



Interim Financial Report

Half-Year Ended 31 December 2023

ASX:GSR

greenstoneresources.com.au

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Directors

Non-Executive Chairman

Michael Edwards BBus BEc

CEO & Managing Director

Christopher Hansen BSc MSc

Executive Director & Chief Geologist

Glenn Poole BSc MBA

Non-Executive Director

James Croser BEng (Mining Engineering)

Joint Company Secretaries

Matt Worner

Tom O'Rourke

Registered Office & Principal Place of Business

Level 2, 16 Ord Street

West Perth, WA 6005

Phone: +61 8 9481 3911

Fax: +61 8 9481 3283

Website: www.greenstoneresources.com.au

Share Register

Automic Group Pty Ltd

Perth Office

Level 5, 191 St Georges Tce

Perth WA 6005

Phone: 1300 288 664

Email: hello@automicgroup.com.au

Website: www.automicgroup.com.au

Auditors

HLB Mann Judd (W.A. Partnership)

Level 4, 130 Stirling Street

Perth, WA 6000

Securities Exchange

The Company's securities are quoted on the Official List of the Australian Securities Exchange Limited (ASX)

2 The Esplanade

Perth, WA 6000

ASX Code

Shares: GSR

DIRECTORS' REPORT

The Directors present their report together with the interim financial report of Greenstone Resources Limited ("Greenstone" or "the Company") and its subsidiaries ("Group" or "Consolidated Group") for the half-year ended 31 December 2023. In order to comply with the provisions of the Corporations Act 2001, the Directors Report is as follows:

DIRECTORS

- Mr Michael Edwards, Non-Executive Chairman
- Mr Christopher Hansen, CEO & Managing Director
- Mr Glenn Poole, Technical Director & Chief Geologist
- Mr James Croser, Non-Executive Director

OPERATING RESULTS

The loss from ordinary activities of the Company for the half-year ended 31 December 2023 after income tax was \$879,181 (2022: \$1,307,392).

REVIEW OF OPERATIONS

Greenstone Resources Limited (ASX: GSR) ('Greenstone' or the 'Company') is pleased to provide the following report on its activities during the December 2023 half year. The Company's principal activities during the reporting period were the continuation of exploration activities at its Coolgardie Mining Centre and Mount Thirsty Joint Venture projects.

Coolgardie Mining Centre Highlights

- Global Resource (Indicated & Inferred) at Coolgardie Mining Centre increased by 57%, including:
 - Burbanks: 6,052,889t @ 2.4g/t gold for 465,567 ounces of contained gold
 - Phillips Find: 732,960t @ 2.3g/t gold for 54,557 ounces of contained gold
- Strategic review initiated assessing near-term mining opportunities at Burbanks & Phillips Find
- Initial pit optimisations at Burbanks North shows potential for a starter pit within the permitted area
- Initial pit optimisations at Phillips Find Mining Centre shows potential for large cutbacks on existing pits
- Multiple high-grade extensions were discovered at Burbanks serving to extend mineralisation an additional 60 metres beneath the previously drilled areas, including:
 - BBRC463D: 1.55m @ 20.43g/t Au from 301.0 metres, including:
 - 0.35m @ 86.80 g/t Au from 302.25 metres
 - BBRC463D: 2.0m @ 11.79g/t Au from 425.0 metres, including:
 - 0.45m @ 49.40 g/t Au from 426.55 metres
- A Comprehensive resampling campaign was initiated at Burbanks where up to 75 holes have been identified as potentially intercepting modelled ore lodes based off recent lithographic and petrographic analysis.

DIRECTORS' REPORT

Mt Thirsty Joint Venture Highlights

- In April 2023 the Mt Thirsty Joint Venture partners Greenstone Resources Ltd (ASX: GSR) (50%) and Conico Ltd (ASX: CNJ) (50%) ("JV Partners") appointed a team of consultants to undertake a Scoping Study for the Mt Thirsty Project (JORC Resource 66.2 Mt @ 0.06% cobalt; 0.43% nickel and 0.45% manganese).
- The study, which is largely complete, assessed several optimisations, including the adoption of HPAL and production of Precursor Cathode Active Material (pCAM), a high-value product made of cobalt, nickel, and manganese.
- pCAM is an essential constituent used in the manufacturing of high-performance lithium-ion batteries.
- The JV partners are currently in discussions with both ASX and ASIC in respect to various compliance issues relating to Information Sheet (IS) 214 relating to mining and forward looking statements. More specifically these discussions relate to the efficacy of releasing financial metrics relating to the Scoping Study and their compliance with IS214.

Burbanks Gold Project

About Burbanks

The Burbanks Gold Project is located 9.0 kilometres Southeast of Coolgardie, Western Australia. The Project includes the Burbanks Mining Centre and over 5.0 kilometres of the highly prospective Burbanks Shear Zone, historically the most significant gold producing structure within the Coolgardie Goldfield.

The Burbanks Mining Centre comprises the Birthday Gift and Main Lode underground gold mines. The recorded historic underground production at Burbanks (1885-1961) totalled 444,600t at 22.7 g/t Au for 324,479oz predominantly from above 140 metres below the surface. Intermittent open pit and underground mining campaigns between the early 1980's to present day has seen total production from the Burbanks Mining Centre now exceed 420,000oz. The total Indicated and Inferred Mineral Resource for the Burbanks Gold Project is 6,052,889t @ 2.4g/t for 465,567oz (Indicated & Inferred) (Table 1).

Activities

During the period the Company released an updated Mineral Resource Estimate (MRE) for the Burbanks Gold Project incorporating the results from the 10,000m Phase-1 drill campaign, with the MRE subsequently increasing by 68% to 6,052,889t @ 2.4g/t for 465,567oz (Indicated & Inferred), including:

- Near Surface: 4,860,270t @ 1.9g/t gold for 297,649 ounces of contained gold; and
- Underground: 1,192,619t @ 4.4g/t gold for 167,918 ounces of contained gold.

The global MRE across both Burbanks and Phillips Find now totals 6,785,849t @ 2.4g/t gold for 520,134 ounces of contained gold (Indicated and Inferred) (Table 1).

This latest update serves to highlight the scale of Burbanks, which currently has a mineralised strike horizon of over 3.5km, remaining open in all directions and primed for future growth.

During the period the Company released an update for the Coolgardie Mining Centre, with a strategic technical review currently presently underway to assess near-term mining opportunities at the Company's 100% owned Burbanks Gold Project near Coolgardie, Western Australia.

An independent mining consultancy was engaged to undertake preliminary open-pit optimisations for both Burbanks and Phillips Find, with initial open pit optimisations having already been completed for Burbanks during the period. While the initial optimisations have been limited to the existing permitted footprint at Burbanks North, there may be the opportunity for a larger open pit operating scenario in the future, subject to further permitting. Preliminary discussions are already underway with potential partners to support the mining and processing of ore from Burbanks North.

A comprehensive resampling campaign is currently underway at Burbanks leveraging off the recent lithologic and petrographic work that has been completed by the Company. This work was focussed on differentiating the

DIRECTORS' REPORT

multiple basalt, diorite and intrusive sequences observed within the Burbanks ore zones, identifying further controls and subsequently further mineralisation styles. The importance of the diorite sequence has been reinforced as not only a structural, but also geochemical trap for gold deposition, to which recent modelling have been shown to extend the entire length of the mining licence.

The company has identified up to 75 drill holes for resampling which may intercept previously modelled ore lodes, 40 of which were completed within the last 5 years with the remaining being historical drilling for which the condition of core is yet to be determined. This sampling will aim to add further continuity and confidence to the current resource base and provide valuable information for future drill targeting.

BURBANKS MINING CENTRE MINERAL RESOURCES										
	Cut-Off Grade	Indicated			Inferred			Total		
		Tonnes	Grade (g/t)	Ounces	Tonnes	Grade (g/t)	Ounces	Tonnes	Grade (g/t)	Ounces
BURBANKS										
Near Surface	0.5	1,430,026	2.0	92,780	3,430,244	1.9	204,870	4,860,270	1.9	297,649
Underground	2.5/2.0*	122,197	4.3	16,726	1,070,422	4.4	151,192	1,192,619	4.4	167,918
Total		1,552,223	2.2	109,506	4,500,666	2.5	356,062	6,052,889	2.4	465,567
PHILLIPS FIND										
Near Surface	0.5	540,669	2.4	41,654	189,439	2.1	12,705	730,108	2.3	54,359
Underground	2.0	–	–	–	2,852	2.3	208	2,852	2.3	208
Total		540,669	2.4	41,654	192,291	2.1	12,914	732,960	2.3	54,567
Total		2,092,892	2.2	151,159	4,692,957	2.4	368,975	6,785,849	2.4	520,134

* 2.5g/t Cut-off Grade applied to Main Lode/Burbanks North Deposits, 2.0g/t Cut-off grade applied to Birthday Gift Deposit

Table 1: Summary of Coolgardie Mineral Resource 2023. See ASX:GSR 05/07/2023.

Phillips Find Gold Project

About Phillips Find

Greenstone's 100% owned Phillips Find Gold Project is located 50 kilometres north of Coolgardie, Western Australia.

The project covers over 10 kilometres in strike of prospective greenstone stratigraphy, and includes the Phillips Find Mining Centre (PFMC) where approximately 33,000oz of gold was produced between 1998 and 2015 from three open-pit operations; Bacchus Gift, Newhaven and Newminster. Exploration potential within the project is excellent, with numerous targets defined by auger geochemical anomalism, mapping, and drilling. The total Indicated and Inferred Mineral Resource for the Phillips Find Gold Project is 732,960t @ 2.3g/t gold for 54,567 ounces of contained gold (Table 2).

Activities

Subsequent to the period end the Company released an update for the Coolgardie Mining Centre, with a strategic technical review currently underway to assess near-term mining opportunities at the Company's 100% owned Phillips Find gold project near Coolgardie, Western Australia.

Initial open pit optimisations were limited to ground within the granted mining leases and served to highlight the potential for two large cutbacks at the existing Newhaven and Newminster open-pits (Figure 1). There is potential to use existing waste dump footprints and adjacent road infrastructure, both of which may expedite the path to production. Preliminary discussions are currently underway with potential partners to support the mining and processing of ore from Phillips Find and Burbanks North.

DIRECTORS' REPORT

Phillips Find hosts a high-grade and near surface resource of 732,960 tonnes at 2.30 g/t gold for 54,567 ounces, which are located either adjacent to, or below the historical open pits of Baccus Gift, Newhaven and Newminster, the latter of which was mined profitably in 2015 at a materially lower gold price of ~A\$1,500/ounce. Importantly, the majority of these resources are within 140 metres from surface on granted mining licences, making it amenable to open-pit practices. It is expected that more detailed mine planning studies and permitting will commence shortly to determine the best path forward for near term production.

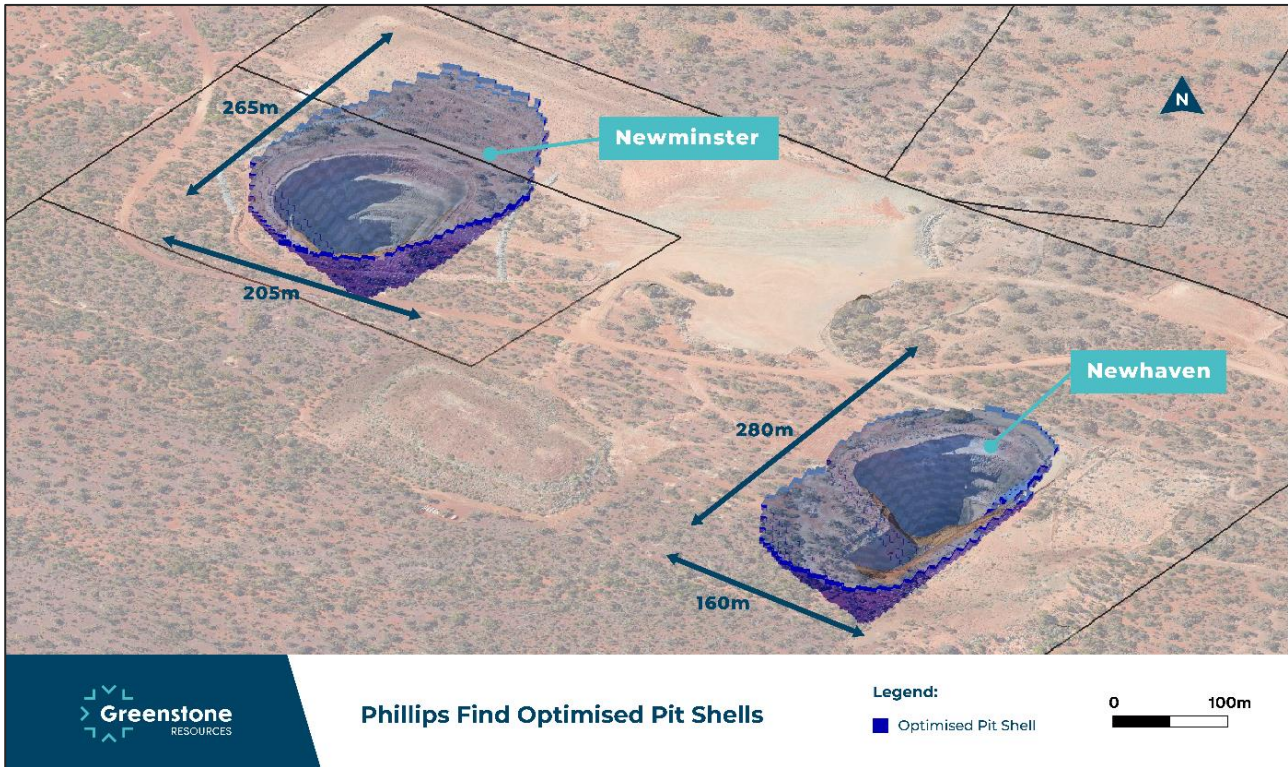


Figure 1: Phillips Find Mining Centre Conceptual Pit Optimisations

PHILLIPS FIND MINERAL RESOURCES										
	Cut-Off Grade (gpt)	Indicated			Inferred			Total		
		Tonnes (t)	Grade (gpt)	Ounces (oz)	Tonnes (t)	Grade (gpt)	Ounces (oz)	Tonnes (t)	Grade (gpt)	Ounces (oz)
PHILLIPS FIND										
Near Surface	0.5	540,669	2.4	41,654	189,439	2.1	12,705	730,108	2.3	54,359
Underground	2.0	–	–	–	2,852	2.3	208	2,852	2.3	208
Total		540,669	2.4	41,654	192,291	2.1	12,914	732,960	2.3	54,567

Table 2: Summary of Phillips Find Mineral Resource 2022

DIRECTORS' REPORT

MT THIRSTY COBALT-NICKEL PROJECT

About Mt Thirsty

The Mt Thirsty Joint Venture (MTJV) is located 16 kilometres North-Northwest of Norseman, Western Australia (50% Greenstone Resources, 50% Conico Limited).

The Project contains the Mt Thirsty cobalt-nickel-manganese oxide deposit, with a JORC resource of 66.3 Mt at 0.43% Ni, 0.06% Co, and 0.45% Mn, for a total metal content of 283.7 Kt nickel, 40.5 Kt Co, and 297.1 Kt manganese. This updated mineral resource estimate was completed in April 2023, and constituted a 146% increase to the existing resource. In addition to the Co-Ni-Mn oxide deposit, the Project also hosts significant nickel sulphide and PGE potential.

Activities

In April 2023 the Mt Thirsty Joint Venture partners Greenstone Resources Ltd (ASX: GSR) (50%) and Conico Ltd (ASX: CNJ) (50%) ("JV Partners") appointed a team of consultants to undertake a Scoping Study for the Mt Thirsty Project (JORC Resource 66.2 Mt @ 0.06% cobalt; 0.43% nickel and 0.45% manganese).

The study, which is largely complete, assessed several optimisations, including the adoption of HPAL and production of Precursor Cathode Active Material (pCAM), a high-value product made of cobalt, nickel, and manganese. pCAM is an essential constituent used in the manufacturing of high-performance lithium-ion batteries.

- pCAM typically receives a ~50% pricing premium over intermediary products such as MHP and MSP given its added value, use and demand in application for battery manufacturing (Figure 2)
- Comparable HPAL projects typically receive Co and Ni recoveries of 90% and 92%, respectively¹

The JV Partners are currently in discussions with both ASX and ASIC in respect to various compliance issues relating to Information Sheet (IS) 214 relating to mining and forward-looking statements. More specifically these discussions relate to the efficacy of releasing financial metrics relating to the Scoping Study and their compliance with IS214.

The joint venture parties have subsequently committed to make an ASX release in relation to the Scoping Studies on the conclusion of these discussions.

NICKEL PRODUCT PAYABLE VS. SPOT PRICE

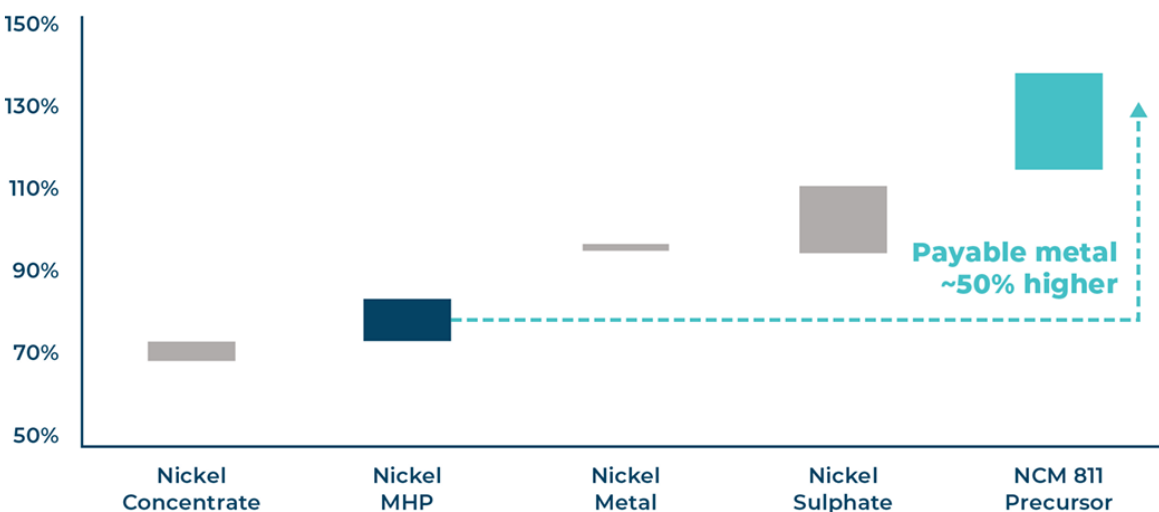


Figure 1 : Product payabilities for Mt Thirsty project studies

¹ ASX: GSR 23/10/2023

DIRECTORS' REPORT CORPORATE

GREENSTONE AND HORIZON MINERALS TO MERGE

Subsequent to period end the Company and Horizon Minerals Limited (ASX: HRZ) announced they have agreed to a merger to be conducted by way of scheme of arrangement under the Corporations Act 2001 (Cth), whereby Horizon will acquire 100% of the fully paid ordinary shares in Greenstone (Share Scheme) and 100% of the listed Greenstone options (Options Scheme, and together with the Share Scheme, the Schemes), subject to the satisfaction of various conditions.

COMPLETION OF PLACEMENT AND SHARE PURCHASE PLAN

During the period, the Company completed a share placement to professional and sophisticated investors raising \$1.7 million (before costs) and a Share Purchase Plan which raised \$0.19 million (before costs). The capital raising also involved the issue and quotation of 93,176,956 ASX listed options with an exercise price of \$0.025 (2.5c) and expiry date of 21 September 2025.

EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

On 2 February 2024 Greenstone acquired prospecting licence P15/6757 from Higgins Mining Services Pty Ltd (**Higgins**) for cash consideration of \$20,000. As part of the acquisitions Greenstone will give Higgins limited rights to prospect over the tenure from the initial term of the granted tenure being 19 April 2023 to 18 April 2027.

On 13 February 2024, Horizon Minerals Limited (ASX: HRZ) and Greenstone Resources Limited announced they have agreed to a merger to be conducted by way of scheme of arrangement under the Corporations Act 2001 (Cth), whereby Horizon will acquire 100% of the fully paid ordinary shares in Greenstone (Share Scheme) and 100% of the listed Greenstone options (Options Scheme, and together with the Share Scheme, the Schemes), subject to the satisfaction of various conditions.

On 23 February 2024 Greenstone released an announcement concerning an alleged dispute with Ora Banda Mining Limited (**Ora Banda**). Greenstone confirmed it had received a Writ of Summons initiated by Ora Banda. Greenstone continues to seek legal guidance in relation to the proceedings.

Other than noted above, there has been no additional matter or circumstance that has raised after balance date that significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future reporting periods.

DIRECTORS' REPORT

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 on page 9 and forms part of this Directors' Report for the half-year ended 31 December 2023. Signed on 15 March 2024 in accordance with a resolution of the directors made pursuant to Section 306(3) of the Corporations Act 2001.

On behalf of the Board of Directors:

A handwritten signature in blue ink, appearing to read "Michael Edwards".

Michael Edwards
Non-Executive Chairman

DIRECTORS' REPORT

COMPETENT PERSON'S STATEMENT

Project and Discipline	JORC Section	Competent Person	Employer	Professional Membership
Burbanks Gold Project	Exploration Results and Mineral Resources	Glenn Poole	Employee of Greenstone Resources Ltd	MAusIMM
Phillips Find Gold Project	Exploration Results and Mineral Resources	Glenn Poole	Employee of Greenstone Resources Ltd	MAusIMM
Mt Thirsty Exploration	Exploration Results	Glenn Poole	Employee of Greenstone Resources Ltd	MAusIMM
Mt Thirsty Resource Estimation	Mineral Resources	Richard Gaze	WSP Australia Pty Limited	MAusIMM
Mt Thirsty Metallurgy	Exploration Results and Ore Reserves	Peter Nofal	AMEC Foster Wheeler Pty Ltd trading as Wood	FAusIMM
Mt Thirsty Mining	Ore Reserves	Frank Blanchfield	Snowden Mining Industry Consultants Pty Ltd	FAusIMM

The information in this report that relates to Exploration Results, Mineral Resources and Ore Reserves for the Mt Thirsty Cobalt-Nickel Project and Coolgardie Gold Projects is based on and fairly represents information compiled by the Competent Persons listed in the table above. The Competent Persons have sufficient relevant experience to the style of mineralisation and type of deposits under consideration and to the activity for which they are undertaking to qualify as a Competent Person as defined in the JORC Code (2012 Edition). For new information, the Competent Persons consent to the inclusion in the report of the matters based on their information in the form and context in which it appears. Previously announced information is cross referenced to the original announcements. In these cases, the company is not aware of any new information or data that materially affects the information presented and that the material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Persons' findings are presented have not been materially modified from the original market announcement.

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the consolidated financial report of Greenstone 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
15 March 2024



M R Ohm
Partner

hl**b.com.au**

HLB Mann Judd (WA Partnership) ABN 22 193 232 714

Level 4, 130 Stirling Street, Perth WA 6000 / PO Box 8124 Perth BC WA 6849

T: +61 (0)8 9227 7500 **E:** mailbox@h**l**bwa.com.au

Liability limited by a scheme approved under Professional Standards Legislation.

HLB Mann Judd (WA Partnership) is a member of HLB International, the global advisory and accounting network.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
for the half-year ended 31 December 2023

	Note	Half-Year Ended 31 Dec 2023 \$	Half-Year Ended 31 Dec 2022 \$
Other income		1,987	14,079
Total income		1,987	14,079
Employee benefits expense		(223,405)	(223,102)
Exploration and evaluation costs written off		-	(162,441)
Depreciation and amortisation expense		(40,905)	(39,877)
Finance charges		(25,690)	-
Marketing expenses		(30,011)	(36,311)
Consulting expenses		(126,387)	(165,057)
Administration expenses		(119,341)	(242,059)
Share-based payments	10	(316,030)	(452,909)
Gain on revaluation of equity instrument through profit or loss		601	285
Total expenses		(881,168)	(1,321,471)
Loss before income tax		(879,181)	(1,307,392)
Income tax benefit		-	-
Loss after income tax		(879,181)	(1,307,392)
Other comprehensive income, net of tax		-	-
Total comprehensive loss for the period		(879,181)	(1,307,392)
		Cents	Cents
Loss per share:			
Basic loss per share (cents per share)		(0.07)	(0.12)
Diluted loss per share (cents per share)		(0.07)	(0.12)

The accompanying notes form part of these financial statements.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at 31 December 2023

	Note	31 Dec 2023	30 June 2023
		\$	\$
CONSOLIDATED			
CURRENT ASSETS			
Cash and cash equivalents		512,457	1,120,612
Trade and other receivables	3	438,384	683,941
Other assets		6,883	6,881
TOTAL CURRENT ASSETS		957,724	1,811,434
NON-CURRENT ASSETS			
Financial assets	4	22,200	21,600
Other assets		23,344	22,831
Right-of-use assets	5	49,639	66,185
Property, plant and equipment		134,240	156,236
Exploration and evaluation expenditure	6	25,802,851	23,950,658
TOTAL NON-CURRENT ASSETS		26,032,274	24,217,510
TOTAL ASSETS		26,989,998	26,028,944
CURRENT LIABILITIES			
Trade and other payables		894,066	1,083,130
Lease liability	7	33,092	33,092
TOTAL CURRENT LIABILITIES		927,158	1,116,222
NON-CURRENT LIABILITIES			
Provisions		237,500	257,500
Lease liability	7	16,547	33,093
TOTAL NON-CURRENT LIABILITIES		254,047	290,593
TOTAL LIABILITIES		1,181,205	1,406,815
NET ASSETS		25,808,793	24,622,129
EQUITY			
Issued capital	8	73,918,536	72,233,080
Reserves		942,838	865,849
Accumulated losses		(49,052,581)	(48,476,800)
TOTAL EQUITY		25,808,793	24,622,129

The accompanying notes form part of these financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the half-year ended 31 December 2023

	Issued capital	Employee equity-settled benefits reserve	Accumulated losses	Total attributable to equity holders of the entity
	\$	\$	\$	\$
BALANCE AT 1 JULY 2022	67,735,761	565,007	(46,633,654)	21,667,114
Loss for the half-year	-	-	(1,307,392)	(1,307,392)
Total comprehensive loss for the year	-	-	(1,307,392)	(1,307,392)
Issue of shares	1,106,250	-	-	1,106,250
Payment for share issue costs	(619,691)	316,500	-	(303,191)
Options exercised	154,200	(49,200)	-	105,000
Conversion of performance rights	453,875	(453,875)	-	-
Performance rights expensed	-	419,712	-	419,712
Payments for options	-	150	-	150
Options expensed	-	33,197	-	33,197
BALANCE AT 31 DECEMBER 2022	68,830,395	831,491	(47,941,046)	21,720,840
BALANCE AT 1 JULY 2023	72,233,080	865,849	(48,476,800)	24,622,129
Loss for the half-year	-	-	(879,181)	(879,181)
Total comprehensive loss for the period	-	-	(879,181)	(879,181)
Issue of shares	1,922,101	-	-	1,922,101
Payment for share issue costs	(236,645)	64,359	-	(172,286)
Performance rights expensed	-	308,240	-	308,240
Expiry of options	-	(303,400)	303,400	-
Options expensed	-	7,790	-	7,790
BALANCE AT 31 DECEMBER 2023	73,918,536	942,838	(49,052,581)	25,808,793

The accompanying notes form part of these financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
for the half-year ended 31 December 2023

	Half-Year Ended 31 Dec 2023	Half-Year Ended 31 Dec 2022
	\$	\$
CONSOLIDATED		
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments to suppliers and employees	(615,046)	(750,235)
Interest received	1,987	15,707
NET CASH FLOWS (USED IN) OPERATING ACTIVITIES	(613,059)	(734,528)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(20,801)	(64,628)
Payments for exploration and evaluation expenditure	6 (1,723,598)	(3,886,102)
NET CASH FLOWS (USED IN) INVESTING ACTIVITIES	(1,744,399)	(3,950,730)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares	1,922,101	1,061,400
Payments for share issue costs	(172,286)	(303,191)
Repayment of lease liabilities	-	(17,752)
Proceeds from return of office bond	(512)	15,000
NET CASH FLOWS PROVIDED BY FINANCING ACTIVITIES	1,749,303	755,457
Net increase/(decrease) in cash and cash equivalents	(608,155)	(3,929,801)
Cash and cash equivalents at the beginning of the half-year	1,120,612	6,064,653
CASH AND CASH EQUIVALENTS AT THE END OF THE HALF-YEAR	512,457	2,134,852

The accompanying notes form part of these financial statements.

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

NOTE 1: SUMMARY OF ACCOUNTING POLICIES

The significant accounting policies, which have been adopted in the preparation of this financial report, are:

(a) Statement of compliance

These interim financial statements are general purpose financial statements prepared in accordance with the requirements of the Corporations Act 2001, applicable accounting standards including AASB 134 'Interim Financial Reporting', Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board ('AASB'). Compliance with AASB 134 ensures compliance with IAS 34 'Interim Financial Reporting'.

These interim half-year financial statements do not include full disclosures of the type normally included in an annual financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the Company as in the full financial report.

It is recommended that these financial statements be read in conjunction with the annual financial report for the year ended 30 June 2023 and any public announcements made by Greenstone Resources Limited during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001 and the ASX Listing Rules.

(b) Going Concern

The financial report has been prepared on the 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. The Group incurred a loss before tax of \$879,181 for the half-year ended 31 December 2023, and a net cash outflow from operating and investing activities amounting to \$2,357,458.

For the Group to be able to continue to carry out its exploration activity and to have sufficient working capital, it is dependent on the financial support from its shareholders to fund its working capital requirements and/or successfully raising capital. The Directors are satisfied they will be able to raise additional working capital as required and thus it is appropriate to prepare the financial statements on a going concern basis. In arriving at this position, the Directors have considered the following matters:

- The Directors have assessed the cash flow requirements for the 12-month period from the date of approval of the financial statements and its impact on the Group and believe there will be sufficient funds to meet the Group's working capital requirements as the Group has the ability to raise additional capital as and when required. The Group has successfully raised approximately \$1.9m (before costs) in capital during the period, which supports the Group's ability to raise capital if required.
- In the event that funding of an amount required to meet the future budgeted operational and investing activities of the Company is unavailable, the Directors would undertake steps to scale down its operations and reduce its discretionary expenditure in order to curtail cash outflows; and
- On 13 February 2024, Horizon Minerals Limited (ASX: HRZ) and Greenstone Resources Limited announced they have agreed to a merger to be conducted by way of schemes of arrangement under the Corporations Act 2001 (Cth), whereby Horizon will acquire 100% of the fully paid ordinary shares in Greenstone (Share Scheme) and 100% of the listed Greenstone options (Options Scheme, and together with the Share Scheme, the Schemes), subject to the satisfaction of various conditions. As part of the merger HRZ and the Group have entered into a secured loan agreement where HRZ has agreed to provide Greenstone with a \$450,000 facility to assist with costs incurred by Greenstone in relation to the Scheme and the payment of their liabilities due during the transaction implementation.

Should such funding not be received, or not received on a sufficiently timely basis, there would be a material uncertainty which may cast significant doubt as to the Group's ability to continue as a going concern and realise its assets and extinguish its liabilities in the ordinary course of business, and at the amounts stated in the financial report.

(c) Basis of preparation

The interim half-year financial statements have been prepared on a historical cost basis, except for the revaluation of certain financial instruments to fair value. Cost is based on the fair value of the consideration

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

NOTE 1: SUMMARY OF ACCOUNTING POLICIES (continued)

given in exchange for assets. The Company is a for-profit entity domiciled in Australia and all amounts are presented in Australian dollars, unless otherwise noted.

For the purpose of preparing the interim report, the half-year has been treated as a discrete reporting period.

The accounting policies and methods of computation adopted are consistent with those of the previous financial year and corresponding interim reporting period,

(d) Adoption of new and revised Accounting Standards

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

Standards and Interpretations in issue not yet effective

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

(e) Significant accounting judgements and key estimates

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

In preparing this interim half-year report, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial report for the year ended 30 June 2023.

NOTE 2: SEGMENT REPORTING

Operating segments are identified on the basis of internal reports about components of the Group that are reviewed by the chief operating decision maker in order to allocate resources to the segment and assess its performance. The chief operating decision maker (being in this instance the Board) of Greenstone Resources Limited reviews internal reports prepared as financial statements and strategic decisions of the Group are determined upon analysis of these internal reports. During the period, the Group operated predominately in one business and geographical segment being the minerals exploration sector in Western Australia. Accordingly, under the 'management approach' outlined only one operating segment has been identified and no further disclosure is required in the notes to the financial statements.

NOTE 3: RECEIVABLES

	Half-Year 31 Dec 2023	Year ended 30 June 2023
	\$	\$
Trade debtors	221,534	361,822
Other debtors	216,850	322,119
Total current trade and other receivables	438,384	683,941

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

NOTE 4: FINANCIAL ASSETS

	Half-Year 31 Dec 2023 \$	Year ended 30 June 2023 \$
<i>Financial assets – non-current</i>		
Mining tenement bond	21,000	21,000
Equity investments	1,200	600
Total financial assets	22,200	21,600

NOTE 5: RIGHT-OF-USE ASSETS

	Half-Year 31 Dec 2023 \$	Year ended 30 June 2023 \$
Cost	99,277	99,277
Accumulated amortisation	(49,638)	(33,092)
Total right-of-use assets	49,639	66,185

Reconciliation

	Premises \$	Total \$
Opening balance 1 July 2022	-	-
Addition	99,277	99,277
Amortisation expense	(33,092)	(33,092)
Closing balance 30 June 2023	66,185	66,185
Amortisation expense	(16,546)	(16,546)
Closing balance 31 December 2023	49,639	49,639

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

NOTE 6: EXPLORATION AND EVALUATION EXPENDITURE

Mineral exploration and evaluation expenditure costs carried forward

	Half-Year 31 Dec 2023 \$	Year ended 30 June 2023 \$
Opening balance	23,950,658	15,814,961
Less: expenditure written off ¹	-	(183,452)
Add: tenement acquisition	-	340,000
Add: expenditure for the period	1,852,193	7,979,149
Total exploration and evaluation expenditure	25,802,851	23,950,658

The recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation phases is dependent upon the successful development and commercial exploitation or sale of the respective areas.

¹ Relates to expenditure on tenements where rights to tenure is no longer current or is pending.

NOTE 7: LEASE LIABILITY

The leases that have been accounted for are as follows:

	Half-Year 31 Dec 2023 \$	Year ended 30 June 2023 \$
Current liabilities	33,092	33,092
Non-current liabilities	16,547	33,093
Total lease liability	49,639	66,185

Reconciliation	Premises \$	Total \$
Opening Balance 1 July 2023	66,185	66,185
Reduction in lease liability	(16,546)	(16,546)
Closing balance 31 December 2023	49,639	49,639

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

NOTE 8: ISSUED CAPITAL

	Number of shares	\$
Opening balance 1 July 2022	1,024,953,689	67,735,761
Share placement 22 July 2022	22,500,000	956,250
Conversion of performance rights 29 July 2022	3,000,000	48,000
Exercise of options 26 August 2022	3,000,000	154,200
Issue of shares for tenement purchase 4 October 2022	2,300,287	150,000
Conversion of performance rights 24 October 2022	18,825,000	405,875
Issue of shares for tenement purchase 4 October 2022	1,200,000	30,000
Share placement 17 February 2023	131,900,000	3,297,500
Drilling-for-equity placement 17 April 2023	5,589,439	139,736
Drilling-for-equity placement 31 May 2023	5,793,969	144,849
Less share issue costs	-	(829,091)
Closing balance 30 June 2023	1,219,062,384	72,233,080
Share placement 31 July 2023	121,892,423	1,584,601
Share purchase plan 22 September 2023	24,461,527	318,000
Equity for service 15 November 2023	2,697,157	19,500
Less share issue costs	-	(236,645)
Closing balance 31 December 2023	1,368,113,491	73,918,536

NOTE 9: RELATED PARTY

There were no material changes to the Group's related party transactions to those disclosed in the 30 June 2023 Annual Report, other than the Performance Rights issued as disclosed in note 10.

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

NOTE 10: SHARE-BASED PAYMENTS

Options

During the period the Company issued 20,000,000 options to brokers and 18,500,000 options expired without being exercised or conversion. The share-based payments are shown as per the table below. Options are valued and using the Black & Scholes methodology. The fair value of the options issued were calculated using the following inputs in the table below.

During the period an amount of \$72,148 was recognised in relation to the following share-based payment arrangements:

Input	Director Options exercisable at \$0.065	Lead Manager Options exercisable at \$0.025 ⁽¹⁾
Share price	\$0.024	\$0.010
Grant date	10-May-2021	20-Sept-2023
Expected volatility	75%	100%
Expiry date	10-May 2024	20-Sept-2025
Risk free interest rate	0.1%	3.90%
Value per option	\$0.0058	\$0.0032
Number of options	8,000,000	20,000,000
Value of options	\$46,400	\$64,359
Total amount in half year to 31 December 2023	\$7,790	\$64,359
Total amount up to 31 Dec 2023	\$40,854	\$64,359

⁽¹⁾ Options issued to the Lead Manager forms part of the share issue costs (refer to Note 8).

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

NOTE 10: SHARE-BASED PAYMENTS (CONTINUED)

Performance Rights

During the period \$308,240 was recognised for performance rights as noted below. Refer to page 21 with details of the vesting conditions:

Input	GRSPR3	GRSPR4a	GRSPR4b	GRSPR6a	GRSPR6b	GRSPR7a	GRSPR7b
Grant Date	18/8/2021	22/7/2022	22/7/2022	21/10/2022	21/10/2022	21/10/2022	21/10/2022
Number	1,750,000	3,000,000	4,000,000	750,000	325,000	750,000	325,000
Expiry date	18/8/2024	29/7/2025	29/7/2025	21/10/2025	21/10/2025	21/10/2025	21/10/2025
Fair Value per right	\$0.020	\$0.048	\$0.039	\$0.025	\$0.025	\$0.018	\$0.018
Total Fair Value at grant date	\$35,000	\$144,000	\$156,000	\$18,750	\$8,125	\$13,500	\$5,850
Total expensed in half year to 31 December 2023	\$13,253	\$99,220	\$26,023	\$14,439	\$6,257	\$2,266	\$982
Converted to shares	-	-	-	-	-	-	-
Total expensed up to 31 Dec 2023	\$35,000	\$144,000	\$74,535	\$18,750	\$8,125	\$5,370	\$2,327

Input	GRSPR8a	GRSPR8b	GRSPR8c	GRSPR9	GSRPR10	GSRPR11
Grant Date	28/11/2022	28/11/2022	28/11/2022	28/07/2023	28/07/2023	15/08/2023
Number	3,000,000	3,000,000	4,000,000	8,750,000	26,250,000	750,000
Expiry date	28/11/2025	28/11/2025	28/11/2025	15/08/2026	15/08/2026	15/08/2026
Fair Value per right	\$0.026	\$0.026	\$0.017	\$0.013	\$0.013	\$0.013
Total Fair Value at grant date	\$78,000	\$78,000	\$68,000	\$113,750	\$341,250	\$9,750
Total expensed in half year to 31 December 2023	\$62,770	\$13,095	\$11,416	\$14,323	\$42,968	\$1,228
Converted to shares	-	-	-	-	-	-
Total Expensed up to 31 Dec 2023	\$78,000	\$28,325	\$24,693	\$14,323	\$42,968	\$1,228

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

NOTE 10: SHARE-BASED PAYMENTS (CONTINUED)

Performance Rights

The following performance criteria have not been met at the end of the half year and relate to:

Tranche	Performance Criteria
GSRPR4b	To vest upon the volume weighted average market price of the Company's Shares trading on ASX over 20 consecutive trading days on which the Shares have traded being at least \$0.10.
GSRPR8b	To vest upon announcement by the Company on the ASX market announcements platform of a minimum of 550,000 ounces of Inferred, Indicated and/or Measured Resources, at a minimum gold or gold Equivalent grade ¹ of 1.5g/t for Resources potentially amendable to open pit extraction methods or 3.0g/t for Resources potentially amendable to underground extraction methods, reported in accordance with the JORC Code on any one or more of the Tenements held by the Company
GSRPR8c	To vest upon the volume weighted average market price of the Company's Shares trading on ASX over 20 consecutive trading days on which the Shares have traded being at least \$0.10.
GSRPR9	To vest upon announcement by the Company on the ASX market announcements platform of a minimum of 450,000 ounces of Inferred, Indicated and/or Measured Resources, at a minimum gold or gold Equivalent grade ¹ of 1.5g/t for Resources potentially amendable to open pit extraction methods or 3.0g/t for Resources potentially amendable to underground extraction methods, reported in accordance with the JORC Code on any one or more of the Tenements held by the Company.
GSRPR10	To vest upon announcement by the Company on the ASX market announcements platform of a positive Scoping Study for the Company's Mt Thirsty Project (prepared in accordance with the provisions of the JORC Code) which demonstrates the following: <ul style="list-style-type: none"> i. a minimum pre-tax net present value of AUD\$500 million (using a minimum discount rate of 8%); ii. a minimum life of mine of 15 years; and iii. a minimum pre-tax internal rate of return of 15%
GSRPR11	750,000 performance rights issued under the Company's Employee Performance Rights Plan, with various vesting conditions.

No performance rights were exercised during the half year ended 31 December 2023.

NOTE 11: FINANCIAL INSTRUMENTS

The Company has financial investments in listed securities (level 1) which are measured at fair value at the end of the reporting period. These are valued with reference to the closing market price at balance date.

In relation to other financial assets and liabilities held at balance date, the Directors consider the carrying value recognised in the financial statements approximate their fair value.

NOTE 12: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

On 23 February 2024 Greenstone released an announcement concerning an alleged dispute with Ora Banda Mining Limited (**Ora Banda**). Greenstone confirmed it had received a Writ of Summons initiated by Ora Banda. Greenstone continues to seek legal guidance in relation to the proceedings.

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

NOTE 13: SUBSEQUENT EVENTS

On 2 February 2024 Greenstone acquired prospecting licence P15/6757 from Higgins Mining Services Pty Ltd (**Higgins**) for cash consideration of \$20,000. As part of the acquisitions Greenstone will give Higgins limited rights to prospect over the tenure from the initial term of the granted tenure being 19 April 2023 to 18 April 2027.

On 13 February 2024, Horizon Minerals Limited (ASX: HRZ) and Greenstone Resources Limited announced they have agreed to a merger to be conducted by way of schemes of arrangement under the Corporations Act 2001 (Cth), whereby Horizon will acquire 100% of the fully paid ordinary shares in Greenstone (Share Scheme) and 100% of the listed Greenstone options (Options Scheme, and together with the Share Scheme, the Schemes), subject to the satisfaction of various conditions.

As disclosed in Note 12, on 23 February 2024 Greenstone released an announcement to the ASX concerning an alleged dispute with Ora Banda Mining Limited.

Other than noted above, there has been no additional matter or circumstance that has raised after balance date that significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future reporting periods.

NOTE 14: COMMITMENTS

Exploration Expenditure Commitments

The Company has minimum statutory commitments as conditions of tenure of certain mining tenements. Whilst these obligations may vary, a reasonable estimate of the minimum commitment projected to 31 December 2023 if it is to retain all of its present interests in mining and exploration properties, is \$303,480 (June 2023: \$244,878).

DIRECTOR'S DECLARATION

In the opinion of the Directors of Greenstone Resources Limited ("the Company"):

- (a) the financial statements and notes of the Company are in accordance with the *Corporations Act 2001*, including:
 - i. giving a true and fair view of the Company's financial position as at 31 December 2023 and of its performance for the half-year ended; and
 - ii. complying with Australian Accounting Standards (AASB 134 *Interim Financial Reporting*);
- (b) In the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Directors



Michael Edwards
Non-Executive Chairman

Dated in Perth this 15th day of March 2024

INDEPENDENT AUDITOR'S REVIEW REPORT
To the Members of Greenstone Resources Limited

Report on the Condensed Interim Financial Report

Conclusion

We have reviewed the interim financial report of Greenstone 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 profit or loss and other comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the half-year ended on that date, selected explanatory notes, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying interim financial report of Greenstone 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.

Material Uncertainty Related to Going Concern

We draw attention to Note 1(b) in the financial report, which indicates that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Responsibility of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the interim financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the interim financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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HLB Mann Judd (WA Partnership) ABN 22 193 232 714

Level 4, 130 Stirling Street, Perth WA 6000 / PO Box 8124 Perth BC WA 6849

T: +61 (0)8 9227 7500 **E:** mailbox@hlbwa.com.au

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Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the interim financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the interim financial report 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 an interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

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

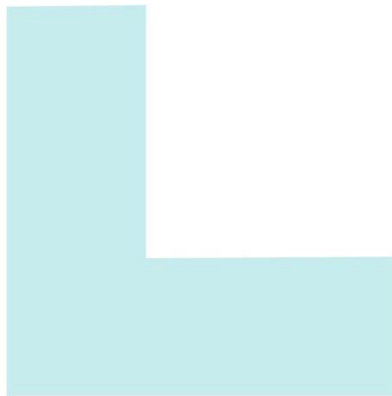
HLB Mann Judd

HLB Mann Judd
Chartered Accountants

Perth, Western Australia
15 March 2024



M R Ohm
Partner



ASX:GSR

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