



ABN 48 083 274 024

AND ITS CONTROLLED ENTITIES

HALF-YEAR FINANCIAL REPORT

31 DECEMBER 2024

This interim financial report does not include all the notes of the type normally included in an annual financial report. This report is to be read in conjunction with the Annual Report for the year ended 30 June 2024 and any public announcements made by Surefire Resources NL during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

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AND ITS CONTROLLED ENTITIES

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DIRECTORS' REPORT



Your directors submit the financial report of Surefire Resources NL (the “**Company**” or “**Surefire**”) and its subsidiaries (the “**Group**”) for the half-year ended 31 December 2024.

DIRECTORS

The following persons were directors of the Company during the half-year and up to the date of this report:

Mr Vladimir Nikolaenko
Mr Paul Burton
Mr Michael Povey
Mr Roger Smith

REVIEW OF OPERATIONS

The total profit from continuing operations for the half-year ended 31 December 2024 was \$204,793 (2023: Loss \$1,776,618).

The Group’s activities during the six-month period are summarised in this report which unless otherwise stated, should be read as if dated 31 December 2024.

Surefire is pleased to report on its exploration activities at the Company’s 100% owned properties for the six months.

During the half year, Surefire Resources NL focussed on advancing its high value portfolio of exploration assets, figure 1.



Figure 1: Location of projects.

VICTORY BORE CRITICAL MINERALS PROJECT

The Victory Bore Project is an advanced world-scale critical and strategic minerals project located in the Mid-West of Western Australia, approximately 530km north of Perth. The project is located close to existing infrastructure including power and road links. The Company completed a Pre-Feasibility Study (PFS) on the project in December 2023, Table 1 (see ASX announcement 5 December 2023).

| Project Parameter | Unit | Amount |
|------------------------------------|---------|---------|
| Pre-tax NPV at a 10% discount rate | USD \$M | \$1,110 |
| Pre-tax Internal Rate of Return | % | 42.22% |
| Capital Cost | USD \$M | \$498 |
| Life of Mine | Years | 24 |
| Pre-tax payback | Years | 2.4 |

Table 1: Financial estimates from the PFS as at December 2023. All values are approximate rounded to nearest significant digit.

Mineral Resource Estimate

The Mineral Resource Estimate (MRE) for the Victory Bore Project was reported in accordance with the JORC Code (2012), (refer ASX announcement 5 December 2023).

| Classification: | Cut-off (% V ₂ O ₅) | Volume (Mbcm) | Tonnes (Mt) | V ₂ O ₅ (%) | TiO ₂ (%) | Fe (%) | Al ₂ O ₃ (%) | SiO ₂ (%) |
|-----------------|---|------------------|----------------|-----------------------------------|----------------------|--------------|------------------------------------|----------------------|
| Measured | 0.15 | 7.6 | 25.3 | 0.35 | 4.96 | 19.20 | 17.0 | 34.9 |
| Indicated | 0.15 | 33.9 | 113.2 | 0.32 | 4.70 | 18.19 | 17.4 | 35.9 |
| Inferred | 0.15 | 99.3 | 326.1 | 0.28 | 5.28 | 17.41 | 16.0 | 36.4 |
| Total | 0.15 | 140.7 | 464.6 | 0.30 | 5.12 | 17.70 | 16.4 | 36.2 |

Table 2: Mineral Resource Estimate for the Victory Bore Project as at December 2023.

Ore Reserve

A maiden probable Ore Reserve of 93 Mt @ 0.35% V₂O₅, 5.2% TiO₂ and 19.8% Fe was reported in accordance with the JORC Code (2012), (refer ASX announcement 5 December 2023).

| Classification | Ore tonnes (Mt) | V ₂ O ₅ (%) | TiO ₂ (%) | Fe (%) | Al ₂ O ₃ (%) | SiO ₂ (%) |
|----------------|--------------------|-----------------------------------|----------------------|--------|------------------------------------|----------------------|
| Probable | 93.1 | 0.35 | 5.2 | 19.8 | 16.8 | 34.3 |

Table 3: Victory Bore Ore Reserve as at December 2023

The estimated ore reserves and/or mineral resources underpinning the production target have been prepared by a competent person in accordance with the requirements in the JORC Code.

The Company confirms that all material assumptions and technical parameters underpinning the Mineral Resource Estimates continue to apply and have not materially changed.

Development

The Company is progressing development of the project to produce a high-quality magnetite concentrate at the mineral resource site by mining and beneficiation.

The magnetite concentrate will then be transported to Geraldton Port and on-shipped to Port Daaman in the Kingdom of Saudi Arabia (KSA), where a downstream processing facility will be established to produce high purity products of *Vanadium Pentoxide, Ferrovandium, vanadium electrolyte, Pig-Iron, Iron oxide. Titanium slag*

DRA Global

The Company executed a Heads of Agreement (HOA) with international engineering group DRA Global for a total engineering services package (see ASX announcement 23 August 2024)

DRA is an international multi-disciplinary engineering, project delivery and operations management group, predominantly focused on the mining, minerals and metals industry.

The agreement with DRA provides Surefire with study, Engineering Procurement Construction Management (EPCM), Non-Process Infrastructure (NPI), Project delivery, operational readiness and operations & maintenance (OM) services, subject to future agreements between the Parties for the provision of those services when required.

DRA has significant major project experience and expertise in mineral processing and mining operations in Saudi Arabia and Australia which will be beneficial to Surefire's development plans. The agreement with DRA will also assist and support Surefire in any project development, project delivery and project finance discussions.

Mid-West Ports (Geraldton)

The Company executed a collaboration agreement with the Mid West Ports Authority. Discussions with the port authority on the availability of loading facilities and concentrate storage to put the Victory Bore project on their forward-looking schedule of projects.

Agreement with Ajlan & Bros. Mining and Metals

The Company has embarked on a strategy to engage with both the government of KSA and select KSA companies for the development of the downstream value-add processing operation. Surefire entered an MoU with Ajlan (see ASX announcement 15 January 2024) which provided a framework for future binding agreements relating to funding downstream processing of magnetite concentrate in the Kingdom of Saudi Arabia from the Company's 100% owned Victory Bore Vanadium Project.

The term of the MoU was for an initial 6 months with the provision for extension to be negotiated by mutual agreement. During the initial 6 months unexpected delays due to the business demands with Ajlan's other mining interests and other matters interrupted both companies' progress with the MoU terms. As a result of further discussions between Surefire and Ajlan executives the term has been extended for a further 12 months.

Frankfurt Stock Exchange listing

Surefire listed on the Frankfurt stock exchange in July 2024 with the aim of establishing interest in the Company's critical minerals project Victory Bore (see ASX announcement 22 July 2024).

Expression of Interest from HMS Bergbau AG.

HMS Bergbau AG (HMS) specializes in global marketing and logistics of raw materials, dry bulk and critical minerals. They have an established presence in Europe, Africa, Asia and Middle East and relationships with major funding groups.

The EOI specifically notes interest in the offtake of the Company's Vanadium and Titanium products and its associated processing facilities in Saudi Arabia, and to explore a long-term strategic resource partnership with Surefire. (see ASX announcement 20 November 2024).

UNALY HILL PROJECT

The Unaly Hill vanadium-QAiron project is located adjacent to the Company's flagship project Victory Bore and covers the southern extension of the Victory Bore resource.

YIDBY GOLD PROJECT

The Yidby Gold Project is located close to the Great Northern Highway, 40km southwest of Paynes Find in the Mid-West of Western Australia, and in the southern portion of the Yalgoo-Singleton Greenstone Belt.

The Project comprises four granted exploration licences and includes three prospects where significant gold mineralisation has been identified. The gold mineralisation covers a width of 80m across a strike trending slightly WNW and appears open in all directions.

The Project is surrounded by several significant gold deposits, including the +1.1 million-ounce Minjar Gold Project approximately 65km to the northwest, the 1 million-ounce Kirkalocka Gold Project approximately 70km to the northeast, the 3.2 Moz Mount Gibson Gold Project 30km to the south and the 0.54Moz Rothsay Gold Project 30km to the west.

Metallurgical work undertaken by the Company shows that the gold is recoverable by leaching which increases the commercial potential of the project. The Company considers there is scope for a larger gold system at depth, with more intensely developed high grade zones within the overall shear – porphyry system.

Recent drilling by the Company has confirmed the continuity of the mineralisation (see ASX release 4 December 2024).

COPPER HILL PROJECT

The Copper Hill project is an emerging Volcanic Hosted Massive Sulphide (VHMS) project and is located adjacent to the Yidby Gold project.

The project contains highly anomalous zones of copper and zinc across a broad 3km x 1km zone of volcanic rocks. These were scout drilled to shallow depths to test for indications of mineralisation beneath the surface geochemical zones. Sulphides were intersected with anomalous copper results. A ground electro-magnetic survey will be undertaken.

PERENJORI MAGNETITE

The Perenjori project is in the Mid-West mining district of Western Australia. The Project is within rail distance to the port of Geraldton at 219km. Perenjori is well positioned to deliver high-grade iron concentrates into next-generation zero-carbon (Green) steel plants.

Metallurgical test-work showed concentrate grades of 66% to 70 % Fe concentrate grades, with favourable other elements grades of SiO₂ averaging 4.9% and less than 0.2% Al₂O₃. (see ASX release 26 February 2013). It is expected such a premium grade feed will be suitable for blast furnace pellet production or as a Direct Reduction Iron (DRI) feed.

Mineral Resource Estimate

The Perenjori Iron Project Mineral Resource is relatively high grade compared to other Western Australian magnetite projects and as outlined above, can be upgraded to circa 70% Fe concentrate grade.

| Zone | Category | Tonnage Mt | Fe% | Al ₂ O ₃ % | SiO ₂ % | S% |
|------------------------------|-----------------|--------------|--------------|----------------------------------|--------------------|-------------|
| Core BIF Zone | Inferred | 93.3 | 37.22 | 1.67 | 41.59 | 0.05 |
| Eastern Belt (excluding CBZ) | Inferred | 78.7 | 37.64 | 1.45 | 41.66 | 0.03 |
| Western Belt | Inferred | 19.7 | 29.77 | 3.39 | 47.04 | 0.32 |
| Total | Inferred | 191.7 | 36.61 | 1.75 | 42.18 | 0.07 |

Table 4: Inferred Resources of the Perenjori Iron Ore Project (ASX : QNL 27 September 2013)

QUALIFYING STATEMENTS

Competent Person Statement:

The information in this report that relates to exploration results has been reviewed, compiled and fairly represented by Mr Edd Prumm, a Member of the Australian Institute of Mining and Metallurgy ('AusIMM') and a fulltime employee of X2M Exploration to Mining. Mr Prumm has sufficient experience relevant to the style of mineralisation and type of deposits under consideration to qualify as Competent Persons as defined in the 2012 Edition of the Joint Ore Reserves Committee ('JORC') Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves. Mr Prumm consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.

The information in this report that relates to metallurgical results has been reviewed, compiled, and fairly represented by Mr Damian Connelly, a Member of the Australian Institute of Mining and Metallurgy ('AusIMM') and the Australian Institute of Geoscience ('AIG') and a fulltime employee of METS engineers. Mr Connelly has sufficient experience in the activity he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee ('JORC') Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves. Mr Connelly consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.

The information in this report that relates to the Victory Bore Vanadium Mineral resource estimation is based on work completed by Mr Stephen Hyland. Mr Hyland is Principal Consultant Geologist of Hyland Geological and Mining Consultants (HGMC), who is a Fellow of the AusIMM and holds relevant qualifications and experience as a qualified person for public reporting according to the JORC code in Australia. Mr Hyland is also a qualified person under the rules and requirements of the Canadian Reporting instrument NI43-101. Mr Hyland consents to the inclusion in this report of the information in the form and context in which it appears.

INDEPENDENCE DECLARATION BY AUDITOR

The lead auditor's independence declaration under section 307C of the Corporations Act 2001 is set out on page 9 for the half-year ended 31 December 2024.

This report has been signed in accordance with a resolution of directors.

For and on behalf of the Directors

Signature affixed to original document and held on file

Mr Vladimir Nikolaenko

Executive Chairman

13 March 2025

AUDITOR'S INDEPENDENCE DECLARATION

To those charged with governance of Surefire Resources NL

As auditor for the review of Surefire Resources NL for the half-year ended 31 December 2024, I declare that, to the best of my knowledge and belief, there have been:

- i) no contraventions of the independence requirements of the *Corporations Act 2001* in relation to the review; and
- ii) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Surefire Resources NL and the entities it controlled during the period.

Signature affixed to original document and held on file

Elderton Audit Pty Ltd

Signature affixed to original document and held on file

Sajjad Cheema

Director

13 March 2025

Perth

Limited liability by a scheme approved under Professional Standards Legislation

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**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024**



| | Notes | Half-Year Ended 31 Dec 2024 (\$) | Half-Year Ended 31 Dec 2023 (\$) |
|---|-------|---|---|
| Revenue: | | | |
| Interest income | | 4,540 | 6,061 |
| R&D Tax Offset | | 433,745 | 495,035 |
| Gain on extinguishment of liability | 8 | 1,400,000 | - |
| Expenses: | | | |
| Director fees and consulting charges (including share-based payments 2023 only) | | (547,208) | (525,194) |
| Exploration expenses | | (614,599) | (1,098,834) |
| Administration expenses | | (461,036) | (618,287) |
| Legal fees | | (10,649) | (35,399) |
| Profit (Loss) before income tax expense | | 204,793 | (1,776,618) |
| Income tax expense | | - | - |
| Profit (Loss) from continuing operations | | 204,793 | (1,776,618) |
| Other comprehensive income for the period | | - | - |
| Total Comprehensive +profit (loss) for the period attributable to members of the Company | | 204,793 | (1,776,618) |
| Basic profit (loss) per share (cents per share) | | 0.010 | (0.103) |
| Diluted profit (loss) per share (cents per share) | | 0.010 | (0.103) |

The accompanying notes form part of these financial statements.

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024**



| | Notes | 31 Dec 2024 (\$) | 30 June 2024 (\$) |
|--|-------|---------------------|----------------------|
| Current Assets | | | |
| Cash and cash equivalents | | 575,695 | 1,485,320 |
| Other receivables | | 597,265 | 162,153 |
| Total Current Assets | | <u>1,172,960</u> | <u>1,647,473</u> |
| Non-Current Assets | | | |
| Plant, office equipment and motor vehicles | | 14,095 | 20,592 |
| Exploration and evaluation assets | 3 | 12,697,000 | 12,697,000 |
| Right of use asset | | 78,799 | 115,168 |
| Total Non-Current Assets | | <u>12,789,894</u> | <u>12,832,760</u> |
| TOTAL ASSETS | | <u>13,962,854</u> | <u>14,480,233</u> |
| Current Liabilities | | | |
| Trade and other payables | | 991,873 | 928,473 |
| Lease liability | | 73,865 | 72,045 |
| Liability for acquisition of JORC defined resource | 4 | 9,099,987 | 11,284,987 |
| Total Current Liabilities | | <u>10,165,725</u> | <u>12,285,505</u> |
| Non-Current Liabilities | | | |
| Lease liability | | 6,323 | 43,716 |
| Total Non-Current Liabilities | | <u>6,323</u> | <u>43,716</u> |
| TOTAL LIABILITIES | | <u>10,172,048</u> | <u>12,329,221</u> |
| NET ASSETS | | <u>3,790,806</u> | <u>2,151,012</u> |
| Equity | | | |
| Contributed equity | 5 | 44,526,742 | 43,091,742 |
| Reserves | 5 | 209,000 | 209,000 |
| Accumulated losses | | (40,944,936) | (41,149,730) |
| TOTAL EQUITY | | <u>3,790,806</u> | <u>2,151,012</u> |

The accompanying notes form part of these financial statements.

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024**



| | Contributed Equity (Net of costs) (\$) | Reserves (\$) | Accumulated Losses (\$) | Total (\$) |
|--|---|--------------------------|--|-----------------------|
|--|---|--------------------------|--|-----------------------|

| | | | | |
|--|-------------------|----------------|---------------------|--------------------|
| Balance at 1.7.2023 | 39,610,646 | - | (38,081,147) | 1,529,499 |
| Comprehensive Income | | | | |
| Operating (loss) for the period | - | - | (1,776,618) | (1,776,618) |
| Total comprehensive income for the period | - | - | (1,776,618) | (1,776,618) |
| Transactions with owners, in their capacity as owner, and other transfers | | | | |
| Shares issued | 3,440,452 | - | - | 3,440,452 |
| Share issue costs | (141,206) | - | - | (141,206) |
| Share based payments to lead manager | (74,000) | 74,000 | - | - |
| Share based payments to Managing Director | - | 135,000 | - | 135,000 |
| Balance at 31.12.2023 | 42,835,892 | 209,000 | (39,857,765) | 3,187,127 |

| | | | | |
|--|-------------------|----------------|---------------------|------------------|
| Balance at 1.7.2024 | 43,091,742 | 209,000 | (41,149,730) | 2,151,012 |
| Comprehensive Income | | | | |
| Operating profit (loss) for the period | - | - | 204,793 | 204,793 |
| Total comprehensive income for the period | - | - | 204,793 | 204,793 |
| Transactions with owners, in their capacity as owner, and other transfers | | | | |
| Shares issued | 1,435,000 | - | - | 1,435,000 |
| Balance at 31.12.2024 | 44,526,742 | 209,000 | (40,944,936) | 3,790,806 |

The accompanying notes form part of these financial statements.

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024**



| | Half-Year Ended 31 Dec 2024 (\$) | Half-Year Ended 31 Dec 2023 (\$) |
|--|---|---|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Interest received | 4,540 | 6,061 |
| Payments to suppliers and employees | (1,083,268) | (1,186,405) |
| Net cash (used in) operating activities | (1,078,728) | (1,180,344) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Exploration and evaluation expenditure incurred | (460,129) | (528,721) |
| Payments for new prospects | - | (60,851) |
| Purchase of plant and equipment | (768) | - |
| Net cash from (used in) investing activities | (460,897) | (589,572) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Proceeds from issue of shares | - | 3,078,439 |
| Loan advance | 630,000 | - |
| Share issue costs | - | (141,206) |
| Net cash from financing activities | 630,000 | 2,937,233 |
| Net (decrease) increase in cash held | (909,625) | 1,167,317 |
| Cash and cash equivalents at the beginning of the financial period | 1,485,320 | 1,488,255 |
| Cash and cash equivalents at the end of the financial period | 575,695 | 2,655,572 |

The accompanying notes form part of these financial statements.

NOTE 1 BASIS OF PREPARATION AND ACCOUNTING POLICIES

Basis of Preparation

These general purpose financial statements for the interim half-year reporting period ended 31 December 2024 have been prepared in accordance with the requirements of the *Corporations Act 2001* and Australian Accounting Standard 134: *Interim Financial Reporting*.

These financial statements were approved by the Board of Directors on the date of the Directors Declaration.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Surefire Resources NL (the “**Company**”) and its subsidiary (together, the “**Group**”). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year. It is therefore recommended that this financial report be read in conjunction with the annual financial statements for the year ended 30 June 2024, together with any public announcements made by the Company during the half-year in accordance with continuous disclosure requirements arising under the *Corporations Act 2001*.

These financial statements have been prepared on an accruals and historical cost basis, except where indicated.

Going Concern

For the half-year ended 31 December 2024, the Group incurred an operating profit of \$204,793 (31 December 2023: operating loss \$1,776,618).

The Company had a net deficiency in working capital at reporting date of \$8,992,765. This is directly attributable to the current liability (**Net Triggered Payments**) shown as owing to Mutual Holdings Pty Ltd and High Grade Metals Limited in respect of the acquisition of JORC defined resources at the Company’s Victory Bore project - these total \$9,099,987.

The ability of the entity to continue as a going concern is dependent on securing additional capital raising activities to continue operational and exploration activities.

Should the entity not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements and the financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that might be necessary should the entity not continue as a going concern.

The Company has entered into an agreement with Mutual Holdings Pty Ltd, a company associated with Surefire’s substantial shareholder Mr Vladimir Nikolaenko whereby Mutual Holdings Pty Ltd has agreed that it will not make any demand for payment of the amounts payable to it and any accrued interest, which would have the effect of placing Surefire into a financial position of not being able to pay its debts as and when they fell due, for a further period of twelve months from the date of signing a second Deed of Amendment dated 15 March 2025. If at the end of that twelve-month period, there remains a balance payable in respect of any payments due, Mutual Holdings Pty Ltd will be approached to renew the offer.

The directors are satisfied that at the date of signing of the financial report, there are reasonable grounds to believe that the Group will be able to continue to meet its debts as and when they fall due and that it is appropriate for the financial statements to be prepared on a going concern basis.

Accounting Policies

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

The Group has adopted all the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group.

Any new, revised or amending Accounting Standards of Interpretations that are not yet mandatory have not been adopted early.

NOTE 2 OPERATING SEGMENTS

Segment Information

Identification of reportable segments

The Group has identified that it operates in only one segment based on the internal reports that are reviewed and used by the board of directors (chief operating decision makers) in assessing performance and determining the allocation of resources. The Group’s principal activity is mineral exploration.

Revenue and assets by geographical region

The Group’s revenue is received from sources and assets located wholly within Australia.

Major customers

Due to the nature of its current operations, the Group does not provide products and services.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024**



NOTE 3 EXPLORATION AND EVALUATION ASSETS

JORC defined mineral resource acquisition costs - triggered payments calculated in accordance with the terms of a pre-existing agreement in respect of the acquisition of the Victory Bore tenement E57/1036, assumed by the Company and approved by shareholders in a general meeting held on 6 March 2019.

Total

| 31 Dec 2024 (\$) | 30 June 2024 (\$) |
|---------------------|----------------------|
| | |
| 12,697,000 | 12,697,000 |
| 12,697,000 | 12,697,000 |

NOTE 4 LIABILITY FOR ACQUISITION OF JORC DEFINED RESOURCE

Mutual Holdings Pty Ltd – refer to Note 8

High Grade Metals Limited – refer to Note 8

Total

| | |
|------------------|------------|
| 8,449,987 | 11,284,987 |
| 650,000 | 650,000 |
| 9,099,987 | 11,934,987 |

NOTE 5 EQUITY

Contributed Equity – Ordinary Shares

Balance at the beginning of the period

Fully Paid Shares issued at \$0.00 each – Acuity ATM Facility

Fully Paid Shares issued at \$0.008 each – Mutual Holdings debt for equity conversion as approved at 2024 AGM

Balance at the end of the period

8

| 31 Dec 2024 | |
|----------------------|-------------------|
| Number | \$ |
| 1,986,307,813 | 43,071,742 |
| 80,000,000 | - |
| 350,000,000 | 1,400,000 |
| 2,416,307,813 | 44,471,742 |

Contributed Equity – Partly paid Contributing Shares

Balance at the beginning of the period

Partly Paid Shares issued at \$0.0001 each – Mutual Holdings debt for equity conversion as approved at 2024 AGM

Balance at the end of the period

| | |
|--------------------|---------------|
| 258,785,323 | 20,000 |
| 350,000,000 | 35,000 |
| 608,785,323 | 55,000 |

Net Contributed Equity

44,526,742

Options

Balance at the beginning of the period

Balance at the end of the period

| | |
|-------------|---|
| 381,072,907 | - |
| 381,072,907 | - |

Share Based Reserve

Balance at the beginning of the period

Share based payments – Lead managers

Share based payments – Managing Director

Balance at the end of the period

74,000

135,000

209,000

NOTE 6 CONTROLLED ENTITIES

| Subsidiaries of Surefire Resources NL | Country of Incorporation | Percentage Owned (%) |
|--|--------------------------|----------------------|
| Unaly Hill Pty Ltd | Australia | 100% |
| Argus Mining Pty Ltd | Australia | 100% |
| Kadji Mining Pty Ltd | Australia | 100% |
| Suretec Solutions Pty Ltd | Australia | 100% |
| VB Metals Pty Ltd | Australia | 100% |
| Associate of Surefire Resources NL | | |
| Oil & Gas SE Pty Ltd – this company is dormant | Australia | 49% |

NOTE 7 EVENTS SUBSEQUENT TO REPORTING DATE

Subsequent to the end of the reporting date, no matters or circumstances have arisen which have significantly affected, or may significantly affect:

- (a) the Group's operations in future years; or
- (b) the results of those operations in future years; or
- (c) the Group's state of affairs in future years.

NOTE 8 CONTINGENT LIABILITIES AND ASSETS

Contingent Liabilities on Acquisition of Victory Bore Tenement (VB Tenement)

High Grade Metals Limited

In an Amendment to the Heads of Agreement for Sale of Tenement executed on 16 August 2018 between High Grade Metals Limited (**HGM**), Acacia Mining Pty Ltd (**Acacia**), Mutual Holdings Pty Ltd and Surefire Resources NL, it was agreed (among other terms including the confirmation of commitments to pay royalties to Mutual Holdings Pty Ltd) that:

1. Within 60 days of Surefire announcing to the ASX that it has obtained a pre-feasibility study that confirms that the subject tenement, namely Victory Bore, if developed as a mine, has an internal rate of return of not less than 20%, Surefire will pay HGM/Acacia an additional sum of \$650,000; and
2. Within 60 days of Surefire announcing to the ASX that it has made a decision to mine within the Tenement area, Surefire will pay HGM/Acacia an additional sum of \$650,000.

The first of these two contingencies triggered upon the ASX release dated 5 December 2023, wherein the Company announced that it had completed a pre-feasibility in respect of the subject Victory Bore project announcement of a resource.

The accrued liability has been included in the Balance Sheet. The Company is currently in discussions in relation to the settlement of the first contingency payment. The second contingency remains open and has NOT been included as an expense in the Financial Report.

Mutual Holdings Pty Ltd

An agreement titled Heads of Agreement for Sale of Tenement – Exploration License 57/1036 dated 16 August 2018 (as amended) (**Agreement**) was entered into between Surefire Resources NL (**Surefire**), Mutual Holdings Pty Ltd (**MH**), Acacia Mining Pty Ltd and High Grade Metals Limited.

Pursuant to clause 19 of that Agreement, Surefire agreed to pay to MH payments (**Triggered Payments**), which were to be calculated in accordance with the Schedule to the Agreement (**Schedule**). As set out in clauses 2.1 and 2.2 of the Schedule, Surefire has a continuing obligation to pay certain amounts to MH on the announcement by Surefire to ASX of the discovery and/or upgrade of an inferred resource, indicated resource or measured resource at the VB Tenement, a \$1 per tonne royalty on iron ore, and a royalty equal to 1% of the gross revenue received by Surefire from the sale of gold, and any other precious metal or base metal derived from that tenement.

As from the date of execution of the Deed of Amendment – Triggered Payments, SRN will be liable to pay interest to MH at the rate of interest stipulated as the *Benchmark Interest Rate* as determined by the Australian Taxation Office pursuant to Division 7A of Part III of the *Income Tax Assessment Act 1936*, currently 8.27% per annum, which non-compounding interest is to be calculated on the outstanding daily balance.

The unpaid interest totalling \$735,745, has NOT been included in the Balance Sheet as actual payment will be subject to shareholder approval.

During the half year ended 31 December, SRN issued:

- a. 350,000,000 ordinary fully paid shares (agreed to be transacted at \$0.008 each; and
- b. 350,000,000 partly paid shares (deemed paid to \$0.0001 each with a further \$0.0079 payable).

These securities were issued as a partial debt for equity swap pursuant to Shareholder approval given at the Company's 2024 Annual General Meeting held 29 November 2024, and has the effect of reducing the amount owing by SRN to Mutual Holdings Pty Ltd, a company associated with Mr Vladimir Nikolaenko, by \$2,835,000.

As at this end of the reporting period, the fully paid shares had a value of \$0.004 each. As a consequence of the difference between the agreed transacted issue price and the quoted price, there was a gain on extinguishment of liability of \$1,400,000 which has been booked to profit and loss.

Vargas Holdings Pty Ltd

In October 2024, The Company advised that it had entered into an agreement for a loan drawdown facility of up to \$500,000 with an additional facility of \$250,000 from Vargas Holdings Pty Ltd, a company associated with Mr Vladimir Nikolaenko (the Company's Executive Chairman) as the lender. The proceeds of the facility was to be used for general working capital purposes of the Company.

An interest rate of 14% per annum to accrue on advances made under the facility from day to day from the date on which the first advance is made; and

All advances, together with all outstanding monies (including interest), must be fully and finally repaid 6 months from the date on which the first advance is made.

Whilst the entry into this facility agreement provides the Company with additional funding, the Board continues to consider further and alternative funding options for the Company's operations moving forward.

The unpaid interest totalling \$3,586, has NOT been included in the Balance Sheet as actual payment may be subject to shareholder approval.

NOTE 9 TENEMENT EXPENDITURES CONDITIONS AND OTHER COMMITMENTS

The Group has certain obligations to perform minimum exploration work on the tenements in which it has an interest. These obligations may in some circumstances, be varied or deferred. Tenement rentals and minimum expenditure obligations which may be varied or deferred on application are expected to be met in the normal course of business.

The minimum statutory expenditure commitments required to be spent on the granted tenements for the next twelve months amounts to \$244,000.

The Company leases office and car parking space in South Perth pursuant to an operating commercial tenancy lease which is subject to specific annual escalation clauses. Rent expenses charged to operations for the six months ended 31 December 2024 amounted to \$38,098. Under the terms of the lease, the Company is committed to a further \$80,188 (subject to contractual increases).

NOTE 10 TENEMENT ACCESS

Native Title and Freehold

All or some of the tenements in which the Group has an interest are or may be affected by native title.

The Group is not in a position to assess the likely effect of any native title impacting the Group.

The existence of native title and heritage issues represent, as a general proposition, a serious threat to explorers and miners, not only in terms of delaying the grant of tenements and the progression of exploration development and mining operations, but also in terms of costs arising consequent upon dealing with aboriginal interest groups, claims for native title and the like.

As a general proposition, a tenement holder must obtain the consent of the owner of freehold before conducting operations on the freehold land. Unless it already has secured such rights, there can be no assurance that the Group will secure rights to access those portions (if any) of the Tenements encroaching freehold land but, importantly, native title is extinguished by the grant of freehold so if and whenever the Tenements encroach freehold the Group is in the position of not having to abide by the Native Title Act in respect of the area of encroachment albeit aboriginal heritage matters still be of concern.

DIRECTORS' DECLARATION



The directors of the Company declare that:

1. the accompanying financial statements and notes:
 - (a) comply with Accounting Standard AASB 134 : *Interim Financial Reporting* and the *Corporations Act 2001*; and
 - (b) give a true and fair view of the financial position of the Company as at 31 December 2024 and its performance for the half-year ended on that date.
2. in the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

Signed at Perth:

Signature affixed to original document and held on file

Mr Vladimir Nikolaenko

Executive Chairman

Dated: 13 March 2025

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Surefire Resources NL

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Surefire Resources NL (the 'Company') and its subsidiaries ("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, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies 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 half-year financial report of Surefire Resources NL does not comply with the Corporations Act 2001 including:

- (a) giving a true and fair view of the Surefire Resources NL'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 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.

We confirm that the independence declaration required by the Corporations Act 2001 which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

Limited liability by a scheme approved under Professional Standards Legislation

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ABN 51 609 542 458 W www.eldertongroup.com

Material Uncertainty related to Going Concern

We draw attention to the note 1 of the financial report, which described that the ability of the Group to continue as a going concern is dependent on raising equity finance and Mutual Holdings Pty Ltd will not demand for repayment in next 12 months. As a result, there is a material uncertainty related to events or conditions that may cast significant doubt on the Group's ability to 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.

Our opinion is not modified in respect of this matter.

Responsibility of Management 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 Responsibility 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.

Signature of Elderton Audit Pty Ltd affixed to original document and held on file

Elderton Audit Pty Ltd

Signature of Sajjad Cheema affixed to original document and held on file

Sajjad Cheema

Director

13 March 2025

Perth