



## **Sarytogan Graphite Limited**

**ABN 91 107 920 945**

**Interim Report - 31 December 2024**

Directors	Mr Stephen Penrose - Non-Executive Chairman Mr Sean Gregory - Managing Director Mr Waldemar Mueller - Technical Director
Company secretary	Mr Ian Hobson
Registered office	Suite 8 110 Hay Street SUBIACO WA 6008
Principal place of business	Suite 8 110 Hay Street SUBIACO WA 6008
Auditor	HLB Mann Judd Level 4, 130 Stirling Street PERTH WA 6000
Securities exchange listing	Sarytogan Graphite Limited shares are listed on the Australian Securities Exchange (ASX code: SGA)
Website	<a href="http://www.sarytogangraphite.com.au">www.sarytogangraphite.com.au</a>
Share register	Automic Registry Services Level 5 191 St Georges Terrace Perth WA 6000

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The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Sarytogan Graphite Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 31 December 2024.

### **Directors**

The following persons were Directors of Sarytogan Graphite Limited during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Mr Stephen Penrose	Non-Executive Chairman
Mr Sean Gregory	Managing Director
Dr Waldemar Mueller	Technical Director
Mr Brendan Borg (resigned 30 November 2024)	Non-Executive Director

### **Principal activities**

During the financial half-year the principal activities of the consolidated entity consisted of continuing exploration activities across Kazakhstan and progressing a definitive feasibility study on the Sarytogan Graphite Project in Central Kazakhstan.

### **Review of operations**

During the period the consolidated entity's operational activities delivered the following achievements:

- Granting of the Bainazar Copper Exploration Licence, completion of aeromagnetic survey, collection of 6,000 soil samples and identification of first copper porphyry target, "Ilken".<sup>1</sup>
- Pre-Feasibility Study (PFS) completed on the Sarytogan Graphite Project, defining the scope of the proposed development and quantifying the exceptional financial returns.<sup>2</sup>
- Trial Mining of 20 t bulk sample completed. Milling tests commenced in Kazakhstan to followed by flotation in Australia and purification in USA for customer qualification and machine vendor testing.<sup>3</sup>
- A\$5M equity investment from the European Bank for Reconstruction and Development agreed on 09 August 2024. The first tranche was completed on 22 November 2024 and 16,507,563 shares were issued at \$0.16 per share for a total value of \$2,641,210. The second tranche was completed on 10 February 2025 and 14,742,437 shares were issued at \$0.16 per share for a total value of \$2,358,790.<sup>4</sup>
- UHPF graphite shown to be suitable to manufacture synthetic industrial diamonds.<sup>5</sup>
- Granting of the mining licence and environmental permit for the mine.<sup>6</sup>
- Appointment of experience graphite marketing executive to lead product offtake efforts.<sup>7</sup>
- Micro80C graphite shown to perform well as a recarburizer for grey and ductile cast-iron.<sup>8</sup>

The loss for the consolidated entity after providing for income tax amounted to \$948,159 (31 December 2023: \$978,040).

<sup>1</sup> See ASX Release dated 3 July 2024

<sup>2</sup> See ASX Release dated 9 August 2024

<sup>3</sup> See ASX release dated 9 September 2024

<sup>4</sup> See ASX Releases dated 9 August 2024, 22 November 2024 and 10 February 2025

<sup>5</sup> See ASX Release dated 09 December 2024

<sup>6</sup> See ASX Release dated 30 December 2024

<sup>7</sup> See ASX Release dated 13 January 2025

<sup>8</sup> See ASX Release dated 28 January 2025

### **Significant changes in the state of affairs**

Other than as disclosed in this report, no significant changes in the state of affairs of the Company occurred during the financial half-year.

**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.

**Subsequent events**

On 10 February 2025, the Company has announced that the cash for the Tranche 2 equity investment has been received from the European Bank for Reconstruction and Development (the EBRD). A\$2,358,790 cash has been received and the share registry issued 14,742,437 shares to the EBRD. EBRD now holds 17.3% of the issued capital of the Company.

On 11 February 2025, the Company has announced the granting of a new exploration licence, Kopa, located in South Kazakhstan.

**Compliance Statement**

The information in this report that relates to previous exploration results has been cross-referenced to the original ASX release. The Company confirms that it is not aware of any new information or data that materially effects the exploration results in those relevant market announcements.

This report is made in accordance with a resolution of Directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the Directors

A handwritten signature in blue ink, appearing to read 'Sean Gregory'.

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Sean Gregory  
Managing Director  
11 March 2025



#### AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the consolidated financial report of Sarytogan Graphite Limited for the half-year ended 31 December 2024, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Perth, Western Australia  
11 March 2025



**M R Ohm**  
Partner

**hlb.com.au**

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	Note	31 Dec 2024 \$	31 Dec 2023 \$
<b>Revenue</b>			
Other income	5	21,012	198,097
<b>Expenses</b>			
Employee benefits expense		(423,076)	(475,504)
Depreciation expense	6	(1,305)	(1,305)
Administration		(432,618)	(388,580)
Travel		(79,989)	(63,292)
Share-based payments	15	(32,183)	(247,456)
<b>Loss before income tax expense</b>		(948,159)	(978,040)
Income tax expense		-	-
<b>Loss after income tax expense for the half-year attributable to the owners of Sarytogan Graphite Limited</b>	10	(948,159)	(978,040)
<b>Other comprehensive income/(loss)</b>			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation	9	(275,409)	(222,891)
<b>Other comprehensive loss for the half-year, net of tax</b>		(275,409)	(222,891)
<b>Total comprehensive loss for the half-year attributable to the owners of Sarytogan Graphite Limited</b>		(1,223,568)	(1,200,931)
		<b>Cents</b>	<b>Cents</b>
Basic loss per share		(0.62)	(0.66)
Diluted loss per share		(0.62)	(0.66)

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

**Sarytogan Graphite Limited**  
**Condensed consolidated statement of financial position**  
**As at 31 December 2024**



	<b>Note</b>	<b>31 Dec 2024</b>	<b>30 June 2024</b>
		<b>\$</b>	<b>\$</b>
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents		2,283,200	2,516,915
Other assets		352,429	670,823
<b>Total current assets</b>		<b>2,635,629</b>	<b>3,187,728</b>
<b>Non-current assets</b>			
Plant and equipment	6	205,832	240,840
Exploration and evaluation	7	20,583,786	18,645,369
<b>Total non-current assets</b>		<b>20,789,618</b>	<b>18,886,209</b>
<b>Total assets</b>		<b>23,425,247</b>	<b>22,073,937</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables		119,548	128,414
Provisions		104,423	91,948
<b>Total current liabilities</b>		<b>223,971</b>	<b>220,362</b>
<b>Total liabilities</b>		<b>223,971</b>	<b>220,362</b>
<b>Net assets</b>		<b>23,201,276</b>	<b>21,853,575</b>
<b>Equity</b>			
Issued capital	8	35,900,401	33,126,315
Reserves	9	392,867	1,862,434
Accumulated losses	10	(13,091,992)	(13,135,174)
<b>Total equity</b>		<b>23,201,276</b>	<b>21,853,575</b>

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



**Sarytogan Graphite Limited**  
**Condensed consolidated statement of changes in equity**  
**For the half-year ended 31 December 2024**



	Issued capital \$	Foreign exchange revaluation reserve \$	Share-based payments reserve \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2023	32,891,315	206,188	1,362,757	(10,062,410)	24,397,850
Loss after income tax expense for the half-year	-	-	-	(978,040)	(978,040)
Other comprehensive loss for the half-year, net of tax	-	(222,891)	-	-	(222,891)
Total comprehensive loss for the half-year	-	(222,891)	-	(978,040)	(1,200,931)
<i>Transactions with owners in their capacity as owners:</i>					
Share-based payments (note 15)	-	-	117,500	-	117,500
Options issued (note 15)	-	-	129,956	-	129,956
Balance at 31 December 2023	32,891,315	(16,703)	1,610,213	(11,040,450)	23,444,375
	Issued capital \$	Foreign exchange revaluation reserve \$	Share-based payments reserve \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2024	33,126,315	163,878	1,698,556	(13,135,174)	21,853,575
Loss after income tax expense for the half-year	-	-	-	(948,159)	(948,159)
Other comprehensive loss for the half-year, net of tax	-	(275,409)	-	-	(275,409)
Total comprehensive loss for the half-year	-	(275,409)	-	(948,159)	(1,223,568)
<i>Transactions with owners in their capacity as owners:</i>					
Issue of share capital	2,641,210	-	-	-	2,641,210
Share issue costs	(102,124)	-	-	-	(102,124)
Options expired	-	-	(991,341)	991,341	-
Performance rights converted	235,000	-	(235,000)	-	-
Share-based payments (note 15)	-	-	32,183	-	32,183
Balance at 31 December 2024	35,900,401	(111,531)	504,398	(13,091,992)	23,201,276

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

**Sarytogan Graphite Limited**  
**Condensed consolidated statement of cash flows**  
**For the half-year ended 31 December 2024**



	<b>31 Dec 2024</b>	<b>31 Dec 2023</b>
	<b>\$</b>	<b>\$</b>
<b>Cash flows from operating activities</b>		
Payment to suppliers and employees	(935,114)	(813,851)
Interest received	19,318	124,864
<b>Net cash used in operating activities</b>	<b>(915,796)</b>	<b>(688,987)</b>
<b>Cash flows from investing activities</b>		
Payments for exploration and evaluation	(1,837,719)	(2,258,495)
<b>Net cash used in investing activities</b>	<b>(1,837,719)</b>	<b>(2,258,495)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issue of shares	2,641,210	-
Share issue costs	(102,124)	-
Proceeds to settle tax liability	1,319,396	-
Payment of tax liability	(1,319,396)	-
<b>Net cash from financing activities</b>	<b>2,539,086</b>	<b>-</b>
<b>Net (decrease) in cash and cash equivalents</b>	<b>(214,429)</b>	<b>(2,497,483)</b>
Cash and cash equivalents at the beginning of the financial half-year	2,516,915	7,773,091
Effects of exchange rate changes on cash and cash equivalents	(19,286)	26,244
<b>Cash and cash equivalents at the end of the financial half-year</b>	<b>2,283,200</b>	<b>4,851,852</b>

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

## **Note 1. General information**

The financial statements cover Sarytogan Graphite Limited as a consolidated entity consisting of Sarytogan Graphite Limited and the entities it controlled at the end of, or during, the half-year. The financial statements are presented in Australian dollars.

Sarytogan Graphite Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Suite 8  
110 Hay Street  
SUBIACO WA 6008

A description of the nature of the consolidated entity's operations and its principal activities are included in the Directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 11 March 2025.

## **Note 2. Material accounting policies**

These condensed general purpose financial statements for the interim half-year reporting period ended 31 December 2024 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These condensed general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2024 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

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

### **Principles of consolidation**

The consolidated financial statements include the financial position and performance of controlled entities from the date on which control is obtained until the date that control is lost.

Intragroup assets, liabilities, equity, income, expenses and cashflows relating to transactions between entities in the consolidated entity have been eliminated in full for the purpose of these financial statements.

Appropriate adjustments have been made to a controlled entity's financial position, performance and cash flows where the accounting policies used by that entity were different from those adopted by the consolidated entity.

### **Subsidiaries**

Subsidiaries are all entities (including structured entities) over which the parent has control. Control is established when the parent is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity.

## Note 2. Material accounting policies (continued)

### Going concern

This report is prepared on the going concern basis which assumes the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

For the half year ended 31 December 2024, the consolidated entity incurred a loss after tax of \$948,159 (31 December 2023: \$978,040) and recorded cash outflows from operating activities of \$915,796 (31 December 2023: \$688,987). As at 31 December 2024, the Group had net working capital of \$2,411,658 with cash of \$2,283,200 (30 June 2024: \$2,516,915) available.

The consolidated entity's ability to continue as a going concern is dependent upon it maintaining sufficient funds for its operations and commitments. The Board believes that it has access to sufficient funding to meet its operating objectives. The Directors consider the basis of going concern to be appropriate for the following reasons:

- the cash balance of the Company relative to its fixed and discretionary expenditure commitments;
- given the Company's market capitalisation and the underlying prospects for the Company to raise further funds from the capital markets;
- the transaction with European Bank of Reconstruction and Development that raised \$2,641,200 completed in November 2024,
- the transaction with European Bank of Reconstruction and Development that raised \$2,358,790 completed in February 2025 and
- the fact that future exploration and evaluation expenditure is generally discretionary in nature (i.e. at the discretion of the Directors having regard to an assessment of the Company's eligible expenditure to date and the timing and quantum of its remaining earn-in expenditure requirements). Subject to meeting certain minimum expenditure commitments, further exploration activities may be slowed or suspended as part of the management of the Company's working capital.

Based on the cash flow forecasts and other factors referred to above, the directors are satisfied that the going concern basis of preparation is appropriate. In particular, given the Company's history of raising capital to date, the directors are satisfied of the Company's ability to raise additional funds as and when they are required. Fulfillment of the Company's long term objectives will require raising additional funds from time to time.

Should the Company be unable to raise sufficient funds, there is a material uncertainty which may cast significant doubt as to whether it would continue as a going concern and therefore whether it would realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different to those stated in the financial statements. The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts or classification of liabilities that might result should the Company be unable to continue as a going concern and meet its debts as and when they fall due.

### New or amended Accounting Standards and Interpretations adopted

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

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

## Note 3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

### **Note 3. Critical accounting judgements, estimates and assumptions (continued)**

#### *Share-based payment transactions*

The consolidated entity 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 is determined by using an option valuation model taking into account the terms and conditions upon which the instruments were granted and market based performance conditions. Judgement is also required in determining the likelihood of associated vesting conditions being met.

#### *Exploration and evaluation costs*

Exploration and evaluation costs have been capitalised on the basis that the consolidated entity will commence commercial production in the future, from which time the costs will be amortised in proportion to the depletion of the mineral resources. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised. In addition, costs are only capitalised that are expected to be recovered either through successful development or sale of the relevant mining interest. Factors that could impact the future commercial production at the mine include the level of reserves and resources, future technology changes, which could impact the cost of mining, future legal changes and changes in commodity prices. To the extent that capitalised costs are determined not to be recoverable in the future, they will be written off in the period in which this determination is made.

### **Note 4. Operating segments**

The Group is managed primarily on the basis of its exploration projects. Operating segments are therefore determined on the same basis. Reportable segments disclosed are based on aggregating tenements and permits where the tenements and permits are considered to form a single project.

#### *Accounting policies adopted*

Unless stated otherwise, all amounts reported to the Board of Directors as the chief operating decision maker with respect to operating segments are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Group.

Where an asset is used across multiple segments, the asset is allocated to the segment that receives the majority of economic value from the asset. In the majority of instances, segment assets are clearly identifiable on the basis of their nature and physical location.

#### Note 4. Operating segments (continued)

The following table presents the profit or loss and assets and liabilities information by segment provided to the Board of Directors:

	Exploration (Kazakhstan) \$	Unallocated (Corporate) \$	Total \$
<b>Half-year ended 31 December 2024</b>			
Segment revenue	3,714	17,298	21,012
Expenses	(91,126)	(878,045)	(969,171)
<b>Loss before income tax expense</b>	<b>(87,412)</b>	<b>(860,747)</b>	<b>(948,159)</b>
Income tax expense			-
<b>Loss after income tax expense</b>			<b>(948,159)</b>
<b>Assets</b>			
Segment assets	21,632,840	1,792,407	23,425,247
<b>Total assets</b>	<b>21,632,840</b>	<b>1,792,407</b>	<b>23,425,247</b>
<b>Liabilities</b>			
Segment liabilities	6,616	217,355	223,971
<b>Total liabilities</b>	<b>6,616</b>	<b>217,355</b>	<b>223,971</b>
	Exploration (Kazakhstan) \$	Unallocated (Corporate) \$	Total \$
<b>31 December 2023</b>			
Segment revenue	5,634	192,463	198,097
Expenses	(149,030)	(1,027,107)	(1,176,137)
<b>Loss before income tax expense</b>	<b>(143,396)</b>	<b>(834,644)</b>	<b>(978,040)</b>
Income tax expense			-
<b>Loss after income tax expense</b>			<b>(978,040)</b>
<b>Assets</b>			
Segment assets	18,842,618	4,797,249	23,639,867
<b>Total assets</b>	<b>18,842,618</b>	<b>4,797,249</b>	<b>23,639,867</b>
<b>Liabilities</b>			
Segment liabilities	189,757	5,735	195,492
<b>Total liabilities</b>	<b>189,757</b>	<b>5,735</b>	<b>195,492</b>

#### Note 5. Other income

	<b>31 Dec 2024</b>	<b>31 Dec 2023</b>
	\$	\$
Interest income	17,298	162,853
Foreign currency gain	3,714	35,244
<b>Other income</b>	<b>21,012</b>	<b>198,097</b>

**Note 6. Plant and equipment**

	31 Dec 2024	30 June 2024
	\$	\$
<i>Non-current assets</i>		
Plant and equipment - at cost	323,039	329,908
Less: Accumulated depreciation	(117,207)	(89,068)
	205,832	240,840

*Reconciliations*

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

	Plant and equipment \$
Balance at 30 June 2024	240,840
Additions	2,246
Exchange differences	(6,934)
Depreciation expense capitalised to exploration and evaluation	(29,015)
Depreciation expense	(1,305)
Balance at 31 December 2024	205,832

**Note 7. Exploration and evaluation**

	31 Dec 2024	30 June 2024
	\$	\$
<i>Non-current assets</i>		
Exploration and evaluation	20,583,786	18,645,369

The recoverability of the carrying amount of exploration and evaluation is dependent on a successive development and commercial exploration, or alternatively, sale of the respective areas of interest.

*Reconciliations*

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

	\$
Balance at 1 July 2024	18,645,369
Expenditure during the half-year	2,146,292
Exchange differences	(207,875)
Balance at 31 December 2024	20,583,786

**Note 8. Issued capital**

	31 Dec 2024	30 June 2024	31 Dec 2024	30 June 2024
	Shares	Shares	\$	\$
Ordinary shares - fully paid	166,240,890	148,733,327	35,900,401	33,126,315

*Movements in ordinary share capital*

Details	Date	Shares	Issue price	\$
Balance	1 July 2024	148,733,327		33,126,315
Conversion of performance rights	25 October 2024	1,000,000	0.235	235,000
Issue of share capital	21 November 2024	16,507,563	0.16	2,641,210
Share issue costs		-	0.00	(102,124)
Balance	31 December 2024	166,240,890		35,900,401

*Ordinary shares*

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

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

**Note 9. Reserves**

	31 Dec 2024	30 June 2024
	\$	\$
Foreign currency translation reserve	(111,531)	163,878
Share-based payments reserve	504,398	1,698,556
	392,867	1,862,434

*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.

*Foreign currency translation reserve*

This reserve is used to record exchange differences that arise from the translation of the financial statements of controlled foreign subsidiaries.



## Note 9. Reserves (continued)

### *Movements in reserves*

Movements in each class of reserve during the current financial half-year are set out below:

	Foreign exchange revaluation reserve \$	Share-based payments reserve \$	Total \$
Balance at 1 July 2024	163,878	1,698,556	1,862,434
Foreign currency translation	(275,409)	-	(275,409)
Options expired	-	(991,341)	(991,341)
Performance rights expensed (note 15)	-	32,183	32,183
Performance rights converted	-	(235,000)	(235,000)
Balance at 31 December 2024	(111,531)	504,398	392,867

## Note 10. Accumulated losses

	6 months to 31 Dec 2024 \$	12 months to 30 June 2024 \$
Accumulated losses at the beginning of the financial period	(13,135,174)	(10,062,410)
Loss after income tax expense for the period	(948,159)	(3,072,764)
Options issued in prior periods expired	991,341	-
Accumulated losses at the end of the financial half-year	(13,091,992)	(13,135,174)

## Note 11. Dividends

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

## Note 12. Financial instruments

### *Financial risk management objectives*

The consolidated entity has a number of a financial assets and liabilities not measured at fair value on a recurring basis. The carrying amounts of these financial instruments approximates their fair value.

### **Note 13. Contingent liabilities**

As part of the purchase of 100% of Ushtogan LLP from Ustar Ventures Ltd on 6 July 2022, 14,117,646 Performance Shares in the capital of Company were issued, subject to the following performance share milestones:

- (i) Tranche 1: 4,705,882 performance shares subject to the completion of a feasibility study on the Project prepared by an independent competent person under the JORC Code, within four years of issuing this class of performance shares with an internal rate of return >25%. If this milestone is not achieved in the four-year period, the performance shares will expire on that date which is four years after their date of issue;
- (ii) Tranche 2: 4,705,882 performance shares subject to the production of 50,000 tonnes of graphite ore within five years of issuing this class of performance shares at 20% TGC or greater (as verified by Sarytogan Graphite's auditors). If the milestone is not achieved in the five-year period, the performance shares will expire on that date which is five years after their date of issue; and
- (iii) Tranche 3: 4,705,882 performance shares subject to production of 100,000 tonnes of graphite ore within five years of issuing this class of performance shares at 20% TGC or greater (as verified by Sarytogan Graphite's auditors). If the milestone is not achieved in the five-year period, the performance shares will expire on that date which is five years after their date of issue.

The performance shares were valued and had nil amount expensed as the projects are still progressing through the early stages of development and the Directors do not have certainty that the performance rights would convert into ordinary shares based on their assessment.

On 17 April 2023, the Company executed a land access agreement with the local Farm and Land User at the Sarytogan Graphite Project. The land access agreement provides for USD \$10,000 pre-payment and a lump-sum compensation payment of USD \$240,000 upon the grant of the mining license. The Company may unilaterally withdraw at any time. The Farm and Land User will do all things necessary to allow the grant of the mining license, including surrendering the part of their land plot coincident with the proposed mining lease.

### **Note 14. Related party transactions**

#### *Parent entity*

Sarytogan Graphite Limited is the parent entity.

#### *Transactions with related parties*

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

#### *Receivable from and payable to related parties*

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

#### *Loans to/from related parties*

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

## Note 15. Share-based payments

### Options

No new options were issued during the half year ended 31 December 2024.

Set out below are summaries of share-based payment options on issue:

	Number of options 31 Dec 2024	Weighted average exercise price 31 Dec 2024	Number of options 31 Dec 2023	Weighted average exercise price 31 Dec 2023
Outstanding at the beginning of the financial half-year	15,015,151	\$0.298	12,500,000	\$0.25
Granted	-	-	1,000,000	\$0.600
Expired	(12,500,000)	\$0.250	-	-
Outstanding at the end of the financial half-year	2,515,151	\$0.537	12,500,000	\$0.298
Exercisable at the end of the financial half-year	2,515,151	\$0.537	11,500,000	\$0.298

31 Dec 2024

Grant date	Expiry date	Exercise price	Balance at the start of the half-year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the half-year
13/05/2022	30/11/2024	\$0.250	1,000,000	-	-	(1,000,000)	-
13/05/2022	30/11/2024	\$0.250	4,000,000	-	-	(4,000,000)	-
29/11/2021	30/11/2024	\$0.250	7,500,000	-	-	(7,500,000)	-
13/04/2023	14/04/2026	\$0.495	1,515,151	-	-	-	1,515,151
09/08/2023	30/06/2028	\$0.600	1,000,000	-	-	-	1,000,000
			15,015,151	-	-	(12,500,000)	2,515,151
Weighted average exercise price			\$0.298	\$0.000	\$0.000	\$0.250	\$0.537

## Note 15. Share-based payments (continued)

### Performance Rights

No new performance rights were issued during the half year ended 31 December 2024.

Set out below are summaries of share-based payment performance rights on issue:

Tranche	Number of Performance Rights	Vesting Conditions	Status
Tranche 1	2,000,000	Completion of a feasibility study on the Project prepared by an independent competent person under the JORC Code, within four years of issuing this class of Performance Rights with an internal rate of return >25%. If this milestone is not achieved in the four-year period, the Performance Rights will expire on that date which is five years after their date of issue.	Not vested
Tranche 2	2,000,000	Production of 50,000 tonnes of graphite concentrate within five years of issuing this class of Performance Rights (as verified by Sarytogan Graphite's auditors). If the milestone is not achieved in the five-year period, the Performance Rights will expire on that date which is five years after their date of issue	Not vested
Tranche 3	2,000,000	Production of 100,000 tonnes of graphite concentrate within five years of issuing this class of Performance Rights (as verified by Sarytogan Graphite's auditors). If the milestone is not achieved in the five-year period, the Performance Rights will expire on that date which is five years after their date of issue.	Not vested
Tranche 4 <sup>1</sup>	1,000,000	Completion of a pre-feasibility study on the Project prepared by an independent competent person under the JORC Code, by 30/09/2024 with an internal rate of return>30%. If this milestone is not achieved in the timeframe, the Performance Rights will expire on 30/10/2024.	Converted
Tranche 5 <sup>2</sup>	1,000,000	The estimation of a Mineral Resource (with a minimum resource of 20Mt @ 8% TGC flake graphite) for the Kenesar Project by an independent competent person under the JORC Code, within 5 years of issuing this class of Performance Rights. If the milestone is not achieved in the five-year period, the Performance Rights will expire on that date which is five years after their date of issue.	Not vested
8,000,000			

Accounting standards require directors to assess the probability of achieving the above performance-based conditions. Set out below are summaries of performance rights valuation:

- (1) On 12 August 2024 the Company announced the completion of a pre-feasibility study on the Project with an internal rate of return >30%. The directors agreed that the performance rights hurdle has been met and performance rights vested and fully expensed.
- (2) The Performance rights tranche 5 had no amount expensed as the project has been impaired.

#### Note 15. Share-based payments (continued)

Set out below are summaries of performance rights granted:

	Number of rights 31 Dec 2024	
Outstanding at the beginning of the financial half-year	8,000,000	
No new performance rights were granted	-	
Exercised	(1,000,000)	
Outstanding at the end of the financial half-year	7,000,000	
Exercisable at the end of the financial half-year	7,000,000	

  

	31 Dec 2024 \$	31 Dec 2023 \$
Total value expensed in profit and loss		
2,000,000 Options issued to Sean Gregory (in prior periods)	-	23,200
500,000 Options issued to Sean Gregory	-	53,378
500,000 Options issued to Waldemar Mueller	-	53,378
1,500,000 Performance rights issued to Sean Gregory	16,091	58,750
1,500,000 Performance rights issued to Waldemar Mueller	16,092	58,750
	32,183	247,456

#### Note 16. Events after the reporting period

On 10 February 2025, the Company has announced that the cash for the Tranche 2 equity investment has been received from the European Bank for Reconstruction and Development (the EBRD). A\$2,358,790 cash has been received and the share registry issued 14,742,437 shares to the EBRD. EBRD now holds 17.3% of the issued capital of the Company.

On 11 February 2025, the Company has announced the granting of a new exploration licence, Kopa, located in South Kazakhstan.

In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the group financial position as at 31 December 2024 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of Directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the Directors



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Sean Gregory  
Managing Director

11 March 2025



## **INDEPENDENT AUDITOR'S REVIEW REPORT**

To the Members of Sarytogan Graphite Limited

### **Report on the Condensed Interim Financial Report**

#### *Conclusion*

We have reviewed the interim financial report of Sarytogan Graphite Limited (the "Company") and its controlled entities (the "Group"), which comprises the condensed consolidated statement of financial position as at 31 December 2024, the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the half-year ended on that date, selected explanatory notes, and the directors' declaration, for the Group comprising the Company and the entities it controlled at the half-year end or from time to time during the half-year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying interim financial report of Sarytogan Graphite Limited does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

#### *Basis for Conclusion*

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibility is further described in the *Auditor's Responsibility for the Review of the Financial Report* section of our report. We are independent of the company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the "Code") that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

#### *Material Uncertainty Related to Going Concern*

We draw attention to Note 2 in the interim financial report, which indicates that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

#### *Responsibility of the Directors for the Financial Report*

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

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*Auditor's Responsibility for the Review of the Financial Report*

Our responsibility is to express a conclusion on the interim financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the interim financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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

*Independence*

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

*HLB Mann Judd*

**HLB Mann Judd**  
**Chartered Accountants**

**Perth, Western Australia**  
**11 March 2025**



**M R Ohm**  
**Partner**