

GOLDEN HORSE MINERALS LIMITED

INTERIM CONSOLIDATED FINANCIAL STATEMENTS (Expressed in Canadian dollars)

June 30, 2024

Index

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GOLDEN HORSE MINERALS LIMITED
INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2024
(Expressed in Canadian Dollars)

	Notes	June 30, 2024 \$	December 31, 2023 \$
ASSETS			
Current			
Cash and cash equivalents	6	894,541	1,933,580
Receivables		89,876	77,514
Prepayments and deposits	7	55,360	365,701
Total Current Assets		1,039,777	2,376,795
Non-Current Assets			
Plant and equipment		30,848	32,623
Prepayments and deposits	7	1,358,204	---
Deferred exploration and evaluation costs	8	7,708,693	7,214,594
Total Non-Current Assets		9,097,745	7,247,217
Total Assets		10,137,522	9,624,012
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current Liabilities			
Trade and other payables	9	1,347,201	931,705
Provisions	10	282,426	251,746
Total Current Liabilities		1,629,627	1,183,451
Total Liabilities		1,629,627	1,183,451
Shareholders' Equity			
Share capital	12	30,066,833	27,669,774
Subscriptions received	12	---	918,449
Subscriptions receivable		---	(15,000)
Share based payments reserve	12	3,288,145	1,621,257
Accumulated losses		(24,694,250)	(21,490,209)
Foreign exchange reserve		(152,833)	(263,710)
Total Shareholders' Equity		8,507,895	8,440,561
Total Liabilities and Shareholders' Equity		10,137,522	9,624,012

The accompanying notes are an integral part of these consolidated financial statements.

Approved and authorized by the Board of Directors on September 17, 2024.

<u>"Graeme Sloan"</u>	Director	<u>"Nicholas Anderson"</u>	Director
Graeme Sloan		Nicholas Anderson	

GOLDEN HORSE MINERALS LIMITED**INTERIM CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME**

FOR THE SIX MONTHS ENDED JUNE 30, 2024

(Expressed in Canadian Dollars)

	Notes	June 30, 2024 \$	June 30, 2023 \$
Income			
Sales of gold	4	---	4,015,787
Cost of sales	5	---	(2,264,642)
Gross profit		---	1,751,145
Expenses			
Employee expenses		(388,357)	(114,659)
Share based payments	4	(1,758,604)	---
Exploration and evaluation costs expensed		(287,412)	---
Foreign exchange gain		3,188	3,864
Change in fair value of warrant liability		---	12,205
Other operational expenses	4	(884,208)	(281,972)
Total expenses		(3,315,393)	(380,562)
Interest income		14,824	3,601
Interest expense		(7,298)	(22,075)
Finance costs		---	(50,106)
Net finance expenses		7,526	(68,580)
Other income		13,078	---
Discounts received		---	7,246
Forgiven liabilities		---	173,723
Net profit / (loss) for the period		(3,294,789)	1,482,972
Other Comprehensive Income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Translation adjustment		110,877	(266,928)
Total comprehensive profit / (loss) for the period		(3,183,912)	1,216,044
Basic profit / (loss) per common share		(0.08)	0.04
Diluted profit / (loss) per common share		(0.08)	0.04
Basic and diluted – weighted average number of common shares outstanding		42,227,987	29,929,045

The accompanying notes are an integral part of these consolidated financial statements.

GOLDEN HORSE MINERALS LIMITED
INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED JUNE 30, 2024
(Expressed in Canadian Dollars)

	Notes	June 30, 2024 \$	June 30, 2023 \$
CASH FLOWS USED IN OPERATING ACTIVITIES			
Profit /(Loss) for the period		(3,294,789)	1,482,972
Items not involving cash:			
Share based compensation		1,758,604	---
Forgiven liabilities		15,000	---
Finance cost		---	50,106
Depreciation		2,123	---
Change in non-cash working capital items:			
Receivables		(12,361)	(274,266)
Prepaid expenses and deposits		---	(112,717)
Accounts payable and accrued liabilities		446,175	44,785
Paid to related parties		---	(230,152)
Net cash from / (used in) operating activities		(1,085,248)	960,728
CASH FLOWS USED IN INVESTING ACTIVITIES			
Exploration and evaluation and assets acquisition		(339,249)	(494,691)
Prepaid expenses and deposits		(238,799)	---
Net cash used in investing activities		(578,048)	(494,691)
CASH FLOWS PROVIDED BY FINANCING ACTIVITIES			
Proceeds from share issuances		685,866	1,481,614
Repayment of loans		---	(316,015)
Net cash from financing activities		685,866	1,165,599
Change in cash and cash equivalents for the period		(977,430)	1,631,636
Impact of foreign exchange on cash		(61,609)	13,569
Cash and cash equivalents, beginning of period		1,933,580	127,323
Cash and cash equivalents, end of period	5	894,541	1,772,528

The accompanying notes are an integral part of these consolidated financial statements.

GOLDEN HORSE MINERALS LIMITED
INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (DEFICIENCY)
FOR THE SIX MONTHS ENDED JUNE 30, 2024

(Expressed in Canadian Dollars)

	Note	Number of Shares	Share Capital	Subscriptions Received	Subscriptions Receivable	Reserves	Accumulated Losses	Foreign Exchange Reserve	Total Shareholders' Equity (Deficiency)
			\$	\$	\$	\$	\$	\$	\$
Balance at December 31, 2022		27,163,322	24,167,228	181,520	(15,000)	2,415,624	(22,554,882)	(1,166,939)	3,027,551
Profit for the period		---	---	---	---	---	1,482,972	---	1,482,972
Shares issued for private placement		5,769,231	1,375,486	106,129	---	---	---	---	1,481,615
Shares issued for mineral property acquisition		593,205	231,350	---	---	---	---	---	231,350
Translation adjustment		---	---	---	---	---	60,131	(266,928)	(206,797)
Balance at June 30, 2023		33,525,758	25,774,064	287,649	(15,000)	2,415,624	(21,011,778)	(1,433,867)	6,016,692

	Note	Number of Shares	Share Capital	Subscriptions Received	Subscriptions Receivable	Reserves	Accumulated Losses	Foreign Exchange Reserve	Total Shareholders' Equity (Deficiency)
			\$	\$	\$	\$	\$	\$	\$
Balance at December 31, 2023		39,886,840	27,669,774	918,449	(15,000)	1,621,257	(21,490,209)	(263,710)	8,440,561
Loss for the period		---	---	---	---	---	(3,294,789)	---	(3,294,789)
Shares issued for prior year's subscriptions	12	2,354,997	918,449	(918,449)	---	---	---	---	---
Shares issued for private placement	12	1,791,805	698,804	---	---	---	---	---	698,804
Share issuance costs		---	(12,938)	---	---	---	---	---	(12,938)
Subscriptions received for shares not issued		---	---	---	15,000	---	---	---	15,000
Shares issued for mineral property acquisition	12	1,801,690	792,744	---	---	---	---	---	792,744
Share based payments expense	12	---	---	---	---	1,758,604	---	---	1,758,604
Transfer of equity instruments expired / forfeited	12	---	---	---	---	(91,716)	91,716	---	---
Translation adjustment		---	---	---	---	---	(968)	110,877	109,909
Balance at June 30, 2024		45,835,332	30,066,833	---	---	3,288,145	(24,694,250)	(152,833)	8,507,895

The accompanying notes are an integral part of these consolidated financial statements.

1. NATURE AND CONTINUANCE OF OPERATIONS

Golden Horse Minerals Limited (formerly Altan Rio Minerals Limited) (the “**Company**”), a corporation incorporated and existing under the laws of British Columbia, Canada, is a mineral exploration company listed on the TSX Venture Exchange (the “**Exchange**”) under the symbol “GHML” and is engaged in the acquisition, exploration of mineral projects in Western Australia.

The Company’s head office is Ground Floor, 34 Colin Street, West Perth, WA, 6005, Australia and registered and records office address is 1700-666 Burrard Street, Vancouver, British Columbia, Canada V6C 2X8.

Going Concern

The financial statements have been prepared on the basis that the entity is a going concern, which contemplates the continuity of normal business activity, realisation of assets and settlement of liabilities in the normal course of business.

For the period ended June 30, 2024, the Group recorded a net loss of \$3,294,789 (June 2023: Profit of \$1,472,972) and used net cash in operating activities of \$1,085,248 (June 2023: Cash received \$960,728). The Group had a net working capital deficit of \$589,851 (June 2023: Surplus \$875,987), trade and other payables of \$1,347,201 (June 2023: \$1,138,697), current provisions of \$282,426 (June 2023: \$Nil) and no loans and borrowings (June 2023: \$Nil).

Current forecasts indicate that cash on hand as at June 30, 2024 will not be sufficient to fund planned exploration and operational activities during the next twelve months and to maintain the Group’s tenements in good standing. Accordingly, the Group will be required to raise additional equity, consider alternate funding options or a combination of the foregoing.

These factors indicate a material uncertainty that may cast significant doubt as to whether the Group will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

The Directors believe that there are reasonable grounds to believe that the Group will be able to continue as a going concern, after consideration of the following factors:

- The Group has a proven history of successfully raising capital. On January 2, 2024, the Company announced that it closed its non-brokered private placement of common shares in the capital of the Company (the “**Shares**”), raising aggregate gross proceeds of \$1,617,253 through the issuance of 4,146,802 Shares at an issue price of \$0.39 per Share. Subscriptions totalling \$918,449 were received by the Company prior to December 31, 2024 and are included in the cash on hand balance as at December 31, 2024;
- The Australian Securities Exchange (“**ASX**”) dual listing progressing with a listing date to be announced following receipt of final regulatory and ASX approvals will require the Company to raise sufficient funds to fund operations for at least 12 months following listing on the ASX, which is currently anticipated to occur in the fourth quarter of 2024; and
- Following period end, on September 3, 2024 the Company announced that it has executed a Binding Term Sheet to acquire a strategic tenement package (including the historic Hopes Hill and Greenmount mines) with ASX-listed Emerald Resources NL (ASX: EMR) (“**Emerald**”) and various Emerald subsidiaries (“**Acquisition**”). In connection with the Acquisition, Emerald will also provide a secured loan facility to the Company of up to A\$2,000,000 (“**Loan**”), to be drawn down in two drawdowns of A\$1,000,000 each, in accordance with the terms of a secured loan agreement entered into by the Company, Golden Horse Minerals (Aust) Pty Ltd (“**Golden Horse Australia**”) and Emerald WA dated August 31, 2024 (the “**Loan Agreement**”).

1. NATURE AND CONTINUANCE OF OPERATIONS (continued)

The outstanding balance of the Loan, including capitalised interest (at a rate of 10% per annum, calculated daily), is expected to be repaid with funds raised by the Company in connection with its listing on the ASX and is expected to be repaid in connection therewith. If the Company does not complete its proposed listing on the ASX, the Loan must be repaid by August 31, 2026. Funds under the Loan will only be drawn upon various conditions precedent being satisfied, including Exchange approval for the drawdown of the Loan. The Loan is secured with a comprehensive security package against all of the assets of Golden Horse Australia, pursuant to a general security deed among the Company, Golden Horse Australia and Emerald WA. The Company received Exchange approval of the Loan and satisfied other conditions precedents in the Loan Agreement, and received the initial drawdown of A\$1,000,000 on September 17, 2024.

- The Directors believe that there is sufficient cash available for the Group to continue operating until it can raise sufficient further capital to fund its ongoing activities.

Accordingly, the financial statements for the half year ended June 30, 2024 have been prepared on a going concern basis as, in the opinion of the Directors, the Group will be in a position to continue to meet its operating costs and exploration expenditure commitments and pay its debts as and when they fall due for at least twelve months from the date of this report. However, the Directors recognise that if sufficient additional funding is not raised from the issue of capital or through alternative funding sources, there is a material uncertainty as to whether the going concern basis is appropriate with the result that the Group may relinquish title to certain tenements and may have to realise its assets and extinguish its liabilities other than in the ordinary course of business and at amounts different from those stated in the financial report. No allowance for such circumstances has been made in the financial report.

2. BASIS OF PRESENTATION

Statement of compliance

These interim consolidated financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards (“**IFRS**”) as issued by the International Accounting Standards Board (“**IASB**”) and interpretations of the IFRS Interpretations Committee (“**IFRIC**”). They have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit or loss, which are stated at their fair value. In addition, these interim consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information. The significant accounting policies, as disclosed, have been applied consistently to all periods presented in these interim consolidated financial statements.

The accounting policies adopted in these interim consolidated financial statements are consistent with those of the previous financial year and corresponding interim period, except for those policies disclosed in Note 3.

The interim consolidated financial statements were authorized for issue by the Board of Directors on September 17, 2024.

3. MATERIAL ACCOUNTING POLICY INFORMATION

Principles of consolidation

These consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries (“**Group**”). All intercompany transactions and balances have been eliminated upon consolidation. The Company’s subsidiaries are listed in the following table:

Name of Subsidiary	Country of Incorporation	Proportion of Ownership Interest	Principal Activity
Golden Horse Holdings Canada Limited (a)	Canada	100%	Holding company
Golden Horse Minerals (Aust) Pty Ltd (b)	Australia	100%	Project exploration

GOLDEN HORSE MINERALS LIMITED
NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED JUNE 30, 2024
(Expressed in Canadian Dollars)

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Notes:

- a) On June 19, 2024, Altan Rio Holdings Canada Limited changed its name to Golden Horse Holdings Canada Limited.
- b) On June 19, 2024, Altan Rio (Aust) Pty Ltd changed its name to Golden Horse Minerals (Aust) Pty Ltd.

New or amended Accounting Standards and Interpretations adopted

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

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

4. REVENUES AND EXPENSES

Revenue from contracts with customers

	June 30, 2024	June 30, 2023
	\$	\$
Gold sales	---	4,009,108
Silver sales	---	6,679
Total	---	4,015,787

On June 19, 2023, the Company poured 1,578 ounces from processing of the stockpile at historical Pilot Gold Mine. Approximately 35,600 tonnes of stockpile material were processed with the ore returning a head grade of 1.63g/t Au – slightly outperforming historical operations which typically returned grades around 1.5g/t Au. Processing occurred as expected under standard operating procedures, demonstrating the quality and consistency of mineralisation within the Southern Cross Greenstone Belt. Processing of the Pilot stockpile delivered total gold sales of \$4,009,108.

Other operational expenses

	June 30, 2024	June 30, 2023
	\$	\$
Professional fees	355,044	201,850
Rent	38,449	34,694
Consulting and management fees	215,665	569
Travel and accommodation	23,177	23,164
Filing fees	49,402	16,143
Directors' fees	---	(27,019)
Insurance	76,898	15,258
Depreciation	2,123	---
Office and general expenses	123,450	17,313
Total	884,208	281,972
Share based payments (a)	1,758,604	---
Total	1,758,604	---

- a) Refer to Note 12 for further information in relation to the share based compensation including terms and key inputs to the valuation model.

GOLDEN HORSE MINERALS LIMITED
NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED JUNE 30, 2024
(Expressed in Canadian Dollars)

5. COST OF SALES

	June 30, 2024	June 30, 2023
	\$	\$
Cost of sales - processing costs	---	2,264,642

6. CASH AND CASH EQUIVALENTS

	June 30, 2024	December 31, 2023
	\$	\$
Cash and cash equivalents	894,541	1,933,580

On January 2, 2024, the Company announced that it closed its non-brokered private placement of Shares, raising aggregate gross proceeds of \$1,617,253 through the issuance of 4,146,802 Shares at an issue price of \$0.39 per Share. Subscriptions totaling \$918,449 were received by the Company prior to December 31, 2023 included in the cash on hand balance as at December 31, 2023.

7. PREPAYMENTS AND DEPOSITS

	June 30, 2024	December 31, 2023
	\$	\$
Current		
Project acquisitions (a)	45,600	356,165
Other prepayments	9,760	9,536
Total current	55,360	365,701
Non-current		
Project acquisitions (a)	1,358,204	---
Total non-current	1,358,204	---
Total	1,413,564	365,701

a) Enterprise

On January 12, 2024, the Company made a cash payment of A\$200,000 to purchase Enterprise Metals Limited's ("Enterprise Metals") wholly owned of E77/2652 which is not part of the binding agreement to wholly acquire Enterprise Metals Bullfinch North Tenement Option and Sale Agreement for the Bullfinch North lithium and gold project. The Company will also assume the 1% net smelter royalty over E77/2652 already in place with a third party. Amounts recorded in Prepayments and Deposits for E77/2652 will be transferred to Deferred Exploration and Evaluation Costs transfer of risk and title to the Company.

Hakes Find

On June 12, 2023, the Company announced that it had entered into an exclusive six month option agreement to acquire the Hakes Find project ("Hakes Find Agreement"), 10km from Southern Cross township in the central portion of the Southern Cross Greenstone Belt. The Company paid an option fee of A\$25,000 in June 2023, extended the term of the Hakes Find Agreement by six months to 25 May 2024 by way of cash payment of A\$25,000 in December 2023 and could at its election extended the term by a further six months to November 25, 2024 by way of cash payment of A\$25,000 ("Hakes Option Extension"). Following period end, on July 9, 2024, the Company announced that it had extended the term of the Hakes Find Agreement to November 25, 2024 and had also entered into an agreement to vary the terms of the Hakes Find Agreement in relation to the Hakes Option Extension. The Hakes Option Extension payment of A\$25,000 has been varied such that the payment is due to be paid by the Company on or prior to the Company's listing on the ASX ("ASX Listing Date").

7. PREPAYMENTS AND DEPOSITS (continued)

The option exercise price is A\$100,000 cash and A\$175,000 in Shares (subject to a cap of 616,875 Shares) based the volume weighted average price (“**VWAP**”) for Shares in the period 30 days prior to exercise of the option and adjusted using the C\$/A\$ exchange rate posted by the Bank of Canada), plus a 1.5% royalty on the first 23,000 ounces of gold produced from the tenement.

Ennuin Project and Copperhead Project

On August 1, 2023, the Company announced that it entered into an agreement with prospectors Vernon Strange and Kym McClaren to acquire a series of projects which are located approximately 30km north of the town of Bullfinch. Key terms of the agreements are as follows:

- **Ennuin Project** - The Ennuin sale agreement includes the acquisition by the Company of tenements E77/2942, G77/123, L77/262, M77/450, P77/4629, P77/4630, and P77/4631 (“**Ennuin Sale Agreement**”). Under the terms of the Ennuin Sale Agreement, the Company made a cash payment of A\$100,000 in August 2023, elected to extend the term of the agreement by 6 months to August 1, 2024 with a cash payment of A\$50,000 in February 2024 and on May 1, 2024 issued A\$175,000 worth of Shares (being 434,891 Shares).

A cash payment of A\$150,000 is due to be paid by the Company within 5 business days after the date on which the transfer of G77/123, L77/262 and M77/450 is registered by the relevant tenements authority in Australia (“**Deferred Cash Payment**”). The Company may extend the time for the Deferred Cash Payment by payment of A\$50,000 to the Vendors at the time payment would otherwise be due. The agreement also provides for 1.5% gross smelter royalty over such tenements, which is capped at A\$800,000 and which the Company entered into on 18 March 2024.

The transfer of risk and title to G77/123, L77/262, M77/450 (“**Transfer of Title**”) was, among other things, subject to the satisfaction of the various conditions, including receipt of approval under the Foreign Acquisitions and Takeovers Act 1975 (Cth) (received in October 2023), receipt of the consent of Minister under the Mining Act 1978 (WA) and Transfer of Title (together the “**Transfer Conditions**”) by August 1, 2024 (“**Due Date**”). On July 22, 2024 the Company announced that it has entered into an agreement with the vendor to vary the terms of the Ennuin Sale Agreement to extend the Due Date to October 1, 2024.

Ministerial consent was granted on August 2, 2024 while Transfer of Title has not yet occurred. If the Transfer Conditions have not been satisfied by the Due Date, the parties under the Ennuin Sale Agreement will be obliged to meet and negotiate in good faith with a view to agreeing to an alternative basis on which the transactions contemplated by the Ennuin Sale Agreement can proceed. Further, if the Company forms the opinion that the Transfer Conditions cannot be met within 6 months of the Due Date, it may notify the vendor that it no longer wishes to proceed.

- **Copperhead Project** – Under the terms of the Copperhead Sale Agreement, in respect of its acquisition of the strategic Copperhead prospecting lease (P77/4357), the Company made a cash payment of A\$50,000 in August 2023, elected to extend the term of the agreement by 6 months to August 1, 2024, with a cash payment of A\$50,000 in February 2024 and on May 1, 2024 issued A\$250,000 worth of Shares (being 621,272 Shares). A cash payment of A\$200,000 cash is due to be paid by the Company upon the earlier of the ASX Listing Date and October 1, 2024 (“**Final Cash Payment**”). The agreement also provides for a 1.5% gross smelter royalty, which is capped at A\$800,000, over such tenement, which the Company entered into on 16 February 2024.

Southern Cross South Gold Project

On August 1, 2023, the Company announced that it entered into an agreement to acquire two tenements located south of the Southern Cross township. The Company made a cash payment of A\$90,000 in July 2023, and on May 1, 2024 issued A\$300,000 worth of Shares (being 745,527 Shares), satisfying its purchase consideration obligations under the terms of the purchase agreement. Amounts recorded in Prepayments and Deposits for the Southern Cross South Gold Project will be transferred to Deferred Exploration And Evaluation Costs transfer of risk and title to the Company.

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NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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(Expressed in Canadian Dollars)

7. PREPAYMENTS AND DEPOSITS (continued)

Bullfinch Gold Project

On June 26, 2023, the Company announced that it had entered into a conditional sale agreement to acquire Torque Metals Limited (“**Torque**”) Bullfinch Gold project (“**Bullfinch Agreement**”), located 34km from the Southern Cross township within the Yilgarn Mineral Field, Western Australia and adjacent to the Company’s existing tenements

On May 16, 2024, the Company announced that following a review and field work, the Company agreed with Torque to terminate Bullfinch Agreement. Refer to the Consolidated Financial Statements for the year ended December 31, 2024 for additional information.

8. DEFERRED EXPLORATION AND EVALUATION COSTS

	Total \$
Balance, December 31, 2022	4,621,150
Exploration costs	469,127
Acquisition costs (a)	2,062,867
Foreign exchange movements	61,450
Balance, December 31, 2023	7,214,594
Exploration costs	413,392
Foreign exchange movements	80,707
Balance, June 30, 2024	7,708,693

- a) On February 22, 2023, the Company announced that it had entered into an option agreement to purchase a 90% interest in exploration licence E77/2691 (“**Western E Agreement**”) in the Southern Cross region, 370 kilometers east of Perth, Western Australia. Key terms of the Western E Agreement are as follows:

- The option exercise price is A\$250,000 cash plus A\$250,000 worth of Shares in the Company (being 593,205 Shares), calculated at a 30-day VWAP. For accounting purposes, the fair value of the Shares on date of control has been utilised. The Shares were issued to the vendors on March 7, 2023 and the cash consideration was paid to the vendors on February 20, 2023;
- The Company will free carry the vendor at 10% through to a decision to mine. If a decision to mine is made the vendor will have 30 days to contribute or dilute to 1.5% Gross Smelter Royalty;
- Both parties have reciprocal 30 day right to purchase the other parties’ interest if they are prepared to accept an offer for their rights, title, and interest on arm’s length terms;
- The Company will maintain the tenement and keep it in good standing during the option period, or prior to notifying the Vendor of its intention not to exercise the option, whichever occurs first; and
- The vendor may convert its retained 10% interest in the tenement into a 1.5% gross smelter royalty on all metals and minerals extracted from the tenement. If the vendor wishes to sell the Interest or the Royalty (as applicable), the Company will have a right of first refusal to purchase the applicable interest. The vendor gave notice of his intention to exercise this option on 26 July 2023. The relevant royalty deed was executed on 17 July 2024, and as a result the Company’s interest in E77/2691 increased to 100%.

On December 8, 2022, the Company announced that it was acquiring the remaining 20% of 14 key tenements that were subject to an earn in arrangement with Surveyor Resources Pty Ltd (“**Surveyor Resources**”), a company controlled by a director of the Company. Surveyor Resources agreed to both (i) waive all remaining conditions to the Company’s 80% earn-in interest in the Southern Cross North gold project (the “**Southern Cross North Project**”) and (ii) sell the remaining 20% interest in the Southern Cross North Project to the Company for \$1,000,000 (“**Consideration**”).

GOLDEN HORSE MINERALS LIMITED
NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED JUNE 30, 2024
(Expressed in Canadian Dollars)

8. DEFERRED EXPLORATION AND EVALUATION COSTS (continued)

On July 4, 2023, the Company announced that it has satisfied all conditions, including the issue of Shares for its acquisition of 100% of the Southern Cross North Project. The Consideration was satisfied by the issuance of 2,500,000 Shares (at a deemed value of \$0.34 per Share) and 2,500,000 warrants, each warrant exercisable for one additional Share at an exercise price \$0.56 for a period of 4 years (refer Note 12).

The Company has investigated title to all of its Western Australian exploration and evaluation assets and, to the best of its knowledge, title to all of its interests are in good standing. The exploration and evaluation assets in which the Company has committed to earn an interest are located in Western Australia.

9. TRADE AND OTHER PAYABLES

	June 30, 2024 \$	December 31, 2023 \$
Current		
Trade payables	1,347,201	931,705
Total	1,347,201	931,705

10. PROVISIONS

	June 30, 2024 \$	December 31, 2023 \$
Current		
Taxation penalties and interest (a)	222,000	222,000
Employee benefits – annual leave	60,426	29,746
Total	282,426	251,746

- a) As announced by the Company to the Exchange on April 29, 2024, the Company identified that it and Golden Horse Holdings Canada Limited (formerly Altan Rio Holdings Canada Limited) had not filed certain income tax and information returns with the Canada Revenue Agency (“CRA”) for taxation years 2010 to 2022. During June 2024, the Company and Golden Horse Holdings Canada Limited filed all outstanding income tax and information returns with the CRA for taxation years 2010 to 2023. Following filing, notices of assessment have been received for the Company and the returns were assessed as filed with no taxes payable. Notices of assessment have not yet been received for Golden Horse Holdings Canada Limited, but the Company expects the returns to be assessed as filed with no taxes payable. In relation to certain income tax and information returns for taxation years 2010 to 2022, the Company may be liable for penalties and interest under the relevant income tax legislation. Following consultation with the Company’s advisors, in the consolidated financial statements the Directors have provisioned \$222,000 for potential penalties and interest for non-compliance with tax filing obligations. The ultimate outcome cannot be reasonably or accurately estimated at this time as there is potential for additional penalties for non-compliance with tax filing obligations and therefore the amount above is subject to change, pending the results of any negotiations and agreement with the CRA in respect of amounts due.

The Company is working closely with its tax advisors to negotiate the amount of any potential penalties and interest with the CRA. Refer to Note 13 for further information.

11. RELATED PARTY TRANSACTIONS

Receivable from and payable to related parties

The following balances are outstanding at the reporting date in relation to transactions with related parties:

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11. RELATED PARTY TRANSACTIONS (continued)

	June 30, 2024	December 31, 2023
	\$	\$
Burra Station Trust (director related entity of Nicholas Anderson)	40,131	---
Vestigen Pty Ltd (CFO related entity of Martin Bouwmeester)	19,261	11,896

All transactions were made on normal commercial terms and conditions and at market rates.

Loans to/from related parties

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

Office services agreement

On June 19, 2024, the Group entered into an office services agreement with a company for which Graeme Sloan is a director. The terms of the office services agreement are at arm's length.

Key Management Personnel

Key management personnel include those persons having authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers. The remuneration of directors and other members of key management personnel are as follows:

	June 30, 2024	June 30, 2023
	\$	\$
Management and consulting fees	309,776	65,287
Director fees	25,014	---
Share-based compensation	1,294,853	---
Total	1,629,643	65,287

12. SHARE CAPITAL & RESERVES

Authorized share capital

The authorized share capital of the Company consists of an unlimited number of common shares without par value.

Issued share capital

The following movements in issued capital of the Company occurred during the reporting period:

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12. SHARE CAPITAL & RESERVES (continued)

	Number of Shares	Issue Price	\$
Common shares			
Closing balance as at December 31, 2022	27,163,322		24,167,228
Issue of shares – Placement (January 6, 2023)	769,231	\$0.24	181,520
Issue of shares – Western E acquisition (March 7, 2023)	593,205	\$0.39	231,350
Issue of shares – Placement (May 2, 2023)	5,000,000	\$0.24	1,193,967
Issue of shares – Surveyor acquisition (July 4, 2023)	2,500,000	\$0.34	850,000
Issue of shares - Placement (August 18, 2023)	3,861,082	\$0.32	1,235,545
Less issue costs	---	---	(189,836)
Closing balance as at December 31, 2023	39,886,840		27,669,774
Issue of shares – Placement (January 2, 2024)	4,146,802	\$0.39	1,617,253
Issue of shares – Ennuin acquisition (May, 1 2024)	434,891	\$0.44	191,352
Issue of shares – Copperhead acquisition (May, 1 2024)	621,272	\$0.44	273,360
Issue of shares – Southern Cross acquisition (May, 1 2024)	745,527	\$0.44	328,032
Less issue costs	---	---	(12,938)
Closing balance as at June 30, 2024	45,835,332		30,066,833

On January 2, 2024, the Company announced that it closed its non-brokered private placement of Shares, raising aggregate gross proceeds of \$1,617,253 through the issuance of 4,146,802 Shares at an issue price of \$0.39 per Share. Subscriptions totalling \$918,449 were received by the Company prior to December 31, 2023 and included in the cash on hand balance as at December 31, 2023.

On May 1, 2024, the Company issued an aggregate of 1,801,690 Shares in connection with acquisition of the Ennuin Project, Copperhead Project and the Southern Cross Project. Refer to Note 7 for further information.

Following period end, on July 17, 2024 the Company consolidated its issued and outstanding Shares at a ratio of four (4) pre-consolidation Common Shares to one (1) post-consolidation Share (the "**Consolidation**"). The Consolidation was undertaken in connection with the Company's planned dual listing on the ASX. Pursuant to ASX listing requirements, a minimum A\$0.20 share price must be demonstrated prior to the listing date. The Company's outstanding options, warrants, performance rights and inducement shares were adjusted on the same basis as the Consolidation with respect to the underlying Shares exercisable pursuant to the options, warrants, performance rights and inducement shares, with proportionate adjustments being made to exercise or conversion prices, as applicable.

All references to Shares, options, warrants, performance rights and inducement shares in this financial report are on a post-consolidated basis.

Share based payments reserve

The following movements in the share based payments reserve occurred during the period:

	\$
Closing balance as at 31 December 2022	2,415,624
Share based payments expense	344,778
Capital raising costs - Savoy	128,705
Acquisition – Surveyor	758,663
Transfer to accumulated losses following expiry / forfeiture of equity instruments	(2,026,513)
Closing balance as at 31 December 2023	1,621,257
Share based payments expense	1,758,604
Transfer to accumulated losses following expiry / forfeiture of equity instruments	(91,716)
Closing balance as at June 30, 2024	3,288,145

12. SHARE CAPITAL & RESERVES (continued)

Stock options

The Company has established an equity incentive plan (the “**Plan**”) for directors, employees, and consultants of the Company, pursuant to which the Company may issue stock options or performance rights to eligible participants. From time to time, Shares may be reserved by the Board, in its discretion, for issuance of options under the Plan, provided that at the time of the grant, the total number of Shares so reserved for issuance by the Board shall not exceed 10% of the issued and outstanding listed Shares (on a non-diluted basis) as at the date of grant. Options are non-assignable and may be granted for a term not exceeding that permitted by the Exchange, currently ten years.

All stock options issued are subject to vesting terms. Options issued to officers and/or consultants might be subjected to a vest term depending on date of grant and nature of service.

A summary of stock option activities is as follows:

	Number of Options	Weighted Average Exercise Price
Outstanding options, December 31, 2022	1,987,500	\$0.68
Granted (a)	2,512,500	\$0.39
Expired / forfeited	(893,750)	\$0.72
Outstanding options, December 31, 2023	3,606,250	\$0.48
Granted	---	---
Expired / forfeited (b)	(300,000)	\$0.36
Outstanding options, June 30, 2024	3,306,250	\$0.48

As at June 30, 2024, the following stock options were outstanding and exercisable:

Number of Stock Options	Exercise Price	Expiry Date	Number of Stock Options Exercisable
125,000	\$0.36	(c) October 9, 2024	125,000
150,000	\$0.80	(c) October 9, 2024	150,000
518,750	\$0.80	April 21, 2026	518,750
2,512,500	\$0.39	(a) November 30, 2028	---
3,306,250			793,750

- On December 1, 2023 pursuant to the Plan, the Company announced that it granted an aggregate of 2,512,500 stock options to acquire Shares to certain employees, officers, consultants, directors and non-executive directors of the Company. These options were subsequently approved and valued on December 29, 2023 at the Annual General Meeting (“**AGM**”). The estimated fair value of the stock options of \$0.456 was determined using the Black-Scholes option pricing model with the following assumptions: dividend yield of 0%, volatility of 169%, risk-free rate of 3.65% and expected life of 5 years. The options vest in full upon the Company’s listing to the ASX.
- On June 24, 2024, 300,000 stock options with an exercise price of \$0.36 expired without exercise.
- Mr Kerry Griffin resigned as a Director of the Company on October 10, 2023. The Company and Mr Griffin agreed to change the terms of 275,000 options issued to Mr Griffin, such that the options expire 12 months on October 9, 2024. The fair value of the options at the date of modification was determined to be \$67,909. This has resulted in an incremental fair value change of \$8,937.

12. SHARE CAPITAL & RESERVES (continued)

Performance Rights

A summary of performance rights activities is as follows:

	Number of Rights	Weighted Average Exercise Price
Outstanding performance rights, December 31, 2022	---	---
Granted	3,979,077	---
Expired / forfeited	---	---
Outstanding performance rights, December 31, 2023	3,979,077	---
Granted	---	---
Expired / forfeited	---	---
Outstanding performance rights, June 30, 2024	3,979,077	---

As at June 30, 2024, the following performance rights were outstanding and exercisable:

Number of Performance Rights	Exercise Price	Expiry Date	Number of Performance Rights Exercisable
3,135,933	---	November 30, 2027	---
421,572	---	November 30, 2028	---
421,572	---	November 30, 2029	---
3,979,077			---

- a) On December 1, 2023 pursuant to the Plan, the Company announced the issue of an aggregate of 3,979,077 performance rights redeemable for Shares to certain employees, officers, consultants, directors and non-executive directors of the Company. These performance rights were subsequently approved and granted at the AGM on December 29, 2023. The estimated fair value of the performance rights was determined using the Share price on grant date of \$0.48. The performance right vest in tranches over 12, 24 and 36 months from the date of grant and upon the Company's listing to the ASX.

Warrants

A summary of share purchase warrant activities is as follows:

	Number of Warrants	Weighted Average Exercise Price
Outstanding warrants, December 31, 2022	5,532,666	\$0.64
Warrants granted (a,b)	3,000,000	\$0.56
Expired	(3,322,485)	\$0.60
Outstanding warrants, December 31, 2023	5,210,181	\$0.64
Warrants granted	---	---
Expired	---	---
Outstanding warrants, June 30, 2024	5,210,181	\$0.64

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12. SHARE CAPITAL & RESERVES (continued)

As at June 30, 2024, the following warrants were outstanding and exercisable:

Number of Warrants	Exercise Price	Expiry Date	Number of Warrants Exercisable
259,259	\$0.72	January 11, 2025	259,259
1,950,922	\$0.72	April 1, 2025	1,950,922
500,000	\$0.60	August 18, 2025	500,000
2,500,000	\$0.56	July 4, 2027	2,500,000
5,210,181			5,210,181

- a) On December 8, 2022, the Company announced that it was acquiring the remaining 20% of 14 key tenements that were subject to an earn in arrangement with Surveyor Resources (refer Note 8) and on July 4, 2023, the Company announced that it has satisfied all conditions, including the issue of Shares as the Consideration for its acquisition of 100% of the Southern Cross North Project. The Consideration was satisfied by the issuance of 2,500,000 Shares and 2,500,000 warrants, each warrant exercisable for one additional Share at an exercise price \$0.56 for a period of 4 years. The estimated fair value of the warrants was determined using the Black-Scholes option pricing model of \$0.304 with the following assumptions: dividend yield of 0%, volatility of 169%, risk-free rate of 3.91% and expected life of 4 years.
- b) On August 18, 2023 the Company announced that it had issued 3,861,082 Shares by way of placement at an issue price of \$0.32, raising \$1,235,546. The Company paid a finder's fees in connection with the placement to Savoy Capital Partners Pty Ltd which included 500,000 broker warrants, each such broker warrant being exercisable to acquire one Share at a price of \$0.60 until August 18, 2025. The estimated fair value of the warrants was \$0.256 determined using the Black-Scholes option pricing model with the following assumptions: dividend yield of 0%, volatility of 169%, risk-free rate of 4.1% and expected life of 2 years.

Inducement Shares

A summary of inducement shares activities is as follows:

	Number of Rights	Weighted Average Exercise Price
Outstanding inducement shares, December 31, 2022	---	---
Granted	795,000	---
Expired / forfeited	---	---
Outstanding inducement shares, December 31, 2023	795,000	---
Granted	---	---
Expired / forfeited	---	---
Outstanding inducement shares, June 30, 2024	795,000	---

As at June 30, 2024, the following inducement shares were outstanding and exercisable:

Number of Inducement Shares	Exercise Price	Expiry Date	Number of Inducement Shares Exercisable
340,834	---	November 30, 2027	---
227,083	---	November 30, 2028	---
227,083	---	November 30, 2029	---
795,000			---

12. SHARE CAPITAL & RESERVES (continued)

- a) On December 1, 2023 pursuant to the Plan, the Company announced that it granted an aggregate of 795,000 inducement shares to certain employees and officers of the Company. These inducement shares were subsequently approved and granted at the AGM on December 29, 2023. The estimated fair value of the inducement shares was determined using the Share price on grant date of \$0.48. The inducement shares vest in tranches over 12, 24 and 36 months from the date of grant and upon the Company's listing to the ASX.

13. COMMITMENTS AND CONTINGENCIES

Tenement commitments – Western Australia

The Group has a portfolio of tenements located in Western Australia, which all have a requirement for a certain level of expenditure each and every year in addition to annual rental payments for the tenements. Future minimum expenditure commitments for the tenements held, are as follows:

	June 30, 2024 \$	December 31, 2023 \$
Within one year	440,909	430,286
After one year but not more than five years	731,011	671,711
More than five years	355,176	388,152
	1,527,096	1,490,149

Acquisition commitments – Western Australia

Hakes Find

On June 12, 2023, the Company announced that it had entered into the Hakes Find Agreement. The Company paid an option fee of A\$25,000 in June 2023, extended the term of the Hakes Find Agreement by six months to 25 May 2024 by way of cash payment of A\$25,000 in December 2023 and could at its election extend the term by way of the Hakes Option Extension.

On July 9, 2024, the Company announced that it has extended the term of the Hakes Find Agreement to November 25, 2024 and has also entered into an agreement to vary the terms of the Hakes Find Agreement in relation to the Hakes Option Extension. The Hakes Option Extension payment of A\$25,000 has been varied such that the payment is due to be paid by the Company on or prior to the ASX Listing Date.

The option exercise price is A\$100,000 cash and A\$175,000 in Shares (subject to a cap of 616,875 Shares) based the VWAP for Shares in the period 30 days prior to exercise of the option and adjusted using the C\$/A\$ exchange rate posted by the Bank of Canada), plus a 1.5% royalty on the first 23,000 ounces of gold produced from the tenement.

Refer to Note 7 for further information.

Ennuin Project and Copperhead Project

On August 1, 2023, the Company announced that it entered into an agreement with prospectors Vernon Strange and Kym McClaren to acquire a series of projects which are located approximately 30km north of the town of Bullfinch.

- Ennuin Sale Agreement - A Deferred Cash Payment of A\$150,000 is due to be paid by the Company within 5 business days after the date on which the transfer of G77/123, L77/262 and M77/450 is registered by the relevant tenements authority in Australia. The Company may extend the time for the Deferred Cash Payment by payment of A\$50,000 to the vendors at the time payment would otherwise be due.

The transfer of risk and title to G77/123, L77/262, M77/450 was, among other things, subject to the satisfaction of Transfer Conditions by the Due Date (August 1, 2024). If the Transfer Conditions are not satisfied by the Due Date the:

13. COMMITMENTS AND CONTINGENCIES (continued)

- parties are to meet and negotiate in good faith with a view to agreeing to an alternative basis on which the transactions contemplated by the Ennuin Sale Agreement can proceed; and
- Deferred Cash Payment is to be made within 5 business days of the Transfer Conditions being met.

On July 22, 2024 the Company announced that it has entered into an agreement with the vendor to vary the terms of the Ennuin Sale Agreement to extend the Due Date to October 1, 2024.

Ministerial consent was granted on August 2, 2024 while Transfer of Title has not yet occurred. If the Transfer Conditions have not been satisfied by the Due Date, the parties under the Ennuin Sale Agreement will be obliged to meet and negotiate in good faith with a view to agreeing to an alternative basis on which the transactions contemplated by the Ennuin Sale Agreement can proceed. Further, if the Company forms the opinion that the Transfer Conditions cannot be met within 6 months of the Due Date, it may notify the vendor that it no longer wishes to proceed.

Refer to Note 7 for further information.

- Copperhead Sale Agreement - A Final Cash Payment of A\$200,000 cash is due to be paid by the Company upon the earlier of the ASX Listing Date and October 1, 2024. Refer to Note 7 for further information.

Enterprise Project

On January 8, 2024, the Company announced that it has entered into a binding agreement to wholly acquire Enterprise Metals Bullfinch North Tenement Option and Sale Agreement (“**Option Agreement**”) for the Bullfinch North lithium and gold project, located in the northern part of the Southern Cross Greenstone Belt (“**Bullfinch North**”). The material terms of the Option Agreement acquisition are as follows:

- The Option Agreement includes tenements E77/2325, E77/2568, P77/4350, P77/4566, P77/4586 and P77/4587. The Company has also acquired substantially the same terms and conditions with Nickgraph Pty Ltd (“**Nickgraph**”) directly (for a nominal option fee of A\$1) as outlined in the Option Agreement (“**Direct Option Agreement**”).
- The Company assumed Enterprise’s obligations relating to the Option Agreement that provide that the Company had the right to exercise the Option to purchase Bullfinch North project by May 24, 2024, with:
 - a payment to Nickgraph of A\$400,000 cash;
 - the issue of Shares to Nickgraph to the value of A\$400,000 and;
 - all production subject to a 1.5% gross royalty capped at A\$1,000,000.

With the lapsing of the option period on May 24, 2024, the Direct Option Agreement between the Company and Nickgraph was enlivened. The Company had until June 25, 2024, to exercise the option with Nickgraph, and was able to extend that period to January 10, 2025 by payment of A\$100,000 to Nickgraph (“**Enterprise Option Extension**”).

On July 9, 2024, the Company announced that it has entered into an agreement with Nickgraph to vary the terms of the Option Agreement in relation to the Enterprise Option Extension. The Enterprise Option Extension has been varied, such that the payment of A\$100,000 will now accrue monthly, at a rate of A\$16,667 per month for a six-month period ending January 10, 2025 (A\$100,000 in total), with payment for the Enterprise Option Extension due to be paid by the Company on or prior to the Company’s ASX Listing Date.

Notwithstanding the Enterprise Option Extension, the Company still retains the right to further extend the exercise period under the Direct Option Agreement to June 25, 2025 with an additional payment of A\$50,000 (the “**Second Extension Fee**”). If the Company extends the exercise period to June 25, 2025 on payment of the Second Extension Fee, the number of Shares issuable to Nickgraph would increase to A\$600,000.

13. COMMITMENTS AND CONTINGENCIES (continued)

Taxation – Canada

The Company recognizes that it has an ongoing obligation to comply with tax regulations in the jurisdictions in which it operates. The Group has identified that the Company and Golden Horse Holdings Canada Limited (formerly Altan Rio Holdings Canada Limited) had not filed certain income tax and information returns with the CRA for taxation years 2010 to 2022. During June 2024, the Company and Golden Horse Holdings Canada Limited filed all outstanding income tax and information returns with the CRA for taxation years 2010 to 2023. Following filing, notices of assessment have been received for the Company and the returns were assessed as filed with no taxes payable. Notices of assessment have not yet been received for Golden Horse Holdings Canada Limited, but the Company expects the returns to be assessed as filed with no taxes payable. In relation to certain income tax and information returns for taxation years 2010 to 2022, the Company may be liable for penalties and interest under the relevant income tax legislation. Following consultation with the Company's advisors, in the consolidated financial statements the directors have provisioned \$222,000 for potential penalties and interest for non-compliance with tax filing obligations (refer to Note 10 for further information).

It is important to note that there is a possible obligation depending on future events in relation to non-compliance with tax filing obligations and the ultimate outcome cannot be reasonably or accurately estimated at this time as there is potential for additional penalties for non-compliance with tax filing obligations and therefore the amount above is subject to change, pending the results of any negotiations and agreement with the CRA in respect of amounts due. The Company will work closely with its tax advisors to negotiate the amount of any potential penalties and interest with the CRA.

Given that the provision is based on a number of assumptions and advice received, the Company considers it appropriate to disclose this contingent liability. The ultimate outcome cannot be reasonably or accurately estimated at this time.

Mongolia

The Company previously operated in Mongolia and is no longer affiliated with the Mongolian project. BraveHeart Resources LLC and Altan Rio Mongolia LLC held the Chandman-Yol and are no longer subsidiaries of Company and cease to remain within the Group (refer to Note 3 for further information).

It is important to note that there are possible obligations depending on future events in relation to cessation of operations at the Mongolian project and the ultimate outcome cannot be reasonably or accurately estimated at this time. The Company continues to work with its advisors to determine whether there are any material liabilities associated with ceasing operations in Mongolia.

14. USE OF ESTIMATES

Critical Judgments

The preparation of the consolidated financial statements requires management to make judgments regarding the going concern of the Company as previously discussed in Note 1, as well as the determination of functional currency. The functional currency is the currency of the primary economic environment in which an entity operates and has been determined for each entity within the Company. The functional currency for the Company and its subsidiaries has been determined as disclosed above.

Key Sources of Estimation Uncertainty

Significant estimates made by management affecting our consolidated financial statements include:

14. USE OF ESTIMATES (continued)

Estimation of fair value of share-based payments

The Group measures the cost of equity-settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. The fair value of options is determined using the Black-Scholes model taking into account the assumptions.

Economic recoverability and probability of future economic benefits of exploration and evaluation assets

Management has determined that exploration, evaluation, and related costs incurred which were capitalized may have future economic benefits and may be economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefits including, geologic and other technical information, a history of conversion of mineral deposits with similar characteristics to its own properties to proven and probable mineral reserves, the quality and capacity of existing infrastructure facilities, evaluation of permitting and environmental issues and local support for the project.

15. SUBSEQUENT EVENTS

- Following period end, on September 3, 2024 the Company announced that it has significantly enhanced its position in the highly prospective Southern Cross region of Western Australia, by executing a Binding Term Sheet dated August 31, 2023 to acquire a strategic tenement package (including the historic Hopes Hill and Greenmount mines) with Emerald and various Emerald subsidiaries (“**Acquisition**”).

Under the terms of the Acquisition, the Company will, subject to the satisfaction of the various conditions precedent, acquire tenements in the Southern Cross area from Emerald subsidiary, Emerald Resources (WA) Pty Ltd (“**Emerald WA**”) and all of the shares in Emerald WA subsidiary, Broken Hill Metals Pty Ltd (“**Broken Hill Metals**”), which holds several tenements in and around the Southern Cross area. Together, these tenements, referred to as the Project, cover a total area of 360km² and consist of 11 exploration leases, 4 mining leases, and 1 prospecting lease. The Hopes Hill Mine, included in this acquisition, has historically produced approximately 219,000 ounces of gold at a grade exceeding 2 g/t Au. This acquisition complements the Company’s existing landholding in the Southern Cross region, adding high-potential assets to its portfolio in a well-known gold-producing district.

Transaction Summary

As consideration for the Acquisition, subject to the satisfaction of various conditions precedent (outlined below), the Company shall issue Emerald 32,000,000 Shares at deemed issue price of A\$0.25 per Share (“**Consideration Shares**”). As part of the Acquisition, the following deferred consideration will be payable by the Company to Emerald on achievement of the following milestones:

- A\$1,000,000 of Shares to Emerald at a 30-day VWAP at the time of releasing a JORC resource of 250,000 ounces of gold in respect of the Project;
- A\$1,000,000 of Shares to Emerald at a 30-day VWAP at the time of releasing a JORC resource of 500,000 ounces of gold in respect of the Project; and.
- A\$1,000,000 of Shares to Emerald at a 30-day VWAP at the time of announcing a decision to mine in respect of the Project.

Secured Loan from Emerald

In connection with the Acquisition, Emerald will also provide a loan to the Company of up to A\$2,000,000 (“**Loan**”). The Company received Exchange approval of the Loan and satisfied other conditions precedents in the Loan Agreement, and received the initial drawdown of A\$1,000,000 on September 17, 2024. Refer to Note 1 for further information.

15. SUBSEQUENT EVENTS (continued)

Acquisition Conditions Precedent

Completion of the Acquisition is subject to the following conditions precedent:

- execution of a binding agreement for the Loan;
- the Company receiving confirmation from ASX that its structure and operations are suitable for admission following lodgement of an in-principal advice application in accordance with ASX Listing Rule 1.1 condition 1;
- the Company receiving conditional approval from ASX for admission to the official list and those conditions being to the reasonable satisfaction of the Company;
- the Company listing on the ASX;
- all necessary third-party approvals and regulatory consents being obtained in relation to the transfer of the Broken Hill Metals shares and Southern Cross Tenements to the Company;
- approval of the Exchange of the Acquisition and issuance of the Consideration Shares; and
- receipt of the Company shareholder approval of the Acquisition in accordance with Exchange policies

(together, the “**Conditions**”).

The Company and Emerald have agreed to use their best endeavours to ensure the Conditions are satisfied on or before November 15, 2024.

The Acquisition and the Loan remain subject to the approval of the Exchange.

Shareholder Meeting

In accordance with the policies of the Exchange, the Company will be required to seek shareholder approval of Emerald becoming a Control Person (as such term is defined in the policies of the Exchange) of the Company by virtue of Emerald expected to hold approximately 41% of the issued and outstanding Shares on closing of the Acquisition, such ownership not taking into account any Shares issuable in connection with the Company’s proposed ASX listing to other shareholders or issuances of any of the deferred compensation to Emerald. The Company currently expects to call and hold a meeting of shareholders in early November 2024 to seek such approval.

Term Sheet for NT Copper Project

In a separate transaction, Golden Horse Australia has entered a binding term sheet for an Option Agreement with ASX-listed NT Minerals Limited (ASX: NTM) (“**NTM**”) with respect to the tenements covering a land area of 7,728 km² over the Redbank/Wollogorang Copper Project in the Northern Territory (“**Tenements**”). Pursuant to this Golden Horse Australia has the exclusive option (first stage option) to undertake a review and exploration on the Tenements and to potentially acquire an initial 10% interest in the Tenements over an initial 12-month period beginning January 1, 2025. Golden Horse Australia will pay NTM an initial option fee of A\$100,000 upon the earlier of listing on the ASX or December 31, 2024. If Golden Horse Australia exercises the first stage option and acquires a 10% interest in the Tenements, a joint venture will be formed with NTM and the parties will then formalize the terms of a joint venture agreement pursuant to which Golden Horse Australia may earn up to a further 80% interest in the Tenements (or may withdraw from the transaction) by meeting a number of exploration expenditures and other milestones over a series of stages, and may elect to acquire the remaining 10% interest in the Tenements.

15. SUBSEQUENT EVENTS (continued)

- Following period end, on July 17, 2024 the Company consolidated its issued and outstanding Shares at a ratio of four (4) pre-consolidation Common Shares to one (1) post-consolidation Share ("**Consolidation**"). The Consolidation was undertaken in connection with the Company's planned dual listing on the ASX. Pursuant to ASX listing requirements, a minimum A\$0.20 share price must be demonstrated prior to the listing date. The Company's outstanding options, warrants, performance rights and inducement shares were adjusted on the same basis as the Consolidation with respect to the underlying Shares exercisable pursuant to the options, warrants, performance rights and inducement shares, with proportionate adjustments being made to exercise or conversion prices, as applicable.

- Hakes Find

On June 12, 2023, the Company announced that it had entered into the Hakes Find Agreement. The Company could at its election extend the term by a further six months to November 25, 2024 by way of cash payment of A\$25,000 ("**Hakes Option Extension**"). On July 9, 2024, the Company announced that it had extended the term of the Hakes Find Agreement to November 25, 2024 and had also entered into an agreement to vary the terms of the Hakes Find Agreement in relation to the Hakes Option Extension. The Hakes Option Extension payment of A\$25,000 has been varied such that the payment is due to be paid by the Company on or prior to the ASX Listing Date.

- Ennuin Project and Copperhead Project

On August 1, 2023, the Company announced that it entered into an agreement with prospectors Vernon Strange and Kym McClaren to acquire a series of projects which are located approximately 30km north of the town of Bullfinch.

- Ennuin Project – Under the terms of the Ennuin Sale Agreement, a Deferred Cash Payment of A\$150,000 is due to be paid by the Company within 5 business days after the date on which the transfer of G77/123, L77/262 and M77/450 is registered by the relevant tenements authority in Australia. The Company may extend the time for the Deferred Cash Payment by payment of A\$50,000 to the Vendors at the time payment would otherwise be due. The Transfer of Title was, among other things, subject to the satisfaction of the Transfer Conditions by August 1, 2024 ("Due Date"). On July 22, 2024, the Company announced that it has entered into an agreement with the vendor to vary the terms of the Ennuin Sale Agreement to extend the Due Date to October 1, 2024.

Ministerial consent was granted on August 2, 2024 while Transfer of Title has not yet occurred. If the Transfer Conditions have not been satisfied by the Due Date, the parties under the Ennuin Sale Agreement will be obliged to meet and negotiate in good faith with a view to agreeing to an alternative basis on which the transactions contemplated by the Ennuin Sale Agreement can proceed.

Further, if the Company forms the opinion that the Transfer Conditions cannot be met within 6 months of the Due Date, it may notify the vendor that it no longer wishes to proceed.

- Copperhead Project – Under the terms of the Copperhead Sale Agreement, in respect of its acquisition of the strategic Copperhead prospecting lease (P77/4357), a cash payment of A\$200,000 cash is due to be paid by the Company upon the earlier of the ASX Listing Date and August 1, 2024 ("**Final Cash Payment**"). On July 22, 2024, the Company announced that it has entered into an agreement with the vendor to vary the terms of the Copperhead Sale Agreement, such that the Final Cash Payment is now due to be paid by the Company upon the earlier of the ASX Listing Date and October 1, 2024.

15. SUBSEQUENT EVENTS (continued)

- Enterprise Project

On January 8, 2024, the Company announced that it has entered into an Option Agreement for Bullfinch North. On July 9, 2024, the Company announced that it has entered into an agreement with Nickgraph to vary the terms of the Option Agreement in relation to the Enterprise Option Extension. The Enterprise Option Extension has been varied, such that the payment of A\$100,000 will now accrue monthly, at a rate of A\$16,667 per month for a six-month period ending January 10, 2025 (A\$100,000 in total), with payment for the Enterprise Option Extension due to be paid by the Company upon the Company's ASX Listing Date. Notwithstanding the Enterprise Option Extension, the Company still retains the right to further extend the exercise period under the Direct Option Agreement to June 25, 2025 with a Second Extension Fee. If the Company extends the exercise period to June 25, 2025 on payment of the Second Extension Fee, the number of Shares issuable to Nickgraph would increase to A\$600,000.



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DECLARATION OF INDEPENDENCE BY PHILLIP MURDOCH TO THE DIRECTORS OF GOLDEN HORSE MINERALS LIMITED

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

1. No contraventions of the auditor independence requirements of the *APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code)* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Golden Horse Minerals Limited and the entities it controlled during the period.

Phillip Murdoch
Director

BDO Audit Pty Ltd
Perth
17 September 2024

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Golden Horse Minerals Limited

Report on the Interim Financial Report

Conclusion

We have reviewed the interim financial report of Golden Horse Minerals Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, material accounting policy information and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying interim financial report of the Group does present fairly, in all material respects, the Group's financial position as at 30 June 2024 and of its financial performance and its cash flows for the half-year ended on that date, in accordance with the applicable financial reporting framework.

Basis for conclusion

We conducted our review in accordance with ISRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (Including Independence Standards) (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Material uncertainty relating to going concern

We draw attention to Note 1 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our conclusion is not modified in respect of this matter.

Responsibility of the directors for the financial report

The directors of the company are responsible for the preparation of the interim financial report that gives a true and fair view in accordance with the Applicable financial reporting framework and for such internal control as the directors determine is necessary to enable the preparation of the interim financial report that is true and fair and is free from material misstatement, whether due to fraud or error.



Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the interim financial report based on our review. ISRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the interim financial report does not give a true and fair view of the Group's financial position as at 30 June 2024 and its financial performance and its cash flows for the half-year ended on that date, in accordance with the Applicable financial reporting framework.

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

BDO Audit Pty Ltd

BDO
A handwritten signature in dark ink, appearing to read 'P. Murdoch', is written over a horizontal line.

Phillip Murdoch

Director

Perth, 17 September 2024