could negatively affect the company's strategies, financial prospects, and activities. In accordance with the company's Risk Management Policy guidelines, during the period Peak evaluated the key risks inherent to its business and stakeholders during the period. A comprehensive corporate Risk Register is the framework for which risks are identified and controlled by the Executive Management team, and to which the Audit and Risk Committee and Board has oversight. The Risk Register defines and priortises the risks, and pre and post mitigation ratings. Risk owners are assigned and are responsible for mitigation action planning and review.

In March 2023, Ian Chambers joined the Peak Board as a Non-Executive Director and was appointed as the Chair of the Audit and Risk Committee. With respect to the governance of the company's Risk Management Framework this committee assists the Management team to identify and manage project, commercial, economic, environmental, social, governance and sustainability risks.

Peak conducted an extensive stakeholder survey as part of its Sustainability strategy. This stakeholder engagement exercise is aiding the company to prioritise material topics for future reporting purposes as it develops robust sustainability practices. The survey identified Risk Management as one of the top 3 material topics in the Governance pillar. Peak will ensure its ongoing commitment to the risk management protocols of both Peak and its business entities in Tanzania. Furthermore, the survey participants identified key sustainability related risks and opportunities pertaining to the Ngualla Project which have been integrated into Peak's risk assessment process. It has aided a robust evaluation of key risks targeted at the current pre-Financial Investment Decision (FID) and Front-End Engineering Design (FEED) phase of the company's operations.

Material risks that were identified, reassessed, and managed by the company during FY2023 include but are not limited to the risks listed in table below (not in order of priority). The mitigiations and a year-on-year change to the risk trend is indicated via the following arrow symbols; ↔ (no change), ↗ (increasing risk), ↘ (decreasing risk).

Health & Safety Risk	↔	• No reportable lost time injuries or fatalities were reported for the period. • Risks are controlled through the Safety Management Plan. • A Health Impact Study was conducted in consultation with the Tanzanian Medical Association and the Songwe Regional District Medical Officer and plans and policies are being developed.
Regulatory & Political Risk	↘	• Regulatory Compliance action plan regarding the establishment of the Mamba entities in Tanzania was implemented. • The execution of the Framework Agreement, Shareholder's Agreement and Memorandum and Articles of Association, with the Government of Tanzania and compliance to those agreements mitigates the risk. • Under the leadership of the President of Tanzania, Her Excellency, Dr. Samia Suluhu Hassan, Tanzania has prioritised development of the mining sector and adopted more attractive foreign investment policies and initiatives. • Anti-bribery and corruption policy in place.
Opertation & Technical Risk	↘	• Framework Agreement executed and a Special Mining Licence for the Ngualla Project granted. • Project costs and timeline amended following the Bankable Feasibility Study Update and execution of the Framework Agreement. • Offtake Agreement executed with Shenghe for 100% of rare earth concentrate. • MOU with Shenghe for strategic, EPC and funding cooperation. • Optimisation test programs initiated for flowsheet design, grade, recovery and optimisation. • Technical collaboration with Shenghe also specifically looking at flowsheet design, grade, recoveries and cost optimisations.
Counterparty & Funding Risk	↔	• Relationship management of prospective lenders reviewing the Ngualla Project. • A $27.5 million equity placement was completed. • Shenghe led Chinese funding opportunities. • Other jurisdiction funding opportunities. • MOU with Shenge covering an integrated development and funding solution.
Environmental Management & Sustainability Risk	↔	• Updates to the Environmental and Social Management Plan for the purpose of project construction, and development of an Environmental and Social Action Plan. • Implementation of Tailing Dam Breach Impact Assessment design recommendations. • Completion of a baseline water and water sourcing study. • Progression of the company's strategic Sustainability roadmap, including scoping for a Life-Cycle-Assessment and the commencement of a Digbee assessment using the online platform for completion in 2023. Board approval of the company's inaugural Sustainability Policy in June 2023. • Stakeholder Survey completed in June 2023 on ESG Materiality. • Focus reinforced with future compulsory reporting.
Community Benefit Risk	↘	• Completion of a Human Impact Study (Phase 1) looking at community livelihood impacts and land valuation. • Ongoing impact assessment of the Ngwala-Kininga Road upgrade completed in FY2022 taking into account the growth of agribusiness, electrification of the local villages, and construction of a medical clinic. • Ongoing community engagement and development of a 5-year Social Development Plan.
Macro-economics	↗	• Whilst rare earth prices have been impacted by several temporary headwinds over recent months, the long-term outlook for rare earths remains positive with market analysts continuing to forecast a growing supply-demand deficit and rising prices for NdPr Oxide. • Current challenging equity and capital market conditions.

SOCIAL

At Peak, through our Purpose we are committed to genuine engagement with our people and communities to deliver positive outcomes with mutual benefits for all stakeholders in the region. It is our duty to ensure health, safety and wellbeing not only in the workplace, but also in our neighbouring communities for the life of the project and beyond. This is why health, safety and wellbeing is also a corporate value. As we progress with the Ngualla Project we will continue to implement best practices that will generate positive social impacts, collaborative relationships and community benefits for years to come.

> *It brings me great comfort to witness the community surrounding our Ngualla Project develop through the efforts made by Peak. The positive changes brought about by Peak's development initiatives, such as the construction of Ngwala Kininga road fills me with pride. The impact of the road work alone has led to increased market access and increased prices for agricultural products, and improved social services like the construction of a new health center and installation of a power line to connect the Ngwala village to the national power grid. Witnessing these improvements in individual lives and the community provides me with enthusiasm and motivates me to continue working closely with the community toward sustainable development.*
>
> *Mary Duncan, Community Liaison Officer*

POSITIVE SOCIAL IMPACTS OF ROAD IMPROVEMENTS

Last year, we disclosed our efforts in reconstructing 46 kilometres of the Ngwala-Kininga Road in Tanzania. This work has continued to provide significant positive impacts on the local Ngwala community by improving connectivity, social development, and economic growth.

Road impact on agricultural trade

The road has improved accessibility which has lowered transport costs, driving greater demand for agricultural trade and the community is benefitting from increased business transactions and income. Since the Ngwala-Kininga road upgrade, prices of agricultural products have been on the rise as buyers and trucks can now come directly to Ngwala village to purchase produce and this has lifted the demand for the produce. The renewed interest in agriculture, is increasing the size of the market for the farmer's produce. To maintain this growth, we are developing a livelihood program aimed at enhancing the income of individuals and households in surrounding communities and improving food security. The program will span over a five-year period and involve engagement with local agriculturalists to enhance current farming practices.

Road impact on health access

The road construction has also provided access for the Government to commence construction of the Ngwala Medical Centre. The centre will ultimately consist of 13 buildings, including an outpatient department (OPD) with six doctors' rooms, a theatre, a maternity unit, male and female wards, as well as laundry facilities. The road has ensured efficient and affordable transportation of construction materials. The OPD building is currently operational, while other buildings are still under construction. We are currently collaborating with local authorities to determine how we can further contribute to the process, for example, with provision of medical equipment and supplies.

Road impact on access to electricity

With greater accessibility to the local communities now available the Tanzanian Government has initiated the installation of a power line from Kapalala ward to Ngwala that will bring electrification to these communities that to date have never been connected to the national electricity grid. This transformation is expected to provide Ngwala with access to electricity in 2024. Before this, locals relied on the use of small solar panels and kerosene lamps. The electrification infrastructure will extend to the local village, and the Ngualla Project's camp facilities.

COMMUNITY ENGAGEMENT

Each year in August the local communities celebrate Nanenane, "National Farmers Day". As part of these celebrations, Peak has been sponsoring a sports festival since 2014, which sees various sports, games and singing and dancing take place. This year the company was pleased to host three officials from the Department of Sports and Culture. The festival was used to launch various health awareness campaigns including a blood donation drive and Covid-19 vaccinations. In collaboration with the Songwe District Medical Office, health attendants from the Mwambani District Hospital conducted the blood donation program to address a shortage of blood with the District Blood Bank, and implemented a Covid-19 vaccination program in the community.

WORKFORCE AND COMMUNITY HEALTH INITIATIVES

At the close of FY2022, we commenced a Health Impact Study that has continued through FY2023 and was coordinated with development of the Ngualla Project's medical and clinical systems. The Study is being conducted in consultation with the Tanzanian Medical Association and the Songwe Regional District Medical Officer. We are nearing the end of the study and developing an implementation plan for the medical systems, forming plans and policies to deal with possible health impacts on the villagers and others in the area. We aim to specifically target HIV infiltration, communicable diseases, tuberculosis control, and malaria abatement.

SUPPORTING LOCAL EDUCATION

In August 2022, Peak commenced a reward program to encourage young students to participate in the inter-school examination program by providing incentives to local students to support their educational outcomes. The program rewards students for taking the National Examination which is essential for high school eligibility. Students who perform well are rewarded with gifts such as exercise books, pens, uniforms, and school bags. Since the program began, class attendance has significantly improved from ~60% attendance to nearly 100% attendance, a very meaningful achievement.

MANAGING OUR SOCIAL IMPACTS

During FY2023, we completed Phase 1 of a Human Impact Study which was a comprehensive survey of the impacted individuals and valuation of the land and livelihood that will be impacted by the development of the Ngualla Project. Phase 2 of the Study will include community and individual consultation and negotiation for compensation developing a "replacement land alternative" with input and advice from the Ngwala village Elders and Council. This will commence in FY2024.

LOOKING AHEAD

As Peak redefines and expands its topics of Materiality, the three social pillars of Health and Safety, Community Benefit and Security, and Community Engagement will be the ongoing focus for our social development planning. As the Ngualla Project continues to develop, we will continue to work with local communities to sustainably develop and create a safe and prosperous work environment. In FY2024 and beyond, we plan to commence the following activities in alignment with the prioritised materiality topics:

- Camp relocation study and impacts on Ngwala village
- Upgrade of the Safety Management Plan which will include Road Safety and Community Security
- Community Benefit Planning
- The second phase of the Human Impact Study
- A Human Rights Policy

ENVIRONMENT

At Peak, we aim to ensure that our mining, production and associated activities are carried out in a manner that complies with the locally and internationally accepted best practices in environmental management. Through upholding best practices in delivering the Ngualla Project, we strive to ensure that benefits are realised for our stakeholders, whilst minimising impacts to the environment and neighbouring communities.

Our commitment to continual improvement of environmental, social and sustainability performance is embodied by and implemented through the Environmental and Social Management System (ESMS) and our Environmental and Social Management Plan (ESMP). The ESMP is intended to be a structured system for managing environmental and social impacts as a result of pre-construction activities.

In planning and implementing the Ngualla Project, Peak via the Mamba Minerals Corporation Limited (MML) entity, aims to adhere to the Equator Principles (2020) and the IFC Performance Standards (2012). Specialist Environmental Consultants have been appointed to review our Environmental Social Impact Assessment (ESIA) and the ESMP. This will be conducted prior to moving forward with the early stages of construction. A master document to capture all the relevant Environmental and Social Studies activities, referred to as the Environmental & Social Action Plan (ESAP), has been prepared and is under review.

Other environmental initiatives of note throughout the year included:

- Completion of a baseline and water sourcing study report.
- Commencement of land access and acquisition planning that will continue into FY2024.
- Introduction of design improvements to the Tailings Storage Facility (TSF) following the FY2022 Tailings Dam Breach Impact Assessment.

We have kicked off a Life Cycle Assessment (LCA) with Minviro, leading consultants in LCA development, and this will be completed later in 2023. The LCA is an analysis tool that will assess our environmental impacts associated with all the stages of our production life, from raw material extraction through processing, manufacturing, distribution, and use.

This will help to quantify the environmental impact of potentially producing mixed rare earth carbonate (MREC) at the Ngualla mine. The LCA will also contribute with our climate change management strategy by providing a detailed interpretation of climate change impacts of both construction and production phases of the Project.

We recognise that there is more to achieve in ensuring that we minimise our environmental impacts as we progress with our activities. Moving forward into FY2024 and beyond, we plan to undertake the following:

- Dust/Noise/Vibration impacts of the road upgrades (commenced August 2023);
- Specific Environmental Policy to be updated for Mamba Minerals (MML) and to include monitoring plans;
- Update of Biodiversity Studies (covering both the wet season and dry seasons);
- Water quality surveying; and
- Quarry Planning for extraction of sand.

ROADMAP AND NEXT STEPS

In continuing to mature as our scope grows and with transparency in mind, we are in the process of establishing a preferred ESG reporting framework. We have been assessing the suitability of different sustainability disclosure initiatives and reporting frameworks. The review has been comprised of globally recognised frameworks that cover all sectors and those tailored to mining activities. Our final selection will be based on our current stage of development, stakeholder needs and peer review. Selecting the right framework will help in setting up our data collection systems to prepare for our inaugural FY2024 sustainability report. Reporting against one or more of these frameworks will enable us to communicate with our stakeholders about the sustainability of our business in a clear and comprehensive manner, draw comparisons to our peers, and drive deeper integration of sustainability into our business, whilst identifying new opportunities to increase value for stakeholders.

Although supply chain management has not been included as a material topic for our business at this time, it is likely to become a material topic as we transition into an operating site in future. Our aim is to have a green and sustainable approach to production as a fundamental part of our business strategy and a point of differentiation for our products.

Last year, we wrote a sustainable supply chain questionnaire to capture a better understanding of our potential supplier's ESG programs and considerations. Our supply chain evaluation process will continue to evolve as the company grows. In FY2024 we plan to execute a supply chain engagement project to better understand the sustainability performance of our suppliers and ensure responsible sourcing practices are adopted.

As our sustainability journey continues to mature, the path forward should focus on achieving effective improvement and change. Once we establish a strong data monitoring system to track our sustainability performance, the next step is to set targets against indicators to improve company performance. The requirements of reporting frameworks such as GRI and TCFD, seek disclosure on performance-based targets. Effective target setting and KPIs will ensure forward momentum remains and impacts are effectively managed. In FY2024 we plan to examine the applicability of targets to our business and develop a target setting approach.

06. FINANCIAL REPORT

DIRECTORS' REPORT

The directors of Peak Rare Earths Limited ("Company" or "Peak") (ACN: 112 546 700) submit herewith the financial statements of the Company for the financial year ended 30 June 2023. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

DIRECTORS

The names of directors who held office during or since the end of the year and until the date of this report are as below. Directors were in office for this entire period unless otherwise stated.

Russell Scrimshaw	Executive Chairman (appointed 15 August 2022)
Abdullah Mwinyi	Non-Executive Director (appointed 15 November 2020)
Shasha Lu	Non-Executive Director (appointed 30 November 2022)
Ian Chambers	Non-Executive Director (appointed 20 March 2023)
Nick Bowen	Non-Executive Director (appointed 5 June 2023)
Hannah Badenach	Non-Executive Director (appointed 1 July 2023)
Bardin Davis	Chief Executive Officer (CEO) (Non-Executive Director from 21 October 2020, Managing Director (MD) from 9 December 2020, stepped down as MD on 9 July 2022 to take up the CEO role)
Tony Pearson	Non-Executive Deputy Chair (Non-Executive Director from 21 August 2018, Chair from 21 October 2020, appointed Deputy Chair from 15 August 2022, resigned 30 June 2023)
Giselle Collins	Non-Executive Director (appointed 9 March 2021, resigned 9 November 2022)
Giles Stapleton	Non-Executive Director (appointed 29 November 2021, resigned 5 June 2023)

INFORMATION ON DIRECTORS

Dr Russell Scrimshaw (AM) – Executive Chairman (Appointed 15 August 2022)

Russell is a distinguished corporate executive and company director with experience in large scale mining project development and operations, product marketing, finance, business development and technology. Russell was a founding Director of Fortescue Metals Group and served in executive roles including Deputy CEO and Executive Director. He was a key part of the management team that developed Fortescue's mining, port and rail operations and was instrumental in establishing Fortescue's strong relationships with large steel mill groups across a vast Asian customer base.

More recently Russell was Chairman of UK-listed Sirius Minerals PLC from 2011 to March 2020 (acquired by Anglo American in 2020), which is developing a large Polyhalite fertiliser project in North Yorkshire, in close proximity to Peak's Teesside site. He has also held senior executive positions at the Commonwealth Bank of Australia and Optus. Russell is currently Chairman of the Garvan Research Foundation, a Non-Executive Director of the Garvan Institute of Medical Research, Vice Chairman of Ignition Wealth and a Non-Executive Chairman of ARI Pty Ltd.

Russell is a member of the Audit and Risk Committee and Nomination and Remuneration Committee. Russell held no other listed public company directorships in the past three years.

The Hon. Abdullah Mwinyi – Non-Executive Director (Appointed 15 November 2020)

Abdullah is a member of the Tanzanian Parliament, having entered Parliament in 2007. He has also held roles as a Member of the East African Legislative Assembly (2007 – 2017), where he was Chair of the Legal, Privileges and Rules Committee and the Regional Affairs and Conflict Resolution Committee, and Chair of Swala Oil and Gas (Tanzania) plc. Abdullah is a lawyer by profession, having been awarded a LLB and LLM from the University of Cardiff, and, in 2007, established Asyla Attorneys, where he specialised in corporate, commercial, labour and employment law.

Abdullah has held no other listed public company directorships in the past three years

Shasha Lu - Non-Executive Director (Appointed 30 November 2022)

Since early 2014, Ms Lu has been the Managing Director of Shenghe Resources Overseas Development where she leads and manages overseas investment, cross-border corporate management, international trade and the building of a complete rare earth/monazite supply chain. Prior to that, Ms Lu was an Executive Director and CEO of Hong Kong East China Non-Ferrous Mineral Resources Co. Ltd & Sino-Australia International Mineral Resources Limited, responsible for overseas investment, scientific research and management. Ms Lu has previous experience as a director of ASX-listed companies, having been an Executive Director of Arafura Resources Limited (ASX:ARU) and an Executive Director and Vice President of Globe Metals and Mining Corporation (ASX:GBE). Ms Lu holds a Bachelor and a Masters of Medical Science from Nanjing University, a Doctorate of Medical Science (PhD) from Tianjin Medical University & Karolinska Institute, a Post-Doctorate of Medical Science from Karolinska Institute, and an Executive Master of Business Administration from Nanjing University. Ms Lu is also a graduate of the Australian Institute of Company Directors (GAICD).

Ian Chambers - Non-Executive Director (Appointed 20 March 2023)

Ian is a distinguished executive and company director with more than 35 years of experience in international financial markets including institutional securities, wealth management and capital markets. Ian spent approximately 24 years with Morgan Stanley Australia where he was Managing Director, Head of Institutional Equities and Head of Wealth Management Australia. Ian has a proven record in organisational development, governance, operational management and financial performance. He is a member of ASIC's Financial Services Credit Panel and Markets Disciplinary Panel and was inducted into the Australian Stockbrokers Foundation Hall of Fame in 2015.

Ian has held no other listed public company directorships in the past three years.

Ian is Chair of the Audit and Risk Committee and a member of the Nomination and Remuneration Committee.

Nick Bowen - Non-Executive Director (Appointed 5 June 2023)

Nick Bowen has extensive experience in the construction, development and operation of international mining projects. He has spent over 35 years with ASX-listed construction and contract mining companies operating in both Australia and overseas, including Africa. Previous roles include 12 years as Managing Director of Macmahon Holdings Limited, two years as Executive Global Head of Mining Services with Orica Limited and nine years as Managing Director of mining contractor Eltin Limited. He has also held the head executive role at the Lubambe Copper Mine in Zambia and the Shishen Iron Ore Mine in South Africa. Nick is a Life Member of the Western Australian Chamber of Minerals and Energy, Member of the Australian Institute of Mining and Energy and Fellow of the Australian Institute of Company Directors.

Nick serves as a Non-Executive Director of Aveng Limited (JSE) from 17 July 2023.

Nick is Chair of the Nomination and Remuneration Committee.

Hannah Badenach - Non-Executive Director (Appointed 1 July 2023)

Hannah Badenach is an experienced executive and company director with more than 20 years of experience in resources, supply chain, business development, commodity trading and marketing in global markets across Africa, Europe, Asia, South America and the Middle East.

Hannah has extensive experience in particular in Africa and China, has built and run multiple metal supply chains across Africa (including Tanzania) and has an extensive network in China across sales and marketing. She holds a Bachelor of Arts/Law (HONS) from the University of Tasmania and is a graduate of the Australian Institute of Company Directors.

Hannah was a non-executive director of ASX listed public company, Aspire Mining Limited, until 31 January 2023.

Bardin Davis – Chief Executive Officer (Non-Executive Director from 21 October 2020, Managing Director (MD) from 9 Dec 2020, stepped down as MD on 9 July 2022 to take on the CEO role)

Bardin has over 25 years of investment banking and corporate experience in the mining and energy sectors. He commenced his career with diversified mining group, North Limited, before moving into investment banking and has also spent time working in renewable energy. Previous roles include the Chief Financial Officer of UPC\AC Renewables (now ACEN Australia), the Head of the Resources & Energy Group – Asia Pacific, Deputy Head of Corporates – Asia Pacific and Head of Advisory – Australia for HSBC and Head of Metals & Mining Asia for Macquarie Capital. He has significant emerging markets experience and has worked on a broad range of international advisory, capital markets and financing transactions.

Bardin held no other listed public company directorships in the past three years.

Tony Pearson– Non-Executive Deputy Chair (Non-Executive Director from 21 August 2018, Chair from 21 October 2020, appointed Deputy Chair 15 August 2022, resigned 30 June 2023)

Tony is an experienced international natural resources executive and company director. He is currently the Chair of ASX listed Cellnet Group Ltd, a Non-Executive director of ASX-listed Xanadu Mines Limited, Chair of Lifestyle Solutions, a Trustee of the Royal Botanical Gardens & Domain Trust and a Non-Executive Director of Communicare Inc. He was formerly a Commissioner at the Independent Planning Commission, and previously a group executive at TSX/HKEx listed SouthGobi Resources, based in Hong Kong, where he was responsible for the company's corporate and strategic initiatives. Tony also has over 15 years' commercial and investment banking experience, covering the Asia Pacific natural resources industry, most recently as a Managing Director at HSBC.

Tony serves as a non-executive director of the following other listed companies:

- Cellnet Group Ltd – from 5 October 2018, delisted 28 August 2023
- Xanadu Mines Limited - from 3 May 2021
- QEM Limited – from 24 August 2023

Giles Stapleton – Non-Executive Director (Appointed 29 November 2021, resigned 5 June 2023)

Giles is a Barrister in private practice at Selborne Chambers, Sydney. Prior to commencing his legal career, Giles spent approximately fifteen years in executive roles with listed companies in banking, property, and funds management. Giles' previous role immediately before commencing his legal practice was Head of Investment Management at Valad Property Group where he was responsible for managing a number of direct property funds with AUM of c.A$900m. In that role, Giles was responsible for the investment strategies, making the investment recommendations to the responsible entity board and investors and for overseeing the execution of the investment strategies of each managed fund. His approach in that role was focussed on actively engaging with the Board and investors of each fund and in delivering the approved strategies.

Giles has held no other listed public company directorships in the past three years.

Giselle Collins - Non-Executive Director (Appointed 9 March 2021, resigned 9 November 2022)

Giselle brings a wealth of audit, risk, governance, and commercial expertise to Peak. Giselle is currently Chair of ASX listed Hotel Property Investments, a Non-Executive Director of Cooper Energy and Generation Development Group and a Trustee of the Royal Botanic Garden & Domain Trust. Giselle is also Chair of AMP Limited's Responsible Entity Board for its listed managed investment schemes (ipac Asset Management).

Giselle was previously Chairman of Aon Superannuation as Trustee for Aon Master Trust (now SmartMonday), Chairman of the Travelodge Hotel Group and Chairman of The Heart Research Institute. Giselle has served as a Non-Executive Director on a diverse range of other boards including Big4 Holiday Parks, GenerationLife, Minjerribah Camping and the Royal Australian Institute of Architects.

Giselle is a Chair of ASX listed Hotel Property Investments, appointed 19 April 2017 (appointed as Chair 9 July 2022) and Non-Executive Director of ASX listed Cooper Energy Limited, appointed 19 August 2021, and ASX listed Generation Development Group Limited, appointed 18 November 2021.

COMPANY SECRETARY

Phil Rundell – Company Secretary and Chief Financial Officer (Appointed 16 December 2020)

Phil was a former Partner at Coopers & Lybrand (now PricewatehouseCoopers) and a Director at Ferrier Hodgson. He is now a sole practitioner Chartered Accountant and specialising in providing company secretarial, compliance, accounting and reconstruction services for the last 12 years.

PRINCIPAL ACTIVITIES

During the year, the principal activities of the Company included:

a. Mineral processing technological evaluations;
b. Mining and associated infrastructure feasibility evaluations; and
c. Progressing approvals for the Ngualla Project

OPERATING RESULTS

The loss of the Group after providing for income tax amounted to $32,800,639 (2022: $22,731,602).

The material expenditures that contributed to the loss that were necessarily incurred to progress the activities of the Company include:

- Employee benefits expenses of $3,157,157 (2022: $2,579,194) (refer to the Remuneration Report and Review of Operations);
- Administration and other costs of $3,853,724 (2022: $4,284,188) include consultants and legal costs primarily associated with the Framework Agreement, financing and offtake documentation, negotiation and advice, and additional insurance costs;
- Technical feasibility costs of $3,297,432 (2022: $7,036,692) on completion of the bankable feasibility study update, FEED, other technical studies and the Early work on the Ngualla project (refer to the Review of Operations); and
- A share based payment for government participation of $21,189,140 (2022: $nil) for the accounting valuation of the issue of the 16% free carried interest in the Ngualla Project to the Government of Tanzania.

The basic and diluted loss per share for the Group for the year was 15.38 cents (2022: 11.66 cents).

FINANCIAL POSITION

The net assets of the Group have increased from $70,859,306 at 30 June 2022 to $88,883,143 at 30 June 2023.

The Group's working capital, being current assets less current liabilities, was $23,807,448 at 30 June 2023 (2022: $7,879,544).

The Company had $25,852,484 million cash at bank at the end of the reporting period and is well funded going into the 2023/2024 financial year to fund the pre-development activities in respect of the Ngualla Project, and its corporate and administration requirements.

DIVIDENDS PAID OR RECOMMENDED

The Directors do not recommend the payment of a dividend and no amount has been paid or declared by way of a dividend to the date of this report.

REVIEW OF OPERATIONS

The Review of Operations commentary is contained in the section above on page 12.

EVENTS SUBSEQUENT TO REPORTING DATE

On 1 July 2023, Hannah Badenach was appointed as a Non-Executive Director.

On 9 August 2023, Peak executed a binding offtake agreement for the Ngualla Rare Earth Project with Shenghe and a non-binding memorandum of understanding (MOU) for cooperation on delivering an EPC and funding solution with Shenghe Holdco. The binding offtake agreement terms include:

- 100% of rare earth concentrate
- Minimum of 50% of intermediate and final rare earth products
- An initial term of 7 years
- Conditions precedent, including Peak shareholder approval

Other than the matters referred to above there were no other events that have a material impact on the financial statements or operations of the Group and Company.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

Other than detailed below, in Note 24 of the financial statements (subsequent events) and in the Review of Operations above, there were no significant changes in the state of affairs of the Company during the financial year:

- 55 million shares issued under a two-tranche equity placement at an issue price of $0.50 to raise $27.5 million.

MEETINGS OF DIRECTORS

The number of meetings attended by each Director of the Company during the financial year was:

	BOARD MEETINGS	
	Number held and entitled to attend	Number attended
Russell Scrimshaw^	9	9
Tony Pearson*	10	10
Abdullah Mwinyi	10	3
Shasha Lu^	5	4
Ian Chambers^	2	2
Nick Bowen^	1	1
Giselle Collins*	5	4
Giles Stapleton*	9	7

**Resigned during the year ^Appointed during the year*

The Board has an Audit and Risk Committee, with the Committee to comprise of at least three independent non-executive Directors but where circumstances otherwise determine, the Committee can comprise two independent non-executive Directors.

	AUDIT & RISK COMMITTEE MEETINGS	
	Number held and entitled to attend	Number attended
Tony Pearson*	4	4
Giles Stapleton*	2	2
Giselle Collins*	2	2
Russell Scrimshaw^	2	2

**Resigned during the year ^Appointed during the year*

The Board has a Nomination and Remuneration Committee with the Committee to comprise of at least two independent non-executive Directors.

	NOMINATION & REMUNERATION COMMITTEE MEETINGS	
	Number held and entitled to attend	Number attended
Giles Stapleton*	1	1
Giselle Collins*	1	1

**Resigned during the year*

EQUITY HOLDINGS OF DIRECTORS

As at the date of this report, the Directors' interest in the Company were:

	EQUITY SHARES	EQUITY OPTIONS	PERFORMANCE RIGHTS
Russell Scrimshaw	300,000	-	4,000,000
Abdullah Mwinyi	78,070	-	88,596
Shasha Lu	-	-	-
Ian Chambers	1,475,000	-	-
Nick Bowen	210,000	-	-
Hannah Badenach	256,000	-	-

Details of issues made to directors during the period are provided in the Remuneration Report

FUTURE DEVELOPMENTS

Likely future developments in the operations of the Group are referred to elsewhere in the Annual Financial Report. Other than as referred to in this report, further information as to likely developments in the operations of the Group and expected results of those operations would, in the opinion of the Directors, be speculative.

ENVIRONMENTAL ISSUES

The Company is aware of its environmental obligations with regards to its exploration activities at the Ngualla Project and the Teesside refinery site and ensures that it complies with all regulations when carrying out any exploration work. The directors of the Company are not aware of any breach of environmental regulations for the year under review.

The Directors have considered the National Greenhouse and Energy Reporting Act 2007 (the NGER Act) which introduced a single national reporting framework for the reporting and dissemination of information about the greenhouse gas emissions, greenhouse gas projects, and energy use and production of corporations which exceed specified thresholds. At the current stage of development, the Directors have determined that the NGER Act has no effect on the Company for the current or subsequent financial year. The Directors will reassess this position as and when the need arises.

REMUNERATION REPORT (AUDITED)

The remuneration report outlines the director and executive remuneration arrangements for the Group in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Remuneration Policy

The remuneration policy of the Company has been designed to align director and executive objectives with shareholder and business objectives by providing a fixed remuneration component which is assessed on an annual basis in line with market rates and offering specific share-based incentives based on key performance areas affecting the Company's activities, milestones and financial results.

The Board believes the remuneration policy to be appropriate and effective in its ability to attract and retain skilled and experienced directors and executives to manage the Company.

The Board's policy for determining the nature and amount of remuneration for Board members and senior executives of the Company is as follows:

The Company has a Nomination and Remuneration Committee to review the remuneration policy that sets the remuneration and performance terms and conditions for the executive directors and other senior executives. All executives receive a base salary (which is based on factors such as length of service, expertise, experience and peer comparatives) and superannuation is paid for Australian resident employees and directors. The Company reviews executive packages annually by reference to the Company's performance, executive performance and comparable information from industry sectors and other listed companies in similar industries.

The Board may exercise discretion in relation to approving incentives, bonuses, performance rights and options. The policy is to attract the highest calibre of executives and reward them for performance that results in long-term growth in shareholder value. Executives and employees are also entitled to participate in the employee share and option arrangements.

The Board policy is to remunerate non-executive directors at market rates for comparable companies for time, commitment and responsibilities. The Board determines payments to the non-executive directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required to align directors' interests with shareholder interests, the directors are encouraged to hold shares in the Company and subject to shareholder approval are able to participate in the employee incentive plan. Non-executive directors are provided superannuation benefits in accordance with Australian statutory requirements, where the Non-Executive Director is a non-Australian resident the superannuation benefit is provided as an additional fee.

All remuneration paid to directors and executives is valued at the cost to the Company and expensed. Options and performance rights are valued using the appropriate valuation methodology. Details of options and performance rights provided to directors are detailed in the Remuneration Report.

Non-Executive Director Remuneration

The total remuneration of non-executive directors has been set at a maximum of $700,000 (that excludes share-based payments) as approved by shareholders at the 29 November 2021 Annual General Meeting. It does not mean that the Company has utilised the entire maximum sum of $700,000 approved for Non-Executive Directors' fees in each year.

Performance Based Remuneration

The Company continues to review and consider the inclusion of performance based components built into director and executive remuneration packages.

The Company received approval from shareholders for adoption of an Incentive Employee Option Plan (EOP), Incentive Performance Rights Plan (PRP), and Director Fee Plan at the Annual General Meeting on 23 December 2020. On 15 June 2023 shareholders approved the adoption of an Employee Incentive Plan (EIP) compliant with legislative changes.

The objectives of the EOP, PRP and EIP are to attract, motivate and retain key employees and the Company considers that the adoption of the Plans and the future issue of securities under the Plans will provide selected employees with the opportunity to participate in the future growth of the Company. During the year the following unlisted options and performance rights issued to directors and executives were issued/ exercised/ lapsed or were cancelled:

Issued:

- 1,550,000 incentive performance rights expiring 23 September 2026
- 4,100,000 incentive performance rights expiring 15 December 2026

Exercised:

- 1,361,887 vested performance rights with an exercise price of $nil

Lapsed:

- 500,000 unlisted options with an exercise price of $1.50
- 173,684 performance rights with an exercise price of $nil

Company Performance, Shareholder Returns and Director's and Executive's Remuneration

Summary of Group's performance and movements in the Peak Rare Earths Limited share price over the last five years:

	2023	2022	2021	2020	2019
Total income ($)	697,986	8,602	111,008	12,374,452	98,795
Net profit/(loss) before tax ($)	(32,800,639)*	(22,731,602)	(4,770,848)	7,652,714#	(4,596,053)
Net profit/(loss) after tax ($)	(32,800,639)	(22,731,602)	(4,770,848)	7,652,714#	(4,596,053)
Closing share price at end of year (cents), adjusted^	$0.465	$0.295	$0.100	$0.210	$0.480
Basic profit/(loss) per share (cents)^	(15.38)	(11.66)	(3.13)	6.52	(5.75)
Dividends per share (cents)	-	-	-	-	-

**Includes a share based payment for government participation of $21,189,140 for the accounting valuation of the issue of the 16% free carried interest in the Ngualla Project to the Government of Tanzania.*

#Includes gain on remeasurement of financial liabilities of $1.7million and gain on derecognition of associate $10.4million.
^ Note that the closing share price at end of year (cents) and the basic profit/(loss) per share have been adjusted to reflect the effects of the 1 for 10 share consolidation on 9 December 2021.

The remuneration policy has been tailored to increase goal congruence between shareholders, directors and executives. Currently, this is facilitated through a policy to issue performance rights and in some instances options to the majority of directors and executives to encourage the alignment of personal and shareholder interests. The Company believes the policy will be effective in increasing shareholder wealth. Details of directors and executives' interests in shares and options at year end are detailed below.

Details of KMP Remuneration

The relevant Key Management Personnel (KMP) of the group for the 2023 financial year were:

- Russell Scrimshaw - Executive Chairman (appointed 15 August 2022)
- Abdullah Mwinyi - Non-Executive Director
- Shasha Lu - Non-Executive Director (appointed 30 November 2022)
- Ian Chambers - Non-Executive Director (appointed 20 March 2023)
- Nick Bowen - Non-Executive Director (appointed 5 June 2023)
- Bardin Davis - Chief Executive Officer (CEO) (stepped down as Managing Director on 9 July 2022 to take up the CEO role)
- Philip Rundell - Chief Financial Officer & Company Secretary
- Lello Galassi - Head of Development and Operations
- Andrea Cornwell - Head of Marketing & Sales
- Ray Anguelov - Head of Technical Services (appointed 15 May 2023)
- Tony Pearson - Deputy Chair (resigned 30 June 2023)
- Giselle Collins - Non-Executive Director (resigned 9 November 2022)
- Giles Stapleton - Non-Executive Director (resigned 5 June 2023)
- Mark Godfrey - Head of Technical Services (resigned 13 April 2023)

Total KMP remuneration for the year was:

	2023 $	2022 $
Salary and fees	1,987,358	1,720,824
Superannuation	103,399	93,384
Share based payments*	1,457,999	556,355
Total	**3,548,756**	**2,370,563**

**Share Based Payments are non-cash components of remuneration and the consideration reported is an accounting value determined in accordance with AASB 2. Inclusive in the consideration reported is the accounting values of unvested performance rights subject to performance milestones that as at 30 June 2023 had not yet been achieved. The cash benefit of the unvested performance rights will only be received by the KMP following any sale of the resultant shares, which can only be attained after the rights have vested, been exercised and the shares are issued.*

Remuneration of individual KMP's:

	Short term benefits		Post-employment	Share based payments*		Termination Payments	Total	Proportion related to:	
	Salary & fees	Non-monetary	Superannuation	Performance^	Options^			Equity#	Performance#
30-Jun-23	$	$	$	$	$	$	$	%	%
Directors									
Russell Scrimshaw[1]	105,484	-	11,076	271,349	-	-	387,909	0%	70%
Abdullah Mwyini[2]	55,000	-	-	35,673	-	-	90,673	0%	39%
Shasha Lu[3]	32,242	-	-	-	-	-	32,242	0%	0%
Ian Chambers[4]	14,113	-	1,482	3,283	-	-	18,878	0%	17%
Nick Bowen[5]	3,611	-	379	-	-	-	3,990	0%	0%
Tony Pearson	55,443	-	5,822	177,296	-	-	238,561	0%	74%
Giles Stapleton[6]	46,528	-	4,885	12,500	-	-	63,913	0%	20%
Giselle Collins[7]	25,083	-	2,634	-	-	-	27,717	0%	0%
	337,504	**-**	**26,278**	**500,101**	**-**	**-**	**863,883**	**0%**	**58%**
Executives									
Bardin Davis[8]	350,000	-	27,500	590,614	-	-	968,114	0%	61%
Philip Rundell	240,000	-	-	83,697	-	-	323,697	0%	26%
Lello Galassi	444,186	-	-	113,984	-	-	558,170	0%	20%
Andrea Cornwell	312,500	-	27,500	85,137	-	-	425,137	0%	20%
Raytcho Anguelov[9]	45,449	-	-	-	-	-	45,449	0%	0%
Mark Godfrey[10]	257,719	-	22,121	84,466	-	-	364,306	0%	23%
	1,649,854	**-**	**77,121**	**957,898**	**-**	**-**	**2,684,873**	**0%**	**36%**
Total	**1,987,358**	**-**	**103,399**	**1,457,999**	**-**	**-**	**3,548,756**	**0%**	**41%**

**Share Based Payments are non-cash components of remuneration and the consideration reported is an accounting value determined in accordance with AASB 2. Inclusive in the consideration reported is the accounting values of unvested performance rights subject to performance milestones that as at 30 June 2023 had not yet been achieved. The cash benefit of the unvested performance rights will only be received by the KMP following any sale of the resultant shares, which can only be attained after the rights have vested, been exercised and the shares are issued.*

^Includes the write back of the share-based payments previously recognised for options and performance rights that lapsed during the current period.

#The % excludes the value of the options which were written back during the year

[1]Mr Scrimshaw was appointed to the role of Executive Chairman on 15 August 2023.

[2]Mr Mwinyi received a prepayment of his director fees for the period 1 July 2023 to 31 March 2024 of $41,250 not included in his reported 30 June 2023 salary & fees.

[3]Ms Lu was appointed to the role of Non-Executive Director on 30 November 2022.

[4]Mr Chambers was appointed to the role of Non-Executive Director on 20 March 2023.

[5]Mr Bowen was appointed to the role of Non-Executive Director on 5 June 2023.

[6]Mr Stapleton resigned 5 June 2023.

[7]Mrs Collins resigned 9 November 2022.

[8]Mr Davis stepped down as MD on 9 July 2022 to take on the CEO role, his full remuneration is reported under the executive section.

[9]Mr Anguelov was appointed to the role of Head of Technical Services on 15 May 2023.

[10]Mr Godfrey was from his executive role on 13 April 2023, but continues to provide services as and when required as an engaged consultant.

Remuneration of individual KMP's:

	Short term benefits		Post-employment	Share based payments*		Termination Payments	Total	Proportion related to:	
	Salary & fees	Non-monetary	Superannuation	Performance^	Options^			Equity#	Performance#
30-Jun-22	$	$	$	$	$	$	$	%	%
Directors									
Tony Pearson	95,000	-	9,500	106,069	23,360	-	233,929	10%	45%
Bardin Davis	350,000	-	27,500	380,694	-	-	758,194	0%	50%
Abdullah Mwinyi	55,000	-	-	18,604	-	-	73,604	0%	25%
Giselle Collins[1]	75,376	-	7,538	9,209	-	-	92,123	0%	10%
Rebecca Morgan[2]	39,262	-	3,926	-	-	-	43,188	0%	0%
Giles Stapleton[3]	29,167	-	2,917	-	-	-	32,083	0%	0%
	643,805	**-**	**51,381**	**514,576**	**23,360**	**-**	**1,233,122**	**2%**	**42%**
Executives									
Philip Rundell[4]	296,000	-	-	18,419	-	-	314,419	0%	6%
Mark Godfrey[5]	234,577	-	22,708	-	-	-	257,284	0%	0%
Lello Galassi[6]	328,493	-	-	-	-	-	328,493	0%	0%
Andrea Cornwell[7]	217,949	-	19,295	-	-	-	237,244	0%	0%
	1,077,019	**-**	**42,003**	**18,419**	**-**	**-**	**1,137,441**	**0%**	**2%**
Total	**1,720,824**	**-**	**93,383**	**532,995**	**23,360**	**-**	**2,370,563**	**1%**	**22%**

**Share Based Payments are non-cash components of remuneration and the consideration reported is an accounting value determined in accordance with AASB 2. Inclusive in the consideration reported is the accounting values of unvested performance rights and options subject to performance milestones that as at 30 June 2022 had not yet been achieved. The cash benefit of the unvested performance rights and options will only be received by the KMP following any sale of the resultant shares, which can only be attained after the rights and options have vested, been exercised and the shares are issued.*

^Includes the write back of the share-based payments previously recognised for options and performance rights that lapsed during the current period.

#The % excludes the value of the options which were written back during the year

[1]Ms Collins fees included an additional fee of $20,000 p/a for her role as Chair of the A&R Committee.

[2]Ms Morgan resigned on 13 February 2022

[3]Mr Stapleton was appointed to the role of Non-Executive Director on 29 November 2021.

[4]Mr Rundell's fees include a bonus payment for $50,000 paid during the period.

[5]Mr Godfrey was appointed to the role of Head of Technical Services on 6 September 2021.

[6]Mr Galassi was appointed to the role Head of Development and Operations on 20 September 2021.

[7]Mrs Cornwell was appointed to the role of Head of Marketing & Sales on 20 October 2021.

Options and performance rights granted / vested / lapsed during the year ended 30 June 2023

Movements in options during the year:

30-Jun-23	Date of issue	Number of options issued	Fair value per Option*	Total value of issue $	Vesting Date#	Exercise Price	Expiry Date	Number vested during the year	Number lapsed/ cancelled during the year
Directors									
Russell Scrimshaw									
Abdullah Mwyini		-	-	-		-		-	-
Shasha Lu		-	-	-		-		-	-
Ian Chambers		-	-	-		-		-	-
Nick Bowen		-	-	-		-		-	-
Tony Pearson		-	-	-		$1.50	21-Jun-23	-	(500,000)
Giles Stapleton		-	-	-		-		-	-
Giselle Collins		-	-	-		-		-	-
		-	**-**	**-**				**-**	**(500,000)**
Executives									
Bardin Davis									
Philip Rundell		-	-	-		-		-	-
Lello Galassi		-	-	-		-		-	-
Andrea Cornwell		-	-	-		-		-	-
Raytcho Anguelov		-	-	-		-		-	-
Mark Godfrey		-	-	-		-		-	-
		-	-	-		-		-	-
Total		**-**	**-**	**-**		**-**		**-**	**(500,000)**

Movements in performance rights during the year:

30-Jun-23	Date of issue	Number of performance rights issued	Fair value per performance right*	Total value of issue $^	Vesting Date#	Exercise Price	Expiry Date	Number vested during the year	Number lapsed/ cancelled during the year
Directors									
Russell Scrimshaw	15-Dec-22	3,500,000	$0.475	1,662,500	-	$nil	15-Dec-26	-	-
Russell Scrimshaw	15-Dec-22	250,000	$0.440	110,000	-	$nil	15-Dec-26	-	-
Russell Scrimshaw	15-Dec-22	250,000	$0.360	90,000	-	$nil	15-Dec-26	-	-
Tony Pearson	-	-	-	-	25-Apr-23	$nil	5-Feb-24	75,000	-
Tony Pearson	-	-	-	-	17-Apr-23	$nil	9-Dec-25	200,000	-
Abdullah Mwinyi	-	-	-	-	25-Apr-23	$nil	5-Feb-25	15,000	-
Abdullah Mwinyi	-	-	-	-	17-Apr-23	$nil	9-Dec-25	28,070	-
Giselle Collins	-	-	-	-	-	$nil	9-Dec-25	-	(100,000)
Giles Stapleton	15-Dec-22	100,000	$0.475	47,500	17-April-23	$nil	15-Dec-26	26,316	(73,684)
		4,100,000		**1,910,000**				**344,386**	**(173,684)**
Executives									
Bardin Davis					25-Apr-23	$nil	5-Feb-24	375,000	-
Bardin Davis					17-Apr-23	$nil	9-Dec-25	300,000	-
Philip Rundell					17-Apr-23	$nil	9-Dec-25	80,001	-
Philip Rundell	23-Sep-22	100,000	$0.480	48,000	30-Jun-23	$nil	23-Sep-26	30,000	-
Mark Godfrey	23-Sep-22	500,000	$0.480	240,000	30-Jun-23	$nil	23-Sep-26	169,000	-
Lello Galassi	23-Sep-22	500,000	$0.480	240,000	30-Jun-23	$nil	23-Sep-26	175,000	-
Andrea Cornwell	23-Sep-22	450,000	$0.480	216,000	30-Jun-23	$nil	23-Sep-26	112,500	-
		1,550,000		**744,000**				**1,241,501**	**-**
Total		**5,650,000**		**2,654,000**				**1,585,887**	**(173,684)**

^The Performance Rights were granted for no consideration and the employee received no cash benefit at the time of receiving the rights. The cash benefit will be received by the employee following any sale of the resultant shares, which can only be attained after the rights have vested, been exercised and the shares are issued.
**For performance rights with non-market conditions, the fair value is measured using the closing share price at grant date. For performance rights with market conditions, the fair value is measured using a binomial pricing model.*
#For vesting of performance rights with the same expiry date occurring on multiple dates during the period the most recent date is reported in the table.

Options and performance rights granted / vested / lapsed during the year ended 30 June 2022

Movements in options during the year:

30-Jun-22	Date of issue	Number of options issued	Fair value per Option*	Total value of issue $	Vesting Date#	Exercise Price	Expiry Date	Number vested during the year	Number lapsed/ cancelled during the year
Directors									
Tony Pearson	-	-	-	-	-	$1.00	21-Jun-22		(300,000)
Bardin Davis	-	-	-	-	-	-	-	-	-
Abdullah Mwinyi	-	-	-	-	-	-	-	-	-
Giselle Collins	-	-	-	-	-	-	-	-	-
Rebecca Morgan	-	-	-	-	-	-	-	-	-
Giles Stapleton	-	-	-	-	-	-	-	-	-
	-	**-**	**-**	**-**	**-**			**-**	**(300,000)**
Executives									
Philip Rundell	-	-	-	-	-	-	-	-	-
Mark Godfrey	-	-	-	-	-	-	-	-	-
Lello Galassi	-	-	-	-	-	-	-	-	-
Andrea Cornwell	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**			**-**	**(300,000)**

Note that balances pre share consolidation have been adjusted to reflect the effects of the 1 for 10 share consolidation on 9 December 2021.
**Options are valued using the Black-Scholes option pricing model on date of grant.*
#Unvested Options vest on achievement of length of service criteria.

Movements in performance rights during the year:

30-Jun-22	Date of issue	Number of performance rights issued	Fair value per performance right*	Total value of issue $^	Vesting Date#	Exercise Price	Expiry Date	Number vested during the year	Number lapsed/ cancelled during the year
Directors									
Tony Pearson	9-Dec-21	475,000	$0.66	313,500	-	$nil	9-Dec-25	-	-
Bardin Davis	9-Dec-21	750,000	$0.66	495,000	-	$nil	9-Dec-25	-	-
Abdullah Mwinyi	9-Dec-21	66,666	$0.66	44,000	-	$nil	9-Dec-25	-	-
Giselle Collins	9-Dec-21	100,000	$0.66	66,000	-	$nil	9-Dec-25	-	-
Rebecca Morgan	9-Dec-21	100,000	$0.66	66,000	-	$nil	9-Dec-25	-	(100,000)
Giles Stapleton		-	-	-	-	-	-	-	-
		1,491,666		**984,500**				**-**	**(100,000)**
Executives									
Philip Rundell	9-Dec-21	200,000	$0.66	132,000	-	$nil	9-Dec-25	-	
Mark Godfrey	-	-	-	-	-	-	-	-	-
Lello Galassi	-	-	-	-	-	-	-	-	-
Andrea Cornwell	-	-	-	-	-	-	-	-	-
	-	**200,000**		**132,000**				**-**	**-**
Total	**-**	**1,691,666**		**1,116,500**				**-**	**(100,000)**

Note that balances pre share consolidation have been adjusted to reflect the effects of the 1 for 10 share consolidation on 9 December 2021.
^The Performance Rights were granted for no consideration and the employee received no cash benefit at the time of receiving the rights. The cash benefit will be received by the employee following any sale of the resultant shares, which can only be attained after the rights have been vested and the shares are issued.
**For performance rights with non-market conditions, the fair value is measured using the closing share price at grant date. For performance rights with market conditions, the fair value is measured using a binomial pricing model.*
#For vesting of performance rights with the same expiry date occurring on multiple dates during the period the most recent date is reported in the table.

Shareholdings of KMP's

30-Jun-23	Opening Balance	Granted as Remuneration	Exercise of Options/PRs	Market/ Other Movements	Closing Balance
Directors					
Russell Scrimshaw	-	-	-	300,000	300,000
Abdullah Mwinyi	35,000	-	43,070	-	78,070
Shasha Lu	-	-	-	-	-
Ian Chambers	-	-	-	1,200,000	1,200,000
Nick Bowen	-	-	-	110,000	110,000
Tony Pearson*	470,666	-	275,000	(745,666)	-
Giselle Collins*	30,000	-	-	(30,000)	-
Giles Stapleton*	110,976	-	26,316	(137,292)	-
	646,642	**-**	**344,386**	**697,042**	**1,688,070**
Executives					
Bardin Davis	905,510	-	675,000	-	1,580,510
Philip Rundell	-	-	105,001	-	105,001
Lello Galassi	-	-	100,000	-	100,000
Ray Anguelov	-	-	-	-	-
Mark Godfrey*	-	-	100,000	(100,000)	-
Andrea Cornwell	-	-	37,500	-	37,500
	905,510	**-**	**1,017,501**	**(100,000)**	**1,823,011**
Total	**1,552,152**	**-**	**1,361,887**	**597,042**	**3,511,081**

**Ceased to be KMP's during the period and their holdings are not reported at period end.*

Option Holdings of KMP's including performance rights

30-Jun-23	Opening Balance	Granted as Remuneration	Exercise of Options & PRs	Expired/ Lapsed	Other Movements	Closing Balance	Vested at 30 June
Directors							
Russell Scrimshaw	-	4,000,000	-	-	-	4,000,000	-
Abdullah Mwinyi	131,666	-	(43,070)	-	-	88,596	-
Shasha Lu	-	-	-	-	-	-	-
Ian Chambers[1]	-	-	-	-	-	-	-
Nick Bowen	-	-	-	-	-	-	-
Tony Pearson*	1,300,000	-	(275,000)	(500,000)	(525,000)	-	-
Giselle Collins*	100,000	-	-	(100,000)	-	-	-
Giles Stapleton*	-	100,000	(26,316)	(73,684)	-	-	-
	1,531,666	**4,100,000**	**(344,386)**	**(673,684)**	**(525,000)**	**4,088,596**	**-**
Executives							
Bardin Davis	2,375,000	-	(675,000)	-	-	1,700,000	-
Philip Rundell	200,000	100,000	(105,001)	-	-	194,999	5,000
Lello Galassi	-	500,000	(100,000)	-	-	400,000	75,000
Ray Anguelov	-	-	-	-	-	-	-
Mark Godfrey*	-	500,000	(100,000)	-	(400,000)	-	-
Andrea Cornwell	-	450,000	(37,500)	-	-	412,500	75,000
	2,575,000	**1,550,000**	**(1,017,501)**	**-**	**(400,000)**	**2,707,499**	**155,000**
Total	**4,106,666**	**5,650,000**	**(1,361,887)**	**(673,684)**	**(925,000)**	**6,796,095**	**155,000**

Note that balances pre share consolidation have been adjusted to reflect the effects of the 1 for 10 share consolidation on 9 December 2021.
**Ceased to be KMP's during the period and their holdings are not reported at period end.*
[1]Mr Chambers was offered 600,000 performance rights, which were approved by shareholders on 15 June 2023. As of 30 June 2023 these performance rights had not yet been issued.

Performance income as a proportion of total income

No bonuses have been paid to executives during the year.

Service agreements:

The key terms of the service agreements with the KMP's are:

Russell Scrimshaw (Executive Chairman from 15 August 2022)

Executive Chairman fees are currently set at $120,000 plus superannuation entitlements per annum and is subject to an annual review. Following shareholder approval Russell was issued 4,000,000 performance rights under the Company's Performance Rights Plan.

Tony Pearson (Non-Executive Director from 21 Aug 2018, Chair from 21 October 2020, appointed Deputy Chair from 15 August 2022, resigned 30 June 2023)

Chair fees were set at $95,000 plus superannuation entitlements per annum and non-executive director fees set at $50,000 per annum.

Non-Executive Directors

Non-Executive Directors are appointed by letter agreement with no fixed term ceasing on resignation or removal as a director in accordance with the Corporations Act 2001. Fees are currently set at $50,000 plus superannuation entitlements per annum, with non-resident directors entitled to receive the superannuation component as fees. Subject to shareholder approval the Non-Executive Directors are eligible to be offered and issued performance rights under the Company's Performance Rights and Employee Incentive Plans.

Bardin Davis – Managing Director - (Non-Executive Director from 21 Oct 2020, Managing Director from 9 Dec 2020, Chief Executive Officer from 9 July 2022)

Bardin is employed under an Executive Service Agreement (ESA). The ESA provides for an annual salary of $350,000 to be reviewed annually plus statutory superannuation capped at the concessional contribution threshold. Bardin is entitled to leave in accordance with the relevant legislation. The engagement had no fixed term but is subject to a six-month notice period from either party.

Philip Rundell – CFO & Company Secretary (Appointed 16 December 2020)

Philip is employed under a consulting agreement with the Company with a fixed retainer of $20,000 per month. The engagement has no fixed term and is subject to a 6 month notice period from either party.

Mark Godfrey – Head of Technical Services - (Appointed 6 September 2021, resigned 13 April 2023)

Mark was employed under an Executive Service Agreement (ESA). The ESA provided for an annual salary of $285,000 plus discretionary performance bonuses. The Executive was entitled to superannuation and leave in accordance with the relevant legislation. The engagement had no fixed term but was subject to a three-month notice period from either party. Mark was issued 450,000 performance rights under the Company's Performance Rights Plan.

Lello Galassi – Head of Development and Operations - (Appointed 20 September 2021)

Lello is employed under an Executive Service Agreement (ESA). The ESA provides for an annual salary of UD$300,000 plus discretionary performance bonuses and will receive 24 days of annual leave per year. Upon any relocation to Perth, Australia, the Executive will be entitled to a living away from home allowance of AUD $8,333 per month and will be entitled to superannuation in accordance with the relevant legislation. The engagement had no fixed term but is subject to a three-month notice period from either party. Lello was issued 500,000 performance rights under the Company's Performance Rights Plan, in addition he will be entitled to STI's and LTI's which may comprise of a combination of cash, shares and performance rights to be agreed.

Andrea Cornwell – Head of Marketing and Sales - (Appointed 29 November 2021)

Andrea is employed under an Executive Service Agreement (ESA). The ESA provided for an annual salary of $312,500 plus discretionary performance bonuses. The Executive is entitled to superannuation and leave in accordance with the relevant legislation. The engagement had no fixed term but is subject to a three-month notice period from either party. Under the ESA, Andrea was issued 450,000 performance rights under the Company's Performance Rights Plan. Andrea will leave the employ of the Company on or around 15 December 2023.

Ray Anguelov – Head of Technical Services - (Appointed 15 May 2023)

Ray is employed under an Executive Service Agreement (ESA). The ESA provides that the annual salary commences at CAD $300,000 per annum and is subject to annual review. The engagement had no fixed term but is subject to a three-month notice period from either party. Ray is entitled to be issued 500,000 performance rights under the Company's Performance Rights Plan, in addition he will be entitled to STI's and LTI's which may comprise of a combination of cash, shares and performance rights to be agreed.

Related party transactions

There were no related party transactions with Key Management Personnel during the year (2022: $nil). (End of Remuneration Report)

OPTIONS AND PERFORMANCE RIGHTS

At the date of this report no listed or unlisted options over ordinary shares were on issue.

During the year, a total of 275,000 unlisted options were exercised at a $0.30 exercise price. A total of 784,000 unlisted options with exercises price of $0.30 to $1.50 lapsed, were cancelled, or expired unexercised. No options were issued.

Details of options movements during the year are detailed in the Remuneration Report and note 19 to this report.

At the date of this report Performance Rights on issue to directors and employees are:

Expiry Date	Exercise Price	Number of Performance Rights
5 February 2025	$Nil	1,550,000
9 December 2025	$Nil	1,031,553
23 September 2026	$Nil	1,637,500
15 December 2026	$Nil	4,000,000

During the year, 6,153,400 performance rights were issued to directors and employees of the Company. A total of 1,593,929 vested performance rights were exercised for $nil consideration and a total of 173,684 performance rights lapsed, were cancelled, or expired.

Option or rights holders do not have any right, by virtue of the option or right to participate in any share issue of the Company or any related body corporate.

INDEMNIFYING OFFICERS OR AUDITOR

During the financial year, the company paid a premium in respect of a contract insuring the Directors and officers of the Company and related body corporates against a liability incurred as a director, secretary or executive officer to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

The Company has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer of the Company or of any related body corporate against a liability incurred as an officer.

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young during or since the financial year.

PROCEEDINGS ON BEHALF OF COMPANY

No person has applied to the court under legislation such as section 237 of the Corporations Act of Australia for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party, for the purpose of taking responsibility on behalf of the company for all or part of those proceedings. No proceedings have been brought or intervened in on behalf of the consolidated entity with leave of the court under such legislation.

AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration for the year ended 30 June 2023 has been received and can be found immediately following this Directors' report.

No amounts have been paid or payable to the auditor for non-audit services. Payments to the auditors are set out in Note 3 to the Financial Statements.

The Directors' report is signed in accordance with a resolution of Directors made pursuant to s.298(2) of the Corporations Act 2001.

On behalf of the Directors,

Dr Russell Scrimshaw (AM)
Executive Chairman
27 September 2023

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Auditor's independence declaration to the directors of Peak Rare Earths Limited

As lead auditor for the audit of the financial report of Peak Rare Earths Limited for the financial year ended 30 June 2023, I declare 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;

b. No contraventions of any applicable code of professional conduct in relation to the audit; and

c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Peak Rare Earths Limited and the entities it controlled during the financial year.

Ernst & Young

Ernst & Young

Pierre Dreyer
Partner
27 September 2023

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Independent auditor's report to the members of Peak Rare Earths Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of Peak Rare Earths Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 30 June 2023, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, 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 consolidated financial position of the Group as at 30 June 2023 and of its consolidated financial performance for the year ended on that date; and

b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

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

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

Material uncertainty related to going concern

We draw attention to Note 2(a) in the financial report, which describes the principal conditions that raise doubt about the Group's ability to continue as a going concern. These events or conditions indicate that a material uncertainty exists that may cast significant doubt about the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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Key audit matters

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

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial report* section of our report, including in relation to this matter. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying financial report.

1. Carrying value of capitalised exploration and evaluation assets

Why significant	How our audit addressed the key audit matter
As at 30 June 2023, the Group's capitalised exploration and evaluation assets amounted to $61.0 million which represents 67% of the Group's total assets. The carrying amount of capitalised exploration and evaluation assets is assessed for impairment by the Group when facts and circumstances indicate that the carrying amount of capitalised exploration and evaluation assets may exceed its recoverable amount. The determination as to whether there are any indicators to require the capitalised exploration and evaluation assets to be assessed for impairment involves a number of judgments, including whether the Group has tenure, whether it will be able to perform ongoing expenditure and whether there is sufficient information for a decision to be made that the area of interest is not commercially viable. The directors did not identify any impairment indicators at 30 June 2023. Refer to Note 12 in the financial report for capitalised exploration and evaluation asset balances and related disclosures. This was considered a key audit matter because of the significant judgment involved in determining whether any impairment indicators were present for the Group's capitalised exploration and evaluation asset balances and the significance of these balances.	In performing our procedures, we: ▪ Considered whether the Group's right to explore was current, which included obtaining and assessing supporting documentation such as license agreements. This included inspecting the status of its rights and tenure over the Project. ▪ Considered the Group's intention to carry out significant ongoing exploration and evaluation activities in the relevant areas of interest which included reviewing the Group's cash-flow forecast and enquiring of senior management and the directors as to their intentions and the strategy of the Group. ▪ Assessed whether exploration and evaluation data or contrary information existed to indicate that the carrying value of capitalised exploration and evaluation assets was unlikely to be recovered through successful development or sale. ▪ Assessed the adequacy of the Group's disclosures in Note 12 of the financial report.

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2. Accounting for the Government of Tanzania's participation in the Ngualla Project

Why significant

In April 2023, the Group and the Government of Tanzania (Government) signed a number of related agreements (Agreements) in order to finalise the award of the Special Mining Licence for the Ngualla Project (Ngualla). These Agreements included the establishment of Mamba Minerals Corporation Limited (MML) and Mamba Refinery Corporation Limited (MRL), entities held by the Group and the Government with 84% and 16% interest, respectively. The Group has determined that it has control over MML and MRL.

The Group has accounted for the Government's participation in Ngualla via its 16% equity interest in MML and MRL as a share based payment. This share based payment was expensed in the consolidated statement of comprehensive income at its fair value of $21.2 million.

Refer to Notes 2(u) and 22 in the financial report for details of the transactions and the related disclosures.

This was considered a key audit matter because of the significant judgment involved in:

- Assessing whether the Group exercised control, joint control or significant influence over MML and MRL based on the arrangements set out in the Agreements
- Determining that the Government's participation interest in Ngualla via its 16% equity interest in MML and MRL should be accounted for as a share based payment, and
- Determining the fair value of the share based payment arrangement arising and the Group's determination that this amount be expensed.

How our audit addressed the key audit matter

In performing our procedures, we:

- Evaluated the Group's assessment of whether it exercised control, joint control or significant influence over MML and MRL including reading the Agreements to understand the key terms and interaction.
- Assessed the Group's accounting for the Government's 16% participation interest in Ngualla as a share based payment.
- Assessed the Group's determination of the fair value of the share based payment arrangement arising from the Government's participation interest in Ngualla
- Assessed the adequacy of the Group's disclosures in Notes 2(u) and 22 of the financial report.

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

The directors are responsible for the other information. The other information comprises the information included in the Company's 2023 annual report, 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 accordingly we do not express any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

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

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

Responsibilities of the directors for the financial report

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

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters relating 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 the Australian Auditing Standards, we exercise professional judgment 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 entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

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- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or 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 our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity 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 report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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 not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the audit of the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2023.

In our opinion, the Remuneration Report of Peak Rare Earths Limited for the year ended 30 June 2023, complies with section 300A of the *Corporations Act 2001*.

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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.

Ernst & Young

Ernst & Young

Pierre Dreyer
Partner
Perth
27 September 2023

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Year Ended 30 June 2023

	Note	2023 $	2022 $
Interest income		111,705	8,602
R&D rebate		586,281	-
Total income		**697,986**	**8,602**
Employee benefits expenses		(3,157,157)	(2,579,194)
Share based payments expenses	17	(1,665,584)	(610,449)
Write-off of capitalised exploration costs	12	-	(156,080)
Depreciation expenses	10, 11	(320,209)	(199,074)
Share based payments for government participation	22	(21,189,140)	-
Finance costs	11, 16	(15,379)	(7,874,527)
Administrative and other costs		(3,853,724)	(4,284,188)
Technical feasibility costs		(3,297,432)	(7,036,692)
Loss before income tax		**(32,800,639)**	**(22,731,602)**
Income tax expense	6	-	-
Loss after income tax		**(32,800,639)**	**(22,731,602)**
Other comprehensive income net of tax			
Items that could be transferred to profit or loss in future:			
Exchange differences on translation of foreign operations		1,900,864	4,598,141
Total comprehensive loss for the year		**(30,899,775)**	**(18,133,461)**
Loss after income tax attributable to:			
Members of the parent		(29,386,856)	(18,133,461)
Non-controlling interests		(3,413,783)	-
		(32,800,639)	**(18,133,461)**
Total comprehensive loss attributable to:			
Members of the parent		(27,485,992)	(18,133,461)
Non-controlling interests		(3,413,783)	-
		(30,899,775)	**(18,133,461)**
Loss per share (in cents)			
Basic and Diluted loss per share	4	(15.38)	(11.66)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2023

	Note	2023 $	2022 $
ASSETS			
Current assets			
Cash and cash equivalents	7	25,852,484	9,479,379
Trade and other receivables	8	251,377	974,411
Prepayments		169,957	80,373
Total current assets		**26,273,818**	**10,534,163**
Non-current assets			
Other financial assets	9	63,794	63,794
Property plant and equipment	10	535,479	225,337
Right-of-use asset	11	3,604,882	3,774,955
Exploration and evaluation costs	12	60,997,405	59,114,040
Investments	13	8,000	8,000
Total non-current assets		**65,209,560**	**63,186,126**
Total assets		**91,483,378**	**73,720,289**
LIABILITIES			
Current liabilities			
Trade and other payables	14	2,140,418	2,447,973
Provisions	15	180,554	96,367
Lease liability – current	11	145,398	110,279
Total current liabilities		**2,466,370**	**2,654,619**
Non-current liabilities			
Lease liability – non-current	11	133,865	206,364
Total non-current liabilities		**133,865**	**206,364**
Total liabilities		**2,600,235**	**2,860,983**
Net assets		**88,883,143**	**70,859,306**
EQUITY			
Equity attributable to equity holders of the Company			
Contributed equity	18	166,874,257	140,805,369
Reserves	17	8,764,011	5,197,563
Accumulated losses		(104,530,482)	(75,143,626)
Equity attributable to equity holders of the Company		71,107,786	70,859,306
Non-controlling interests		17,775,357	-
Total Equity		**88,883,143**	**70,859,306**

The statement should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Year Ended 30 June 2023

	Note	2023 $	2022 $
OPERATING ACTIVITIES			
Payments to suppliers and employees		(9,848,732)	(12,137,690)
Finance costs paid		(15,379)	-
Interest received		53,122	8,602
Government rebates received		586,281	-
Cash used in operating activities	**7**	**(9,224,708)**	**(12,129,088)**
INVESTING ACTIVITIES			
Acquisition of property, plant and equipment		(370,338)	(239,505)
Cash used in investing activities		**(370,338)**	**(239,505)**
FINANCING ACTIVITIES			
Proceeds from issue of equity shares		27,582,500	34,469,917
Costs of issuing equity shares		(1,513,612)	(1,382,278)
Additions to bank guarantee		-	(63,794)
Payment of lease liabilities		(123,900)	(40,671)
Repayment of borrowings		-	(13,767,214)
Cash generated from financing activities		**25,944,988**	**19,215,960**
Net increase in cash and cash equivalents		16,349,942	6,847,367
Balance at the beginning of the year		9,479,379	2,680,367
Effect of foreign currency translation		23,163	(48,355)
Balance at the end of the year	**7**	**25,852,484**	**9,479,379**

The statement should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the Year Ended 30 June 2023

	Contributed Equity $	Share based payment reserve $	Foreign currency translation reserve $	Accumulated losses $	Non-controlling interests $	Total equity $
At 30 June 2021	**107,717,730**	**4,644,083**	**(4,655,110)**	**(52,412,024)**	**-**	**55,294,679**
Loss for the year	-	-	-	(22,731,602)	-	(22,731,602)
Other comprehensive income	-	-	4,598,141	-	-	4,598,141
Total comprehensive income/ (loss) for the year	**-**	**-**	**4,598,141**	**(22,731,602)**	**-**	**(18,133,461)**
Equity issued	34,469,917	-	-	-	-	34,469,917
Equity based payments	-	610,449	-	-	-	610,449
Transaction costs	(1,382,278)	-	-	-	-	(1,382,278)
At 30 June 2022	**140,805,369**	**5,254,532**	**(56,969)**	**(75,143,626)**	**-**	**70,859,306**
Loss for the year	-	-	-	(29,386,856)	(3,413,783)	(32,800,639)
Other comprehensive income	-	-	1,900,864	-	-	1,900,864
Total comprehensive income/ (loss) for the year	**-**	**-**	**1,900,864**	**(29,386,856)**	**(3,413,783)**	**(30,899,774)**
Equity issued	27,582,500	-	-	-	-	27,582,500
Share based payments for government participation (Note 22)	-	-	-	-	21,189,140	21,189,140
Equity based payments	-	1,665,584	-	-	-	1,665,584
Transaction costs	(1,513,612)	-	-	-	-	(1,513,612)
At 30 June 2023	**166,874,257**	**6,920,116**	**1,843,895**	**(104,530,482)**	**17,775,357**	**88,883,143**

The statement should be read in conjunction with the accompanying notes.

NOTES TO FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

The financial report of Peak Rare Earths Limited and its subsidiaries (the Group) for the year ended 30 June 2023 was authorised for issue in accordance with a resolution of the directors on 27 September 2023.

Peak Rare Earths Limited is a for profit company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange (ASX). The address of its registered office and principal place of business is disclosed in the corporate directory in the Annual Report.

The principal activity of the Group during the year was exploration and evaluation of mineral licences.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Preparation

The consolidated financial statements have been prepared on the basis of historical cost. All amounts are presented in Australian Dollars unless otherwise noted.

Statement of compliance

The financial report is a general purpose financial report which has been prepared in accordance with the Corporations Act 2001, Australian Accounting Standards and Interpretations, and complies with other requirements of the law.

Compliance with Australian Accounting Standards ensures that the financial statements and notes of the Group comply with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS).

Going concern

The Group incurred a loss after tax of $32,800,639 (2022: $22,731,602) and had operating cash outflows of $9,224,708 for the year ended 30 June 2023 (2022: $12,129,088). The loss after tax for the year ended 30 June 2023 includes a non-recurring share-based payments for government participation of $21,189,140 for the issuance of the 16% free carried interest in the Ngualla Project to the Government of Tanzania (Note 22).

The Group's ability to continue as a going concern and meet its debts as and when they fall due is dependent on its ability to raise additional capital. As reported, with $25,852,484 cash at bank at the end of the reporting period, Peak is well funded in the short term to fund the Ngualla Project, and its corporate and administration requirements. In order to progress the project further, in a timeframe planned by management, the Group's cashflow forecasts indicate that there will be a need in the future to obtain further funding.

In the directors' opinion, there are reasonable grounds to believe that the Group has the ability to raise further funding as and when required based on its past ability to raise equity funding. However, in the event that additional funding is not forthcoming, the Group will need to reduce its discretionary spending to ensure that it has sufficient cash on hand to continue its operations.

As a result of the need to raise additional equity to continue with the planned development of the Ngualla Project, or reduce discretionary spending if funds are not forthcoming, there is a material uncertainty whether the Group will be able to progress with its current development initiatives and continue as a going concern and therefore in this circumstance whether it will realise its assets and discharge its liabilities in the normal course of business and at the amounts stated in the consolidated financial statements. No adjustments have been made relating to the recoverability and classification of recorded asset amounts and the amount and classification of liabilities that might be necessary should the Group not continue as a going concern.

b) Impact of new standards applied for the first time

The accounting policies adopted in the preparation of the consolidated financial statements for the year are consistent with those followed in the preparation of the Company's annual financial report for the year ended 30 June 2023, except for the adoption of new and amended accounting standards and interpretations effective as of 1 July 2022. The adoption of these new and amended accounting standards and interpretations did not have a material impact on the consolidated entity and no restatement of comparative financial information to reflect the adoption of these new standards and interpretations was required.

The Company has not early adopted any other accounting standard, interpretation or amendment that has been issued but is not yet effective.

Standards issued but not yet effective

Significant Australian Accounting Standards and Interpretations that are issued, but are not yet effective, up to the date of issuance of the Group's financial statements is not expected to be material. The Group intends to adopt these new standards and interpretations, if applicable, when they become effective. The standards issued and amendments but not yet effective are not expected to have a material impact on the Group.

- AASB 2023-2 Amendments to AASB 112 – International Tax Reform Pillar Two Model Rules
- AASB 17 Insurance Contracts
- AASB 2020-1 Amendments to AASs – Classification of Liabilities as Current or Non-current
- AASB 2021-2 Amendments to AASs – Disclosure of Accounting Policies and Definition of Accounting Estimates
- AASB 2021-5 Amendments to AASs – Deferred Tax related to Assets and Liabilities arising from a Single Transaction
- AASB 2022-1 Amendments to AASs – Initial Application of AASB 17 and AASB 9 – Comparative Information
- AASB 2014-10 Amendments to AASs – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- AASB 2022-5 Amendments to AASs – Lease Liability in a Sale and Leaseback
- AASB 2022-6 Amendments to AASs – Non-current Liabilities with Covenants
- AASB 2022-7 Editorial Corrections to AASs and Repeal of Superseded and Redundant Standards

c) Basis of consolidation

The consolidated financial statements of Peak Rare Earths Limited comprise the financial statements of the Company and its subsidiaries as at 30 June 2023. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant
- activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the statement of comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary.

All inter-company balances and transactions between entities in the Group, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those policies applied by the parent entity. All controlled entities have a June financial year-end.

If the Group loses control over a subsidiary, it derecognises the related assets, liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value. Where controlled entities have entered or left the economic entity during the year, their operating results have been included/ excluded from the date control was obtained or until the date control ceased through an equity transaction.

d) Foreign Currency Translation

The financial statements have been presented in Australian Dollars, which is the parent entities presentation currency.

Foreign currency transactions

In preparing the financial statements of each individual group entity, transactions in foreign currencies are initially recorded in the functional currency at the exchange rates ruling at the date of the transaction. The Company's functional currency is Australian dollars. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the reporting date, and gain or loss in exchange rate movements are recognised in profit or loss.

Translation of foreign operations

As at the reporting date the assets and liabilities of foreign operations are translated from their functional currency at the rate of exchange ruling at the reporting date and the statement of comprehensive income, statement cash flows and statement of changes in equity are translated at the weighted average exchange rates for the year. The exchange differences arising on translation are recognised in other comprehensive income and accumulated balances are carried forward as a separate component of equity.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of gain or loss on change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income or profit or loss are also recognised in other comprehensive income or profit or loss, respectively).

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

e) Other income

Interest

Interest income is recognised as the interest accrues on the financial asset carried at amortised cost.

R&D rebate grant

The Group is treating its receipt of the R&D rebate as a government grant.

Government grants are recognised as income when there is reasonable assurance that the grant will be received and all conditions will be complied with. When the grant relates to an expense item, it is recognised as income over the period necessary to match the grant on a systematic basis to the costs that it is intended to compensate. When the grant relates to an asset, it is deducted from the asset to which it relates, the net value of which is amortised over its expected useful life.

f) Employee benefits

Employee benefits such as salary and wages are measured at the rate at which the entity expects to settle the liability; and recognised during the period over which the employee services are being rendered.

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Superannuation entitlements

Contributions are made by the Group to employee superannuation funds and are charged as expenses when incurred.

g) Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- 3 to 26 years

The right-of-use assets are also subject to impairment. The carrying values of right-of-use assets are reviewed for impairment at each reporting date, with recoverable amount being estimated when events or changes in circumstances indicate that the carrying value may be impaired. Impairment losses, if any, are recognised in the profit or loss.

ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of its office space. This has been recognised as an expense in Administrative and other costs in the consolidated statement of comprehensive income.

h) Income tax

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

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

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

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

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

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

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

Income taxes relating to items recognised directly in equity are recognised in equity and not in the profit or loss.

i) Other taxes

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

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

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

The GST/VAT component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority, is classified as part of operating cash flows.

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

j) Loss per share

i) Basic loss per share

Basic loss per share is determined by dividing the group operating result after income tax attributable to members by weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

ii) Diluted loss per share

Diluted loss per share is calculated by dividing the profit attributable to ordinary equity holders of the parent (after adjusting for interest on the convertible preference shares) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

k) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI) and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under AASB 15.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)

This category is the most relevant to the Group. The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. The Group's financial assets at amortised cost includes trade receivables.

Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under AASB 132 *Financial Instruments*: *Presentation* and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment. The Group elected to classify irrevocably its non-listed equity investments under this category.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch. Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

This category includes derivative instruments and listed equity investments which the Group had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are also recognised as other income in the statement of profit or loss when the right of payment has been established.

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if: the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

A derivative embedded within a hybrid contract containing a financial asset host is not accounted for separately. The financial asset host together with the embedded derivative is required to be classified in its entirety as a financial asset at fair value through profit or loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the

derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

The financial instruments of the Group are (i) cash and cash equivalents, including other financial assets; (ii) trade and other receivables; (iii) investments, (iv) trade and other payables.

l) Cash and Cash Equivalents

Cash and short-term deposits in the statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

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

m) Trade and Other Receivables

Trade receivables, which generally have 30-90 day terms, are recognised initially at fair value and subsequently at amortised cost, less provisions for expected credit losses. For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

n) Property, plant and equipment

Plant and equipment is stated at cost less accumulated depreciation and any impairment in value.

Plant and equipment is depreciated on the straight line basis over their expected useful lives to their estimated residual value

The useful life of the assets have been set at the following levels to determine the depreciation rates:

- Plant and equipment: 2 to 5 years

Impairment

The carrying values of plant and equipment are reviewed for impairment at each reporting date, with recoverable amount being estimated when events or changes in circumstances indicate that the carrying value may be impaired. Impairment losses, if any, are recognised in the profit or loss.

Derecognition and disposal

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

o) Exploration and evaluation costs

The Group expenses all exploration and evaluation expenditure (excluding acquisition costs) as incurred, as permitted by AASB 6 *Exploration for and Evaluation of Mineral Resources.*

Exploration and evaluation expenditure in relation to each separate area of interest is recognised as an exploration and evaluation asset in the year in which it is incurred where the following conditions are satisfied:

The rights to tenure of the area of interest are current; and at least one of the following conditions is also met:

- the exploration and evaluation expenditures are expected to be recouped through successful development and exploration of the area of interest, or alternatively, by its sale; or
- exploration and evaluation activities in the area of interest have not at the reporting date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are initially measured at cost and include acquisition of rights to explore, studies, exploratory drilling and associated activities and an allocation of depreciation and amortisation of assets used in exploration and evaluation activities. General and administrative costs are only included in the measurement of exploration and evaluation costs where they are related directly to operational activities in a particular area of interest.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The recoverable amount of the exploration and evaluation asset (for the cash generating unit(s) to which it has been allocated being no larger than the relevant area of interest) is estimated to determine the extent of the impairment loss (if any).

The recoverable amount of exploration and evaluation assets is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

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

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

Where a decision has been made to proceed with development in respect of a particular area of interest, the relevant exploration and evaluation asset is tested for impairment and the balance is then reclassified to production assets.

p) *Trade and Other Payables*

Trade payables and other payables are initially recognised at fair value, then carried at amortised cost. They represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arising when the Group becomes obliged to make future payments in respect of the purchase of these goods and services.

q) *Provisions*

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

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

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

r) *Share-based payment transactions*

Equity settled transactions:

The Group provides benefits to employees (including senior executives) of the Group in the form of share-based payments, whereby employees render services in exchange for shares or rights over shares (equity-settled transactions).

The current plans in place to provide benefits to directors, senior executives and other eligible participants as determined by the Board are the Incentive Performance Rights Plan (PRP), the Incentive Employee Option Plan (EOP) and the Employee Incentive Plan (EIP) approved by shareholders on 15 June 2023.

The cost of these equity-settled transactions with employees is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value of Options is determined using a Black-Scholes option pricing model. For Performance Rights with non-market conditions, the fair value is measured using the closing share price at grant or shareholder approval date. For performance rights with market conditions, the fair value is measured using a binomial pricing model.

In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of Peak Rare Earths Limited (market conditions) if applicable.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (the vesting period).

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects:

- the extent to which the vesting period has expired and
- the Group's best estimate of the number of equity instruments that will ultimately vest. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. The profit or loss charge or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is only conditional upon a market condition.

If the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee, as measured at the date of modification.

If an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of loss per share.

s) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

t) Non-controlling interest

The Group elected to measure the non-controlling interests in Mamba Minerals Corporation Limited and Mamba Refinery Corporation Limited at its proportionate share of the book values of their net assets at each end of the reporting period.

u) Critical accounting judgements and estimates

In the application of Australian Accounting Standards, management is required to make judgments about applying accounting policies and estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgments. Actual results may differ from these estimates.

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

Impairment of exploration and evaluation costs

The future recoverability of exploration and evaluation costs are dependent on a number of factors, including the level of proved, probable and inferred mineral resources, future technological changes which could impact the cost of mining, future legal changes (including changes to environment restoration obligations) and changes to commodity prices.

To the extent that exploration and evaluation costs is determined not to be recoverable in the future, this impairment will reduce profits and net assets in the period in which this determination is made.

Share based payment – key management personnel and employees

The Group measures the cost of equity-settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

Share based payment for government participation

Estimating the fair value of the share based payment arising on the transfer of the 16% interest in the Ngualla project to the Tanzanian Government requires determination of the most appropriate valuation model significant judgement. As the fair value of the services received provided by the Tanzanian Government by to the Group under the framework agreement could not be reliably estimated, the fair value was determined taking into account utilising an indicative measure of the fair value of the Ngualla project at the date on which the Group and the Tanzanian Government entered into a framework agreement.

3. AUDITORS REMUNERATION

	2023 $	2022 $
Fees to Ernst & Young (Australia):		
Fees for auditing the statutory financial report of the parent covering the group and auditing the statutory financial reports of any controlled entities	84,700	83,860
Total fees to Ernst & Young (Australia) (A)	**84,700**	**83,860**
Fees to other overseas member firms of Ernst & Young (Australia)		
Fees for auditing the financial report of any controlled entities	30,722	29,381
Total fees to overseas member firms of Ernst & Young (Australia) (B)	**30,722**	**29,381**
Total auditor's remuneration (A)+(B)	**115,422**	**113,241**

4. LOSS PER SHARE

The following reflects the income and share data used in the total operations basic and dilutive loss per share computations:

	2023 Cents	2022 Cents
Basic and Diluted loss per share based on reported losses after tax as set out in the Statement of Comprehensive Income	(15.38)	(11.66)

	2023 Nos.	2022 Nos.
Weighted average number of ordinary shares used in calculating basic loss per share	213,201,222	195,031,962
Weighted average number of ordinary shares used in calculating diluted loss per share	213,201,222	195,031,962
Anti-dilutive options over ordinary shares and performance rights excluded from the weighted average number of shares	7,952,553	4,433,266

The weighted average number of ordinary shares in 2022 was adjusted to reflect the capital consolidation entailing the conversion of every ten (10) securities into one (1) security, which occurred on 10 December 2021 (see Note 18)

5. OPERATING SEGMENTS

Information reported to the chief operating decision makers for the purposes of resource allocation and assessment of segment performance focuses on the exploration activities of the Group. The chief operating decision makers include the board of directors. The Group's reportable segments under AASB 8 are as follows:

- Exploration & Development (E&D) – Group's exploration and development activities for the Ngualla project in Tanzania; and
- Unallocated - to manage the corporate affairs of the group.

The segments have applied the same accounting policies as applied to the Group and disclosed in the notes 1 and 2 to these financial statements.

	30 June 2023			30 June 2022		
	E&D $	Unallocated $	Total $	E&D $	Unallocated $	Total $
Interest income	-	111,705	111,705	-	8,602	8,602
Other income		586,281	586,281	-	-	-
Total income	**-**	**697,986**	**697,986**	**-**	**8,602**	**8,602**
Depreciation and amortisation	(187,651)	(132,558)	(320,209)	(165,708)	(33,366)	(199,074)
Share based payment expenses	(21,189,140)	(1,665,584)	(22,854,724)	-	(610,449)	(610,449)
Borrowing costs	-	(15,379)	(15,379)	-	(7,874,527)	(7,874,527)
Write-off of capitalised exploration costs	-	-	-	(156,080)	-	(156,080)
Technical feasibility costs	(3,297,432)	-	(3,297,432)	(7,036,692)	-	(7,036,692)
Other expenses	-	(7,010,881)	(7,010,881)	-	(6,863,382)	(6,863,382)
Income Tax	-	-	-	-	-	-
Segment results	**(24,674,223)**	**(8,126,416)**	**(32,800,639)**	**(7,358,480)**	**(15,373,122)**	**(22,731,602)**
Segment assets	**64,821,932**	**26,661,446**	**91,483,378**	**62,773,663**	**10,946,625**	**73,720,288**
Segment liabilities	**(358,268)**	**(2,241,967)**	**(2,600,235)**	**(133,830)**	**(2,727,153)**	**(2,860,983)**
Additions to non-current assets during the year:						
Plant and equipment	346,865	26,893	373,758	212,010	27,495	239,505
Right-of-use assets	-	86,521	86,521	33,432	318,366	351,798
	346,865	**113,414**	**460,279**	**245,442**	**345,861**	**591,303**

6. INCOME TAX

		CONSOLIDATED 2023 $	CONSOLIDATED 2022 $
a.	**The components of tax expense comprise:**		
	Current tax	-	-
	Deferred tax	-	-
	Income tax expense reported in statement of comprehensive income	-	-
b.	**The prima facie tax benefit on loss from ordinary activities before income tax is reconciled to the income tax as follows:**		
	Loss before income tax	(32,800,639)	(22,731,602)
	Prima facie tax benefit on loss from ordinary activities before income tax at 30.0% (2022:30%)	(9,840,192)	(6,819,481)
	Add tax effect of:		
	- Revenue losses not recognised	2,252,909	1,466,717
	- Other non-allowable items	8,016,911	4,913,965
	Less tax effect of:		
	- Other deferred tax balances not recognised	(253,744)	(438,799)
	- Non-assessable items	(175,884)	-
	Income tax expense reported in statement of comprehensive income	-	-
c.	**Recognised deferred tax assets at 30.0% (2022:30%)** **(Note 1):**		
	Deferred tax liabilities		
	Right of use asset	(77,268)	(87,551)
	Interest receivable	(17,575)	-
	Deferred tax assets		
	Carry forward revenue losses	94,843	87,551
		-	-
d.	**Unrecognised deferred tax assets at 30.0% (2022:30%)** **(Note 1):**		
	Carry forward revenue losses	11,754,678	9,504,524
	Carry forward capital losses	295,504	295,504
	Unrealised FX	543,997	665,723
	Capital raising costs	400,947	298,181
	Provisions and accruals	1,313,150	1,164,670
	Net right-of-use assets/lease liability	80,878	131,314
	Other	9,350	9,350
		14,398,504	12,069,266

The tax benefits of the above deferred tax assets will only be obtained if:

a. the Group derives future assessable income of a nature and of an amount sufficient to enable the benefits to be utilised;
b. the Group continues to comply with the conditions for deductibility imposed by law; and
c. no changes in income tax legislation adversely affect the company in utilising the benefits.

Note 1 - the corporate tax rate for eligible companies is 25% providing certain turnover thresholds and other criteria are met. All other companies are taxed at 30%. Deferred tax assets and liabilities are required to be measured at the tax rate that is expected to apply in the future income year when the asset is realised or the liability is settled. The Directors have determined that the deferred tax balances be measured at the tax rates stated.

Note 2 - Comparative figures have been restated to meet legislative requirements. The overall tax position has not changed.

Note 3 - Tax Consolidation
For the purpose of income taxation, the Company and its 100% Australian controlled entities have formed a tax consolidated group effective from 1 July 2012.

7. CASH AND CASH EQUIVALENTS

Reconciliation of cash and cash equivalent	2023 $	2022 $
For the purpose of the Cash Flow Statement, cash and cash equivalents comprise the following:		
Cash at bank and in hand	2,352,484	9,479,379
Short term deposits	23,500,000	-
	25,852,484	**9,479,379**

Reconciliation of operating loss to operating cash flows		
Loss for the year	**(32,800,639)**	**(22,731,602)**
Adjustments for non-cash items:		
Borrowing costs	-	7,874,527
Share based payments expenses	1,665,584	610,449
Share based payments for government participation	21,189,140	-
Creditors settled in equity	-	19,847
Write-off exploration costs	-	156,080
Depreciation expenses	320,209	199,073
Foreign exchange loss/(gain)	(9,084)	40,966
Movement in working capital items:		
(Increase)/Decrease in trade and other receivables	723,034	(241,956)
(Increase)/Decrease in prepayments	(89,584)	4,367
Increase/(Decrease) in trade and other payables	(307,555)	1,871,227
Increase in provisions	84,187	67,934
	(9,224,708)	**(12,129,088)**

8. TRADE AND OTHER RECEIVABLES

	2023 $	2022 $
Current		
GST/VAT receivable	180,641	968,271
Other receivable	70,736	6,140
	251,377	**974,411**
Ageing of receivables		
Recoverable within 3 months	251,377	974,411
	251,377	**974,411**

Receivables are non-interest bearing and unsecured.

9. OTHER FINANCIAL ASSETS

	2023 $	2022 $
Bank Term Deposit	63,794	63,794
	63,794	**63,794**

A deposit of $63,794 (2022: $63,794), has been secured against a guarantee issued by the bank for an office rental deposit. This cash balance is not available for withdrawal until the guarantee is withdrawn.

10. PROPERTY, PLANT AND EQUIPMENT

	2023 $	2022 $
Plant and equipment		
At cost	826,572	452,814
Accumulated depreciation	(291,093)	(227,477)
	535,479	**225,337**
Movement in net carrying amount:		
Balance at the beginning of the year	225,337	24,819
Net Additions	373,758	239,505
Depreciation for the year	(63,616)	(38,987)
Balance at the end of the year	**535,479**	**225,337**

11. LEASES

RIGHT OF USE ASSETS

	2023 $	2022 $
Movement in net carrying amount:		
Balance at beginning of year	3,774,954	3,583,243
Additions	86,521	351,798
Depreciation for the year	(256,593)	(160,087)
Balance at 30 June 2023	**3,604,882**	**3,774,954**

LEASE LIABILITIES

	2023 $	2022 $
Movement in net carrying amount:		
Balance at beginning of year	316,643	-
Additions	86,521	352,812
Accretion of interest	15,379	4,502
Lease payments	(139,280)	(40,671)
Balance at 30 June 2023	**279,263**	**316,643**
Current	145,398	110,279
Non-Current	133,865	206,364
Total	**279,263**	**316,643**

The Group also has certain contracts which contain a lease with terms of 12 months or less and contracts which contain a lease of low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these. Leases that are short-term and low value amounted to $18,200 for the year ended 30 June 2023 (2022: $14,536).

12. EXPLORATION AND EVALUATION EXPENDITURE

	2023 $	2022 $
Movement in net carrying amount:		
Balance at beginning of year	59,114,040	54,472,897
Exploration assets written off during the year	-	(156,080)
Foreign exchange movements	1,883,365	4,797,223
Balance at 30 June	**60,997,405**	**59,114,040**
Capitalised areas of interest		
Ngualla Rare Earth Project, Tanzania	**60,997,405**	**59,114,040**
	60,997,405	**59,114,040**

13. INVESTMENTS

	2023 $	2022 $
Investment in listed shares – at fair value through profit or loss	8,000	8,000
	8,000	**8,000**

14. TRADE AND OTHER PAYABLES

	2023 $	2022 $
Current		
Trade and other payables	2,140,418	2,447,973
Ageing of payables	-	-
Payable within 3 months	2,140,418	2,447,973
	2,140,418	**2,447,973**

15. PROVISIONS

	2023 $	2022 $
Employee benefits - leave entitlements	180,554	96,367

16. ROYALTY LIABILITY

In July 2015, ANRF Royalty Company Limited (ANRF) and International Finance Corporation (IFC) advanced US$5,191,201 to the Group for a 2% Gross Sales Royalty from the Ngualla Rare Earth's project in accordance with the Royalty Agreement. On 5 August 2021, Peak Rare Earths Limited, PR NG Minerals Limited (wholly owned subsidiary of the Group), Appian and ANRF entered into a conditional Royalty Repayment and Release Agreement whereby the parties agreed to terminate the Royalty Agreement following a cash payment by PR NG Minerals Limited to Appian and ANRF of the Principal Sum of US$5,191,201 and accrued interest of US$4,787,554 totalling US$9,978,755 (or A$13,767,214).

The Royalty Repayment and Release Agreement was approved by Peak shareholders at a General Meeting held on 28 September 2021 and the transaction was completed on 5 October 2021. The excess of the total repayment of A$13,767,214 over the carrying value of the royalty liability at 5 October 2021 is recognised as "Finance costs" in the profit or loss. During the year ended 30 June 2022, the Group repaid in full the royalty liability.

17. RESERVES

	Share based payment reserve $	Foreign currency translation reserve $	Total $
At 30 June 2021	**4,644,083**	**(4,655,110)**	**(11,027)**
Share based payments	610,449	-	610,449
Exchange difference on translation of foreign operations	-	4,598,141	4,598,141
At 30 June 2022	**5,254,532**	**(56,969)**	**5,197,563**
Share based payments	1,665,584	-	1,665,584
Exchange difference on translation of foreign operations	-	1,900,864	1,900,864
At 30 June 2023	**6,920,116**	**1,843,895**	**8,764,011**

Share based payment reserve – the reserve is used to recognise the value of equity benefits provided to employees and directors as part of their remuneration, and other parties as part of their compensation for supply of goods and services.

Foreign currency translation reserve – the reserve is used to recognise exchange differences arising from translation of foreign operations to the Australian dollar.

18. CONTRIBUTED EQUITY

		Nos.	$
Balance at 30 June 2021		**1,628,758,098**	**107,717,730**
Issue of shares for nil consideration on exercise of vested performance rights	1-Jul-21	330,000	-
Shares issued in settlement of equity component of executive remuneration @ 11.3722 cents per share	8-Jul-21	174,518	19,847
Issue of shares on exercise of listed PEKOD options @ 3 cents per share	6-Aug-21	333,333	10,000
Issue of shares Tranche 1 Capital Raising @ 9 cents per share	13-Aug-21	226,851,892	20,416,670
Issue of shares on exercise of listed PEKOD options @ 3 cents per share	8-Sep-21	4,166,667	125,000
Issue of shares on exercise of listed PEKOD options @ 3 cents per share	1-Oct-21	1,300,000	39,000
Issue of shares on exercise of listed PEKAI options @ 3.5 cents per share	1-Oct-21	375,000	13,125
Issue of shares Tranche 2 Capital Raising @ 9 cents per share	4-Oct-21	106,481,442	9,583,330
Issue of shares for nil consideration on exercise of vested performance rights	5-Oct-21	482,000	-
Share Purchase Plan @ 9 cents per share	8-Oct-21	18,614,511	1,675,311
Capital Consolidation 10 securities into 1	10-Dec-21	(1,789,079,928)	-
Issue of shares on exercise of listed PEKAI options @ 35 cents per share	14-Jan-22	75,000	26,250
Issue of shares on exercise of listed PEKAI options @ 30 cents per share	21-Jan-22	290,000	87,000
Issue of shares on exercise of listed PEKOD options @ 30 cents per share	2-Feb-22	66,667	20,000
Issue of shares on exercise of listed PEKOD options @ 30 cents per share	15-Feb-22	32,000	9,600
Issue of shares on exercise of listed PEKOD options @ 30 cents per share	22-Feb-22	18,600	5,580

		Nos.	$
Issue of shares on exercise of listed PEKOD options @ 30 cents per share	23-Feb-22	129,560	38,868
Issue of shares on exercise of listed PEKOD options @ 30 cents per share	1-Mar-22	500,000	150,000
Issue of shares on exercise of listed PEKOD options @ 30 cents per share	4-Mar-22	116,667	35,000
Issue of shares on exercise of listed PEKOD options @ 30 cents per share	11-Mar-22	100,000	30,000
Issue of shares on exercise of listed PEKOD options @ 30 cents per share	15-Mar-22	651,986	195,596
Issue of shares for nil consideration to Tanzanian employees in recognition of continuing and valued service to the company	17-Mar-22	45,171	29,135
Issue of shares on exercise of listed PEKOD options @ 30 cents per share	17-Mar-22	288,667	86,600
Issue of shares on exercise of listed PEKOD options @ 30 cents per share	22-Mar-22	54,041	16,212
Issue of shares on exercise of listed PEKOD options @ 30 cents per share	24-Mar-22	2,535,116	760,535
Issue of shares on exercise of listed PEKOD options @ 30 cents per share	25-Mar-22	34,578	10,373
Issue of shares on exercise of listed PEKOD options @ 30 cents per share	28-Mar-22	15,000	4,500
Issue of shares on exercise of listed PEKOD options @ 30 cents per share	29-Mar-22	203,709	61,113
Issue of shares on exercise of listed PEKOD options @ 30 cents per share	4-Apr-22	215,483	64,645
Issue of shares on exercise of listed PEKOD options @ 30 cents per share	5-Apr-22	51,000	15,300
Issue of shares on exercise of listed PEKOD options @ 30 cents per share	7-Apr-22	2,628,132	788,440
Issue of shares on exercise of listed PEKOD options @ 30 cents per share	12-Apr-22	277,184	83,155
Issue of shares on exercise of listed PEKOD options @ 30 cents per share	19-Apr-22	232,443	69,732
Equity Issue Costs			(1,382,278)
Balance at 30 June 2022		**207,348,537**	**140,805,369**
Issue of shares for nil consideration on exercise of vested performance rights	5-Dec-22	514,399	-
Issue of shares for nil consideration on exercise of vested performance rights	19-Dec-22	174,494	-
Issue of shares on exercise of listed PEKOD options @ 30 cents per share	17-Feb-23	275,000	82,500
Issue of shares Tranche 1 Capital Raising @ 50 cents per share	5-May-23	28,648,186	14,324,093
Issue of shares for nil consideration on exercise of vested performance rights	15-May-23	905,036	-
Issue of shares Tranche 2 Capital Raising @ 50 cents per share	20-Jun-23	15,215,000	7,607,500
Issue of shares Tranche 2 Capital Raising @ 50 cents per share	21-Jun-23	11,136,814	5,568,407
Equity Issue Costs			(1,513,612)
Balance at 30 June 2023		**264,217,466**	**166,874,257**

Ordinary shares have the right to receive dividends as declared, and in the event of winding up the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid upon on shares held. Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

Options and Performance Rights over ordinary shares

At the end of the reporting period, there were 8,219,053 options and performance rights over unissued shares as follows:

Options and Performance Rights over Ordinary Shares	Date of expiry/ exercise or issue	Nos	Status	Exercise Price	Expiry Date
Balance at 30 June 2022		**4,892,266**			
Expired/ Lapsed/ Cancelled:					
Performance Rights lapse on director resignation	9-Nov-22	(100,000)		-	9-Dec-25
Lapse of Unlisted Options	5-Mar-23	(284,000)		$0.30	5-Mar-23
Performance Rights lapse on director resignation	5-Jun-23	(73,684)		-	15-Dec-26
Lapse of Unlisted Options	21-Jun-23	(500,000)		$1.50	21-Jun-23
		(957,684)			
Issued:					
Performance Rights issued as a Long Term Incentive to employees.	23-Sep-22	2,053,400	Unvested	-	9-Dec-25
Performance Rights issued as a Long Term Incentive to directors.	15-Dec-22	4,100,000	Unvested	-	15-Dec-26
		6,153,400			
Exercised:					
Vested Performance Rights	5-Dec-22	(312,500)		-	23-Sep-26
Vested Performance Rights	5-Dec-22	(201,899)		-	9-Dec-25
Vested Performance Rights	19-Dec-22	(163,968)		-	9-Dec-25
Vested Performance Rights	19-Dec-22	(10,526)		-	30-Nov-26
Un-Listed Options	17-Feb-23	(275,000)		$0.30	5-Mar-23
Vested Performance Rights	15-May-23	(103,400)		-	23-Sep-26
Vested Performance Rights	15-May-23	(465,000)		-	5-Feb-25
Vested Performance Rights	15-May-23	(320,846)		-	9-Dec-25
Vested Performance Rights	15-May-23	(15,790)		-	15-Dec-26
		(1,868,929)			
Balance at 30 June 2023		**8,219,053**			

For the year ended 30 June 2023, 2,053,400 employee performance rights and 4,100,000 director performance rights were issued under the Performance Rights Plan approved at the Annual General Meeting held on 29 November 2021. No performance rights were issued under the Employee Incentive Plan approved at the General Meeting held on 15 June 2023. No options were issued under the Employee Option Plan (EOP). During the year a total of 957,684 options and performance rights expired, lapsed or were cancelled.

For the year ended 30 June 2022, 1,918,266 performance rights were issued to employees under the Performance Rights Plan's approved at the Annual General Meeting held on 29 November 2021. No options were issued under the Employee Option Plan (EOP). During the year a total of 428,300 options and 576,000 performance rights expired, lapsed or were cancelled. Capital consolidation of 10 securities into 1 occurred on 10 December 2021.

Capital Management Policy

The Group's policy is to effectively manage its capital structure so that it would continue to operate as a going concern. The Group manages its contributed equity and reserves as part of its capital. The Group is not subject to any externally imposed capital requirements.

As is similar with many other exploration companies, the operational requirements of the Group are funded through equity and debt raised in various tranches. The overall capital management policy of the Group remains unchanged and is consistent with prior years.

19. SHARE BASED PAYMENTS

Employee Share Option Plan

The Group has an Incentive Employee Option Plan (EOP) for the granting of options to eligible participants. During the financial year ended 30 June 2023, no options were issued under the EOP to executives and employees (2022: nil).

Options granted during and as at the year ended 30 June 2023:

	Number	WA Exercise Price^
Outstanding at 1 July 2022[1]	**1,059,000**	**$0.8666**
Granted / Vested during the year:	-	-
Exercised during the year	(275,000)	-
Expired/ Lapsed/ Cancelled during the year	(784,000)	-
Outstanding at 30 June 2023	**-**	**-**
Exercisable at 30 June 2023	-	-

^WA (weighted average)

Options granted during and as at the year ended 30 June 2022:

	Number	WA Exercise Price^
Outstanding at 1 July 2022[1]	**5,816,500**	**$0.4413**
Granted / Vested during the year:	-	-
Exercised during the year	(4,332,500)	-
Expired/ Lapsed/ Cancelled during the year	(425,000)	-
Outstanding at 30 June 2022	**1,059,000**	**$0.8666**
Exercisable at 30 June 2022	559,000	$0.3000

^WA (weighted average)
[1]Outstanding balance of shares at 1 July 2021 adjusted to reflect Capital consolidation of securities 10 to 1 on 10th Dec 2021.

The weighted average remaining contractual life for share options outstanding at 30 June 2023 was 0 years (2022: 0.82 years).

Performance Rights Plan

The Group has an Employee Incentive Plan for the granting of performance rights to eligible participants which was last approved by Shareholders at a General Meeting of the Company on 15 June 2023.

6,153,400 performance rights were issued during the year ended 30 June 2023 under the Performance Rights Plan approved at the Annual General Meeting held on 29 November 2021 (2022: 1,918,266).

Performance rights granted during and as at the year ended 30 June 2023:

	Number	Exercise Price	Fair value per performance right
Outstanding at 1 July 2022	**3,833,266**		
Granted during the year:			
Performance Rights issued under the Company's Incentive Performance Rights Plan*	6,153,400	-	0.47
Expired/Lapsed during the year:	(173,684)	-	
Exercised during the year	(1,593,929)	-	
Outstanding at 30 June 2023	**8,219,053**		
Exercisable at 30 June 2023	-	-	

Performance rights granted during and as at the year ended 30 June 2022:

	Number	Exercise Price	Fair value per performance right
Outstanding at 1 July 2021[1]	**2,143,800**	-	
Granted during the year:			
Performance Rights issued under the Company's Incentive Performance Rights Plan and with the approval of the Company's shareholders given at the Annual General Meeting held on 29 November 2021*	1,918,266	-	$0.66
Expired/Lapsed during the year	(147,600)	-	
Exercised during the year	(81,200)	-	
Outstanding at 30 June 2022	**3,833,266**	-	
Exercisable at 30 June 2022	-	-	

[1]*Outstanding balance of shares at 1 July 2021 adjusted to reflect Capital consolidation of securities 10 to 1 on 10th Dec 2021.*

* Vest subject to achievement of performance criteria as determined by the Company's Board.

The volume weighted exercise price of rights issued during the year was $0.00 (2022: $0.00)

The weighted average remaining contractual life for rights outstanding at 30 June 2023 was 3 years (2022: 3 years)

The weighted average fair value of rights issued during the year was $0.47 per right (2022: $0.66)

For performance rights with non-market conditions, the fair value is measured using the closing share price at grant or shareholder approval date. For performance rights with market conditions, the fair value is measured using a binomial pricing model. Performance rights were issued during the year with the follow inputs:

Options and performance rights granted during the year ended 30 June 2023:

23-Sep-2022 – unvested LTI Performance Rights to vest on achievement of performance criteria by 23 September 2026 or the Performance Rights will lapse

Share price on date of grant	**$0.48**
Fair value per performance right – non-market based	**$0.48**

15-Dec-2022 – unvested LTI Performance Rights to vest on achievement of performance criteria by 15 December 2026 or the Performance Rights will lapse

WA Share price on date of grant	**$0.475**
WA Risk-free interest rate	**3.75%**
Dividend yield	**0%**
Expected volatility	**80.7%**
Fair value per performance right – non market based	**$0.475**
Fair value per performance right – market-based barrier price $0.80	**$0.44**
Fair value per performance right – market-based barrier price $1.50	**$0.36**

(WA weighted average)

Options and performance rights granted during the year ended 30 June 2022:

9-Dec-2021 – unvested LTI Performance Rights to vest on achievement of performance criteria by 29 November 2025 or the Performance Rights will lapse

WA Share price on date of grant	**$0.66**
WA Risk-free interest rate	**0.75%**
Dividend yield	**0%**
Expected volatility	**77%**
Fair value per performance right	**$0.66**

(WA weighted average)

The expected volatility reflects the assumption that historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the case.

The value of options and performance rights granted are expensed over the vesting period. Included in share based payments expense of $1,665,584 (2022: $610,449) is $Nil (2022: $Nil) relating to the shares issued during the year, ($46,703)* (2022: $23,360*) relating to options granted during the year and prior years, and $1,712,287* (2022: $587,089*) relating to performance rights granted during the year and prior years.

*Includes the write back of the share-based payments previously recognised for options and performance rights that lapsed during the current period.

20. CONTINGENCIES AND COMMITMENTS

Lease commitments - Group as a lessee

The maturity analysis of lease payments as at 30 June are as follows:

	2023 $	2022 $
Up to 1 year	155,166	122,110
1 to 5 Years	137,549	214,958
	292,715	**337,068**

Capital Commitments

At 30 June 2023, the Group has no capital commitments (2022: Nil).

Contingencies

At 30 June 2023, the Group has no contingencies (2022: Nil).

21. KEY MANAGEMENT PERSONNEL DISCLOSURE

	2023 $	2022 $
Salary and fees – short term benefits	1,987,358	1,720,824
Superannuation	103,399	93,384
Share based payments^	1,457,999	556,355
	3,548,756	**2,370,563**

^Includes write back of forfeited unvested non-market based Options and Performance Rights during the year.

The balance outstanding at 30 June 2023 and included in trade and other payables is $240,000 (2022: $Nil).

Loans to KMP's

No loans were made to KMPs during the financial year (2022: Nil)

Other transaction and balances with KMPs

There were no other related party transactions with KMPs during the year (2022: $Nil). There were no other balance outstanding at 30 June 2023 (2022: $Nil).

22. GROUP STRUCTURE

Parent and subsidiaries

The parent and the ultimate parent entity of the Group is Peak Rare Earths Limited, a company listed on the Australian Securities Exchange.

The components of the Group are:

		Ownership interest	
	Incorporation	2023	2022
Parent			
Peak Rare Earths Limited	Australia	100%	100%
Controlled entities			
PRL Pty Ltd	Australia	100%	100%
Peak Hill Gold Mines Pty Ltd	Australia	100%	100%
Redpalm Pty Ltd	Australia	100%	100%
Pan African Exploration Limited	Australia	100%	100%
Peak Resources (Tanzania) Limited	Tanzania	100%	100%
Peak African Minerals Limited	Mauritius	100%	100%
PR Ng Minerals Limited (Indirectly)	Tanzania	100%	100%
Peak Technology Metals Limited	United Kingdom	100%	100%
Teesside Rare Earth Elements Limited (indirectly)	United Kingdom	100%	100%
Ngualla Group UK Limited (indirectly)	United Kingdom	100%	100%
Mamba Minerals Corporation Limited (indirectly)	Tanzania	84%	-
Mamba Refinery Corporation Limited (indirectly)	Tanzania	84%	-

Incorporation of Mamba Minerals Corporation Limited and Mamba Refinery Corporation Limited

In February 2023, Peak and the Government of Tanzania, incorporated Mamba Minerals Corporation Limited ("MML") and Mamba Refinery Corporation Limited ("MRL"), with the shareholders of both MML and MRL being Peak subsidiary, Ngualla Group UK Limited, holding 84% and the Government of Tanzania holding 16%.

On 17 April 2023, the Framework Agreement was executed between the Tanzanian Government, Peak Rare Earths Limited, Ngualla Group UK Limited and PR NG Minerals Limited. The 16% interest in MML and MRL was issued to the Tanzanian Government without any consideration to fulfill the terms of the Framework Agreement and the Tanzanian legislation. The Tanzanian Government's 16% interest is an un-dilutable, free carried interest and the Tanzania Government is not obliged to make any capital contributions for the development of the Ngualla Project or operations of MML and MRL.

The Framework Agreement sets out the basis of the Government of Tanzania's agreement for the licencing, development, economic benefit sharing and the formation of entities held by Peak and the Government of Tanzania with respect to the development and operation of the Ngualla Project. The Group was obliged to transfer all intellectual property, studies, reports, physical assets and any other assets acquired under the arrangement without any consideration to MML in accordance with the terms of the Framework Agreement. On 25 April 2023 the Special Mining Licence was issued to MML for the development and operations of the Ngualla Project.

For the year ended 30 June 2023, the Group recognised a share based payment for government participation amounting to $21,189,140 (2022: $Nil). Estimating the fair value of the share based payment arising on the issuance of the 16% interest in the Ngualla Project to the Tanzanian Government required determination of an appropriate valuation model under accounting standard AASB 2. The fair value was determined utilising the most appropriate measure available, being 16% of the Group's adjusted market capitalisation of $132,432,122 at the date on which the Framework Agreement was executed.

The summarised financial information of MML and MRL are as follows:

	2023 $	2022 $
Loss for the year	**(21,336,143)**	-
Attributable to non-controlling interests	(3,413,783)	-
Total comprehensive loss for the year	**(21,336,143)**	-
Attributable to non-controlling interests	(3,413,783)	-
Assets		
Non-current assets	111,095,981	-
Total Assets	**111,095,981**	-
Total Equity	**111,095,981**	-
Attributable to:		
Equity holders of parent	93,320,624	-
Non-controlling interest	17,775,357	-

23. FINANCIAL INSTRUMENTS

The financial instruments of the Group are (i) cash and cash equivalents, including other financial assets; (ii) trade and other receivables; (iii) investments, (iv) trade and other payables.

The Group's principal financial instruments are cash and short term deposits. The main purpose of these financial instruments is to finance the Group's operations. It is, and has been throughout the period under review, the Group's policy that no trading in financial instruments shall be undertaken.

The financial instruments expose the group to certain risks. The nature and extent of such risks, and the management's risk management strategy are noted below.

Fair value of financial instruments

	2023 $	2022 $
Cash and cash equivalents	25,852,484	9,479,379
Trade and other receivables	251,377	974,411
Other financial assets	63,794	63,794
Investments	8,000	8,000
Trade and other payables	(2,140,418)	(2,447,973)

The carrying amount of financial instruments closely approximate their fair value on account of the short maturity.

Credit Risk

The Group's credit risks arise from potential default of trade and other receivables, cash and cash equivalents and other financial assets. The maximum credit exposure is limited to the carrying amount of trade and other receivables of $251,377 at 30 June 2023 (2022: $974,411).

Credit risk from balances with banks and financial instruments is mitigated by holding balances with banks with a high credit rating. The maximum exposure for cash and cash equivalents is shown below.

There were no significant concentrations of credit risks.

Liquidity risk

The Group's liquidity risks arise from potential inability of the Group to meet its financial obligations as and when they fall due, generally due to shortage of cleared funds. The Group is exposed to liquidity risk on account of trade and other payables. The Group manages its liquidity risk through continuously monitoring the cleared funds position; and by utilising short term cash budgets.

The contractual maturity analysis of the Group's financial instruments are noted below:

	2023			2022		
	Up to 3 months $	> 3 months $	Total $	Up to 3 months $	> 3 months $	Total $
Financial liabilities						
Trade and other payables	(2,140,418)	-	(2,140,418)	(2,447,973)	-	(2,447,973)
Lease Liabilities	(36,040)	(243,223)	(279,263)	(27,041)	(289,602)	(316,643)
Total financial liabilities	**(2,176,458)**	**(243,223)**	**(2,419,681)**	**(2,475,014)**	**(289,602)**	**(2,764,616)**
Financial assets						
Cash and cash equivalents and other financial assets	25,852,484	63,794	25,916,278	9,479,379	63,794	9,543,173
Investments	-	8,000	8,000	-	8,000	8,000
Trade and other receivables	251,377	-	251,377	974,411	-	974,411
Total financial assets	**26,103,861**	**71,794**	**26,175,655**	**10,453,790**	**71,794**	**10,525,584**

Interest rate risk

Interest rate risk is the risk that fair values and cash flows of the Group's financial instruments will be affected by changes in the market interest rates.

The Group's cash and cash equivalents are impacted by interest rate risks. Trade and other receivables and payables have short maturities and are non-interest bearing. Management believes that the risk of interest rate movement would not have a material impact of the Group's operations.

Management does not closely monitor the interest rates offered on cash and cash equivalents as the Group's primary objective is exploration of resources rather than earning interest income. The cash balances are invested at the prevailing short term market interest rates with credit worthy financial institutions.

The sensitivity of the interest-bearing financial instruments to a 1% change in market interest rate are noted below:

	2023 $	2022 $
Cash and cash equivalents	25,852,484	9,479,379
Impact on profit and equity: +1% movement	258,525	94,794
Impact on profit and equity: -1% movement	(258,525)	(94,794)

Foreign currency risk

The Group's expenditure obligations in Tanzania are primarily in US dollars as a result the Group is exposed to fluctuations in the US dollar to Australian currency. The Group will transfer cash and cash equivalents into foreign currency to meet short term expenditure obligations. These exposures are not subject to a hedging programme. The Board and management from time to time having regard to likely forward commitments review this policy.

Commodity price risk

The Group's exposure to commodity price risk is minimal at this stage of the operation.

Changes in liabilities arising from financing activities during the year ended 30 June 2023:

		2023			
	1-Jul-22 $	Cash flows $	Foreign exchange movement $	Other Movement $	30-Jun-23 $
Financial liabilities					
Lease liabilities	316,643	(138,974)	-	101,594	279,263
Total liabilities from financing activities	**316,643**	**(138,974)**	**-**	**101,594**	**279,263**

Changes in liabilities arising from financing activities during the year ended 30 June 2022:

		2022			
	1-Jul-21 $	Cash flows $	Foreign exchange movement $	Other Movement $	30-Jun-22 $
Financial liabilities					
Royalty liability	5,686,663	(5,974,811)	197,460	90,688	-
Lease liabilities	-	(40,671)	-	357,314	316,643
Total liabilities from financing activities	**5,686,663**	**(6,015,482)**	**197,460**	**448,002**	**316,643**

24. SUBSEQUENT EVENTS

On 1 July 2023, Hannah Badenach was appointed as a Non-Executive Director.

On 9 August 2023, Peak Rare Earths Limited and its major shareholder Shenghe, executed a binding offtake agreement for the Ngualla Rare Earth Project and signed a non-binding memorandum of understanding (MOU) for cooperation on delivering an EPC and funding solution. The Binding offtake agreement terms include:

- 100% of rare earth concentrate
- Minimum of 50% of intermediate and final rare earth products
- An initial term of 7 years
- Conditional, including subject to Peak shareholder approval

Other than the matters referred to above, there were no other events that have a material impact on the financial statements or operations of the Group and Company.

25. PARENT ENTITY DISCLOSURE

The following details information related to the parent entity, Peak Rare Earths Limited. The information presented here has been prepared using consistent accounting policies as presented in Note 2.

	2023 $	2022 $
Financial position		
Current assets	25,940,650	10,264,535
Non-current assets	65,141,263	63,326,337
Total assets	**91,081,913**	**73,590,872**
Current liabilities	1,927,543	2,296,564
Non-current liabilities	10,043,456	9,210,260
Total liabilities	**11,970,999**	**11,506,824**
Net assets	**79,110,914**	**62,084,048**
Equity		
Contributed equity	166,874,257	140,805,369
Share based payment reserve	6,983,600	5,318,016
Accumulated losses	(94,746,943)	(84,039,337)
Total equity	**79,110,914**	**62,084,048**
Financial performance		
Loss for the year	(10,707,606)	(12,914,903)
Other comprehensive income	-	-
Total comprehensive loss for the year	**(10,707,606)**	**(12,914,903)**

Peak Rare Earths Limited had no commitments to purchase property, plant and equipment or contingent liabilities at 30 June 2023 (2022: $Nil).

DIRECTOR'S DECLARATION

In accordance with a resolution of the directors of Peak Rare Earths Limited, I state that:
In the opinion of the Directors:

a. Subject to the matters set out in Note 2(a) to the Financial Statements there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;

b. the attached financial statements are in compliance with International Financial Reporting Standards, as stated in note 2 to the financial statements;

c. the attached financial statements and notes thereto for the financial year ended 30 June 2023 are in accordance with the Corporations Act 2001 and Corporations Regulation 2001, including compliance with accounting standards and giving a true and fair view of the financial position as at 30 June 2023 and performance of the Group for the year ended on that date;

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

Signed in accordance with a resolution of the Directors made pursuant to s295(5) of the Corporations Act 2001.

On behalf of the Directors

Dr Russell Scrimshaw (AM)
Executive Chairman
27 September 2023

07. ASX ADDITIONAL INFORMATION

SHAREHOLDER INFORMATION

As at 11 October 2023

Size of Holding	Number of Fully Paid Ordinary Securities
1 to 1,000	496,699
1,001 to 5,000	4,278,823
5,001 to 10,000	5,231,425
10,001 to 100,000	42,932,727
100,001 and Over	211,701,792
Total	**264,641,466**

There were 1,136 holders with less than a marketable parcel of fully paid shares representing 688,327 shares.

SUBSTANTIAL SECURITY HOLDERS

The substantial shareholder listed in the Company's register was:

Holder	Number of shares	Percentage of issue capital
SHENGHE RESOURCES (SINGAPORE) PTE LTD	52,399,173	19.80%

UNQUOTED SECURITIES

Class of Equity Security	Expiriry Date	Number	Number of Security Holders
Unvested Performance Rights exercisable at $Nil	5 February 2025	1,550,000	3
Unvested Performance Rights exercisable at $Nil	9 December 2025	1,977,096	12
Unvested Performance Rights exercisable at $Nil	29 September 2026	1,213,500	9
Unvested Performance Rights exercisable at $Nil	15 August 2027	4,000,000	1

Names of person holding greater than 20% of a class of unquoted securities not issued under an employee incentive scheme:

Class of Equity Rights exerciseable at $Nil	Expiriry Date	Number	Holders
Unvested Performance Rights exercisable at $Nil	15 August 2027	4,000,000	Russell Scrimshaw

VOTING RIGHTS

Ordinary Shares

In accordance with the Company's Constitution, on a show of hands every member present in person or by proxy or attorney or duly authorised representative has one vote. On a poll every member present in person or by proxy or attorney or duly authorised representative has one vote for every fully paid ordinary share held.

RESTRICTED SECURITIES

As at 11 October 2023, there were no restricted securities.

TWENTY LARGEST SECURITY HOLDERS

The names of the twenty largest holdings of quoted equity securities are as follows:

Name	Number	% Held
SHENGHE RESOURCES (SINGAPORE) PTE LTD	52,399,173	19.80
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	14,805,531	5.59
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED – A/C 2	13,458,898	5.09
BNP PARIBAS NOMINEES PTY LTD <AGENCY LENDING DRP A/C>	7,725,580	2.92
CITICORP NOMINEES PTY LIMITED	6,101,583	2.31
PASAGEAN PTY LIMITED	5,000,000	1.89
BUTTONWOOD NOMINEES PTY LTD	4,531,110	1.71
SPARTA AG	3,706,042	1.40
BNP PARIBAS NOMINEES PTY LTD <DRP>	3,104,735	1.17
BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAIL CLIENT A/C>	2,453,990	0.93
ONE MANAGED INVESTMENT FUNDS LIMITED <TI GROWTH A/C>	2,372,891	0.90
ASHABIA PTY LTD <ASHABIA SUPER FUND A/C>	2,144,404	0.81
SUTTON NOMINEES PTY LTD <WM GATACRE FAMILY FUND A/C>	2,100,000	0.79
BUSHELL NOMINEES PTY LTD <BUSHELL SUPER FUND A/C>	2,000,000	0.76
MR RICHARD SMITH	1,923,334	0.73
JP MORGAN NOMINEES AUSTRALIA PTY LTD	1,899,668	0.72
BNP PARIBAS NOMINEES PTY LTD ACF CLEARSTREAM	1,713,586	0.65
PINNACLE SUPERANNUATION PTY LIMITED <PJF S/F A/C>	1,600,000	0.60
SAIL AHEAD PTY LTD <SAIL AHEAD SF A/C>	1,550,000	0.59
CRX SECURITIES PTY LIMITED <EDWARDS FAMILY S/F A/C>	1,543,750	0.58
	132,134,275	**49.93**

08. TENEMENT SCHEDULE, RESERVE & RESOURCES

PROJECT	TENEMENT	%	STATUS	ARRANGEMENT/ COMMENT
Tanzanian Projects				
Mlingi	PL 10897/2016	100	Granted	Held by 100% Tanzanian subsidiary company, PR NG Minerals Limited
Ngualla	SML 693/2023	100	Granted	Held by Tanzanian subsidiary company, Mamba Minerals Corporation Limited, which is owned 84% by Peak (via 100% UK subsidiary, Ngualla Group UK Limited) and 16% by the Government of Tanzania (via the Treasury Registrar)

ORE RESERVES AND MINERAL RESOURCES

Compliance Statement

Information contained in this presentation relating to financial forecasts, production targets, infrastructure, project execution, cost estimating, metallurgical test work, exploration results, Mineral Resource estimates , Ore Reserve estimates and studies are taken from the Company's ASX announcements dated 22 February 2016, 2 March 2017, 12 April 2017, 28 August 2017, 12 October 2017, 25 August 2021, 28 October 2021 and 24 October 2022. The ASX announcements are available to view on https://www.peakrare earths.com/asx-announcements/. The Company confirms that at this time it is not aware of any confirmed new information or data that materially affects the information included in the relevant announcement and that all material assumptions and technical parameters underpinning the estimates in the relevant announcement continue to apply and have not materially changed. The Company confirms that at this time the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

The Company further advises that there are various workstreams being undertaken, including Front End Engineering and Design ("FEED"), a dual-track assessment of Engineering, Procurement, Construction and Management ("EPCM") and Engineering, Procurement and Construction ("EPC") execution models and further optimisation of the project flow sheet, the outcomes of which may change the information included in the relevant announcement.

Table 1: Classification of Ore Reserve estimates for the Weathered Bastnaesite Zone at Ngualla.

JORC Category	Ore Reserve as at October 2022		
	Ore Tonnes (Millions)	REO %	Contained REO Tonnes
Proved	17.0	4.78	813,000
Probable	1.5	5.10	74,000
Total	18.5	4.80	887,000

See Table 2 for the breakdown of individual REO's. Reported according to the JORC 2012 Code and Guidelines.

Table 2: Relative components of individual rare earth oxides (including yttrium) as a percentage of total REO for the Ngualla Project Ore Reserve estimate (refer to Table 1)

Rare Earth Oxides	REO Grade %			% of Total REO		
	Proved	Probable	All	Proved	Probable	All
Lanthanum	1.318	1.418	1.326	27.59	27.80	27.61
Cerium	2.305	2.456	2.317	48.25	48.15	48.24
Praseodymium	0.228	0.243	0.229	4.77	4.77	4.77
Neodymium	0.788	0.838	0.792	16.49	16.43	16.49
Samarium	0.077	0.082	0.077	1.61	1.61	1.61
Europium	0.014	0.015	0.014	0.30	0.28	0.30
Gadolinium	0.029	0.031	0.030	0.62	0.60	0.62
Terbium	0.002	0.002	0.002	0.05	0.05	0.05
Dysprosium	0.004	0.004	0.004	0.07	0.07	0.07
Holmium	0.000	0.000	0.000	0.01	0.01	0.01
Erbium	0.001	0.002	0.002	0.03	0.03	0.03
Thulium	0.000	0.000	0.000	0.00	0.00	0.00
Ytterbium	0.001	0.001	0.001	0.01	0.01	0.01
Lutetium	0.000	0.000	0.000	0.00	0.00	0.00
Yttrium	0.010	0.010	0.010	0.20	0.19	0.20
Total REO	**4.78**	**5.10**	**4.80**	**100.00**	**100.00**	**100.00**

Values may not balance due to rounding to 0.01%

Ore Reserves – Competent Person's Statement

The information in the announcement that relates to Ore Reserve estimates and estimated mine operating costs is based on information compiled by Mr Ryan Locke, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Locke is a Principal Consultant and is employed by Orelogy Mine Consulting Pty Ltd, an independent consultant to Peak Rare Earths Limited. Mr Locke has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Ryan Locke consents to the inclusion in the report of the maters based on his information in the form and context in which it appears.

Table 3: Classification of All Mineral Resources for the Ngualla Rare Earth Project at a 1.0% REO cut-off grade.

	Lower Cut-Off Grade	JORC Category	Mineral Resource as at October 2022			
			Ore Tonnes (Millions)	REO %	Contained REO Tonnes	$BASO_4$ %
Ngualla all Mineral Resources	1.0% REO	Measured	86.1	2.61	2,250,000	20.2
		Indicated	112.6	1.81	2,040,000	13.8
		Inferred	15.7	2.15	340,000	17.6
		Total	**214.4**	**2.15**	**4,620,000**	**16.6**

**REO (%) includes all the lanthanide elements plus yttrium oxide. See Tables 5 for breakdown of individual REO's. Figures above may not sum dueto rounding. The number of significant figures does not impy an added level of precision.*

The Weathered Bastnaesite Zone Mineral Resource estimate summarised below is a subset and contained within the All Mineral Resources reported in Table 3 above.

Table 4: Classification of All Mineral Resources for the Weathered Bastnaesite Zone mineralisation at a 1.0% and 3% REO cut-off grades.

	Lower Cut-Off Grade	JORC Category	Mineral Resource as at October 2022			
			Ore Tonnes (Millions)	REO %	Contained REO Tonnes	$BASO_4$ %
Ngualla all Mineral Resources	1.0% REO	Measured	18.9	4.75	900,000	37.8
		Indicated	1.9	4.85	90,000	38.3
		Inferred	0.5	4.43	20,000	31.5
		Total	**21.3**	**4.75**	**1,010,000**	**37.7**
	3.0% REO	Measured	1.7	5.14	90,000	39.3
		Indicated	0.4	4.84	20,000	35.4
		Inferred	19.9	4.90	980,000	38.6
		Total	**19.9**	**4.90**	**980,000**	**38.6**

**REO (%) includes all the lanthanide elements plus yttrium oxide. See Table 5 for breakdown of individual REO's. The Weathered Bastnaesite ZoneMineral Resource is contained within an is a subset of the Total All Ngualla Project Mineral Resource at a 1% REO cut-off grade in Table 3 above. Figures above may not sum due to rounding. The number of significant figures does not impy an added level of precision.*

Table 5: Relative components of individual rare earth element oxides (including yttrium) as a percentage of total REO for 2018 Total Ngualla +1% REO, Weathered Bastnaesite Zone +1% REO and Weathered Bastnaesite Zone +3% REO and Mineral Resources summarised in Tables 3 and 4.

Oxide		Ngualla 2022 Total Mineral Resource		Ngualla 2022 Weathered Bastnaesite Zone Resource		Ngualla 2022 Weathered Bastnaesite Zone Resource	
		1% REO		1% REO		3% REO	
		REO Grade (%)	% of Total REO	REO Grade (%)	% of Total REO	REO Grade (%)	% of Total REO
Lanthanum	La_2O_3	0.587	27.25	1.310	27.58	1.353	27.63
Cerium	CeO_2	1.039	48.23	2.293	48.27	2.364	48.27
Praseodymium	Pr_6O_{11}	0.104	4.81	0.227	4.77	0.234	4.77
Neodymium	Nd_2O_3	0.348	16.2	0.784	16.5	0.806	16.5
Samarium	Sm_2O_3	0.036	1.66	0.076	1.60	0.078	1.60
Europium	Eu_2O_3	0.007	0.34	0.014	0.29	0.014	0.29
Gadolinium	Gd_2O_3	0.016	0.75	0.029	0.61	0.030	0.61
Terbium	Tb_4O_7	0.001	0.07	0.002	0.05	0.002	0.05
Dysprosium	Dy_2O_3	0.003	0.16	0.004	0.07	0.004	0.08
Holmium	Ho_2O_3	0.000	0.02	0.000	0.01	0.000	0.01
Erbium	Er_2O_3	0.001	0.06	0.002	0.03	0.002	0.03
Thulium	Tm_2O_3	0.000	0.00	0.000	0.00	0.000	0.00
Ytterbium	Yb_2O_3	0.001	0.04	0.001	0.01	0.001	0.01
Lutetium	Lu_2O_3	0.000	0.00	0.000	0.00	0.000	0.00
Yttrium	Y_2O_3	0.010	0.47	0.010	0.20	0.010	0.20
Total		**2.15**	**100**	**4.75**	**100**	**4.90**	**100**

**Figures may not sum due to rounding.*

Mineral Resource estimates – Competent Person's Statement

The information in this statement that relates to the Mineral Resource estimates is based on work conducted by Rod Brown of SRK Consulting (Australasia) Pty Ltd, and the work conducted by Peak Rare Earths Limited, which SRK has reviewed. Rod Brown takes responsibility for the Mineral Resource estimate. Rod Brown is a Member of The Australian Institute of Mining and Metallurgy and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration, and to the activities undertaken, to qualify as Competent Person in terms of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code, 2012 edition). Rod Brown consents to the inclusion of such information in this report in the form and context in which it appears.

09. CORPORATE DIRECTORY

PEAK RARE EARTHS LIMITED

ABN: 72 112 546 700

DIRECTORS

Russell Scrimshaw	Executive Chairman
Abdullah Mwinyi	Non-Executive Director
Shasha Lu	Non-Executive Director
Ian Chambers	Non-Executive Director
Nick Bowen	Non-Executive Director
Hannah Badenach	Non-Executive Director

COMPANY SECRETARY

Philip Rundell

CHIEF EXECUTIVE OFFICER

Bardin Davis

REGISTERED OFFICE

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Ohio Street ,Dar es Salaam, Tanzania

Bowmans Tanzania
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Masaki, Dar es Salaam, Tanzania

AUDITORS

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SHARE REGISTRY

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STOCK EXCHANGE LISTING

Australian Securities Exchange Limited
Home Exchange: Perth, Western Australia
Code: PEK

Corporate Governance Statement

The Company has adopted the recommendations of the ASX Corporate Governance Council's Principles and Recommendations (Third Edition) in regard to the Corporate Governance Disclosures and provides disclosure of the Company's Corporate Governance Statement on the Company's website here.

Peak
RARE EARTHS