



JAMES BAY
MINERALS

James Bay Minerals Limited

ABN 90 659 846 901

Interim Report - 31 December 2023

Directors	Andrew Dornan Gerard O'Donovan Dean Ercegovic Judy Baker
Company secretary	James Doyle
Registered office and Principal place of business	Danpalo Group Pty Ltd Suite 1, 1 Tully Road East Perth, WA 6004
Share register	Automic Pty Ltd Level 5, 191 St Georges Terrace, Peth WA 6000
Auditor	William Buck Audit (VIC) Pty Ltd Level 20, 181 William Street Melbourne VIC 3000
Stock exchange listing	James Bay Minerals Limited shares are listed on the Australian Securities Exchange (ASX code: JBY)
Website	www.jamesbayminerals.com.au

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of James Bay Minerals Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 31 December 2023.

Directors

The following persons were directors of James Bay Minerals Limited during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Andrew Dornan - Executive Director

Gerard O'Donovan - Non-Executive Chair

Dean Ercegovic - Non-Executive Director (Appointed 8 September 2023)

Judy Baker - Non-Executive Director (Appointed 8 September 2023)

Daniel Loughnan - Non-Executive Director (Appointed 18 April 2023, Resigned 8 September 2023)

Principal activities

During the financial period the principal continuing activities of the consolidated entity is: The exploration and evaluation of lithium resources in the James Bay region of Quebec; Canada.

Review of operations

James Bay Minerals (ASX: **JBY**) ("**James Bay Minerals**" or "**the Company**") is pleased to provide a review of operations for the half year ended 31 December 2023.

Following successful admission to the ASX on 8 September 2023, the Company undertook an initial eight-week exploration program at its 100%-owned La Grande Project, located in the James Bay Province of Quebec, Canada.

The initial program focused on aerial surveys along with understanding walk-up drill targets identified at the Aero Property. Data generated from this programme has provided the Company with a considerable volume of key geological and topographical data, which will underpin planning for exploration works in 2024.

Key data – particularly LiDAR, high-resolution aerial photography and high-resolution heliborne magnetic & spectrometric surveys – resulted in the generation of more than 250 high-priority targets across the La Grande Project.

Joule Property – La Grande Project

The Joule Property is James Bay Minerals' flagship asset, covering an area of 16,385 hectares along the Robert-Bourassa reservoir. Joule has a ~24km deformation zone running east to west through the Property, with deformation widths of up to 1.5km in the north-eastern part of the property.

Activities and data generated during the half year were as follows:

1. LiDAR and high-resolution photography¹: High-priority targets have been identified as shown in Figure 2 below, with a select number of these targets displayed within high-resolution images, as shown in Figures 3 to 5 below.
2. Aeromagnetic and spectromagnetic surveys flown with key data deliverables received. Analysis of data is ongoing with the key focus on overlaying LiDAR targets generated with magnetic lows to rank targets in order of priority.
3. Short reconnaissance helicopter mapping program undertaken.
4. Small exploration camp established for 2024 field prospecting and mapping campaigns.
5. Additional 115 claims staked for an additional area of 5,800 hectares (58km²).

LiDAR was utilised to measure and map out the variations in slope, aspect and elevation to study landforms. Variations in slope and elevation identified and confirmed high-priority areas which sit proud of other structures, as these are some of the key geological features expected locally of LCT pegmatites.

¹ See JBY Announcement dated 6 February 2024 – "Multiple High-Priority Targets Identified at La Grande Project"

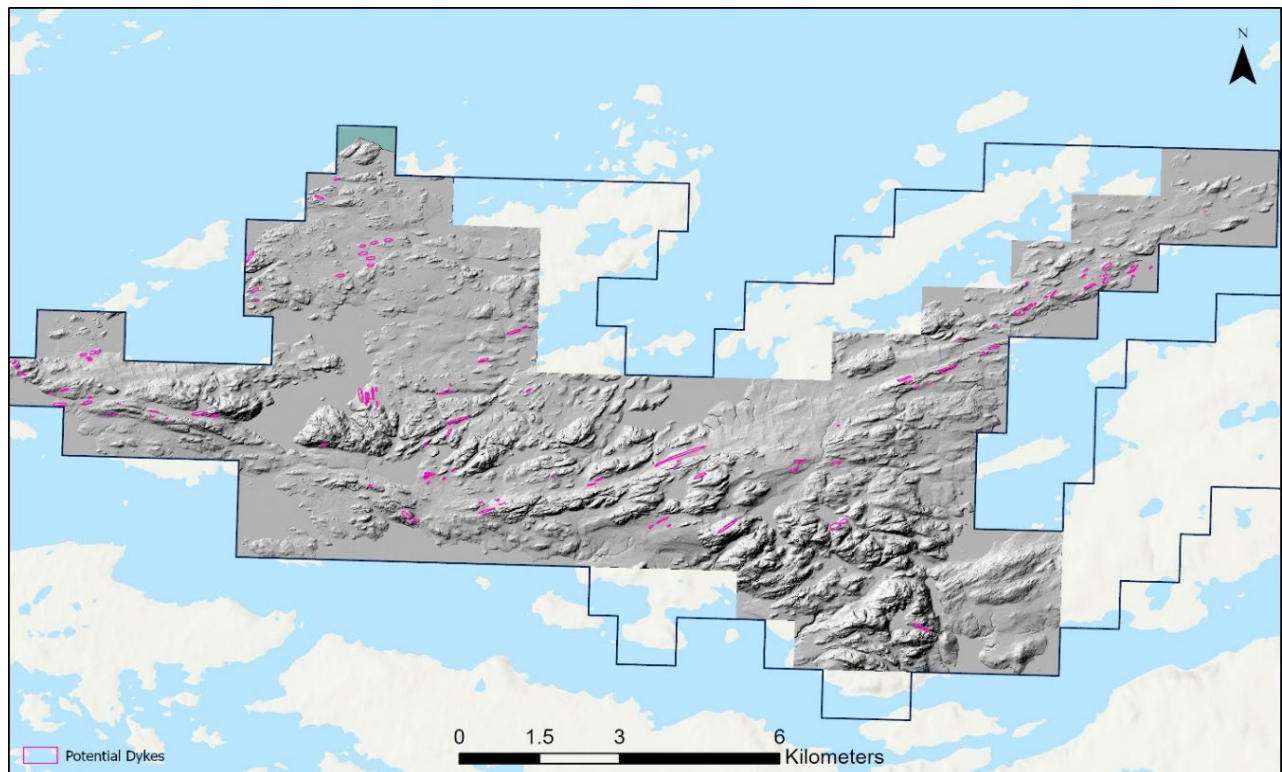


Figure 1 – High-priority LCT pegmatite targets/dykes identified across the Joule Property as defined in pink.

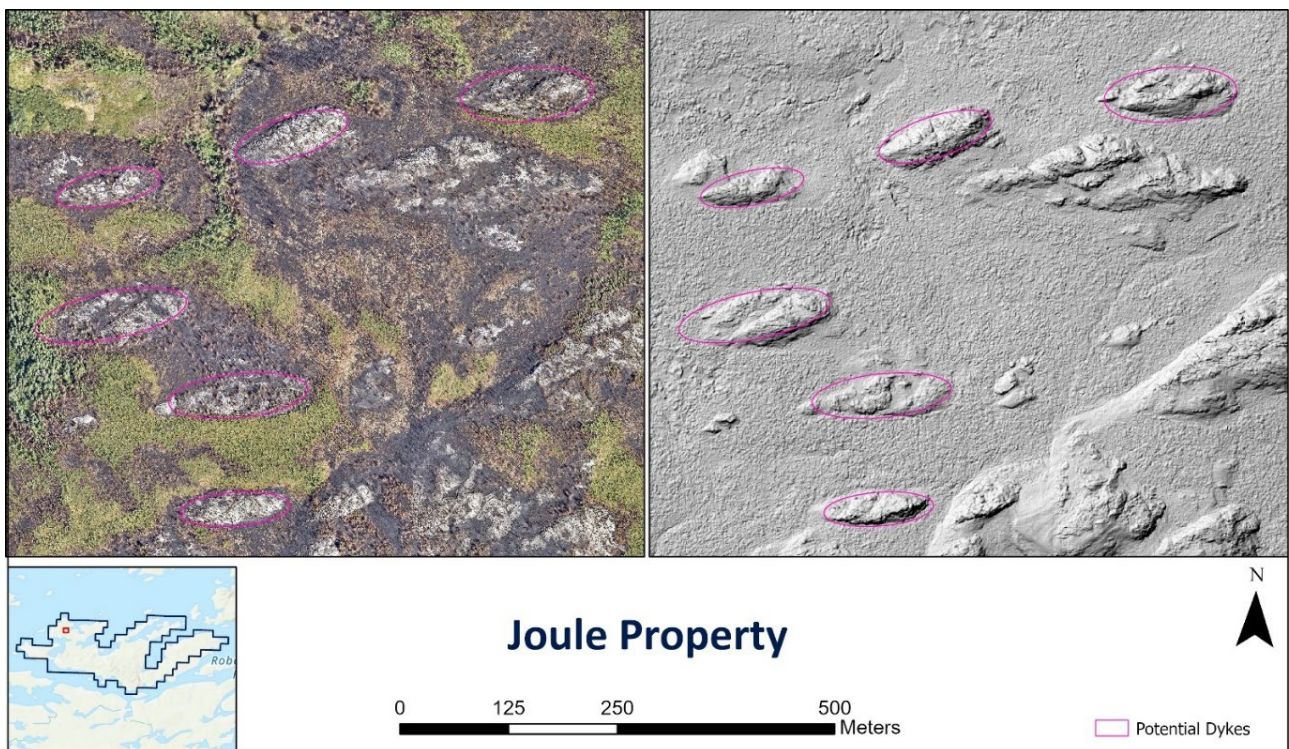


Figure 2 – Cluster of outcropping pegmatites identified for follow-up field work within the Joule Property.

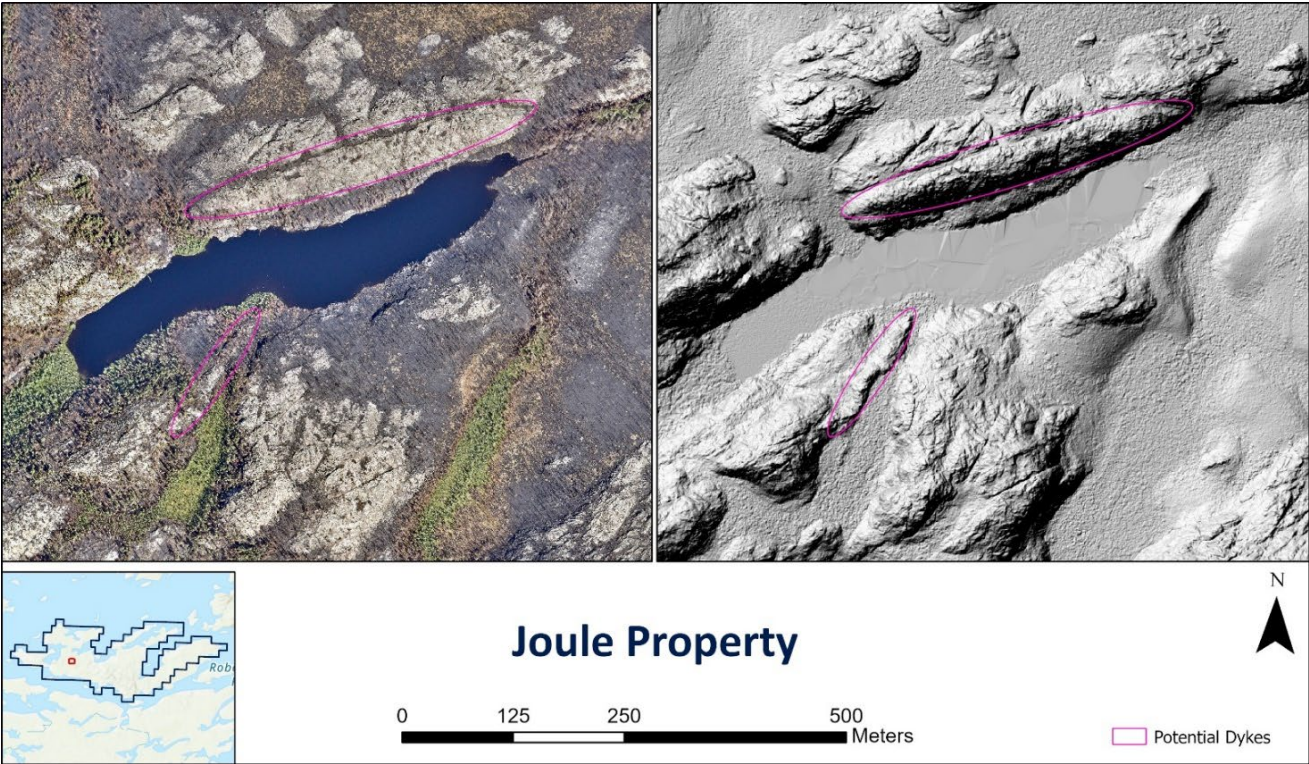


Figure 3 – High-priority LCT pegmatite targets identified within the western section of the Joule Property.

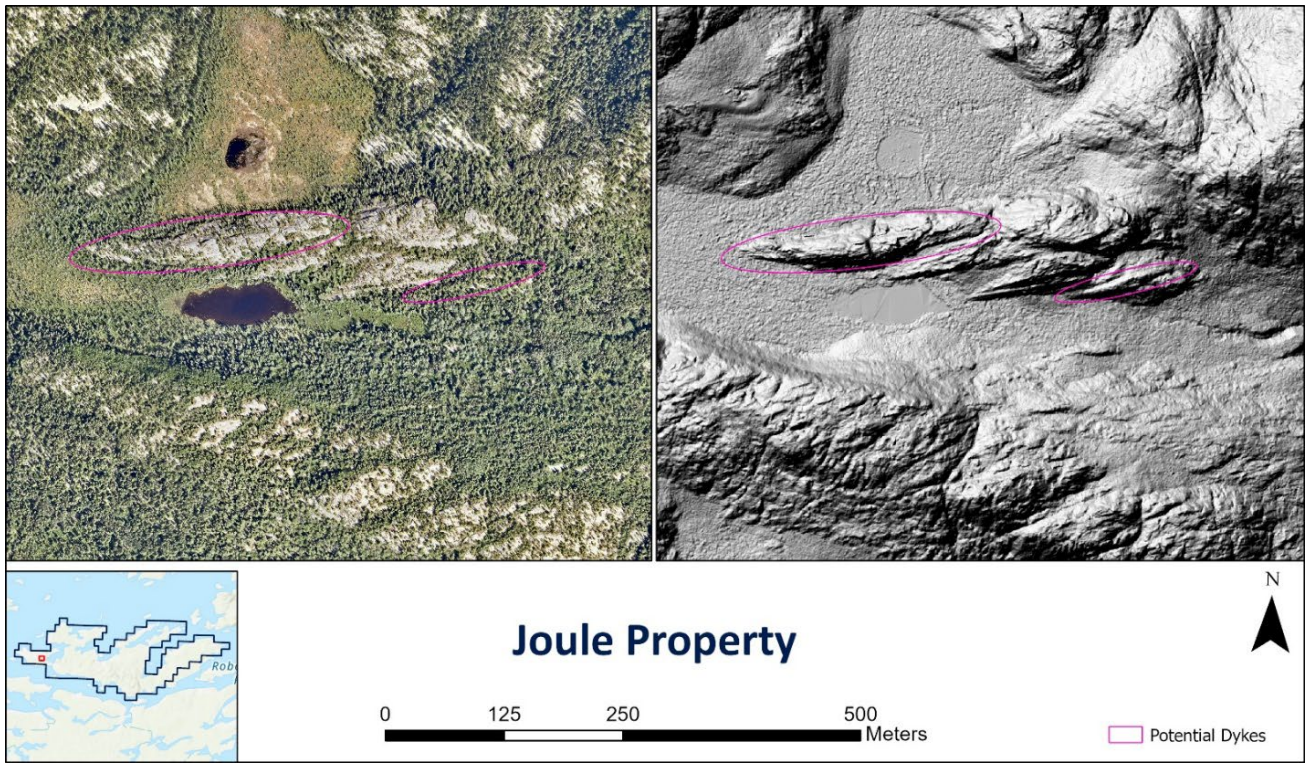


Figure 4 – High-priority LCT pegmatite targets within the western section of the Joule Property.

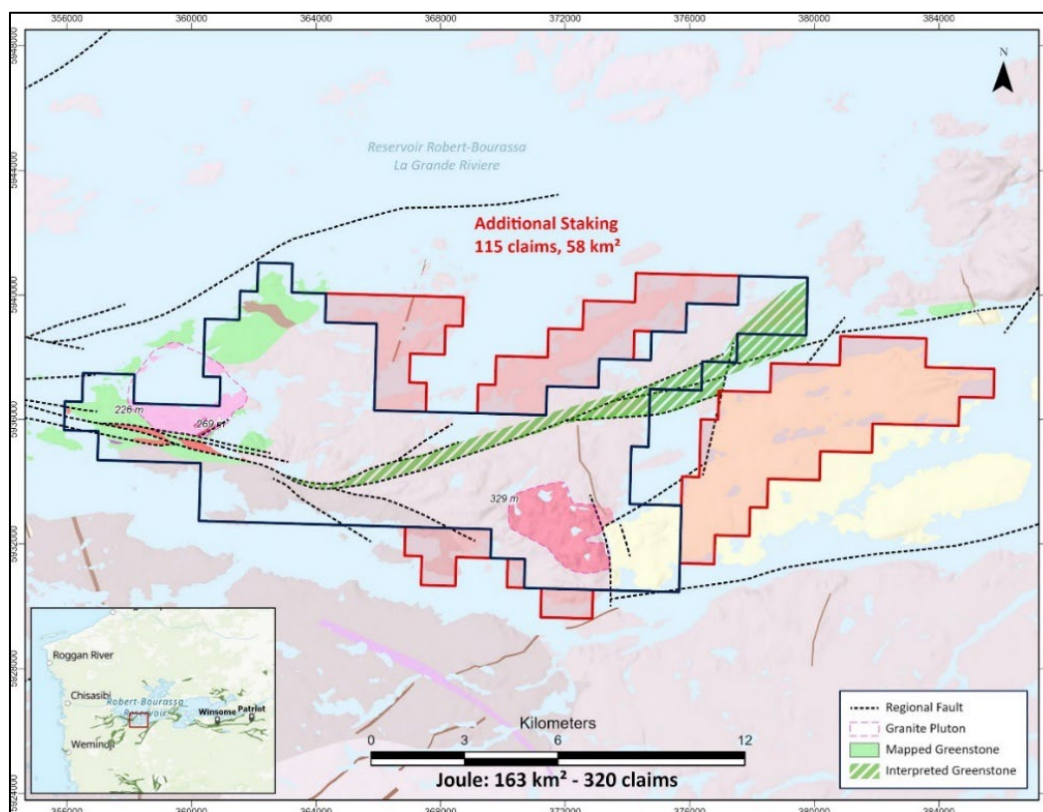


Figure 5 – Original and additional claims across the Joule Property.

Aero Property – La Grande Project

The Aero Property consists of 101 continuous claims covering an area of 4,980 hectares. The property consists of ~13km of east to west deformation zones. Regional faults transverse the property from east to west which hosts the La Grande Greenstones.

Due to short period of time available and the extent of walk-up targets, the Company's maiden field program focused on the Aero property.

Activities and data generated during the half year were as follows:

1. LiDAR and high-resolution photography.
2. Aeromagnetic and spectromagnetic surveys flown with key data deliverables received.
3. Field mapping and detailed prospecting across the property uncovered two fields of fractionated pegmatites^{2,3}.
4. Rock chip and channel sampling undertaken, and samples assayed.
5. Additional 12 claims staked for an additional area of 610 hectares (6.1km²)

Extensive rock grab samples, channel samples, hand-held XRF and LIBs testing was completed across the south-eastern portion of the Aero Property. Encouraging results were received within the eastern portion of the first pegmatite field⁴, as detailed in Figures 6 to 10 below.

Anomalous lithium readings were obtained from the Warhawk pegmatite, within close proximity to the location where visual spodumene had previously been identified⁵.

The Company was encouraged by the presence of a number of outstanding Potassium and Rubidium ratios (K/Rb) within the same area from portable XRF readings. The K/Rb ratio is a useful tool for exploration by portable XRF which cannot detect elemental lithium. It is an indicator for fractionation of the pegmatite with the lower the ratio, the more fractionated the pegmatite.

Highly fractionated pegmatites have a higher chance of lithium mineralisation and LCT pegmatites are often associated with K/Rb ratios in the 20-30 range. Calibration of LIBs readings and XRF fractionation ratios compared to laboratory rock assay results is ongoing to refine the accuracy of these field tools.

These results have narrowed the Company's focus to the Warhawk pegmatite and the area to north of this zone.

² See JBY Announcement dated 5 October 2023 – "Extensive field of fractionated pegmatite dykes discovered over 3km in length at the Aero Property"

³ See JBY Announcement dated 2 November 2023 – "Second field of fractionated pegmatite dykes discovered at the Aero Property"

⁴ See JBY Announcement dated 6 February 2024 – "Multiple High-Priority Targets Identified at La Grande Project"

⁵ See JBY Announcement dated 31 October 2023 – "Spodumene discovered at Aero Property"

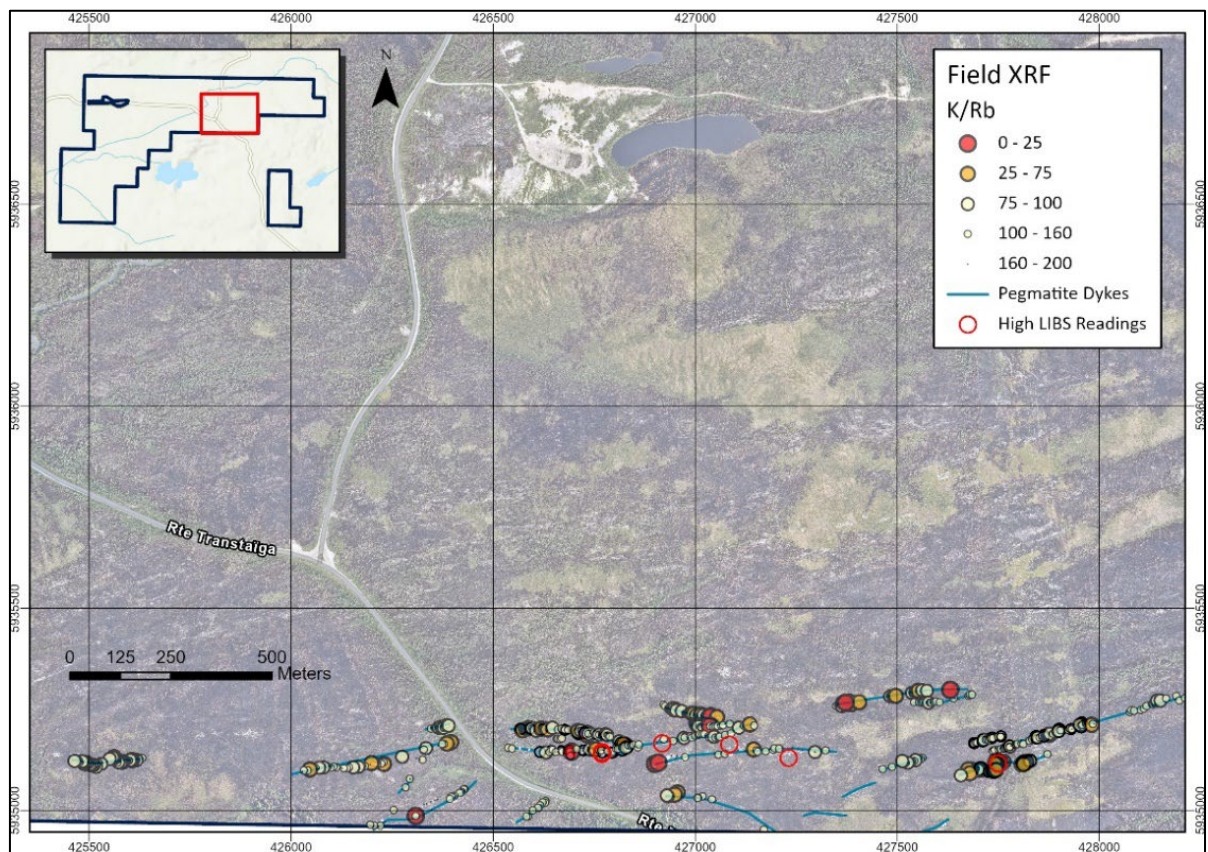


Figure 6 – Rubidium and potassium ratios, XRF readings first pegmatite field.

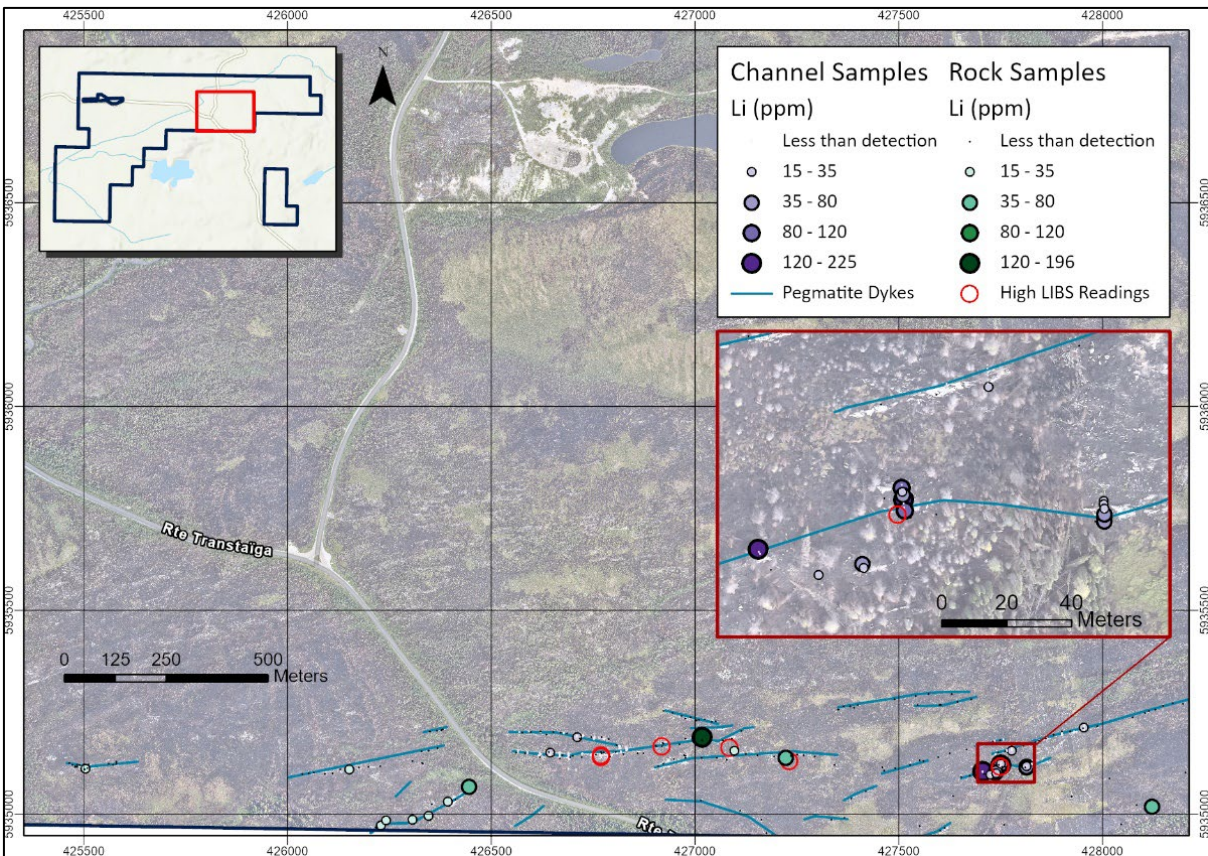


Figure 7 – Channel and rock samples Li readings first pegmatite field.

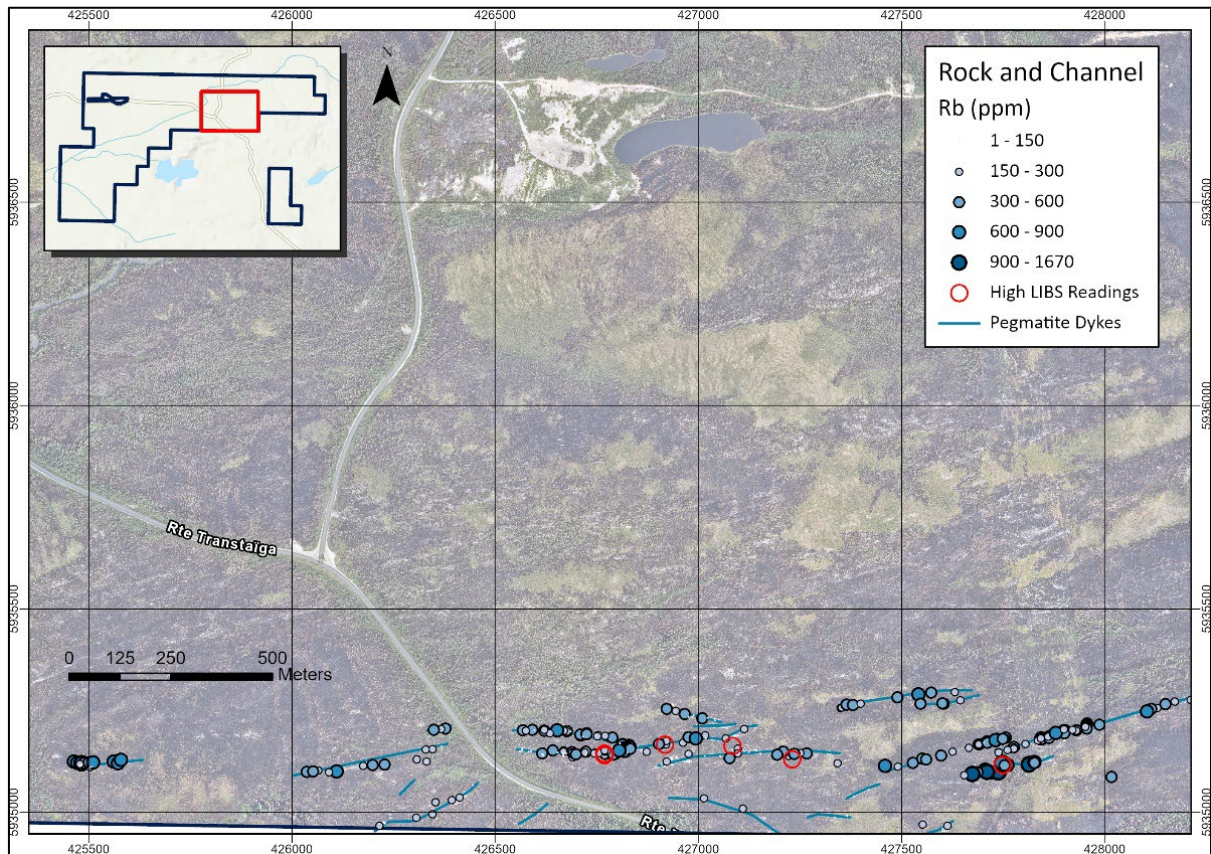


Figure 8 – Channel and rock samples Rb readings first pegmatite field.

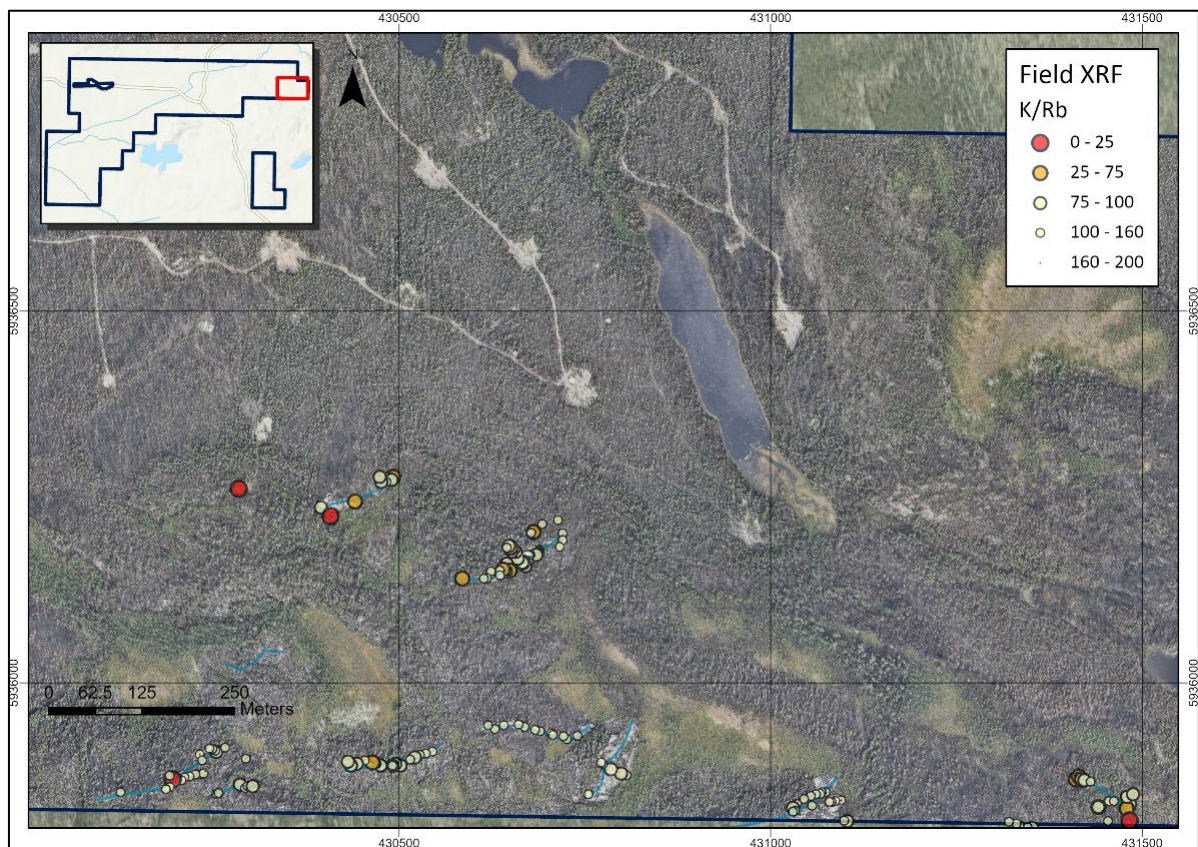


Figure 9 – Rubidium and potassium ratios, XRF readings second pegmatite field.

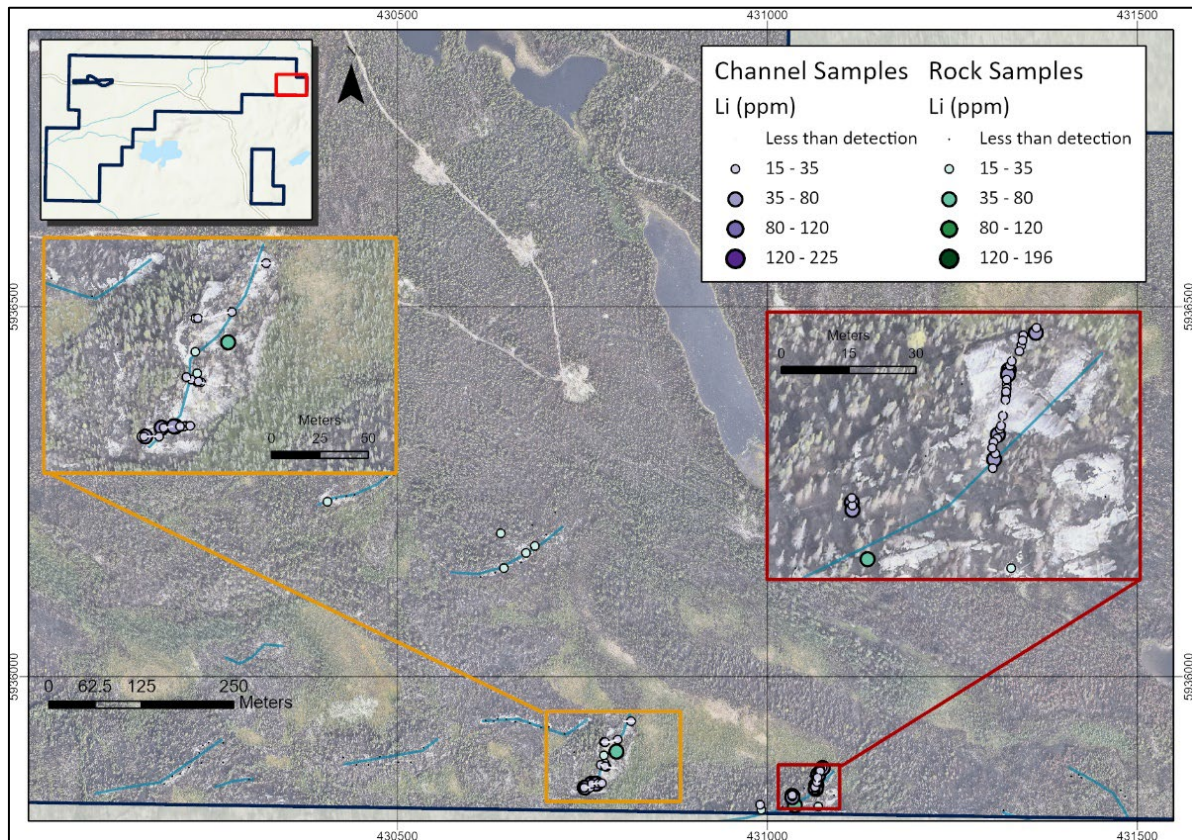


Figure 10 – Channel and rock samples Li readings second pegmatite field.

Results from aerial surveys and sampling have been critical in identifying further unexplored areas of interest to the north-east of the first field of identified pegmatites⁶.

These new areas of interest display several key characteristics which have defined them as high priority follow up targets for the Aero property. These are further detailed below:

1. Proximity to granite intrusion which sits to the south of the Aero Property. Sampling is indicating that the prospectivity is increasing as you move further to the northeast.
2. Variations in slope and elevation identified utilising LiDAR which was not visually obvious to the eye.
3. Targets sit within a magnetic low identified as part of the aerial surveys completed. Magnetic lows are common signatures for pegmatites and have been interpreted as high priority targets for LCT Pegmatites at Aero.

Targets generated from LiDAR are outlined within Figures 11 to 15 below:

⁶ See JBY Announcement dated 6 February 2024 – “Multiple High-Priority Targets Identified at La Grande Project”

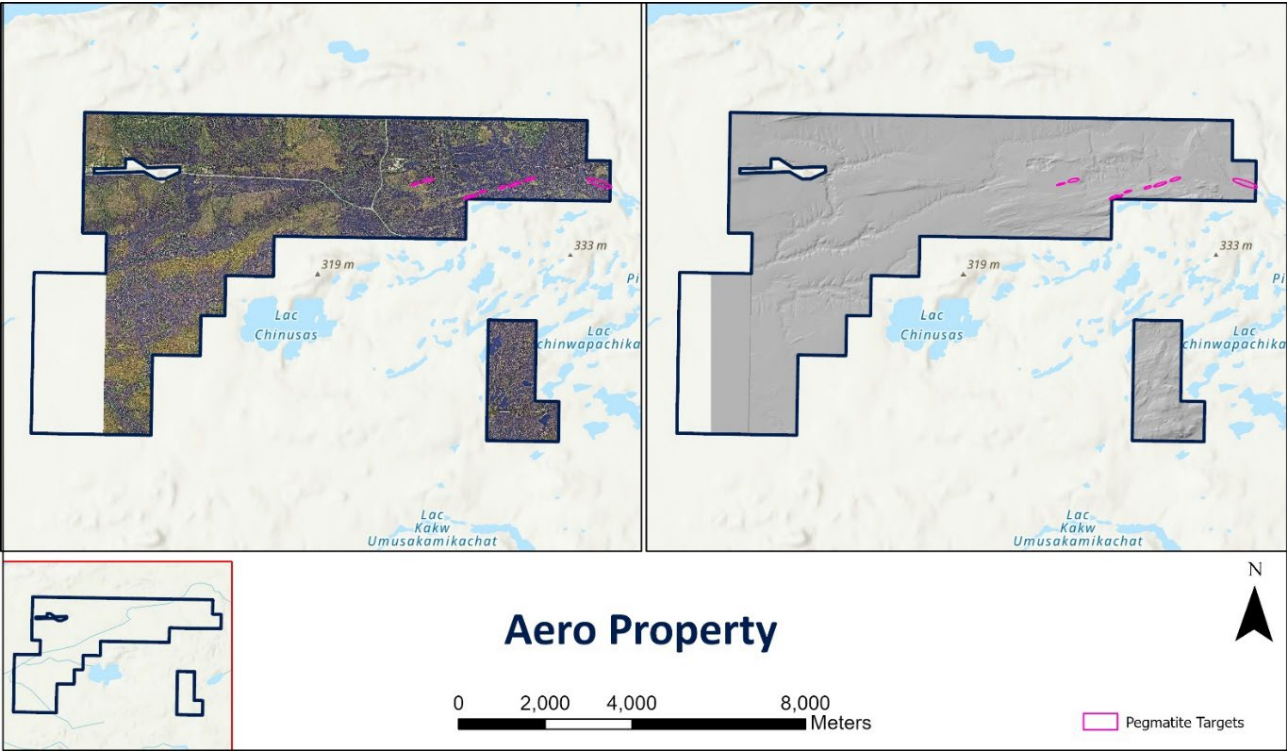


Figure 11 – High-priority follow-up targets within the eastern section of the Aero Property.

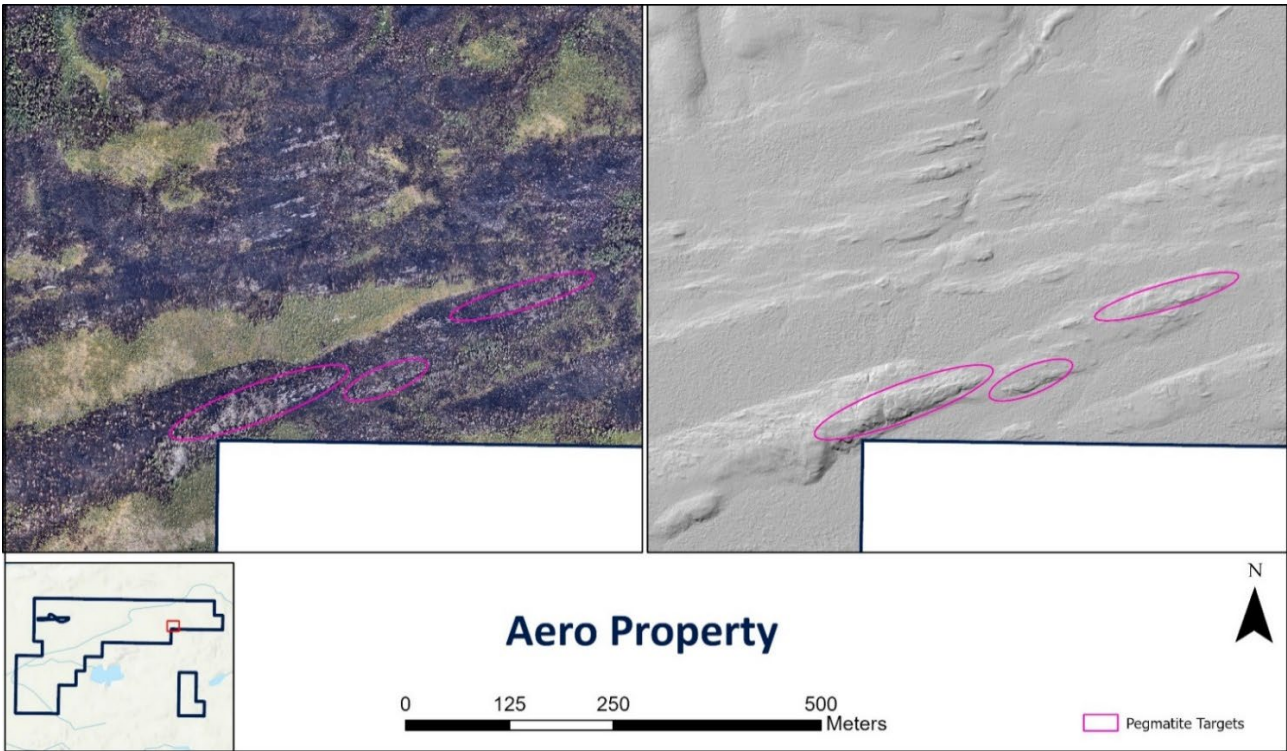


Figure 12 – High-priority follow-up targets within the eastern section of the Aero Property.

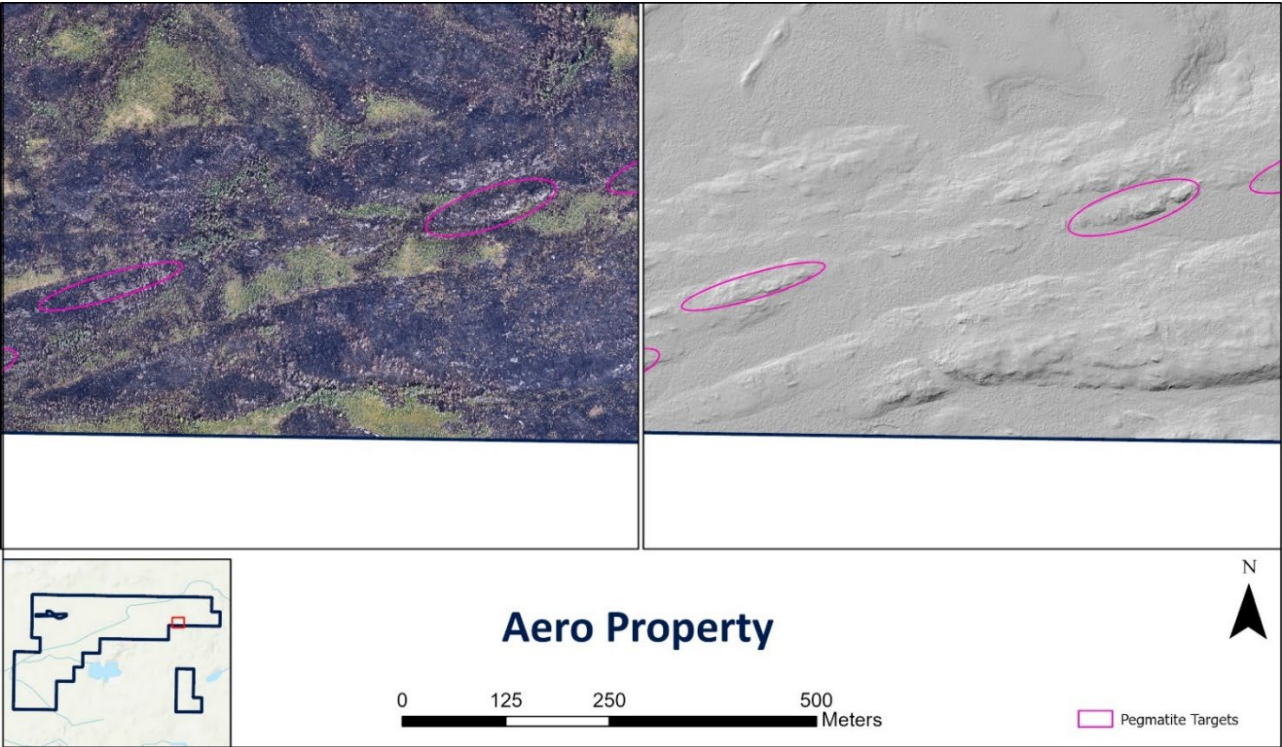


Figure 13 – High-priority follow-up targets within the eastern section of the Aero Property.

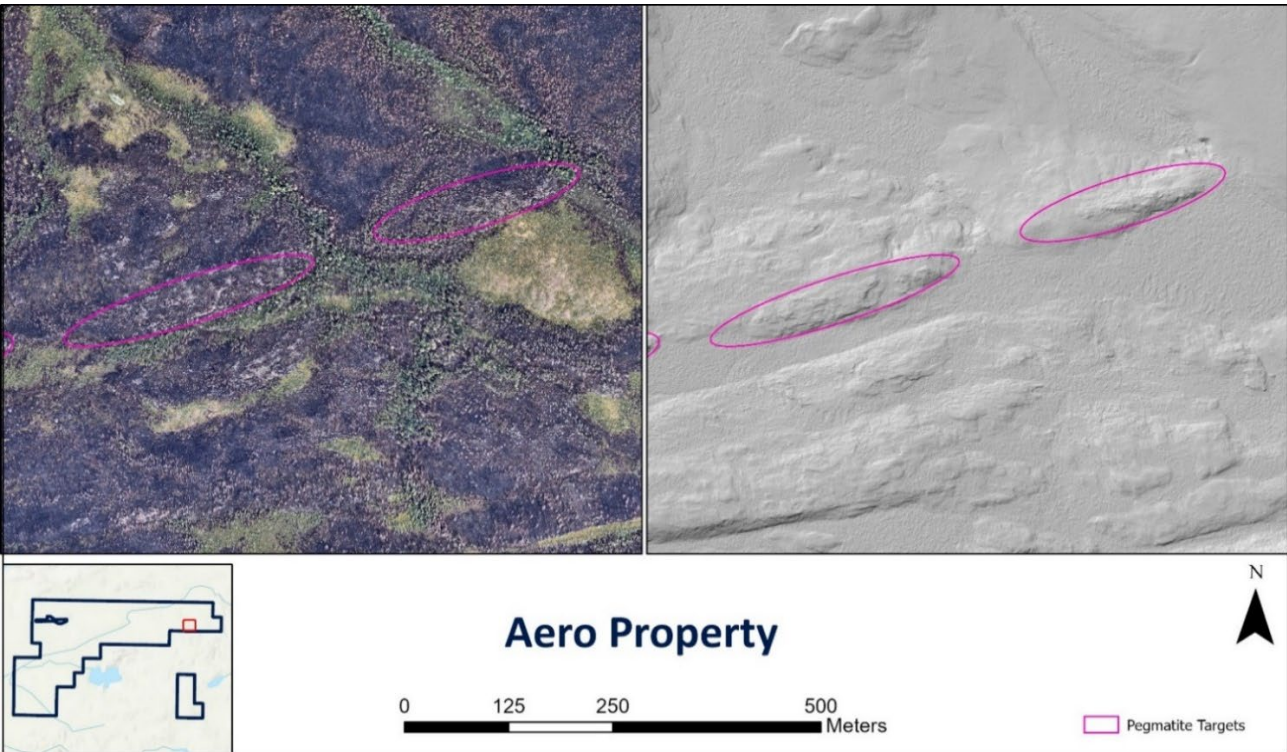


Figure 14 – High-priority follow-up targets within the eastern section of the Aero Property.

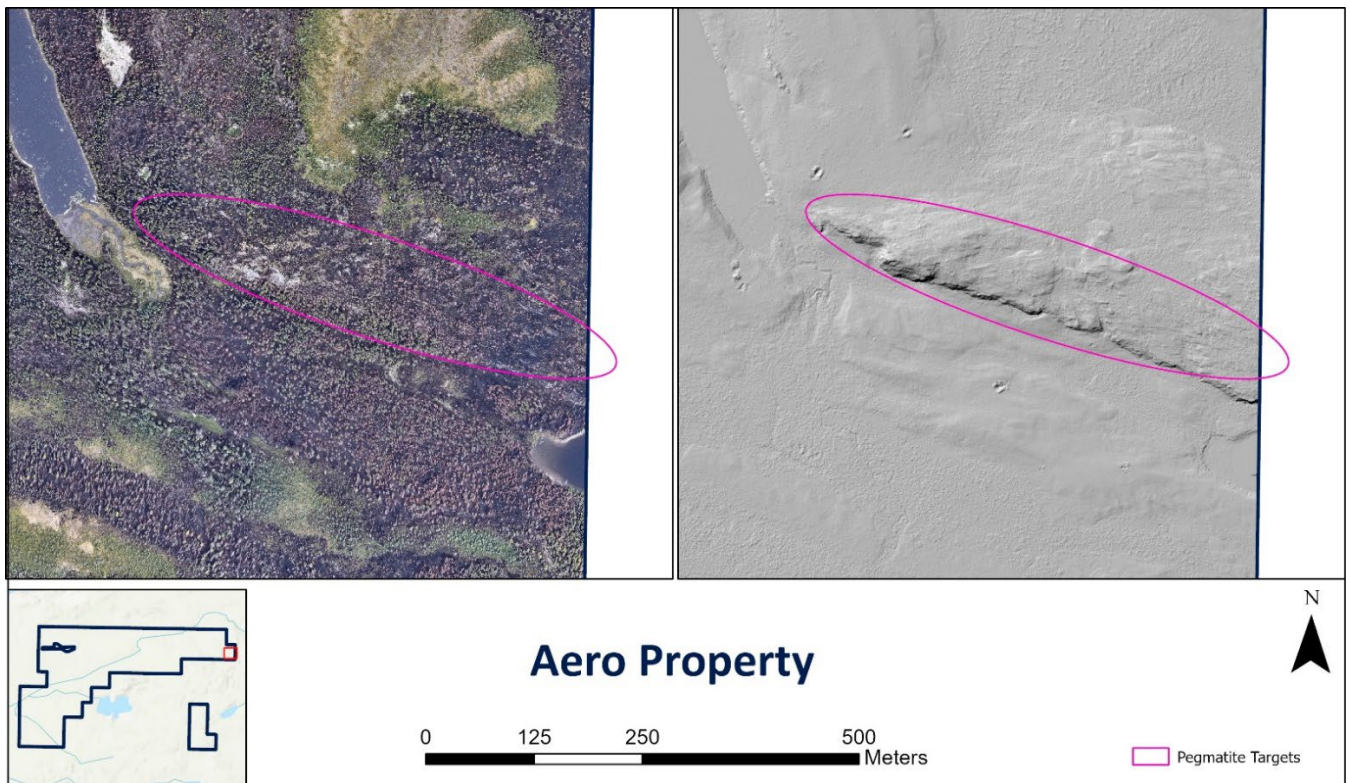


Figure 15 – High-priority follow-up targets within the eastern section of the Aero Property.

Once LiDAR targets were generated, preliminary aeromagnetic survey data was overlayed across the high- priority targets with a key focus on areas within magnetic lows. Three key areas were identified for follow-up as shown in Figure 16 below.

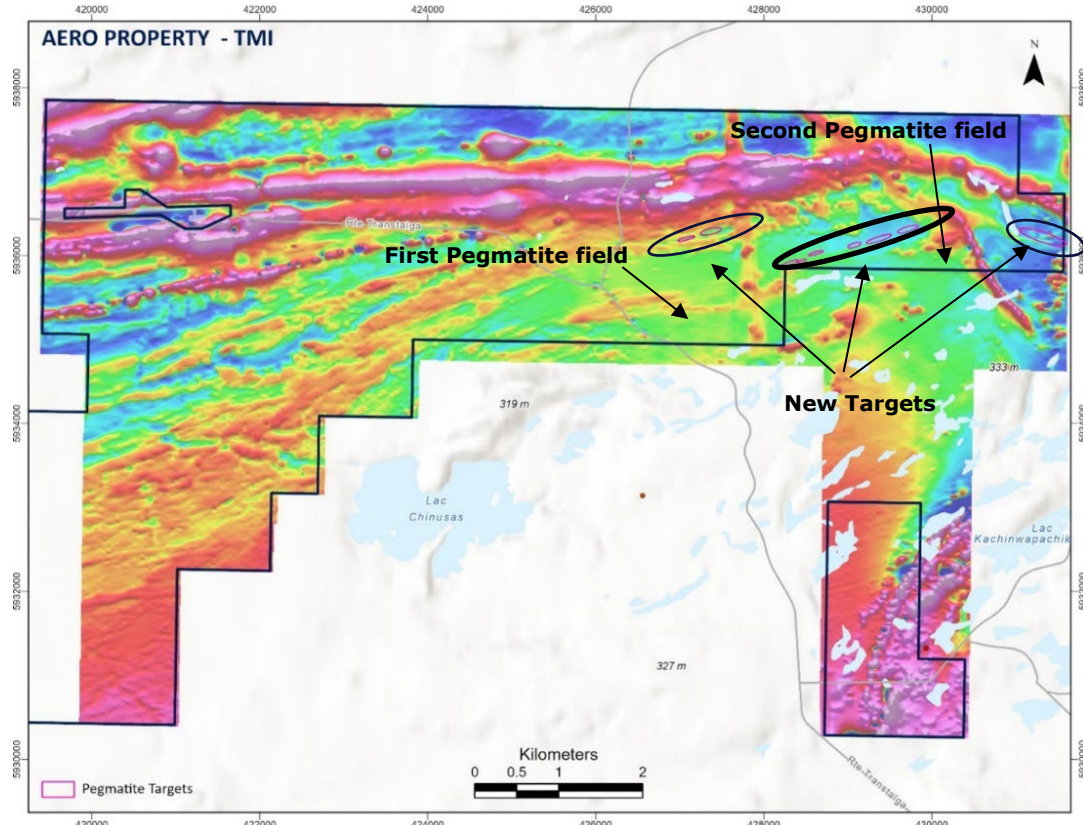


Figure 16 – Key LiDAR targets overlayed with preliminary magnetic survey focusing within magnetic low.

Aqua Property – La Grande Project

The Aqua Property consists of 172 continuous claims covering an area of 8,803 hectares recently increased by 109 claims and 56km². Regional faults transverse the property from east to west which hosts the La Grande Greenstones.

Activities and data generated during the half year were as follows:

1. LiDAR and high-resolution photography. High-priority LCT Pegmatite targets identified as shown in Figure 17 below⁷.
2. Aeromagnetic and spectromagnetic surveys flown with key data deliverables received.
3. Short reconnaissance helicopter mapping program undertaken.
4. Additional 109 claims staked for an additional area of 5,578 hectares (56km²).

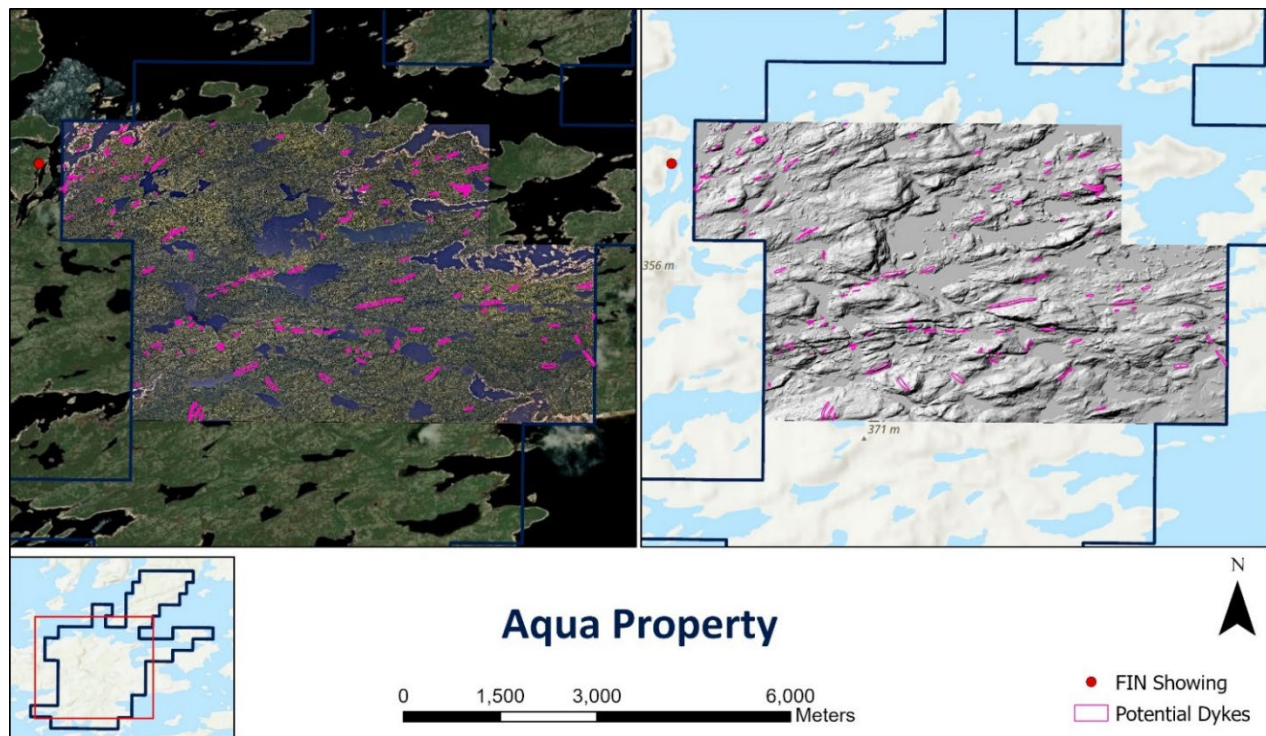


Figure 17 – High-priority LCT pegmatite targets across the Aqua Property.

⁷ See James Bay Minerals Announcement dated 04 December 2023: "New LCT Pegmatite targets identified at Aqua Property"

In conjunction with its exploration partner, Breakaway Exploration, the Company is in the process of planning a targeted field program for the Aqua Property. Activities are expected to include field mapping, rock chip and channel sampling for analysis.

Based on the work completed during the half year, the Company has a clearer understanding of the Aero Property and continues to develop the geological understanding at the prospect and its potential to host lithium pegmatites.

The Company is now focussed on using the highly valuable data set generated from aerial surveys to further understand the Joule and Aqua properties and the targets generated from the analysis carried out on these results.

Troilus Project (Quebec, Canada)

The Troilus Property consists of 81 continuous claims (covering approximately 4,405 hectares) located in the Lac Assinica section of the region of James Bay, approximately 105 km northwest of Chibougamau in the province of Quebec, Canada.

Exploration activity undertaken at the Troilus Project during the half year included desktop studies reviewing data generated from aerial LiDAR surveys.

Corporate

The Company commenced trading on the Australian Securities Exchange (ASX) on 12 of September 2023 following the completion of a heavily oversubscribed Initial Public Offering (IPO) that raised \$6 million through the issue of 30,000,000 shares at an issue price of \$0.20 per share.

During the half year, former Latin Resources (ASX: LRS) exploration geologist, Brodie Box, joined James Bay Minerals as Technical Advisor and Competent Person. Brodie played a key role in the identification of Latin Resources (ASX: LRS) Salinas Lithium Project. The Salinas Lithium Project now hosts the Colina Lithium Deposit, which has an indicated and inferred resource of 45.2Mt @ 1.34% Li₂O.

The loss for the consolidated entity after providing for income tax amounted to \$4,091,598 (31 December 2022: \$10,176).

Significant changes in the state of affairs

On 7 July 2023, the Company issued 500,000 shares to Gerard O'Donovan under his letter of appointment.

On 4 September 2023, the company closed the Offers under the Prospectus and completed the issue of:

- (a) 30,000,000 Shares under the Public Offer at an issue price \$0.20 per Share; and
- (b) 9,000,000 Consideration Shares and 5,000,000 Performance Rights to the vendors.

Each Performance Right will convert to one ordinary share in the Company during the performance period subject to the satisfaction of the following conditions:

- Rights are subject to the Company achieving a drill intercept of 20m or greater of at least 1% Li₂O within 5 years from the date of JBY's admission to the official list of ASX. The Rights will each vest upon the Company successfully announcing the drill intercept on the ASX Market Announcements Platform. Rights will only vest in relation to the first drill intercept on any of the Troilus, Aero-Aqua and Joule properties respectively, and shall not apply to subsequent drill intercepts or if multiple drill intercepts are achieved across more than one property.

These non-market based vesting performance hurdles apply to 100% of the Performance Rights.

The company confirmed exercise of the Project Option, satisfaction of conditions precedent, not waived, and completion of the Acquisition Agreement between the Company, 1404100 B.C. Ltd. (a wholly owned subsidiary of the Company) and the Vendors dated on or about 20 March 2023 and subsequent deeds of variation dated 12 May 2023 and 20 August 2023.

On 8 September 2023, the company was admitted to the official list of ASX.

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

Matters subsequent to the end of the financial half-year

On 1 March 2024 the Company announced that it has issued 3,000,000 performance rights to director, Andrew Dornan under the employee incentive plan subject to the following vesting conditions:

- Tranche 1 - 750,000 performance rights - 12 months continuous service as a Director from date of listing.
- Tranche 2 - 750,000 performance rights - 24 months continuous service as a Director from date of listing.
- Tranche 3 - 750,000 performance rights - The Company completing a maiden drill program of not less than 2,000 meters on any of its properties.
- Tranche 4 - 750,000 performance rights - The Company announcing a drill intercept of at least 20 meters with a grade of not less than 1 % Li₂O on any of its properties.

No other matter or circumstance has arisen since 31 December 2023 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Auditor's independence declaration

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

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

On behalf of the directors



Andrew Dornan
Director

12 March 2024

Forward-looking statements

This report may contain certain forward-looking statements, guidance, forecasts, estimates or projections in relation to future matters (Forward Statements) that involve risks and uncertainties, and which are provided as a general guide only. Forward Statements can generally be identified by the use of forward-looking words such as "anticipate", "estimate", "will", "should", "could", "may", "expects", "plans", "forecast", "target" or similar expressions and include, but are not limited to, indications of, or guidance or outlook on, future earnings or financial position or performance of the Company. The Company can give no assurance that these expectations will prove to be correct. You are cautioned not to place undue reliance on any forward-looking statements. None of the Company, its directors, employees, agents or advisers represent or warrant that such Forward Statements will be achieved or prove to be correct or gives any warranty, express or implied, as to the accuracy, completeness, likelihood of achievement or reasonableness of any Forward Statement contained in this announcement. Actual results may differ materially from those anticipated in these forward-looking statements due to many important factors, risks and uncertainties. The Company does not undertake any obligation to release publicly any revisions to any "forward-looking statement" to reflect events or circumstances after the date of this announcement, except as may be required under applicable laws.

Compliance Statement

The information in this report that relates to prior Exploration Results at the La Grande and Troilus Projects is extracted from the Company's Prospectus, dated 19 July 2023, (Prospectus) and the ASX announcements, as referenced (Original Announcements). The Company confirms that it is not aware of any new information or data that materially affects the information contained in the Prospectus and Original Announcements.

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

To the directors of James Bay Minerals Limited

As lead auditor for the review of James Bay Minerals 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 the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- no contraventions of any applicable code of professional conduct in relation to the review.

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



William Buck Audit (Vic) Pty Ltd

ABN 59 116 151 136



J. C. Luckins

Director

Melbourne, 12 March 2024

James Bay Minerals Limited

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General information

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

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

Danpalo Group Pty Ltd
Suite 1, 1 Tully Road
East Perth, WA 6004

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

The financial statements were authorised for issue, in accordance with a resolution of directors, on 12 March 2024.

James Bay Minerals Limited
Statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2023

		Consolidated	
	Note	31 Dec 2023	31 Dec 2022
		\$	\$
Revenue			
Interest income		19,627	-
Expenses			
Depreciation and amortisation expense		(6,418)	-
Exploration and evaluation costs		(3,154,292)	-
Corporate expenses		(627,596)	(10,176)
Investors relations and legal expenses		(88,296)	-
Costs of the IPO		(234,623)	-
Loss before income tax expense		(4,091,598)	(10,176)
Income tax expense		-	-
Loss after income tax expense for the half-year attributable to the owners of James Bay Minerals Limited		(4,091,598)	(10,176)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		(75,620)	-
Other comprehensive income for the half-year, net of tax		(75,620)	-
Total comprehensive loss for the half-year attributable to the owners of James Bay Minerals Limited		(4,167,218)	(10,176)
		Cents	Cents
Basic earnings per share		(9.12)	(1.01)
Diluted earnings per share		(9.12)	(1.01)

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

James Bay Minerals Limited
Statement of financial position
As at 31 December 2023

		Consolidated	
	Note	31 Dec 2023	30 Jun 2023
		\$	\$
Assets			
Current assets			
Cash and cash equivalents		3,064,858	285,736
Receivables	4	53,254	1,440
Total current assets		<u>3,118,112</u>	<u>287,176</u>
Non-current assets			
Property, plant and equipment		79,316	-
Total non-current assets		<u>79,316</u>	<u>-</u>
Total assets		<u>3,197,428</u>	<u>287,176</u>
Liabilities			
Current liabilities			
Trade and other payables	5	68,543	465,479
Total current liabilities		<u>68,543</u>	<u>465,479</u>
Total liabilities		<u>68,543</u>	<u>465,479</u>
Net assets/(liabilities)		<u><u>3,128,885</u></u>	<u><u>(178,303)</u></u>
Equity			
Issued capital	6	7,963,406	489,000
Reserves		(83,210)	(7,590)
Accumulated losses		<u>(4,751,311)</u>	<u>(659,713)</u>
Total equity/(deficiency)		<u><u>3,128,885</u></u>	<u><u>(178,303)</u></u>

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

James Bay Minerals Limited
Statement of changes in equity
For the half-year ended 31 December 2023

Consolidated	Issued capital \$	Foreign currency translation reserve \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2022	10,000	-	(1,200)	8,800
Loss after income tax expense for the half-year	-	-	(10,176)	(10,176)
Other comprehensive income for the half-year, net of tax	-	-	-	-
Total comprehensive income for the half-year	-	-	(11,376)	(11,376)
Balance at 31 December 2022	<u>10,000</u>	<u>-</u>	<u>(11,376)</u>	<u>(1,376)</u>

Consolidated	Issued capital \$	Foreign currency translation reserve \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2023	489,000	(7,590)	(659,713)	(178,303)
Loss after income tax expense for the half-year	-	-	(4,091,598)	(4,091,598)
Other comprehensive income for the half-year, net of tax	-	(75,620)	-	(75,620)
Total comprehensive income for the half-year	-	(75,620)	(4,091,598)	(4,167,218)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity (note 6)	6,000,000	-	-	6,000,000
Shares issued to Vendors (note 6)	1,800,000	-	-	1,800,000
Shares issued to a director (note 6)	100,000	-	-	100,000
Capital raising costs	(425,594)	-	-	(425,594)
Balance at 31 December 2023	<u>7,963,406</u>	<u>(83,210)</u>	<u>(4,751,311)</u>	<u>3,128,885</u>

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

James Bay Minerals Limited
Statement of cash flows
For the half-year ended 31 December 2023

		Consolidated	
	Note	31 Dec 2023	31 Dec 2022
		\$	\$
Cash flows from operating activities			
Payments for exploration and evaluation costs		(1,527,878)	-
Payments for staff costs		(14,666)	-
Payments for administration and corporate costs		(902,069)	(11,194)
Payments for costs of the IPO		(234,623)	-
Net cash used in operating activities		(2,679,236)	(11,194)
Cash flows from investing activities			
Payments for property, plant and equipment		(85,734)	-
Net cash used in investing activities		(85,734)	-
Cash flows from financing activities			
Proceeds from issue of shares	6	6,000,000	-
Proceeds from loans from related parties			10,000
Share issue transaction costs		(455,908)	-
Net cash from financing activities		5,544,092	10,000
Net increase/(decrease) in cash and cash equivalents		2,779,122	(1,194)
Cash and cash equivalents at the beginning of the financial half-year		285,736	8,680
Cash and cash equivalents at the end of the financial half-year		<u>3,064,858</u>	<u>7,486</u>

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

Note 1. Material accounting policy information

These general purpose financial statements for the interim half-year reporting period ended 31 December 2023 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001 and the annual report for the year ended 30 June 2023.

The principal accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

Revenue recognition

The consolidated entity recognises revenue as follows:

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Property, plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Buildings	40 years
Leasehold improvements	3-10 years
Plant and equipment	3-7 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the consolidated entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

In addition to the accounting estimates and judgments set out in the 30 June 2023 financial statements, the following accounting estimates and judgments arose that the directors deem materially impacted these financial statements for the half year ended 31 December 2023:

Apportionment of IPO costs between equity and the profit or loss

Costs directly attributable to the issue of new equity are considered by directors to also form part of the net cost of that equity. The IPO transaction involved costs both associated with the issue of new equity and with the quotation of existing equity. The directors evaluated those costs and have apportioned those costs, as appropriate to either equity or are charged directly to the profit or loss.

Assessment of the non-market performance condition of the issue of performance rights to vendors upon IPO

As part of the IPO, vendors of the 437 claims were granted and issued 5,000,000 performance rights. These performance rights are exercisable within a 5 year period from the IPO in the event that the vesting condition is achieved. The performance rights were valued at 16.5 cents per right, which was valued according to a Binomial Options Valuation model, that considers the following key inputs: a share price of 20 cents per share at IPO, a nil exercise price and an expected dividend yield of nil.

Note 3. Operating segments

The chief operating decision makers, being the Company's directors, consider that the Company operates in one reportable segment being the exploration and evaluation of lithium resources in the James Bay region of Quebec; Canada.

Note 4. Receivables

Trade and other receivables

	Consolidated	
	31 Dec 2023	30 Jun 2023
	\$	\$
Interest receivable	19,627	-
BAS receivable	33,627	1,440
	<u>53,254</u>	<u>1,440</u>

Note 5. Trade and other payables

	Consolidated	
	31 Dec 2023	30 Jun 2023
	\$	\$
Trade payables	16,823	154,279
Accrued expenses	37,053	76,200
Accrued director fees	14,667	235,000
	<u>68,543</u>	<u>465,479</u>

James Bay Minerals Limited
Notes to the financial statements
31 December 2023

Note 6. Issued capital

	Consolidated			
	31 Dec 2023	30 Jun 2023	31 Dec 2023	30 Jun 2023
	Shares	Shares	\$	\$
Ordinary shares - fully paid	<u>60,500,000</u>	<u>21,000,000</u>	<u>7,963,406</u>	<u>489,000</u>

Movements in ordinary share capital

Details	Date	Shares	Issue price	\$
Balance	1 July 2023	21,000,000		489,000
Issue of shares to director, Gerard O'Donovan	7 July 2023	500,000	\$0.20	100,000
Issue shares to vendors upon IPO	4 September 2023	9,000,000	\$0.20	1,800,000
Issue of shares at IPO	4 September 2023	30,000,000	\$0.20	6,000,000
Capital raising costs		-	\$0.00	(425,594)
Balance	31 December 2023	<u>60,500,000</u>		<u>7,963,406</u>

Movements in ordinary share capital - prior year

Details	Date	Shares	Issue price	\$
As at incorporation	1 June 2022	1,000,000	\$0.01	10,000
Grant and issue of founder shares	3 March 2023	16,800,000	\$0.01	168,000
Issue of shares	21 April 2023	100,000	\$0.01	1,000
Issue of shares	18 May 2023	3,100,000	\$0.10	310,000
Balance	30 Jun 2023	<u>21,000,000</u>		<u>489,000</u>

Note 7. Contingent liabilities

During the current financial period the Canadian subsidiary, 1404100 B.C. Ltd, exercised Project Options on receipt of the Conditional Admission Letter. On the exercise of the Project Options, the Company granted to the vendors a 3% net smelter royalty on minerals extracted from the projects (royalty).

Note 8. Commitments

The Company completed the acquisitions of the following assets at admission to ASX:

- 100% interest in the LaGrande Project located in Quebec, Canada. LaGrande Project has three key prospects; (Joule, Aqua, Aero).
- 100% interest in the Troilus Project located in Quebec, Canada.

These projects will require work over a 3-year period.

- Joule has 320 number of claims with \$43,200 required work and \$54,400 required fees;
- Aqua has 172 number of claims with \$23,220 required work and \$29,240 required fees;
- Aero has 101 number of claims with \$13,257 required work and \$16,552 required fees;
- Troilus has 81 number of claims with \$97,200 required work and \$5,933 required fees.

Note 8. Commitments (continued)

	Consolidated	
	31 Dec 2023	30 Jun 2023
	\$	\$
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	94,334	-
One to five years	188,668	-
	<u>283,002</u>	<u>-</u>

Note 9. Events after the reporting period

On 1 March 2024 the Company announced that it has issued 3,000,000 performance rights to director, Andrew Dornan under the employee incentive plan subject to the following vesting conditions:

- Tranche 1 - 750,000 performance rights - 12 months continuous service as a Director from date of listing.
- Tranche 2 - 750,000 performance rights - 24 months continuous service as a Director from date of listing.
- Tranche 3 - 750,000 performance rights - The Company completing a maiden drill program of not less than 2,000 meters on any of its properties.
- Tranche 4 - 750,000 performance rights - The Company announcing a drill intercept of at least 20 meters with a grade of not less than 1 % Li₂O on any of its properties.

No other matter or circumstance has arisen since 31 December 2023 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

James Bay Minerals Limited
Directors' declaration
31 December 2023

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2023 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

On behalf of the directors



Andrew Dornan
Director

12 March 2024

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

Report on the half-year financial report



Our conclusion

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 James Bay Minerals Limited (the Company), and its controlled entities (together, the Group) does not comply with the Corporations Act 2001, including:

- giving a true and fair view of the Group's financial position as at 31 December 2023 and of its financial performance for the half-year then ended; and
- complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

What was reviewed?

We have reviewed the accompanying half-year financial report of the Group, which comprises:

- the consolidated statement of financial position as at 31 December 2023,
- the consolidated statement of profit or loss and other comprehensive income for the half-year then ended,
- the consolidated statement of changes in equity for the half-year then ended,
- the consolidated statement of cash flows for the half-year then ended,
- notes to the financial statements, including a summary of material accounting policy information, and
- the directors' declaration.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's responsibilities for the review of the financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Responsibilities 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.

Auditor's responsibilities 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.



William Buck Audit (Vic) Pty Ltd

ABN 59 116 151 136



J. C. Luckins

Director

Melbourne, 12 March 2024