

DECEMBER

2023

EQUINOX
RESOURCES

HALF YEARLY REPORT

**INTERIM FINANCIAL
REPORT FOR THE PERIOD
ENDED 31 DECEMBER 2023**

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CONTENTS

	Page
Directors' Report	4
Condensed Consolidated Statement of Comprehensive Income	12
Condensed Consolidated Statement of Financial Position	13
Condensed Consolidated Statement of Changes in Equities	14
Condensed Consolidated Statement of Cash Flows	15
Condensed Notes to the Consolidated Financial Report	16
Director's Declaration	24
Auditors' Independence Declaration	25
Independent Auditor's Review Report	26

CORPORATE DIRECTORY

ABN	65 650 503 325
ACN	650 503 325
Directors	Mr Robert Martin (Non-Executive Chairman) Mr Agha Shahzad Pervez (Non-Executive Director) Mr Vincent (Ming Tsen) Chye (Non-Executive Director)
Management	Mr Zekai (Zac) Komur (Chief Executive Officer) Mr Siyuan (Raymond) Chen (Chief Financial Officer) Mr Harry Spindler (Company Secretary)
Registered and Principal Office	Level 50, 108 St Georges Terrace Perth Western Australia 6000 Telephone +61 8 6109 6689
Website	www.eqnx.com.au
Share Registry	Automic Level 5, 126 Phillip Street Sydney NSW 2000 GPO Box 5193 Sydney NSW 2001
Solicitors	Steinepreis Paganin Level 4, The Read Buildings 16 Milligan Street Perth Western Australia 6000
Auditor	HLB Mann Judd (WA) Partnership Level 4, 130 Stirling Street, Perth Western Australia 6000
Stock Exchange	Australian Securities Exchange Limited ASX Code: EQN

Directors Report

The Directors present their report together with the financial report of Equinox Resources Limited ("EQN", "Equinox" or the "Company") and its controlled entities (the "Group", or the "Consolidated Entity") for the half-year ended 31 December 2023.

All amounts are presented to Australian Dollars (AU\$), unless noted otherwise.

In order to comply with the provisions of the Corporations Act 2001, the Directors report as follows:

DIRECTORS

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

Mr Robert Martin (Non-Executive Chairman)
Mr Agha Shahzad Pervez (Non-Executive Director) (Resigned 10 August 2023 as CFO)
Mr Vincent (Ming Tsen) Chye (Non-Executive Director) (Appointed 4 July 2023)
Mr Mena Habib (Non-Executive Director) (Resigned 4 July 2023)

All Directors were in office for the entire duration unless otherwise stated.

OPERATING RESULTS

The Group made a loss for the period of \$889,385 (31 December 2022: \$461,605). At balance date, capitalised exploration costs totalled \$12,350,440 (30 June 2023: \$11,322,496) and Cash reserves were \$3,174,741 (30 June 2023: \$4,266,763).

PRINCIPAL ACTIVITY

The Group focus is mineral exploration, appraising and development of Australian, Canadian and Brazilian mineral projects.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

In the opinion of the Directors, there were no significant changes in the state of affairs of the Company which have not been disclosed elsewhere in this report.

REVIEW OF OPERATIONS

The following is a summary of the activities of Equinox Resources Limited during the period 1 July 2023 to 31 December 2023. The Company has demonstrated significant progress and strategic initiatives during the first half of the financial year ending in December 2023. The Company's activities have centred around the advancement of the Hamersley Iron Ore Project (Hamersley Project) in Western Australia and business development opportunities through a substantial expansion into rare earth projects in Brazil. The leadership change, marked by the appointment of Zekai (Zac) Komur as CEO and Siyuan (Raymond) Chen as CFO, has further strengthened the company's position in the industry.

COMPANY PROJECTS

The Hamersley Iron Ore Project (Pilbara, WA)

The Hamersley Project (Pilbara Western Australia, 100% interest) located in the infrastructure-rich Pilbara iron ore province of Western Australia. The project has a JORC Mineral Resource Estimate of 343.2 million tonnes with a 54.5% iron grade, a granted Mining Lease (M47/1450-I), and a Native Title Deed signed by the Wintawari Guruma Aboriginal Corporation (WGAC). The mining lease spans approximately 10.4 km².

Directors Report (Continued)

The company's primary focus throughout the period has been ongoing consultation with the WGAC. This consultation aims to find a pathway forward for the development of the project. Additionally, the company has advanced baseline environmental studies for the project in collaboration with Phoenix Environmental Sciences.

Native Title

During the period, the company engaged PBC Legal and Consultancy Services (PBC Legal) to navigate the evolving landscape of indigenous cultural heritage for the Hamersley Project. This consultation aims to guide the company's engagement with the WGAC and ensure compliance with the Aboriginal Heritage Act (AHA) obligations.

On September 13, 2023, representatives from the company, in conjunction with PBC Legal, met with the Hon Dr. Tony Buti, the Minister for Education, Aboriginal Affairs, Citizenship, and Multicultural Interests. The meeting aimed to update the Minister on the status of the Hamersley Project and present the company's project development plan, emphasising the goal to maintain a close partnership with WGAC for a mutually beneficial outcome as the project advances.

On September 20, 2023, company representatives (Zekai Komur) and PBC Legal (Franklin Gaffney) visited the Hamersley Project site to survey the mining lease boundaries and compare them with the findings of the latest heritage survey.

On November 24, 2023, company representatives attended a WGAC board meeting in Tom Price to discuss a pathway forward and several options for WGAC to consider.

On December 12, 2023, Messrs. Komur and Gaffney briefed the Shire of Ashburton Council on the Hamersley Project, answering questions from council members.

The company remains committed to ongoing dialogue with WGAC under the Native Title Deed to find a mutually beneficial solution. The lack of consensus, however, led the company on December 15, 2023 to issue WGAC a letter of intent to file a Section 18 notice. This decision was based on the alleged discovery of two new ethnographic sites by WGAC in April 2023, which WGAC has not registered, and which area had been previously cleared by WGAC as suitable for drilling.

Program of Works (POW)

The company appointed ERM Australia Consultants Pty Ltd, trading as CSA Global as the Company geological consultant to conduct a detailed analysis of the geological model to assist in the design of the target drilling program. A Department of Energy, Mines, Industry Regulation, and Safety (DEMIRS) approved POW is prepared to be executed on a planned 23 RCP drillholes for an estimated 2,300 to 2,600m, and six PQ3 diamond drillholes for a total of 650- 700m, Figure 1, which will result in an increased resource drilling coverage over the southwest portion of the deposit to a nominal 100m x 100m spacing aimed at improving resource confidence, whilst maintaining a sufficient PQ3 diamond program to address the metallurgical and marketing objectives.

Directors Report (Continued)

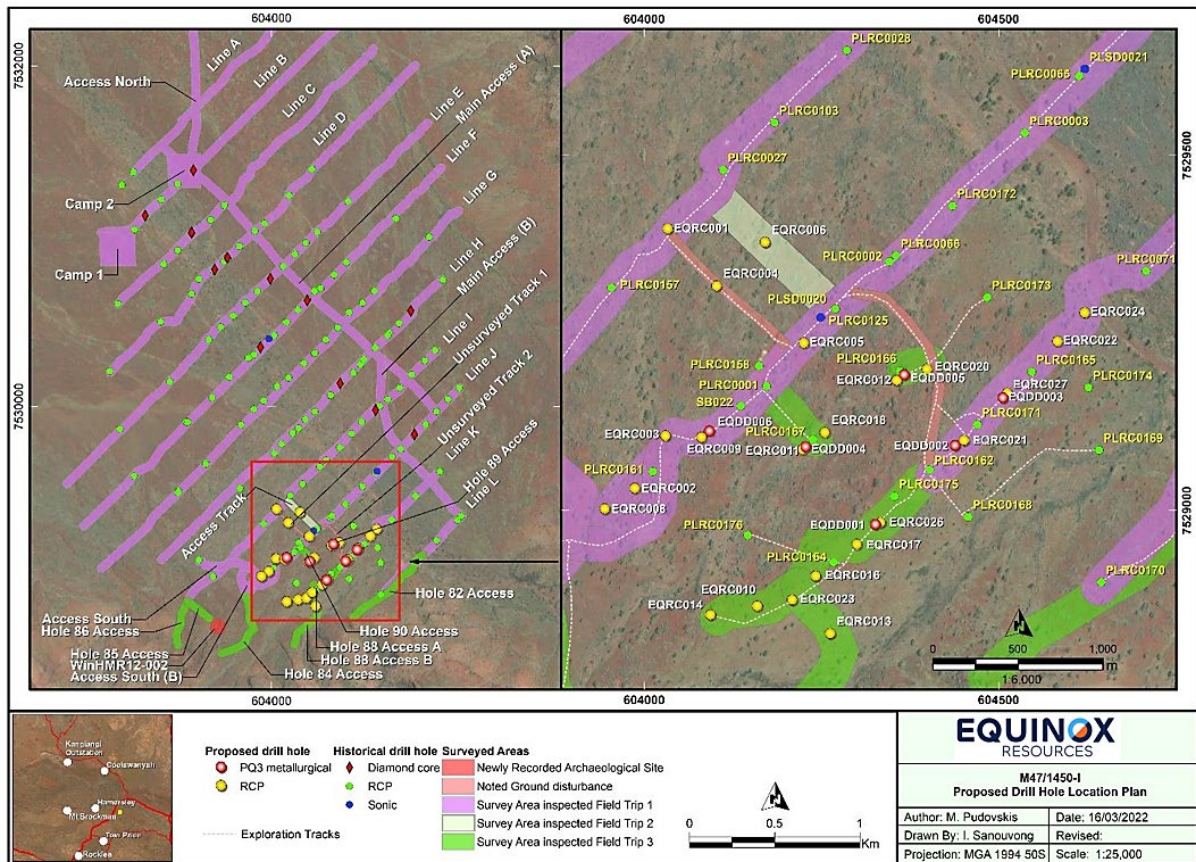


Figure 1: Approved POW drilling campaign.

Environmental Impact Assessment Planning

Terrestrial fauna surveys to inform the Environmental Impact Assessment for the Project were undertaken in September 2023, by Phoenix Environmental Sciences, a company with 15 years of experience in the Pilbara region.

The survey, spanning 14 days, involved detailed systematic trapping and surveys conducted at both opportunistic and targeted sites across the study area, in accordance with current regulatory and best practice guidance. Experts from Phoenix Environmental Sciences expect that previous surveys, along with the proposed surveys in 2024, will further demonstrate the Project's minimal environmental impact on terrestrial fauna. They also anticipate no material risk to the Project concerning the flora and fauna species and habitats present.

Rare Earth Projects

Campo Grande Rare Earth Project (Bahia Brazil, 100% interest)

Equinox's pegging of approximately 1,760 square kilometres of tenements in Bahia, north-eastern Brazil, has laid the foundation for the decisive Campo Grande Rare Earth Project.

This region, renowned for its potential in ionic clay-hosted rare earth deposits, is strategically located adjacent to the Rocha da Rocha Rare Earths Project, owned by recently listed Brazilian Rare Earths Limited (ASX: BRE). The proximity of Equinox's newly established Brazilian rare earths venture to a project with a JORC-estimated Mineral Resource of 510.3Mt at 1,513ppm TREO¹ underscores the significant emerging potential of the area as a major new global rare earths province.

¹ Refer to BRE's Prospectus announced to the ASX on 19 December 2023.

Directors Report (Continued)

93% of these tenement applications have already converted to exploration concessions. Equinox is actively pursuing an environmental concession for granted tenements, with the aim of commencing drilling in the first quarter of CY2024.

Concurrently, a thorough geological mapping and soil sampling campaign is being conducted across these areas. In preparation for the drilling phase, Equinox is engaging in discussions with landowners for access rights and meticulously evaluating proposals from various drilling contractors.

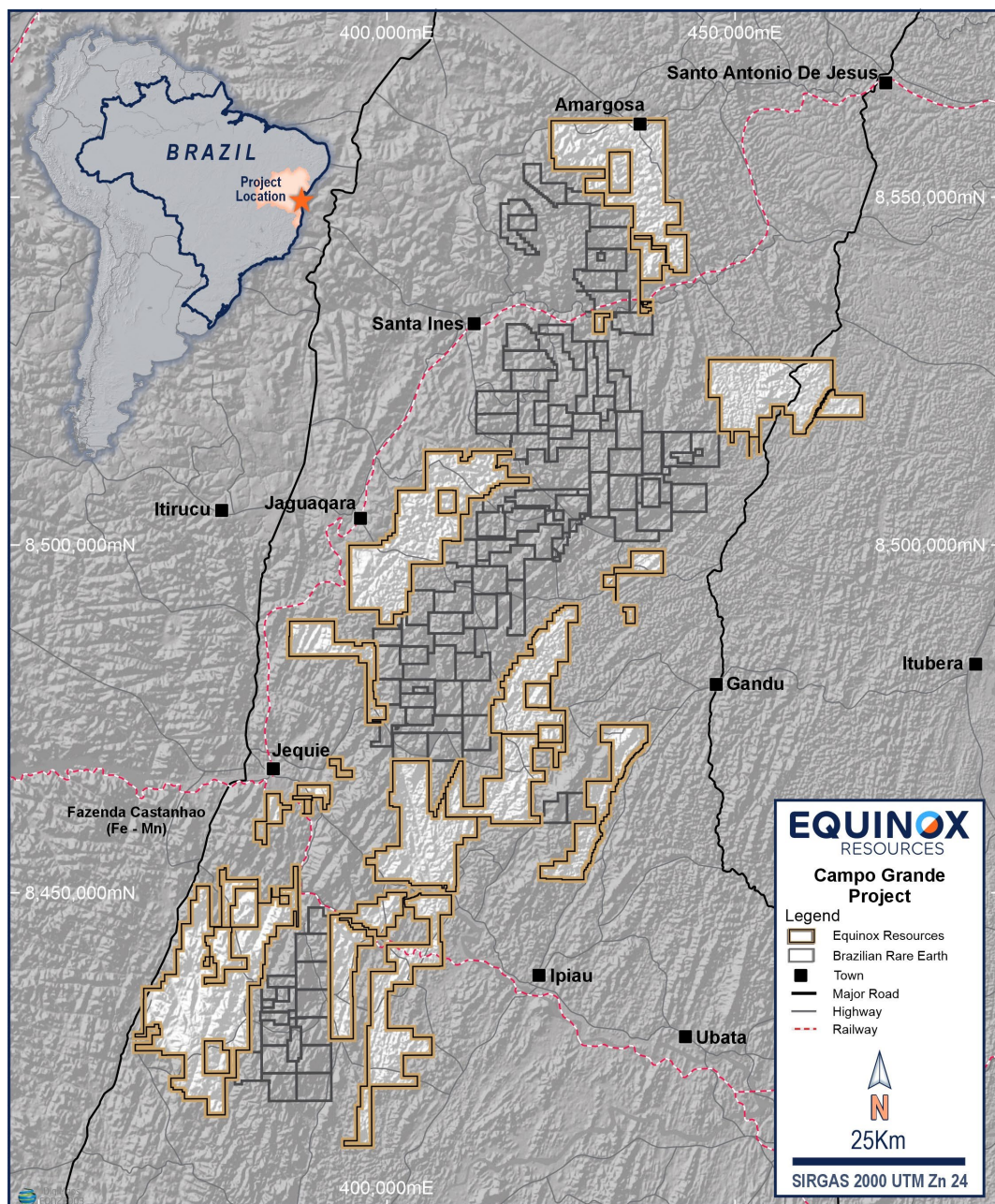


Figure 2: Equinox Resources Tenement relative to BRE Rocha da Rocha Project.

Directors Report (Continued)

Mata da Cordo Rare Earth Project (Minas Gerais Brazil, 100% interest)

To enhance its strategic foothold in Brazil and the burgeoning rare earth sector, in December 2023, Equinox strategically pegged approximately 850km² of high-potential tenements in Minas Gerais, specifically in Patos de Minas, for the Mata da Corda project.

These tenement applications, located in Patos de Minas rich in ionic clay-hosted rare earth deposits, are under review by the Agência Nacional de Mineração (ANM). Upon conversion to exploration licenses, Equinox is poised to initiate an extensive soil sampling campaign. This will be integrated with geophysical mapping to provide in-depth geochemical analyses, enabling precise identification of high-grade tenements and the commencement of targeted drilling programs.

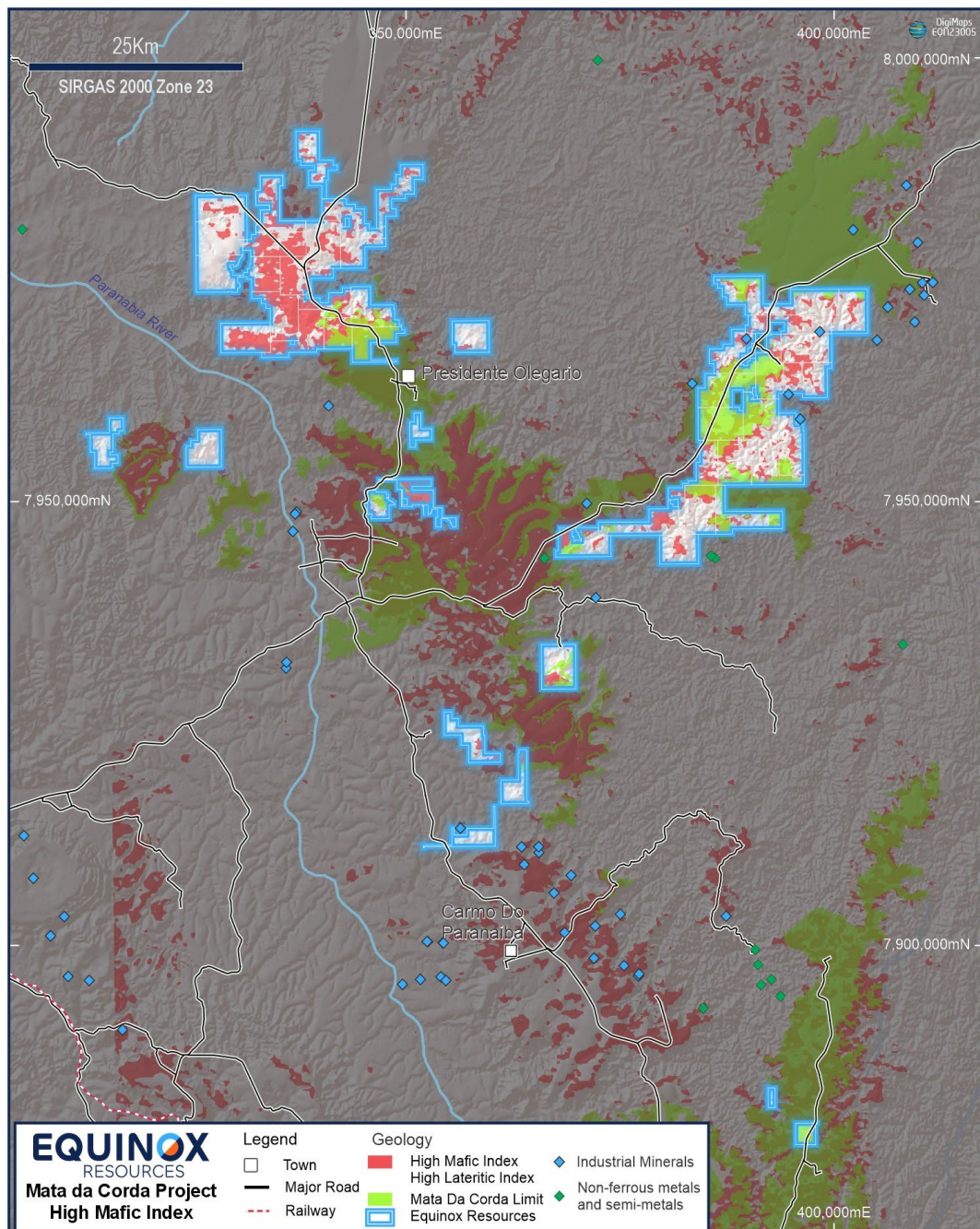


Figure 3: Mata Da Corda Project – Weathering Mafic and Lateritic Index overlaid with Mata da Corda Group

Directors Report (Continued)

Lithium Projects

The Company has undertaken a strategic review of its lithium projects, including the Dome Lake and Larder Lake Projects in Ontario, Canada, and the Auxesia Project in Western Australia. This review was undertaken in light of deteriorating market conditions in the lithium sector which has seen an 86% decline in the price of spodumene between December 2022 and 2023.

As a result, Equinox has decided to pause exploration across its lithium projects with the cash previously allocated to these projects now redirected towards new business development ventures and drilling programs at its rare earth projects in Brazil.

Business Development

The Company actively scouted land for potential staking and development, with a focus on ionic rare earth clay, niobium, and uranium deposits in South America. These commodities are seen as high margin and pivotal in the global energy transition, with the opportunity for significant downstream value. Concurrently, the Company is assessing potential acquisition opportunities and strategic partnerships that align with its objectives and could offer significant value to its shareholders.

CORPORATE

2023 Annual General Meeting

The Company held its 2023 Annual General Meeting on 27 November 2023. All resolutions detailed in the Company's Notice of Meeting dated 26 October 2023 were passed by poll.

Appointment of Chief Executive Officer

Highly experienced mining executive Zekai (Zac) Komur was appointed as Chief Executive Officer of Equinox in September 2023 following Mr. He's resignation. With over 23 years in the resources sector, Zac is a seasoned leader who has held senior management roles in companies such as BHP, INPEX, Fortescue, and Northvolt.

His expertise spans mining development, project delivery, commercialisation, mining, and mineral processing operations across a range of commodities. This includes iron ore, nickel, cobalt, lithium, and battery cathode active material production, where he led the commissioning and start-up of Europe's first Gigafactory at Northvolt in Sweden.

Zac's most recent experience includes serving as the Head of Commercialisation at Fortescue. There, he orchestrated the successful delivery of robust business plans for zero-emission products and crafted strategic joint venture partnership options for solar, wind, and BESS solutions, including capital raising.

His understanding of iron ore and lithium mining, processing, marketing, and downstream conversion offers a broad array of capabilities to the Company. Zac holds a Bachelor of Chemical Engineering, a Bachelor of Chemistry, a Master of Business Administration, and is a member of the Institute of Company Directors in Australia.

Appointment of Chief Financial Officer

Highly experienced financial executive Siyuan (Raymond) Chen was appointed as Chief Financial Officer of Equinox in August 2023 following Mr. Agha Shahzad Pervez's resignation. With over a decade of experience in financial management, control, planning, and analysis, Mr. Chen brings a wealth of expertise to his new role.

Prior to joining the Company, Mr Chen held senior positions at ASX listed companies Iluka Resources Ltd (ASX: ILU) and NRW Holdings Ltd (ASX: NRW), unlisted Harmony Agriculture and Food Company Pty Ltd, as well as with KPMG's audit division. His extensive knowledge extends across areas such as debt and equity funding solutions, investment evaluation, treasure management, investor relations and

Directors Report (Continued)

corporate transactions. Mr Chen's extensive experience will further enhance the capabilities of the EQN team as it implements its exploration and development strategy.

Mr Chen is a member of the Institute of Chartered Accountants Australia and New Zealand (CAANZ) and a Fellow of Association of Chartered Certified Accountants (FCCA). Additionally, he holds an MBA from the University of Cambridge, a Master of Finance from Australian National University and a Bachelor of Commerce from The University of Melbourne. His strategic mindset, strong analytical skills, and commitment to excellence makes him a valuable addition to Company's executive team.

SUBSEQUENT EVENTS

Niobium Staking

Subsequent to the reporting period, In February 2024, Equinox staked additional 600km² of tenements with compelling potential for niobium deposit in the Alto Paranaíba Igneous Province, which currently accounts for over 97% of global niobium production. The staking of the new "Canastra" Niobium Project signifies a further strategic extension of Equinox's recently established stake in rare earth clays in Brazil, expanding the Company's total Brazilian exploration footprint to ~3,230km².

File of Section 18 Application

Subsequent to the reporting period, In February 2024, Equinox filed Section 18 application under the Aboriginal Heritage Act 1972 (WA) with the Department of Planning, Lands and Heritage (DPLH) to use land within its Mining Lease 47/1450-I (Mining Lease) at the Hamersley Iron Ore Project (Hamersley Project) for the purpose of drilling and gathering samples for further resource definition and metallurgical testing as part of a program of work (POW) considered essential for commercializing the Project.

COMPLIANCE STATEMENT

This announcement contains information on the Hamersley Iron Ore Project extracted from ASX market announcements dated 31 August 2021, 7 September 2021, 9 March 2022, 26 April 2022, 3 April 2023, 17 April 2023, 23 May 2023 and 13 June 2023 released by the Company and reported in accordance with the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (2012 JORC Code) and available for viewing at www.eqnx.com.au or www.asx.com.au. Equinox is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources (as that term is defined in the JORC Code) that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

This announcement contains information on the Campo Grande Project extracted from ASX market announcements dated 28 November and 27 February 2024 released by the Company and reported in accordance with the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (2012 JORC Code) and available for viewing at www.eqnx.com.au or www.asx.com.au. Equinox is not aware of any new information or data that materially affects the information included in the original market announcement.

This announcement contains information on the Moata da Corda Project extracted from ASX market announcement dated 13 December 2023 released by the Company and reported in accordance with the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (2012 JORC Code) and available for viewing at www.eqnx.com.au or www.asx.com.au. Equinox is not aware of any new information or data that materially affects the information included in the original market announcement.

This announcement contains information on the Canastra Project extracted from ASX market announcement dated 12 February 2024 released by the Company and reported in accordance with the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (2012 JORC Code) and available for viewing at www.eqnx.com.au or www.asx.com.au. Equinox is not aware of any new information or data that materially affects the information included in the original market announcement.

Directors Report (Continued)

Auditor Independence Declaration

Section 307C of the Corporations Act 2001 requires our auditors, HLB Mann Judd, to provide the directors of the Company with an Independence Declaration in relation to the review of the interim financial report. This Independence Declaration is set out on page 25 and forms part of this directors' report for the half-year ended 31 December 2023.

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



Robert Martin
Non-Executive Chairman
Dated: 11 March 2024

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

	Note	31 December 2023 \$	31 December 2022 \$
Income		-	2,058
Total Income		-	2,058
Expenses			
Compliance and regulatory expenses		(72,157)	(45,803)
Consulting and professional fees		(145,219)	(37,466)
Employee benefits expense		(356,124)	(148,800)
Exploration expense		(62,607)	(54,435)
Depreciation expense & Amortisation Expense		(32,900)	(30,971)
Share based payment		(17,415)	-
Other expenses		(186,003)	(82,672)
Project and Opportunities evaluation		(16,960)	(63,516)
Total expenses		(889,385)	(463,663)
(Loss) for the period		(889,385)	(461,605)
Other comprehensive income			
Item that may be reclassified to profit or loss when specific conditions are met			
Exchange differences on translation of foreign operation		14,363	(177)
Total comprehensive loss for the period attributable to members		(875,022)	(461,782)
Basic and diluted loss per share (cents per share)	9	(0.93)	(0.48)

The condensed consolidated statement of comprehensive income to be read in conjunction with the notes to and forming part of the interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2023

	Note	31 December 2023 \$	30 June 2023 \$
Current Assets			
Cash and cash equivalents	2	3,174,741	4,266,763
Trade and other receivables	3	104,060	63,319
Prepayments	4	143,306	51,780
Other Current Assets		305,487	-
Total Current Assets		3,727,594	4,381,863
Non-Current Assets			
Property, plant and equipment		28,554	30,561
Right of use Asset		92,119	119,755
Exploration and Evaluation	5	12,350,440	11,322,496
Other non-current asset		49,000	49,000
Total Non-Current Assets		12,520,113	11,521,812
Total Assets		16,247,707	15,903,674
Current Liabilities			
Trade and other payables	6	(408,599)	(256,613)
Other liabilities	7	(106,188)	(96,522)
Current lease liability		(57,997)	(54,993)
Borrowings		(29,180)	-
Total Current liabilities		(601,964)	(408,127)
Non-Current Liabilities			
Non-Current lease liability		(41,518)	(71,389)
Total Current Liabilities		(41,518)	(71,389)
Total Liabilities		(643,482)	(479,516)
Net Assets		15,604,225	15,424,158
Equity			
Issued Capital	8	19,326,222	18,259,822
Reserves	12	577,270	600,676
Accumulated losses		(4,299,267)	(3,436,340)
Total Equity		15,605,225	15,424,158

The condensed consolidated statement of financial position is to be read in conjunction with the notes to and forming part of the interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2023

	Issued Capital	Reserves \$	Accumulated losses \$	Total \$
Balance at 1 July 2022	18,259,822	579,775	(2,212,240)	16,627,357
Loss for the year	-	-	(461,605)	(461,605)
Other comprehensive income	-	(177)	-	(177)
Balance at 31 December 2022	18,259,822	579,598	(2,673,845)	16,165,575

	Issued Capital	Reserves \$	Accumulated losses \$	Total \$
Balance at 1 July 2023	18,259,822	600,676	(3,436,340)	15,424,158
Loss for the year	-	-	(889,385)	(889,385)
Other comprehensive income	-	(14,363)	-	(14,363)
Issue of shares	1,135,000	-	-	1,135,000
Capital raising cost	(68,600)	-	-	(68,600)
Share reserves	-	17,415	-	17,415
Transfer of lapsed performance options to accumulated losses	-	(10,665)	10,665	-
Transfer of lapsed performance rights to accumulated losses	-	(15,793)	15,793	-
Balance at 31 December 2023	19,326,222	577,270	(4,299,267)	15,605,225

The condensed consolidated statement of changes in equity is to be read in conjunction with the notes to and forming part of the interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 31 DECEMBER 2023

	31 December 2023 \$	31 December 2022 \$
Cash Flow from Operating Activities		
Payments to suppliers and employees	(1,012,091)	(571,858)
Received from suppliers and employees	29,180	-
GST Refund/ (Paid)	68,107	25,439
Interest Paid	(3,133)	(3,694)
Net cash (used in) operating activities	(917,937)	(550,113)
Cash Flow from Investing Activities		
Payments for exploration and evaluation	(895,375)	(162,140)
Payment for property plant and equipment	(3,256)	(20,852)
Payment for other non-current assets	(305,487)	(49,000)
Net cash (used in) investing activities	(1,204,118)	(231,992)
Cash Flows from Financing Activities		
Proceeds from issue of shares	1,125,500	-
Share issue costs	(68,600)	-
Repayment of lease debt	(26,867)	(14,306)
Net cash provided by/(used in) financing activities	1,030,033	(14,306)
Net (decrease) in cash and cash equivalents	(1,092,022)	(796,411)
Cash and cash equivalents at 1 July	4,266,763	6,106,586
Cash and cash equivalents at 31 December	3,174,741	5,310,175

2

The condensed consolidated statement of cash flows is to be read in conjunction with the notes to and forming part of the interim financial report.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL REPORT

Note 1: Summary of Significant Accounting Policies

The financial report consists of the consolidated financial statements of Equinox Resources Limited ("Equinox" or the "Company") and its controlled entities (the "Group", or the "Consolidated Entity") for the six months ended 31 December 2023. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

Equinox Resources Limited is a company limited by shares incorporated in Australia.

The nature of the operations of the Group are described in the Directors' Report.

Basis of Preparation

The general purpose interim financial report for half-year reporting period ended 31 December 2023 have been prepared in accordance with requirements of the Corporations Act 2001 and Australian Accounting Standard AASB 134: Interim Financial Reporting.

This interim financial report is intended to provide users with an update on the latest annual financial statements of 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 Report for the year ended 30 June 2023, issued together with any public announcements made during the following half-year.

Standards and Interpretations applicable to 31 December 2023

In the half-year ended 31 December 2023, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the Australian Accounting Standard Board that are relevant to the Group and effective for the half-year reporting periods beginning on or after 1 July 2023.

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 material change is necessary to Group accounting policies.

Standards and Interpretations in issue not yet adopted

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

Estimates and Judgements

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

The judgements, estimates and assumptions applied in the Interim Financial Statements, including the key sources of estimation uncertainty, were the same as those applied in the Group's last annual financial statements for the year ended 30 June 2023.

Going Concern

The half year report has been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

Accounting Policies and Methods of Computation

The accounting policies and methods of computation adopted are consistent with those of the previous financial year and those disclosed in the company's Annual Report.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 DEC 2023

Note 2: Cash and Cash Equivalents

	31 Dec 2023 \$	30 Jun 2023 \$
Cash at bank	3,174,741	4,266,763
Cash and Cash Equivalents	3,174,741	4,266,763

Note 3: Trade and Other Receivables

	31 Dec 2023 \$	30 Jun 2023 \$
GST receivables	88,230	44,785
Other receivables	15,830	18,534
Trade and Other Receivables	104,060	63,319

Note 4: Prepayments

	31 Dec 2023 \$	30 Jun 2023 \$
Insurance	38,532	10,070
Prepaid ASX Listing Fees	10,374	-
Other Prepayments	94,400	41,710
Total Prepayments	143,306	51,780

Note 5: Exploration and Evaluation

	6 months to 31 Dec 2023 \$	12 months to 30 Jun 2023 \$
Exploration and evaluation at the beginning of the period	11,322,496	10,544,999
Exploration Capitalised for the period	1,020,120	777,497
Foreign exchange movements	7,824	-
Exploration and Evaluation at period end	12,350,440	11,322,496

The recoupment of exploration costs carried forward in relation to assets in the exploration phase are dependent on the successful development and commercial exploration or sale of the respective area.

Note 6: Trade and other Payables

	31 Dec 2023 \$	30 Jun 2023 \$
Trade creditors	408,599	256,613
Trade and other Payables	408,599	256,613

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 DEC 2023

Note 7: Other Liabilities

	31 Dec 2023 \$	30 Jun 2023 \$
Accruals	33,619	47,290
Other Payables	72,569	49,232
Other liabilities	106,188	96,522

Note 8: Issued Capital

	31 Dec 2023 \$	30 June 2023 \$
101,175,003 (30 June 2023: 95,500,001) fully paid ordinary shares	19,316,722	18,259,822

a). Ordinary shares

At beginning of the reporting period	18,259,822	18,259,822
Issue of shares – Capital raising	1,135,000	-
Less share issue costs	(68,600)	-
At reporting date	19,326,222	18,259,822

	No of Shares	No. of shares
At beginning of the reporting period	95,500,001	95,500,001
Issue of shares – capital raising	5,675,000	-
Issue of shares – Performance shares to vendors	2	-
At reporting date	101,175,003	95,500,001

Ordinary shares have no par value and participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held. Every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 DEC 2023

Note 9: Earnings per share

	31 Dec 2023	31 Dec 2022
	\$	\$
<i>Basic earnings per share</i>		
Loss after Income tax	889,385	461,605
	Cents	Cents
Basic earnings per share	(0.93)	(0.48)
	Number	Number
<i>Weighted average number of ordinary shares</i>		
Weighted average number of ordinary shares used in calculated basic earnings per share	95,764,317	95,500,001

Note 10: Contingent Liabilities

Pursuant to the Hamersley Iron Ore Project Acquisition Agreement, on completion of the Acquisition the Company:

- agreed to pay Battery Age Minerals Limited a fixed royalty of USD\$0.70 per metric tonne of iron ore which is extracted and sold or otherwise disposed of from the area within the boundaries of the Hamersley Iron Ore Project (as those exist at the date of the Acquisition Agreement); and
- agreed to pay Lockett a fixed royalty of USD\$0.30 per metric tonne of iron ore which is extracted and sold or otherwise disposed of from the area within the boundaries of the Hamersley Iron Ore Project (as those exist at the date of the Acquisition Agreement).

There are no contingent assets at the reporting date.

Note 11: Subsequent Events

Niobium Staking

Subsequent to the reporting period, In February 2024, Equinox staked additional 600km² of tenements with compelling potential for niobium deposit in the Alto Paranaíba Igneous Province, which currently accounts for over 97% of global niobium production. The staking of the new “Canastra” Niobium Project signifies a further strategic extension of Equinox’s recently established stake in rare earth clays in Brazil, expanding the Company’s total Brazilian exploration footprint to ~3,230km².

File of Section 18 Application

Subsequent to the reporting period, In February 2024, Equinox filed Section 18 application under the Aboriginal Heritage Act 1972 (WA) with the Department of Planning, Lands and Heritage (DPLH) to use land within its Mining Lease 47/1450-I (Mining Lease) at the Hamersley Iron Ore Project (Hamersley Project) for the purpose of drilling and gathering samples for further resource definition and metallurgical testing as part of a program of work (POW) considered essential for commercializing the Project.

Note 11: Subsequent Events (Continued)

No other matter or circumstances have 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.

Note 12: Reserves

	31 Dec 2023 \$	30 Jun 2023 \$
Option reserve (a)	569,110	579,775
Share based payment reserve (b)	17,415	15,793
Foreign currency reserve	(9,255)	5,108
Total Reserves	577,270	600,676

(a) Option Reserve

	31 Dec 2023 \$	30 Jun 2023 \$
At the start of the period	579,775	579,775
Lapsed options, transferred to accumulated losses	(10,665)	-
At the end of the period	569,110	579,775

	31 Dec 2023 No. of options	30 Jun 2023 No. of options
At the start of the period	7,000,000	-
Share Options issued	5,675,000	17,000,000
Lapsed options, transferred to accumulated losses	(128,767)	(10,000,000)
At the end of the period	12,546,233	7,000,000

(b) Share Based Payment Reserve

	31 Dec 2023 \$	30 Jun 2023 \$
At the start of the period	15,793	-
Performance rights lapsed	(15,793)	-
Performance rights expense	17,415	15,793
At the end of the period	17,415	15,793

	31 Dec 2023 No. of options	30 Jun 2023 No. of options
At the start of the period	1,000,000	-
Performance rights lapsed	(1,000,000)	-
Performance rights issued	1,470,000	1,000,000
At the end of the period	1,470,000	1,000,000

Note 12: Reserves (continued)

Employee Performance Rights

The following table details the number and weighted average grant fair value at grant date of Performance Rights outstanding at the period end.

Grant date	Share price at grant date	Expiry date	Expected volatility	Risk-free interest rate	Weighted average grant date fair value	Number of PRs outstanding at the end of period
13/09/23 ^a	\$0.16	31/01/2027	95.16%	3.95%	\$0.122	1,270,000
11/12/23 ^b	\$0.255	31/01/2027	95.16%	3.95%	\$0.213	200,000

a - On 13 September 23, the Company agreed and accounted for 1,270,000 Performance Rights with an expiry date 3 years from the date of issue, being 31 January 2027. The terms and conditions of the Performance Rights are set out below.

- 300,000 Performance Right which will each convert into one share each, subject to the Company achieving a \$0.35 VWAP over 20 days on or before 30 September 2026 (Tranche 1)
- 170,000 Performance Right which will each convert into one share each, subject to the Company achieving a \$0.60 VWAP over 20 days on or before 30 September 2026 (Tranche 2).
- 200,000 Performance Right which will each convert into one share, upon the delineation of an Inferred Mineral Resource Estimate (JORC 2012) of not less than 150Mt at or above a Total Rare Earths Oxide ("TREO") grade of 1,500ppm in saprolite/clay on or before 30 September 2026 (Tranche 3).
- 200,000 Performance Right which will each convert into one share, upon the delineation of an Inferred Mineral Resource Estimate (JORC 2012) of not less than 300Mt at or above a Total Rare Earths Oxide ("TREO") grade of 1,500ppm in saprolite/clay on or before 30 September 2026 (Tranche 4).
- 200,000 Performance Right which will each convert into one share, upon the Company achieving a \$2.50 VWAP over 20 days or upon the delineation of an Inferred Mineral Resource Estimate (JORC 2012) of not less than 400Mt at or above a Total Rare Earths Oxide ("TREO") grade of 1,500ppm in saprolite/clay on or before 30 September 2026. (Tranche 5).
- 200,000 Performance Right which will each convert into one share, upon the Company achieving two years continuous employment (from September 2023 to 30 September 2025). (Tranche 6).

The total value of the Tranche 1 Performance Rights is \$34,800 and the value has been derived using the Monte Carlo Model. The cost of \$3,069 has been expensed in the period to 31 December 2023.

The total value of the Tranche 2 Performance Rights is \$13,311 and the value has been derived using the Monte Carlo Model. The cost of \$1,174 has been expensed in the period to 31 December 2023.

The tranche 3/4/6 Performance Rights have been valued at \$0.16 each, based on the spot price on issue date, for a total value of \$96,000 (\$32,000 each). As the milestones attached to the rights are non-market based, and it is considered probable that the milestones will be met. The cost of \$8,466 has been expensed in the period to 31 December 2023.

The total value of the Tranche 5 Performance Rights is \$10,820 and the value has been derived using the Monte Carlo Model. The cost of \$954 has been expensed in the period to 31 December 2023.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 DEC 2023

Note 12: Reserves (continued)

b - On 11 December 23, the Company agreed and accounted for 200,000 Performance Rights with an expiry date 3 years from the date of issue, being 31 January 2027. The terms and conditions of the Performance Rights are set out below.

- 50,000 Performance Right which will each convert into one share each, subject to the Company achieving a \$0.35 VWAP over 20 days on or before 30 September 2026 (Tranche 1)
- 50,000 Performance Right which will each convert into one share each, subject to the Company achieving a \$0.60 VWAP over 20 days on or before 30 September 2026 (Tranche 2).
- 50,000 Performance Right which will each convert into one share, upon the delineation of an Inferred Mineral Resource Estimate (JORC 2012) of not less than 150Mt at or above a Total Rare Earths Oxide ("TREO") grade of 1,500ppm in saprolite/clay on or before 30 September 2026 (Tranche 3).
- 50,000 Performance Right which will each convert into one share, upon the Company achieving two years continuous employment (from September 2023 to 30th September 2025). (Tranche 4).

The total value of the Tranche 1 Performance Rights is \$8,365 and the value has been derived using the Monte Carlo Model. The cost of \$738 has been expensed in the period to 31 December 2023.

The total value of the Tranche 2 Performance Rights is \$8,685 and the value has been derived using the Monte Carlo Model. The cost of \$766 has been expensed in the period to 31 December 2023.

The tranche 3/4 Performance Rights have been valued at \$0.255 each, based on the spot price on issue date, for a total value of \$25,500 (\$12,750 each). As the milestones attached to the rights are non-market based, and it is considered probable that the milestones will be met. The cost of \$2,249 has been expensed in the period to 31 December 2023.

Note 13: Financial Risk Management

Set out below is an overview of financial assets (other than cash and short-term deposits) and financial liabilities held by the Group as at 31 December 2023 and 30 June 2023.

The Directors consider the carrying values of other receivables, trade and other payables are considered to be a reasonable approximation of their fair value.

	31 Dec 2023 \$	30 June 2023 \$
Financial Assets		
Trade and other receivables	104,060	63,319
Prepayments	143,306	51,780
Other Current Assets	305,487	-
Total Financial Assets	552,853	115,099
Financial Liabilities		
Trade and other payables	(408,599)	(256,613)
Borrowings	(29,180)	-
Total Financial Liabilities	(437,779)	(256,613)

Note 14: Related Party Transactions

Directors and key management personnel

The share-based payment expense includes the value of the following options and performance rights issued to directors and senior management:

	31 Dec 2023
Lapsed options, transferred to accumulated losses	(10,665)
Performance rights lapsed	(15,793)
Performance rights expense	17,415
At the end of the period	(9,043)

Other related party transactions

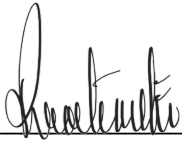
There were no other related party transactions at 31 December 2023.

DIRECTOR'S DECLARATION

In the Director's opinion:

1. The financial statements and notes set out on pages 12 to 23 are in accordance with the Corporations Act 2001, including:
 - a) complying with Accounting Standard AASB 134 "Interim Financial Reporting" and the Corporations Regulations 2001; 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 period ended on that date; and
2. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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



Robert Martin
Non-Executive Chairman
Dated: 11 March 2024

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the consolidated financial report of Equinox Resources Limited 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
11 March 2024



N G Neill
Partner

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the Members of Equinox Resources Limited

Report on the Condensed Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Equinox Resources Limited ("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 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, a summary of significant accounting policies and other explanatory information, 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 accompanying half-year financial report of Equinox Resources Limited 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 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 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
Chartered Accountants

Perth, Western Australia
11 March 2024



N G Neill
Partner