

Bastion Minerals Limited

ABN 19 147 948 883

Half-Year Financial Report - 30 June 2024

Bastion Minerals Limited
Corporate directory
30 June 2024

Directors

Ross Landles
David Joseph Nolan
Sam El-Rahim

Company secretary

Justin Clyne

Registered office

Level 6, 22 Pitt Street
Sydney NSW 2000

Principal place of business

Level 6, 22 Pitt Street
Sydney NSW 2000

Share register

Boardroom Limited
Level 8, 210 George Street
Sydney NSW 2000

Auditor

Ernst & Young
Level 34, 200 George Street
Sydney NSW 2000

Solicitors

Addisons
Level 12, 60 Carrington Street
Sydney NSW 2000

Bankers

Commonwealth Bank of Australia
Martin Place
Sydney NSW 2000

Stock exchange listing

Bastion Minerals Limited shares are listed on the Australian Securities Exchange (ASX code: BMO)

Website

www.bastionminerals.com

Bastion Minerals Limited
Directors' report
30 June 2024

The Directors present their report, together with the financial statements, on the Consolidated Entity (referred to hereafter as the '**Consolidated Entity**') consisting of Bastion Minerals Limited (referred to hereafter as the '**Company**' or '**Parent Entity**') and the entities it controlled at the end of or during, the half-year ended 30 June 2024.

Directors

The following persons were Directors of Bastion Minerals Limited during the whole of the financial half-year and up to the date of this report,

Ross Landles
David Joseph Nolan
Sam El-Rahim

Principal activities

The principal activity of the Consolidated Entity is mining exploration and evaluation in Canada, Sweden, Australia and Chile.

Review of operations

The loss for the Consolidated Entity after providing for income tax amounted to \$2,792,171 (30 June 2023: \$4,754,822).

The above loss includes an impairment expense of \$2,206,074 in relation to the Consolidated Entity's exploration assets, refer to note 5.

Refer to the review of operations that directly follows this directors' report.

Significant changes in the state of affairs

On 14 March 2024, the Company issued 40,568,330 fully paid ordinary shares at \$0.014 per share, raising \$567,956 before costs. On the same date, the company issued a further 4,500,000 fully paid ordinary shares on the conversion of performance rights.

On 26 March 2024, the Company completed the acquisition of 100% of the Split Rock battery metal project and 100% of the issued capital of Critical Minerals Morrissey Pty Ltd. The consideration for these acquisitions was 71,428,571 fully paid ordinary shares on 27 March 2024, plus a further 7,142,857 fully paid ordinary shares as an introduction fee issued on 28 March 2024.

There were no other significant changes in the state of affairs of the Consolidated Entity during the financial half-year.

Matters subsequent to the end of the financial half-year

On 30 July 2024, the company announced that it had entered into a binding agreement to acquire 100% of Arcus Resources Pty Ltd, which holds a portfolio of high grade Canadian copper assets. The consideration for the acquisition is \$140,000 cash, 187,500,000 fully paid ordinary shares, 93,750,000 options over shares and 125,000,000 performance shares (subject to shareholder approval).

On 17 August 2024, the company issued 71,428,571 fully paid ordinary shares valued at \$0.007 per share, raising \$500,000 before costs.

On 22 August 2024, the company announced that it was undertaking a non-renounceable rights issue where it will issue up to 214,285,714 fully paid ordinary shares valued at \$0.007 cents per share and up to a maximum of 71,428,572 options, comprising a 1 for 3 free-attaching option. Under the rights issue the company will raise up to \$1,500,000 before costs. Under the current indicative timetable, the shares and options are due to be allotted on 1 October 2024.

No other matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the Consolidated Entity's operations, the results of those operations, or the Consolidated Entity's state of affairs in future financial years.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this Directors' report.

Bastion Minerals Limited
Directors' report
30 June 2024

This report is made in accordance with a resolution of Directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the Directors

A handwritten signature in blue ink, appearing to read 'Ross Landles', is positioned above a horizontal line.

Ross Landles
Director

13 September 2024

The following is a summary of the activities of Bastion Minerals during the period 1 January 2024 to 30 June 2024. During the half year, the Company's primary focus was mineral exploration at its existing portfolio of assets, including the 100% owned Gyttop nr Rare Earth Elements (REE) Project in Southern Sweden (**Gyttop Project**). The Company also continued exploration on its Western Australian assets comprising the Morrisey Project and the Split Rock Dam Projects, with the acquisition of those two projects completed during the half year.

COMPANY PROJECTS

Gyttop Project, Southern Sweden

In the first half of the reporting period, Bastion progressed exploration activities at its 100% owned Gyttop Project by commencing a maiden mapping and sampling program. On 11 April 2024, Bastion announced a significant expansion of its landholding in Sweden's Bergslagen district, more than doubling its size to 279.5 km². This makes Bastion the largest landowner for REE potential in the area. Bastion believes the new claims have the potential to host high-grade REE mineralisation, similar to what the Company has already found elsewhere in the Bergslagen district. Bastion plans to conduct initial field work including mapping and sampling once the new property claims are granted and seasonal weather conditions are favourable. High-priority areas will then be targeted for advanced exploration including surveys and drilling.

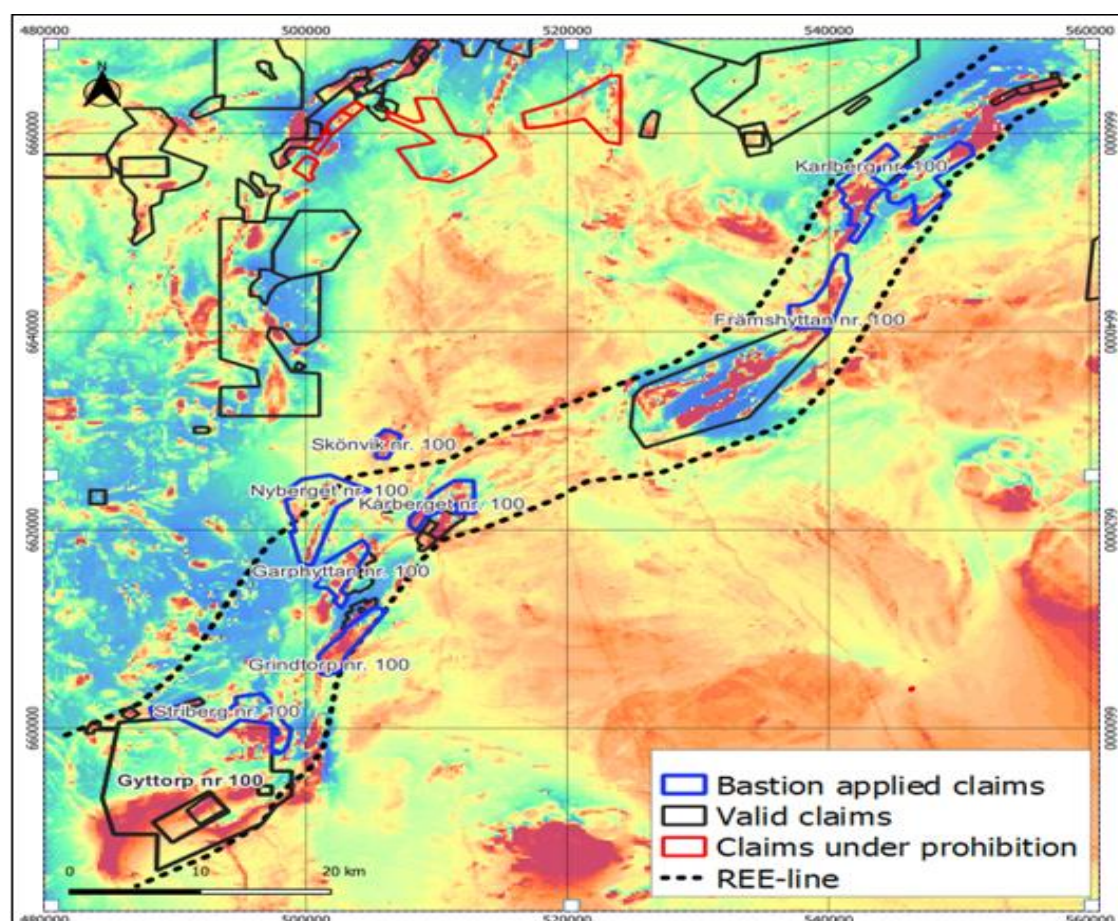


Figure 1: Location of the new property claims (blue outlines), with existing third party properties in the area, and Bastion's Gyttop property in the SW of the map.

A total of eight property claims were made along the "REE line", a belt extending over 100km through the Bergslagen district of southern Sweden, where rare earth Mineralisation is associated with a series of magnetite bodies and copper mineralisation. The claims host a number of historical mineral occurrences previously rock chip sampled and in the Swedish Geological Survey database, with TREE +Y values of up to 1.75% and locally up to 3.09% copper.

Bastion Minerals Limited
Review of operations
30 June 2024

As announced to the ASX on 1 May 2024, historical drilling in the applications encountered high grade copper mineralisation, including:

- **4.2 m @ 1.1% Cu (148.3-152.5 m);**
- **8.3 m @ 0.82% Cu (173.5-181.8 m) in historical drillhole Grindgruvan 2 in Striberg; and**
- **1.4 m @ 0.18% Cu in Nyberget.**

The claims also include elevated historical rock chip analyses for cobalt (to 7,250 ppm), zinc (to 4.45 %) and gold (to 0.93 ppm), exhibiting widespread multi-element prospectivity.

On 16 May 2024, Bastion announced the commencement of field work to evaluate the REE and Copper (**Cu**) potential of the Gyttop property, with activities planned to commence on the eight new application areas, once granted. On 12 June 2024, the Company announced a Six-fold increase in strike length to 3 kilometres (**km**), with high-grade REE. Follow up mapping and sampling identified numerous additional historical magnetite skarn workings with associated REE mineralisation. High-grade values were identified, with a peak pXRF value of 22% TREE+Y from rock samples.

Fifty-one rock chip samples from pXRF locations were submitted for detailed laboratory analysis, with some higher TREE+Y values from the pXRF sampling of veins and mineralised patches including:

- **21.74% TREE+Y (GYTR069);**
- **21.62% TREE+Y (GYTR098);**
- **17.78% TREE+Y (GYTR056); and**
- **12.32% TREE+Y (GYTR067).**

High-grade copper defined over 1 km: High-grade copper mineralisation (greater than 1% Cu) was defined over 1 km in old mine workings, extending the previously identified area. Mineralisation is chalcopyrite (visible) and actinolite lenses within massive magnetite skarns. pXRF* results include:

- **17.9% Cu (GYTR075);**
- **4.72% Cu (GYTR 073);**
- **4.42% Cu (GYTR 070); and**
- **3.87% Cu (GYTR079).**

In its final announcement of the reporting period to the ASX, the Company announced that laboratory assays confirm & deliver more high-grade rare earths:

TREE+Y up to 8.3% from actinolite skarn, confirming high grade results from recent pXRF. Samples have up to 60% HREE present. MREE average 24% over samples. Importantly, ahead of drilling, a ground magnetic survey is planned across the >3km long trend that suggests the project has significant scale.

Bastion also announced that work is underway to obtain access to historical drill core in newly granted properties and exploration applications: Sampling and pXRF analysis of cores is planned to evaluate the copper mineralised intersections and analyse for REE, which were not analysed previously, including.

- **Grindgruvan 2 drillhole in Striberg project, 148.3 to 152.5 m, 4.2 m @ 1.1% Cu and 173.5-181.8 m, 8.3 m @ 0.82% Cu.**

Western Australia

During the reporting period, Bastion completed the acquisition of two battery metals projects in Western Australia. These projects are the Morrissey Project (Gascoyne region) and the Split Rock Project (Mt Ida region). Bastion now owns 100% of both projects.

The Morrissey Project is located in an active exploration area with known occurrences of critical minerals. Bastion has collected soil samples to identify potential lithium and REE, with uranium mineralisation associated with historical mapping of pegmatites. Analysis of these sample results is ongoing.

The Split Rock Project is located in a region prospective for pegmatites, which can contain lithium, and gold.

Morrissey Project

On 21 May 2024, Bastion announced that it had completed initial mapping and sampling in the 15.58 km² Morrissey project (tenement E09/2482) with extensive new lithium-bearing pegmatites discovered towards the north end of the Central pegmatite target and potential new pegmatite corridors prospective for Lithium were confirmed.

Importantly, the field program discovered outcropping and subcropping pegmatites showing similar characteristics to other areas of the regional Ti Tree shear zone where advanced lithium pegmatite projects are located.

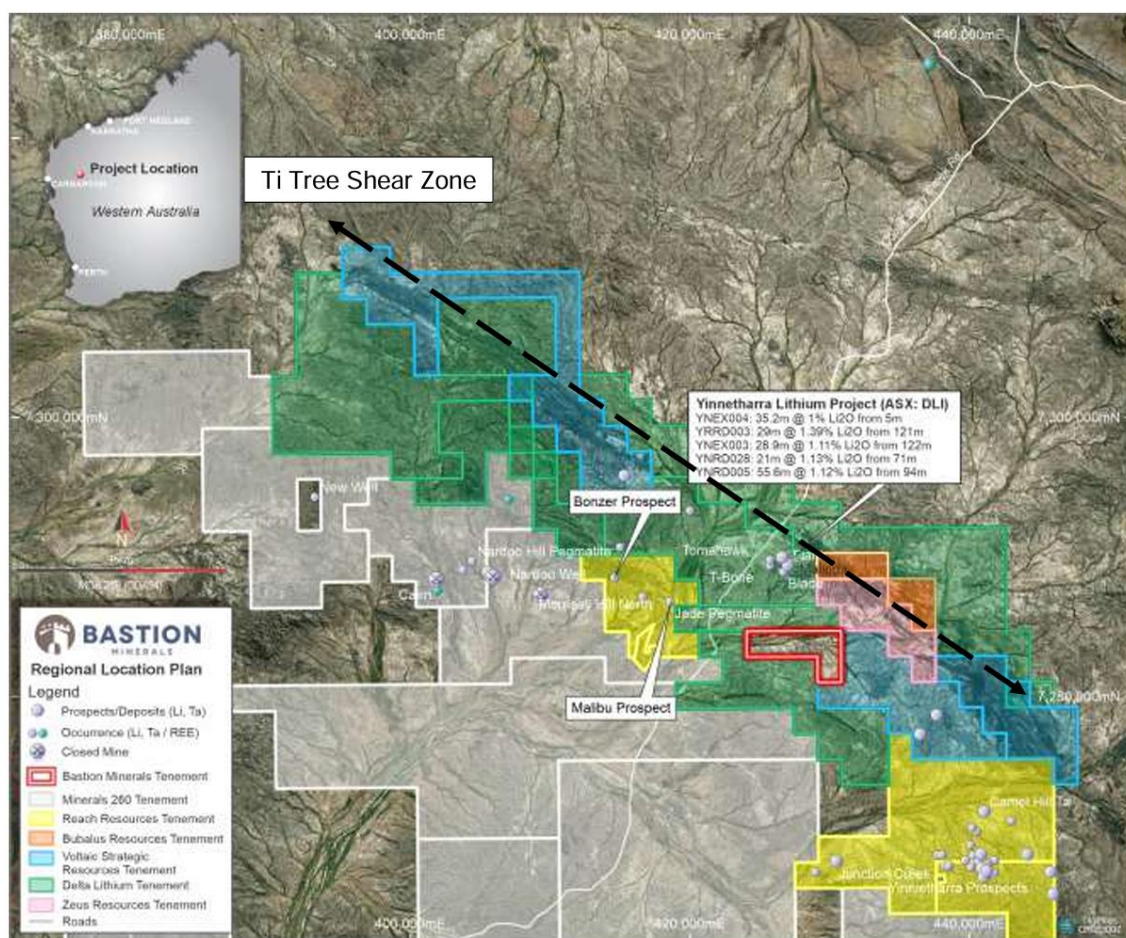


Figure 2: Morrissey Lithium Project location including neighbouring projects. The approximate location of the Ti Tree Shear Zone is shown as a dashed line

Field work confirmed extensive pegmatite occurrences throughout the property with 211 rock chip samples submitted for analysis, to assess the grade and distribution of the mineralisation.

Importantly, the field program identified and interpreted that at least two pegmatite phases exist within the property, one of which has a high spectrometer radiation response, with extensive associated carnotite ($K_2(UO_2)_2(VO_4)_2 \cdot 3H_2O$) mineralisation. The other with low scintillometer response, with potential for lithium.

On 20 May 2024, Bastion announced, that following initial mapping and sampling, widespread visible uranium oxide was observed. This significant new discovery in the Morrissey project identifies potential for surficial uranium, hosted at shallow depth in calcrete, with possible contemporary analogues such as Lake Maitland or Yeelirrie (calcrete uranium). Granite and the Central Pegmatite target confirmed to be radiometrically warm; with 32 samples having spectrometer readings (for radiation detection) exceeding 1,000cps Tc (Total Count), with one extremely high reading of 9,405 cps Tc.

A number of potential new uranium/REE targets were identified during the reconnaissance, with high spectrometer responses in outcropping schist and calcrete near pegmatites and granites. New radiometrically-warm granites with similar characteristics to Central Pegmatite were mapped and confirmed in other areas of the Morrissey project. Redox fronts (sites for uranium deposition) were interpreted at multiple schist and calcrete contacts with very high level spectrometer readings up to 9405cps Tc.



Figure 3: Visible disseminated and discordant Carnotite (Uranium oxide) mineralisation at sample MR181 site (424714E, 7283440N, UTM Zone 50) in the west of the property. ($\leq 1\%$ visual estimate of carnotite).

Subsequent to the end of the reporting period, Bastion provided an update to the market announcing that it has completed initial mapping and analysis of 211 rock chip samples from the Morrissey Project which included sampling pegmatites and calcrete with visual uranium mineralisation. The update noted that calcrete is developed around drainages, in particular along branches of the Gascoyne River. Sampling returned elevated uranium results to a maximum of 0.2 % uranium in calcrete, with several areas of elevated uranium through the property. The Central pegmatite has elevated lithium. Other pegmatites also have elevated lithium, with the highest lithium concentration of 380 ppm, with elevated rubidium and caesium.

Split Rock Dam Project

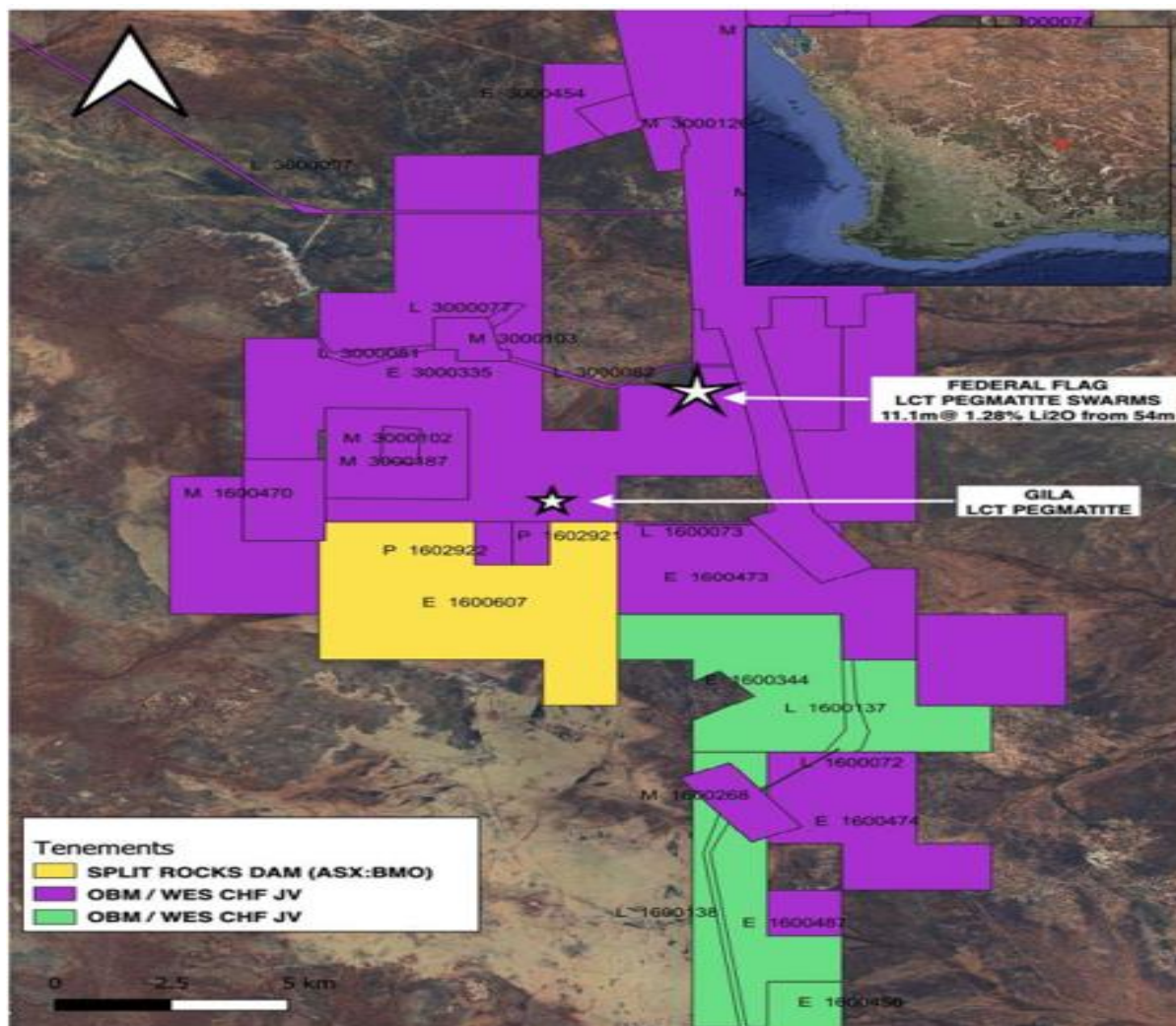


Figure 4: Split Rock Dam and surrounding immediate known pegmatite and lithium occurrences (stars), held within the Lithium joint venture or Ora Banda Mining Ltd and Wesfarmers Chemicals, Energy & Fertilisers (“WesCEF”) division

In the early part of the reporting period, at the Split Rock Project, the Company successfully completed soil sampling over the northern part of the property, extending north from the post-tectonic granite (Agl) identified in government mapping; marking a significant step forward. This is a potential source of lithium/REE mineralisation.

A total of 924 soil samples were collected on 25 metre (m) spacing along west-east lines spaced 250m north to south. The area is primarily residual soils developed over basalts. There is limited outcrop in the area, with rare outcrops of basalt and granite in the southern soil lines. The samples were submitted to ALS for assays of lithium, indicator elements and REE. These elements have not been previously analysed for in the property, bringing new insights into our understanding of its mineral potential.

Subsequent to the end of the Half-Year, Bastion announced that it had received soil sample results for the Split Rock Dam Project. The Project was previously not explored for lithium or rare earth minerals. The soil survey returned zones of elevated lithium in the north of the survey, and another zone in the south of the soil grid with elevated lithium, tantalum, rubidium, and cerium, associated with the post tectonic granite recognised there. Recognition of this element association, with elevated concentrations, is highly positive.

Bastion Minerals Limited
Review of operations
30 June 2024

Bastion is extremely interested in the undrilled extensive historical arsenic in soil zone extending over 1 km, along the NW trending contact between basalt and granite. This provides an excellent target for gold mineralization and was not explored by the historical explorer.

In terms of next steps, Bastion will evaluate the arsenic zone further as a drill target. Not all of the 924 soil samples collected by Bastion earlier this year were analysed, to minimise expenditure. Alternative sample lines were analysed and Bastion is planning to analyse the samples adjacent to the elevated lithium results to determine whether the northern lithium zone continues beyond the two lines analysed. Subsequent to that, drill targets will be evaluated.

Full details of exploration results including relevant JORC table information is contained within the Company's announcements released to the ASX during the reporting period.

CORPORATE

The most significant corporate event during the period, and which represented the culmination of a big shift in the Company's focus and strategy, was the execution of a binding option agreement with ASX-listed Hot Chili Limited (ASX: **HCH, Hot Chili**) to dispose of the Company's Cometa asset to Hot Chili for up to US\$3.3m as announced on 21 February 2024 (**Option Agreement**). The Company received the first payment of US\$100,000 in February 2024, providing exclusivity to execute the option agreement for a period of up to 12 months from payment date.

Option Fee:

- A Non-refundable cash payment of US\$200,000 to Bastion within a 12-month period of the Grant Date for HCH to extend the exclusivity period for up to 30 months from Grant Date.

Purchase Price:

- Consideration of US\$2,400,000 to Bastion if the Option is exercised by HCH within 18 months of the Grant Date; or
- Consideration of US\$3,000,000 to Bastion if the Option is exercised by HCH within 30 months of the Grant Date.

Hot Chili may elect to satisfy payment of the Purchase Price by either:

- paying the Purchase Price in cash in full; or
- paying 50% of the Purchase Price in cash and 50% of the Purchase Price in Hot Chili issuing to Bastion, or its nominee, such number of fully paid ordinary shares in HCH calculated as follows:

$(\text{Purchase Price} \times 0.5) / \text{VWAP}$

Where "VWAP" is the volume weighted average price of HCH Shares traded on the Australian Securities Exchange (ASX) over the 15 trading days on which HCH Shares are traded on ASX immediately prior to the date of the Exercise Notice.

Expiry

- If the Option is not exercised within the 30-month Option Period, the Option will expire and the Option Agreement will terminate.

The divestment of the Cometa Project has the potential to enable Bastion to realise near term value for shareholders from the sale and allow the Company to focus on its highly prospective Swedish REE Projects and its new Canadian projects, subject to completion of the proposed acquisition of Arcus Resources Pty Ltd (*the details of which were announced on ASX on 30 July 2024*).

Also, on the corporate front, during the period, the Company held both an Extraordinary General Meeting on 26 March 2024 and also its Annual General Meeting on 30 May 2024 with the Board welcoming the re-election of Mr David Nolan as a director.

Impairment and Forward Strategy

Subsequent to the end of the Half-Year, the Company announced to the ASX that, in accordance with *AASB 6 Exploration and Evaluation of Mineral Resources*, the Company must consider the carrying value of the Company's projects before finalising its Half Year Financial Statements and Annual Audited Full Year Accounts.

As previously announced, the Company has wound up all non-essential operations in Chile and will focus its future work on its Swedish and Western Australian projects along with its new Canadian projects, subject to completion of the Company's proposed acquisition of Arcus Resources Pty Ltd (*the details of which were announced on ASX on 30 July 2024*).

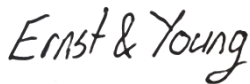
In accordance with *AASB 6 Exploration and Evaluation of Mineral Resources*, in conjunction with the review of its June 2024 Half year Financial Statements, the Company recorded an impairment of \$1,663,601 with respect to its Chilean assets and \$542,472 with respect to its existing Canadian assets.

Auditor's Independence Declaration to the Directors of Bastion Minerals Limited

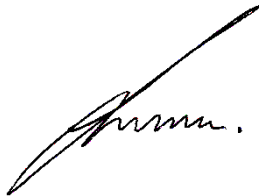
As lead auditor for the review of the half-year financial report of Bastion Minerals Limited for the half-year ended 30 June 2024, I declare to the best of my knowledge and belief, there have been:

- a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review;
- b. No contraventions of any applicable code of professional conduct in relation to the review; and
- c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the review.

This declaration is in respect of Bastion Minerals Limited and the entities it controlled during the financial period.



Ernst & Young



James Johnson
Partner
Sydney
13 September 2024

Bastion Minerals Limited

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30 June 2024

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General information

The financial statements cover Bastion Minerals Limited as a Consolidated Entity consisting of Bastion Minerals Limited and the entities it controlled at the end of, or during, the half-year. The financial statements are presented in Australian dollars, which is Bastion Minerals Limited's functional and presentation currency.

Bastion Minerals Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 6, 22 Pitt Street
Sydney NSW 2000

A description of the nature of the Consolidated Entity's operations and its principal activities are included in the Directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 13 September 2024.

Bastion Minerals Limited
Consolidated statement of profit or loss and other comprehensive income
For the half-year ended 30 June 2024

		Consolidated	
	Note	June 2024	June 2023
		\$	\$
Other income	3	148,520	80,975
Interest revenue calculated using the effective interest method		1	63
Expenses			
Administration expenses		(67,008)	(174,863)
Share based payment expense		(45,667)	(400,894)
Employee benefits expense		(77,940)	-
Consultancy fee expense		(340,354)	(351,765)
Depreciation and amortisation expense		(19,912)	(102,999)
Impairment of receivables		(14,995)	(115,360)
Legal and professional fees		(88,581)	(116,066)
Impairment of exploration and evaluation assets	5	(2,206,074)	(3,478,325)
Other expenses		(54,089)	(47,590)
Finance costs		(26,072)	(47,998)
Loss before income tax expense		(2,792,171)	(4,754,822)
Income tax expense		-	-
Loss after income tax expense for the half-year attributable to the owners of Bastion Minerals Limited		(2,792,171)	(4,754,822)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		(394,407)	389,458
Other comprehensive income for the half-year, net of tax		(394,407)	389,458
Total comprehensive income for the half-year attributable to the owners of Bastion Minerals Limited		(3,186,578)	(4,365,364)
		Cents	Cents
Basic earnings per share	14	(0.74)	(3.13)
Diluted earnings per share	14	(0.74)	(3.13)

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

Bastion Minerals Limited
Consolidated statement of financial position
As at 30 June 2024

		Consolidated	December
	Note	June 2024	2023
		\$	\$
Assets			
Current assets			
Cash and cash equivalents	4	331,003	1,032,422
Trade and other receivables		159,470	98,424
Other		168,057	164,533
Total current assets		<u>658,530</u>	<u>1,295,379</u>
Non-current assets			
Property, plant and equipment		20,378	39,217
Right-of-use assets		659	1,977
Exploration and evaluation	5	1,932,400	3,516,292
Other		7,905	20,295
Total non-current assets		<u>1,961,342</u>	<u>3,577,781</u>
Total assets		<u>2,619,872</u>	<u>4,873,160</u>
Liabilities			
Current liabilities			
Trade and other payables	6	617,143	922,038
Borrowings		48,330	48,490
Lease liabilities		96,855	122,198
Employee benefits		-	16,004
Provisions		24,799	68,798
Other	7	102,265	-
Total current liabilities		<u>889,392</u>	<u>1,177,528</u>
Non-current liabilities			
Borrowings		<u>187,000</u>	<u>187,000</u>
Total non-current liabilities		<u>187,000</u>	<u>187,000</u>
Total liabilities		<u>1,076,392</u>	<u>1,364,528</u>
Net assets		<u>1,543,480</u>	<u>3,508,632</u>
Equity			
Issued capital	8	19,486,308	18,239,371
Reserves	9	3,935,646	4,355,564
Accumulated losses		<u>(21,878,474)</u>	<u>(19,086,303)</u>
Total equity		<u>1,543,480</u>	<u>3,508,632</u>

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

Bastion Minerals Limited
Consolidated statement of changes in equity
For the half-year ended 30 June 2024

Consolidated	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 January 2023	14,806,653	3,376,489	(12,787,110)	5,396,032
Loss after income tax expense for the half-year	-	-	(4,754,822)	(4,754,822)
Other comprehensive income for the half-year, net of tax	-	389,458	-	389,458
Total comprehensive income for the half-year	-	389,458	(4,754,822)	(4,365,364)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs	1,158,580	-	-	1,158,580
Share-based payments	-	450,127	-	450,127
Free attaching options	-	586,010	-	586,010
Transfer upon conversion of performance right	381,645	(381,645)	-	-
Balance at 30 June 2023	<u>16,346,878</u>	<u>4,420,439</u>	<u>(17,541,932)</u>	<u>3,225,385</u>
Consolidated	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 January 2024	18,239,371	4,355,564	(19,086,303)	3,508,632
Loss after income tax expense for the half-year	-	-	(2,792,171)	(2,792,171)
Other comprehensive income for the half-year, net of tax	-	(394,407)	-	(394,407)
Total comprehensive income for the half-year	-	(394,407)	(2,792,171)	(3,186,578)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs (note 8)	1,152,437	-	-	1,152,437
Share-based payments	-	68,989	-	68,989
Transfer upon conversion of performance right	94,500	(94,500)	-	-
Balance at 30 June 2024	<u>19,486,308</u>	<u>3,935,646</u>	<u>(21,878,474)</u>	<u>1,543,480</u>

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

Bastion Minerals Limited
Consolidated statement of cash flows
For the half-year ended 30 June 2024

	Consolidated	
	June 2024	June 2023
	\$	\$
Cash flows from operating activities		
Interest received	1	63
Other income	45,431	78,104
Interest and other finance costs paid	(26,072)	(47,998)
Payments to suppliers and employees	(754,131)	(768,557)
Net cash used in operating activities	(734,771)	(738,388)
Cash flows from investing activities		
Payments for exploration and evaluation	(559,338)	(972,325)
transaction costs relating to Canadian copper project paid	(7,905)	-
Option fee received in relation to Cometa project	153,398	-
Net cash used in investing activities	(413,845)	(972,325)
Cash flows from financing activities		
Proceeds from issue of shares and options	567,956	1,594,116
Share issue transaction costs	(99,339)	(118,592)
Repayment of lease liabilities	(21,204)	(54,350)
Other financing cash flows	-	60,000
Proceeds from settlement of director loans recognised in equity	-	269,066
Net cash from financing activities	447,413	1,750,240
Net increase/(decrease) in cash and cash equivalents	(701,203)	39,527
Cash and cash equivalents at the beginning of the financial half-year	1,030,682	634,832
Effects of exchange rate changes on cash and cash equivalents	(56)	1,415
Cash and cash equivalents at the end of the financial half-year	<u>329,423</u>	<u>675,774</u>

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

Note 1. Material accounting policy information

These general purpose financial statements for the interim half-year reporting period ended 30 June 2024 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 31 December 2023 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The Consolidated Entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

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

Going concern

The half year financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. The Consolidated Entity incurred a loss from ordinary activities of \$2,792,171 for the half year ended 30 June 2024 (2023: \$4,754,822), and had negative cash flows from operating activities of \$734,771 (2023: \$738,388). The loss for the year includes a non-cash impairment expense of \$2,206,074 relating to exploration and evaluation assets (2023: \$3,478,325). At 30 June 2024 the Consolidated entity had net current liabilities of \$230,862 (2023: net current assets of \$117,851). On 17 August 2024, the company issued 71,428,571 fully paid ordinary shares valued at \$0.07 cents per share, raising \$500,000 before costs.

The directors have reviewed the cashflow forecasts for 12 months from signing these half year financial statements that indicate the Consolidated Entity will have sufficient cash and believe that there are reasonable grounds that the Consolidated Entity will be able to continue as a going concern due to the following factors and the Consolidated Entity's ability to implement the following potential actions:

- On 22 August 2024, the company announced that was undertaking a non-renounceable rights issue where it will issue up 214,285,714 fully paid ordinary shares valued at \$0.07 cents per share and up to a maximum of 71,428,572 options, comprising a 1 for 3 free-attaching option. Under the rights issue the company will raise up \$1,500,000 before costs. Under the current indicative timetable, the shares and options are due to be allotted on 1 October 2024. The consolidated entity has a high degree of confidence as to the ability to complete this rights issue based on a history of successful capital raises and discussions held to date with shareholders;
- During the half-year, the company received the first option fee of US\$100,000 (\$153,398) from ASX-listed Hot chili Limited (ASX: HCH) (Hot Chili) under its agreement to divest its holding in the Cometa exploration project. The second option fee under that agreement of US\$200,000 (\$298,828) is payable in February 2025 for Hot Chili to continue with the option;
- deferral of discretionary operating and capital expenditures;
- the board are currently seeking to raise additional capital to finance further exploration programs in Canada and Sweden through the aforementioned rights issue. As an ASX listed entity, the Consolidated Entity has the ability to access equity capital markets and has a history of being able to raise additional capital as and when the Directors consider appropriate, however there is no guarantee as this is based on market conditions.
- the Consolidated Entity will seek to raise capital funds in addition to the planned raising activities noted above to finance further exploration programs in Canada and Sweden and Australia, and is confident that it will be able to as required due to its history of successfully completing capital raises.

Accordingly, the directors believe that the Consolidated Entity will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial statements. In the event that the Consolidated Entity is unsuccessful in implementing the above-stated initiatives, a material uncertainty exists, that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern and its ability to recover assets and discharge liabilities in normal course of business and at the amounts shown in the financial statements.

Bastion Minerals Limited
Notes to the consolidated financial statements
30 June 2024

Note 1. Material accounting policy information (continued)

The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessarily incurred should the company not continue as a going concern.

Note 2. Operating segments

Identification of reportable operating segments

The Consolidated Entity is organised into one operating segment, being exploration and evaluation. This is based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the CODM) in assessing performance and in determining the allocation of resources.

Note 3. Other income

	Consolidated	
	June 2024	June 2023
	\$	\$
Net foreign exchange gain /loss	(2,171)	104
Other income	99,558	80,871
Option fee received on tenement	51,133	-
	<u>148,520</u>	<u>80,975</u>
Other income	<u>148,520</u>	<u>80,975</u>

During the half-year, the company received the first option fee of US\$100,000 (\$153,398) from ASX-listed Hot Chili Limited (ASX: HCH) (**Hot Chili**) under its agreement to divest its holding in the Cometa exploration project. This is being recognised as other income on a straight line basis over the 12 month option period, during which time the company is required to maintain the exploration licenses in good standing and provide access to Hot Chilli to conduct exploration activities.

Note 4. Current assets - cash and cash equivalents

	Consolidated	
	June 2024	December 2023
	\$	\$
Cash at bank	<u>331,003</u>	<u>1,032,422</u>

Below is a table reconciling the cash balance to the consolidated statement of cash flows

	Consolidated	
	June 2024	June 2023
	\$	\$
Cash at bank	331,003	677,654
Overdraft	(1,580)	(1,880)
	<u>329,423</u>	<u>675,774</u>

Bastion Minerals Limited
Notes to the consolidated financial statements
30 June 2024

Note 5. Non-current assets - exploration and evaluation

	Consolidated	December
	June 2024	2023
	\$	\$
Exploration and evaluation - at cost	7,616,799	6,994,617
Less: Impairment	<u>(5,684,399)</u>	<u>(3,478,325)</u>
	<u><u>1,932,400</u></u>	<u><u>3,516,292</u></u>

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial half-year are set out below:

Consolidated	Exploration & evaluation \$
Balance at 1 January 2024	3,516,292
Additions	413,463
Acquisitions *	707,142
Exchange differences	(498,423)
Impairment of assets **	<u>(2,206,074)</u>
Balance at 30 June 2024	<u><u>1,932,400</u></u>

* On 26 March 2024, the company completed the acquisition of 100% of legal and beneficial interest in in Split Rock battery metal project (Split Rock) with consideration of 16,428,572 fully paid ordinary shares and a 1.5% NSR royalty on the tenement. The company also acquired 100% of the issued capital of Critical Minerals Morrissey Pty Ltd (CMM) which is holding assets and exploration license to Morrissey project, for 55,000,000 shares and \$23,000 cash consideration related to GST receivable which existed on acquisition date. These transactions have been accounted for as asset acquisitions as they do not meet the criteria for a business combination under the accounting standards. There was a further 7,142,676 fully paid ordinary shares issued to broker GTT as a fee for introducing the vendor to the Consolidated Entity. The shares were issued on 27 March 2024.

** The consolidated entity's exploration assets have been assessed for indicators of impairment at 30 June 2024. The carrying value of all exploration and evaluation assets have been reviewed. The Garin project, Capote project and the consolidated entity's Canadian assets have been impaired in full, due to the fact that here has been a change in the company strategy and therefore the Consolidated Entity no longer intends to explore these assets and will not be realising the value through successful development or sale. No impairments have been recognised in relation to Consolidated Entity's other exploration and evaluation assets.

Note 6. Current liabilities - trade and other payables

	Consolidated	December
	June 2024	2023
	\$	\$
Trade payables	297,727	652,370
Other payables	<u>319,416</u>	<u>269,668</u>
	<u><u>617,143</u></u>	<u><u>922,038</u></u>

Bastion Minerals Limited
Notes to the consolidated financial statements
30 June 2024

Note 7. Current liabilities - other

	Consolidated June 2024 \$	December 2023 \$
Deferred option fee	102,265	-

During the half-year, the company received the first option fee of US\$100,000 (\$153,398) from ASX-listed Hot Chili Limited (ASX: HCH) (**Hot Chili**) under its agreement to divest its holding in the Cometa exploration project. This is being recognised as other income on a straight line basis over the 12 month option period, during which time the company is required to maintain the exploration licenses in good standing and provide access to Hot Chili to conduct exploration activities.

Note 8. Equity - issued capital

	June 2024 Shares	Consolidated December 2023 Shares	June 2024 \$	December 2023 \$
Ordinary shares - fully paid	435,083,665	311,444,087	19,486,308	18,239,371

Movements in ordinary share capital

Details	Date	Shares	Issue price	\$
Balance	1 January 2024	311,444,087		18,239,371
Issue of shares	14 March 2024	40,568,330	\$0.014	567,956
Shares issued as consideration of entity and tenements *	27 March 2024	78,571,248	\$0.009	707,142
Shares issued on conversion of performance shares (note 9)	27 March 2024	4,500,000	\$0.021	94,500
Less cost of capital		-	\$0.000	(122,661)
Balance	30 June 2024	435,083,665		19,486,308

* On 26 March 2024, the company completed the acquisition of 100% of the Split Rock battery metal project and 100% of the issued capital of Critical Minerals Morrissey Pty Ltd. The consideration for these acquisitions was 71,428,571 fully paid ordinary shares, plus a further 7,142,857 fully paid ordinary shares as for an introduction fee. The shares were issued on 27 March 2024. Refer to note 5 for further details.

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Share buy-back

There is no current on-market share buy-back.

Bastion Minerals Limited
Notes to the consolidated financial statements
30 June 2024

Note 9. Equity - reserves

	Consolidated	December
	June 2024	2023
	\$	\$
Foreign currency reserve	(263,426)	130,981
Share-based payments reserve	3,103,065	3,128,576
Options reserve	1,096,007	1,096,007
	<u>3,935,646</u>	<u>4,355,564</u>

Foreign currency reserve

The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars. It is also used to recognise gains and losses on hedges of the net investments in foreign operations.

Share-based payments 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 services.

Option reserve

The reserve is used to recognise the value of equity instruments issued to shareholders as free attaching options who participate in capital raisings.

Movements in reserves

Movements in each class of reserve during the current financial half-year are set out below:

Consolidated	Option reserve \$	Share based payment \$	Foreign currency \$	Total \$
Balance at 1 January 2024	1,096,007	3,128,576	130,981	4,355,564
Foreign currency translation	-	-	(394,407)	(394,407)
Share based payments	-	68,989	-	68,989
Transfer to issued capital upon conversion of performance rights (note 8)	-	(94,500)	-	(94,500)
Balance at 30 June 2024	<u>1,096,007</u>	<u>3,103,065</u>	<u>(263,426)</u>	<u>3,935,646</u>

Note 10. Equity - dividends

There were no dividends paid, recommended or declared during the current or previous financial half-year.

Note 11. Contingent liabilities

The consolidated entity is liable to pay 0.25% net smelter royalty on any minerals extracted from exploration licence E09/2482.

The consolidated entity is also liable to pay 1.5% net smelter royalty on any minerals extracted from exploration licence E16/607.

Note 12. Related party transactions

Parent entity

Bastion Minerals Limited is the parent entity.

Bastion Minerals Limited
Notes to the consolidated financial statements
30 June 2024

Note 12. Related party transactions (continued)

Transactions with related parties

The following transactions occurred with related parties:

	Consolidated June 2024 \$	June 2023 \$
Sale of goods and services:		
Sub-lease income from a director related entity	-	18,000

Receivable from and payable to related parties

The following balances are outstanding at the reporting date in relation to transactions with related parties:

	Consolidated June 2024 \$	December 2023 \$
Current receivables:		
Current receivable from a director	41,204	41,204
Rent receivable from a director related entity	13,200	13,200
Current payables:		
Accrued director fees payable	48,375	27,750

Loans to/from related parties

During the year ended 31 December 2020, Ross Landles and an entity associated with David Nolan were provided with interest bearing, limited recourse loans ('Director Share Loans') from the Company for the sole purpose of acquiring shares in the Company on the same terms as other investors who invested in the Company at the time. The Director Share Loans were required to be recognized as share based remuneration and Equity Settled under AASB2. The Director Share Loans represent an "in substance option" arrangement and have been valued using option pricing models.

During the prior half-year, the shares that were acquired via finance from above loans were sold and the loans were settled in full. Amount of \$269,066 has been recognised in equity.

During the prior half-year Ross Landles and David Nolan have again been provided with interest bearing, limited recourse loans ('Director Share Loans') from the Company for the sole purpose of each director acquiring 5,381,316 shares in the Company. The Director Share Loans were required to be recognized as share based remuneration and Equity Settled under AASB2. The Director Share Loans represent an "in substance option" arrangement and have been valued using option pricing models. A total expense of \$136,794 has been recognised in relation to each director's loan.

Note 13. Events after the reporting period

On 30 July 2024, the company announced that it had entered into a binding agreement to acquire 100% of Arcus Resources Pty Ltd, which holds a portfolio of high grade Canadian copper assets. The consideration for the acquisition is \$140,000 cash, 187,500,000 fully paid ordinary shares, 93,750,000 options over shares and 125,000,000 performance shares (subject to shareholder approval).

On 17 August 2024, the company issued 71,428,571 fully paid ordinary shares valued at \$0.007 per share, raising \$500,000 before costs.

On 22 August 2024, the company announced that it was undertaking a non-renounceable rights issue where it will issue up to 214,285,714 fully paid ordinary shares valued at \$0.007 cents per share and up to a maximum of 71,428,572 options, comprising a 1 for 3 free-attaching option. Under the rights issue the company will raise up to \$1,500,000 before costs. Under the current indicative timetable, the shares and options are due to be allotted on 1 October 2024.

Bastion Minerals Limited
Notes to the consolidated financial statements
30 June 2024

Note 13. Events after the reporting period (continued)

No other matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the Consolidated Entity's operations, the results of those operations, or the Consolidated Entity's state of affairs in future financial years.

Note 14. Earnings per share

	Consolidated	
	June 2024	June 2023
	\$	\$
Loss after income tax attributable to the owners of Bastion Minerals Limited	<u>(2,792,171)</u>	<u>(4,754,822)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>378,510,470</u>	<u>151,764,591</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>378,510,470</u>	<u>151,764,591</u>
	Cents	Cents
Basic earnings per share	(0.74)	(3.13)
Diluted earnings per share	(0.74)	(3.13)

Bastion Minerals Limited
Directors' declaration
30 June 2024

In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the Consolidated Entity's financial position as at 30 June 2024 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of Directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the Directors



Ross Landles
Director

13 September 2024

Independent auditor's review report to the members of Bastion Minerals Limited

Conclusion

We have reviewed the accompanying half-year financial report of Bastion Minerals Limited (the Company) and its subsidiaries (collectively the Consolidated Entity), which comprises the statement of financial position as at 30 June 2024, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, explanatory notes and the directors' declaration.

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

- a. Giving a true and fair view of the consolidated financial position of the Consolidated Entity as at 30 June 2024 and of its consolidated financial 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* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report. We are independent of the Consolidated Entity 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.

Material uncertainty related to going concern

We draw attention to Note 1 in the financial report, which describes the principal conditions that raise doubt about the Consolidated Entity's ability to continue as a going concern. These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern. Our report is not modified in respect of this matter.

Directors' responsibilities for the half-year financial report

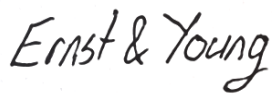
The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation 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 responsibilities for the review of the half-year financial report

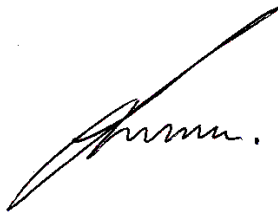
Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Consolidated Entity's financial position as at 30 June 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.



Ernst & Young



James Johnson
Partner
Sydney
13 September 2024