

WHITE HYDROGEN. A WORLD OF OPPORTUNITY.

Half-Year Financial Report

For the period ending 30 June 2024

hyterra.com | ASX: HYT
ABN 68 116 829 675

HyTerra Ltd (ASX:HYT) is the only ASX listed company with exposure to both hydrogen and helium in the United States. The company stands at the forefront of a groundbreaking energy revolution, harnessing the power of white, or naturally occurring, hydrogen and helium to pave the way for a sustainable future.

With strategic projects, robust government support, and an experienced leadership team, we are well-positioned to deliver substantial value to shareholders and drive the global transition to clean energy.

Contents

Corporate Directory	3
Directors' Report	4
Auditor's Independence Declaration	8
Consolidated Statement of Profit or Loss and Other Comprehensive Income	9
Consolidated Statement of Financial Position	10
Consolidated Statement of Changes in Equity	11
Consolidated Statement of Cash Flows	12
Notes to the Consolidated Financial Statements	13
Directors' Declaration	19
Independent Auditor's Review Report	20

Corporate Directory

Board of Directors

Mr Avon McIntyre	Executive Director and Chief Technical Officer
Mr Russell Brimage	Non-Executive Chairman
Mr Benjamin Mee	Executive Director

Secretary

Mr Arron Canicaïs

Registered Office

Unit 6, 335 Hay Street
SUBIACO WA 6008

Telephone: (08) 6478 7730

Postal address

PO BOX 807
SUBIACO WA 6008

Securities Exchange Listing

Listed on the Australian Securities Exchange (ASX Code: HYT)

Auditors

HLB Mann Judd
Level 4, 130 Stirling Street
PERTH WA 6000

Solicitors

Steinepreis Paganin
Level 4, QV1
250 St Georges Terrace
PERTH WA 6000

Bankers

National Australia Bank
Level 1, 1238 Hay Street
WEST PERTH WA 6005

Share Registry

Automic
Level 5, 126 Phillip Street
SYDNEY NSW 2000

Website

www.hytterra.com

Directors' Report

The Directors of HyTerra Ltd ("HYT" or "the consolidated entity") present their report, together with the financial statements of HyTerra Ltd (referenced to hereafter as "the Company" or "parent entity") and its controlled entities for the half-year ended 30 June 2024 ("the Period").

It is recommended that the Directors' Report be read in conjunction with the annual financial statements for the year ended 31 December 2023 and considered together with any public announcement made by the Company during the Period and up to the date of this report.

Directors

The names of the Company's Directors who held office during the Period and until the date of this report are set out below. Directors were in office for this entire Period unless otherwise stated.

Director	Position
Avon McIntyre	Executive Director and Chief Technical Officer
Russell Brimage	Non-Executive Chairman
Benjamin Mee	Executive Director

Principal Activities

The principal activity of the Group during the year was exploration for natural resources.

Review of Operations

PROJECT GENEVA | 16% NON-OPERATED | NEBRASKA, USA

HyTerra has entered into a Joint Development and Earn-In Agreement with Natural Hydrogen Energy LLC, focusing on the exploration of natural hydrogen near Geneva in Fillmore County, Nebraska. The agreement includes leases over a 240-acre area. In 2019, a wildcat well, named Hoarty NE3, was drilled to a depth of approximately 11,200 feet (3,400 meters) specifically targeting white hydrogen, located near the mid-continental rift. During the drilling, elevated levels of hydrogen were detected, and gas was flared during swab testing.

The joint partners are currently awaiting critical data and metrics to make informed decisions on flow testing and future operations. Once this data is received and analysed, HyTerra will provide an update to the market.

NEMAHA RIDGE | 100% OWNED AND OPERATED | KANSAS, USA

The Nemaha Project is located near the southern end of the Mid-Continent Rift System in eastern Kansas, USA and next to the most prominent structural high in the region, the Nemaha Ridge. Multiple historic hydrogen occurrences in the region are widely considered to be sourced from the Rift's underlying band of iron-rich rocks and migrate via faults to the crest of the ridge.

In March 2024, HyTerra announced it had appointed RM Corporate Finance Pty Ltd (ACN 108 084 386) as the Lead Manager for a fully underwritten capital raise of approximately A\$6.1 million. Funds raised will be used to continue leasing high-priority areas, execute exploration activities along the Nemaha Ridge, Kansas, USA, and pursue growth opportunities.

Directors' Report

In May 2024, HyTerra announced that it had completed the acquisition of additional exploration leases at Nemaha. The net exploration lease acreage increased from approximately 9,607 to 12,880 acres, an increase of over 30%. The additional leases are located in Wabaunsee County, within a geologically contiguous area to the Sue Duroche-2 well (drilled in 2009). These leases are covered by HyTerra's 2023 airborne geophysical survey, as well as existing seismic data. The company's datasets connect these new leases with those near the Sue Duroche-2 well, offering promising subsurface insights into the geological potential for white hydrogen and helium. Nemaha's exploration leases also contain several historic wells within a total of over 10 occurrences that have reported hydrogen and helium in the area. The project benefits from existing transportation infrastructure, providing access to potential offtakers in the region, including ammonia manufacturers, as well as petrochemical plants that are heavy users of hydrogen.

The company will continue to lease high-priority acreage across the project area in Kansas.

CORPORATE

Capital Raising

On 8 April 2024, the Company completed a Placement to raise up to \$878,400 (before costs) via the issue of 48,800,000 fully paid ordinary shares at an issue price of \$0.018 per share.

The Company appointed RM Corporate Finance Pty Ltd ("RM Corporate") as the Lead Manager for the Placement. In consideration for their services in connection with the Placement, the Company agreed to pay RM Corporate:

- A cash fee equal to 6% of the total gross proceeds raised under the Placement; and
- 24,000,000 options (exercisable at \$0.04 per option, on or before 30 November 2027). The options were issued on 28 May 2024 as approved by shareholders at the Annual General Meeting ("AGM") held on 24 May 2024.

In conjunction with the Placement, the Company completed a pro-rata non-renounceable rights issue of four (4) shares for every nine (9) existing shares held by eligible shareholders at an issue price of \$0.018 each raising approximately \$5.24 million (before costs).

The Company entered into an underwriting agreement with the Underwriter to act as the underwriter to the Rights Issue ("Underwriting Agreement"). The material terms and conditions of the Underwriting Agreement are as follows:

- the Underwriter agreed to fully underwrite the Rights Issue of up to \$5.24 million (being the total amount to be raised under the Rights Issue);
- in consideration for its services the Underwriter (or its nominee) received:
 - a \$314,545 cash fee (comprising a 1% management fee and a 5% lodgement fee);
 - 1,666,666 fully paid ordinary shares, issued on 28 May 2024 as approved by shareholders at the AGM held on 24 May 2024;
 - 72,000,000 Options (each exercisable at 4 cents each on or before 30 November 2027) (Underwriter Options), issued on 28 May 2024 as approved at the AGM held on 24 May 2024;
 - the Underwriter had the ability to appoint sub-underwriters to sub-underwrite the Rights Issue. The Underwriter was responsible for any fees payable to any sub-underwriters or other parties involved in the Rights Issue introduced by the Underwriter; and

Directors' Report

The Underwriter entered into a sub-underwriting agreement with Director, Mr Benjamin Mee, to sub-underwrite the Rights Issue up to the value of A\$120,000 (being 6,666,666 New Shares). Mr Benjamin Mee will receive a 4% sub-underwriting fee on the amount sub-underwritten and 600,000 Underwriter Options).

The rights issue offer closed on 29 April 2024 and the Company received valid applications for 108,063,723 New Shares, raising a total of \$1,945,147 (before costs). A total of 183,182,524 New Shares were available under the shortfall and were subsequently issued on 14 May 2024 raising a total of \$3,297,285 (before costs).

New Appointment

On 17 June 2024, the Company appointed Mr Arron Canicaïs as Company Secretary and Chief Financial Officer.

Financial Results

The financial results of the Company for the half-year ended 30 June 2024 are:

	30-Jun-24	31-Dec-23
Cash and cash equivalents (\$)	5,528,950	793,406
Net assets (\$)	14,923,653	9,671,432

	30-Jun-23	30-Jun-23
Other income (\$)	12,170	20,585
Net loss after tax (\$)	(1,170,726)	(831,410)
Loss per share (cents)	(0.16)	(0.15)

Significant Changes in the State of Affairs

There have been no significant changes in the state of affairs during the financial year other than those included in this Directors' Report.

Matters Subsequent to the Reporting Period

On 1 July 2024, the Company issued 1,000,000 fully paid ordinary shares on the conversion of options at an exercisable price of \$0.025 per option.

On 9 July 2024, the Company issued 2,000,000 fully paid ordinary shares on the conversion of options at an exercisable price of \$0.025 per option.

On 17 July 2024, the Company issued 2,000,000 fully paid ordinary shares on the conversion of options at an exercisable price of \$0.025 per option.

On 13 August 2024, the Company issued 400,000 fully paid ordinary shares on the conversion of options at an exercisable price of \$0.025 per option.

On 23 August 2024, the Company issued 761,373 fully paid ordinary shares to RM Corporate as consideration for services provided as approved at the AGM held on 24 May 2024.

Directors' Report

On 29 August 2024, the Company announced that Fortescue Future Industries Technologies Pty Ltd ("Fortescue"), a wholly owned subsidiary of Fortescue Ltd, will invest A\$21.9 million to acquire a ~39.8% interest in HyTerra, subject to HyTerra shareholder approval. HyTerra and Fortescue have executed a Subscription Agreement pursuant to which Fortescue will subscribe for:

- 644,117,647 fully paid ordinary shares in HyTerra at \$0.034 per share; and
- 322,058,824 free-attaching options exercisable at \$0.051 per option, with an expiry date of 3 years from the issue date.

No other matter or circumstance has arisen since 30 June 2024 that has significantly affected or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

Auditor's Independence Declaration

The Auditor's Independence Declaration under section 307C of the Corporations Act 2001 is included within this financial 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



Avon McIntyre
Executive Director

Perth, Western Australia
Dated 11 September 2024

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the consolidated financial report of HyTerra Ltd for the half-year ended 30 June 2024, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Perth, Western Australia
11 September 2024



D B Healy
Partner

hlb.com.au

HLB Mann Judd ABN 22 193 232 714

A Western Australian Partnership

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

Liability limited by a scheme approved under Professional Standards Legislation.

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

Consolidated Statement of Profit or Loss and Other Comprehensive Income For the half-year ended 30 June 2024

	Note	30-Jun-24 \$	30-Jun-23 \$
Revenue from continuing operations			
Other income		12,170	20,585
Expenses			
Administrative expenses	3(a)	(356,195)	(310,503)
Advertising and marketing		(51,478)	(34,094)
Compliance and regulatory expenses		(58,357)	(6,887)
Depreciation expense		(19,986)	(16,025)
Employee benefit expenses	3(b)	(402,766)	(346,386)
Finance costs		(1,404)	(452)
Occupancy expenses		(1,136)	(8,573)
Share-based payments expenses	8	(283,647)	(119,686)
Other expenses		(7,927)	(9,389)
Loss before income tax expense		(1,170,726)	(831,410)
Income tax expense		-	-
Loss after income tax for the period		(1,170,726)	(831,410)
Other comprehensive income			
<i>Items that may be reclassified to profit or loss</i>			
Exchange differences on translation of foreign operations		40,542	902
Total other comprehensive loss for the year, net of tax		40,542	902
Total comprehensive loss for the period attributable to members of HyTerra Ltd		(1,130,184)	(830,508)
Loss per share for the period attributable to the members of HyTerra Ltd			
Basic and diluted loss per share (cents)		(0.16)	(0.15)

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

Consolidated Statement of Financial Position

As at 30 June 2024

	Note	30-Jun-24 \$	31-Dec-23 \$
ASSETS			
Current Assets			
Cash and cash equivalents	4	5,528,950	793,406
Other current assets		146,177	65,161
Total Current Assets		5,675,127	858,567
Non-current Assets			
Property, plant and equipment		2,389	4,646
Capitalised exploration and evaluation assets	5	9,695,774	9,032,372
Right-of-use assets		76,057	6,935
Total Non-Current Assets		9,774,220	9,043,953
TOTAL ASSETS		15,449,347	9,902,520
LIABILITIES			
Current Liabilities			
Trade and other payables		403,720	182,667
Lease liability		39,704	9,173
Provisions		44,209	39,248
Total Current Liabilities		487,633	231,088
Non-Current Liabilities			
Lease liability		38,061	-
Total Non-Current Liabilities		38,061	-
TOTAL LIABILITIES		525,694	231,088
NET ASSETS		14,923,653	9,671,432
EQUITY			
Contributed equity	6	52,526,899	47,975,878
Reserves	7	5,593,525	3,721,599
Accumulated losses		(43,196,771)	(42,026,045)
TOTAL EQUITY		14,923,653	9,671,432

The Consolidated Statement of Financial Position should be read in conjunction with the notes to the financial statements.

Consolidated Statement of Changes in Equity For the half-year ended 30 June 2024

	Contributed Equity \$	Reserves \$	Accumulated Losses \$	Total \$
At 1 January 2024	47,975,878	3,721,599	(42,026,045)	9,671,432
Loss for the period	-	-	(1,170,726)	(1,170,726)
Other comprehensive income	-	40,542	-	40,542
Total comprehensive loss for the period after tax	-	40,542	(1,170,726)	(1,130,184)
<i>Transactions with owners in their capacity as owners</i>				
Issue of share capital	6,526,081	-	-	6,526,081
Share issue costs - cash	(427,323)	-	-	(427,323)
Share issue costs – share-based payments (Note 8)	(1,547,737)	1,547,737	-	-
Share-based payments (Note 8)	-	283,647	-	283,647
At 30 June 2024	52,526,899	5,593,525	(43,196,771)	14,923,653

	Contributed Equity \$	Reserves \$	Accumulated Losses \$	Total \$
At 1 January 2023	47,225,113	3,320,673	(40,165,556)	10,380,230
Loss for the period	-	-	(831,410)	(831,410)
Other comprehensive income	-	902	-	902
Total comprehensive loss for the period after tax	-	902	(831,410)	(830,508)
<i>Transactions with owners in their capacity as owners</i>				
Issue of share capital	-	-	-	-
Share issue costs (reversal)	43,599	-	-	43,599
Share-based payments (Note 8)	-	119,686	-	119,686
At 30 June 2023	47,268,712	3,441,261	(40,996,966)	9,713,007

The Consolidated Statement of Changes in Equity should be read in conjunction with the notes to the financial statements.

Consolidated Statement of Cash Flows

For the half-year ended 30 June 2024

	Note	30-Jun-24 \$	30-Jun-23 \$
Cash flows from operating activities			
Payments to suppliers and employees		(820,667)	(793,531)
Interest and other finance costs paid		(1,404)	(452)
Interest received		12,170	20,585
Net cash used in operating activities		(809,901)	(773,398)
Cash flows from investing activities			
Payments for exploration and evaluation costs		(557,104)	(2,355,311)
Payments for plant and equipment		-	(7,147)
Net cash used in investing activities		(557,104)	(2,362,458)
Cash flows from financing activities			
Proceeds from issue of shares		6,120,834	-
Share issue costs		(28,508)	-
Proceeds received in advance from the exercise of options		25,000	-
Repayment of lease liabilities		(14,791)	(12,896)
Net cash provided by/(used in) financing activities		6,102,535	(12,896)
Net increase/(decrease) in cash and cash equivalents		4,735,530	(3,148,752)
Cash and cash equivalents at beginning of the period		793,406	4,604,762
Effect of exchange rate fluctuations on cash held		14	(13,231)
Cash and cash equivalents at end of the period	4	5,528,950	1,442,779

The Consolidated Statement of Cash Flows should be read in conjunction with the notes to the financial statements.

Notes to the Consolidated Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

These general purpose interim financial statements for half-year ended 30 June 2024 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 the annual report for the year ended 31 December 2023 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The financial statements are presented in Australian dollars, which is the Company's functional and presentation currency.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the policies stated below.

(b) New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

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

NOTE 2 SEGMENT INFORMATION

HyTerra Ltd operates predominantly in one segment, being the exploration of natural hydrogen in the United States of America.

AASB 8 Operating Segments requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the Chief Operating Decision Makers in order to allocate resources to the segment and to assess its performance.

The Group's operating segments have been determined with reference to the monthly management accounts used by the Chief Operating Decision Makers to make decisions regarding the Group's operations and allocation of working capital. Due to the size and nature of the Group, the Board as a whole has been determined as the Chief Operating Decision Makers.

The revenues and results of this segment are those of the Group as a whole and are set out in the Consolidation Statement of Profit or Loss and Other Comprehensive Income and the assets and liabilities of the Group as a whole are set out in the Consolidated Statement of Financial Position.

Notes to the Consolidated Financial Statements

NOTE 3 EXPENSES

	30-Jun-24	30-Jun-23
	\$	\$
(a) Administrative expenses		
Accounting and audit fees	36,040	9,316
Consultancy and professional fees	178,937	173,816
Travel and accommodation expenses	18,959	21,766
Legal fees	67,937	53,511
General and administrative expenses	54,322	52,094
	356,195	310,503
(b) Employee benefits expense		
Wages and salaries	376,468	303,440
Superannuation	21,337	17,791
Annual leave expense	4,961	25,155
	402,766	346,386

NOTE 4 CASH AND CASH EQUIVALENTS

	30-Jun-24	31-Dec-23
	\$	\$
Cash at bank and on hand	5,528,950	793,406
	5,528,950	793,406

NOTE 5 CAPITALISED EXPLORATION AND EVALUATION ASSETS

	30-Jun-24	31-Dec-23
	\$	\$
Carrying amount of exploration and evaluation expenditure – at cost	9,695,774	9,032,372
At the beginning of the period	9,032,372	5,950,778
Exploration expenditure incurred during the period	663,402	3,081,594
At the end of the period	9,695,774	9,032,372

The ultimate recoupment of the value of exploration and evaluation expenditure is dependent on the successful development and commercial exploration, or alternatively, sale of the exploration and evaluation asset.

NOTE 6 CONTRIBUTED EQUITY

(a) Issued and fully paid

	30-Jun-24		31-Dec-23	
	No.	\$	No.	\$
Ordinary shares	969,105,310	52,526,899	606,502,882	47,975,878

Ordinary shares entitle the holder to participate in dividends and the proposed winding up of the Company in proportion to the number and amount paid on the share hold.

Notes to the Consolidated Financial Statements

NOTE 6 CONTRIBUTED EQUITY (Continued)

(b) Movement reconciliation	Date	Number	\$
At 1 January 2023		555,702,882	47,225,113
Vesting of performance rights - Avon McIntyre	22/02/2023	5,000,000 -	-
Placement	30/10/2023	45,800,000 \$0.02	916,000
Share issue costs		- -	(208,834)
Share issue costs (reversal)		- -	43,599
At 31 December 2023		606,502,882	47,975,878
At 1 January 2024		606,502,882	47,975,878
Placement	8/04/2024	48,800,000 0.018	878,400
Rights Offer - Shortfall shares	6/05/2024	108,063,723 0.018	1,945,147
Rights Offer - Shortfall shares	14/05/2024	183,182,524 0.018	3,297,285
Part consideration to the Underwriter of the Rights Offer	28/05/2024	1,666,666 0.018	30,000
Consideration shares issued to Lead Manager and Underwriter for the Placement and Rights Offer	28/05/2024	20,402,745 0.018	367,249
Consideration shares issued to Corporate Advisor	28/05/2024	486,770 0.016	8,000
Share issue costs		- -	(1,975,060)
At 30 June 2024		969,105,310	52,526,899

NOTE 7 RESERVES

	30-Jun-24	31-Dec-23
	\$	\$
Share-based payments reserve	5,569,130	3,737,746
Foreign currency translation reserve	(24,094)	(64,636)
Convertible note reserve	48,489	48,489
	5,593,525	3,721,599
<u>Movement reconciliation</u>		
<i>Share-based payments reserve</i>		
Balance at the beginning of the period	3,737,746	3,272,184
Equity settled share-based payment transactions (Note 8)	283,647	465,562
Equity settled share issue costs (Note 8)	1,547,737	-
Balance at the end of the period	5,569,130	3,737,746
<i>Foreign currency translation reserve</i>		
Balance at the beginning of the period	283,647	-
Exchange differences on translation of foreign operations	(64,636)	-
Balance at the end of the period	40,542	(64,636)
<i>Convertible note reserve</i>		
Balance at the beginning of the period	48,489	48,489
Balance at the end of the period	48,489	48,489

Notes to the Consolidated Financial Statements

NOTE 8 SHARE-BASED PAYMENTS

	30-Jun-24	31-Dec-23
	\$	\$
Recognised share-based payment transactions		
Unlisted options issued	-	19,925
Options issued to Directors	191,954	112,251
Options issued to Lead Manager and Underwriter	1,547,737	150,000
Issue of performance rights	91,693	183,386
	1,831,384	465,562

Reconciliation:

Recognised as share-based payment expenses in the Statement of Profit or Loss and Other Comprehensive Income	283,647	315,562
Recognised as share issue costs in equity	1,547,737	150,000
	1,831,384	465,562

(a) Unlisted Options

Set out below is a summary of unlisted options granted as share-based payments:

30-Jun-24							
Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Transferred to Listed Options	Balance at the end of the year
14-09-2022	30-06-2025	\$0.025	32,150,000	-	-	-	32,150,000
30-05-2023	30-05-2028	\$0.000	5,000,000	-	-	-	5,000,000
25-10-2023	25-10-2026	\$0.000	44,000,000	-	-	-	44,000,000
25-10-2023	30-05-2028	\$0.000	2,000,000	-	-	-	2,000,000
24-05-2024	30-11-2027	\$0.040	-	96,000,000 ⁽ⁱ⁾	-	-	96,000,000
			83,150,000	96,000,000	-	-	179,150,000
Weighted average exercise price			\$0.026				

The weighted average remaining contractual life of options outstanding at the end of the financial year was 2.73 years.

- (i) On 28 May 2024, the Company issued 96,000,000 unlisted options with an exercise price of \$0.04, expiring 30 November 2027, to the Lead Manager and Underwriter of the Entitlement Issue. The options issued were approved at the AGM on 24 May 2024.

The options issued 28 May 2024, have been valued using the Black Scholes valuation model. The model and assumptions are shown in the table below:

Notes to the Consolidated Financial Statements

Black Scholes Valuation Model	
	Unlisted Options
Grant Date	24/05/2024
Expiry Date	30/11/2027
Strike (Exercise) Price	\$0.040
Underlying Share Price (at date of issue)	\$0.031
Risk-free Rate (at date of issue)	3.98%
Volatility	80%
Number of Options Issued	96,000,000
Dividend Yield	0%
Fair value per option	\$0.0161
Total Fair Value of Options	\$1,547,737

(b) Listed Options

Set out below is a summary of listed options:

30-Jun-24							
Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
30-10-2023	31-10-2025	\$0.030	30,533,334	-	-	-	30,533,334
30-10-2023	31-10-2025	\$0.030	15,000,000	-	-	-	15,000,000
21-11-2023	30-06-2025	\$0.025	197,350,000	-	-	-	197,350,000
			242,883,334	-	-	-	242,883,334

(c) Performance Rights

Set out below is a summary of performance rights granted in prior periods as share-based payments:

30-Jun-24							
Tranche	Grant Date	Expiry date	Balance at the start of the year	Granted	Vested during the year	Cancelled/ Other	Balance at the end of the year
A	10-10-2022	30-06-2027	22,000,000	-	-	-	22,000,000
B	10-10-2022	30-06-2027	22,000,000	-	-	-	22,000,000
			44,000,000	-	-	-	44,000,000

NOTE 9 DIVIDENDS

No dividend has been declared or paid during the half-year ended 30 June 2024 (31 December 2023: Nil). The Directors do not recommend the payment of a dividend in respect of the half-year ended 30 June 2024.

NOTE 10 CONTINGENCIES

There have been no changes to contingent liabilities or assets since 31 December 2023.

NOTE 11 COMMITMENTS

There have been no material changes to commitments since 31 December 2023.

Notes to the Consolidated Financial Statements

NOTE 12 FAIR VALUE DISCLOSURES

The Directors consider that the carrying values of financial assets and financial liabilities approximate their fair values.

NOTE 13 EVENTS SUBSEQUENT TO THE REPORTING PERIOD

On 1 July 2024, the Company issued 1,000,000 fully paid ordinary shares on the conversion of options at an exercisable price of \$0.025 per option.

On 9 July 2024, the Company issued 2,000,000 fully paid ordinary shares on the conversion of options at an exercisable price of \$0.025 per option.

On 17 July 2024, the Company issued 2,000,000 fully paid ordinary shares on the conversion of options at an exercisable price of \$0.025 per option.

On 13 August 2024, the Company issued 400,000 fully paid ordinary shares on the conversion of options at an exercisable price of \$0.025 per option.

On 23 August 2024, the Company issued 761,373 fully paid ordinary shares to RM Corporate as consideration for services provided as approved at the AGM held on 24 May 2024.

On 29 August 2024, the Company announced that Fortescue Future Industries Technologies Pty Ltd ("Fortescue"), a wholly owned subsidiary of Fortescue Ltd, will invest A\$21.9 million to acquire a ~39.8% interest in HyTerra, subject to HyTerra shareholder approval. HyTerra and Fortescue have executed a Subscription Agreement pursuant to which Fortescue will subscribe for:

- 644,117,647 fully paid ordinary shares in HyTerra at \$0.034 per share; and
- 322,058,824 free-attaching options exercisable at \$0.051 per option, with an expiry date of 3 years from the issue date.

On 6 September 2024, the Company issued 14,000,000 Performance Rights to various staff members under the Company's Employee Securities Incentive Plan.

No other matter or circumstance has arisen since 30 June 2024 that has significantly affected or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

Directors' Declaration

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 30 June 2024 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

A handwritten signature in black ink, consisting of a large, stylized loop followed by a series of smaller, connected loops and a final horizontal stroke.

Avon McIntyre
Executive Director

Perth, Western Australia
Dated 11 September 2024



INDEPENDENT AUDITOR'S REVIEW REPORT

To the Members of HyTerra Ltd

Report on the Condensed Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of HyTerra Ltd (the "Company") and its controlled entities (the "Group"), which comprises the condensed consolidated statement of financial position as at 30 June 2024, the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the half-year ended on that date, selected explanatory notes, and the directors' declaration, for the Group comprising the Company and the entities it controlled at the half-year end or from time to time during the half-year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of HyTerra Ltd does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Group's financial position as at 30 June 2024 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 responsibility is further described in the *Auditor's Responsibility for the Review of the Financial Report* section of our report. We are independent of the company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the "Code") that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Responsibility of the Directors for the Financial Report

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

hlb.com.au

HLB Mann Judd ABN 22 193 232 714

A Western Australian Partnership

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

Liability limited by a scheme approved under Professional Standards Legislation.

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

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 30 June 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

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



HLB Mann Judd
Chartered Accountants

Perth, Western Australia
11 September 2024



D B Healy
Partner