



# Interim Financial Report

Half-Year Ended 31 December 2023

**Everest Metals Corporation Ltd**

(formerly Twenty Seven Co. Ltd)

ABN 48 119 978 013

# Table of Contents

Page

|   |    |
|---|----|
| Corporate Directory .....   | 1  |
| Directors' Report.....  | 2  |
| Auditor's Independence Declaration .....  | 8  |
| Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income ..... | 9  |
| Condensed Consolidated Statement of Financial Position .....                            | 10 |
| Condensed Consolidated Statement of Changes in Equity .....                             | 11 |
| Condensed Consolidated Statement of Cash Flows .....                                    | 12 |
| Notes to the Interim Financial Statements .....   | 13 |
| Directors' Declaration.....   | 21 |
| Independent Auditor's Review Report .....   | 22 |

## Corporate Directory

### Directors

Mark Caruso – Executive Chair / CEO  
Robert Downey – Non-executive Director  
David Argyle – Non-executive Director  
Kim Wainwright – Non-executive Director

### Chief Operating Officer

Simon Phillips

### Chief Financial Officer

Tony Sheard

### Company Secretary

Dale Hanna

### Registered Office & Administrative Office

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Perth, Western Australia 6000  
Telephone: +61 (08) 9468 9855  
Email: [enquiries@everestmetals.au](mailto:enquiries@everestmetals.au)

### Website

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### Share Registry

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Level 17, 221 St Georges Terrace  
Perth, Western Australia 6000  
Investor Enquiries: Ph: +61 8 9415 4000 or  
1300 850 505 (within Australia)

### Auditor

HLB Mann Judd  
Level 4, 130 Stirling Street,  
Perth, Western Australia 6000

### Banker

National Australia Bank  
Level 14, 100 St Georges Terrace  
Perth, Western Australia 6000

### Australian Securities Exchange

The Company is listed on the Australian  
Securities Exchange  
ASX code: EMC

## DIRECTORS' REPORT

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Your Directors present this report on Everest Metals Corporation Ltd and its consolidated entities ('Group', 'Everest Metals Corporation Ltd.', EMC' or 'Company') for the half-year ended 31 December 2023 ('half-year').

### Directors

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

- Mark Caruso (Executive Chair / Chief Executive Officer)
- Robert Downey (Non-executive Director)
- David Argyle (Non-executive Director)
- Kim Wainwright (Non-executive Director)

All Directors have been in office for the whole period up until the date of this report unless otherwise indicated.

### Chief Executive Officer

- Mark Caruso

### Chief Operating Officer

- Simon Phillips

### Chief Financial Officer

- Tony Sheard

### Company Secretary

- Dale Hanna

### Principal Activities

During the financial half-year, the principal activities of the Group consisted of:

- Completion of two diamond drilling programmes at Revere Gold and Base Metal Project ("Revere")
- Assay results indicate a large-scale base metal and orogenic gold deposit potential at Revere
- Completion of two RC drilling programmes at Mt Edon Critical Mineral Project ("Mt Edon")
- Six promising Exploration Licenses were granted for a 6 year period at the Amadeus and Georgiana projects in Northern Territory with nine remain pending
- High grade Rubidium and Lithium intersected at Mt Edon
- Commencement of 36,000 tonne bulk sampling and gold extraction program at Revere
- Metallurgical testwork completed at Revere for optimisation of ore processing
- Exploration Target established based on extensive historical drilling and sampling at Revere

- Rubidium extraction strategies for Mt Edon ore commenced with MOU executed with Edith Cowan University Mineral Recovery Research Centre for collaboration on Direct Rubidium extraction
- Exploration Target defined at Mt Edon and rock chip sampling delivered further high-grade Rubidium-Lithium results
- JV partner Stelar Metals (ASX: SLB) commenced first hard-rock lithium drilling at the Trident Lithium project in NSW and the drilling approval triggered the final milestone payment to EMC
- Successful private placement raised \$2.4 million

## Consolidated Results

During the half-year ended 31 December 2023 the Group incurred a loss of \$120,038 (2022: loss \$584,919).

## REVIEW OF OPERATIONS

### EXPLORATION ACTIVITIES

#### Revere Gold and Base Metal Project – Western Australia

The Revere Gold and Base Metal Project (“Revere”) is located just off the Great Northern Highway approximately 90km to the northeast of Meekatharra in the Murchison Region of Western Australia. The tenement package size, including the tenements under option, cover an area of 171km<sup>2</sup>. This is comprised of granted tenements E51/1766, E51/1770, P51/3240, P51/3241, E51/2135, E51/2136 and pending applications M51/905, E51/2119, E51/2088, E51/2199 and E51/2145. The project sits proximal and along strike of the DeGrussa and Monty Copper-Gold mines, located 55km to the southwest.

Two diamond drilling campaigns were completed during the reporting period starting with the phase-1 drilling campaign with 3 deep diamond holes comprising 1,038m spaced over 8.5km. A Downhole Electromagnetic Survey (“DHEM”) was conducted on the deep drilled holes from the phase-1 drilling campaign and its results confirmed conductive sources and prospectivity. The phase-2 drilling campaign targeted the modelled DHEM conductor plates as well as untested VTEM anomalies with 3 deep diamond holes completed in late September 2023. A complementary DHEM survey was undertaken on selected holes.

Based on work to date the Company has delineated an extremely large footprint of mineralisation approximately 8.5km by 2.5km in size totalling 22km<sup>2</sup>, which is currently open NE-SW and at depth. The geological similarities and intersected mineralisation in all drill holes strongly suggests the potential existence of a substantially mineralised system at Revere similar to what can be seen at the Thaduna Green Dragon and the sedimentary hosted Enigma prospect with extensive orogenic gold deposit potential.

Moreover, the Company reported an Exploration Target over the drill and bulk sample area of approximately 2.5 – 4.1 million tonnes grading at 1 - 2.5g/t of gold for 334,000oz. The Company has been preparing for a 36,000 tonne bulk sampling program over Revere reef gold system high grade ore, scheduled to commence in March 2024. A modular Gekko low-cost 10TPH mobile gravity processing plant has been secured and refurbishment is targeted for completion during Q2, 2024. The objectives of the bulk sampling program are to convert historical high-grade mineralisation into inferred/indicated JORC resources and produce income from the sale of gold.

On 9 January 2024, the Company announced the acquisition of two granted exploration licences (E51/2135 and E51/2136) and application for a new exploration licence (E51/2199) at Revere. The acquisition and application of the additional tenements expands the Revere tenement package from 82km<sup>2</sup> to 171km<sup>2</sup>. Consideration for the acquisition for E51/2135 was 500,000 ordinary shares in the Company issued to Warringa Blue Pty Ltd, and for E51/2136 consideration was 500,000 ordinary shares in the Company issued to Lil Boyteeth Pty Ltd.

## Mt Edon Critical Mineral Project – Western Australia

The Mt Edon Critical Mineral Project (“Mt Edon”) sits on mining lease M59/704 and covers the southern portion of the Paynes Find greenstone belt in the southern Murchison which hosts an extensive pegmatite field. There are several large irregular shaped felsic pegmatites which have intruded into the Paynes Find Greenstone Belt, a northeast trending sequence of mafic, ultramafic, and sedimentary rocks, with east-west structures cutting these metasediments. Pegmatites appear to be folded sills dipping in variable directions and angles, and are connected at depth representing both sill and dyke structures. These prospective pegmatites have a northeast-southwest strike of up to 350m and occur along a 1.2km interval of the LCT Pegmatite corridor. Larger pegmatitic bodies appear less influenced by the underlying structural trends and fabrics, with many of these bodies cutting both structural fabrics. The larger pegmatitic bodies are interpreted as blowouts related to structural intersections.

Stage 1 RC drilling campaign was completed with 11 holes (440m) drilled and intersected high-grade world-class rubidium mineralisation including 80m at 0.32% Rb<sub>2</sub>O. Multiple LCT pegmatites up to 111m in depth within a 1.2km corridor were intersected and high-grade assay results including 0.41% Rb<sub>2</sub>O, 0.33% Li<sub>2</sub>O and 555 ppm Cs were confirmed.

In August 2023 the Stage 2 RC drilling campaign was completed with 12 holes drilled delivering further high-grade rubidium-lithium results up to 0.51% Rb<sub>2</sub>O and 0.94% Li<sub>2</sub>O. The Stage-2 drilling campaign was designed to unlock the potential of a 600m pegmatite sitting along a northeast-southwest strike. This zone was interpreted to be a mineralised alteration zone located between the intrusive pegmatites and the mafic country rock. Ten RC holes were drilled along this trend and all intercepted significant rubidium-lithium results. Some of the thickest and highest-grade intersections are outlined below:

- Hole ME23-019 intersected over 80 metres grading 0.32% Rb<sub>2</sub>O and 0.11% Li<sub>2</sub>O from 25m, including 9m at 0.47% Rb<sub>2</sub>O from 87m.
- Hole ME23-018 intersected 31 metres grading 0.21% Rb<sub>2</sub>O and 0.12% Li<sub>2</sub>O from 35m, including 7m at 0.34% Rb<sub>2</sub>O from 39m.
- Hole ME23-016 intersected 2 metres grading 0.34% Rb<sub>2</sub>O and 0.42% Li<sub>2</sub>O from surface and 8 metres grading 0.13% Rb<sub>2</sub>O from 19m.

EMC released the Exploration Target (JORC 2012) ranges from 3.2 to 4.5 million tonnes with a grade of 0.23 to 0.35% Rb<sub>2</sub>O and 0.08 to 0.12% Li<sub>2</sub>O and planning a resource drilling program to commence in Q2, 2024.

Furthermore, the Company executed a Memorandum of Understanding (‘MOU’) with Edith Cowan University Mineral Recovery Research Centre (‘MRRC’) for Direct Rubidium Process Extraction Development which encompasses purification, refining and ultimately conversion into a final product of Rubidium slat and metal. MRRC offers a world-class service to resource recovery challenges faced by mining corporations and the centre develops efficient mineral processing and recovery technologies, making the processes more environmentally friendly and developing waste-to-value strategies.

## Rover Gold and Lithium Project – Western Australia

EMC’s 100% owned Rover Gold-Lithium Project (“Rover”) is a significant strategic tenement holding in Central Yilgarn, prospective for Archean gold and volcanic hosted massive sulphide deposits. Rover comprises ~460km<sup>2</sup> of tenure covering two parallel linear greenstone belts. The most advanced prospect is Creasy 1 gold on the Maynard Hills greenstone belt. Shallow high grade gold mineralisation was discovered in late 2019 during the inaugural drilling program. RC drilling completed in December 2021 targeted the Harmonic, Four Corners and Blue Hills Prospects.

In March 2022, Rio Tinto Exploration Pty Ltd (“RTX”), a wholly owned subsidiary of Rio Tinto (ASX: RIO), signed a farm-in agreement whereby RTX will explore the northern Rover Project exploration licence (E57/1134) for non-gold minerals for an exclusive six month period with an option to extend for a further 6 months.

The Company entered into a binding term sheet ("Agreement") with RTX in March 2022 for an exclusive initial six-month option to explore North Rover for non-gold minerals. In early December 2022, RTX elected to exercise its option to farm-in.

RTX commenced the RC drilling campaign in July 2023 and completed 1,336m consisting of 7 holes each up to 200m deep. All drill holes intersected multiple pegmatites of various apparent thicknesses. Results within the pegmatites and aplites had low levels of Lithium and RTX is considering the next phase of exploration in the north of the drilled area with target generation to commence in the March 2024 quarter.

RTX has indicated it wishes to make a "final pass" over the North Rover tenement before notifying EMC of its intentions to further proceed, or not.

### **Mt Dimer Gold & Silver Project – Western Australia**

The Mt Dimer Gold & Silver Project ("Mt Dimer") is located 120km northeast of Southern Cross and comprises a mining lease (M77/515) and exploration license (E77/2383). Within the mining lease, historical open-cut mining to a depth of ~50m in the 1990s produced circa 8,500 Oz Au.

No on ground-work was undertaken at Mt Dimer during the year half year ended 31 December 2023, however the Company undertook an initial open pit optimisation assessment on Mt Dimer gold-silver project using the mineral resource estimate model. The current AUD gold price provides a favourable pricing environment to potentially deliver robust returns. These results indicate that Mt Dimer has the potential to host a profitable, small scale open pit mining operation on a toll-treatment basis.

EMC has commenced the preparation of a Mining Proposal and Mine Closure Plan for open pit mining under the 2023 Statutory Guidelines at Mt Dimer to submit to the Department of Energy, Mines, Industry Regulation and Safety ("DMIRS") in the March quarter 2024.

### **Yarbu Gold Project – Western Australia**

The Yarbu Gold Project exploration licenses (E77/2442, E77/2540 and E77/2539) were surrendered during the reporting period.

### **Amadeus & Georgiana Projects – Northern Territory**

In late December 2022, the Company applied for 15 Mineral Exploration Licences ("ELs") located to the northeast and west of Alice Springs in the Northern Territory. The tenement package covers an area of 10,208km<sup>2</sup> (3,443 blocks), including two areas 220km northeast of Alice Springs (Georgina tenure, 5,001km<sup>2</sup>), and 150km west of Alice Springs (Amadeus tenure, 5,207km<sup>2</sup>). The Company's Project area in the Northern Territory comprises 6 tenements granted in July 2023 and 9 in application status covering 3,443 blocks in the southwest Georgina Basin and north Amadeus Basin, and are prospective for Uranium, Lithium pegmatites, sediment-hosted Copper-Lead-Zinc and Rare Earth Elements.

The Consent to Negotiate was granted on 15 March 2023 for the other EL applications and application was lodged with the Central Land Council ("CLC") on 24 April 2023. The Company received the acceptance letter on 28 July 2023 and 6 tenements (EL3241, EL33422, EL33423, EL33424, EL33433, EL33439) were granted. EMC is expected to obtain all required approvals for these tenements by mid-2024.

EMC completed a desktop study to identify exploration target areas over two application areas. A site visit and reconnaissance program are planned for Q2, 2024. Relevant stakeholders will be kept up to date with the development of the exploration activities and all engagement will be conducted with the Native Title Parties and Aboriginal Areas Protection Authority as part of the Company's Environmental, Social and Governance responsibilities.

## NSW Broken Hill JV Projects – New South Wales

The Company's Joint Venture Agreement ("JVA") with Stellar Metals (ASX:SLB) on its NSW Broken Hill Projects (Midas, Perseus and Trident) achieved its final Milestone Payment on 27 October 2023.

Details of the JVA are as follows:

- \$250,000 cash received on execution of JVA (Note: cash received in FY23)
- SLB issued \$250,000 SLB shares calculated on a 10-day VWAP average prior to JVA execution date (Note: the issue of the shares was completed on the legal transfer of title of the tenements to SLB's subsidiary, BR2 Pty Ltd, on 28 June 2023 and the Company was issued 1,187,085 SLB shares in FY23)
- A Milestone Payment at EMC's election of either \$500,000 SLB shares at Issue Price or \$500,000 cash, on the earlier of drilling commencement at the Midas Project or drilling approvals at the Trident Project
- An unincorporated Joint Venture ("JV") formed with SLB subsidiary BR2 Pty Ltd ("BR2"), with JV Interest: BR2 90% and EMC 10%
- EMC to retain 10% Free-Carry JV Interest until delivery by BR2 of a feasibility study and a decision to mine upon which EMC can contribute or convert to 1.5% Net Smelter Royalty

The final Milestone Payment was triggered as a result of drilling approval being granted by the NSW regulators at the Trident Project in October 2023. EMC elected to accept the final Milestone Payment in SLB shares, which comprised of 2,374,169 SLB shares, calculated as \$500,000 / \$0.2106 per share, issued on 27 October 2023.

SLB completed the drilling program at the Trident Project in early December 2023. On 7 February 2024, SLB announced that initial reverse circulation (RC) drilling at the Trident Project had intersected high-grade Lithium up to 8m @ 1.16% Li<sub>2</sub>O including 4m @ 1.85% Li<sub>2</sub>O, and that 2024 fieldwork has recommenced to follow up and define new and additional Lithium pegmatite drill targets at Trident.

## Other Business Development

EMC undertook a strategic review of current projects during the half-year and the Company continues to review future opportunities in Australia, Southeast Asia, Mongolia and Africa.

## Corporate

In November 2023, the Company raised \$2,400,000 (before costs) via a Private Placement ("Placement") to institutional and sophisticated investors. The funds raised from the Placement are to be used to fund a bulk sample mining and processing program at Revere, to progress to the next stage programs at Mt Edon, and for general working capital.

EMC cash position at 31 December 2023 was \$2,858,736.

EMC held 1,000,000 Stellar Metals shares at 31 December 2023.

## Significant changes to the state of affairs

There have been no significant changes to the state of affairs of the Company during the period.

## Changes in equity

The following changes in equity took place during the half-year period:

### Shares

During the current period, the Company completed a Private Placement, raising \$2,400,000 through the issue of 30,000,000 fully paid Ordinary Shares at an issue price of \$0.08 per share. There were 163,283,109 Ordinary Shares on issue as at 31 December 2023.

### Unlisted Options (Options)

950,000 Unlisted Options expired during the period. There were 800,000 Unlisted Options on issue as at 31 December 2023.

### Listed Options (Options)

5,851,148 Listed Options expired on 31 October 2023. There are no Listed Options on issue as at 31 December 2023.

### Performance Rights (Rights)

2,800,000 Performance Rights expired during the period. 3,850,000 performance rights were converted to ordinary shares upon certain milestones being achieved during the period. There are 3,550,000 performance rights on issue as at 31 December 2023, of which 2,500,000 performance rights are fully vested but not yet exercised and 1,050,000 performance rights are not yet fully vested.

## Events subsequent to the end of reporting date

On 22 January 2024, 800,000 Unlisted Options expired. There are no Unlisted Options on issue following 22 January 2024.

On 22 January 2024, 1,000,000 fully paid Ordinary Shares were issued as consideration for the acquisition of exploration leases E51/2135 and E51/2136.

Following on from a Memorandum of Understanding executed in November 2023, on 26 February 2024 Edith Cowan University ("ECU") and EMC executed a Research Agreement ("Agreement") for studies in relation to the Extraction of Rubidium and Mica from Mt Edon ore. The research activities will be undertaken at ECU's Mineral Recovery Research Centre for a period of 9-12 months.

The Directors are not aware of any other matter or circumstance that has arisen since 31 December 2023 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

## Auditor's Declaration

The auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 8 and forms part of the director's report for the financial half-year ended 31 December 2023.

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



**Mark Caruso**

**Chairman**

**Perth**

Dated this 8<sup>th</sup> of March 2024



## AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the consolidated financial report of Everest Metals Corporation Ltd for the half-year ended 31 December 2023, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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



Perth, Western Australia  
8 March 2024

**B G McVeigh**  
Partner

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## Interim Financial Statements

### CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

(For the half-year ended 31 December 2023)

|  |      | 31-Dec 2023      | 31-Dec 2022      |
|--|------|------------------|------------------|
|  | Note | \$               | \$               |
| <b>Income</b>  |      |                  |                  |
| Income   | 2    | 697,844          | 6,568            |
| <b>Expenses</b>  |      |                  |                  |
| Depreciation and amortisation expense  |      | (17,402)         | (13,182)         |
| Employee benefits expense  |      | (272,417)        | (240,878)        |
| Occupancy expense  |      | (10,479)         | (8,677)          |
| Corporate consultants / public relations expense                               |      | (54,221)         | (104,943)        |
| Share-based payments expense   |      | (288,466)        | (11,192)         |
| ASX listing and share registry expense   |      | (57,867)         | (88,537)         |
| Impairment of exploration assets   |      | (1,434)          | -                |
| Project costs expensed   |      | (71,237)         | (46,810)         |
| Finance costs  |      | (1,436)          | -                |
| Other expenses   |      | (42,923)         | (77,268)         |
| <b>Loss before income tax</b>  |      | <b>(120,038)</b> | <b>(584,919)</b> |
| Income tax benefit   |      | -                | -                |
| <b>Loss for period</b>   |      | <b>(120,038)</b> | <b>(584,919)</b> |
| <b>Loss attributable to members of the parent entity</b>                       |      | <b>(120,038)</b> | <b>(584,919)</b> |
| Other comprehensive income   |      | -                | -                |
| <b>Total comprehensive income for the period</b>                               |      | <b>(120,038)</b> | <b>(584,919)</b> |
| <b>Total comprehensive income attributable to members of the parent entity</b> |      | <b>(120,038)</b> | <b>(584,919)</b> |
| <b>Loss per Share</b>  |      | <i>Cents</i>     | <i>Cents</i>     |
| Basic and diluted loss per share – post consolidation                          | 7    | (0.09)           | (0.73)           |

The accompanying notes form part of the financial statements.

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(As at 31 December 2023)

|  | Note | 31-Dec 2023       | 30-Jun 2023      |
|--|------|-------------------|------------------|
| <b>Assets</b>                          |      | <b>\$</b>         | <b>\$</b>        |
| <b>Current assets</b>                  |      |                   |                  |
| Cash and cash equivalents              | 3    | 2,858,736         | 2,161,407        |
| Trade and other receivables            |      | 126,850           | 150,842          |
| Right-of-use asset                     |      | 19,721            | 32,872           |
| Financial assets                       |      | 275,000           | 290,000          |
| Other current assets                   |      | 38,504            | 13,351           |
| <b>Total current assets</b>            |      | <b>3,318,811</b>  | <b>2,648,472</b> |
| <b>Non-current assets</b>              |      |                   |                  |
| Property, plant and equipment          |      | 16,783            | 17,383           |
| Exploration and evaluation expenditure | 4    | 8,490,008         | 7,050,730        |
| <b>Total non-current assets</b>        |      | <b>8,506,791</b>  | <b>7,068,113</b> |
| <b>Total assets</b>                    |      | <b>11,825,602</b> | <b>9,716,585</b> |
| <b>Liabilities</b>                     |      |                   |                  |
| <b>Current liabilities</b>             |      |                   |                  |
| Trade and other payables               |      | 159,402           | 491,930          |
| Employee provisions                    |      | 21,160            | 7,910            |
| Lease liability – current              |      | 22,220            | 27,214           |
| <b>Total current liabilities</b>       |      | <b>202,782</b>    | <b>527,054</b>   |
| <b>Non-current liabilities</b>         |      |                   |                  |
| Lease liability – non-current          |      | -                 | 8,124            |
| <b>Total non-current liabilities</b>   |      | <b>-</b>          | <b>8,124</b>     |
| <b>Total liabilities</b>               |      | <b>202,782</b>    | <b>535,178</b>   |
| <b>Net assets</b>                      |      | <b>11,622,820</b> | <b>9,181,407</b> |
| <b>Equity</b>                          |      |                   |                  |
| Issued capital                         | 5    | 31,776,045        | 29,293,998       |
| Reserves                               |      | 1,263,439         | 1,184,035        |
| Accumulated losses                     |      | (21,416,664)      | (21,296,626)     |
| <b>Total equity</b>                    |      | <b>11,622,820</b> | <b>9,181,407</b> |

The accompanying notes form part of the financial statements.

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(For the half-year ended 31 December 2023)

|  | Issued<br>Capital<br>\$ | Share<br>Based<br>Payments<br>Reserve<br>\$ | Accumulated<br>Losses<br>\$ | Total<br>\$       |
|--|-------------------------|---|-----------------------------|-------------------|
| <b>Balance at 1 July 2022</b>  | <b>25,215,547</b>       | <b>1,107,290</b>                            | <b>(18,889,222)</b>         | <b>7,433,615</b>  |
| <b>Comprehensive income</b>  |                         |   |                             |                   |
| Loss for the period  | -                       | -   | (584,919)                   | (584,919)         |
| <b>Total comprehensive loss for the period</b>                                     | <b>-</b>                | <b>-</b>                                    | <b>(584,919)</b>            | <b>(584,919)</b>  |
| <b>Transaction with owners, in their capacity as owners, &amp; other transfers</b> |                         |   |                             |                   |
| Shares issued – Rights Issue   | 2,660,814               | -   | -                           | 2,660,814         |
| Cost of issuing shares   | (146,363)               | -   | -                           | (146,363)         |
| Performance Rights   | -                       | 11,192                                      | -                           | 11,192            |
| <b>Balance at 31 December 2022</b>   | <b>27,729,998</b>       | <b>1,118,482</b>                            | <b>(19,474,141)</b>         | <b>9,374,339</b>  |
| <b>Balance at 1 July 2023</b>  | <b>29,293,998</b>       | <b>1,184,035</b>                            | <b>(21,296,626)</b>         | <b>9,181,407</b>  |
| <b>Comprehensive income</b>  |                         |   |                             |                   |
| Loss for the period  | -                       | -   | (120,038)                   | (120,038)         |
| <b>Total comprehensive loss for the period</b>                                     | <b>-</b>                | <b>-</b>                                    | <b>(120,038)</b>            | <b>(120,038)</b>  |
| <b>Transaction with owners, in their capacity as owners, &amp; other transfers</b> |                         |   |                             |                   |
| Shares issued – Private Placement  | 2,400,000               | -   | -                           | 2,400,000         |
| Cost of issuing shares   | (127,016)               | -   | -                           | (127,016)         |
| Performance Rights   | 209,063                 | 79,404                                      | -                           | 288,467           |
| <b>Balance at 31 December 2023</b>   | <b>31,776,045</b>       | <b>1,263,439</b>                            | <b>(21,416,664)</b>         | <b>11,622,820</b> |

The accompanying notes form part of the financial statements.

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

(For the half-year ended 31 December 2023)

|   | 31-Dec 2023      | 31-Dec 2022      |
|---|------------------|------------------|
| <b>Cash flows from operating activities</b>                     | <b>\$</b>        | <b>\$</b>        |
| Payments to suppliers and employees                             | (614,388)        | (565,329)        |
| Interest received   | 15,827           | 6,568            |
| <b>Net cash used in operating activities</b>                    | <b>(598,561)</b> | <b>(558,761)</b> |
|   | 9                |                  |
| <b>Cash flows from investing activities</b>                     |                  |                  |
| Payments for exploration expenditure                            | (1,699,982)      | (363,585)        |
| Payments for property, plant and equipment                      | (3,651)          | (22,374)         |
| Proceeds on disposal of Stelar Metals shares                    | 751,229          | -                |
| Receipt from farm-in agreement                                  | -                | 14,196           |
| Bank guarantees put in place                                    | -                | (15,201)         |
| <b>Net cash used in investing activities</b>                    | <b>(952,404)</b> | <b>(386,964)</b> |
| <b>Cash flows from financing activities</b>                     |                  |                  |
| Proceeds from the issue of ordinary shares                      | 2,400,000        | 2,660,814        |
| Payments for costs associated with the issue of ordinary shares | (127,016)        | (146,363)        |
| Repayment of lease liabilities                                  | (24,690)         | -                |
| <b>Net cash provided by financing activities</b>                | <b>2,248,294</b> | <b>2,514,451</b> |
| <b>Net increase in cash held</b>                                | <b>697,329</b>   | <b>1,568,726</b> |
| <b>Cash at beginning of period</b>                              | <b>2,161,407</b> | <b>1,548,965</b> |
| <b>Cash at end of period</b>                                    | <b>2,858,736</b> | <b>3,117,691</b> |

The accompanying notes form part of the financial statements.

# Notes to the Interim Financial Statements

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(For the half-year ended 31 December 2023)

## NOTE 1 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICES

### **Basis of Preparation**

These general purpose interim financial statements for the half-year reporting period ended 31 December 2023 have been prepared in accordance with the requirements of the *Corporations Act 2001* and Australian Accounting Standards including AASB 134: Interim Financial Reporting. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Everest Metals Corporation and its controlled entities (the Group). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2023, together with any public announcements made during the half-year.

### **Significant Accounting Policies**

The interim financial statements have been prepared in accordance with the same accounting policies adopted in the Group's last annual financial statements for the year ended 30 June 2023, except as described below. The accounting policies included in the Group's last annual financial statements for the year ended 30 June 2023 are the relevant policies for the purposes of comparatives.

### **New or amended Accounting Standards and Interpretations adopted**

For the period ended 31 December 2023, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Company and effective for the current reporting period. As a result of this review the Directors have determined that there is no material impact of the new and revised Standards and Interpretations on the Company, and therefore no change is necessary to accounting policies.

The Directors have also reviewed all of the new and revised Standards and Interpretations in issue not yet adopted for the period ended 31 December 2023. As a result of this review the Directors have determined that there is no material impact of the Standards and Interpretations in issue not yet adopted on the Company and, therefore, no change is necessary to accounting policies.

**NOTE 2 – INCOME**

|  | <b>6 months to<br/>31-Dec 2023</b> | <b>6 months to<br/>31-Dec 2022</b> |
|--|------------------------------------|------------------------------------|
|  | <b>\$</b>                          | <b>\$</b>                          |
| Interest income  | 15,827                             | 6,568                              |
| Gain on disposal of Stellar Metals shares                  | 697,017                            | -                                  |
| Fair valuation gain / (loss) on Stellar Metals shares held | (15,000)                           | -                                  |
| <b>Total income</b>  | <b>697,844</b>                     | <b>6,568</b>                       |

**NOTE 3 – CASH AND CASH EQUIVALENTS**

|                          | <b>31-Dec 2023</b> | <b>30-Jun 2023</b> |
|--------------------------|--------------------|--------------------|
|                          | <b>\$</b>          | <b>\$</b>          |
| Cash at bank and on hand | 2,822,639          | 2,135,934          |
| Short-term bank deposits | 36,097             | 25,473             |
|                          | <b>2,858,736</b>   | <b>2,161,407</b>   |

The short-term bank deposits are held as security for credit card facility and exploration licence bond purposes. The effective interest rate on short term bank deposits at 31 December 2023 is 4.85% p.a (31 December 2022: 0.10% p.a). These deposits have a maturity term of 365 days from varying start dates.

**NOTE 4 – EXPLORATION AND EVALUATION EXPENDITURE**

|  | <b>31-Dec 2023</b> | <b>30-Jun 2023</b> |
|--|--------------------|--------------------|
|  | <b>\$</b>          | <b>\$</b>          |
| Exploration and evaluation phase at cost     | 8,490,008          | 7,050,730          |
|  | <b>8,490,008</b>   | <b>7,050,730</b>   |
| <b>Movements in carrying values</b>          |                    |                    |
| Balance at the beginning of the period       | 7,050,730          | 5,955,777          |
| Amounts capitalised during the period        | 1,440,712          | 2,586,324          |
| Consideration received – Broken Hill Project | -                  | (500,000)          |
| Impairment expense                           | (1,434)            | (991,371)          |
| <b>Balance at end of period</b>              | <b>8,490,008</b>   | <b>7,050,730</b>   |

The ultimate recoupment of deferred exploration and evaluation expenditure in respect of each area of interest is dependent upon the discovery of commercially viable reserves and the successful development and exploitation of the respective areas or alternately sale of the underlying areas of interest for at least their carrying value.

**NOTE 5 – ISSUED CAPITAL**

| <b>30 JUNE 2023</b>  | <b>30-Jun 2023</b> |                   |
|--|--------------------|-------------------|
|  | <b>No. shares</b>  | <b>\$</b>         |
| <b>Issued and paid up capital</b>  |                    |                   |
| Fully paid ordinary shares – post-consolidation  | 129,433,109        | 29,293,998        |
| <b>Movements in fully paid ordinary shares</b>   |                    |                   |
| Balance as at 1 July 2022  | 2,660,813,905      | 25,215,547        |
| Shares issued – Rights Issue (29 September 2022)   | 878,698,969        | 878,699           |
| Shares issued – Rights Issue (30 September 2022)   | 1,481,114,330      | 1,481,114         |
| Shares issued – Rights Issue (7 October 2022)  | 301,000,606        | 301,001           |
| Cost of issuing shares   | -                  | (146,363)         |
| Effect of 50:1 share consolidation (25 November 2022)                                      | (5,215,194,701)    | -                 |
| Shares issued – acquisition of Revere Gold Project and Mt Edon LCT Project (18 April 2023) | 23,000,000         | 1,564,000         |
| <b>Balance as at 30 June 2023</b>  | <b>129,433,109</b> | <b>29,293,998</b> |

| <b>31 DECEMBER 2023</b>  | <b>31-Dec 2023</b> |                   |
|--|--------------------|-------------------|
|  | <b>No. shares</b>  | <b>\$</b>         |
| <b>Issued and paid up capital</b>                                  |                    |                   |
| Fully paid ordinary shares – 31 December 2023 (post-consolidation) | 163,283,109        | 31,776,045        |
| <b>Movements in fully paid ordinary shares</b>                     |                    |                   |
| Balance as at 1 July 2023  | 129,433,109        | 29,293,998        |
| Shares issued – Exercise of Performance Rights (11 August 2023)    | 3,850,000          | 209,063           |
| Shares issued – Private Placement (13 November 2023)               | 30,000,000         | 2,400,000         |
| Cost of issuing shares   | -                  | (127,016)         |
| <b>Balance as at 31 December 2023</b>                              | <b>163,283,109</b> | <b>31,776,045</b> |



**NOTE 6 – SHARE-BASED PAYMENTS**

Unlisted Options and weighted average exercise prices are as follows for the reporting period presented:

|  | <b>Number of<br/>Unlisted<br/>Options</b> | <b>Weighted<br/>average<br/>exercise price<br/>per Option<br/>(\$)</b> |
|--|---|--|
| Outstanding at 1 July 2022                           | 3,050,000                                 | 0.66   |
| Granted  | -   | -  |
| Exercised  | -   | -  |
| Expired/Forfeited                                    | (1,300,000)                               | 0.75   |
| Outstanding at 31 December 2022 (post-consolidation) | <b>1,750,000</b>                          | 0.59   |
|  | <b>Number of<br/>Unlisted<br/>Options</b> | <b>Weighted<br/>average<br/>exercise price<br/>per Option<br/>(\$)</b> |
| Outstanding at 1 July 2023                           | 1,750,000                                 | 0.59   |
| Granted  | -   | -  |
| Exercised  | -   | -  |
| Expired/Forfeited                                    | (950,000)                                 | 0.50   |
| Outstanding at 31 December 2023 (post-consolidation) | <b>800,000</b>                            | 0.70   |

Weighted average remaining contractual life of the Options at 31 December 2023 is 0.06 years (31 December 2022: 0.56 years), with the Options expiring 22 January 2024.

**NOTE 6 – SHARE-BASED PAYMENTS (CONTINUED)****b) Performance Rights**

|   | <u>Number of Performance Rights</u> |
|---|-------------------------------------|
| Balance as at 1 July 2022                           | 2,800,000                           |
| Granted during the period                           | 7,400,000                           |
| Converted during the period                         | -                                   |
| Forfeited/cancelled/expired during the period       | -                                   |
| Balance as at 31 December 2022 (post-consolidation) | <u>10,200,000</u>                   |
| Balance as at 1 July 2023                           | 10,200,000                          |
| Granted during the period                           | -                                   |
| Converted during the period                         | 3,850,000                           |
| Forfeited/cancelled/expired during the period       | 2,800,000                           |
| Balance as at 31 December 2023 (post-consolidation) | <u>3,550,000</u>                    |

A share-based payments expense of \$288,466 has been recognised within profit or loss for the current period, in respect of the performance rights on issue, both vested and not vested during the period.

Details of the Performance Rights at 31 December 2023, are as follows:

| Class   | Grant Date  | No. of Rights | Fair value | Vesting Period                 | Expiry Date | Conversion Event   |
|---------|-------------|---------------|------------|--------------------------------|-------------|--|
| Class A | 25 Nov 2022 | 2,500,000     | \$139,879  | 3 years from the date of issue | 29 Nov 2025 | The company share price reaching at least \$0.10 based on a 30-day VWAP.<br>Total number of performance rights of 4,750,000, which fully vested during the period.<br>2,250,000 performance rights were converted during the reporting period.<br>2,500,000 performance rights are fully vested, but not exercised.  |
| Class A | 22 Dec 2022 | 1,050,000     | \$74,856   | 3 years from the date of issue | 12 Jan 2025 | The company share price reaching at least \$0.10 based on a 30-day VWAP.<br>Total number of performance rights of 1,650,000, vesting in 3 tranches.<br>Tranche 1 number of performance rights of 600,000 were fully vested and converted during the reporting period.<br>As additional conditions, 550,000 in Year 2 (Tranche 2) and 500,000 in Year 3 (Tranche 3) to be vested. |

**NOTE 7 – LOSS PER SHARE**

|  | <b>31-Dec 2023</b> | <b>31-Dec 2022</b> |
|--|--------------------|--------------------|
|  | <b>\$</b>          | <b>\$</b>          |
| <b>Reconciliation of earnings to loss</b>  |                    |                    |
| Loss for the period used to calculate basic Loss Per Share   | (120,038)          | (584,919)          |
|  | <b>Number</b>      | <b>Number</b>      |
| a) Weighted average number of ordinary shares outstanding during the period used in calculation of basic and diluted Loss Per Share (post consolidation) | 140,414,359        | 79,836,129         |

In accordance with AASB 133 “Earnings per Share” as potential ordinary shares may only result in a situation where their conversion results in decrease on profit per share or increase in loss per share, no dilutive effect has been taken into account.

**NOTE 8 – OPERATING SEGMENTS****Segment Information**

The Directors have considered the requirements of AASB 8 – Operating Segments and the internal reports that are reviewed by the chief operating decision maker (the Board) in allocating resources and have concluded at this time there are no separately identifiable segments.

**NOTE 9 – CASH FLOW INFORMATION**

|  | 31-Dec 2023      | 31-Dec 2022      |
|--|------------------|------------------|
|  | \$               | \$               |
| <b>Reconciliation of cash flows from operations with Loss after income tax</b> |                  |                  |
| Loss after income tax  | (120,038)        | (584,919)        |
| Non cash flows included in loss;   |                  |                  |
| - Depreciation expense (net of capitalisation)                                 | 17,402           | 13,182           |
| - Exploration impairment expense   | 1,434            | -                |
| - Share based payments – performance rights                                    | 288,466          | 11,192           |
| - Fair value gain / (loss) on financial assets held                            | 15,000           | -                |
| Other  |                  |                  |
| - Gain on disposal of Stelar Metals shares, recognised in investing activities | (696,873)        | -                |
| - Receipt of 30 June 2023 Stelar Metals share sale in current period           | (54,356)         | -                |
| - Movement from trade payables related to exploration payments                 | 259,269          | -                |
| - Additional lease rental outgoings, recognised in financing activities        | 11,572           | -                |
| Changes in assets and liabilities;   |                  |                  |
| - Decrease / (increase) in trade and other receivables                         | 23,992           | 5,236            |
| - Decrease / (increase) in other current assets                                | (25,153)         | -                |
| - Increase / (decrease) in trade and other payables                            | (332,525)        | (3,452)          |
| - Increase / (decrease) in provisions  | 13,249           | -                |
| <b>Net cash used in operating activities</b>                                   | <b>(598,561)</b> | <b>(558,761)</b> |

**NOTE 10 – CONTINGENT LIABILITIES & COMMITMENTS**

The Group did not have any contingent liabilities as at 31 December 2023 (31 December 2022: Nil). The Group has minimum expenditure commitments on exploration licences as per the terms of the exploration licences.

**NOTE 11 – TRANSACTIONS WITH RELATED PARTIES**

Dominion Legal was paid \$33,767 excluding GST (31 December 2022: \$16,988 excluding GST) during the current period for legal services rendered to the Company. Mr Downey is a Director of Dominion Legal. The fees were at normal commercial rates.

**NOTE 12 – FINANCIAL INSTRUMENTS**

The Group has a number of financial instruments not recorded at fair value on a recurring basis. The fair value of these financial instruments approximates their carrying value.

**NOTE 13 – EVENTS SUBSEQUENT TO REPORTING DATE**

On 22 January 2024, 800,000 Unlisted Options expired. There are no Unlisted Options on issue following 22 January 2024.

On 22 January 2024, 1,000,000 fully paid Ordinary Shares were issued as consideration for the acquisition of exploration leases E51/2135 and E51/2136.

Following on from a Memorandum of Understanding executed in November 2023, on 26 February 2024 Edith Cowan University (“ECU”) and the Company executed a Research Agreement (“Agreement”) for studies in relation to the Extraction of Rubidium and Mica from Mt Edon ore. The research activities will be undertaken at ECU’s Mineral Recovery Research Centre for a period of 9-12 months.

Other than those contained within this report, there has been no other matter or circumstance that has arisen since 31 December 2023 that has significantly affected, or may significantly affect the Group’s operations, the results of those operations, or the Group’s state of affairs in future financial years.


## Directors' Declaration

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The Directors of the Company declare that:

1. The Financial Statements and Notes, as set out on pages 9 to 20, 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 Group's financial position as at 31 December 2023 and of its performance for the half-year ended on that date.
2. In the Directors' opinion 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.



Mark Caruso  
Chairman

**Perth**

Dated this 8<sup>th</sup> of March 2024

**INDEPENDENT AUDITOR'S REVIEW REPORT**  
To the Members of Everest Metals Corporation Ltd

**Report on the Condensed Half-Year Financial Report**

*Conclusion*

We have reviewed the half-year financial report of Everest Metals Corporation Ltd ("the Company") and its controlled entities ("the Group"), which comprises the condensed consolidated statement of financial position as at 31 December 2023, the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the half-year ended on that date, selected explanatory notes, and the directors' declaration, for the Group comprising the Company and the entities it controlled at the half-year end or from time to time during the half-year.

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 Everest Metals Corporation Ltd does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2023 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 company 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.

*Responsibility of the Directors 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.

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*Auditor's Responsibility 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 Group's financial position as at 31 December 2023 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.

*Independence*

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

HLB Mann Judd

**HLB Mann Judd**  
**Chartered Accountants**

**Perth, Western Australia**  
**8 March 2024**



**B G McVeigh**  
**Partner**