LEO LITHIUM LIMITED

ABN 70 638 065 068

INTERIM FINANCIAL REPORT FOR THE HALF-YEAR ENDED 30 JUNE 2024

www.leolithium.com

Corporate Directory

Board of Directors

Rick Crabb	- Non-Executive Chairman
Simon Hay	- Managing Director and Chief Executive Officer
Amber Banfield	- Non-Executive Director
Rod Baxter	- Non-Executive Director
Brendan Borg	- Non-Executive Director
Alan Rule	- Non-Executive Director

Chief Financial Officer and Company Secretary

Ron Chamberlain

Registered Office and Principal Place of Business

Level 2, 16 Ventnor Avenue
West Perth WA 6005
Australia
Phone: + 61 8 6314 4500
Email info@leolithium.com
Website: www.leolithium.com

Share Registry

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Level 11, 172 St Georges Terrace
Perth WA 6000
Phone: 1300 850 505 (within Australia)
Phone: + 61 3 9415 5000 (outside Australia)
Fax: + 61 8 9473 2500
Website: www.computershare.com
Investor Centre: www.investorcentre.com

Legal Advisers

Thomson Geer
Level 27, Exchange Tower
2 The Esplanade
Perth WA 6000
Australia

Auditors

PricewaterhouseCoopers
Level 15, 125 St Georges Terrace
Perth WA 6000
Australia

Australian Company Number

638 065 068

Leo Lithium Limited shares are listed on the Australian Stock Exchange (**ASX**). ASX Code: LLL

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DIRECTORS' REPORT

Your Directors present their report together with the financial report of the Group consisting of Leo Lithium Limited (**Leo Lithium** or **Company**) and the entities it controlled (**Group**) during the six months ended 30 June 2024 (**Half-Year**).

Leo Lithium is a lithium-focused company which held a 40% interest in one of the world's largest undeveloped high-quality spodumene (lithium) deposits during the Half-Year.

On 8 May 2024 the Company announced the sale to GFL International Co, Ltd (**Ganfeng**) of its remaining 40% interest in Mali Lithium BV (a company incorporated in the Netherlands) (**MLBV**) which, via its wholly owned subsidiary Lithium du Mali SA (a company incorporated in Mali) (**LMSA**), owns the Goulamina Lithium Project (**Goulamina Project**). The sale was subject to several conditions precedent including approval from the Company's shareholders and Chinese regulatory approvals, with all conditions precedent satisfied on 25 November 2024.

DIRECTORS

The following persons were directors of Leo Lithium during the Half-Year and up to the date of this report, unless otherwise stated:

Rick Crabb	Non-Executive Chairman
Simon Hay	Managing Director and Chief Executive Officer
Brendan Borg	Non-Executive Director
Rod Baxter	Non-Executive Director
Amber Banfield	Non-Executive Director
Alan Rule	Non-Executive Director

OPERATIONAL AND FINANCIAL REVIEW

Goulamina Lithium Project

Overview

The Goulamina Project is one of the world's largest undeveloped high-quality spodumene (lithium) deposits which is anticipated to enter production in the December quarter 2024.

The Goulamina Joint Venture arrangement is a joint venture between Leo Lithium and Ganfeng to develop and operate Goulamina in Mali (**Goulamina JV**).

MLBV is the Goulamina JV company that at 26 November 2024 owned 100% of LMSA which in turn owns 100% of the Goulamina Project. Pursuant to Malian law, the State of Mali is entitled to a free carried 10% equity interest in LMSA with an option to acquire an additional equity interest. At 26 November 2024, the 10% free carry interest had not been issued but the process had commenced, and the Government had not exercised its option for the additional interest. Under the newly promulgated 2023 Mali Mining Code (**2023 Code**) the Mali Government is entitled to increase its stake in MLBV from 20% to 30% (with private Mali nationals retaining a right to a further 5%).

During the Half-Year Leo Lithium was the manager of the Goulamina JV, with initial development activities commencing in 2022 to bring the Goulamina Project into production in 2024.

The Goulamina Project comprises a land holding of 100 square kilometers in the Bougouni Region of southern Mali, approximately 150km by road from Mali's capital, Bamako. The land holding encompasses the Goulamina Project mineral deposit and is sparsely populated.

Goulamina Project highlights during the Half-Year include:

- Continuous commitment to health and safety, with no lost time injuries since the Goulamina Project construction commenced;
- Reached 86% completion milestone at 30 June 2024;
- Mining progressed to plan with 1.90 million BCM material mined for the June 2024 half-year; and
- Mali Government approval of self-generation power and import/use of radioactive source permits.

Resource and Reserve

<u>Mineral Resource Estimate</u>

The Company released an upgraded Goulamina Project Mineral Resource Estimate (**MRE**) on 1 July 2024, following an exploration drilling campaign completed in the second half of 2023.

The upgraded MRE expanded the total resource tonnage by approximately 27%, from 211 Mt at 1.37% Li_2O to 267.2 Mt at 1.38% Li_2O (see Tables 1 and 2).

***Table 1**: Goulamina Mineral Resource Estimate summary (no reporting cut-off applied) – May 2024*

Classification	Tonnes (Mt)	Li_2O (Mt)	Li_2O (%)	Fe_2O_3 (%)	Density (t/m^3)
Measured	13.1	0.21	1.58	0.92	2.73
Indicated	94.9	1.35	1.42	0.90	2.73
Inferred	159.2	2.12	1.33	0.83	2.73
Total	***267.2***	***3.69***	***1.38***	***0.86***	***2.73***

Notes:

- *Mineral Resources are reported in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The Joint Ore Reserves Committee Code – JORC 2012 Edition).*
- *Data is reported to significant figures and differences may occur due to rounding.*
- *Mineral Resources have been reported above a US$1,500/tonne optimised pit shell and no cut-off grade was applied.*

***Table 2**: Goulamina Mineral Resource Estimate June 2024 compared to previous MRE in June 2023.*

Total Mineral Resources	Tonnes (Mt)	Li_2O (%)	Fe_2O_3 (%)	Li_2O (Mt)
Mineral Resources as at 30 June 2023	211.0	1.37	0.87	2.89
Mineral Resources as at 30 June 2024	267.2	1.38	0.86	3.69
Additional Resource from 30 June 2023 to 30 June 2024	**56.2**	**1.42**	**0.82**	**0.80**

The MRE information is based on information compiled by Mr. Matt Clark. Mr. Clark is a full-time employee of ERM Australia Consultants and has acted as an independent consultant on the Goulamina MRE. Mr. Clark is a member of the Australasian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and the activity he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "*Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves* (the JORC Code)". Mr Clark is responsible for the Goulamina Mineral Resource estimate.

Ore Reserves

Proven and Probable Ore Reserves (Table 3) have been derived from historical Measured and Indicated Mineral Resources and are contained within the final pit design and scheduled to be processed through the planned processing facility. The Ore Reserves do not include any material classified as Inferred.

***Table 3**: Goulamina Open Pit Ore Reserve Estimate – October 2020.*

Category	Tonnes (Mt)	Cut-off grade (Li_2O%)	Grade (Li_2O%)	Tonnes (Li_2O)
Proven	8.0	0.00	1.55	125,000
Probable	44.0	0.00	1.50	660,000
Total	***52.0***	***0.00***	***1.51***	***785,000***

The information on Ore Reserves is extracted from the Company's replacement prospectus dated 6 May 2022 (**Prospectus**) which is available at www.leolithium.com. The Company confirms that all material assumptions and technical parameters underpinning the Ore Reserve estimates in the Prospectus continue to apply and have not materially changed. The Competent Person for the Prospectus for Ore Reserves is Mr. Quinton de Klerk. The Company confirms that the form and context in which the Competent Persons' findings are presented have not been materially modified from the Prospectus. However, current work is in progress to evaluate the Ore Reserve Estimate based on the significant upgrade of the Mineral Resource, new pricing and updated costs setting the foundation for further positive developments in Reserve estimate.

Goulamina Project Development during the Half-Year

- Significant MRE upgrade increased the total Goulamina Project resource base from 211 Mt to 272.2 Mt at 1.38% Li_2O which elevates Goulamina to the world's fourth largest global spodumene deposit.
- Progress continued and remains on plan with completion exceeding 86% at 30 June 2024 with first ore processing expected in the December 2024 quarter.
- Commissioning of the dry plant commenced during the June quarter, with the following achievements:
  - Dry plant transformers and switch rooms energized on temporary power;
  - Direction testing of drives and field instruments completed; and
  - Crushers, conveyors, screens and pumps have all been run, with the first ore planned to be fed imminently into the dry plant.
- Progress of remaining areas in the wet plant included:
  - Ball mill and classification area mechanically complete and electrically advanced;
  - Flotation and Magnetic Separation area steelwork, piping and electrical installation continued;
  - Air and water services completed to allow commissioning activities to commence;
  - Electrical substations install and fit-out continued; and
  - With vendor representatives arriving on site, wet plant commissioning is scheduled to commence in the September quarter.
- Non-process infrastructure continued to be advanced, including:
  - Power station construction, installation of all generators, building and fit out of switch rooms and buildings;
  - Fuel facility now approaching completion and commissioning;
  - Completion of overhead power line installation; and
  - Commissioning of the wastewater treatment plant, final accommodation building and supporting buildings with final services expected to be operational early in the September quarter.
- Mali Government approval of the self-generation power permit that allows on-site power generation for 20 years. This enables the Goulamina Project to transition from smaller-scale temporary power units to a single, large-scale power station in time for the commissioning and operational phases to commence.
- Mali Government approval of the import and use of radioactive source permit that allows the importing and use of processing density gauges in the processing plant that have a low emitting radioactive source.
- Total material mined was 1.97 million BCM of ore and waste. At 30 June 2024, 700kt of ore at a grade of 1.58% Li_2O had been stockpiled in advance of commissioning and operations start-up.
- Mining activities included sufficient pre strip to advance face positions for future mining needs including advancing the stage 2 cutback targeting the Main and West ore domains.

Safety Performance

Safety and security are a priority for Leo Lithium and the Goulamina Project has no recordable safety or serious environmental incidents to 30 June 2024.

During the Half-Year, the site team successfully passed 6,700,000 hours worked since the Goulamina Project started without a lost time injury which is a substantial achievement by the local workforce and the health and safety leadership team.

Environmental, Social and Governance

In 2023, Leo Lithium established a Sustainability Committee at Board level to guide, champion and measure sustainability activities including environment, social and governance. In 2023 the Company developed and implemented several key corporate policies designed to ensure that the business conducts itself in an open and transparent manner. This includes the Environmental, Health and Safety, Sustainability and Risk Management Policies, a Community Engagement Plan, a Sponsorship and Donations Procedure and a Grievance and Dispute Resolution Procedure.

Corporate Key Events

MoU signed with the Mali Government

On 8 May 2024, the Company announced that Leo Lithium, Ganfeng, Firefinch Limited (**Firefinch**) and the Mali Government had signed a Memorandum of Understanding (**MoU**) to settle all disputed matters between the parties whereby:

- Leo Lithium will pay, or procure the payment of, US$60 million to the Mali Government;
- The Goulamina Project title is assured and the dispute over the irregularity of the transfer has been settled;
- The Government will facilitate the granting of any permit and authorisation necessary for the Goulamina Project;

- The Government will immediately resume exempting the Goulamina Project from customs duties and fees for the remaining construction phase of the project; and
- The Goulamina Project will migrate to the 2023 Mining Code with some variations to be formalised between Ganfeng and the Government, lifting potential Government project interest from the previous 20% up to 30%, plus a further 5% local stake.

On 13 May 2024, the US$60 million settlement payment was received by the Mali Government. Proceeds from the US$65 million sale by the Company of 5% of MLBV to Ganfeng (see below) funded the settlement.

Sale of 5% of MLBV for US$65 million to Ganfeng completed

Leo Lithium entered an agreement to sell a 5% interest in MLBV (and thereby the Goulamina Project) to Ganfeng for US$65 million on 19 January 2024.[1] The agreement was conditional upon a settlement being reached with the Mali Government. On 7 May 2024, the Company entered into a Deed of Amendment and Restatement in relation to this agreement and following signing of the MoU, the transaction completed and Leo Lithium's interest in MLBV reduced to 40% and Ganfeng's interest increased to 60%.

Sale of the Company's remaining shareholding in MLBV to Ganfeng

On 8 May 2024[2], the Company announced that it had entered into a Share Sale Agreement (**SSA**) under which it agreed to sell its remaining 40% shareholding in MLBV, and therefore its remaining 40% indirect interest in the Goulamina Project, to Ganfeng subject to certain conditions including approval from Leo Lithium's shareholders and Chinese regulatory approvals.

Under the SSA, Leo Lithium will receive cash consideration of US$342.7 million, payable in three instalments.

- US$10.5 million non-refundable deposit to be paid within 10 business days of executing the SSA;
- US$161.0 million on completion of the transaction, following satisfaction (or waiver) of the conditions precedent for the SSA (**Tranche 1 Consideration**); and
- US$171.2 million payable by 30 June 2025 or an earlier date (**Tranche 2 Consideration**). Interest to accrue on the unpaid balance of the Tranche 2 Consideration at a rate equal to SOFR + 2%, commencing from the completion date until the Tranche 2 Consideration is paid in full to Leo Lithium.

The US$10.5 million non-refundable deposit was received on 17 May 2024.

All conditions precedent were satisfied on 25 November 2024 following the Leo Lithium shareholders' approval of the sale at the Annual General Meeting held on 31 July 2024 and receipt by Ganfeng of all Chinese Government regulatory approvals. As a consequence of the satisfaction of all conditions precedent, the:

- Company authorised Ganfeng to pay the full amount of capital gains tax (**CGT**) relating to the sale of US$44.7 million directly to the Mali Government on behalf of the Company; and
- Tranche 1 Consideration net of CGT of US$116.3 million was received by the Company on 26 November 2024 (**Sale Completion**).

Compensation for termination of Co-operation Agreement

As part of the Sale Completion, Leo Lithium assigned to a Ganfeng affiliate the Company's contractual rights to offtake from the Goulamina Project's future expansions at Stage 2 and Stage 3 (**Offtake Rights**) and terminated the balance of the Cooperation Agreement with Ganfeng[3].

Ganfeng (via an affiliate) has agreed to pay the Company a trailing product sales fee (**Trailing Fee**) as consideration for the assignment of the Offtake Rights. This Trailing Fee is 1.5% of the gross revenue received from the sale of up to 500,000 tonnes of spodumene concentrate per annum from the Goulamina Project for a term of 20 years.

Leo Lithium concluded its management of the Goulamina Project

Leo Lithium ceased being the manager of the Goulamina Project with the transfer of management responsibilities to Ganfeng on 1 July 2024.

As Ganfeng commenced building its management team, since 30 June 2024, Leo Lithium was engaged to provide transitional management services at the Goulamina Project under the Goulamina Services Agreement. This

[1] See ASX Announcement dated 19 January 2024 – "US$65m for 5% sale of Goulamina and continued suspension"
[2] See ASX Announcement dated 8 May 2024 – "MOU signed with the Mali Government and sale of entire Goulamina Project to Ganfeng"
[3] For further information on the Co-operation Agreement see Leo Lithium's announcement dated 29 May 2023 titled "Leo Lithium secures A$106m strategic placement and transformational Cooperation Agreement with Ganfeng Lithium" available at www.asx.com.au

agreement ended on 13 November 2024, at which time the Company ceased all involvement with the Goulamina Project. The Company was paid in line with standard market contracting rates on a cost-plus basis.

Deed of Covenant and Release with Firefinch

As part of the MoU, Firefinch agreed to transfer its shares in Morila SA, and all of the mining titles its subsidiaries hold in Mali, to a Mali Government owned mining company.

On 7 May 2024, Leo Lithium, Ganfeng and Firefinch entered into a Deed of Covenant and release whereby Firefinch agreed to make an A$11.5 million contribution to Leo Lithium when the Firefinch shareholders approve the transfer of Firefinch's shares in Morila SA to the Mali State owned mining company. Firefinch received shareholder approval for this transfer on 31 October 2024 and the A$11.5 million was received by the Company on 1 November 2024.

The Deed of Covenant includes an unconditional release by Firefinch in favour of Leo Lithium and its associates from all claims in relation to the Demerger Deed signed as part of the IPO in 2022.

Termination of legacy agreements

With effect from Sale Completion:

- the existing MLBV shareholders' deed and the administrative services deed have been terminated; and
- Ganfeng has released Leo Lithium from its obligations under an existing guarantee (see Note 8).

Sole Funding Arrangement

During the Half-Year, Ganfeng entered into a Prepayment Agreement with LMSA, the owner of the Goulamina Project) pursuant to which Ganfeng will provide LMSA with funding of up to US$150 million to finalise the construction of, and commence operations at, the Goulamina Project.

The funding is in the form of prepayments for the offtake to be provided by LMSA to Ganfeng under Ganfeng's existing offtake agreement, with a portion of the value of each cargo being applied to progressively repay the prepayment amount. As a consequence, Leo Lithium has not provided further funding during the Half-Year nor since 30 June 2024 for the Goulamina Project[4].

As at 30 June 2024, Ganfeng has provided funding of U$35.0 million under this Prepayment Agreement.

Sale Proceeds

The Leo Lithium Board committed to a cash distribution to shareholders in January 2025 comprising:

- 100% of the A$ equivalent of Tranche 1 Consideration net of CGT of US$116.3 million;
- the non-refundable deposit of US$10.5 million paid by Ganfeng; and
- the A$11.5 million payment received from Firefinch .

It is expected that this distribution will be A$0.17.2 per share.

The Board also announced a potential second cash distribution to shareholders in July 2025 including cash management plans for the Tranche 2 Consideration[5]. These plans include the search for investment opportunities.

No resumption of trade on ASX

During the Half Year, Leo Lithium met with representatives from the ASX to discuss the reinstatement of the Company's shares to trading on ASX.

ASX has advised that it is not minded reinstating Leo Lithium's shares to trading due to concerns regarding the Company's ability to demonstrate compliance with ASX Listing Rules 12.1 and 12.5, primarily due to its minority holding in the Goulamina joint venture. The ASX also required Leo Lithium to address the matters resulting in its suspension under Listing Rule 17.3, which the Company has since completed. The Company will continue to engage with ASX to endeavour to resolve these outstanding concerns.

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[4] The maximum amount payable under the Prepayment Agreement is based on the forecast cost to complete construction and initial operational expenses. Should the actual costs exceed forecast then the shortfall may be payable by the shareholders in MLBV.

[5] See Leo Lithium announcement dated 25 July 2024 titled "Update on proposed distribution of consideration from MLBV Sale" available at www.asx.com.au

OPERATING RESULTS FOR THE PERIOD

Profit & Loss

The Group's profit after tax for the Half-Year was $48.6 million (30 June 2023: loss $3.9 million) including:

- Loss from continuing operations of $4.1 million including the following key items:
  - Other income of $1.7 million, including interest received and net foreign exchange gain;
  - Administration expenses of $1.8 million;
  - Employee benefits expense of $1.9 million; and
  - Share based payment expenses of $2.1 million.
- Profit from discontinued operations of $37.4 million including the following key items:
  - Goulamina Project management and administration fees of $0.3 million;
  - Share in Goulamina Project profit of $0.4 million;
  - Gain on sale/dilution of investment in Goulamina Project of $154.2 million;
  - Mali government settlement expense of $90.8 million (US$60 million); and
  - Income tax expense of $26.8 million (US$17.8 million).

Cash Flow – Leo Lithium

Operating Cash Flows

Operating cash outflows for the Half-Year was $93.9 million (30 June 2023 $1.6 million) including the following key items:

- Payment of Mali government settlement of $90.8 million (US$60 million);
- Payment of employees and suppliers $4.0 million;
- Receipt of Goulamina Project management and administration fees of $0.3 million; and
- Interest received of $0.6 million.

Investing Cash Flows

Investing cash inflows for the Half-Year was $138.2 million (30 June 2023: $2.7 million outflow) including the following key items:

- Proceeds from the sale of MLBV shares (5%) of $98.3 million (US$65.0 million);
- Reimbursements received from the Goulamina Project of $57.6 million;
- Receipt of non-refundable deposit from Ganfeng of $15.7 million (US$10.5 million);
- Payments made on behalf of the Goulamina Project of $22.0 million; and
- Payment of capital gains tax on sale of shares of $11.5 million(US$7.6 million).

Closing Cash

Closing cash as at 30 June 2024 was $77.6 million (31 December 2023: $33.6 million).

DIVIDENDS FOR THE PERIOD

No dividends have been paid by the Company during the period, nor have the Directors recommended that any dividends be paid (30 June 2023: Nil).

BUSINESS RISKS AND EXTERNAL FACTORS

Leo Lithium's business, operating and financial performance are subject to various risks and uncertainties, some of which are beyond Leo Lithium's reasonable control. The identification and, where possible, mitigation and management of these risks is central to achieving the objectives of the Company.

In 2023 the Company established a risk management framework that articulates and mitigates the adverse impact these risks have on the business. The risk management framework included the formal adoption of a Risk Policy, drafting a Risk Standard and the development of a Corporate Risk Register.

The Corporate Risk Register is substantially complete and includes the following risks that have been identified as capable of having a material adverse impact on the Company's business, results and future prospects: Sovereign Risk, Security Risk, Goulamina Delivery, Commodity Prices, Supply and logistics, Travel, Community Relations, Joint Venture Relationship and Tailings Storage Facility Management. These factors are not listed in order of importance and are not intended as an exhaustive list of all the risks and uncertainties associated with Leo Lithium's business and the Goulamina Project. However, they do represent the top risks identified by the management of Leo Lithium. Refer to the 2023 Annual Report for details relating to these risks.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

In the opinion of the Directors, there were no other significant changes in the state of affairs of the Group that occurred during the Half-Year, other than those described in this report.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

Other than the matter set out below, in the interval between the end of the Half-Year and the date of this report, there has not arisen any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial years:

- On 31 July 2024, at Leo Lithium's Annual General Meeting, the Company shareholders approved the sale of Leo Lithium's 40% interest in MLBV to Ganfeng.
- On 31 October 2024, the Company announced that Firefinch shareholders had passed a resolution authorising the payment of A$11.5 million to Leo Lithium as a contribution to the settlement amount previously paid by Leo Lithium to the Mali Government. The A$11.5 million was received by Leo Lithium on 1 November 2024.
- On 1 November 2024, the Company announced that Ganfeng had advised of a delay in receipt of Chinese Government regulatory approvals relating to the sale of Leo Lithium's 40% interest in MLBV. The Company agreed to an extension to 25 November 2024 for satisfaction or waiver of this final condition precedent, with completion scheduled to occur by the end of November 2024.
- On 25 November 2024, the Company announced that Ganfeng had confirmed receipt of all the required Chinese Government regulatory approvals resulting in satisfaction of all conditions precedent to the sale of Leo Lithium's 40% interest in MLBV.
- On 26 November 2024, the Company received the net Tranche 1 Consideration of US$116.3 million from Ganfeng relating to the sale of Leo Lithium's 40% interest in MLBV. This receipt was net of CGT of US$44.7 million that was payable on the sale, which the Company authorised Ganfeng to pay directly to the Mali Government on behalf of Leo Lithium.
- On 26 November 2024, the Company converted the US$116.3 million received into A$179.2 million in preparation for the proposed cash distribution to shareholders in January 2025.

ROUNDING

The amounts contained in the financial report have been rounded to the nearest $1,000 (unless otherwise stated) pursuant to the option available to the Company under ASIC Class Order 2016/191. The Company is an entity to which the class order applies.

AUDITOR'S INDEPENDENCE DECLARATION

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

This report is made in accordance with a resolution of Directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the Directors

Simon Hay
Managing Director

Perth, 4 December 2024

AUDITOR'S INDEPENDENCE DECLARATION

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Auditor's Independence Declaration

As lead auditor for the review of Leo Lithium Limited for the half-year ended 30 June 2024, I declare that to the best of my knowledge and belief, there have been:

(a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

(b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Leo Lithium Limited and the entities it controlled during the period.

Ian Campbell
Partner
PricewaterhouseCoopers

Perth
4 December 2024

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CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE HALF-YEAR ENDED 30 JUNE 2024

	Note	30 June 2024 $'000	30 June 2023 $'000
Continuing operations			
Income			
Other income	*7*	1,670	1,534
Expenses			
Administration expenses	*7*	(1,737)	(2,194)
Employee benefits expense	*7*	(1,865)	(2,104)
Share-based payments expense		(2,086)	(1,304)
Finance costs	*7*	(45)	(26)
Loss before income tax expense from continuing operations		**(4,063)**	**(4,094)**
Income tax benefit/(expense)		-	-
Loss after income tax expense for the period from continuing operations		**(4,063)**	**(4,094)**
Profit after income tax expense from discontinued operations	*4*	37,439	222
Profit/(loss) after income tax expense for the period		**33,376**	**(3,872)**
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation loss – reclassified to profit or loss on dilution/sale of interest in the Goulamina Project		(2,611)	-
Foreign currency translation gain – remeasurement of investment in the Goulamina Project		1,741	3,076
Other comprehensive (loss)/income for the period		(870)	3,076
Total comprehensive income/(loss) for the period		**32,506**	**(796)**
Earnings/(loss) per share for loss from continuing operations attributable to the ordinary equity holders of the company		**Cents**	**Cents**
Basic and diluted loss per share		(0.34)	(0.34)
Earnings/(loss) per share for profit attributable to the ordinary equity holders of the company			
Basic earnings/(loss) per share		2.79	(0.34)
Diluted earnings/(loss) per share		2.75	(0.34)

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

Consolidated Statement of Financial Position

As at 30 June 2024

	Note	30 June 2024 $'000	31 December 2023 $'000
ASSETS			
Current Assets			
Cash and cash equivalents		77,585	33,561
Receivables		3,815	38,622
Other current assets		902	738
Assets classified as held for sale	*4*	168,688	-
Total Current Assets		**250,990**	**72,921**
Non-Current Assets			
Interest in Joint Venture		-	113,275
Property, plant and equipment		77	97
Right-of-use assets		1,146	1,280
Total Non-Current Assets		**1,223**	**114,652**
Total Assets		**252,213**	**187,573**
LIABILITIES			
Current Liabilities			
Trade and other payables		1,088	1,800
Lease liabilities		213	201
Employee benefits		310	283
Deferred income	*4*	15,712	-
Deferred tax liability	*6*	15,245	-
Total Current Liabilities		**32,568**	**2,284**
Non-Current Liabilities			
Lease liabilities		1,023	1,149
Employee benefits		18	17
Total Non-Current Liabilities		**1,041**	**1,166**
Total Liabilities		**33,609**	**3,450**
Net Assets		**218,604**	**184,123**
EQUITY			
Contributed equity	*8(a)*	105,813	105,924
Reserves	*8(c)*	14,799	13,583
Retained earnings		97,992	64,616
Total Equity		**218,604**	**184,123**

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

Consolidated Statement of Changes in Equity

For the half-year ended 30 June 2024

	Contributed equity $'000	Foreign currency translation reserve $'000	Share based payment reserve $'000	Retained earnings $'000	Total Equity $'000
Balance at 1 January 2023	**105,924**	**9,684**	**1,262**	**66,301**	**183,171**
Loss for the period	-	-	-	(3,872)	**(3,872)**
Other comprehensive income for the period	-	3,076	-	-	**3,076**
Total comprehensive income/(loss)	-	**3,076**	-	**(3,872)**	**(796)**
Share-based payments	-	-	1,304	-	**1,304**
Balance at 30 June 2023	**105,924**	**12,760**	**2,566**	**62,429**	**183,679**
Balance at 1 January 2024	**105,924**	**9,796**	**3,787**	**64,616**	**184,123**
Profit for the period	-	-	-	33,376	**33,376**
Foreign currency translation loss – reclassified to profit or loss on dilution/sale of interest in the Goulamina Project	-	(2,611)	-	-	**(2,611)**
Foreign currency translation gain – remeasurement of investment in the Goulamina Project	-	1,741	-	-	**1,741**
Total comprehensive income/(loss)	-	**(870)**	-	**33,376**	**32,506**
Share issue costs	(111)	-	-	-	**(111)**
Share-based payments	-	-	2,086	-	**2,086**
Balance at 30 June 2024	**105,813**	**8,926**	**5,873**	**97,992**	**218,604**

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

Consolidated Statement of Cash Flows

For the half-year ended 30 June 2024

	30 June 2024 $'000	30 June 2023 $'000
Cash flow from operating activities		
Payments to suppliers and employees	(4,043)	(3,001)
Interest received	619	936
Goulamina Project management and administrative fees	341	491
Mali Government settlement	(90,781)	-
Net cash (used in) operating activities	**(93,864)**	**(1,574)**
Cash flows from investing activities		
Payments for property, plant and equipment	(4)	(73)
Payments made on behalf of the Goulamina Project	(21,998)	(21,968)
Receipt of reimbursements from the Goulamina Project	57,633	19,506
Payment for security deposit	-	(206)
Capital gains tax paid on sale of MLBV shares	(11,506)	-
Proceeds from sale of MLBV shares	98,346	-
Receipt of non-refundable deposit from Ganfeng	15,712	-
Net cash inflow/(used in) investing activities	**138,183**	**(2,741)**
Net increase/(decrease) in cash and cash equivalents	**44,319**	**(4,315)**
Cash and cash equivalents at the beginning of the period	33,561	70,834
Effects of foreign exchange rate changes	(295)	535
Cash and cash equivalents at the end of the period	**77,585**	**67,054**

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

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1. CORPORATE INFORMATION

Leo Lithium Limited (**Leo Lithium** or **Company**) is a for-profit company limited by shares, incorporated and domiciled in Australia, whose shares are traded on ASX.

The interim condensed consolidated financial statements of the Company for the Half-Year ended 30 June 2024 (**Half-Year Financial Statements**) comprise the Company and the entities it controlled (**Group**).

The Group is primarily involved in mineral exploration and evaluation.

These Half Year Financial Statements were authorised for issue by the Board of Directors on 4 December 2024.

NOTE 2. BASIS OF PREPARATION

(a) Introduction and Statement of Compliance

The Half-Year Financial Statements have been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting and the Corporations Act 2001*.

The Half-Year Financial Statements do not include all the notes of the type normally included in an annual financial report. Accordingly, these Half Year 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 Leo Lithium during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 200*1.

The Half-Year Financial Statements are presented in Australian dollars ($) and all values are rounded to the nearest thousand dollars (A$1,000) unless otherwise stated, in accordance with the Australian Securities and Investment Commission Corporations Instrument 2016/191.

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

(b) New and amended standards and interpretations

From 1 January 2024 the Group has adopted all Australian Accounting Standards and Interpretations effective for annual periods beginning on or before 1 January 2024 and has applied the following amended standard for the first time from 1 January 2024:

- Classification of Liabilities as Current or Non-current and Non-current liabilities with covenants – Amendments to IAS 1.

The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting this amended standard. The Group has not elected to early adopt any new accounting standards and interpretations.

(c) Going Concern

The Half-Year Financial Statements have been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business. With the sale of MLBV completed, the Company's future activities will, in addition to distributions to shareholders, focus on the identification of value-accretive investment opportunities.

(d) Currency of Presentation

The functional currency of each of the Group's entities is measured using the currency of the primary economic environment in which that entity operates. The functional currency of the parent entity, Leo Lithium, is Australian dollars. The Half-Year Financial Statements are presented in Australian dollars which is the Groups' presentation currency.

NOTE 3. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

Other than the matter set out below, in the interval between the end of the Half-Year and the date of this report there has not arisen any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial years:

- On 31 July 2024, at Leo Lithium's Annual General Meeting, the Company shareholders approved the sale of Leo Lithium's 40% interest in MLBV to Ganfeng.
- On 31 October 2024 the Company announced that Firefinch shareholders had passed a resolution authorising the payment of A$11.5 million to Leo Lithium as a contribution to the settlement amount previously paid by Leo Lithium to the Mali Government. The A$11.5 million was received by Leo Lithium on 1 November 2024.
- On 1 November 2024 Leo Lithium announced that Ganfeng had advised of a delay in receipt of Chinese Government regulatory approvals relating to the sale of Leo Lithium's 40% interest in MLBV. The Company agreed to an extension to 25 November 2024 for satisfaction or waiver of this final condition precedent, with completion scheduled to occur by the end of November 2024.
- On 25 November 2024 the Company announced that Ganfeng had confirmed receipt of all the required Chinese Government regulatory approvals resulting in legal completion of the sale of Leo Lithium's 40% interest in MLBV.
- On 26 November 2024 Leo Lithium received the net Tranche 1 Consideration of US$116.3 million relating to the sale of Leo Lithium's 40% interest in MLBV. This receipt was net of CGT of US$44.7 million that was payable on the sale, which the Company authorised Ganfeng to pay directly to the Mali Government on behalf of Leo Lithium.
- On 26 November 2024, the Company converted the US$116.3 million received into A$179.2 million in preparation for the proposed cash distribution to shareholders in January 2025.

NOTE 4. DISCONTINUED OPERATIONS AND ASSETS CLASSIFIED AS HELD FOR SALE

The assets held for sale are Leo Lithium's interest in the Goulamina Project JV.

At 30 June 2024 the Goulamina Project is a 40%:60% joint venture between Leo Lithium and Ganfeng held via an incorporated joint venture entity, MLBV a company registered in the Netherlands.

On 4 September 2023 the Company announced it had entered into an Equity Investment Agreement (**Equity Investment**) whereby Ganfeng agreed to sole fund US$137.2 million of Goulamina Project capital costs, via MLBV and be issued new shares in MLBV, earning up to a 55% economic interest in MLBV, with Leo Lithium owning the remaining 45%. The Equity Investment was signed on 12 September 2023 and conditions precedent satisfied in December 2023. It was agreed that Ganfeng would fund the US$137.2 million in a number of tranches over a period of time until the final payment in April 2024. The first tranche of US$12.4 million was received on 8 December and the equivalent 10 MLBV shares were issued to Ganfeng, representing 0.5% shareholding. This resulted in Leo's interest in the joint venture diluting to 49.5% and Ganfeng's interest increasing to 50.5% at 31 December 2023. The remaining shares representing 4.5% interest were issued in January 2024 although the funding was made in a number of tranches over a period of time until the final payment was received in April 2024.

On 7 May 2024, the Company entered into a Deed of Amendment and Restatement to sell 5% of MLBV to Ganfeng for US$65 million (**5% Sale**) relating to an agreement originally executed on 19 January 2024. The sale agreement was conditional (amongst other matters) upon a settlement being reached with the Mali Government. The 5% sale was completed on 13 May 2024 and as a result, Leo Lithium's interest in MLBV reduced from 45% to 40% and Ganfeng's interest increased from 55% to 60%.

NOTE 4. DISCONTINUED OPERATIONS AND ASSETS CLASSIFIED AS HELD FOR SALE (CONTINUED)

On 8 May 2024, the Company announced that it had entered into a binding SSA with Ganfeng to sell its remaining 40% interest in MLBV for a total cash consideration of US$342.7 million payable by Ganfeng in three instalments as follows:

- US$10.5 (A$15.7) million non-refundable deposit to be paid within 10 business days of executing the SSA;
- US$161.0 million (Tranche 1 Consideration) payable on completion of the transaction, following satisfaction (or waiver) of the conditions precedent; and
- US$171.2 million (Tranche 2 Consideration) payable by 30 June 2025 plus interest on the Tranche 2 Consideration at a rate equal to SOFR + 2%, commencing from the completion date (26 November 2024) until the Tranche 2 Consideration is paid in full to Leo Lithium.

The US$10.5 million non-refundable deposit was received on 17 May 2024.

All conditions precedent were completed on 25 November 2024 following Leo Lithium shareholders' approval of the sale at the Annual General Meeting held on 31 July 2024 and receipt of the Chinese Government regulatory approvals on 25 November 2024. As a consequence of the satisfaction of all conditions precedent, the:

- Company authorised Ganfeng to pay the full amount of CGT relating to the sale of US$44.7 million directly to the Mali Government on behalf of the Company; and
- Tranche 1 Consideration net of CGT of US$116.3 million was received by the Company on 26 November 2024 (**Sale Completion**).

Assets held for sale are accounted for using the equity method of accounting. Information relating to the assets held for sale that is material to the Group is set out below:

Name	Principal place of business / Country of incorporation	Ownership interest 30 June 2024 %	 31 December 2023 %
Goulamina JV	Netherlands	40.00%	49.50%

	30 June 2024 $'000	31 December 2023 $'000
Reconciliation of the carrying amount of assets held for sale		
Opening carrying amount	113,275	105,916
Dilution of investment in Goulamina Project from 49.5% to 45% (at 31 December 2023: 50% to 49.5%)	78,127	7,938
Sale of 5% interest in investment in Goulamina Project from 45% to 40%	(21,368)	-
(Loss)/gain on foreign currency translation recognised in other comprehensive income	(1,741)	112
Share of Goulamina Project profit/(loss)	395	(691)
Closing carrying amount of interest in Goulamina Joint Venture	**168,688**	**113,275**
Assets classified as held for sale		
Assets classified as held for sale	**168,688**	**113,275**
Deferred income		
- Receipt of non-refundable deposit (US$10.5 million) from Ganfeng on sale	**15,712**	**-**

Deferred income arising from the non-refundable deposit is recognised as a liability due to Leo Lithium's remaining obligation to transfer its shares in MLBV to Ganfeng on completion of the transaction. The deposit will form part of the calculation of gain on disposal on Sale Completion.

NOTE 4. DISCONTINUED OPERATIONS AND ASSETS CLASSIFIED AS HELD FOR SALE (CONTINUED)

	30 June 2024 $'000	30 June 2023 $'000
Financial performance of discontinued operations		
Profit after tax from discontinued operations		
Goulamina Project management and administration fees	341	337
Share of Goulamina Project profit/loss)	395	(115)
Gain on dilution of investment in Goulamina Project from 49.5% to 45%	74,545	-
Gain on sale of investment in Goulamina Project from 45% to 40%	78,376	-
Allocation of Foreign Currency Translation Reserve on dilution of investment in Goulamina Project to 45%	1,314	-
Mali government settlement (US$60 million)	(90,781)	-
Income tax expense (see note 6)	(26,751)	-
Profit after tax from discontinued operations	**37,439**	**222**

Cash flow information of discontinued operations		
Net cash (used)/generated in operating activities	(90,440)	491
Net cash generated/(used) in investing activities	138,187	(2,462)
Net cash flow from financing activities	-	-
Net increase/(decrease) in cash and cash equivalents	**47,747**	**(1,971)**

Earnings per share from discontinued operations attributable to the ordinary equity holders of the company	**Cents**	**Cents**
Basic earnings per share	3.12	-
Diluted earnings per share	3.09	-

Recognition and Measurement

Non-current assets (or disposal groups) are classified as held for sale, if their carrying amount will be recovered principally through a sale transaction, rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets and financial assets, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the noncurrent asset (or disposal group) is recognised at the date of derecognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit or loss.

NOTE 5. OPERATING SEGMENTS

Identification of reportable operating segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers (**CODM**). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

During the year the Group has managed its businesses by geographic location, which resulted in two operating and reportable segments which consist of its Corporate and Mali operations as set out below. This is consistent with the way in which information is reported internally to the Group's Chief Executive Officer who is the CODM for the purposes of resource allocation and performance assessment:

- The Corporate operation includes the Perth Office and Goulamina Team; and
- The Mali operation includes the development of the Goulamina Project and exploration for minerals.

For the purposes of resource allocation and performance assessment, the Group's Chief Executive Officer monitors the results and assets attributable to each reportable segment on the following basis:

- Segment results are measured by allocating EBIT to the reportable segments according to the geographic location in which they arose or relate to; and
- Segment assets include the Investment in the Goulamina Project, receivables and other assets. The geographical location of the segment assets is based on the physical location of the assets.

Intersegment transactions

Intersegment transactions were made at market rates. Intersegment transactions are eliminated on consolidation.

Intersegment receivables, payables and loans

Intersegment loans are initially recognised at the consideration received. Intersegment loans receivable and loans payable that earn or incur non-market interest are not adjusted to fair value based on market interest rates. Intersegment loans are eliminated on consolidation.

NOTE 5. OPERATING SEGMENTS (CONTINUED)

Operating segment information

	Corporate $'000	Mali (discontinued operation) $'000	Total $'000
30 June 2024			
Income			
Segment income	1,670	-	**1,670**
Total income	1,670	-	**1,670**
EBIT	(4,784)	37,439	**32,655**
Net Finance income	721	-	**721**
(Loss)/Profit before income tax expense	(4,063)	37,439	**33,376**
Income tax expense			**-**
Profit after income tax expense			**33,376**
30 June 2024			
Assets			
Segment assets	79,710	172,503	**252,213**
Total assets			**252,213**
Liabilities			
Segment liabilities	(18,364)	(15,245)	**(33,609)**
Total liabilities			**(33,609)**
30 June 2023			
Income			
Segment income	1,534	-	**1,534**
Total income	1,534	-	**1,534**
EBIT	(5,004)	222	**(4,782)**
Net finance income	910	-	**910**
(Loss)/Profit before income tax expense	(4,094)	222	**(3,872)**
Income tax expense			**-**
Loss after income tax expense			**(3,872)**
31 December 2023			
Assets			
Segment assets	2,115	151,897	**154,012**
Unallocated assets:			
Cash and cash equivalents			**33,561**
Total assets			**187,573**
Liabilities			
Segment liabilities	(3,450)	-	**(3,450)**
Total liabilities			**(3,450)**

NOTE 6. INCOME TAX EXPENSE

	2024 $'000 AUD	2023 $'000 AUD
Income Tax Expense		
Income tax expense relating to the sale of 5% of MLBV	**11,506**	-
Income tax expense relating to the remaining 40% interest in MLBV	**15,245**	-
	26,751	-
Deferred Tax Liability		
Deferred Tax Liability relating to remaining 40% interest in MLBV	**15,245**	-

The income tax expense for the half-year relates to both the sale of 5% of MLBV and the remaining 40% interest in MLBV and is included in the profit after tax from discontinued operations for the half-year ended 30 June 2024 (Refer to Note 4). As the 5% sale of MLBV was completed before 30 June 2024, the deferred tax liability only relates to the remaining 40% interest in MLBV.

Sale of 5% of MLBV

The sale of Leo Lithium's 5% shareholding in MLBV, the holding company of LMSA, a subsidiary domiciled in Mali, to Ganfeng was completed on 13 May 2024 and represents a capital gains tax event under Malian tax law. The Company paid US$7.6 million (A$11.5 million) in CGT to the Mali tax authority in June 2024 relating to this sale.

Remaining 40% interest of MLBV at June 2024

The sale of 40% of MLBV is subject to various conditions preceding and was not complete at 30 June 2024, and, as a consequence, the investment in MLBV has been classified as an asset held for sale, which has changed the tax effect accounting treatment of this investment. The Company has now recognised a deferred tax liability at 30 June 2024 as the sales agreement makes it probable that the temporary difference relating to this investment will reverse in the foreseeable future when the sale is legally completed. At 31 December 2023 the Company disclosed a deferred tax liability not recognised of A$17.0 million as it was not probable that the temporary difference relating to the investment would reverse in the foreseeable future.

After 30 June 2024 the Company negotiated with the Mali Government on the CGT payable on sale of 40% of MLBV, with agreement recently reached of US$44.7 million payable. This agreement allowed the Company to finalise its calculation of the deferred tax liability at 30 June 2024, with US$10.3 million (A$15.4 million) recognised. As the sale of 40% of MLBV was completed on 26 November 2024, the Company will recognise the full US$44.7 million CGT paid in the 31 December 2024 annual consolidated financial statements.

NOTE 7. REVENUE AND EXPENSES

	30 June 2024 $'000	30 June 2023 $'000
Other income		
Interest received	766	936
Net foreign exchange gain	904	598
	1,670	**1,534**
Administration expenses		
Corporate and administration	1,590	2,121
Depreciation and amortisation	147	73
	1,737	**2,194**
Employee benefits expense		
Salaries and wages	1,729	1,953
Superannuation	136	151
	1,865	**2,104**
Finance cost		
Interest and finance charges paid/payable on lease liabilities	**45**	**26**

NOTE 8. CONTRIBUTED EQUITY AND RESERVES

(a) Issued and paid-up share capital

	30 June 2024 Shares	31 December 2023 Shares	30 June 2024 $'000	31 December 2023 $'000
Ordinary shares - fully paid	1,198,176,519	1,198,176,519	105,813	105,924

Movements in ordinary share capital

Details	Shares	$'000
Opening Balance at 31 December 2023	1,198,176,519	105,924
Costs relating to the listing of shares held by Firefinch on release from escrow	-	(111)
Closing Balance at 30 June 2024	**1,198,176,519**	**105,813**

(b) 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.

(c) Reserves

	30 June 2024 $'000	31 December 2023 $'000
Foreign currency translation reserve	8,926	9,796
Share-based payments reserve	5,873	3,787
	14,799	**13,583**

Foreign currency reserve
This reserve is used to recognise exchange differences arising from the translation of financial statements into the presentation currency as described in Basis of Preparation (c) Currency of Presentation.

Share-based payments reserve
The reserve is used to recognise the value of equity benefits provided to employees and Directors as part of their remuneration, and other parties as part of their compensation for services.

(d) Options and Performance Rights

Reconciliation of Options and Performance Rights

	Number at the beginning of the period	Granted during the half-year	Vested during the half-year	Forfeited during the half-year	Lapsed/ cancelled during the half-year	Number at the end of the period
Options	7,950,000	-	-	-	-	7,950,000
STI Performance Rights	810,585	-	-	-	-	810,585
LTI Performance Rights	6,055,677	-	-	-	(214,968)	5,840,709
Total	**14,816,262**	**-**	**-**	**-**	**(214,968)**	**14,601,294**

The completion of the sale of Leo's 40% interest in the Goulamina Project will trigger a change of control which will result in all the Performance Rights and Options vesting.

NOTE 8. CONTRIBUTED EQUITY AND RESERVES (CONTINUED)

Options consist of the following:

Grant date	Exercisable date	Expiry date	Fair value	Exercise price	Number
16-Jun-22	16-Jun-25	16-Jun-25	$0.455	$0.644	6,770,000
1-Nov-22	29-Apr-25	29-Oct-25	$0.339	$0.763	590,000
18-May-23	18-Nov-25	1-Jan-26	$0.412	$0.643	590,000
Total					**7,950,000**

Performance Rights consist of the following:

Grant date	Exercisable date	Expiry date	Fair value	Exercise price	Incentive Plan	Number
01-Sep-2022	31-Dec-2024	30-Jun-2025	$0.499	$0.00	2022-2024 LTI	1,226,662
10-Mar-2023	01-Sep-2024	31-Aug-2026	$0.505	$0.00	2023-2025 LTI	1,154,556
10-Mar-2023	30-Sep-2025	31-Aug-2026	$0.505	$0.00	2023-2025 LTI	494,811
10-Mar-2023	31-Dec-2025	31-Aug-2026	$0.380	$0.00	2023-2025 LTI	1,649,364
10-Mar-2023	15-Feb-2024	31-Aug-2024	$0.505	$0.00	2023 STI	525,677
18-May-2023	01-Feb-2024	31-Aug-2024	$0.675	$0.00	2023 STI	284,908
18-May-2023	01-Sep-2024	31-Aug-2026	$0.675	$0.00	2023-2025 LTI	460,361
18-May-2023	30-Sep-2025	31-Aug-2026	$0.675	$0.00	2023-2025 LTI	197,297
18-May-2023	31-Dec-2025	31-Aug-2026	$0.525	$0.00	2023-2025 LTI	657,658
Total						**6,651,294**

NOTE 9. COMMITMENTS AND CONTINGENCIES

The Group had no material commitments, contingent assets or contingent liabilities at 30 June 2024 other than as set out below.

Partial Guarantee of Ganfeng Debt Facility provided to LMSA

The Company issued a guarantee to Ganfeng in relation to the debt facility fully drawn down by LMSA in 2023 to fund Goulamina Project capital costs. The Company guaranteed to Ganfeng its indirect share of the debt facility which, at 30 June 2024, was 40% or US$16 million (49.5% or US$19.8 million at 31 December 2023). The guarantee can only be called in the event that LMSA does not comply with its payment obligations under the terms of the Ganfeng debt facility which has a maturity date five years after the first utilisation.

As the sale of Leo Lithium's remaining interest in MLBV was completed after 30 June 2024, this guarantee to Ganfeng was terminated on 26 November 2024 as part of the Sale Completion.

DIRECTORS' DECLARATION

In the opinion of the Directors:

(a) the financial statements and notes set out on pages 11 to 23 are in accordance with the *Corporations Act 2001* including:

   i. complying with Accounting Standard AASB134 *Interim Financial Reporting* and the *Corporations Regulations 2001*; and

   ii. 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

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Directors.

____

Simon Hay
Managing Director

Perth, 4 December 2024

INDEPENDENT AUDITOR'S REVIEW REPORT

Independent auditor's review report to the members of Leo Lithium Limited

Report on the half-year financial report

Conclusion

We have reviewed the half-year financial report of Leo Lithium Limited (the Company) and the entities it controlled during the half-year (together the Group), which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of changes in equity, consolidated statement of cash flows and consolidated statement of profit or loss and other comprehensive income 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 half-year financial report of Leo Lithium Limited does not comply with the *Corporations Act 2001* including:

1. 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

2. 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* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report.

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Responsibilities of the directors for the half-year financial report

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

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Auditor's responsibilities for the review of the half-year 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 of 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.

PricewaterhouseCoopers

PricewaterhouseCoopers

Ian Campbell
Partner

Perth
4 December 2024