

AUSMON RESOURCES LIMITED
ABN 88 134 358 964

Half-Year Financial Report
31 December 2024

CONTENTS

Corporate Directory	1
Review of Operations	2
Directors' Report	17
Auditor's Independence Declaration	18
Independent Auditor's Review Report	19
Directors' Declaration	21
Consolidated Statement of Profit or Loss and Other Comprehensive Income	22
Consolidated Statement of Financial Position	23
Consolidated Statement of Changes in Equity	24
Consolidated Statement of Cash Flows	25
Condensed Notes to Consolidated Financial Statements	26

CORPORATE DIRECTORY

Directors

Boris Patkin – Chairman
John Wang – Managing Director
Eric W Y M Sam Yue – Executive Director

Company Secretary

Eric W Y M Sam Yue

Registered Office

World Tower
Suite 1312
87-89 Liverpool Street
Sydney NSW 2000
Telephone: 61 2 9264 6988
Email: office@ausmonresources.com.au

Website

www.ausmonresources.com.au

Share Registry

Boardroom Pty Limited
Level 8
210 George Street
Sydney NSW 2000
Telephone: 61 2 9290 9600
Facsimile: 61 2 9279 0664
Email: enquiries@boardroomlimited.com.au

Home Stock Exchange

ASX Limited
Exchange Centre
20 Bridge St
Sydney NSW 2000

ASX Code: AOA

Solicitors

Piper Alderman
Level 23, Governor Macquarie Tower
1 Farrer Place
Sydney NSW 2000

Auditors

Stantons
Level 2, 40 Kings Park Rd
West Perth WA 6005

REVIEW OF OPERATIONS

CORPORATE

- At the Annual General Meeting held on 29 November 2024, shareholders approved the following:
 - (a) issue of 6 million fully paid ordinary shares at \$0.004 per share together with a 5 year, interest free, secured with limited recourse, loan of \$24,000 to acquire the shares under the Ausmon Employee Incentive Plan to each of the Directors, Boris Patkin, John Wang and Eric Sam Yue. The shares were issued and allotted on 29 November 2024.
 - (b) issue of a total of 30,727,966 million fully paid ordinary shares at a deemed issue price of \$0.0025 per share as payment of Directors’ fees owing of \$31,200 to Boris Patkin, \$29,880 to John Wang and \$15,759.92 to Eric Sam Yue. The shares were issued and allotted on 29 November 2024.
 - (c) the issue within 3 months of up to 200 million fully paid ordinary shares in accordance with ASX Listing Rule 7.1. The shares have not been issued by private placement within the approved period as the Company opted to offer shares to eligible shareholders under a share purchase plan announced on 18 February 2025.
- On 21 November 2024, 7,500,000 fully paid ordinary shares at \$0.004 per share together with a 5 year, interest free, secured with limited recourse, loan of \$30,000 to acquire the shares under the Ausmon Employee Incentive Plan were issued and allotted to staff and consultants.
- In September 2024, the loan facility from Fort Capital Pty Ltd to the Company was increased from \$1,250,000 to \$1,600,000 and extended from 1 October 2025 to 1 October 2026.

EXPLORATION

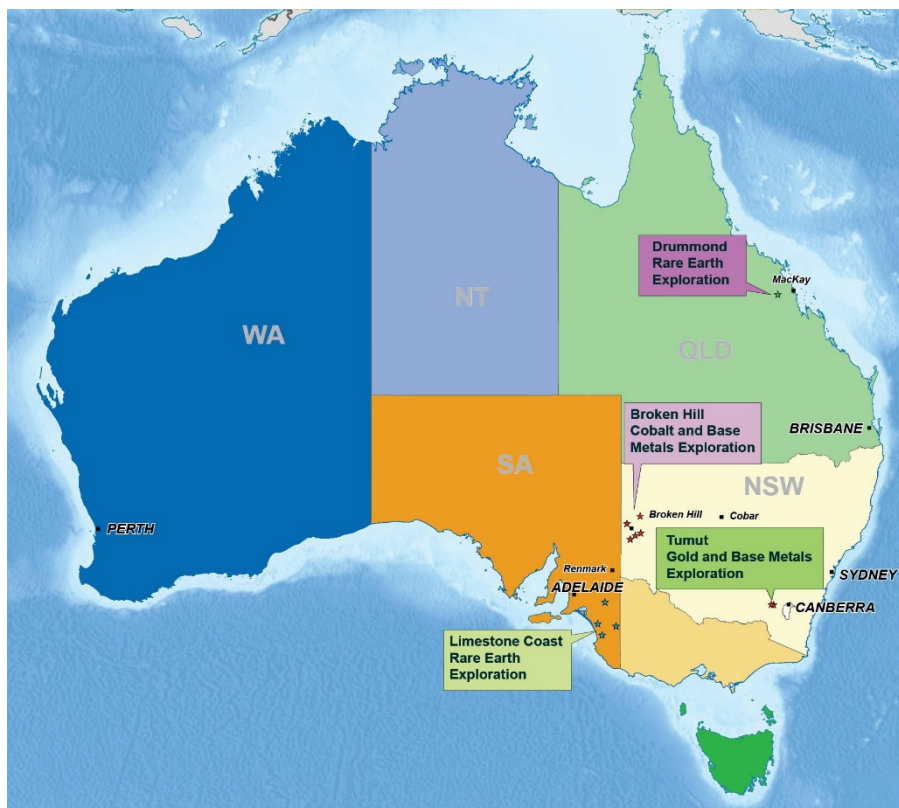


Figure 1: Location of Ausmon Exploration Projects in Australia

REVIEW OF OPERATIONS

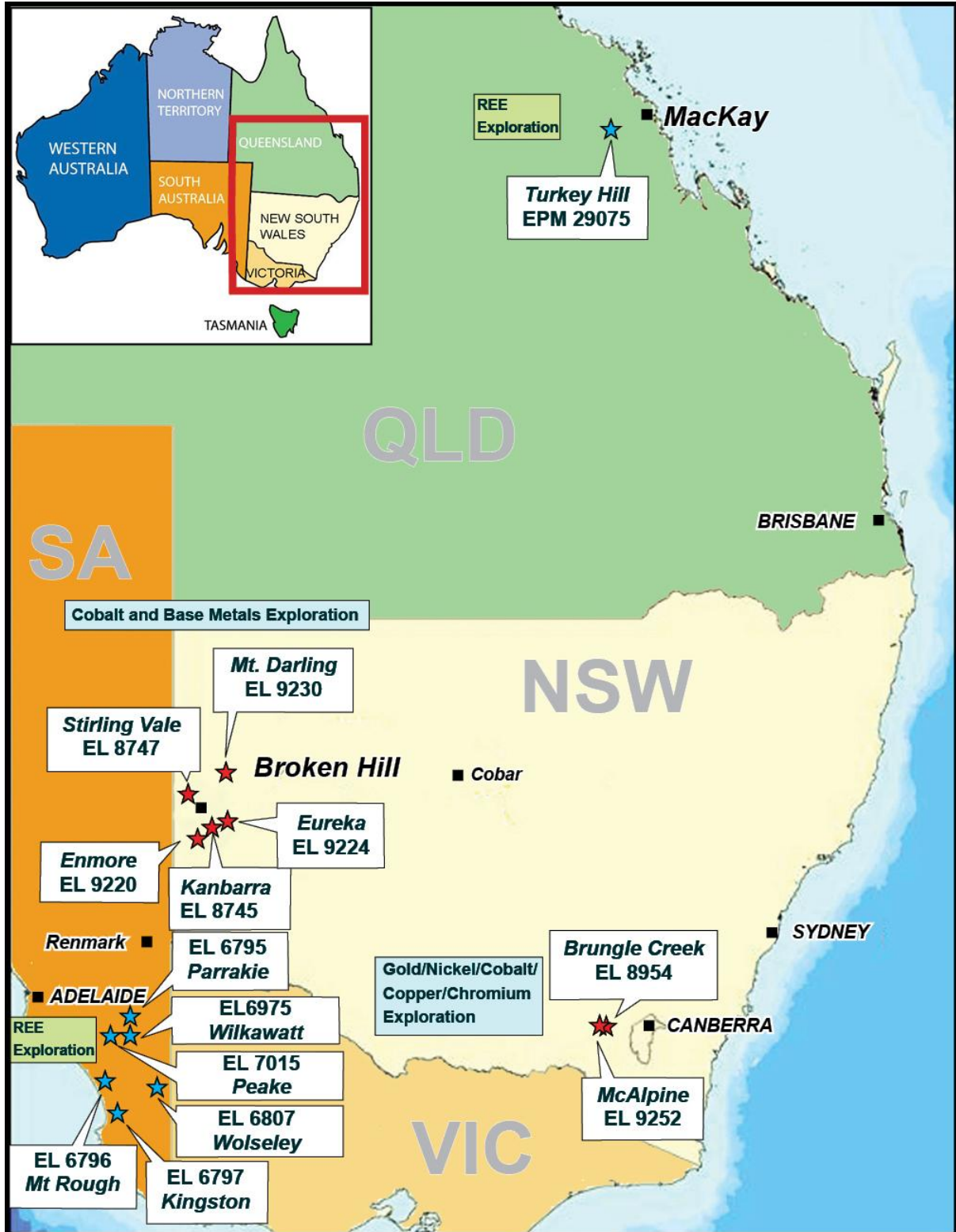


Figure 2: Location of granted licences in NSW, SA and QLD

REVIEW OF OPERATIONS (continued)

SOUTH AUSTRALIA

RARE EARTH ELEMENTS (REE) EXPLORATION

Murray and Otway Basins - 100% interest

Parrakie (EL 6795), Mt Rough (EL 6796), Kingston (EL 6797), Wolseley (EL 6807), Wilkawatt (EL 6975) and Peake (EL 7015)

The 6 granted tenements cover a total area of 4,306 km² within the Murray and Otway Basins in Limestone Coast southeast of Adelaide prospective for Rare Earth Elements (“REEs”) in the Loxton/Parilla Sands (Parrakie, Wolseley, Wilkawatt and Peake) and the Padthaway Formation (Mt Rough and Kingston).

REEs mineralisation is proven in the basins with Australian Rare Earths (AR3:ASX) reporting estimated JORC 2012 resource of 236Mt @ 748 ppm Total Rare Earth Oxides (TREO) (AR3 ASX Release of 30th September 2024) and preparing for pre-preliminary feasibility study to develop their resource.

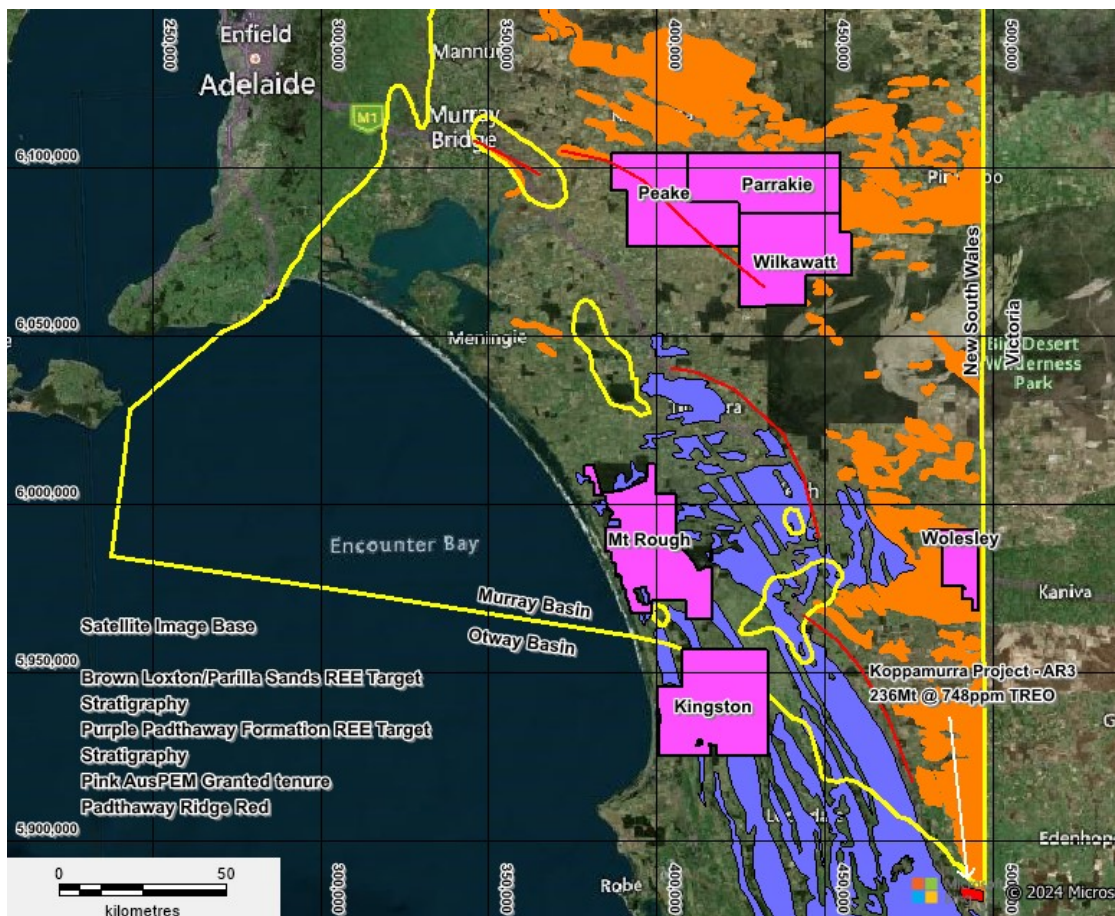


Figure 3: Tenements Parrakie, Wilkawatt, Peake, Wolseley, Mt Rough, and Kingston (pink) in relation to the target REE Loxton/Parilla Sands (brown) and Padthaway Formation (purple)

REVIEW OF OPERATIONS (continued)

Parrakie (EL 6795), Wilkawatt (EL 6975), Peake (EL 7015) and Wolseley (EL 6807)

Within Parrakie the Company has completed 2 drilling programs in 2024 completing the planned 100 holes along road verges under the EPEPR (Exploration Program for Environment Protection and Rehabilitation) approved by the Department of Energy and Mining (“DEM”) (**Figures 4 and 5**). All holes intersected the target Loxton/Parilla Sands, and every drilled meter was scanned by pXRF and drill intervals were selected for submission to ALS Laboratory in Adelaide for the full REE suite using method ME-MS81.

The significant drill intersections of TREO are as follows (*See ASX Announcement of 29 July 2024*):

24PKAC052: 1m @ **1,253.9 ppm** TREO from 12m, in clayey sand above Gambier Limestone.

24PKAC068: 1m @ **1,156.8 ppm** TREO from 17m, in clayey sand above Gambier Limestone.

24PKAC094: 1m @ **1,015.2 ppm** TREO from 12m, in Karoonda Surface ferricrete above Gambier Limestone.

24PKAC071: 1m @ **1,019.4 ppm** TREO from 19m, in clayey sand above Gambier Limestone.

24PKAC079: 1m @ **912.6 ppm** TREO from 9m, in sand.

24PKAC054: 1m @ **847.3 ppm** TREO from 19m in clayey sand.

High grade of 4,400 ppm Zr is identified in an intersection of an interval between 13 m and 14 m in hole 24PKAC061.

A third Aircore drilling program along road verges is planned within an undrilled northwest corner of Parrakie and within Wilkawatt, Peake and Wolseley for the second half of financial year 2025. Application for approval of EPEPRs by DEM has been submitted in February 2025 and the drilling should take place when approval has been obtained and a drilling rig and other service providers have been secured.

Mt Rough (EL 6796) and Kingston (EL 6797)

During the half year, EPEPRs for an Aircore drilling program within these tenements have been submitted with DEM with a plan for a drilling program in early 2025. The DEM has advised the presence of extensive shallow water tables within Mt Rough and Kingston which would require challenging drilling management. It is unfortunate that the DEM did not identify that challenge when we applied for grant of the area. The Company has assessed that those shallow water tables will impact adversely on the economics of future development of these tenements even with successful current drilling which could be high costs. In addition, management of potential environmental issues and possible local community resistance are assessed to make the areas unsuitable for ionic clay mining in future. The Company decided to relinquish these 2 tenements in February 2025 and to focus in the Murray Basin targeting the Loxton/Parilla Sands where the water tables lie deeper within the other 4 tenements which cover a total area of 2,529 km² in the Limestone Coast.

REVIEW OF OPERATIONS (continued)

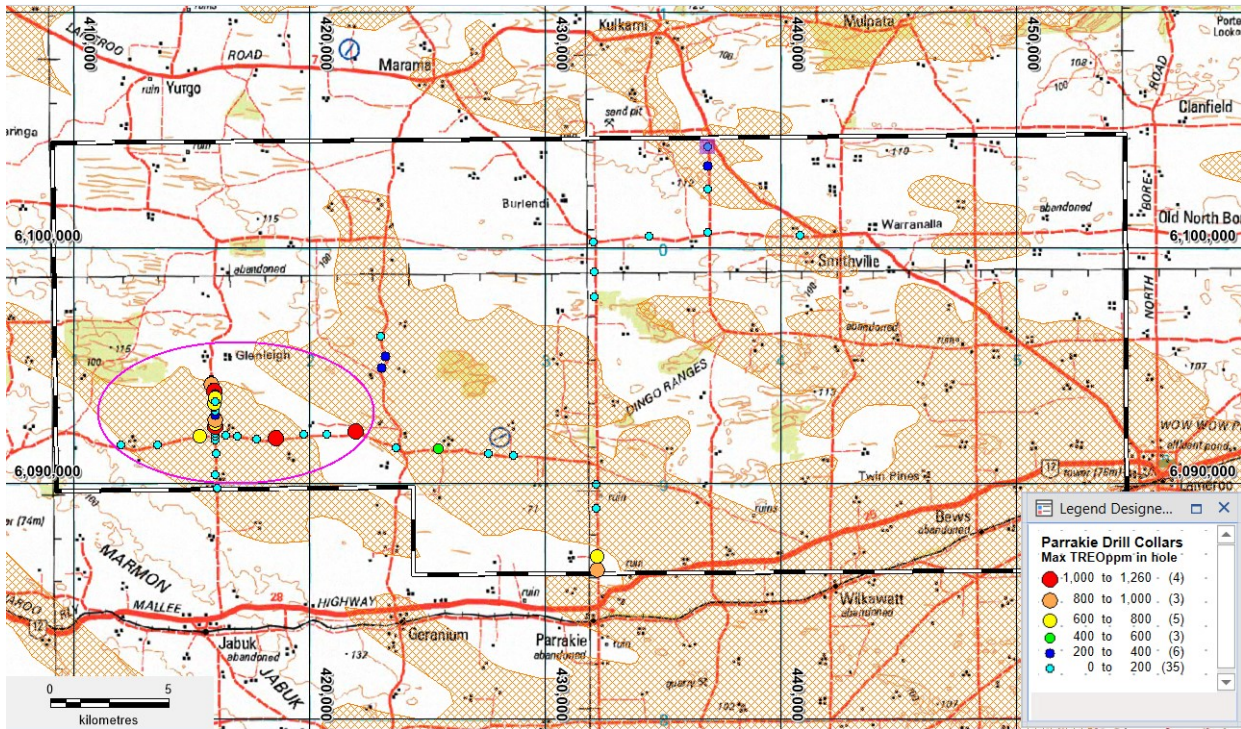


Figure 4: Completed Phase 2 Aircore Drill traverses shown in green targeting the NW corner of the Parrakie licence.

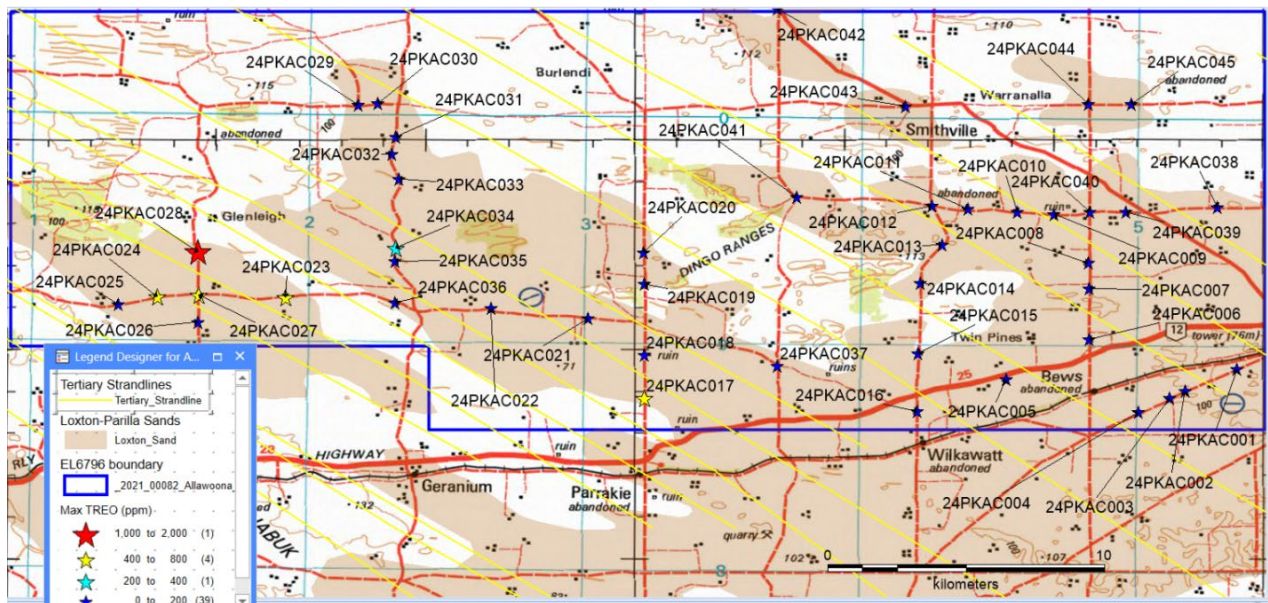


Figure 5: Initial Phase 1 Drilling Parrakie Drilling (stars) showing the broad nature of the initial drilling program within the Loxton / Parilla Sands and maximum ppm TREO in each drill hole

REVIEW OF OPERATIONS (continued)

NEW SOUTH WALES

COPPER, LEAD, ZINC, COBALT AND SILVER EXPLORATION

Near Broken Hill – 100% interest

Kanbarra (EL 8745), Stirling Vale (EL 8747), Enmore (EL 9220), Eureka (EL 9224) and Mt Darling (EL 9230)

The 5 granted licences cover an area of approximately 685 km² near Broken Hill (**Figure 6**) an area known for base metals resource.

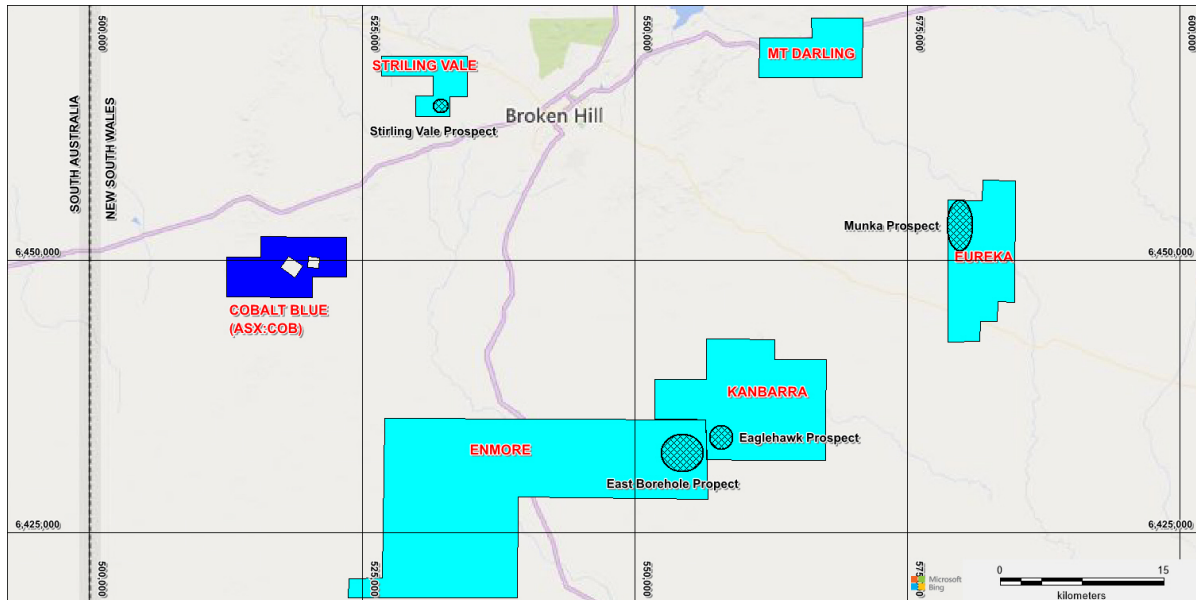


Figure 6: Location of granted tenements near Broken Hill and the key prospects for exploration

Enmore (EL 9220), Eureka (EL 9224) and Mt Darling (EL 9230)

Within the 3 exploration licences (**Figure 6**) the Company plans to explore for Broken Hill-type Pb-Zn-Ag, Iron Oxide Cu-Au (IOCG) and cobalt mineralisation within Palaeoproterozoic Willyama Supergroup rocks as found by Cobalt Blue.

An IP survey conducted in 2023 within the tenement Enmore EL 9220 (**Figure 7**) defined 2 main anomalies within the East Borehole Prospect at the contact of the Cues Formation and Redan Gneiss. (*See the September 2023 Quarter Activities Report released on ASX on 31 October 2023*).

To test those 2 targets a two-hole RC drilling program commenced on 29 May 2024 at the locations in the table below and in Figure 8. The drilling was paused after difficulties were encountered at the first hole EBRC001 at 192 m down hole with a target to drill to 275 m. A report is awaited on the samples obtained from the 192 m drilled. The drill program has been redesigned to conduct RC drilling for the upper half of the hole and then continue with diamond drilling to target depth in the hole. In early February 2025 drillers have been invited to tender for the program.

REVIEW OF OPERATIONS (continued)

Hole	East (MGA54)	North (MGA54)	Elev	Dip	Azim (MGA54)	Depth
EB1	552450	6430450	174	-60	180	275
EB2	553650	6430870	178	-60	180	325

Table 1: East Borehole drill collars

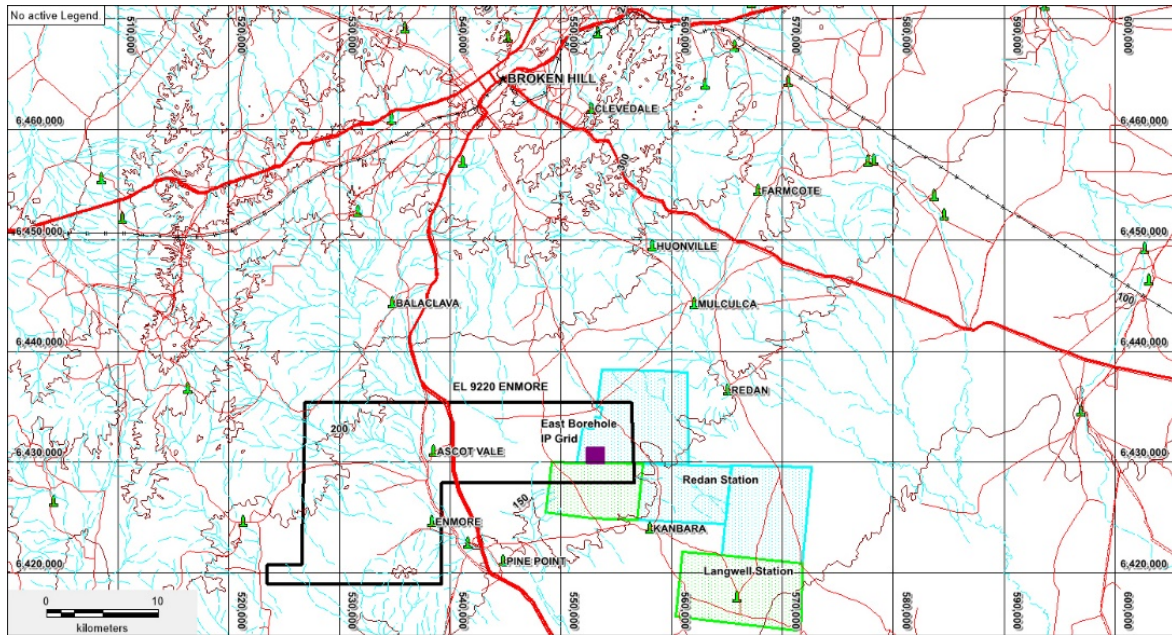


Figure 7: East Borehole Prospect within EL 9220 Enmore southeast of Broken Hill

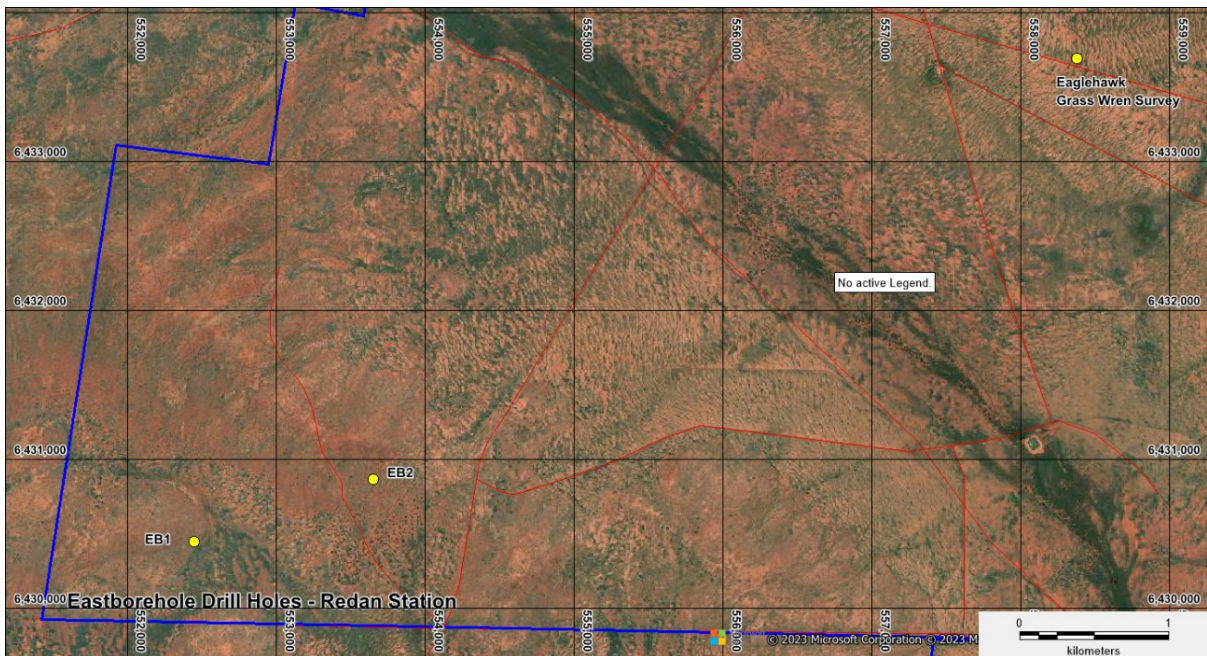


Figure 8: East Borehole Prospect showing the locations of drill holes EBRC001 (EB1) and EBRC002 (EB2) in the SW corner of the Redan Pastoral Lease (blue boundary line)

REVIEW OF OPERATIONS (continued)

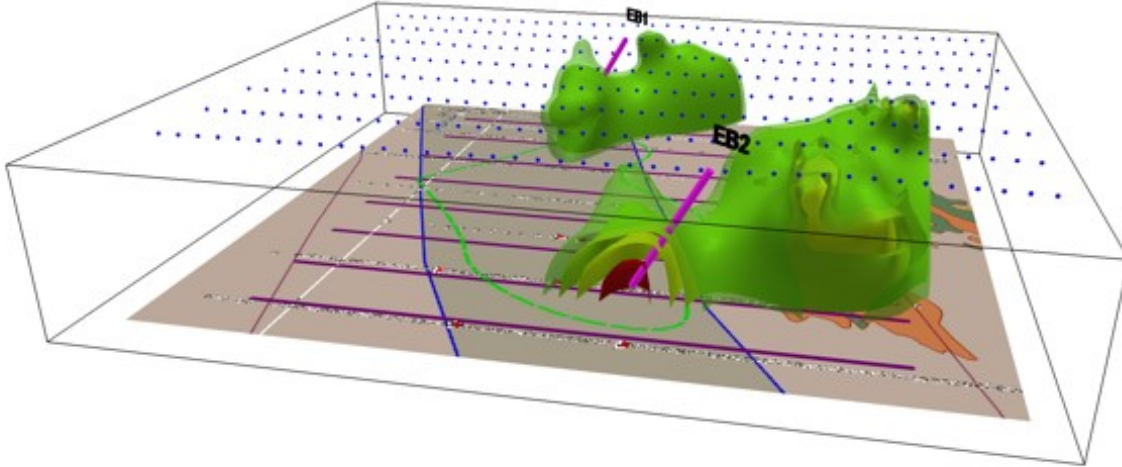


Figure 9: Perspective view looking from the East. Sections are 2D inverted chargeability. Green shells are from the 3D inverted chargeability model (7 mV/V transparent green, darker shell 10 mV/V). Geology map supplied by Ausmon. Green dashed line represents Zn > 300ppm in historic drilling. The proposed drill traces of the two proposed drill holes EB1 and 2 are shown in purple and Cues Formation outlined in blue

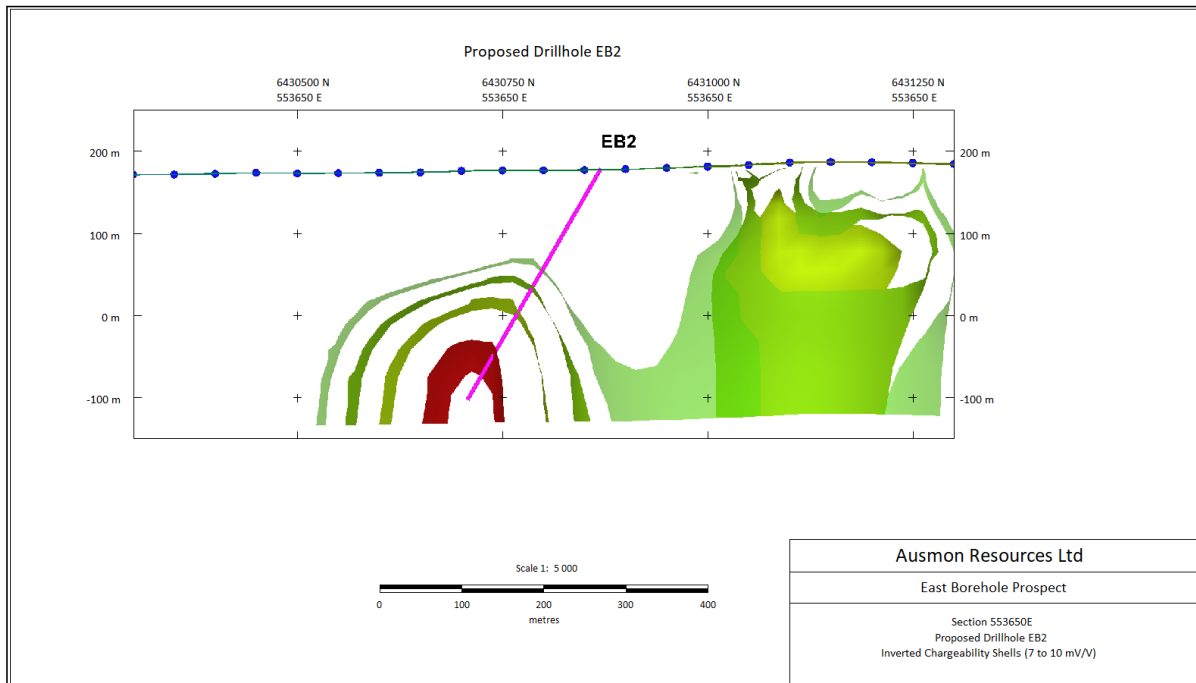


Figure 10: Cross section showing proposed hole trace for EB1 intersecting the western chargeability anomaly

REVIEW OF OPERATIONS (continued)

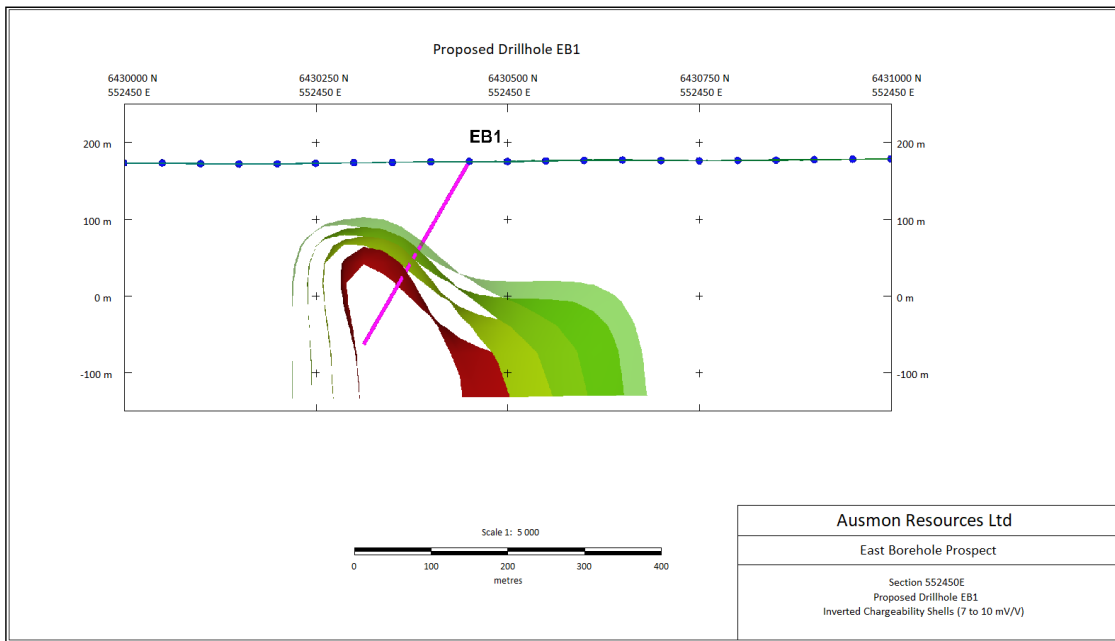


Figure 11: Cross section showing proposed hole trace for EB2 intersecting the western chargeability anomaly

Kanbarra (EL 8745) and Stirling Vale (EL 8747)

New areas within those tenements are under study for future exploration work.

NEW SOUTH WALES

GOLD AND BASE METALS EXPLORATION

Near Tumut – 100% interest

Brungle Creek (EL 8954) and McAlpine (EL 9252)

In a region with potential for gold and base metals, the two adjacent tenements Brungle Creek EL 8954 and McAlpine EL 9252 (**Figure 12**) cover a total area of approximately 106 km² 15 km north-east of Tumut, 15 km south-east of Gundagai and adjacent to the serpentine ridge of the Honeysuckle Range.

In light of latest sampling results gold exploration is currently the focus as opposed to base metals.

REVIEW OF OPERATIONS (continued)

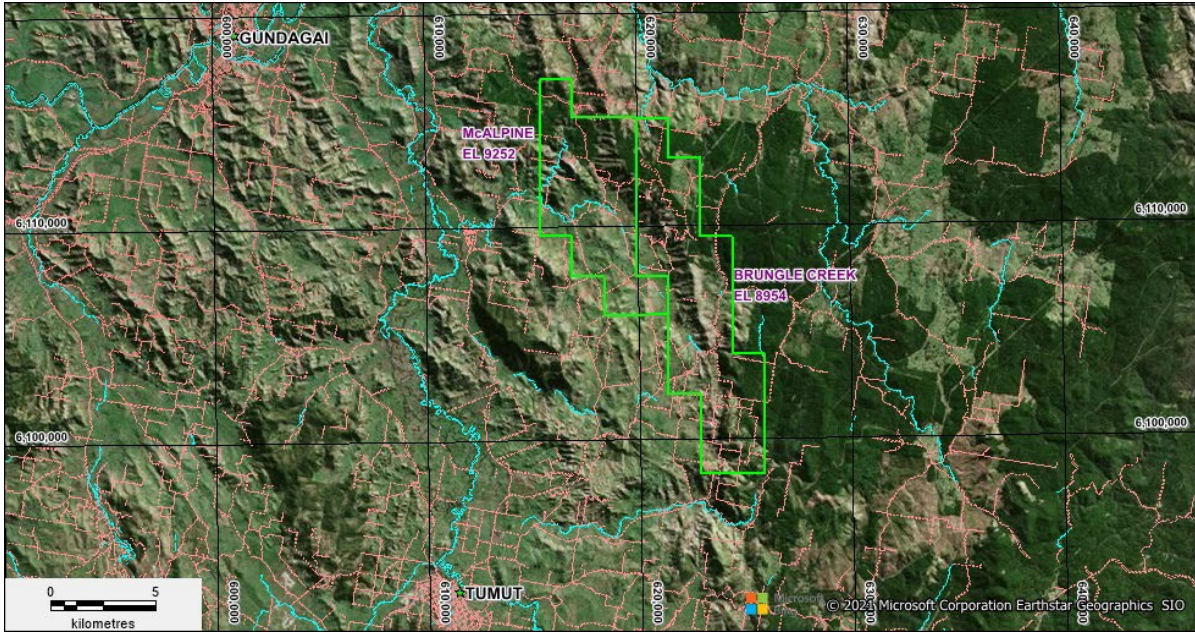


Figure 12: McAlpine EL 9252 and Brungle Creek EL 8954 location map – BING Aerial Photograph

QUEENSLAND RARE EARTHS EXPLORATION Drummond Basin - 100% interest Turkey Hill (EPM 29075)

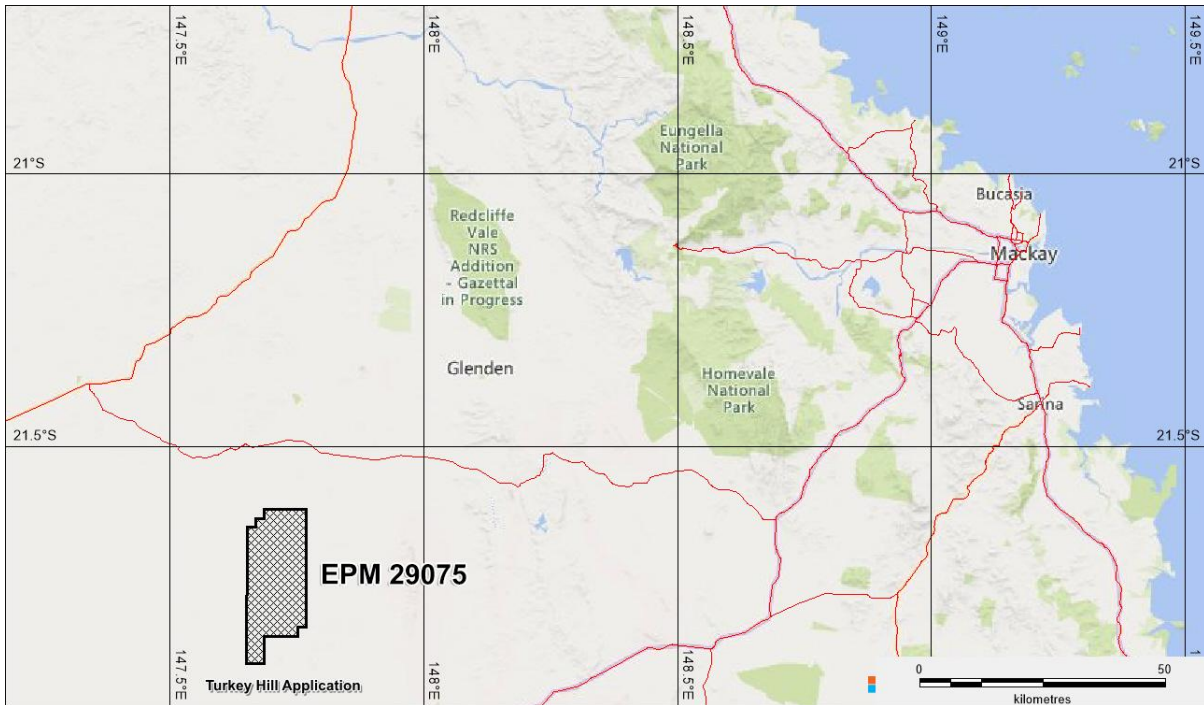


Figure 13: Location of Turkey Hill tenement

REVIEW OF OPERATIONS (continued)

The Queensland Government has granted EPM 29075 Turkey Hill (**Figure 13**) for 5 years to 17 September 2029 to explore for rare earths.

The tenement covers an area of 320 km² within the Drummond Basin in Central Queensland, 165 km SW of MacKay and 34 km NW of Moranbah accessible via the Peak Downs Highway then via all-weather unsealed roads.

The Turkey Hill project is targeting a surficial layer of clays and iron-manganese-rich pisolites, and nodules forming part of a sequence of a tropically weathered sedimentary basin of Tertiary age. They are poorly consolidated and predominantly clay-rich, with minor amounts of fine sand and gravel. The basin overlies and is adjacent to alkali granitic rocks which have historically produced significant tin and tungsten and are enriched in rare earth elements. The granites are the possible source of the rare earths.

The REE mineralisation, if any, is likely concentrated in the weathered profile where it has dissolved from its primary mineral form, such as monazite, and then ionically bonded (adsorbed) or colloiddally bonded on to fine particles of aluminosilicate clays, including kaolinite).

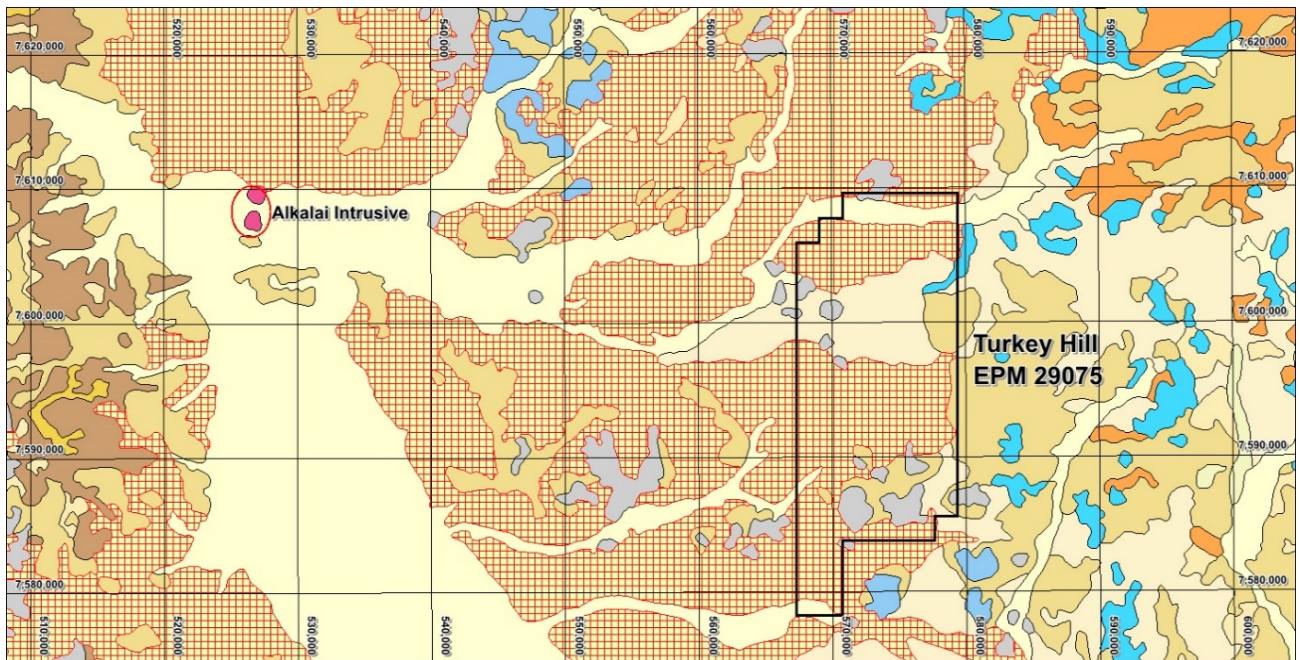


Figure 14: Turkey Hill tenement application showing the REE target stratigraphy in red hatch

REVIEW OF OPERATIONS (continued)

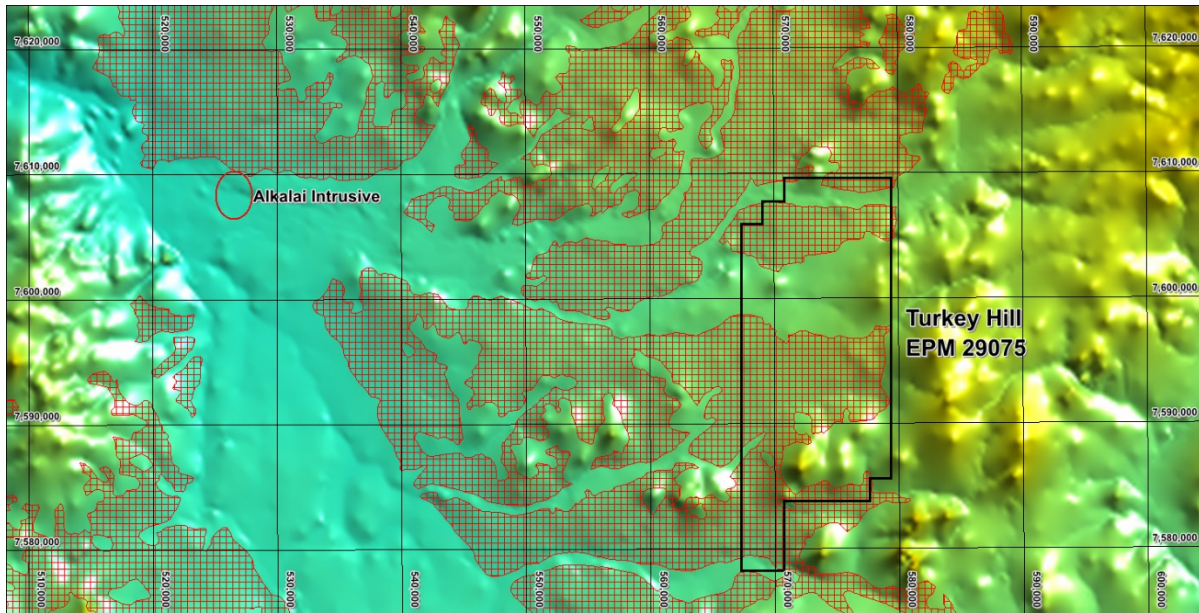


Figure 15: Turkey Hill tenement application showing the REE target stratigraphy in red hatch

The Company will conduct surficial scanning of rocks and soils with the Company’s Vanta pXRF and roadside mapping of regolith and geology on a field visit planned for April 2025 and, subject to the results, to be followed by surface shallow Aircore drilling along road verges

TECHNICAL RELEASES SINCE COMMENCEMENT OF HALF YEAR

This review report contains information extracted from the Company’s ASX market announcements reported in accordance with the 2012 edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves” (2012 JORC Code). Further details (including 2012 JORC Code reporting tables where applicable) of exploration results can be found in the following announcements lodged on the ASX:

29 July 2024	Results of drilling for rare earths at Parrakie EL 6795, SA
31 July 2024	Quarterly Activities Report
13 September 2024	Annual Report to Shareholders
23 September 2024	New Qld tenement granted for rare earth exploration EPM29075
3 October 2024	New tenement granted for rare earth exploration EL 7015, SA
22 October 2024	Quarterly Activities Report
29 November 2024	Presentation at 2024 AGM

The Company is not aware of any new information or data that materially affects the information included in these announcements.

REVIEW OF OPERATIONS (continued)

Competent Person Statement

The information in the report above that relates to Exploration Results, Exploration Targets and Mineral Resources is based on information compiled by Mr Mark Derriman, who is the Company’s Consultant Geologist and a member of The Australian Institute of Geoscientists (1566). Mr Mark Derriman has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration and to the activities which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Exploration Targets, Mineral Resources and Ore Reserves. Mr Mark Derriman consents to the inclusion in this report of matters based on his information in the form and context in which it appears.

Forward-Looking Statement

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning planned exploration program and other statements that are not historical facts. When used in this document, the words such as “could”, “plan”, “estimate”, “expect”, “intend”, “may”, “potential”, “should” and similar expressions are forward-looking statements. Although Ausmon Resources Limited believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.

EXTERNAL FACTORS AND MATERIAL RISKS ON OPERATIONS

Key risks in addition to financial and funding risks described elsewhere in this Half Year Report to which the Company is exposed in its current business and operations are summarised as follows:

Exploration and development	Exploration for minerals is a speculative endeavour and involves a high degree of risk. The Group’s projects are at exploration stage and there can be no assurance that exploration of its tenements can result in the discovery of an economic mineral deposit for production in the future.
Title of licences	All Group’s licences allow the Group to undertake only exploration on the tenements. Failure to satisfy minimum work commitments under a licence may render the licence liable to be cancelled or not renewed unless successfully renegotiated. There is no guarantee that renewal of a licence when periodically due will be granted. The Group has not breached terms of the licences during the period.
Environmental	The Group’s operations are subject to the environmental laws and regulations which may be subject to change and risks inherent in the mining industry that could subject the Group to extensive expenses and liabilities. The Group has not experienced adverse effects on its business during the period.
Land access and Native Title	Access to tenements for exploration activities is subject to certain regulations and restrictions. Negotiations for access are generally required with indigenous parties on Native Title and cultural heritage, if any, and with landowners/occupiers.
General industry risks	<ul style="list-style-type: none"> • <i>Key personnel</i>; The Group’s ability to execute its activities depends in retention of key team members to implement the business plan. There has been no difficulty to engage experienced contractors to conduct planned work programs. • <i>changes in global economic and geopolitical conditions</i>; The Group’s business is dependent on economic conditions including inflation, interest rates, consumer confidence, access to funds and government fiscal, monetary and regulatory policies. The Group has not

REVIEW OF OPERATIONS (continued)

experienced significant adverse impact on its operations during the period as a result changes in economic conditions.

- *health and safety*; The Group's operations expose its personnel and contractors to health and safety risks inherent in minerals exploration that could subject the Group to extensive liability under health and safety laws and regulations. There has been no adverse event in that respect during the period.
- *climatic*: There has been no adverse climatic event during the period that resulted in adverse impact on work programs.
- *Information technology and cyber security*: The Group's information technology systems are protected by security measures but unauthorised third party access to these systems for theft of information or disruption of the operations could adversely impact business performance. There has been no event of security breaches during the period.

REVIEW OF OPERATIONS (continued)

LICENCES STATUS

Minerals tenements and applications for tenements held at 31 December 2024 and acquired or disposed of during and since the end of the half-year and their locations are as follows:

Tenement	Area Name	Location	Beneficial Interest	Status
EL 8745	Kanbarra	NSW Broken Hill	100%	Expiry on 15 May 2030
EL 8747	Stirling Vale	NSW Broken Hill	100%	Expiry on 24 May 2030
EL 9220	Enmore	NSW Broken Hill	100%	Expiry on 21 July 2026
EL 9224	Eureka	NSW Broken Hill	100%	Expiry on 21 July 2026
EL 9230	Mt Darling	NSW Broken Hill	100%	Expiry on 21 July 2026
EL 8954	Brungle Creek	NSW Tumut	100%	Expiry on 11 March 2026
EL 9252	McAlpine	NSW Tumut	100%	Expiry on 6 August 2027
EL 6795	Parakie	SA Murray Basin	100%	Expiry on 4 July 2028
EL 6796	Mt Rough	SA Murray Basin	100%	Expiry on 4 July 2028 – relinquished in February 2025
EL 6797	Kingston	SA Otway Basin	100%	Expiry on 4 July 2028 – relinquished in February 2025
EL 6807	Wolseley	SA Murray Basin	100%	Expiry on 18 July 2028
EL 6975	Wilkawatt	SA Murray Basin	100%	Expiry on 07 February 2030
EL 7015	Peake	SA Murray Basin	100%	Expiry on 19 September 2030
EPM 29075	Turkey Hill	QLD Drummond	100%	Expiry on 17 September 2029

EL38/3718 Barney and EL38/3719 Neckersgat were relinquished during the half year.

DIRECTORS' REPORT

The Directors of Ausmon Resources Limited submit the financial report of the consolidated group for the half-year ended 31 December 2024.

Directors

The names of Directors who held office during or since the end of the half-year are:

Boris Patkin Non-Executive Chairman
John Wang Managing Director
Eric Sam Yue Executive Director

Principal Activities

Ausmon Resources Limited and its subsidiaries' ('the Group') principal activities consisted of carrying out exploration in minerals tenements with a focus on rare earth elements, base metals including copper, cobalt, nickel and zinc and gold and silver.

Operating Results

The operating loss of the Group for the half-year ended 31 December 2024 was \$805,714 (2023: \$135,595).

Review of Operations

A review of operations for the half-year ended 31 December 2024 is set out on pages 2 to 16.

Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration as required under s307C of the Corporations Act 2001 is included on page 18 of this financial report and forms part of this Directors' Report.

This report is signed in accordance with a resolution of the Board of Directors.



John Wang
Director

Dated this 14th day of March 2025



PO Box 1908
West Perth WA 6872
Australia
Level 2, 40 Kings Park Road
West Perth WA 6005
Australia
Tel: +61 8 9481 3188
Fax: +61 8 9321 1204
ABN: 84 144 581 519
www.stantons.com.au

14 March 2025

Board of Directors
Ausmon Resources Limited
World Tower
Suite 1312
87-89 Liverpool Street
Sydney NSW 2000

Dear Sirs

RE: AUSMON RESOURCES LIMITED

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Ausmon Resources Limited.

As Audit Director for the review of the financial statements of Ausmon Resources Limited for the half-year ended 31 December 2024, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Yours faithfully

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(An Authorised Audit Company)

Martin Michalik
Director



**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF
AUSMON RESOURCES LIMITED**

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Ausmon Resources Limited, which comprises the consolidated statement of financial position as at 31 December 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, condensed notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that causes us believe that the accompanying half-year financial report of Ausmon Resources Limited does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of Ausmon Resources Limited's financial position as at 31 December 2024 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities for the Review 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 annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* has been given to the directors of the Group on 14 March 2025.

Material Uncertainty Related to Going Concern

We draw attention to Note 3(b) in the financial report, which indicates that the Group had current assets of \$113,858 including total cash of \$25,828 and ASX listed shares at market value of \$70,000, current liabilities of \$347,593 and had incurred a net loss of \$805,714 for the period ended 31 December 2024.

The ability of Ausmon Resources Limited to continue as a going concern is subject to the successful recapitalisation of the Group. In the event that the Board is not successful in recapitalising the Group and in raising further funds, Ausmon Resources Limited may not be able to pay its debts as and when they become due and may be required to realise its assets and discharge its liabilities other than in the normal course of business, and at amounts different to those stated in the financial report. Our conclusion is not modified in respect of this matter.



Responsibility of the Directors for the Financial Report

The directors of Ausmon Resources Limited are responsible for the preparation of the half-year 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 half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(An Authorised Audit Company)

Stantons International Audit & Consulting Pty Ltd

A handwritten signature in blue ink that reads "Martin Michalik".

Martin Michalik
Director

West Perth, Western Australia
14 March 2025

DIRECTORS' DECLARATION

In the opinion of the Directors of Ausmon Resources Limited:

1. The consolidated financial statements and notes of Ausmon Resources Limited are in accordance with the Corporations Act 2001, including:
 - a) complying with Accounting Standard AASB 134: Interim Financial Reporting; and
 - b) giving a true and fair view of the financial position of the consolidated group as at 31 December 2024 and of its performance for the half-year ended on that date.
2. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



John Wang
Director

Dated this 14th day of March 2025

**Consolidated Statement of Profit or Loss
and Other Comprehensive Income
For The Half-Year Ended 31 December 2024**

	Note	31 December 2024 \$	31 December 2023 \$
Revenue			
Interest and other income	5	2,101	3,863
Expenses			
Employee benefits expense		(23,552)	(22,595)
Directors and management fees		(97,400)	(87,050)
Finance costs		(57,169)	(27,102)
Impairment of exploration & evaluation expenditure		(364,552)	-
Loss on sale of financial assets		(28,076)	-
Fair value (loss)/gain on financial assets through profit or loss	9	(51,000)	180,000
Share-based payments	13	(47,835)	(71,250)
Projects costs		(24,520)	(21,017)
Other expenses	6	(113,711)	(90,444)
Loss before income tax expense		(805,714)	(135,595)
Income tax expense		-	-
Loss for the period		(805,714)	(135,595)
Other comprehensive income			
		-	-
Other comprehensive income for the period, net of tax		-	-
Loss for the period attributable to members of the Parent Entity			
		(805,714)	(135,595)
Total comprehensive loss for the period attributable to members of the Parent Entity			
		(805,714)	(135,595)
Loss per share			
Basic and diluted loss per share	7	(0.07) cents	(0.01) cents

The accompanying notes form part of this financial report.

Consolidated Statement of Financial Position

As At 31 December 2024

	Note	31 December 2024 \$	30 June 2024 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		25,828	26,458
Trade and other receivables		7,408	29,699
Financial assets	9	70,000	225,000
Prepayments		10,622	3,888
TOTAL CURRENT ASSETS		113,858	285,045
NON-CURRENT ASSETS			
Financial assets		81,000	80,500
Exploration and evaluation expenditure	11	2,197,095	2,462,231
TOTAL NON-CURRENT ASSETS		2,278,095	2,542,731
TOTAL ASSETS		2,391,953	2,827,776
CURRENT LIABILITIES			
Trade and other payables		339,780	353,115
Provisions		7,813	7,442
TOTAL CURRENT LIABILITIES		347,593	360,557
NON-CURRENT LIABILITIES			
Trade and other payables		-	154,800
Borrowings	8	855,000	450,000
TOTAL NON-CURRENT LIABILITIES		855,000	604,800
TOTAL LIABILITIES		1,202,593	965,357
NET ASSETS		1,189,360	1,862,419
EQUITY			
Issued capital	10	16,040,941	15,956,121
Reserves	12	988,995	941,160
Accumulated losses		(15,840,576)	(15,034,862)
TOTAL EQUITY		1,189,360	1,862,419

The accompanying notes form part of this financial report.

Consolidated Statement of Changes In Equity

For The Half-Year Ended 31 December 2024

	Issued capital \$	Option reserve \$	Accumulated losses \$	Total \$
Balance at 1 July 2023	15,649,281	869,910	(14,669,715)	1,849,476
Total comprehensive profit for the period	-	-	(135,595)	(135,595)
Transactions with owners in their capacity as owners				
Issue of share capital	150,840	-	-	150,840
Employee incentive plan	-	71,250	-	71,250
Balance at 31 December 2023	15,800,121	941,160	(14,805,310)	1,935,971
Balance at 1 July 2024	15,956,121	941,160	(15,034,862)	1,862,419
Total comprehensive loss for the period	-	-	(805,714)	(805,714)
Transactions with owners in their capacity as owners				
Issue of share capital	84,820	-	-	84,820
Employee Incentive Plan shares issue	-	47,835	-	47,835
Balance at 31 December 2024	16,040,941	988,995	(15,840,576)	1,189,360

The accompanying notes form part of this financial report.

Consolidated Statement of Cash Flows
For the Half-Year Ended 31 December 2024

	31 December 2024	31 December 2023
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments to suppliers and employees	(141,689)	(161,341)
Interest received	1	13
Receipts from equipment lease	3,500	1,925
Net cash outflow from operating activities	(138,188)	(159,403)
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for exploration and evaluation expenditure	(313,376)	(333,860)
Proceeds from sale of investments	75,924	-
Payments for security deposits	(1,000)	-
Net cash outflow from investing activities	(238,452)	(333,860)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from sale of treasury shares	8,000	-
Proceeds from borrowings	431,000	480,000
Repayment of borrowings	(26,000)	-
Interest and other costs of finance paid	(36,990)	(10,435)
Net cash inflow from financing activities	376,010	469,565
Net decrease in cash held	(630)	(23,698)
Cash and cash equivalents at the beginning of period	26,458	77,885
Cash and cash equivalents at the end of period	25,828	54,187

The accompanying notes form part of this financial report.

Condensed Notes to Financial Statements For the Half-Year Ended 31 December 2024 (Cont'd)

Note 1 – Nature of Operations

Ausmon Resources Limited and its subsidiaries' ('the Group') principal activities consisted of carrying out exploration in minerals tenements with a focus on rare earth elements, base metals including copper, cobalt, nickel and zinc and gold and silver.

Note 2 – General Information and Basis of Preparation

The condensed interim consolidated financial statements ('the interim financial statements') are for the half-year ended 31 December 2024 and are presented in Australian dollar (\$), which is the functional currency of the Parent Company (Ausmon Resources Limited). These general purpose interim financial statements have been prepared in accordance with the requirements of the *Corporations Act 2001* and *Australian Accounting Standard AASB 134: Interim Financial Reporting*. They do not include all of the information required in annual financial statements in accordance with Australian Accounting Standards, and should be read in conjunction with the consolidated financial statements of the Group for the year ended 30 June 2024 and any public announcements made by the Group during the half-year in accordance with continuous disclosure requirements under the Australian Securities Exchange Listing Rules and the *Corporations Act 2001*.

The interim financial statements have been approved and authorised for issue by the Board of Directors on 14 March 2025.

Note 3 – Significant accounting policies

(a) Accounting policies

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent financial statements.

The Group has reviewed all the new and amended Accounting Standards and Interpretations that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2024. It has been determined that there is no material impact of the new and revised Accounting Standards and Interpretations on its business.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

(b) Going concern

The consolidated financial statements have been prepared on a going concern basis, which assumes that the Group will be able to pay its debts as and when they become due and payable.

At balance date the Group had current assets of \$113,858 including total cash of \$25,828 and ASX listed shares at market value of \$70,000, current liabilities of \$347,593 and had incurred a net loss of \$805,714 in the period. At 31 December 2024 the Group has an expenditure requirement under its exploration licences for the next 12 months of \$233,000 of which \$182,000 may be deferred until 2026.

The Group is planning exploration activities on its licences and has budgeted for those amounts that the financial position of the Group allows. Consistent with the nature of the Group's activities, it will require funding which may be by farmout of interests, borrowings or new equity capital. The Company has an unsecured loan facility from an unrelated party of \$1,600,000 available until 1 October 2026 to fund general working capital. At balance date, \$855,000 has been withdrawn under the loan facility and

Condensed Notes to Financial Statements For the Half-Year Ended 31 December 2024 (Cont'd)

\$745,000 is available to be drawn. Post balance date, a further \$15,000 was drawn and \$270,000 received from the issue of short-term loan notes to an unrelated party have been applied to partially reduce loans drawn under the loan facility.

A Share Purchase Plan (“SPP”) was announced on 18 February 2025 offering up to 300,000,000 fully paid ordinary shares to eligible shareholders at \$0.0018 per share to raise up to \$540,000. After costs, proceeds from the SPP will be used for reducing borrowings and accounts payable, exploration and general working capital. The closing date is 18 March 2025 with the Company having absolute discretion to change this date at any time without notice.

The Directors have reviewed the cash flow forecast for the next twelve months including consideration of unfulfilled exploration expenditure requirement and other committed expenses and have reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. If for any reason, the Group is unable to continue as a going concern, then this could have an impact on the Group’s ability to realise assets at their recognised values and to extinguish liabilities in the normal course of business at the amounts stated in the consolidated financial statements.

Note 4 – Critical accounting estimates and judgments

When preparing the interim financial statements, management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

The judgements, estimates and assumptions applied in the interim financial statements, including the key sources of estimation uncertainty were the same as those applied in the Group’s last annual financial statements for the year ended 30 June 2024.

Note 5 – Interest and other income

	31 December 2024	31 December 2023
	\$	\$
Interest income	1	13
Income from equipment rental	2,100	3,850
	<u>2,101</u>	<u>3,863</u>

¹Details of the fair value movement on financial assets through profit or loss are disclosed in Note 9.

Condensed Notes to Financial Statements For the Half-Year Ended 31 December 2024 (Cont'd)

	6 months to 31 December 2024	6 months to 31 December 2023
	\$	\$
Note 6 – Other expenses from ordinary activities		
Audit fees	13,047	12,982
Consulting and professional fees	46,924	26,639
Fees and levies	7,614	2,000
Listing expenses	18,401	20,339
Office accommodation	5,720	5,720
Registry fees	4,137	7,290
Insurance	8,874	10,141
Other	8,994	5,333
	<u>113,711</u>	<u>90,444</u>
Note 7 – (Loss)/Earnings per share		
	\$	\$
Operating (loss) after income tax used in calculation of basic and diluted (loss) per share	<u>(805,714)</u>	<u>(135,595)</u>
	Number	Number
Weighted average number of shares used in basic and diluted earnings per share calculation	<u>1,158,904,207</u>	<u>1,058,309,669</u>
	Cents	Cents
Loss per share	<u>(0.07)</u>	<u>(0.01)</u>
	31 December 2024	30 June 2024
	\$	\$
Note 8 – Borrowings		
Non-current		
Loan drawn under loan facility agreement	<u>855,000</u>	<u>450,000</u>

An unrelated company, Fort Capital Pty Ltd, provided a loan facility to fund the general working capital of up to \$1,250,000 until 1 October 2025. In September 2024 the loan facility was increased to \$1,600,000 and the loan availability period was extended to 1 October 2026. The funds advanced are unsecured and bear interest at 11.25% per annum. A loan facility fee of 1% is payable at a loan review date and the outstanding loan amount is to be repaid in priority to any accounts payable or loans within 5 business days of receipt of proceeds from an equity capital raising by the Company unless agreed otherwise in writing by the lender at its sole discretion. The lender has waived the condition of priority payment for capital raising in March 2025. At balance date, \$855,000 has been drawn down by the Company with the facility balance of \$745,000 available for drawdown as required. Amounts drawn can be repaid early without penalty and can be subsequently redrawn as required.

Condensed Notes to Financial Statements For the Half-Year Ended 31 December 2024 (Cont'd)

Post balance date, a further \$15,000 was drawn and \$270,000 received from the issue of short-term loan notes to an unrelated party have been applied to partially reduce loans drawn under the loan facility. On 1 March 2025 interest payable under the loan facility was reduced to 11.00% per annum.

Note 9 – Financial assets – current

	31 December 2024	30 June 2024
	\$	\$
Financial assets measured at fair value through profit or loss		
Fair value of shares in ASX listed G11 Resources Ltd (“G11”) at beginning of period	225,000	240,000
Movement during the period:		
Sale of shares	(104,000)	(156,000)
Fair value (loss)/gain through profit or loss	(51,000)	141,000
Fair value at market price at end of period	<u>70,000</u>	<u>225,000</u>

On 12 March 2025, the fair value of the G11 shares was \$75,000.

Note 10 – Issued capital

	6 months to 31 December 2024		Year to 30 June 2024	
	Number	\$	Number	\$
Fully Paid Ordinary shares				
Balance at beginning of period	1,148,799,343	15,956,121	1,033,589,343	15,649,281
Shares issued during the period:				
• Sale of 4 million treasure shares at \$0.0020 per share	-	8,000	-	-
• Share issue as payment for directors’ fee at \$0.0025 per share ¹	30,727,966	76,820		
• Share issue as payment for directors’ fee at \$0.0040 per share	-	-	28,350,000	113,400
• Share issue as payment for consultants fee at \$0.0040 per share	-	-	9,360,000	37,440
• Share issue for cash under private placement	-	-	52,000,000	156,000
• Issues under EIP ² (see Note 13)	25,500,000	-	25,500,000	-
Balance at end of period	<u>1,205,027,309</u>	<u>16,040,941</u>	<u>1,148,799,343</u>	<u>15,956,121</u>

¹ The shares issued to Directors as payment of Directors’ fees were approved by shareholders at the Annual General Meeting held on 29 November 2024.

Condensed Notes to Financial Statements For the Half-Year Ended 31 December 2024 (Cont'd)

² The shares issued under Employee Incentive Plan (“EIP”) included 18,000,000 EIP shares issued to Directors which were approved by shareholders at the Annual General Meeting held on 29 November 2024.

Note 11 – Exploration and evaluation expenditure

	31 December 2024	30 June 2024
	\$	\$
Balance at the beginning of period/year	2,462,231	1,900,893
Additions at cost	99,416	561,338
Impairment ¹	(364,552)	-
Balance at end of period/year	<u>2,197,095</u>	<u>2,462,231</u>

¹ The impairment of exploration and evaluation expenditure related to tenements relinquished during and after the half-year and assessment of activities within current exploration areas.

Note 12 – Reserves

Option reserve

	6 months to 31 December 2024	6 months to 31 December 2023
	\$	\$
Balance at beginning of period	941,160	869,910
Share-based payments during the period (see Note 13)	47,835	71,250
Balance at end of period	<u>988,995</u>	<u>941,160</u>

Note 13 – Share-based payments

The Company has established an Ausmon Resources Limited Employee Incentive Plan under which the Directors may offer options for free and ordinary shares at market price in the Company to eligible persons. The Directors may also offer interest free non-recourse loans for terms of up to 5 years under the plan for subscription of shares and under such loans the Company holds a lien over the issued shares. The loans are repayable at the option of the eligible persons to be able to deal with the shares.

Shares issued and loans under the EIP during the half-year are akin to the offer of five-year options exercisable at \$0.004 per option. The model inputs for assessing the fair value of EIP shares issued during the period, applying the Black-Scholes Option Pricing model, were as follows:

Description	Number issued	Grant date	Share price at grant date	Exercise price	Life assumption	Risk free rate	Expected price volatility	Value of each EIP share	Share-based payments
			\$	\$				\$	\$
EIP shares	7,500,000	22/11/24	0.0020	0.0040	5 years	4.16%	181.3%	0.00189	14,175
	<u>18,000,000¹</u>	29/11/24	0.0020	0.0040	5 years	4.05%	176.7%	0.00187	<u>33,660</u>
	<u>25,500,000</u>								<u>\$47,835</u>

Condensed Notes to Financial Statements For the Half-Year Ended 31 December 2024 (Cont'd)

¹18 million EIP shares issued to Directors (6 million EIP shares to each of Directors B Patkin, J Wang and E Sam Yue) following the approval of shareholders at the Annual General Meeting held on 29 November 2024. The interest free non-recourse loan for the EIP shares issued to each Director is \$24,000.

Note 14 – Operating segments

The Group has identified its operating segments based on internal reports that are reviewed and used by the Board of Directors in assessing performance and determining the allocation of resources. The Group operates in one business segment being minerals exploration. All segment assets, segment liabilities and segment results relate to the one business segment and therefore no segment analysis has been prepared. This position has not changed from the prior period.

Note 15 – Commitments

Exploration Expenditure Commitments

The expenditure commitments to maintain and renew rights to tenure in exploration licences as at 31 December 2024 have not been provided for in the financial statements and are due:

	31 December 2024	30 June 2024
	\$	\$
Within twelve months	233,000*	327,000
Twelve months or longer and not longer than 5 years	1,128,000	718,000
Longer than five years	683,000	-
	<u>2,044,000</u>	<u>1,045,000</u>

* Exploration licences EL6796 Mt Rough and EL6797 Kingston were surrendered in February 2025, and therefore reducing the commitments at balance date from \$2,044,000 to \$1,700,000 as follows:

Within twelve months	233,000*
Twelve months or longer and not longer than 5 years	784,000
Longer than five years	683,000
	<u>1,700,000</u>

*\$182,000 of this commitment may be deferred until 2026 in accordance with the licence conditions.

Note 16 - Contingent Liabilities

At balance date, the Group has given guarantees totalling \$10,000 (2023: \$10,000) for compliance with the conditions of the exploration licences granted in Western Australia. The exploration licences were relinquished during the half-year and the guarantees will be cancelled in due course.

Note 17 – Events after Balance Date

In the opinion of the Directors, no items, transactions or events of a material or unusual nature have arisen in the interval between the end of the financial period and the date of this report which have significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in subsequent financial years other than the following:

Condensed Notes to Financial Statements For the Half-Year Ended 31 December 2024 (Cont'd)

- On 18 February 2025 the Company announced a Share Purchase Plan (“SPP”) offering up to 300,000,000 fully paid ordinary shares to eligible shareholders at \$0.0018 per share to raise up to \$540,000. After costs, proceeds from the SPP will be used for reducing borrowings and accounts payable, exploration and general working capital. The Closing Date is 18 March 2025 with the Company having absolute discretion to change this date at any time without notice, including postponing or closing the offer early.