



Pan Asia Metals Limited and its subsidiaries

Registration Number (Singapore) 201729187E

Interim Financial Information

For the six months ended 30 June 2024

Pan Asia Metals Limited and its subsidiaries

Contents

30 June 2024



Corporate directory	2
Directors' report	3
Independent auditor's review report to the members of Pan Asia Metals Limited	8
Interim consolidated statement of profit or loss and other comprehensive income	10
Interim consolidated statement of financial position	11
Interim consolidated statement of changes in equity	12
Interim consolidated statement of cash flows	13
Notes to the interim consolidated financial statements	14
Directors' declaration	20



Directors	Mr Paul Lock (<i>Executive Chairman and Managing Director</i>) Mr David Hobby (<i>Executive Director and Chief Geologist</i>) Mr David Docherty (<i>Non-Executive Director</i>) Mr Thanasak Chanyapoon (<i>Non-Executive Director</i>) Ms Supriya Sen (<i>Non-Executive Director</i>) (resigned on 30th April 2024)
Company secretaries	Elissa Hansen, Australia Nor Hafiza Binte Alwi (Singapore)
Registered office	77 Robinson Road #06-03 Robinson 77 Singapore 068896
Principal place of business	Level 23, 52 Thaniya Plaza, Zone B, Silom Road, Suriyawong, Bangkok Thailand, 10500
Auditor (Singapore)	Precursor Assurance LLP 60 Albert Street, OG Albert Complex, #14-04, Singapore 189969
Legal Advisers	Steinepreis Paganin Lawyers and Consultants Level 6, 99 William Street Melbourne VIC 3000
Website	www.panasiametals.com



The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Consolidated Entity') consisting of Pan Asia Metals Limited (referred to hereafter as the 'Company') and controlled at the end of, or during, the half-year ended 30 June 2024.

Directors

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

Mr Paul Lock
Mr David Hobby
Mr David Docherty
Mr Thanasak Chanyapoon
Ms Supriya Sen (Resigned on 30th April 2024)

Principal activities

Pan Asia Metals Limited (Pan Asia) is a Singapore registered Asian oriented minerals exploration company focused on the identification and development of battery and critical metals assets situated in low-cost environments proximal to advanced industrial centres. The Company places emphasis on assets which present it an opportunity to move beyond the mine gate and value add.

Review of operations

The loss for the Consolidated Entity after providing for income tax amounted to US\$1,110,018 (30 June 2023: US\$1,567,668).

The net assets of the Consolidated Entity decreased by US\$155,340 to US\$10,918,634 as at 30 June 2024 (31 December 2023: US\$10,763,294).

Working capital, being current assets less current liabilities, decreased by US\$ 248,660 to US\$788,722 (31 December 2023: US\$1,311,079). The Consolidated Entity had net cash outflows from operating activities for the period of US\$581,795 (31 December 2023: US\$ 2,619,651 cash outflow). The total cash and cash equivalents at the 30 June 2024 amounted to US\$485,574 (31 December 2023: US\$120,138).

1H FY24 Operational Report

Principal Activities

Pan Asia Metals Limited (PAM) is a Singapore registered minerals exploration company focused on the identification and development of strategically situated metals assets which are required for global electrification, which are doable, which have strategic advantages, and which are situated in low-cost infrastructure rich environments with low political risk profiles and preferable Free Trade Agreements. PAM's Rosario Copper Project is a high-grade copper project situated in Chile's central copper belt, 10km north Codelco's El Salvador Copper Mine. PAM's Tama Atacama Lithium Project is a high-grade lithium project situated at an altitude of 800-1100m to the north of Chile's lithium chemical refining hub in Antofagasta, with access by rail and road, and only 75km from Iquique, a large port city. PAM has a lithium project with a Mineral Resource in Southern Thailand, the largest EV producer in South-East Asia.

Tama Atacama Lithium Project

On 2 January 2024, PAM announced that it had converted MOUs it held over the Tama Atacama Lithium Project to binding Option Agreements to purchase 100% of the Project, resulting in the creation of one of the largest lithium brine exploration projects in South America. The project consists of ~1,200km² (~120,000 Hectares) across the western margin of the Pampa del Tamarugal Depression. See PAM's ASX announcement dated 2 January 2024 and titled '*PAM signs Formal Documentation to Acquire 100% interest in ~1,200km² Tama Atacama Lithium Brine Project*'. PAM's holdings about the western margin of the Pampa del Tamarugal Depression, which comprises the lowest section of the depression. Circa 850km² is situated in the north-western section of the Depression, which has a strike length of 170km under which a large portion is salt flat with highly anomalous Li in surface assays. The exploration model applied to PAM's holdings within the Pampa del Tamarugal Depression is for lithium rich brines occurring at depth across much of the basin. The presence of Salars on the western margin of the basin with elevated lithium in the salt crusts, as well as in nearer surface brines, supports this model. Recent work by CleanTech Lithium (AIM: CTL) has identified extensive low resistivity zones using TEM geophysics¹. The resistivity zones are interpreted to represent extensive zones of subsurface hypersaline brine and indicate a large low resistivity layer commencing at about 200m below surface and continuing to 500m below surface and remains open. This zone is interpreted to be approximately 25km wide (east-west). CleanTech has reported historical results in the area, with salt

¹<https://ctlithium.com/projects/llamara/>

crusts up to 3,100ppm Li and clays up to 2,400ppm Li.

During the period, under its 'National Lithium Strategy' policy, the Chilean Government released its policy framework under which private companies can make a 'Request for Information' (RFI) submission for a 'Special Lithium Operation Contract' ('Contratos Especiales de Operación de Litio' or 'CEOL'), permitting exploration, extraction and processing of lithium. This development was expected and underscored PAM's strategy to secure a large holding of high potential lithium brine exploration properties in Chile, the lowest cost lithium carbonate producing region on earth. As such, a submission was made by PAM over its holding areas as well as two additional areas in the Pampa de Tamarugal Basin which are prospective for lithium, these were submitted jointly with Chilean entities.

RK Lithium Project

During the period the Company provided a drilling update for holes BTDD026-036 for the BT Lithium Prospect, the northern prospect of the RK Lithium Project. Drilling confirms a pegmatite dyke swarm >1km in length and up to 300m in width. The results confirmed several intersections greater than 1% Li₂O and many above 0.5% Li₂O, and of several intersections up to 0.21% Sn. See PAM's ASX announcement dated 11 January 2024 and titled '*RK Lithium Project – Drilling Update*'.

On 22 February 2024, PAM announced that it had successfully submitted re-applications over its RK and BT Lithium Prospects, which make up the RK Lithium Project. Re-application was on the back of strong Government support and agreement from the Department of Primary Industries and Mines (DPIM) to expedite the licensing process as PAM's RK Lithium Project forms an important aspect of Thailand's electric vehicle supply chain. The re-applications cover the Target Zones within the former SPL and current EPL holdings at both the RK and BT Lithium Prospects, and target areas remain clear of expected carveouts related to 'Watershed' and 'Conserve' classed forest zones, Class 1 through 5 marine coastal zones, and Sor Por Kor/Land Reform zones, which relate to state lands under transfer to agricultural titles. See PAM's ASX announcement dated 22 February 2024 and titled '*RK Lithium Project – Licensing Update: Re-Applications submitted with Strong Government Support*'.

During the period Thailand's Minister Pimphattra Wichaikul, Ministry of Industry (MOI), said that the Department of Primary Industries and Mines (DPIM) had been tasked with speeding up the exploration of potential lithium resources in Thailand in a bid to "... build stability and prepare Thailand for becoming an EV production base ..." which is "... in line with the Industry Ministry's policy to develop a comprehensive EV supply chain." This is positive for PAM, its MOU with IRPC, and PAM's aspirations to mine lithium and produce LCE in Thailand. Further, DPIM's Deputy Director-General Aditad Vasinonta, showed support for PAM's projects, stating "... Reung Kiet and Bang I Tum — in Phang Nga province's Takua Thung district, had the potential for lithium mining ..." and "If Thailand has sufficient lithium resource, it would attract investors to set up their battery plants, as well as positive sentiment about the country's EV industry and supply chain."² Subsequent to this PAM's MD met with the Thai Prime Minister's Office and the Director General, Department of Primary Industry and Mines, to discuss the Company's RK and KT Lithium Projects and PAM's strategy to participate in Thailand's EV and Battery supply chain through the production of lithium chemicals. The Thai Government officials endorsed PAM's strategy and relayed the Government's support of PAM's plans to produce battery chemicals in partnership with leading Thai and foreign chemical and battery companies. The meetings followed an announcement that the Thai Government and Tesla³ are progressing discussions, furthering Thailand's strategy to lead electrification in Southeast Asia and position the Country to move from the leading vehicle manufacturer in the region to the leading EV and battery manufacturer in the region. These meetings follow the Government's public endorsement of PAM's chemical production initiatives in Thailand.

During the period PAM also conducted technical and commercial discussions with several leading EV, battery and chemical producers in China across two separate trips. These meetings were highly successful, indicating strong interest in PAM's projects and further technical and commercial discussions have taken place with the objective of moving toward partnership/s.

In May 2024, PAM reported the approval of the KT East Lithium Prospect license applications, which represent the eastern applications of the KT group of five applications. KT East is a northern extension to the RK Lithium Project. See PAM's ASX Announcement dated 9 May 2024 and titled '*RK Lithium Project - KT East Lithium Prospect - License Grant, Large Lepidolite Pegmatite Dyke Swarm Discovery*'. Up until approval of the KT East licenses, PAM had been conducting preliminary field work at KT East, vectoring in on previously reported anomalous stream sediments as reported in PAM's ASX announcement dated 31 August 2021 and titled "*Geothermal Li & Hard Rock Li-Sn Initiative - Kata Thong Lithium Project, Thailand*". Post approval PAM reported that it had identified a pegmatite field dyke swarm that was ~2400m long and ~2400m wide. PAM also reported that the field remained open to the north, east and west and was larger than the aggregate area of the RK and BT Lithium Prospects combined. Individual dykes were interpreted up to 20m wide and others commonly 1-7m wide. See PAM's

² "Thailand accelerates lithium exploration to become EV production hub", *The Nation*, 3 January, 2024. Available at: <https://www.nationthailand.com/thailand/economy/40034371> (Accessed 7 January, 2024).

³ Ghoshal, D. and Wongcha-um, P. (2024). Tesla in talks with Thailand for production facility, says government official. [online] *www.reuters.com*. Available at: <https://www.reuters.com/business/autos-transportation/tesla-has-conducted-site-survey-thailand-ev-facility-says-government-official-2024-03-04/> [Accessed 4 Mar. 2024].

ASX Announcement dated 24 May 2024, and titled '*Exploration Success Continues at KT East Lithium Prospect - Pegmatite Dyke Swarm Discovery Expands to 2.4 x 2.4km*'.

PAM's field work at KT East has been very successful. In June, PAM reported Li_2O % mod values ranging from 0.01% to 3.06% Li_2O , with an average of 1.14%. Of all 132 samples collected at the KT East prospect, 96 have returned values greater than 0.50% Li_2O mod, with an average of 1.19% Li_2O mod. See PAM's ASX Announcement dated 24 June 2024 and titled '*RK Lithium Project - KT East Lithium Prospect - Abundant Lepidolite Pegmatite Zone Identified – 1.5km x 500m*'. Later in June PAM provided a further update regarding its success at KT East, with additional pegmatites, or extensions to previously mapped pegmatites, discovered, and historic alluvial/eluvial dumps and remnants from historic tin mining identified where rock-chips grading 1.74% and 1.64% Li_2O mod were taken.

Vietnamese Conversion Facility

In May 2023, the Company entered into a non-binding Memorandum of Understanding (MOU) with VinES Energy Solutions Joint Stock Company (VinES). See PAM's ASX announcement dated 19 May 2023, and titled '*Pan Asia Metals and VinES sign non-binding MOU to conduct a feasibility study for a standalone Lithium Conversion Facility*'.

Subsequent to the announcement, PAM embarked on and has near completed a pre-feasibility study for a standalone 25,000tpa lithium carbonate plant which uses a spodumene concentrate for its feedstock. Preliminary findings suggest such a plant would be highly competitive from both a capital and operating cost perspective.

In the current price environment, with reference to results being published by some spodumene concentrate producers in Australia and Canada, and on the back of discussions with LCE consumers, it became apparent that concern was building around the reliability of concentrate supply from marginal producers in a low price environment, which is influencing supply chain investment decisions. As a result, Management is of the opinion that further work on this initiative is not warranted at this point.

The work completed to date will benefit PAM, particularly in Thailand and broader Southeast Asia in relation to Management's future strategy and planning.

Khao Soon Tungsten Project

During the period TSPL 1/2563 exploration license was relinquished. The license was due to expire in May 2025 but was reclassified as non-core as ongoing exploration commitments were not warranted in the current investment environments and, considering previous drilling results, which indicate deep weathering with attendant negative metallurgical implications.

Tenement Schedule as at 30 June 2024

Tenement / Application	Holder / Applicant	% Held	Granted	Term ⁽ⁱ⁾ (Years)	Area (Km ²)	Country
RK Lithium Project⁽ⁱⁱ⁾						
SPLA 1/2567	SIM	100	Re-application	5	20.1	Thailand
SPLA 2/2567	SIM	100	Re-application	5	22.0	Thailand
EPL 19/2565	SIM	100	01-Sep-2022	2	1.0	Thailand
KT Geothermal Lithium and Hard Rock Lithium/Tin Project						
DSPL1/2567	PAM2	100	29-Mar-2024	5	8.2	Thailand
DSPL2/2567	PAM2	100	29-Mar-2024	5	10.2	Thailand
DSPLA3	PAM2	100	Application	5	7.8	Thailand
DSPLA4	PAM2	100	Application	5	3.8	Thailand
DSPLA5	PAM2	100	Application	5	14.7	Thailand
Khao Soon Tungsten Project⁽ⁱⁱⁱ⁾						
TSPL 1/2563	TMV	100	Relinquished	5	7.1	Thailand
TSPL 2/2563	TMV	100	20-Aug-2020	5	15.9	Thailand
TSPLA 1/2549	TMV	100	Application	5	11.0	Thailand

SIM: Siam Industrial Metal Co. Ltd.; PAM2: Pan Asia 2 Metals (Thailand) Co. Ltd.; TMV: Thai Mineral Ventures Co. Ltd. SIM, PAM2, and TMV are 100% held subsidiaries of the Company or a 100% held subsidiary of one of the Company's 100% held subsidiaries.

⁽ⁱ⁾For Application and Re-application areas, the term of 5 years will begin upon approval of the application and its conversion into a license, at which point a 'Granted' date will be provided in the above table.

⁽ⁱⁱ⁾The SPLA 1/2567 application area is expected to be reduced from 20.1Km² to ~14.5-16.0Km² and the SPLA2/2567 application area reduced from 22.0Km² to ~16.0-17.5Km² once expected carveouts have been applied. See PAM ASX Release titled 'RK Lithium Project - License Re-Application' and dated 22 February 2022.

⁽ⁱⁱⁱ⁾Thai Goldfields NL (TGF) will receive a A\$2m cash payment upon first WO₃ concentrate production being achieved for a tungsten project on Special Prospecting License Application No.1/2549 (TSPLA 1/2549) or its successor title over the historic Khao Soon Tungsten Mine and a A\$2m cash payment upon first WO₃ concentrate production being achieved for a project on any tenement abutting TSPLA 1/2549 or any successor title. David Docherty is a Director of Pan Asia Metals and TGF.

Option Agreement Schedule as at 30 June 2024

Parties		
	Option Agreement 1	Option Agreement 2
Purchaser	Pan Asia Metals Limited through its Chilean Subsidiaries	
Vendor	Rajo Partnership	Rajo Partnership
Project	Dolores North (~222km ²) Dolores South (~96km ²)	Pozon (~158km ²) Pink (~550km ²) Ramatisidos (northern portion of project area, approx. ~110km ²)
Key Commercial Terms		
Term	3 Years + 1 additional year by mutual Agreement ⁽¹⁾	3 Years + 1 additional year by mutual Agreement ⁽¹⁾
Earn-in	100%	100%
Management	PAM	PAM
Licensing	Meet all obligations including annual licensing payments to maintain titles in good standing	
Minimum Annual Spend	Not applicable	Not applicable
Option Payment	Dec '24: US\$100,000 Dec '25: US\$100,000 Dec '26: US\$2,000,000 ⁽²⁾	Dec '24: US\$100,000 Dec '25: US\$100,000 Dec '26 US\$2,000,000 ⁽²⁾
Royalty	Not applicable	Not applicable
(1) By mutual agreement PAM and Rajo Partnership can extension the term of the Option Agreement by 1 year, and if extended PAM would be required to pay an additional Option Payment of US\$100,000. (2) PAM can exercise the US\$2 million Option Payment early, upon which no further annual payments of US\$100,000 will be payable.		

Significant changes in the state of affairs

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

Matters subsequent to the end of the financial half-year

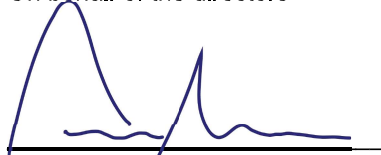
Subsequent to the period end, the Consolidated Entity has raised AUD 761,000 (equivalent to USD 518,000) of which about AUD 511,000 comprised cash for equity and the remainder being related to salary sacrifice by the Consolidated Entity's executive directors.

As announced on 29 July 2024, the Consolidated Entity secured the Rosario Copper Project in Chile (Rosario). Rosario is a strategically situated high grade copper project located in Chile's central copper belt about 10km from the El Salvador copper mine, which has been in operation since 1959. The company plans to start preliminary exploration work in late September by way of geophysical methods.

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

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



Paul David Lock
Managing Director



David John Hobby
Director

13 September 2024

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF PAN ASIA METALS LIMITED

Report on review of interim financial information For the six months ended 30 June 2024

Introduction

We have reviewed the accompanying condensed interim financial information of Pan Asia Metals Limited (the "Company") and its subsidiaries (collectively, the "Consolidated Entity"), which comprises the consolidated statement of financial position as at 30 June 2024, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the six months period then ended, selected notes comprising a summary of significant accounting policies and other explanatory information.

Management is responsible for the preparation and fair presentation of this interim financial information in accordance with Singapore Financial Reporting Standard (International) 1-34, *Interim Financial Reporting* ("SFRS(I) 1-34"). Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with the Singapore Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, 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 Singapore Standards on Auditing 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.

Basis of Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information does not present fairly, in all material respects, the financial position of the Consolidated Entity as at 30 June 2024, and of its financial performance and its cash flows for the six-month period then ended in accordance with Singapore Financial Reporting Standard (International) 1-34, *Interim Financial Reporting*.

**INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF
PAN ASIA METALS LIMITED ("CONTINUED")**

**Report on review of interim financial information
For the six months ended 30 June 2024**

Matter Uncertainty Related to Going Concern

We draw attention to Note 2 of the interim financial information regarding the application of the going concern basis in the preparation of the financial information.

The interim financial information has been prepared on the assumption that the Consolidated Entity will continue as a going concern.

As at 30 June 2024, the cash at bank and deposits of the Consolidated Entity was US\$485,574 (31 December 2023: US\$120,138) and the current liabilities of the Consolidated Entity exceeded current assets by US\$788,722 (31 December 2023: US\$1,311,079). Additionally, the Consolidated Entity reported a net loss of US\$1,110,018 (30 June 2023: US\$1,567,668) for the financial period.

Given that the Consolidated Entity is in the exploration and evaluation stage and has not generated mining revenue, the availability of sufficient future funding to meet its obligations has been a key consideration in our going concern assessment and is a significant aspect of our review.

Our review conclusion is not unqualified in respect of this matter.



Precursor Assurance LLP
Public Accountants and
Chartered Accountants

Singapore
Date: 13 September 2024

Pan Asia Metals Limited and its subsidiaries
Interim consolidated statement of profit or loss and other comprehensive income
For the half-year ended 30 June 2024



		Consolidated	
	Note	30 June 2024	30 June 2023
		US\$	US\$
Other income		6,838	7,001
Expenses			
Employment expenses		(363,534)	(417,277)
Depreciation and amortisation expense		(20,571)	(22,091)
Professional fees		(139,703)	(273,407)
Corporate and administration expenses		(508,598)	(417,539)
Subscription expenses		(42,704)	(68,500)
Marketing and promotion expenses		(39,113)	(276,150)
Short term rental expenses		(1,506)	(2,709)
Unrealised foreign exchange gain/(losses)		350	(94,646)
Finance costs on lease liabilities		(1,477)	(2,350)
Loss before income tax expense		(1,110,018)	(1,567,668)
Income tax expense		-	-
Loss after income tax expense for the half-year attributable to the owners of Pan Asia Metals Limited		(1,110,018)	(1,567,668)
Other comprehensive loss			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		(372,975)	(220,764)
Other comprehensive loss for the half-year, net of tax		(372,975)	(220,764)
Total comprehensive loss for the half-year attributable to the owners of Pan Asia Metals Limited		(1,482,993)	(1,788,432)
		US\$	US\$
Basic earnings per share	15	(0.65)	(1.03)
Diluted earnings per share	15	(0.65)	(1.03)

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

Pan Asia Metals Limited and its subsidiaries
Interim consolidated statement of financial position
As at 30 June 2024



		Consolidated	31 December
	Note	30 June 2024	2023
		US\$	US\$
Assets			
Current assets			
Cash at banks and deposits	4	485,574	120,138
Other receivables	5	472,322	197,096
Prepayments		4,812	25,961
Total current assets		<u>962,708</u>	<u>343,195</u>
Non-current assets			
Other receivables	5	18,808	20,224
Property, plant and equipment		52,051	68,287
Right-of-use assets		35,799	49,803
Exploration and evaluation	6	11,647,514	11,999,831
Total non-current assets		<u>11,754,172</u>	<u>12,138,145</u>
Total assets		<u>12,716,880</u>	<u>12,481,340</u>
Liabilities			
Current liabilities			
Other payables	7	1,007,245	1,295,495
Convertible notes payable		582,161	-
Lease liabilities		23,278	24,246
Accrued expenses	8	138,746	334,533
Total current liabilities		<u>1,751,430</u>	<u>1,654,274</u>
Non-current liabilities			
Lease liabilities		12,521	25,558
Employee benefit provision		34,295	38,214
Total non-current liabilities		<u>46,816</u>	<u>63,772</u>
Total liabilities		<u>1,798,246</u>	<u>1,718,046</u>
Net assets		<u>10,918,634</u>	<u>10,763,294</u>
Equity			
Issued capital	9	18,364,307	16,725,974
Reserves	10	(470,202)	(97,227)
Accumulated losses		<u>(6,975,471)</u>	<u>(5,865,453)</u>
Total equity		<u>10,918,634</u>	<u>10,763,294</u>

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

Pan Asia Metals Limited and its subsidiaries
Interim consolidated statement of changes in equity
For the half-year ended 30 June 2024



Consolidated	Issued capital US\$	Reserves US\$	Accumulated losses US\$	Total equity US\$
Balance at 1 January 2023	13,072,507	(151,038)	(2,526,169)	10,395,300
Loss after income tax expense for the half-year	-	-	(1,567,668)	(1,567,668)
Other comprehensive loss for the half-year, net of tax	-	(220,764)	-	(220,764)
Total comprehensive loss for the half-year	-	(220,764)	(1,567,668)	(1,788,432)
<i>Transactions with owners in their capacity as owners:</i>				
Issuance of new shares	2,249,635	-	-	2,249,635
Share issue expenses	(152,056)	-	-	(152,056)
Balance at 30 June 2023	<u>15,170,086</u>	<u>(371,802)</u>	<u>(4,093,837)</u>	<u>10,704,447</u>

Consolidated	Issued capital US\$	Reserves US\$	Accumulated losses US\$	Total equity US\$
Balance at 1 January 2024	16,725,974	(97,227)	(5,865,453)	10,763,294
Loss after income tax expense for the half-year	-	-	(1,110,018)	(1,110,018)
Other comprehensive loss for the half-year, net of tax	-	(372,975)	-	(372,975)
Total comprehensive loss for the half-year	-	(372,975)	(1,110,018)	(1,482,993)
<i>Transactions with owners in their capacity as owners:</i>				
Share placement to investors and directors	1,589,868	-	-	1,589,868
Shares issued in lieu of directors fees and salaries	105,793	-	-	105,793
Share issue expenses	(57,328)	-	-	(57,328)
Balance at 30 June 2024	<u>18,364,307</u>	<u>(470,202)</u>	<u>(6,975,471)</u>	<u>10,918,634</u>

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

Pan Asia Metals Limited and its subsidiaries
Interim consolidated statement of cash flows
For the half-year ended 30 June 2024



Note	Consolidated	
	30 June 2024 US\$	30 June 2023 US\$
Cash flows from operating activities		
Loss before income tax expense for the half-year	(1,110,018)	(1,567,668)
Adjustments for:		
Depreciation of plant and equipment	9,112	10,176
Depreciation of right of use assets	11,460	11,915
Finance cost on lease liabilities	1,477	2,350
Share-based payments	-	29,835
Unrealised foreign exchange differences	165,075	(63,725)
	(922,894)	(1,577,117)
Changes in operating assets and liabilities:		
Increase in other receivables	(12,740)	(194,600)
Decrease in prepayments	21,147	68,193
Increase in other payables and provision	332,692	6,477
Net cash used in operating activities	(581,795)	(1,697,047)
Cash flows from investing activities		
Payments for exploration and evaluation	(353,601)	(984,311)
Net cash used in investing activities	(353,601)	(984,311)
Cash flows from financing activities		
Proceeds from issuance of ordinary shares	9 822,316	2,067,744
Proceeds from borrowings	76,312	-
Proceeds from issue of convertible notes	362,854	-
Repayment of lease liabilities	(12,710)	(14,265)
Increase in restricted bank deposits	14,155	1,958
Net cash from financing activities	1,262,927	2,055,437
Net increase/(decrease) in cash and cash equivalents	327,531	(625,921)
Cash and cash equivalents at the beginning of the financial half-year	54,852	905,607
Effects of exchange rate changes on cash and cash equivalents	23,750	21,032
Cash and cash equivalents at the end of the financial half-year	<u>406,133</u>	<u>300,718</u>

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

Note 1. General information

Pan Asia Metals Ltd is a company limited by shares, incorporated and domiciled in Singapore and whose shares are publicly traded on the Australian Securities Exchange. Its registered office and principal place of business are:

Registered office

77 Robinson Road
 #06-03
 Robinson 77
 Singapore 068896

Principal place of business

Level 23, 52 Thaniya Plaza, Zone B
 Silom Road, Suriyawong, Bangkok
 Thailand
 10500

These interim financial information as at and for the six-month period ended 30 June 2024 comprise Pan Asia Metals Limited ("the Company") and its subsidiaries ("the Consolidated Entity").

The principal activity of the Company is investment holding. The principal activities of its subsidiaries are in the identification and development of specialty metals assets situated in low-cost environments which are proximal to advanced industrial centres. The Consolidated Entity's principal operations are in Southeast Asia.

The interim financial information are presented in United States dollars, which is Pan Asia Metals Limited's functional currency.

The interim financial information were authorised for issue, in accordance with a resolution of the board of directors, on 13 September 2024.

Note 2. Material accounting policy information

These interim financial information for the six months ended 30 June 2024 have been prepared in accordance with Singapore Financial Reporting Standards SFRS(I) 1-34 Interim Financial Reporting and the Companies Act 1967 (the Act). Compliance with SFRS(I) 1-34 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

The interim financial information does not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Consolidated Entity's financial position and performance of the Consolidated Entity since the last annual financial statements for the year ended 31 December 2023.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

A number of amendments to Standards have become applicable for the current reporting period. The Consolidated Entity did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

Use of judgements and estimates

In preparing the interim financial information, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Consolidated Entity's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2023.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Seasonal operations

The Consolidated Entity's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

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

Note 2. Material accounting policy information (continued)

Going concern

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

During the half-year ended 30 June 2024, the Consolidated Entity reported a net loss of US\$1,110,018 (30 June 2023: net loss of US\$1,567,668). The Consolidated Entity has no source of operating cash inflows other than interest income and funds sourced through capital raising activities. As at 30 June 2024, the Consolidated Entity has cash at banks and deposits of US\$485,574 (31 December 2023: US\$120,138) and Consolidated Entity's current liabilities exceeded its current assets by US\$788,722. These factors indicate the existence of a material uncertainty which may cast significant doubt on the Consolidated Entity's and the Company's ability to continue as going concerns

The Directors believe that the Consolidated Entity has access to sufficient cash resources to allow it to meet its minimum exploration expenditure commitments on existing tenements and continue its activities for at least the next 12 months. For this reason, this interim financial information is prepared on a going concern basis based on the following considerations:

- The Consolidated Entity's track record of successfully raising capital. The Consolidated Entity raised approximately AUD 895,000 (equivalent to USD 582,161) via Convertible notes as announced on ASX on 28 March 2024. The Consolidated Entity raised approximately AUD 1,400,000 (equivalent to USD 879,644) via share placement as announced on ASX on 14 May 2024 and 25 June 2024. The Consolidated Entity also executed a AUD 10,000,000 (equivalent to USD 6,624,000) At Call Funding Facility with Alpha Investment Partners as announced on ASX on 14 May 2024, which remains undrawn. Subsequent to the period end, the Consolidated Entity raised AUD 761,000 (equivalent to USD 518,000) of which about AUD 511,000 comprised cash for equity and the remainder being related to salary related contributions by the Consolidated Entity's executive directors.
- The Consolidated Entity's ability to raise additional capital, which is proven based on its track record;
- The Consolidated Entity is in advanced discussions with several leading lithium chemical and batteries producers in the Asian region for potential collaborations;
- The ability of the Consolidated Entity to further scale back parts of its operations and reduce costs if required;
- Meeting its obligations by either farm-out or partial sale of the Consolidated Entity's exploration interests; and
- Other avenues that may be available to the Consolidated entity.

In the long term, the development of mineral reserve found depends on the Consolidated Entity's ability to raise additional capital. Additional funds will be required for the successful exploration and subsequent exploitation of its areas of interest through development and sale. The main source of future funds presently available to the Consolidated Entity is the raising of equity capital by the Consolidated Entity. The ability to arrange such funding in the future will depend on the prevailing capital market conditions as well as the business performance of the Consolidated Entity and its exploration and evaluation results.

The interim financial information presented does not include any adjustments to the carrying amounts and classification of assets, liabilities and reported expenses that may otherwise be required if the going concern basis was not appropriate.

Note 3. Operating segments

The consolidated entity does not have any reportable operating segments as it solely operates in one segment, being the exploration of resources within the Southeast Asian region. The internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining allocation of resources are prepared on the consolidated entity as a whole.

Note 4. Cash at banks and deposits

	Consolidated 30 June 2024 US\$	31 December 2023 US\$
<i>Current assets</i>		
Cash at banks	406,133	54,852
Restricted bank deposits	79,441	65,286
	<u>485,574</u>	<u>120,138</u>

As at 30 June 2024, the Consolidated Entity has pledged fixed deposits of US\$79,441 (US\$65,286) as collateral for bank guarantees issue for obligation of the performance under the contract with Department of Primary Industries and Mines (DPIM).

For the purpose of presenting the statement of cash flows, cash and cash equivalents comprise the following at the end of the financial year:

	Consolidated 30 June 2024 US\$	31 December 2023 US\$
Cash at bank and deposits	485,574	120,138
Less: Restricted bank deposits	(79,441)	(65,286)
Cash and cash equivalents	<u>406,133</u>	<u>54,852</u>

Note 5. Other receivables

	Consolidated 30 June 2024 US\$	31 December 2023 US\$
<i>Current assets</i>		
VAT receivables	206,741	192,174
Others	265,581	4,922
	<u>472,322</u>	<u>197,096</u>
<i>Non-current assets</i>		
Refundable deposits	18,808	20,224
	<u>491,130</u>	<u>217,320</u>

Other receivables represent shares issued to Alpha (investor) for which funds are yet to be received.

Note 6. Exploration and evaluation

	Consolidated	
	30 June 2024	31 December 2023
	US\$	US\$
<i>Non-current assets</i>		
Exploration and evaluation at cost	11,647,514	11,999,831

Reconciliations of the written down values at the beginning and end of the current and previous financial half-year are set out below:

	Reung Kiet Lithium Project	
	US\$	
Consolidated		
Balance at 1 January 2024		11,999,831
Expenditure during the half-year		185,348
Exchange differences		(537,665)
Balance at 30 June 2024		11,647,514

The expenditure during the period was predominantly in respect of costs incurred on the Reung Kiet Lithium Project.

The recoverability of the carrying amount of exploration and evaluation assets is dependent upon successful development and commercial exploitation, or alternatively the sale of the respective areas of interest. A review of the consolidated entity's exploration licenses was undertaken as at 30 June 2024 with no impairment charge was recognised from the review undertaken.

Note 7. Other payables

	Consolidated	
	30 June 2024	31 December 2023
	US\$	US\$
<i>Current liabilities</i>		
Advance received from directors	-	444,643
Payable to suppliers	758,057	660,791
Other payables	249,188	190,061
	1,007,245	1,295,495

Note 8. Accrued expenses

	Consolidated	
	30 June 2024	31 December 2023
	US\$	US\$
Directors' fee	83,716	277,879
Professional fees	30,490	41,101
Other accrued expenses	24,540	15,553
	138,746	334,533

Note 9. Issued capital

	Consolidated		
	30 June 2024	31 December 2023	30 June 2024
	Shares	Shares	US\$
Ordinary shares - fully paid	185,518,343	167,816,778	18,364,307
			16,725,974

Movements in ordinary share capital

Details	Shares	US\$
Balance as at 1 January 2024	167,816,778	16,725,974
Placement of shares to investors and Directors	116,759,620	1,589,868
Shares issued in lieu of directors' fees and salaries	941,945	105,793
Capital raising cost	-	(57,328)
Balance as at 30 June 2024	185,518,343	18,364,307

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Note 10. Reserves

	Consolidated	
	30 June 2024	30 June 2023
	US\$	US\$
Foreign currency reserve	(470,202)	(97,227)

Foreign currency reserve

The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to United States dollars. It is also used to recognise gains and losses on hedges of the net investments in foreign operations.

Note 11. Dividends

There were no dividends paid, recommended or declared during the current or previous financial half-year.

Note 12. Contingent assets and liabilities

(a) The Company has following contingent liabilities towards Thai Goldfields NL as performance payments related to tungsten production at the Khao Soon Tungsten Project:

- (i) Thai Goldfields NL (TGF) will receive a A\$2m cash payment upon first WO3 concentrate production being achieved for a tungsten project on Special Prospecting Licence Application No.1/2549 (TSPLA 1/2549) or its successor title over the historic Khao Soon Tungsten Mine; and
- (ii) TGF will receive a A\$2m cash payment upon first WO3 concentrate production being achieved for a project on any tenement abutting TSPLA 1/2549 or any successor title.

(b) On 15 December 2021, the Company adopted the Bonus share plan for its employees. The scheme allows for the issue of 250,000 shares per year for the next 4 years. This is a discretionary scheme with the distribution to the staff based on the recommendation by management. As of 30 June 2024, there were no bonus shares issued to the staff.



Note 13. Related party transactions

Parent entity

Pan Asia Metals Limited is the parent entity.

Transactions with related parties

There were no transactions with related parties during the current and previous financial half-year.

Receivable from and payable to related parties

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

Note 14. Events after the reporting period

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

Note 15. Earnings per share

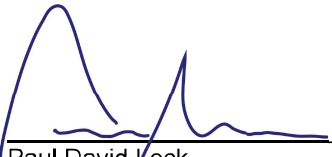
	Consolidated	
	30 June 2024	30 June 2023
	US\$	US\$
Loss after income tax attributable to the owners of Pan Asia Metals Limited	<u>(1,110,018)</u>	<u>(1,567,668)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>170,156,679</u>	<u>151,939,374</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>170,156,679</u>	<u>151,939,374</u>
	Dollars	Dollars
Basic earnings per share	(0.65)	(1.03)
Diluted earnings per share	(0.65)	(1.03)

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standards 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



Paul David Lock
Managing Director

David John Hobby
Director

13 September 2024