



**VENUS METALS**  
CORPORATION LIMITED

ABN 99 123 250 582

**HALF-YEAR FINANCIAL REPORT**  
FOR THE HALF-YEAR ENDED  
31 DECEMBER 2023

## CORPORATE DIRECTORY

### DIRECTORS

**Peter Charles Hawkins**  
*Non-Executive Chairman*

**Matthew Vernon Hogan**  
*Managing Director*

**Barry Fehlberg**  
*Non-Executive Director*

**Selvakumar Arunachalam**  
*Executive Director*

### COMPANY SECRETARY

**Patrick Tan**

### REGISTERED OFFICE & PRINCIPAL PLACE OF BUSINESS

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### SOLICITORS

**Gilbert + Tobin**  
Level 16, Brookfield Place Tower  
2/123 St Georges Terrace  
Perth WA 6000  
AUSTRALIA

### AUDITORS

**Stantons**  
Level 2, 40 Kings Park Road  
West Perth WA 6005  
AUSTRALIA

### SHARE REGISTRY

**Automic Group**  
Level 5, 191 St Georges Terrace  
Perth WA 6000  
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### AUSTRALIAN SECURITIES EXCHANGE

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### ASX CODE: VMC

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## DIRECTORS' REPORT

Your Directors submit their report for the half-year ended 31 December 2023.

### DIRECTORS

The names of Directors in office during the half-year and until the date of this report are as follows.

Directors were in the office for this entire period unless otherwise stated.

Peter Charles Hawkins  
Matthew Vernon Hogan  
Barry Fehlberg  
Selvakumar Arunachalam

### COMPANY SECRETARY

Patrick Tan

### PRINCIPAL ACTIVITIES

The principal activities of the Group during the course of the financial period were the exploration of mineral tenements in Western Australia.

Significant change during this period was the completion of the sale of the Group's 30% interest in Youanmi Gold Project and all the Group's gold interest in their other joint venture covering other regional areas in Youanmi to Rox Resources Limited. For details refer to Review of Operation below.

### OPERATING RESULTS

The profit of the Group for the six months to 31 December 2023 amounted to \$32,386,543 (31 December 2022: loss of \$3,139,567).

### REVIEW OF OPERATIONS

During the period, the Group continued its exploration activities in Western Australia.

On 7 July 2023, Rox Resources Limited ('Rox') acquired the Company's gold interests in each of its Youanmi joint ventures (30% of OYG JV (all minerals), 45% of Youanmi JV and Currans Find JV, and 50% of Venus Metals JV) for consideration of 110 million fully paid ordinary shares in Rox ("Rox shares"). Venus undertook an in-specie distribution of 55 million Rox shares to Venus shareholders on 12 July 2023, while retaining 55 million Rox shares, subject to 12 months voluntary escrow.

### SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There were no other significant changes in the state of affairs of the Group that occurred during the financial period.

### EVENTS SUBSEQUENT TO REPORTING DATE

There has not arisen any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect significantly the operations of the Group, the results of those operations, or the state of affair of the Group, in the future financial years.

### LEAD AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration for the half year ended 31 December 2023 as required under Section 307C of the *Corporations Act 2001* is set out on page 19.

Signed in accordance with a resolution of the Board of Directors.



Matthew Vernon Hogan  
Managing Director  
Perth, Western  
Australia

12 March 2024

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

For the half-year ended 31 December 2023

	Note	6 months to 31 Dec 2023	6 months to 31 Dec 2022
		\$	\$
Revenue	4	21,653	17,973
Profit on sale of fixed assets		450	-
Gain from sale of tenements	5	36,363,794	-
Employee benefit expense		(621,887)	(424,791)
Share based payment	14	(1,425,000)	(527,220)
Exploration expense		(522,485)	(1,861,537)
Depreciation and amortisation expense		(39,845)	(33,513)
Change in market value of shares		(125,000)	(120,833)
Share of loss - associate	10	(961,000)	-
Other expenses		(304,137)	(189,646)
<b>Gain / (Loss) before income tax</b>		<b>32,386,543</b>	<b>(3,139,567)</b>
Income tax		-	-
<b>Gain / (Loss) for the half year</b>		<b>32,386,543</b>	<b>(3,139,567)</b>
Other comprehensive income		-	-
Income tax on other comprehensive income		-	-
<b>Other comprehensive income for the period, net of tax</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive gain / (loss) for the period</b>		<b>32,386,543</b>	<b>(3,139,567)</b>
<b>Net gain / (loss) attributable to:</b>			
Owners of the Company		32,386,543	(3,139,567)
<b>Net gain / (loss) for the period</b>		<b>32,386,543</b>	<b>(3,139,567)</b>
<b>Total comprehensive gain / (loss) attributable to:</b>			
Owners of the Company		32,386,543	(3,139,567)
<b>Total comprehensive gain / (loss) for the period</b>		<b>32,386,543</b>	<b>(3,139,567)</b>
<b>Earnings per share</b>			
Basic gain / (loss) per share		0.172	(0.019)
Diluted gain / (loss) per share		0.172	(0.019)

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

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2023

	Note	31 Dec 2023 \$	30 Jun 2023 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	6	2,154,226	3,501,632
Trade and other receivables	7	176,860	364,724
Financial assets at fair value through profit or loss	9	-	1,575,000
Investment in associate	10	16,689,224	-
Assets held for sale	11	-	2,233,257
Prepayments		216,703	245,073
<b>TOTAL CURRENT ASSETS</b>		<b>19,237,013</b>	<b>7,919,686</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		194,966	197,496
Capitalised acquisition costs	8	120,700	120,700
Intangibles	12	1,040,000	1,040,000
Right-of-use assets		60,494	-
<b>TOTAL NON-CURRENT ASSETS</b>		<b>1,416,160</b>	<b>1,358,196</b>
<b>TOTAL ASSETS</b>		<b>20,653,173</b>	<b>9,277,882</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		366,257	299,728
Employee benefits		123,052	161,739
Lease liability- current		23,107	-
Other current liabilities	13	-	6,697,051
<b>TOTAL CURRENT LIABILITIES</b>		<b>512,416</b>	<b>7,158,518</b>
<b>NON-CURRENT LIABILITIES</b>			
Lease liability- Non current		38,666	-
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>38,666</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>		<b>551,082</b>	<b>7,158,518</b>
<b>NET ASSETS</b>		<b>20,102,091</b>	<b>2,119,364</b>

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

As at 31 December 2023

	No	31 Dec 2023 \$	30 Jun 2023 \$
<b>EQUITY</b>			
Share capital	14	37,401,872	38,354,041
Reserves	14	5,246,873	5,246,873
Accumulated losses		(22,546,654)	(41,481,550)
<b>TOTAL EQUITY</b>		<b>20,102,091</b>	<b>2,119,364</b>

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

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the half-year ended 31 December 2023

	Attributable to owners of the Company			
	Share Capital	Reserves	Accumulated Losses	Total Equity
	\$	\$	\$	\$
<b>As at 1 July 2023</b>	<b>38,354,041</b>	<b>5,246,873</b>	<b>(41,481,550)</b>	<b>2,119,364</b>
<b>Total comprehensive profit for the period</b>				
Profit for the period	-	-	<b>32,386,543</b>	<b>32,386,543</b>
<b>Total comprehensive profit for the period</b>	<b>-</b>	<b>-</b>	<b>32,386,543</b>	<b>32,386,543</b>
<b>Transactions with owners recorded directly into equity</b>				
<i>Contributions by and distributions to owners</i>				
Issue of ordinary shares	1,555,000	-	-	<b>1,555,000</b>
Return of capital	(2,498,129)	-	-	<b>(2,498,129)</b>
Dividend	-	-	(13,451,647)	<b>(13,451,647)</b>
Transaction costs	(9,040)	-	-	<b>(9,040)</b>
<b>Balance at 31 December 2023</b>	<b>37,401,872</b>	<b>5,246,873</b>	<b>(22,546,654)</b>	<b>20,102,091</b>
	Share Capital	Reserves	Accumulated Losses	Total Equity
	\$	\$	\$	\$
<b>As at 1 July 2022</b>	<b>36,002,702</b>	<b>4,708,479</b>	<b>(36,331,540)</b>	<b>4,379,641</b>
<b>Total comprehensive loss for the period</b>				
Loss for the period	-	-	(3,139,567)	<b>(3,139,567)</b>
<b>Total comprehensive loss for the period</b>	<b>-</b>	<b>-</b>	<b>(3,139,567)</b>	<b>(3,139,567)</b>
<b>Transactions with owners recorded directly into equity</b>				
<i>Contributions by and distributions to owners</i>				
Issue of ordinary shares	2,160,000	-	-	<b>2,160,000</b>
Transaction costs	(148,623)	-	-	<b>(148,623)</b>
Issue of options as share-based payments	-	527,220	-	<b>527,220</b>
Option fees received	-	500	-	<b>500</b>
<b>Balance at 31 December 2022</b>	<b>38,014,079</b>	<b>5,236,199</b>	<b>(39,471,107)</b>	<b>3,779,171</b>

**Transactions with owners recorded directly into equity**

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



## CONSOLIDATED STATEMENT OF CASH FLOWS

For the half-year ended 31 December 2023

	Note	6 months to 31 Dec 2023	6 months to 31 Dec 2022
		\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Interest received		21,653	17,973
Cash paid to suppliers and employees		(704,997)	(836,133)
Exploration expenditure (net of JV cash calls)		(482,657)	(1,028,286)
<b>Net cash flows (used in) operating activities</b>		<b>(1,166,001)</b>	<b>(1,846,623)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Acquisition of plant and equipment		(24,765)	-
Acquisition of listed investment		(250,000)	(366,667)
Acquisition of tenements		-	(75,000)
<b>Net cash flows (used in) investing activities</b>		<b>(274,765)</b>	<b>(441,667)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from issues of shares (net of costs)		120,960	2,011,377
Payment of finance lease liability in advance		(27,600)	(13,800)
Proceeds from issue of unlisted options		-	500
<b>Net cash flows provided by financing activities</b>		<b>93,360</b>	<b>1,998,077</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(1,347,406)</b>	<b>(290,213)</b>
Cash and cash equivalents at beginning of financial period		3,501,632	5,476,698
<b>Cash and cash equivalents at end of financial period</b>	6	<b>2,154,226</b>	<b>5,186,485</b>

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

## CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

### Note 1 Reporting entity

Venus Metals Corporation Limited (the "Company") is a company domiciled in Australia. The Company's registered address is Unit 2, 8 Alvan St, Subiaco WA 6008. The consolidated financial statements of the Group as at and for the half-year ended 31 December 2023 comprise the Company and its subsidiaries (together referred to as the "Group" and individually as "Group Entities") and the Group's jointly controlled entities. The Group is a for-profit entity and primarily is involved in exploration for gold, vanadium, cobalt-nickel, rare earth and lithium.

The consolidated financial statements were authorised for issue by the Board of Directors on 12 March 2024.

### Note 2 Summaries of significant accounting policies

#### (a) Statement of Compliance

The half-year financial report is a general purpose interim financial report prepared in accordance with *Corporations Act 2001* and *AASB 134 Interim Financial Reporting*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 134 *Interim Financial Reporting*. The half-year report does not include notes of the type normally included in an annual financial report and shall be read in conjunction with annual financial report for the financial year ended 30 June 2023.

#### (b) Basis of Preparation

The financial statements are prepared on a going concern basis in accordance with Australian Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Act 2001*.

It is recommended that the half-year financial statements be read in conjunction with the annual report for the year ended 30 June 2023 and considered with any public announcements made by the Group during the half-year ended 31 December 2023 in accordance with continuous disclosure obligations of the ASX Listing Rules.

The half-year financial statements have been prepared on accrual basis and on a historical cost basis, except as modified by certain financial assets carried at fair value.

The accounting policies applied by the Group in these financial statements are consistent with those applied by the Group in its annual financial report for the year ended 30 June 2023, except for as stated in Note 2 (d).

All amounts are in Australian dollars except in Note 10 which have been calculated using the reviewed financial statements of Rox Resources Limited for the half year ended 31 December 2023 and have been rounded to the nearest thousands.

#### (c) Going concern

The Directors have prepared a cash forecast, which indicates that the Group will have sufficient cash flows to meet all commitments and working capital requirements for the 12 months period from the date of this financial report. Further some of the administrative and exploration tenement expenditure is discretionary and can be reduced where required. In addition, the company intends to raise additional capital raising activities to continue its operational and exploration activities.

Based on the cashflow forecasts, the directors are satisfied that the going concern basis of preparation is appropriate.

The financial report has been prepared on the going concern basis that contemplates the continuity of normal business activities and the realisation and extinguishment of liabilities in the ordinary courses of business.

#### (d) Accounting policies

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

#### (e) Investments in an associate

The Group's investment in its associate, an entity in which the Group has significant influence, is accounted for using the equity method.

Under the equity method, the investment in the associate is initially recognised at cost. The carrying amount of the investment of the investment is adjusted to recognise changes in the Group's share of net assets of the associate since the acquisition date. Goodwill relating to the associate is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment.

## CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

### Note 2 Summaries of significant accounting policies (continued)

The statement of profit or loss and other comprehensive income reflects the Group's share of the results of operations of the associate. When there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

The Group's share of profit or loss of an associate is shown on the face of the statement of profit or loss and other comprehensive income and represents profit or loss after tax and non-controlling interests in the subsidiaries of the associate.

The financial statements of the associate are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss of its investment in its associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the associate and its carrying value, then recognises the loss as 'Share of Losses of an associate' in the statement of profit or loss and other comprehensive income.

Upon loss of significant influence over the associate, the Group measures and recognises the retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

When the group's share of losses in an associate equal or exceeds its interest in associate, including any unsecured long term receivable, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

#### (f) New and Amended Standards Adopted by the Group

The Group has considered the implications of new and amended Accounting Standards but determined that their application to the financial statements is either not relevant or not material.

### Note 3 Operating segments

The Group operates predominantly in the mineral exploration industry in Australia. For management purposes, the Group is organised into one main operating segment which involves the exploration of minerals in Australia. All of the Group's activities are interrelated and discrete financial information is reported to the Board (Chief Operating Decision Maker) as a single segment. Accordingly, all significant operating decisions are based upon analysis of the Group as one segment.

The financial results from this segment are equivalent to the financial statements of the Group as a whole.

#### Geographical information

The Group operates solely in one country, Australia.

### Note 4 Revenue

	6 months to 31 Dec 2023	6 months to 31 Dec 2022
	\$	\$
Interest income	21,653	17,973
	<b>21,653</b>	<b>17,973</b>

**CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023**

**Note 5 Gain on sale of tenements**

		<b>6 months to 31 Dec 2023</b>	<b>6 months to 31 Dec 2022</b>
		<b>\$</b>	<b>\$</b>
Consideration received		31,900,000	-
Rox loan forgiven	Note 13	6,697,051	-
Asset held for sale	Note 11	(2,233,257)	-
Gain on sale of tenements		<b>36,363,794</b>	<b>-</b>

On 30 March 2023, the Group entered into an asset sale and purchase agreement with Rox Resources Limited (Rox), for Rox to acquire, subject to conditions precedent, for consideration of 110 million Rox shares at the deemed price of \$0.29 each, the Group's 30% interest in the OYG JV (Youanmi Gold Project) and all the Group's gold interest in their other joint ventures covering other regional areas in Youanmi.

The Company's shareholders approved the sale of the assets at the General Meeting on 23 June 2023.

All conditions precedent were satisfied on 7 July 2023 and the Company was issued the Rox shares on that day. The Company then distributed 55 million Rox shares as in-specie distribution to its shareholders on 12 July 2023, and the remaining 55 million of Rox shares are held by the Company in escrow for 12 months.

As part of the agreement above, the amount owing by the Group to Rox at a value of \$6,697,051 was extinguished via a Deed of Forgiveness. The Group recorded the extinguished loan amount on the completion of transaction on 7 July 2023.

**Note 6 Cash and cash equivalents**

	<b>31 Dec 2023</b>	<b>30 Jun 2023</b>
	<b>\$</b>	<b>\$</b>
Cash at bank and on hand	2,154,226	3,501,632
	<b>2,154,226</b>	<b>3,501,632</b>

**Note 7 Trade and other receivables**

	<b>31 Dec 2023</b>	<b>30 Jun 2023</b>
	<b>\$</b>	<b>\$</b>
Other receivables	176,860	364,724
	<b>176,860</b>	<b>364,724</b>

None of the receivables are past due or impaired.

## CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

### Note 8 Capitalised acquisition costs

	31 Dec 2023	30 Jun 2023
	\$	\$
<b>Cost</b>		
Opening balance	3,102,133	5,260,390
Acquisition costs during the period/year	-	75,000
Reclass during the period/year	-	(2,233,257)
Closing balance	<u>3,102,133</u>	<u>3,102,133</u>
<b>Impairment</b>		
Opening balance	(2,981,433)	(2,981,433)
Impairment	-	-
Closing balance	<u>(2,981,433)</u>	<u>(2,981,433)</u>
<b>Carrying amounts</b>	<u><b>120,700</b></u>	<u><b>120,700</b></u>

The ultimate recoupment of capitalised acquisition costs carried forward is dependent on successful development and commercial exploitation or, alternatively, sale of the respective project areas.

### Note 9 Financial assets at fair value through profit or loss

	31 Dec 2023	30 June 2023
	\$	\$
At the beginning of reporting period/year	1,575,000	1,004,167
Revaluation gain/ (loss)	(125,000)	579,166
Investment during the period	-	366,667
Shares sold during the year	-	(375,000)
Classified as Investment in Associate	(1,450,000)	-
At the end of reporting period/year	<u>-</u>	<u><b>1,575,000</b></u>

The Group holds 61,250,000 (30 June 23: 5,000,000) ordinary shares in Rox Resources Limited ('Rox') (ASX: RXL) at reporting date.

The Group accounts the value of the Rox shares as Investment in associate as per Note 10 below.

### Note 10 Investment in associate

	31 Dec 2023	30 June 2023
	\$	\$
At the beginning of reporting period/year	-	-
Consideration shares received against sale of OZ Youanmi - Note 5	31,900,000	-
Investment during the period at cost	250,000	-
Return of capital	(2,498,129)	-
Dividend distribution to shareholders	(13,451,647)	-
Classified FVTPL investment to Investment in Associate	1,450,000	-
Share of loss from associate	(961,000)	-
At the end of reporting period/year	<u><b>16,689,224</b></u>	<u>-</u>

**CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023**

**Note 10 Investment in associate (continued)**

The Group has an 16.58% (30 June 2023: 2.23%) interest in Rox Resources Limited ("Rox"), which is a listed company on ASX. Rox is West Australian focused gold exploration and development company with 2 projects: Youanmi Gold Project near Mt Magnet, approximately 480 kilometres northeast of Perth and Mt Fisher – Mt Eureka Project approximately 140 kilometres southeast of Wiluna.

At 31 December 2023 the Group held 61,250,000 shares in Rox with a market value of \$11,331,250 at a share price of \$0.185 per share.

The following table illustrates the summarized financial information of the Group's investment in Rox.

The figures below have been calculated using the reviewed financial statements of Rox Resources Limited for the half year ended 31 December 2023 and have been rounded to the nearest thousands.

	<b>31 Dec 2023</b>	<b>30 Jun 2023*</b>
	<b>\$</b>	<b>\$</b>
Proportion of the Company's ownership	16.58%	-
<b>Share of the associate's statement of financial position:</b>		
Current assets	730,000	-
Non-current assets	8,355,000	-
Total liabilities	(1,792,000)	-
<b>Equity</b>	<b>7,293,000</b>	<b>-</b>
<b>Share of the associate's loss*</b>		
Revenue	5,000	-
Expenses	(966,000)	-
<b>Loss for the period</b>	<b>(961,000)</b>	<b>-</b>
<b>Total comprehensive loss</b>	<b>(961,000)</b>	<b>-</b>
<b>Share of loss recognized</b>	<b>(961,000)</b>	<b>-</b>

\*The Group accounts the investment in Rox as Investment in associate using the equity method from 7 July 2023 onwards.

**CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023**

**Note 11 Asset Held for sale**

	<b>31 Dec 2023</b>	<b>30 June 2023</b>
	<b>\$</b>	<b>\$</b>
At the beginning of reporting period/year	2,233,257	-
Classified as held for sale during the period/ year *	-	2,233,257
Sold during the period/ year	Note 5 (2,233,257)	-
At the end of reporting period/year	<u>-</u>	<u>2,233,257</u>

\*Capitalised acquisition costs amounting to \$2,233,257 relating to Youanmi Gold Project and Regional Joint Ventures with Rox Resources Ltd were reclassified to Assets held for sale during the year ended 30 June 2023 as a result of sale of the project to Rox Resources Limited.

**Note 12 Intangibles**

	<b>31 Dec 2023</b>	<b>30 June 2023</b>
	<b>\$</b>	<b>\$</b>
<b>Cost</b>		
Opening balance	1,040,000	-
Acquisition costs during the year	-	1,040,000
Closing balance	<u>1,040,000</u>	<u>1,040,000</u>
<b>Impairment</b>		
Opening balance	-	-
Impairment	-	-
Closing balance	<u>-</u>	<u>-</u>
<b>Carrying amounts</b>	<u>1,040,000</u>	<u>1,040,000</u>

The Group acquired a 0.3% net smelter royalty in relation to the Youanmi Gold Mining Leases on 11 April 2023 by paying \$1,040,000 (consists of cash \$500,000 and 3 million ordinary shares with a deemed price of \$ 0.18 each)

**Note 13 Other current liabilities**

	<b>31 Dec 2023</b>	<b>30 June 2023</b>
	<b>\$</b>	<b>\$</b>
Amount owing to a joint venture partner	-	<u>6,697,051</u>

This amount includes a limited recourse loan which amounted to \$nil (30 June 2023: \$6,697,051) advanced by joint venture partner, Rox Resources Limited (Rox) to the Group's subsidiary, Oz Youanmi Gold Pty Ltd, on exploration expenditure pertaining to OYG Joint Venture which was nil % (30 June 2023: 70%) held by Rox.

The total amount of \$6,697,051 was extinguished via a Deed of Forgiveness as part of the asset sale and purchase agreement with Rox (refer to Note 5 above).

## CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

### Note 14 Share capital and reserves

#### Share capital

	31 Dec 2023	30 Jun 2023
	\$	\$
(a) 189,728,683 (30 June 2023: 181,578,683 fully paid ordinary shares)	37,401,872	38,354,041

	31 Dec 2023	30 Jun 2023	31 Dec 2023	30 Jun 2023
	No.	No.	\$	\$
At the beginning of reporting period/year	181,578,683	160,078,683	38,354,041	36,002,702
Issued during the period/year*	8,150,000	21,500,000	1,555,000	2,800,000
Share issue costs	-	-	(9,040)	(448,661)
Return of capital	-	-	(2,498,129)	-
At the end of reporting period/year	<b>189,728,683</b>	<b>181,578,683</b>	<b>37,401,872</b>	<b>38,354,041</b>

#### Ordinary shares

All issued shares are fully paid. All shares rank equally with regard to the Company's residue assets. The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company.

\* At the Company's 2019 Annual General Meeting, shareholders approved the issue of Performance Rights to the Directors (or their respective nominee(s)) as part of the Directors' remuneration package and long term incentives. Vesting of the Performance Rights is subject to the performance milestones, which is associated with Youanmi Gold Project.

Pursuant to the Transaction Asset sale and purchase agreement, the Company has disposed of its interests in gold in the Youanmi Gold Project. Therefore, the Company considers it highly unlikely that the operational performance milestones of the Performance Rights will be met. Each of the Directors have undertaken significant work to progress the Company's projects since being granted the Performance Rights in 2019.

In recognition of this fact, and the likelihood that the milestones for the Performance Rights will no longer be able to be met, the Company has issued 7,500,000 fully paid ordinary shares at a deemed price of \$0.19 per share having value of \$1,425,000 to the Directors (or their respective nominee(s) who hold those Performance Rights) equivalent to their entitlements under the Performance Rights as if they had vested.

During the financial year ended on 30 June 2023, the Group issued 18 million shares at \$0.20 each to sophisticated investors through a placement. Additionally, 9 million options were granted to these shareholders who took part in the placement, entitling them to one option for every two shares received. Over the course of the current half-year period, a portion of these shareholders has chosen to exercise 650,000 options, each with an exercise price of \$0.20 each.

#### Reserves – Share Option Reserve

	31 Dec 2023	30 Jun 2023
	\$	\$
At the beginning of reporting period/year	5,246,873	4,708,479
Share-based payment transactions	-	537,894
Option fee received	-	500
At the end of reporting period/year	<b>5,246,873</b>	<b>5,246,873</b>



**CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023**

**Note 14 Share capital and reserves (continued)**

	<b>31 Dec 2023</b>	<b>30 Jun 2023</b>
<b>Options</b>		
	<b>No.</b>	<b>No.</b>
At the beginning of reporting period/year	21,275,000	8,525,000
Issued during the period/year	-	19,000,000
Exercised during the period/year	(650,000)	(500,000)
Lapsed during the period/year	(2,775,000)	(5,750,000)
At the end of reporting period/year	<b>17,850,000</b>	<b>21,275,000</b>

	<b>31 Dec 2023</b>	<b>30 Jun 2023</b>
<b>Performance rights <sup>(2)</sup></b>		
	<b>No.</b>	<b>No.</b>
As at 1 July	7,500,000	7,500,000
Issued during the year <sup>(1)</sup>	9,150,000	-
Exercised during the year	-	-
Lapsed during the year	-	-
As at 30 June	<b>16,650,000</b>	<b>7,500,000</b>

**Performance rights issued during the period:**

- (1) On 24 November 2023, the Company issued 6,150,000 unlisted Tranche A performance rights to both directors and employees and 3,000,000 unlisted Tranche B performance rights to directors.
- (2) As set out in the Company's Notice of Meeting released on 24 May 2023, the holders have undertaken not to exercise 7,500,000 performance rights issued on 20 December 2019 (with expiry date of 20 December 2024) if any milestones are met.

**Nature and purpose of the share option reserve**

*Share-based payment transactions*

The share option reserve is used to recognise the value of equity-settled share-based payment transaction provided to employees, including key management personnel, as part of their remuneration and the value of issued options issued during the period/year net of listing costs.

**CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023**

**Note 15 Share-based payment arrangements**

On 16 November 2023, the shareholders approved to issue 6,150,000 unlisted Tranche A Performance Rights at nil consideration each converting into one ordinary share on meeting the vesting conditions (at zero-exercise price, expiring five years from the date of issue, being 24 November 2028) to the Directors (or their nominees) and employees (or their nominees) as set out below.

Director/Employee	Number of Tranche A Performance Rights
Matthew Vernon Hogan & Zoe Louise Hogan <Hogan Superannuation Fund> (Mr Matthew Hogan's nominee)	2,250,000
Yafco Pty Ltd <3 Bear Superfund No 1> (Mr Barry Fehlberg's nominee)	750,000
Boronia Investments Pty Ltd (Mr Peter Charles Hawkins' nominee)	750,000
Sai Jayam Family A/C (Mr Selvakumar Arunachalam's nominee)	1,500,000
Jared Lange	200,000
Marine Manna Pty Ltd (Mr Patrick Tan' nominee)	400,000
Fop Vanderhor	300,000
<b>Total</b>	<b>6,150,000</b>

The Tranche A Performance Rights will vest based on:

- 50% of the original issue will vest on the Company announcing an ASX announcement of a Mineral Resource or Mineral Resources (reported in accordance with the JORC Code) estimated as at least 5 million tonnes at 1% Li<sub>20</sub> or higher, in respect of any area the subject of the Youanmi Lithium Project. For the avoidance of doubt, the Mineral Resource(s) may be distributed over multiple pits/deposits.
- 25%\* of the original issue will vest on the Company announcing a scoping study (in accordance with the JORC Code) in relation to the Youanmi Lithium Project being completed and announced to the ASX.
- 25% - 50%\* of the original issue will vest on the Company announcing a PFS (in accordance with the JORC Code) in relation to the Youanmi Lithium Project being completed and announced to the ASX.

\*If a PFS in relation to the Youanmi Lithium Project is completed and announced to the ASX prior to a scoping study, then 50% of Tranche A Performance Rights will vest upon a PFS being completed and announced to the ASX.

On 16 November 2023, the shareholders also approved to issue 3,000,000 unlisted Tranche B Performance Rights at nil consideration each converting into one ordinary share on meeting the vesting conditions (at zero-exercise price, expiring five years from the date of issue, being 24 November 2028) to the Directors (or their nominees) as set out below.

Director/Nominee	Number of Tranche B Performance Rights
Matthew Vernon Hogan & Zoe Louise Hogan <Hogan Superannuation Fund> (Mr Matthew Hogan's nominee)	2,000,000
Sai Jayam Family A/C (Mr Selvakumar Arunachalam's nominee)	1,000,000
<b>Total</b>	<b>3,000,000</b>

The Tranche B Performance Rights will vest based on:

- 50% of the original issue will vest on the Company announcing an ASX announcement of the counterparty/counterparties in either of the Bridgetown Greenbushes Exploration Project farm-in/earn-in/joint venture or Henderson Nickel Lithium Project farm-in/earn-in/joint venture acquiring at least a 70% interest in, or incurring the requisite expenditure required to acquire at least a 70% interest in, the Bridgetown Greenbushes Exploration Project or Henderson Nickel Lithium Project (as applicable), pursuant to the terms of the relevant farm-in/earn-in/joint venture agreement.

## CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

### Note 15 Share-based payment arrangements (continued)

- b) 50% of the original issue will vest on the Company announcing an ASX announcement of:
- i. a Mineral Resource or Mineral Resources (reported in accordance with the JORC Code) estimated as at least 5 million tonnes at 1% Li<sub>2</sub>O or 1.5 million tonnes at 2% NiEq for 30,000 tonnes of NiEq (which may be distributed over multiple pits/deposits); or
  - ii. a scoping study (in accordance with the JORC Code) being completed; or
  - iii. a preliminary feasibility study (PFS) (in accordance with the JORC Code) being completed,
- in respect of any area the subject of the Bridgetown Greenbushes Exploration Project or Henderson Nickel Lithium Project.

### Inputs for measurement of grant date fair values

The fair value at grant date is measured using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option. Expected volatility is estimated by considering historic average share price volatility.

*The model inputs for the Unlisted Tranche A and Tranche B Performance Rights are:*

Grant Date	Expiry Date	Exercise Price	Life of rights	Share price at grant date	Expected share price volatility	Dividend yield	Risk-free Interest rate	Fair value at grant date
16-Nov-23	24-Nov-28	n/a	5 Years	0.10	60%	-	4.231%	10.0 cents

As per AASB 2.19 and 2.20, the non-market vesting conditions should be recognised by adjusting the number of Performance Rights based on the best available estimate of the number of Performance Rights that are expected to vest, according to the probability of meeting the vesting conditions.

As at the date of reporting, the Company does not think each of the non-market based performance condition will be met. Therefore, no value of the Performance Rights is estimated and provided.

### Note 16 Subsequent events

There has not arisen any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect significantly the operations of the Group, the results of those operations, or the state of affair of the Group, in the future financial years.

## DIRECTORS' DECLARATION

1. In the opinion of the Directors of Venus Metals Corporation Limited (the "Company"):
  - (a) The condensed financial statements and notes are in accordance with the *Corporations Act 2001*, including:
    - (i) Giving a true and fair view of the Group's financial position as at 31 December 2023 and its performance, for the half-year ended on that date, and
    - (ii) Complying with Australian Accounting Standards AASB 134: *Interim Financial Reporting* and the *Corporations Act 2001*;
  - (b) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable, and
2. The directors have been given the declarations required by section 295(5)(a) of the *Corporations Act 2001* from the Managing Director for the half-year ended 31 December 2023.

Signed in accordance with a resolution of the Directors.



Matthew Vernon Hogan  
Managing Director

Perth, Western Australia  
12 March 2024



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12 March 2024

Board of Directors  
Venus Metals Corporation Limited  
Unit 2, 8 Alvan St  
Subiaco WA 6008

Dear Sirs

**RE: VENUS METALS CORPORATION LIMITED**

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Venus Metals Corporation Limited.

As Audit Director for the review of the financial statements of Venus Metals Corporation 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:

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

Yours faithfully

**STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD**  
**(An Authorised Audit Company)**

**Samir Tirodkar**  
**Director**



**INDEPENDENT AUDITOR'S REVIEW REPORT  
TO THE MEMBERS OF  
VENUS METALS CORPORATION LIMITED**

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

**Conclusion**

We have reviewed the half-year financial report of Venus Metals Corporation Limited (the "Company") and its controlled entities (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, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, condensed notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Venus Metals Corporation 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 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.

We confirm that the independence declaration required by the *Corporations Act 2001* has been given to the directors of the Company on 12 March 2024.

**Responsibility of the Directors for the Financial Report**

The directors of Venus Metals Corporation Limited 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 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 Company'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.

**STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD**  
**(An Authorised Audit Company)**

*Stantons International Audit and Consulting Pty Ltd*  
*Samir*

**Samir Tirodkar**  
Director

West Perth, Western Australia  
12 March 2024

**VENUS METALS CORPORATION LIMITED** | HALF-YEAR REPORT 31 DEC 2023