

Fulcrum Lithium Ltd

and its controlled entities

ABN: 23 665 528 307

Interim Financial Statements

For the Half Year Ended 31 December 2024

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For the Half Year Ended 31 December 2024

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FULCRUM LITHIUM LTD

and its controlled entities

Directors' Report

The Directors present their report together with the consolidated interim financial statements of the Group, comprising Fulcrum Lithium Ltd (**Fulcrum** or **the Company**) and its controlled entities, for the half year ended 31 December 2024.

DIRECTORS

The names of each person who has been a Director of the Company during the half year and to the date of this report are:

Mr Norman A. Seckold

Executive Chairman - Appointed 6 February 2023

Mr Seckold graduated with a Bachelor of Economics degree from the University of Sydney in 1970. He has spent more than 40 years in the full time management of natural resource companies, both in Australia and overseas.

Mr Seckold has been the Chairman of a number of publicly listed companies including Moruya Gold Mines (1983) N.L., Pangea Resources Limited, Timberline Minerals, Inc. Perseverance Corporation Limited, Valdora Minerals N.L., Viking Gold Corporation, Mogul Mining N.L., Santana Minerals Ltd and Bolnisi Gold N.L.

Mr Seckold is currently Chairman of ASX Listed Alpha HPA Limited, Nickel Industries Limited and Sky Metals Limited.

Mr Peter J. Nightingale

Executive Director, Chief Financial Officer and Company Secretary - Appointed 6 February 2023

Mr Nightingale graduated with a Bachelor of Economics degree from the University of Sydney and is a member of Chartered Accountants Australia and New Zealand. He has worked as a chartered accountant in both Australia and the USA.

As a director or company secretary, Mr Nightingale has, for more than 35 years, been responsible for the financial control, administration, secretarial and in-house legal functions of a number of private and public listed companies in Australia and the USA including Alpha HPA Limited, Bolnisi Gold N.L. and Nickel Industries Limited.

Mr Nightingale is currently a director of ASX listed Prospech Limited.

Mr Foster V. Wilson

Non-Executive Director - Appointed 6 February 2023

Mr Wilson has over 40 years of experience, with a focus on lithium claystone and brine exploration projects, in roles ranging from reserve drilling and estimation, feasibility studies, mine permitting and development. He has worked in various capacities for Placer Dome Inc., Echo Bay Mines Ltd., American Bonanza Gold Corp. and various junior exploration companies.

Mr. Wilson served as President of TSX-V listed Mesa Uranium Corporation from 2005 to 2020. Mr. Wilson was a director of CSE listed Alpha Lithium Corporation from 2016 to 2023.

Mr Wilson currently serves as a director of TSX-V listed Atomic Minerals Corporation and CSE listed Global Uranium Corporation.

Mr Anthony Sgro

Non-Executive Director - Appointed 6 February 2023

Mr Sgro is a Chemical Engineer, graduating from University of Sydney. His studies included a thesis on Minerals Chlorination, which focused on the application of chlorination techniques to the extractive metallurgy of various minerals including titanium, nickel, chromium and tungsten ores. He also completed a Graduate Diploma in Marketing from Macquarie University School of Business.

In a career spanning 45 years, Mr Sgro was involved in the technical and commercial aspects of supply of specialised equipment to the major process industries including oil and gas, petrochemical, chemical and mining industries, including equipment specification, material selection, commercial and technical aspects of large tenders, contract negotiation and contract management.

Mr Sgro is currently a non-executive director of ASX listed Alpha HPA Limited.

FULCRUM LITHIUM LTD and its controlled entities Directors' Report

REVIEW OF OPERATIONS

Fulcrum Lithium Ltd listed on the ASX on 22 November 2024, to explore the largest lithium exploration lode claim holding area by a company, of approximately 230 km², in the heart of Nevada's 'lithium belt' which hosts Albemarle Corporation's (NYSE: ALB) Silver Peak lithium mine, the only lithium producing mine in the USA.

Fulcrum's three projects, Alkali Flats, Summit and Fairway, are proximate to, or on trend with, significant lithium projects at various stages of exploration and development in a geologic setting with demonstrated success and a mining friendly jurisdiction (Figure 1).

Alkali Flats Project

The Alkali Flats project comprises 2,276 lode claims, an area of 190 km², located in the Clayton Valley, Nevada, USA.

During the half year ended 31 December 2024, the Company commenced drilling at the Alkali Flats project, which the USA Bureau of Land Management (**BLM**) had permitted in September 2023. The drilling program, comprising 14 Reverse Circulation (**RC**) drill holes averaging 171 metres depth on a grid spacing of approximately 800 metres, was designed to test the Siebert Formation; the regional claystone host for lithium (**Li**) deposits and in a location where Fulcrum's initial surface sampling results returned lithium concentrations up to 797 ppm Li (Figure 2).

Fulcrum's initial surface sampling results have measured lithium concentrations up to 797 ppm Li with over 14 samples returning greater than 300 ppm Li. In addition to testing for lithium in the Siebert Formation at depth, the drilling also enabled the thickness of the Quaternary cover over the Siebert Formation to be mapped, assisting in the planning of further step out drilling into the basin. The Alkali Flats Exploration Target Areas are known to have lithium claystone mineralisation within a closed basin with prominent geothermal activity, characteristics that are similar to other deposits in the district.

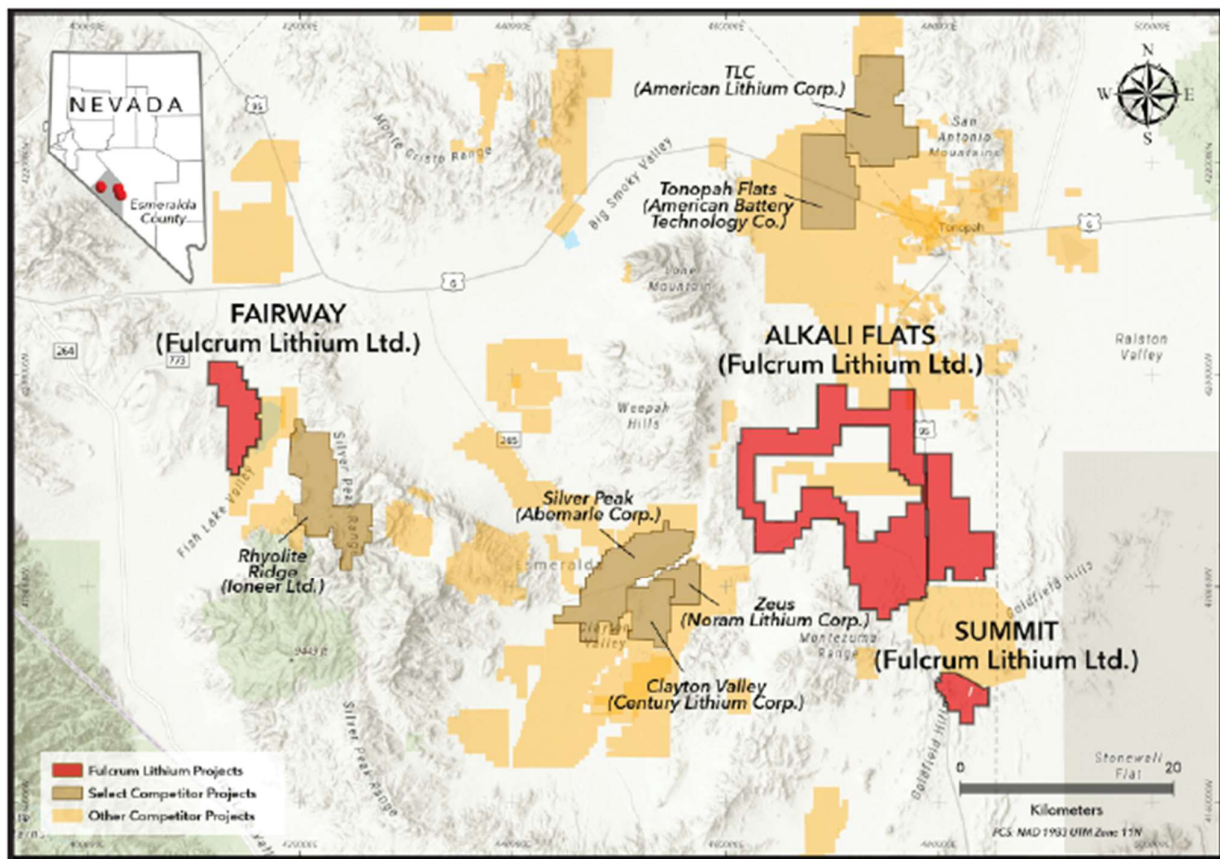
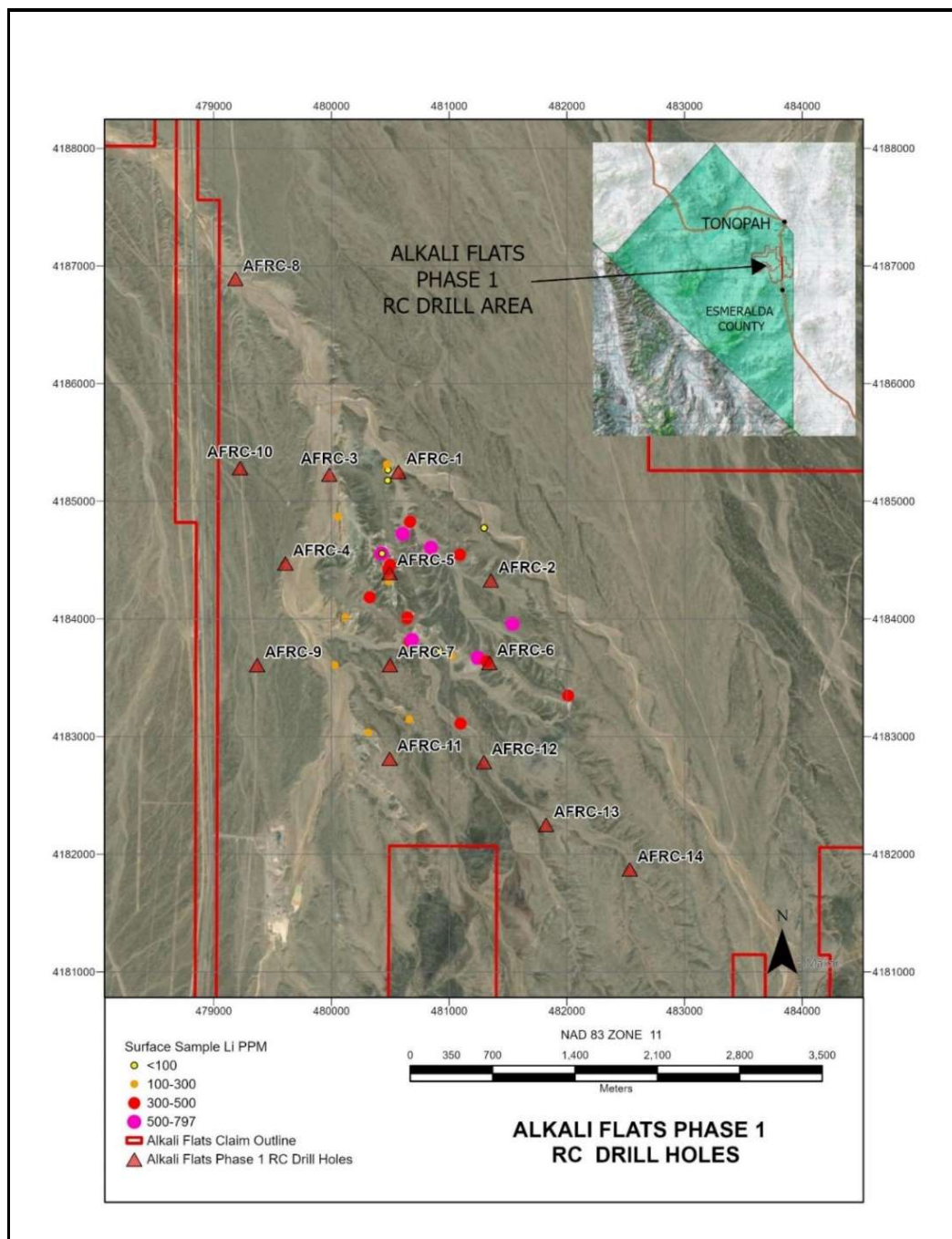


Figure 1. FULCRUM'S PROJECT LOCATIONS

FULCRUM LITHIUM LTD and its controlled entities Directors' Report

During the half year ended 31 December 2024, a total of 8 drill holes (AFRC-1 to AFRC-8) of the 14 holes planned at the Alkali Flats project were completed for a total of approximately 1,295.5 metres. The final 6 holes (AFRC-9 to AFRC-14) were completed between the period from 7 January 2025 to 21 January 2025¹.

Table 1 is a list of the drill holes completed and their coordinates using NAD 83 Zone 11 datum. Concurrently with the Phase 1 drilling, planning is underway for a Phase 2 drilling program with a view to commencing the Phase 2 drilling program in Q2 2025.



1. Refer ASX announcement "Alkali Flats Project Update, 21 February 2025".

FULCRUM LITHIUM LTD and its controlled entities Directors' Report

Table 1. ALKALI FLATS PHASE 1 DRILL HOLE LOCATIONS AND DEPTH

Drill Hole ID	Easting	Northing	Elevation (M)	Total Depth (M)
AFRC-1	480568	4185258	1581	128.0
AFRC-2	481354	4184335	1600	131.1
AFRC-3	479982	4185235	1574	172.2
AFRC-4	479608	4184480	1585	175.3
AFRC-5	480493	4184399	1595	213.4
AFRC-6	481342	4183633	1615	105.2
AFRC-7	480497	4183616	1595	228.6
AFRC-8	479182	4186900	1545	141.7
AFRC-9	479183	4186899	1543	141.7
AFRC-10	479368	4183616	1584	105.2
AFRC-11	479223	4185291	1564	180.3
AFRC-12	480494	4182820	1610	227.0
AFRC-13	481295	4182791	1612	475.0
AFRC-14	482534	4181879	1616	228.0
TOTAL				2,393.0

All 14 holes intersected the Seibert Formation at shallow depths, on average at 6m depth with a maximum alluvial overburden of 14m being intercepted. Drilling shows that the Seibert Formation geology comprises an interbedded mixture of claystones, volcanic tuffs, tuffaceous volcanoclastic sands and gravels. A weathered and fresh basalt flow was commonly intersected in a number of holes which correlates to the Mira Basalt which is known to be present locally in the Seibert Formation.

The thickness of claystones intersected in the Seibert Formation in the 14 holes ranges from 0m to 71.1m, averaging 26.7m and can be generally correlated in a lower and an upper zone (Figure 3).

Drill cutting samples were securely transported to American Assay Laboratories. Assays for the 14 holes were received in January and February 2025 and confirm that 8 out of the 14 holes intersected zones of elevated lithium mineralisation, above 300ppm₁.

The full table of significant lithium assay results can be found in Table 2. The highest zones intersected are highlighted as:

- AFRC-3: 21.3m @ 507ppm Li with internal values up to 617ppm Li
- AFRC-4: 13.7m @ 471ppm Li with internal values up to 594ppm Li
and 9.1m @ 770ppm Li with internal values up to 919ppm Li
- AFRC-7: 15.2m @ 360ppm Li with internal values up to 450ppm Li
- AFRC-1: 6.1m @ 454ppm Li with internal values up to 490ppm Li

FULCRUM LITHIUM LTD
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Directors' Report

Table 2. ASSAY RESULTS SHOWING ZONES ABOVE 300PPM LI

Drill Hole ID	From (m)	To (m)	Length (m)	Li (ppm)
AFRC-1	24.4	33.5	9.1	427
AFRC-2	1.5	3.0	1.5	304
and	66.5	67.1	1.6	457
AFRC-3	103.6	124.9	21.3	507
AFRC-4	6.1	19.8	13.7	471
and	137.2	146.3	9.1	771
AFRC-5	1.5	4.6	3.1	353
AFRC-6	No zones > 300PPM			
AFRC-7	44.2	59.4	15.2	360
AFRC-8	No zones > 300PPM			
AFRC-9	No zones > 300PPM			
AFRC-10	16.8	18.3	1.5	432
and	24.4	25.9	1.5	336
AFRC-11	79.2	85.3	6.1	335
AFRC-12	No zones > 300PPM			
AFRC-13	No zones > 300PPM			
AFRC-14	No zones > 300PPM			

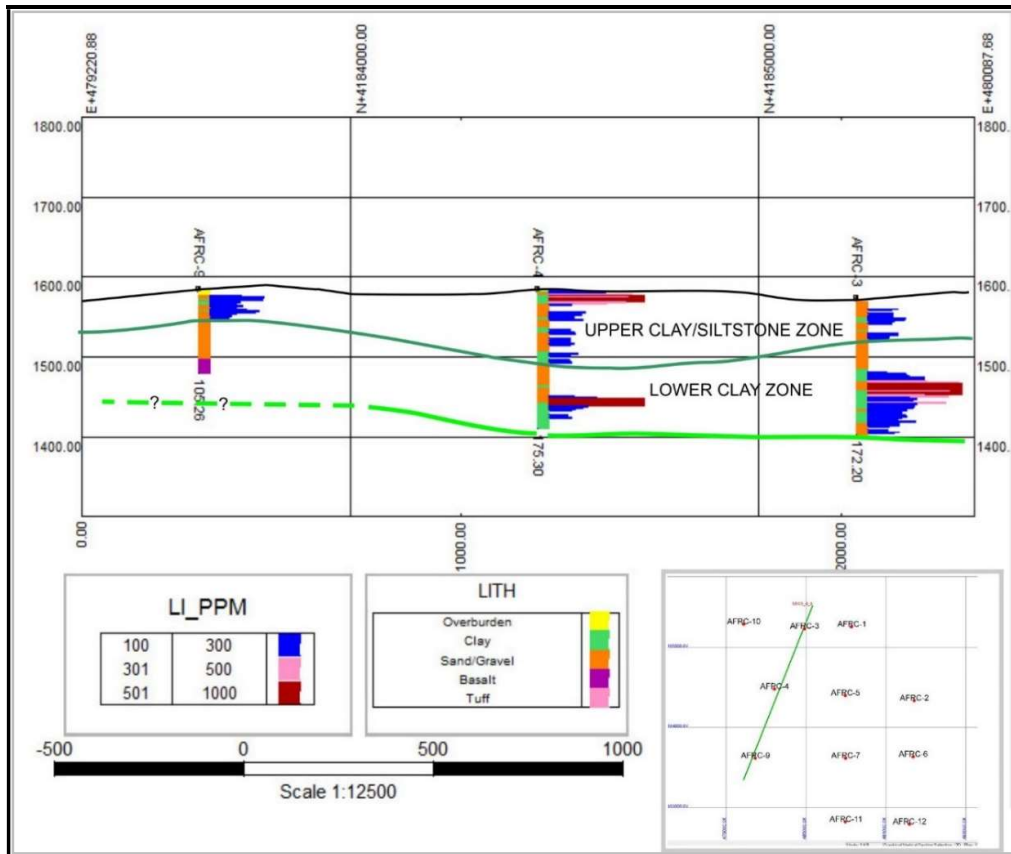


Figure 3. CROSS SECTION OF SELECTED ALKALI FLATS PHASE 1 DRILL HOLES DISPLAYING INTERCEPTED LITHOLOGIES AND LITHIUM CONCENTRATION (15X VERTICAL EXAGGERATION)

FULCRUM LITHIUM LTD

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Directors' Report

Geological Mapping Program

On completion of the Phase 1 drilling program, a team of Fulcrum geologists were mobilised to site in February 2025 to commence a comprehensive geological mapping and sampling program across the full 230km² of claims holdings of the Alkali Flats, Fairway and Summit projects.

The geological mapping results will be incorporated along with the full set of drilling results and geological interpretation from Phase 1 drilling, to plan the Phase 2 drilling program scheduled for Q2 2025.

Summit Project

The Summit project comprises 160 lode claims, an area of 13 km², located in the Lida Valley, Nevada, USA (Figure 1). No field activities were undertaken during the half yearly period at the Summit exploration licences.

Subsequently, on completion of the Alkali Flats Phase 1 drilling program, a team of Fulcrum geologists were mobilised to site in February 2025 to commence a comprehensive geological mapping and sampling program across the Summit project.

The geological mapping results will be incorporated along with the full set of drilling results and geological interpretation from Phase 1 drilling, to plan the Phase 2 drilling program scheduled for Q2 2025.

Fairway Project

The Fairway project comprises 327 lode claims, an area of 27 km² located in the Fish Lake Valley, Nevada, USA (Figure 1).

No field activities were undertaken during the half yearly period at the Fairway exploration licences.

Subsequently, on completion of the Alkali Flats Phase 1 drilling program, a team of Fulcrum geologists were mobilised to site in February 2025 to commence a comprehensive geological mapping and sampling program across the Fairway project.

The geological mapping results will be incorporated along with the full set of drilling results and geological interpretation from Phase 1 drilling, to plan the Phase 2 drilling program scheduled for Q2 2025.

NO MATERIAL CHANGES

The Company confirms it is not aware of any new information or data that materially affects the information included in this report and that all material assumptions and technical parameters underpinning the Exploration Results and Exploration Targets in this announcement continue to apply and have not materially changed.

CORPORATE

During half year ended 31 December 2024, the Company through the successful Initial Public Offer (**IPO**), issued 48,500,000 ordinary fully paid shares at 20 cent each raising \$9,700,000 before costs.

The Company was admitted to the official list of the Australian Securities Exchange (ASX) and on 22 November 2024 the Company's ordinary shares commenced quotation on the ASX.

The Company issued 3,000,000 performance rights to Directors of the company expiring 18 months from the date of issue at a nil consideration.

The performance rights will convert on a 1 for 1 basis into ordinary shares for nil consideration subject to the satisfaction of the Company admission to the ASX official quotation and completing at least 10 drill holes of which a minimum of 450 metres is drilled in total across the 10 holes, with at least one intersection returning a minimum grade of 750 ppm lithium.

During December 2024, drilling at the Alkali Flats project commenced.

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Directors' Report

SUBSEQUENT EVENTS

On 21 February 2025, the second vesting conditions on the performance rights that were granted to the Directors have been completed.

Other than the matter described above, there have been no matters or circumstances have arisen since the end of the half year which 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 future financial years.

COMPETENT PERSON'S STATEMENT

The information in this Report that relates to Exploration Results is based on, and fairly represents, information and supporting documentation prepared by Mr Bill R. Fleshman of Global Geological Services, LLC, a geologist who is a Fellow and Chartered Professional of the Australasian Institute of Mining and Metallurgy and (FAusIMM CP Geology #107342) and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activities which are being undertaken to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Fleshman is an independent consulting geologist and consents to the inclusion of the Exploration Results and Exploration Targets and supporting information in the form and context in which it appears.

LEAD AUDITOR'S INDEPENDENCE DECLARATION

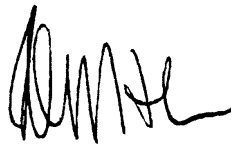
The lead auditor's independence declaration is set out on page 8 and forms part of the Directors' Report for the half year ended 31 December 2024.

This report has been signed in accordance with a resolution of the directors and is dated 13 March 2025:

Signed at Sydney this 13th day of March 2025



Norman A. Seckold



Peter J. Nightingale



Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Fulcrum Lithium Ltd

I declare that, to the best of my knowledge and belief, in relation to the review of Fulcrum Lithium Ltd for the half-year ended 31 December 2024 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- ii. no contraventions of any applicable code of professional conduct in relation to the review.

A handwritten signature in blue ink that reads 'KPMG'.

KPMG

A handwritten signature in blue ink, appearing to be 'Adam Twemlow'.

Adam Twemlow

Partner

Gold Coast

13 March 2025

FULCRUM LITHIUM LTD
and its controlled entities
CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 31 DECEMBER 2024

		Consolidated	
	Notes	31 December 2024	31 December 2023
		\$	\$
Continuing operations			
Administration costs		(527,477)	(94,163)
Consultants' fees	9	(253,481)	(822,629)
Other expenses from ordinary activities		(24,365)	(21,900)
Operating loss before financing income		(805,323)	(938,692)
Interest income		16,151	14,317
Interest expense		-	-
Net financing income		16,151	14,317
Loss before income tax expense		(789,172)	(924,375)
Income tax expense		-	-
Loss for the period		(789,172)	(924,375)
Other comprehensive income			
Exchange differences on translation of foreign operations		287,938	(86,025)
Total comprehensive loss for the period		(501,234)	(1,010,400)
Basic and diluted loss per share (cents)		(0.84)	(1.21)

The above Condensed Consolidated Interim Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

FULCRUM LITHIUM LTD
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CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024

		Consolidated	
	Notes	31 December 2024	30 June 2024
		\$	\$
Current assets			
Cash and cash equivalents		7,755,559	55,785
Other assets	3	18,502	211,088
Total current assets		7,774,061	266,873
Non-current assets			
Other financial assets	3	20,314	18,851
Property plant and equipment	4	3,188	-
Exploration and evaluation expenditure	5	4,037,709	2,642,274
Total non-current assets		4,061,211	2,661,125
Total assets		11,835,272	2,927,998
Current liabilities			
Trade and other payables	6	399,888	107,676
Total current liabilities		399,888	107,676
Total liabilities		399,888	107,676
Net assets		11,435,384	2,820,322
Equity			
Issued capital	7	12,734,918	3,872,103
Reserves	8	532,298	(9,121)
Accumulated losses		(1,831,832)	(1,042,660)
Total equity		11,435,384	2,820,322

The above Condensed Consolidated Interim Statement of Financial Position
should be read in conjunction with the accompanying notes.

FULCRUM LITHIUM LTD
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CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2024

	Notes	Issued Capital \$	Accumulated Losses \$	Performance Rights Reserve \$	Foreign Currency Translation Reserves \$	Total \$
Balance as at 1 July 2023		3,012,103	(17,309)	-	20,730	3,015,524
Total comprehensive income for the period						
Loss for the period		-	(924,375)	-	-	(924,375)
Other comprehensive loss		-	-	-	(86,025)	(86,025)
Total comprehensive loss for the period		-	(924,375)	-	(86,025)	(1,010,400)
<i>Transactions with owners, recorded directly in equity</i>						
Contribution by and distribution to owners						
Ordinary shares issued		860,000	-	-	-	860,000
Balance as at 31 December 2023	7,8	3,872,103	(941,684)	-	(65,295)	2,865,124

	Notes	Issued Capital \$	Accumulated Losses \$	Performance Rights Reserve \$	Foreign Currency Translation Reserves \$	Total \$
Balance as at 1 July 2024		3,872,103	(1,042,660)	-	(9,121)	2,820,322
Total comprehensive income for the period						
Loss for the period		-	(789,172)	-	-	(789,172)
Other comprehensive gain		-	-	-	287,938	287,938
Total comprehensive gain / (loss) for the period		-	(789,172)	-	287,938	(501,234)
<i>Transactions with owners, recorded directly in equity</i>						
Contribution by and distribution to owners						
Ordinary shares issued		9,700,000	-	-	-	9,700,000
Transaction costs on shares issued		(837,185)	-	-	-	(837,185)
Share-based payment		-	-	253,481	-	253,481
Balance as at 31 December 2024	7,8	12,734,918	(1,831,832)	253,481	278,817	11,435,384

The above Condensed Consolidated Interim Statement of Changes in Equity should be read in conjunction with the accompanying notes.

FULCRUM LITHIUM LTD
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CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 31 DECEMBER 2024

		Consolidated	
	Notes	31 December 2024	31 December 2023
		\$	\$
Cash flows from operating activities			
Cash payments in the course of operations		(430,456)	(412,541)
Interest received		16,151	14,317
Net cash used in operating activities		(414,305)	(398,224)
Cash flows from investing activities			
Payments for exploration and development expenditure		(942,465)	(1,128,737)
Payments for plant and equipment		(3,256)	-
Net cash used in investing activities		(945,721)	(1,128,737)
Cash flows from financing activities			
Proceeds from share issues	7	9,700,000	150,000
Transaction costs on shares issued	7	(640,200)	-
Proceed from borrowings	11	1,000,000	-
Repayment of borrowings	11	(1,000,000)	-
Net cash from financing activities		9,059,800	150,000
Net increase/(decrease) in cash held		7,699,774	(1,376,961)
Cash and cash equivalents at the beginning of the half year		55,785	1,539,214
Cash and cash equivalents at the end of the half year		7,755,559	162,253

The above Condensed Consolidated Interim Statement of Cash Flows
should be read in conjunction with the accompanying notes.

FULCRUM LITHIUM LTD
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NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2024

1 Reporting Entity

Fulcrum Lithium Ltd (**the Company**) is a for-profit company limited by shares, incorporated and domiciled in Australia. The condensed consolidated interim financial statements of the Company as at and for the half year ended 31 December 2024 comprises the Company and its subsidiaries (together referred to as **the Group**).

The consolidated annual financial statements of the Company as at and for the year ended 30 June 2024 are available upon request from the Company's registered office at Level 2, 66 Hunter Street, Sydney, NSW, 2000 or at www.fulcrumlithium.com.

This condensed consolidated interim financial report was approved by the Board of Directors on 13 March 2025.

2 Basis of Preparation

(a) Statement of compliance

The condensed consolidated interim financial statements are general purpose financial statements which has been prepared in accordance with Australian Accounting Standards (**AASBs**) adopted by the Australian Accounting Standards Board (**AASB**) and the *Corporations Act 2001*. The financial statements of the Group comply with International Financial Reporting Standards (**IFRS**) and interpretations adopted by the International Accounting Standards Board (**IASB**).

Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the last consolidated financial statements as at and for the year ended 30 June 2024. The condensed consolidated interim financial statements do not include all the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 30 June 2024.

(b) Use of estimates and judgements

The preparation of the condensed consolidated interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the period ended 30 June 2024:

- Going concern - Note 2(c)
- Exploration and evaluation assets - Note 5
- Share-based payments – Note 9

(c) Going concern

The consolidated interim financial statements have been prepared on a going concern basis which contemplates the continuation of normal business operations and the realisation of assets and settlement of liabilities in the normal course of business.

For the interim period ended 31 December 2024, the Group incurred a loss of \$789,172. Further, it used \$414,305 of cash in operations and \$942,465 of cash for exploration and evaluation expenditure over the interim period.

During the interim period the Group raised net cash of \$8,862,815 through a share issue. At period end it had cash of \$7,755,559. The Directors have prepared cash flow projections for the period to 31 March 2026 which indicate the Group has sufficient cash to continue as a going concern. These cash flow projections assume the Group continues exploration activities in its areas of interest.

(d) Changes in accounting policies

The accounting policies applied in these condensed consolidated interim financial statements are consistent with those applied in the 30 June 2024 financial report.

(e) New accounting standards and interpretations not yet adopted

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The Group has decided not to early adopt these Accounting Standards.

FULCRUM LITHIUM LTD
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NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2024

	31 December 2024 \$	30 June 2024 \$
3 Other assets		
Current		
Withholding tax on deposits recoverable	6,450	6,450
GST receivable	12,052	366
Prepayments	-	204,272
	<u>18,502</u>	<u>211,088</u>
Non-current		
Bond deposit	<u>20,314</u>	<u>18,851</u>
4 Property plant and equipment		
Computer at cost	3,256	-
Accumulated depreciation	(68)	-
Net book value	<u>3,188</u>	<u>-</u>
5 Exploration and evaluation expenditure		
Alkali Flats project	3,400,980	2,199,580
Summit project	208,008	145,035
Fairway project	428,721	297,659
	<u>4,037,709</u>	<u>2,642,274</u>
Alkali Flats		
Balance at beginning of the period	2,199,580	1,227,295
Additions	1,030,753	1,007,769
Foreign currency translation movement	170,647	(35,484)
Net book value	<u>3,400,980</u>	<u>2,199,580</u>
Summit		
Balance at beginning of the period	145,035	-
Additions	51,721	139,617
Foreign currency translation movement	11,252	5,418
Net book value	<u>208,008</u>	<u>145,035</u>
Fairway		
Balance at beginning of the period	297,659	-
Additions	107,969	298,172
Foreign currency translation movement	23,093	(513)
Net book value	<u>428,721</u>	<u>297,659</u>

The recoverability of the carrying amount of the exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

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NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2024

	31 December 2024	30 June 2024
	\$	\$
6 Trade and other payables		
Trade creditors	368,177	40,922
Accruals	31,711	66,754
Balance at end of period	<u>399,888</u>	<u>107,676</u>

7 Issued capital

	31 December 2024		30 June 2024	
	Number	\$	Number	\$
Ordinary fully paid shares at beginning of the period	82,600,005	3,872,103	74,000,005	3,012,103
<i>Movement in ordinary shares</i>				
Issued ordinary shares 6 November 2023 for \$0.10	-	-	7,100,000	710,000
Issued ordinary shares 12 December 2023 for \$0.10	-	-	1,500,000	150,000
Issued ordinary shares 18 November 2024 for \$0.20	48,500,000	9,700,000	-	-
Issue costs	-	(837,185)	-	-
	<u>131,100,005</u>	<u>12,734,918</u>	82,600,005	3,872,103

The movement in issued capital during the half year period to 31 December 2024 included the following:

On 6 November 2023, the Company issued 7,100,000 ordinary shares at an issue price of \$0.10 per share for \$710,000 in consideration for the novation of the Fairway project to Flasher LLC, a Company incorporated in the state of Nevada, USA. Refer to note 11 for further details.

On 18 November 2024, the Company successfully completed the Initial Public Offer issuing 48,500,000 ordinary fully paid shares at 20 cent each raising \$9,700,000 before costs and admitted to the ASX on 20 November 2024.

Terms and conditions – Shares

Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at the shareholders meetings. In the event of winding up of the Company, ordinary shareholders rank after creditors and are fully entitled to any proceeds of liquidation.

8 Reserves

	31 December 2024	30 June 2024
	\$	\$
Foreign currency translation reserve	278,817	(9,121)
Performance share reserve	253,481	-
	<u>532,298</u>	<u>(9,121)</u>

Foreign currency translation reserve

Balance at the beginning of the period	(9,121)	20,730
Currency translation differences	287,938	(29,851)
Balance at end of period	<u>278,817</u>	<u>(9,121)</u>

Performance rights reserve

Balance at the beginning of the period	-	-
Share based payment – vested performance rights	253,481	-
Balance at end of period	<u>253,481</u>	<u>-</u>

FULCRUM LITHIUM LTD
and its controlled entities

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2024

9 Share based payment

On 22 March 2024, the Company granted 3,000,000 performance rights to Directors of the Company expiring 18 months from date of quotation on the ASX. The performance rights include non-market performance conditions. The fair value of the performance rights on grant date was determined to be 10 cents per performance right which was based on the share price at grant date. These performance rights will vest upon the following:

- the Company receiving conditional approval to be admitted to Official Quotation on the ASX; and
- the Company completing at least 10 drill holes of which a minimum of 450 metres is drilled in total across the 10 holes, with at least one intersection returning a minimum grade of 750 ppm lithium.

Upon satisfying the vesting condition the performance rights will convert on a 1 for 1 basis into ordinary shares for nil consideration. Subsequent to end of the half year, the vesting conditions have been completed.

The terms and conditions of the performance rights held by key management personnel during the period ended 31 December 2024 are as follows:

Grant date	Expiry date	Exercise price	Fair value of options granted	Total granted Number	Total exercised Number	Total expired Number	Balance at end of the period
22 March 2024	22 May 2026	Nil	\$300,000	3,000,000	-	-	3,000,000

10 Segment Reporting

The Group's chief operating decision maker has considered the requirements of AASB 8, *Operating Segments*, and has concluded that, during the half year ended 31 December 2024, the Group operated as a mineral exploration entity within the geographical segment of USA.

11 Related parties

The Group's main related parties are as follows:

Key management personnel who comprise the Board of Directors.

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

Transactions with related parties

Issued shares

On 20 July 2023, the Company incorporated Flasher LLC ('Flasher'), and on 31 July 2023, Flasher entered into a Novation Agreement with Foster Wilson (Director and related party) in relation to the Fairway lithium exploration project for consideration totalling \$112,629 (US\$75,000) and, upon evidence that the Fairway project lode claims were registered under the name of Flasher, the Company issued of 7,100,000 ordinary Fulcrum shares. These costs are not directly related to the exploration and evaluation activities.

In accordance with the agreement, on 31 July 2023, the Company paid US\$75,000 in cash and on 6 November 2023 issued 7,100,000 ordinary shares at an issue price of \$0.10 per share for \$710,000. The total consideration in cash and shares was \$822,629.

The fair value of the consideration issued as ordinary shares was measured with reference to the fair value of the equity instruments granted, being the Company's share price of \$0.10 at 6 November 2023.

Corporate

During the half year ended 31 December 2024, Norman Seckold and Peter J. Nightingale had a controlling interest in an entity, MIS Corporate Pty Limited, which provided full administrative services, including rental accommodation, administrative staff, services and supplies, to the Company. Fees paid to MIS Corporate Pty Limited during the half year, which were in the ordinary course of business and on normal terms and conditions, amounted to \$20,500 (31 December 2023 - \$nil). The amounts outstanding at 31 December 2024 was \$20,500 (31 December 2023 - \$nil).

FULCRUM LITHIUM LTD
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11 Related parties (continued)

Loan

The Company has entered into a loan facility agreement with Norman A. Seckold whereby Norman A. Seckold (or his nominee) has agreed to make a loan facility in the amount of \$1.0 million available to the Company. The loan facility is interest free and unsecured and shall be repaid within 5 days of the issue of Shares pursuant to the IPO.

On 23 August 2024, the Company had fully drawn down the amount of \$1.0 million and the loan was subsequently paid on 19 November 2024. The loan was provided specifically to support the working capital needs necessary for completing the IPO. Now that the company has successfully completed the IPO, this loan facility is no longer available.

12 Subsequent events after the reporting date

On 21 February 2025, the second vesting conditions on the performance rights that were granted to the Directors have been completed.

Other than the matter described above, there have been no matters or circumstances have arisen since the end of the half year which 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 future financial years.

**FULCRUM LITHIUM LTD
and its controlled entities
DIRECTORS' DECLARATION
31 DECEMBER 2024**


In the opinion of the Directors of Fulcrum Lithium Ltd:

- (a) the condensed consolidated interim financial statements and notes set out on pages 9 to 17 are in accordance with the *Corporations Act 2001* including:
 - (i) giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the half year ended on that date; and
 - (ii) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*; and
- b) there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

Signed at Sydney this 13th day of March 2025
in accordance with a resolution of the Board of Directors:



Norman A. Seckold



Peter J. Nightingale

Independent Auditor's Review Report

To the shareholders of Fulcrum Lithium Ltd

Conclusion

We have reviewed the accompanying **Interim Financial Report** of Fulcrum Lithium Ltd (the **Company**).

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Interim Financial Report of Fulcrum Lithium Ltd does not comply with the *Corporations Act 2001*, including:

- giving a true and fair view of the **Group's** financial position as at 31 December 2024 and of its performance for the **Half-Year** ended on that date; and
- complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

The **Interim Financial Report** comprises:

- Condensed consolidated interim statement of financial position as at 31 December 2024
- Condensed consolidated interim statement of profit or loss and other comprehensive income, Condensed consolidated interim statement of changes in equity and Condensed consolidated interim statement of cash flows for the Half-Year ended on that date
- Notes 1 to 12 including selected explanatory notes.
- The Directors' Declaration.

The **Group** comprises Fulcrum Lithium Ltd (the Company) and the entities it controlled at the Half-Year's end or from time to time during the Half-Year.

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 these requirements.

Responsibilities of the Directors for the Interim Financial Report

The Directors of the Company are responsible for:

- the preparation of the Interim Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*
- such internal control as the Directors determine is necessary to enable the preparation of the Interim 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 Interim Financial Report

Our responsibility is to express a conclusion on the Interim 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 Interim Financial Report does not comply 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 *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of an Interim 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.



KPMG



Adam Twemlow

Partner

Gold Coast

13 March 2025

FULCRUM LITHIUM LTD CORPORATE DIRECTORY

Directors:

Mr Norman A. Seckold (Chairman).
Mr Peter J. Nightingale Executive Director, Chief Financial Officer
Mr Anthony Sgro Non-executive Director.
Mr Foster V. Wilson Non-executive Director.

Company Secretary:

Mr Peter J. Nightingale.

Principal Place of Business and Registered Office:

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E-mail: info@fulcrumlithium.com
Homepage: www.fulcrumlithium.com

Share Registrar:

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6 Hope Street
ERMINGTON NSW 2115
Phone: 1300 787 272
Fax: +61 3 9473 2500

Auditors:

KPMG
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BRISBANE QLD 4000

Home Exchange:

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20 Bridge Street
SYDNEY NSW 2000