

Evergreen Lithium Limited

ABN 17 656 722 397

Interim Report - 31 December 2024

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Evergreen Lithium 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 Evergreen Lithium Limited during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Simon Lill
Peter Marks
Steve Morris (appointed 24 February 2025)
Christopher Connell (resigned 14 August 2024)
Tal Paneth (resigned 24 February 2025)

Principal activities

During the financial half-year the principal continuing activities of the consolidated entity consisted of the exploration for, and development of, mineral deposits at the following projects:

- the Bynoe Lithium Project, located in the Northern Territory (granted);
- the Fortune Lithium Project, located in the Northern Territory (application pending grant); and
- the Kenny Lithium Project, located in Western Australia (granted).

Dividends

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

Review of operations

Operating results

The loss for the consolidated entity after providing for income tax amounted to \$1,173,791 (31 December 2023: loss of \$1,773,846), including non-cash share-based payments of \$370,812 (31 December 2023: \$1,036,786) and depreciation of \$18,018 (31 December 2023: \$11,401).

During the period the consolidated entity made cash payments of \$1,561,177 (31 December 2023: \$755,022) relating to exploration and evaluation, described in more detail below.

As at 31 December 2024, the consolidated entity held cash and cash equivalents of \$3,293,705 (30 June 2024: cash and cash equivalents of \$5,578,747).

Review of mining operations

During the period the consolidated entity made significant progress in its exploration activities at Bynoe, including:

Geological Mapping and Rock Chip Sampling Programs

Regional and prospect scale mapping, along with rock chip sampling was undertaken. The mapping programs identified numerous quartz veins which may be the surface expression of blind pegmatites or potential hosts to gold mineralisation. A total of 217 rock chip samples were taken aimed at delineating potential gold hosting quartz veins.

Auger Sampling

Auger sampling was carried out in several key areas targeting LCT pegmatites. Aiming to collect geochemical samples for lab analysis and to map the host rock types beneath thin cover layers. The auger program totalled 1,314m drilled with a total of 578 samples taken during 2024. Results identified lithium anomalous zones in the SW of the lease which received follow-up aircore and RC drilling. Interpretation of results is on-going, with re-assaying of selected laboratory pulps for gold (results pending).

RAB / Aircore Drilling

The RAB / Aircore drilling program consisted of a total of 6,872 meters and was aimed at testing structures for blind pegmatites in areas not affected by wet field conditions. The air core drilling program tested for both LCT pegmatites and gold mineralisation was thereafter conducted across several of the high priority areas in Sept and Oct for 6,456 meters. Aircore drilling identified eleven different pegmatite bodies, two of which had follow up RC drill testing. Laboratory results for this program are pending.

RC Drilling

RC drilling was conducted in 3 areas within the Bynoe tenement and tested both LCT pegmatite and gold targets. 14 holes were completed for a total of 1,799 metres.

Results targeting LCT pegmatites proved positive with pegmatites intercepted in 4 holes, with the best result coming from EBRC001 which intercepted a pegmatite at 91m hosting rare spodumene.

Drilling tested gold targets noted quartz veins with minor sulphides. Assay results for this program are pending.

Changes in capital structure

The entity reports no changes to its capital structure during the half-year.

Significant changes in the state of affairs

On 14 August 2024, it was announced that Christopher Connell had resigned from the Board of Directors.

On 6 November 2024, Dr. David Rawlings was appointed as a Technical Advisor. His appointment aims to achieve the goal of fast-tracking the next phase of work, with a clear focus on unlocking Bynoe's lithium resource potential.

On 24 February 2025, Tal Paneth resigned from the Board of Directors. On the same date he was replaced by Steve Morris, who was appointed as a non-executive director in his place.

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

Matters subsequent to the end of the financial half-year

On 24 February 2025, Tal Paneth resigned from the Board of Directors. On the same date he was replaced by Steve Morris, who was appointed as a non-executive director in his place.

No other matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Likely developments and expected results of operations

Planned activities for the next 12 months will be based on results generated from the 2024 exploration programs. Activities at the Bynoe Project may include rehabilitation of previous field activities, additional mapping, desktop studies, drilling programs (aircore/RAB, RC or diamond), auger programs and re-assaying of sample pulps.

Planned activities at the Kenny Project WA may include interpretation studies, soil sampling and additional field mapping.

The consolidated entity will also continue to look for other complementary opportunities that will create value for its shareholders.

Environmental regulation

The operations and proposed activities of the company are subject to State and Federal laws and regulations concerning the environment. As with most exploration projects and mining operations, the company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. It is the company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.

Mining operations have inherent risks and liabilities associated with safety and damage to the environment and the disposal of waste products occurring as a result of mineral exploration and production. The occurrence of any such safety or environmental incident could delay production or increase production costs. Events, such as unpredictable rainfall or bushfires may impact on the company's ongoing compliance with environmental legislation, regulations, and licences. Significant liabilities could be imposed on the company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or non-compliance with environmental laws or regulations.

The disposal of mining and process waste and mine water discharge are under constant legislative scrutiny and regulation. There is a risk that environmental laws and regulations become more onerous making the company's operations more expensive.

Approvals are required for land clearing and for ground disturbing activities. Delays in obtaining such approvals can result in the delay to anticipated exploration programs or mining activities.

No issues regarding compliance were encountered during the 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.

Auditor

William Buck Audit (Vic) Pty Ltd continues in office in accordance with section 327 of the Corporations Act 2001.

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 'Peter Marks'.

Peter Marks
Director

13 March 2025

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the directors of Evergreen Lithium Limited

As lead auditor for the review of Evergreen Lithium 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 the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- no contraventions of any applicable code of professional conduct in relation to the review.

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

William Buck

William Buck Audit (Vic) Pty Ltd

ABN 59 116 151 136

N. S. Benbow

N. S. Benbow

Director

Melbourne, 13 March 2025

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General information

The financial statements cover Evergreen Lithium Limited as a consolidated entity consisting of Evergreen Lithium Limited and the entities it controlled at the end of, or during, the half-year. The financial statements are presented in Australian dollars, which is Evergreen Lithium Limited's functional and presentation currency.

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

Suite 205, 9-11 Claremont Street
South Yarra VIC 3141

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 13 March 2025.

Evergreen Lithium Limited
Statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2024



		Consolidated	
	Note	31 December 2024	31 December 2023
		\$	\$
Revenue			
Interest income		28,947	113,226
Expenses			
Corporate and administrative costs	2	(1,169,651)	(1,875,636)
Exploration and evaluation costs		(14,993)	-
Depreciation and amortisation expense		(18,018)	(11,401)
Finance costs		(76)	(35)
Loss before income tax expense		(1,173,791)	(1,773,846)
Income tax expense		-	-
Loss after income tax expense for the half-year attributable to the owners of Evergreen Lithium Limited		(1,173,791)	(1,773,846)
Other comprehensive income for the half-year, net of tax		-	-
Total comprehensive income for the half-year attributable to the owners of Evergreen Lithium Limited		(1,173,791)	(1,773,846)
		Cents	Cents
Basic earnings per share		(0.65)	(0.98)
Diluted earnings per share		(0.65)	(0.98)

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

		Consolidated	
	Note	31 December 2024	30 June 2024
		\$	\$
Assets			
Current assets			
Cash and cash equivalents		3,293,705	5,578,747
Goods and services input tax credits receivable		68,015	115,639
Prepayments		74,673	30,652
Total current assets		3,436,393	5,725,038
Non-current assets			
Property, plant and equipment		140,989	157,153
Capitalised exploration and evaluation	3	12,287,419	10,927,025
Mining security deposits		113,241	84,574
Total non-current assets		12,541,649	11,168,752
Total assets		15,978,042	16,893,790
Liabilities			
Current liabilities			
Trade and other payables		177,979	293,621
Employee benefits		19,845	17,532
Total current liabilities		197,824	311,153
Non-current liabilities			
Employee benefits		1,086	526
Total non-current liabilities		1,086	526
Total liabilities		198,910	311,679
Net assets		15,779,132	16,582,111
Equity			
Issued capital		23,331,265	23,331,265
Reserves		5,358,451	4,987,639
Accumulated losses		(12,910,584)	(11,736,793)
Total equity		15,779,132	16,582,111

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

Evergreen Lithium Limited
Statement of changes in equity
For the half-year ended 31 December 2024



	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Consolidated				
Balance at 1 July 2023	23,331,265	3,214,889	(6,316,192)	20,229,962
Loss after income tax expense for the half-year	-	-	(1,773,846)	(1,773,846)
Other comprehensive income for the half-year, net of tax	-	-	-	-
Total comprehensive income for the half-year	-	-	(1,773,846)	(1,773,846)
<i>Transactions with owners in their capacity as owners:</i>				
Share-based payments	-	1,036,786	-	1,036,786
Balance at 31 December 2023	<u>23,331,265</u>	<u>4,251,675</u>	<u>(8,090,038)</u>	<u>19,492,902</u>
	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Consolidated				
Balance at 1 July 2024	23,331,265	4,987,639	(11,736,793)	16,582,111
Loss after income tax expense for the half-year	-	-	(1,173,791)	(1,173,791)
Other comprehensive income for the half-year, net of tax	-	-	-	-
Total comprehensive income for the half-year	-	-	(1,173,791)	(1,173,791)
<i>Transactions with owners in their capacity as owners:</i>				
Vesting charge for share-based payments (note 6)	-	370,812	-	370,812
Balance at 31 December 2024	<u>23,331,265</u>	<u>5,358,451</u>	<u>(12,910,584)</u>	<u>15,779,132</u>

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

Evergreen Lithium Limited
Statement of cash flows
For the half-year ended 31 December 2024



	Consolidated	
	31 December 2024	31 December 2023
	\$	\$
Cash flows from operating activities		
Payments to suppliers and employees (inclusive of GST)	(717,487)	(1,203,761)
Payments for exploration and evaluation (inclusive of GST)	(2,995)	-
	(720,482)	(1,203,761)
Interest received	28,947	139,339
Interest and other finance costs paid	(78)	(35)
	(691,613)	(1,064,457)
Cash flows from investing activities		
Payments for property, plant and equipment	(3,585)	(3,818)
Payments for exploration and evaluation	(1,561,177)	(755,022)
Payments for mining security deposits	(28,667)	-
	(1,593,429)	(758,840)
Net cash from financing activities	-	-
Net decrease in cash and cash equivalents	(2,285,042)	(1,823,297)
Cash and cash equivalents at the beginning of the financial half-year	5,578,747	8,688,891
Cash and cash equivalents at the end of the financial half-year	<u>3,293,705</u>	<u>6,865,594</u>

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

Note 1. Material accounting policy information

These 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 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.

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

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.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the consolidated entity.

Note 2. Corporate and administrative costs

	Consolidated	
	31 December 2024	31 December 2023
	\$	\$
Administration expenses	157,910	118,259
Employee benefits expense	324,471	364,445
Marketing and promotion expenses	43,094	34,500
Other expenses	49,393	55,026
Professional fees	223,971	266,619
Share-based payment expense - Directors	125,856	377,221
Share-based payment expense - consultants	244,956	659,566
	<u>1,169,651</u>	<u>1,875,636</u>

Note 3. Capitalised exploration and evaluation

	Consolidated	
	31 December 2024	30 June 2024
	\$	\$
<i>Non-current assets</i>		
Exploration and evaluation - Bynoe	<u>12,287,419</u>	<u>10,927,025</u>

Reconciliations

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

Consolidated	Bynoe \$	Kenny * \$	Total \$
Balance at 1 July 2024	10,927,025	-	10,927,025
Additions	<u>1,360,394</u>	<u>-</u>	<u>1,360,394</u>
Balance at 31 December 2024	<u>12,287,419</u>	<u>-</u>	<u>12,287,419</u>

Note 3. Capitalised exploration and evaluation (continued)

- * Following the decision at 30 June 2024 to write down the carrying value of the capitalised assets relating to the Kenny project to zero, all expenses incurred on the Kenny project during the current period have been expensed to the profit and loss.

Note 4. Commitments and contingencies

In connection with the sale and purchase of the subsidiaries Lithium Supplies Pty Ltd and Lithium Technologies Pty Ltd (together, the Subsidiaries) (the Agreement) in the financial year ended 30 June 2022, the following contingencies were identified:

- (a) deferred milestone shares, the issue of which is subject to meeting specific production milestones; and
- (b) minimum expenditure requirements on Evergreen tenements.

Each contingency is explained in further detail below:

Deferred milestone shares

The following contingent shares ('deferred milestone shares') were issued in connection with the Agreement. The terms of the deferred milestone shares are as follows, to be paid to the vendors in proportion to their respective shareholdings in the Subsidiaries are as follows:

Condition in agreement	Shares to be issued
Delimitation by the company or a Related Body Corporate of the company of a JORC Resource of not less than 4 million tonnes (in aggregate, and in one or more locations) at a grade of not less than 1.1% lithium oxide within the Litchfield Project Site.	12,500,000
Delimitation by the company or a Related Body Corporate of the company of a JORC Resource of not less than 8 million tonnes (in aggregate, and in one or more locations) at a grade of not less than 1.1% lithium oxide within the Litchfield Project Site.	12,500,000
Delimitation by the company or a Related Body Corporate of the company of a JORC Resource of not less than 12 million tonnes (in aggregate, and in one or more locations) at a grade of not less than 1.1% lithium oxide within the Litchfield Project Site.	15,000,000
Completion by the company or a Related Body Corporate of the company of Bankable Feasibility Study in respect of a project comprised within the Litchfield Project Site.	15,000,000

As at the end of the half-year, none of the above conditions have been satisfied. As a result, these deferred milestone shares have not been recognised in the financial statements of the company.

Minimum expenditure requirements

The consolidated entity has minimum expenditure requirements on both its granted exploration tenements. Bynoe's minimum annual expenditure requirements amount to \$400,000 for the year ending 14 February 2026. Kenny's minimum annual expenditure requirements amount to \$84,000 for the year ending 25 October 2025. Management can confirm that the consolidated entity has met its minimum expenditure requirements for Bynoe (year ending 14 February 2025) and Kenny (year ending 25 October 2024).

There are no other contractual commitments or contingent liabilities at 31 December 2024.

Note 5. Events after the reporting period

On 24 February 2025, Tal Paneth resigned from the Board of Directors. On the same date he was replaced by Steve Morris, who was appointed as a non-executive director in his place.

No other matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Note 6. Share-based payments

During the half-year there was no grant or issue of any new tranches of share-based payments. The share-based payment charge reflected in the profit or loss for the half-year reflects the vesting of share-based payments granted and issued in prior reporting periods. There was no significant change to the assessment of achievement of underlying non-market assumptions attaching to these tranches that impacted these financial statements.

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 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

A handwritten signature in black ink, appearing to read "P. Marks", with a horizontal line extending to the right.

Peter Marks
Director

13 March 2025

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

Report on the half-year financial report



Our conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Evergreen Lithium Limited (the Company), and its subsidiaries (the Group) does not comply with the *Corporations Act 2001*, including:

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

What was reviewed?

We have reviewed the accompanying half-year financial report of the Group, which comprises:

- the consolidated statement of financial position as at 31 December 2024,
- the consolidated statement of profit or loss and other comprehensive income for the half-year then ended,
- the consolidated statement of changes in equity for the half-year then ended,
- the consolidated statement of cash flows for the half-year then ended,
- notes to the financial statements, including material accounting policy information, and
- the directors' declaration.

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 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 Group 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.

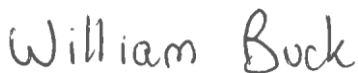
Responsibilities of the directors for the financial report

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

Auditor's responsibilities for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 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 a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136



N. S. Benbow
Director
Melbourne, 13 March 2025