

For personal use only



RAGNAR

METALS LTD.

ABN 12 108 560 069

**INTERIM FINANCIAL REPORT
31 DECEMBER 2023**

Note: The information contained in this condensed report is to be read in conjunction with Ragnar Metals Limited's 2023 annual report and any announcements made by the company during the half-year period ending 31 December 2023

Corporate directory

Directors

Steven Formica	Non-executive Chairman
Ariel (Eddie) King	Executive Director
David Wheeler	Non-executive Director

Company Secretary

Jessamyn Lyons

Registered Office

Street:	Level 3 88 William Street
Postal:	Perth WA 6000
Telephone:	+61 (0)8 9463 2463
Email:	info@ragnarmetals.com.au
Website:	www.ragnarmetals.com.au

Auditor

Hall Chadwick WA Audit Pty Ltd
283 Rokeby Road
Subiaco
Perth WA 6008

Share Registry

Automatic Pty Ltd
Level 5, 191 St Georges Terrace
Perth WA 6000

Securities Exchange

Australian Securities Exchange

ASX Code

RAG

Contents

● Directors Report.....	4
● Auditor’s independence declaration	13
● Condensed consolidated statement of profit or loss and other comprehensive income.....	14
● Condensed consolidated statement of financial position.....	15
● Condensed consolidated statement of changes in equity.....	16
● Condensed consolidated statement of cash flows.....	17
● Notes to the condensed consolidated financial statements.....	18
● Directors’ declaration.....	24
● Independent auditor’s review report.....	25

For personal use only

Directors' report

Your Directors present their report together with the condensed financial statements of the Group, being the Company and its controlled entities, for the half-year ended 31 December 2023.

Directors

The names of Directors in office at any time during or since the end of the half-year are:

Steven Formica	Non-executive Chairman
Ariel (Eddie) King	Executive Director
David Wheeler	Non-executive Director

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Review of operations

PROJECTS

Lithium Projects (Sweden)

Hälleberget, Bergom and Orrvik

During the June 2023 quarter, the Company applied for and was granted tenure over two lithium projects in Sweden, the Hälleberget and Bergom Lithium Projects. In October 2023, the Company announced that its wholly owned subsidiary Ragnar Exploration AB had entered into a conditional binding Sale and Purchase Agreement to acquire four exploration licences - the Orrvik Licences or Orrvik Project (Figure 1).



Figure 1: Simplified geological map of Scandinavia showing the location of Ragnar's new Lithium Projects.

The Hälleberget Project is strategically located 10km north of the Järkvisse lithium pegmatite deposit. Previous exploration at Hälleberget has identified outcropping lithium-bearing pegmatites over 500m strike with historical exploration results up to 0.473% Li₂O, 196 ppm Ta and 4.48% Sn.

For personal use only

RAGNAR METALS LIMITED

AND CONTROLLED ENTITIES

ABN 12 108 560 069

INTERIM FINANCIAL REPORT 31 DECEMBER 2023

An initial field visit to the project confirmed the presence of muscovite-rich pegmatites that are variably tourmaline-bearing and detected trace beryl in places. Prominent outcrops extend for at least 400m and up to 30m thick in areas of good outcrop exposure.

Compilation work by Ragnar identified additional mapped pegmatites by the Geological Survey of Sweden, including an area further south where Ragnar lodged and was granted an exploration permit, expanding the Hälleberget ground holding from 21km² to 51km².

During the period, the Company confirmed that 64 regional rock assays were collected and received from the Hälleberget area.

Multiple areas of thick outcropping pegmatites were identified, as well as classic lithium phosphate minerals (i.e. triphylite-lithiophilite) similar to those identified at the Stenback spodumene occurrence, together with trace tantalite and cassiterite in places which are typical of LCT pegmatites. Extensive work on these LCT pegmatite systems indicates that this mineralogy, particularly lithium phosphates, indicates highly fractionated pegmatites approaching the spodumene zone.

At least two occurrences of these rare minerals were observed, including the H1 prospect in the northern area of the Hälleberget tourmaline-bearing pegmatites, as well as one occurrence in the Hälleberget nr2 license to the south, now called the H2 prospect (Figure 2).

As reported in November 2023, assays were received, with three priority areas identified:

1. H2: This prospect returned a surprisingly high lithium result of up to 0.13% Li₂O and 46.1 ppm Ta₂O₅ with other highly elevated pathfinder metals.
2. H1: Evidence of a range of rare metal minerals was observed at the prospect, including tantalite, cassiterite, and lithium phosphates, with assays up to 348 ppm Li₂O and 190.9 ppm Ta₂O₅, along with other highly elevated pathfinder metals.
3. H3: Extensive, large, thick ridges of pegmatites previously reported in August measure up to 400m in strike by 30m width, with assays up to 495 ppm Li₂O and 56.6 ppm Ta₂O₅, with other highly elevated pathfinder metals.

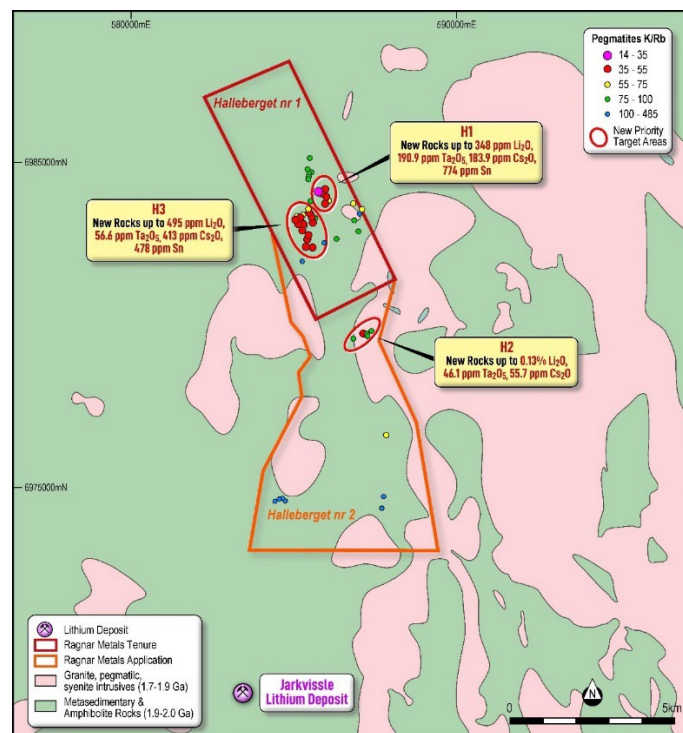


Figure 2: Interpreted bedrock geology map of the Hälleberget project area in relation to the Jarkvissle lithium, showing the new assay results.

The Bergom Project is located 100km east-northeast of Hälleberget in an area with known LCT pegmatites. Widespread yet unexplored pegmatite outcrops characterise the Bergom project, with only one historical assay returning 0.172% Li₂O, 95 ppm Ta and 0.38% Sn.

The initial field visit to the Bergom project was also encouraging, particularly in an area of open ground where Ragnar identified 14 additional unsampled pegmatites, including the Anundsböle tin-niobium-lithium pegmatite occurrence. The Company applied and was subsequently granted, an additional 47km² of tenure, expanding the Bergom project's total area to 75km².

The Orrvik Project covers a total area of approximately 36km² and is strategically located in the burgeoning European lithium market. It is highly prospective for spodumene-bearing, LCT-pegmatite-type lithium deposits.

The Orrvik project sits contiguous with Ragnar's 100% held Bergom Project and effectively complements the overall package, expanding the lithium portfolio to 168km². There are two known spodumene occurrences on the Orrvik Project with minimal significant exploration: Orrvik, which includes shallow drilling assays up to 3.3% Li₂O, and Stenback, which contains rock assays up to 2.8% Li₂O, and the Company believes there is potential for further spodumene discoveries to be made along strike and at depth. As a result, Ragnar believes the Orrvik project is a strategic acquisition to consolidate and strengthen the ground-holding position in this underexplored terrain.

In October, the Company advised encouraging field observations, including the positive identification of multiple indicator minerals for spodumene pegmatites, with several highly encouraging rare metal pegmatites observed including newly discovered rare metal pegmatites with lithium phosphate minerals triphylite-lithiophilite observed with the characteristic purple oxidation product heterosite-purpurite that look similar to those observed at Stenback spodumene occurrence at the Orrvik East prospect; Large and laterally extensive pegmatite outcrop exposures located 1-1.5 km to the north-northeast of Orrvik spodumene occurrence that are exposed at surface at the Orrvik North prospect and classic lithium-caesium-tantalum (LCT) style pegmatites displaying lithium phosphate minerals triphylite-lithiophilite minerals were also observed with the characteristic purple oxidation product heterosite-purpurite that looks very similar to those observed at Stenback spodumene occurrence at the Dyngselet prospect.

In November, the Company reported a series of rock sampling campaigns at the Bergom and Orrvik Projects from May to August, where eighty-three (83) rock samples and assays were collected. High-grade lithium mineralisation was confirmed in two areas, and highly elevated pathfinder metals confirming highly fractionated rare metals pegmatites have been confirmed in three additional locations. Highlight results include:

1. **Orrvik:** Spodumene minerals were confirmed in several places (Figure 3), corresponding with assays up to **1.2% Li₂O** and **262 ppm Ta₂O₅** with other highly elevated pathfinder metals.
2. **Stenback:** Spodumene was confirmed in the field (Figure 3), corresponding with assays up to **1.7% Li₂O** and 27.9 ppm Ta₂O₅ with other highly elevated pathfinder metals.
3. **Orrvik East:** Evidence for lithium phosphate minerals triphylite-lithiophilite observed with the characteristic purple oxidation product heterosite-purpurite and assays up to **417 ppm Li₂O** and **64.7 ppm Ta₂O₅** with other highly elevated pathfinder metals.
4. **Dyngselet:** Evidence of lithium phosphate minerals triphylite-lithiophilite minerals observed and assays up to **348 ppm Li₂O** and **52.6 ppm Ta₂O₅** with other highly elevated pathfinder metals.
5. **Anundsböle:** Large, rare metal pegmatite outcrop extending for 100m strike and 30m wide with assays up to **402 ppm Li₂O** and **48.4 ppm Ta₂O₅** with other highly elevated pathfinder metals.

All 5 of these high-priority target areas correspond with K/Rb ratios that range between 14 and 50 and indicate fractionated LCT pegmatite systems¹.

¹ Bradley and McCauley, 2016. A Preliminary Deposit Model for Lithium-Cesium-Tantalum (LCT) Pegmatites.

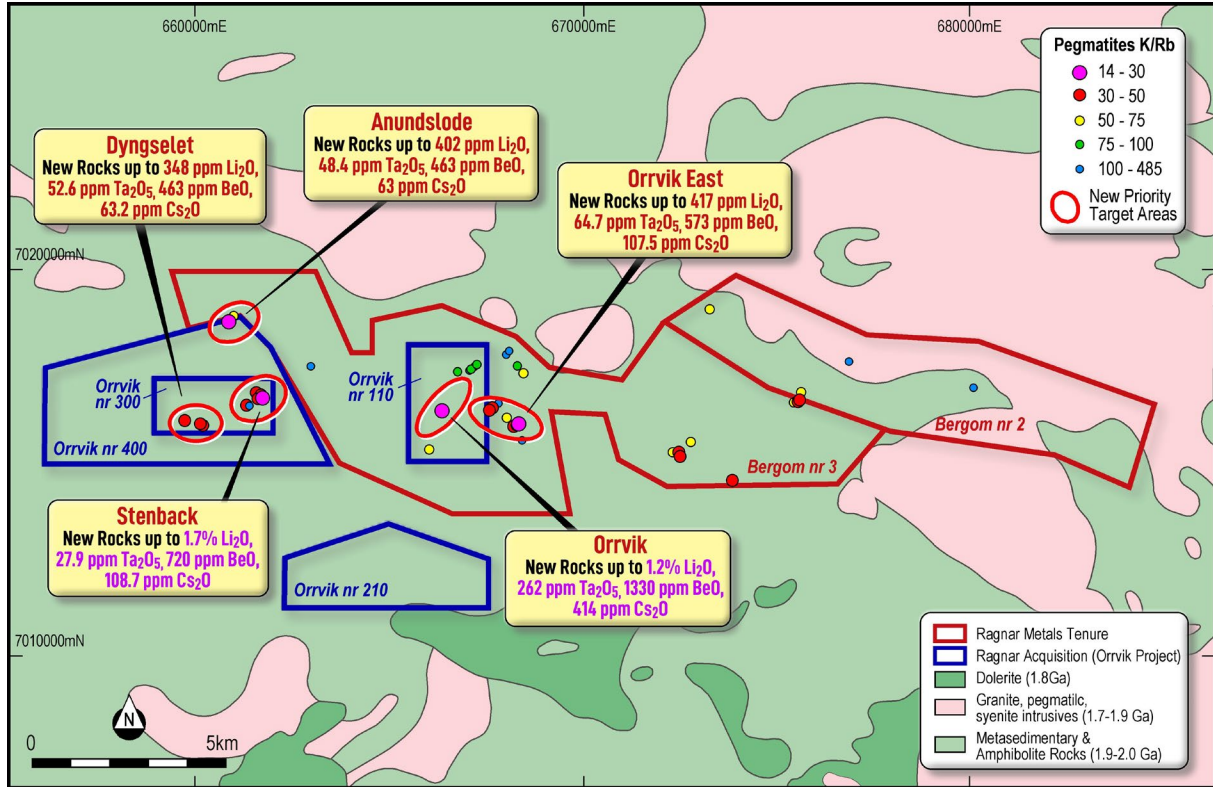


Figure 3: Interpreted bedrock geology map of the Bergom and Orrvik Project areas and highlighted assay results from new rock sampling programs.

Rare Earth Projects (Sweden)
Olserum North and Gruvhagen

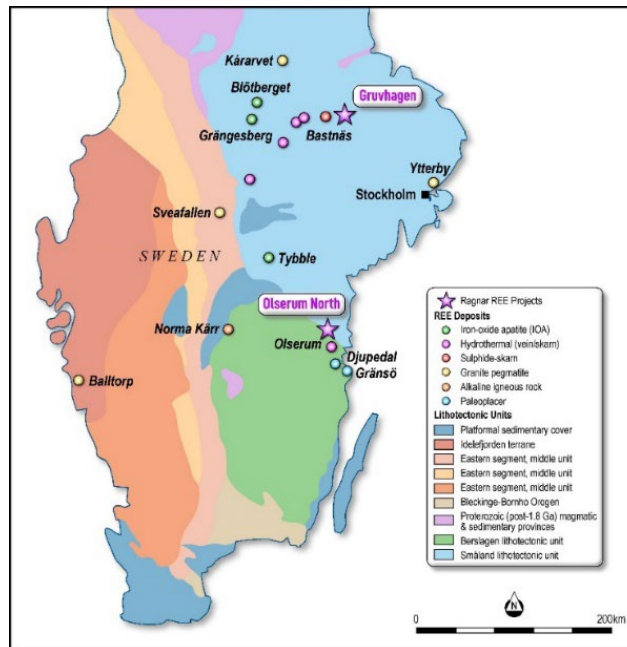


Figure 4: Simplified geological map of Southwest Fennoscandian Shield showing the location of Ragnar's REE Projects in relation to the Olserum REE deposit

In June 2023, the Company announced the acquisition of two heavy rare earths and NdPr projects in Sweden comprising 37.3km² of tenure, highly prospective for heavy rare earth element (HREE) mineralisation and NdPr metals, the Olserum North HREE Project and the Gruvhagen NdPr Project.

Both projects are considered highly prospective for discovering rare earth mineralisation in the southwestern Fennoscandian Province, renowned for rare earth element (REE) deposits, including Sweden’s largest REE deposit, Norra Kärr.

The Olserum North HREE Project tenure comprises 20.8km². It is strategically located 8.5km north of the Olserum HREE deposit, which is in an identical geological setting characterised by the same host Palaeoproterozoic Svekokarelian metasedimentary rocks (1.9Ga) and Palaeoproterozoic alkalic granite and syenite rocks (1.8Ga), which the Geological Survey of Sweden has mapped.

In July, the Company announced highlights from the first field program at Olserum North, where 11 samples were collected in the area. Assays indicate that HREE comprises the majority of the total REE content in most samples.

During the field program, the Hylleled heavy rare earth oxide (HREO) prospect was relocated, and rock samples of massive magnetite and biotite-altered rock with magnetite veins in places returned 8,286 ppm (0.82%) TREO with a very high percentage of high-value HREO up to 86%. Significantly, a new rare earth prospect was discovered from sampling historical iron ore workings called the Flaken prospect, where additional rock samples of massive magnetic and biotite altered rock with magnetite veins returned 4,967 ppm TREO with very high percentage HREO up to 93%.

These results are highly significant as the Hylleled and Flaken prospects are located 1.1km apart, with the airborne magnetic data suggesting that the magnetite-HREO mineralisation is connected. Field measurements of the veins confirm a northwest-southeast orientation (310-320 degrees strike) with a steep dip (78 degrees) to the northeast, which supports the magnetic interpretation. In addition, several magnetic anomalies extend for approximately 5km, suggesting further potential warranting further work across the tenure.

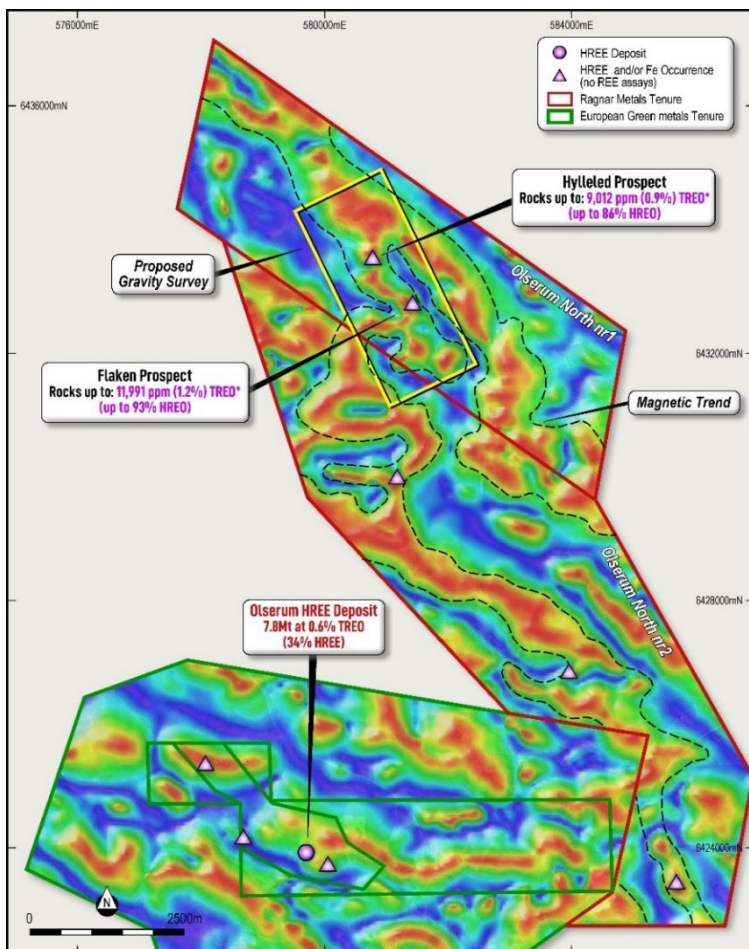


Figure 4: Interpreted bedrock geology map showing Ragnar’s expanded Olserum North project in relation to the Olserum HREE deposit.

In December, the Company advised exploration plans for the Olserum North project after initial assay results identified encouraging Rare Earth Elements (REE). The Company outlined the project schedule with the initial drilling program to commence in mid-2024.

Following the announcement in July of a potential 1.1km strike of heavy REE mineralisation at Olserum, airborne magnetic data was reviewed to explore any further prospects in the area. This extensive review highlighted 17km of prospective magnetic high linear anomalies that trend south toward the Olserum deposit and could represent additional HREE mineralisation (Figure 4). At least one REE occurrence and two iron occurrences (with no REE assays) were identified along this trend (Figure 4). As a result, Ragnar secured this area as a second exploration license of 29km², effectively expanding the footprint at Olserum North to 50km² of highly prospective ground.

For personal use only

RAGNAR METALS LIMITED

AND CONTROLLED ENTITIES

ABN 12 108 560 069

INTERIM FINANCIAL REPORT 31 DECEMBER 2023

The Gruvhagen NdPr Project, comprising 16.5km², is located within the 'REE-Line', where previous exploration in the area has identified outcropping REE mineralisation that returned historical exploration results of 36,921 ppm (3.7%) TREO with relatively high Nd/Pr (30%).

In August, the Company announced assay results of the first field reconnaissance program at the Gruvhagen Project. The Company contracted an experienced geologist from Bergskraft Bergslagen in June 2023 to conduct an initial field visit to the project to relocate the historic REE occurrences and conduct full-suite multi-element assays. This work aimed to identify the metal assemblage and mineralisation style and establish the potential scale and strike to focus on future exploration efforts.

A small digging was identified at the Morkens prospect, where highly altered rocks with visible pyrite-chalcopyrite mineralisation were observed in the waste pile. The rocks were so altered that the original rock type is as-yet unidentified. A suite of 5 rock samples were taken for assays with highly encouraging results including 19.7% TREO (31% NdPr), 169 g/t gallium, 0.8% copper, and 490 ppm cobalt in sample 23GRUGS013; 2.3% TREO (31% NdPr), 0.4% copper and 515 ppm cobalt in sample 23GRUGS016; and 1.3% TREO (32% NdPr), 0.3% copper and 394 ppm cobalt in sample 23GRUGS017.

Sampling 270m east of Morkens revealed a new area of highly elevated REO-gallium assays up to 0.34% TREE (24% NdPr) and 33 g/t gallium, now called Morkens East.

Next Steps

Results to date have confirmed the potential of high-value HREE mineralisation over at least a 1km strike and potentially further over the remaining tenure currently held by Ragnar. The dense magnetite-associated mineralisation indicates that both magnetics and gravity will be highly effective techniques for this deposit style. A detailed airborne drone-assisted magnetic survey was completed towards the end of 2023 over the Olserum North nr 1 tenement area; results are pending. In addition, a smaller gravity survey is in progress over the primary area of interest immediately surrounding the Flaken and Hylleled REE occurrences. The results of these programs are expected in early 2024. These important geophysical datasets will significantly assist in identifying further targets and aim to more accurately define drill targets for additional work by channel sampling and or drilling in 2024.

TENEMENT SCHEDULE

Swedish Projects Tenement Details

Name	License ID	RAG Ownership	Area Ha	Expiry Date
Gruvhagen Nr 1	2023:38	100%	1,612.54	23/03/2026
Olserum North	2023:55	100%	2,082.61	25/04/2026
Olserum North Nr 2	2023:118	100%	3,014.02	17/08/2026
Bergom Nr 2	2023:35	100%	2,767.31	20/03/2026
Bergom Nr 3	2023:116	100%	4,773.73	17/08/2026
Hälleberget nr 1	2023:36	100%	2,110.45	20/03/2026
Hälleberget nr 2	2023:58	100%	2,985.79	25/10/2026
Total Area			19,346.46	

Orrvik tenements - transferring from Pallas Metals AB

Name	License ID	RAG Ownership	Area Ha	Expiry Date
Orrvik Nr 110	2020:93	0%	600	3/12/2026
Orrvik Nr 210	2021:23	0%	922.52	16/03/2024
Orrvik Nr 300	2020:83	0%	450.07	5/11/2026
Orrvik Nr 400	2022:77	0%	1636.18	14/11/2025
Total Area			3608.77	

NB: The Company agreed to purchase the Orrvik tenements from Pallas Metals AB, as announced on 12 October 2023. Upon completion of the acquisition RAG would have a 100% in each of the Orrvik tenements.

Western Australia Projects Tenement Details

Tenement ID	RAG Ownership	Area Ha	Expiry Date
Leeds Project			
P15/6017	Loki Exploration Pty Ltd (80%)	198	02/04/2025
P15/6018	Loki Exploration Pty Ltd (80%)	199	02/04/2025
Kenya Project			
E39/1998	Loki Exploration Pty Ltd	2BL	03/05/2027
E39/2005	Loki Exploration Pty Ltd	1 BL	02/07/2027

For personal use only

RAGNAR METALS LIMITED

AND CONTROLLED ENTITIES

ABN 12 108 560 069

INTERIM FINANCIAL REPORT 31 DECEMBER 2023

Granmuren and Gaddebo Tenements - disposal completed post September 2023 quarter end

The tenements making up the Granmuren project and Gaddebo project in Sweden were disposed of pursuant to an agreement with BHP as announced on 26 June 2023. Settlement of the transaction occurred after the end of the September 2023 quarter, as announced on 19 October 2023. As at the date of release of this report, the Company has no ownership interest in these tenements.

Name	License ID	RAG Ownership at beginning of period	RAG Ownership at end of period
Tullsta nr 6	2017:158	100%	0%
Tullsta nr 7	2019:5	100%	0%
Tullsta nr 8	2020:45	100%	0%
Tullsta nr 9	2021:75	100%	0%
Berga nr 1	2018:48	100%	0%
Gaddebo nr 3	2014:91	100%	0%

CORPORATE AND ADMINISTRATIVE

Sale of Ragnar Metals Sweden AB

During the June 2023 quarter, the Company announced it had entered into a conditional sale and purchase agreement to dispose of its wholly owned subsidiary Ragnar Metals Sweden AB to BHP Metals Exploration Pty Ltd, a subsidiary of BHP Group Limited (ASX: BHP). The sale included tenements and exploration licenses over the Tullsta nickel project in Sweden, with A\$9,800,000 to be paid by BHP Metals Exploration Pty Ltd on completion. Deferred consideration, in the form of a 1% Net Smelter Return Royalty (Royalty), will be payable to Ragnar upon commencement of commercial production. The Purchaser may buy out the Royalty for a further A\$10,000,000.

On 18 October 2023, the Company confirmed that the sale had been completed and confirmed receipt of A\$9,800,000.

\$1.89 million Raised from Entitlement Issue

During the period, the Company completed a non-renounceable entitlement issue of 1 fully paid ordinary shares in the capital of the Company (Share) for every 4 Shares held by shareholders of the Company at an issue price of 2 cents per Share to raise up to A\$1.89m. The offer included an attaching option with an exercise price of 3 cents and an expiry date of 30 September 2024 for every one share issued under the entitlement offer.

The A\$1.89m in funds raised from the Offer are intended to be used for activities on the Company's new Swedish assets, costs of the divestment of Ragnar Metals Sweden AB and general working capital

Financial Review

The financial statements have been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of business. The Group incurred a profit for the half-year of \$5,238,677 (December 2022: \$214,467 loss).

The net assets of the Group have increased by \$7,664,365 from 30 June 2023 to \$12,559,826 at 31 December 2023.

As at 31 December 2023, the Group's cash and cash equivalents increased from 30 June 2023 by \$10,170,601 to \$10,366,651 and had a working capital surplus of \$10,263,397 (June 2023: \$1,193,324).

Events Subsequent to Reporting Date

There are no material events subsequent to the reporting date.

Auditor's Independence Declaration

The lead auditor's independence declaration for the half-year ended 31 December 2023 has been received and can be found on page 13 of the half-year report.

Signed in accordance with a resolution of directors made pursuant to s306(3) of the Corporations Act 2001 (Cth).



STEVEN FORMICA

Non-executive Chairman

Dated this Tuesday, 12 March 2024

For personal use only

To the Board of Directors

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

As lead audit director for the review of the financial statements of Ragnar Metals Limited for the period ended 31 December 2023, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Yours Faithfully



HALL CHADWICK WA AUDIT PTY LTD



**D M BELL CA
Director**

Dated this 12th day of March 2024

Perth, Western Australia

Condensed consolidated statement of profit or loss and other comprehensive income

For the Half-Year Ended 31 December 2023

	Note	Dec 2023 \$	Dec 2022 \$
Continuing operations			
Revenue		-	3,599
Other income		105,118	-
		105,118	3,599
Share Based Payments	6	(389,416)	(37,164)
Public relations and advertising		(68,871)	(35,327)
Registry and ASX fees		(47,040)	(41,934)
Directors Fees		(52,400)	(19,804)
Accounting and audit fees		(19,765)	(3,306)
Legal and professional fees		(196,779)	(10,924)
Insurance		(27,507)	(5,000)
Contractors and consultants		(70,123)	(46,849)
Finance Costs		(1,198)	(60)
Foreign exchange gain/(loss)		92,715	1,086
Exploration expenses written off	3	(19,222)	-
Other expenses		(101,086)	(13,203)
Loss before tax		(795,574)	(208,886)
Income tax benefit / (expense)		-	-
Loss for the period from continuing operations after tax		(795,574)	(208,886)
Profit after income tax expense from discontinued operations	8	6,034,251	(5,581)
Net (loss) / profit for the period		5,238,677	(214,467)
Other comprehensive income, net of income tax			
- Items that may be reclassified subsequently to profit or loss			
- Exchange differences on translation of foreign operations		(793)	-
- Exchange differences on translation of discontinued operation		149,948	(38,695)
Other comprehensive income for the period, net of income tax		149,155	(38,695)
Total comprehensive income attributable to members of the parent entity		5,387,832	(253,162)
Earnings/loss per share from continuing operations			
<i>Earnings per share:</i>			
- Basic and diluted loss per share (cents per share)	2	¢ (0.17)	¢ (0.06)
Earnings/loss per share from continuing and discontinuing operations			
<i>Earnings per share:</i>			
- Basic and diluted loss per share (cents per share)	2	¢ 1.15	¢ (0.00)

The accompanying notes form part of these financial statements.

RAGNAR METALS LIMITED

AND CONTROLLED ENTITIES

ABN 12 108 560 069

INTERIM FINANCIAL REPORT 31 DECEMBER 2023**Condensed consolidated statement of financial position**

As at 31 December 2023

	Note	Dec 2023 \$	Jun 2023 \$
Current assets			
Cash and cash equivalents		10,366,651	196,050
Trade and other receivables		162,593	38,262
Assets classified as held for sale	8	-	1,075,088
Total current assets		10,529,244	1,309,400
Non-current assets			
Plant and equipment		72,860	-
Exploration and evaluation assets	3	2,223,569	3,702,137
Total non-current assets		2,296,429	3,702,137
Total assets		12,825,673	5,011,537
Current liabilities			
Trade and other payables		265,847	116,076
Total current liabilities		265,847	116,076
Total liabilities		265,847	116,076
Net assets		12,559,826	4,895,461
Equity			
Issued capital	4	35,737,002	33,850,015
Reserves	5	976,152	437,451
Accumulated losses		(24,153,328)	(29,392,005)
Total equity		12,559,826	4,895,461

The accompanying notes form part of these financial statements.

Condensed consolidated statement of changes in equity

For the Half-Year Ended 31 December 2023

	Issued Capital \$	Accumulated Losses \$	Options Reserve \$	Share-based Payments Reserve \$	Foreign Exchange Translation Reserve \$	Total \$
Balance at 1 July 2023	33,850,015	(29,392,005)	444,328	-	(6,877)	4,895,461
Loss for the period	-	5,238,677	-	-	-	5,238,677
Other comprehensive income for the period	-	-	-	-	149,155	149,155
Total comprehensive income	-	5,238,677	-	-	149,155	5,387,832
<i>Transaction with owners, directly in equity</i>						-
Shares issued	1,895,922	-	-	-	-	1,895,922
Transaction costs	(8,935)	-	-	-	-	(8,935)
Options issued	-	-	389,416	-	-	389,416
Proceeds from issue of options	-	-	130	-	-	130
Balance at 31 December 2023	35,737,002	(24,153,328)	833,874	-	142,278	12,559,826

	Issued Capital \$	Accumulated Losses \$	Options Reserve \$	Share-based Payments Reserve \$	Foreign Exchange Translation Reserve \$	Total \$
Balance at 1 July 2022	33,850,015	(31,175,590)	2,266,083	525,944	(46,343)	5,420,109
Loss for the period	-	(214,467)	-	-	-	(214,467)
Other comprehensive income for the period	-	-	-	-	38,696	38,696
Total comprehensive income	-	(214,467)	-	-	38,696	(175,771)
<i>Transaction with owners, directly in equity</i>						-
Share-based payments	-	-	37,164	-	-	37,164
Transfer of expired options to accumulated losses	-	525,944	-	(525,944)	-	-
Balance at 31 December 2022	33,850,015	(30,864,113)	2,303,247	-	(7,647)	5,281,502

The accompanying notes form part of these financial statements.

RAGNAR METALS LIMITED

AND CONTROLLED ENTITIES

ABN 12 108 560 069

INTERIM FINANCIAL REPORT 31 DECEMBER 2023**Condensed consolidated statement of cash flows**

For the Half-Year Ended 31 December 2023

	Note	Dec 2023 \$	Dec 2022 \$
Cash flows from operating activities			
Payments to suppliers and employees		(573,430)	(10,218)
Interest cost		(1,107)	(60)
Interest received		16,280	3,599
Payments to suppliers and employees - discontinued operations	8	(1,216)	-
Net cash used in operating activities		(559,473)	(6,679)
Cash flows from investing activities			
Payments for property, plant and equipment		(79,978)	-
Payments for exploration expenditure		(575,539)	(1,326,001)
Proceeds from sale of entity		9,494,416	-
Net cash provided by / (used in) investing activities		8,838,899	(1,326,001)
Cash flows from financing activities			
Proceeds from issue of equity securities		1,896,051	-
Transaction costs related to issue of securities		(8,934)	-
Net cash provided by financing activities		1,887,117	-
Net (decrease)/increase in cash held			
Cash and cash equivalents at the beginning of the year		10,166,543	(1,332,680)
Effect of exchange rates on cash holdings in foreign currencies		196,050	2,082,661
Effect of exchange rates on cash holdings in foreign currencies - discontinued operations	8	-	2,445
		4,058	
Cash and cash equivalents at the end of the year		10,366,651	752,426

The accompanying notes form part of these financial statements.

Notes to the condensed consolidated financial statements

For the Half-Year Ended 31 December 2023

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

These are the condensed consolidated financial statements and notes of Ragnar Metals Limited (**Ragnar Metals** or **the Company**) and controlled entities (collectively **the Group**). Ragnar Metals is a company limited by shares, domiciled and incorporated in Australia.

The financial statements were authorised for issue on 12 March 2024 by the directors of the Company.

a) Basis of preparation

This interim financial report is intended to provide users with an update on the latest annual financial statements Ragnar Metals Limited and controlled entities. As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in combination with the annual financial statements of the Group for the year ended 30 June 2023, together with any public announcements made during the half-year.

Statement of compliance

The half-year financial report is a general purpose financial report prepared in accordance with the *Corporations Act 2001* (Cth) and AASB 134 *Interim Financial Reporting*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*. The half-year report does not include notes of the type normally included in an annual financial report and shall be read in conjunction with the most recent annual financial report.

Accounting policies

The accounting policies adopted in the preparation of the interim consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 30 June 2023.

b) Critical Accounting Estimates and Judgments

The critical estimates and judgements are consistent with those applied and disclosed in the 30 June 2023 annual report.

Key Judgments – Exploration and evaluation expenditure

Exploration and evaluation costs are carried forward where right of tenure of the area of interest is current. These costs are carried forward in respect of an area that has not at reporting date reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. The carrying value of capitalised expenditure at reporting date is \$2,223,569.

c) New or amended accounting standards and interpretations

The Group 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

Accounting Standards that are mandatorily effective for the current reporting period

In the half-year ended 31 December 2023, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group and effective for the half-year reporting periods beginning on or after 1 July 2023. As a result of this review, the Directors have determined that there is no material impact of the new and revised Standards and Interpretations on the Group and therefore no material change is necessary to the Group's accounting policies.

Accounting standards in issue but not yet effective

The Directors have also reviewed all of the new and revised Standards and Interpretations in issue not yet adopted that are relevant to the Group and effective for the half-year reporting periods beginning on or after 1 January 2023. As a result of this review, the Directors have determined that there is no material impact of the new and revised Standards and Interpretations in issue not yet adopted on the Group and therefore no material change is necessary to the Group's accounting policies

RAGNAR METALS LIMITED

AND CONTROLLED ENTITIES

ABN 12 108 560 069

INTERIM FINANCIAL REPORT 31 DECEMBER 2023**Notes to the condensed consolidated financial statements**

For the Half-Year Ended 31 December 2023

NOTE 2 – LOSS PER SHARE (EPS)

	Dec 2023	Dec 2022
	\$	\$
a. Reconciliation of earnings to profit or loss		
(Loss) / profit for the year -continuing operations	(795,574)	(208,886)
(Loss) / profit for the year - discontinued operations	6,034,251	(5,581)
	<u>5,238,677</u>	<u>(214,467)</u>
b. Weighted average number of ordinary shares outstanding during the year used in calculation of basic EPS	455,400,588	370,323,323
c. Earnings per share		
From continuing operations	(0.17)	(0.06)
From continuing and discontinued operations	1.15	(0.00)

NOTE 3 – EXPLORATION AND EVALUATION ASSETS

	Dec 2023	Jun 2023
	\$	\$
a. Non-current		
Exploration at cost:		
Carrying amount at the beginning of the period	3,702,137	3,407,232
Exploration expenditure capitalised	862,1722	1,369,993
Transfer of asset held for sale	(2,321,518)	(1,075,088)
Impairment and exploration activities written off	(19,222)	-
Carrying amount at the end of the year	<u>2,223,569</u>	<u>3,702,137</u>
b. Recoverability of carrying amounts of exploration assets is dependent upon successful exploration of the areas of interest.		
c. The Group has no material commitments in relation to its exploration assets.		

For personal use only

Notes to the condensed consolidated financial statements

For the Half-Year Ended 31 December 2023

NOTE 4 – ISSUED CAPITAL

	Dec 2023 No.	Dec 2023 \$	Jun 2023 No.	Jun 2023 \$
Ordinary shares				
At the beginning of the period	379,184,889	33,850,015	379,184,889	33,850,015
Entitlement Issue	51,149,660	1,022,994	-	-
Shortfall/Underwriting Issue	43,646,417	872,928	-	-
Transaction costs – share issue	-	(8,935)	-	-
At reporting date	473,980,966	35,737,002	379,184,889	33,850,015

On 25 July 2023, the Company confirmed it had received valid acceptances from eligible shareholders for 51,149,660 shares and 51,149,660 options, representing gross proceeds of \$1,022,994. The remaining 43,646,417 shares and 43,646,417 options, representing gross proceeds of \$872,928 were issued pursuant to the terms of the Underwriting Agreement.

RAGNAR METALS LIMITED

AND CONTROLLED ENTITIES

ABN 12 108 560 069

INTERIM FINANCIAL REPORT 31 DECEMBER 2023**Notes to the condensed consolidated financial statements**

For the Half-Year Ended 31 December 2023

NOTE 5 – RESERVES

	Grant Date	Exercise Price \$	Expiry Date	No.	\$
Options and Performance Rights					
At 1 July 2022				84,600,000	1,349,418
Chairman Options	19/04/21	0.08	02/09/22	(600,000)	-
Options Expired	19/05/21	0.04	19/05/23	(64,000,000)	(876,945)
Employee Options 1	19/05/21	0.04	19/05/23	(4,000,000)	(41,436)
Employee Options 2	17/06/21	0.06	17/06/23	(2,000,000)	(29,692)
Employee Options 3	17/06/21	0.08	17/06/23	(2,000,000)	(26,411)
Vendor performance rights	15/02/22	0.06	15/02/24	-	23,090
Director performance rights - Class A	26/10/22		21/11/24	4,750,000	19,642
Director performance rights - Class B	26/10/22		21/11/25	4,750,000	14,449
Vendor performance rights - Class A	11/11/22		21/11/24	2,000,000	6,992
Vendor performance rights - Class B	11/11/22		21/11/25	2,000,000	5,221
At 30 June 2023				25,500,000	444,328
Vendor performance rights	15/02/22	0.06	15/02/24	-	11,639
Director performance rights - Class A	26/10/22		21/11/24	-	14,632
Director performance rights - Class B	26/10/22		21/11/25	-	10,764
Vendor performance rights - Class A	11/11/22		21/11/24	-	5,570
Vendor performance rights - Class B	11/11/22		21/11/25	-	4,158
Consultant Options	12/09/23	0.03	30/06/25	16,500,000	162,839
Director Options	30/12/23	0.03	29/11/27	13,000,000	179,944
At 31 December 2023				55,000,000	833,874

NOTE 6 – SHARE BASED PAYMENTS

The following share-based payments were granted during the half year ended 31 December 2023.

On 11 September 2023, the Company issued 16,500,000 unlisted options to its consultants and company secretary. The unlisted options have an exercise price of \$0.03 and expire on 30 June 2025. 2,000,000 of the unlisted options have conditions of continuous employment which vest on 1 May 2024, the remaining options have no vesting conditions.

Class	Number granted	Grant date	Exercise price	Risk-free interest rate	Expiry date	Fair value at grant date	Total fair value	% vested
Class A	14,500,000	18 Aug 2023	\$0.03	3.94%	30 Jun 2025	\$0.0105	\$151,802	100%
Class B	2,000,000	18 Aug 2023	\$0.03	3.94%	30 Jun 2025	\$0.0105	\$20,938	0%

On 15 November 2023, shareholders approved the issue of 13,000,000 unlisted options to Directors (5,000,000 to Eddie King, 5,000,000 to Steve Formica and 3,000,000 to David Wheeler). The unlisted options have an exercise price of \$0.03 and expire on 29 November 2027. The unlisted options were valued using the Black Scholes model based on the following assumptions and a volatility of 87%:

Class	Number granted	Grant date	Exercise price	Risk-free interest rate	Expiry date	Fair value at grant date	Total fair value	% vested
Class A	13,000,000	15 Nov 2023	\$0.03	4.17%	29 Nov 2027	\$0.014	\$179,944	100%

Notes to the condensed consolidated financial statements

For the Half-Year Ended 31 December 2023

NOTE 6 – SHARE BASED PAYMENTS (CONTINUED)

An expense of \$389,416 (December 2022: \$37,164) was recognised as a share-based payment expense in the Consolidated Statement of Profit of Loss and Other Comprehensive Income, for the period ended 31 December 2023.

The following share-based payment arrangements existed at 31 December 2023:

- On 15 February 2022 the company issued 2,000,000 unlisted options at an exercise price of \$0.06, exercisable on or before 15 February 2024.
- On 21 November 2022 9,500,000 Director Performance Rights were issued and are divided equally into two classes with different vesting conditions and expiry dates. Class A - a 20 day VWAP being at least \$0.07 on or before the date that is 2 years from the date of issue of the Performance Rights. Class B - a 20 day VWAP being at least \$0.10 on or before the date that is 3 years from the date of issue of the Performance Rights.
- On 11 November 2022, 4,000,000 Consultant Performance Rights were issued and are divided equally into two classes with different vesting conditions and expiry dates. Class A - The 20 day VWAP being at least \$0.07 on or before the date that is 2 years from the date of issue of the Performance Rights. Class B - The 20 day VWAP being at least \$0.10 on or before the date that is 3 years from the date of issue of the Performance Rights.
- On 11 September 2023, the company issued 16,500,000 unlisted options at an exercise price of \$0.03, exercisable on or before 30 June 2025 to its consultants and company secretary. Two 1,000,000 parcels of the unlisted options have conditions of continuous employment which vest on 1 May 2024, the remaining options have no vesting conditions.
- On 15 November 2023, shareholders approved the issue of 13,000,000 unlisted options to Directors. The unlisted options have an exercise price of \$0.03 and expire on 29 November 2027.

During the period, no share options have been exercised.

NOTE 7 – OPERATING SEGMENTS

	Ragnar Metals	Ragnar Sweden AB (discontinued operations)	Elimination	Total
	\$	\$	\$	\$
For the Half-Year Ended 31 December 2023				
Segment revenue	105,118	6,035,467	-	6,140,585
Segment results	(795,574)	6,034,251	-	5,238,677
Loss before income tax	(795,574)	6,034,251	-	5,238,677
For the Half-Year Ended 31 December 2022				
Segment revenue	3,599	-	-	3,599
Segment results	(208,886)	(5,581)	-	(214,467)
Loss before income tax	(208,886)	(5,581)	-	(214,467)
As at 31 December 2023				
Segment Assets	12,856,655	-	(30,982)	12,825,673
Segment Liabilities	(278,221)	-	12,374	(265,847)
As at 30 June 2023				
Segment Assets	5,513,175	(311,956)	(189,682)	5,011,537
Segment Liabilities	(116,076)	(7,351)	7,351	(116,076)

For personal use only

RAGNAR METALS LIMITED

AND CONTROLLED ENTITIES

ABN 12 108 560 069

INTERIM FINANCIAL REPORT 31 DECEMBER 2023**Notes to the condensed consolidated financial statements**

For the Half-Year Ended 31 December 2023

NOTE 8 – DISCONTINUED OPERATION

On 19 October 2023 the Company announced the completion of the sale of its wholly owned subsidiary Ragnar Metals Sweden AB to BHP Metals Exploration Pty Ltd, a subsidiary of BHP Group Limited, originally announced on 26 June 2023. The assets held by Ragnar Metals Sweden AB included the exploration licences over the Tullsta nickel project and the Gaddebo project in Sweden and cash of approximately A\$300,000 (SEK 2,122,000) as at completion.

The total purchase consideration was A\$9.8 million, and a net smelter return royalty of 1% payable upon commencement of commercial production. The purchaser may buy out the royalty for a further A\$10,000,000.

The subsidiary is reported in the current period as a discontinued operation. Financial information relating to the discontinued operation for the period to the date of disposal is set out below.

	Dec 2023	Dec 2022
	\$	\$
Financial Performance		
Gain on disposal of subsidiary	6,035,467	-
Company secretarial	-	(4,500)
Contractors and consultants	(1,137)	-
Finance costs	(74)	-
Other expenses	(5)	(1,081)
Profit before income tax	6,034,251	(5,581)
Income tax benefit/(expense)	-	-
Profit after income tax of discontinued operation	6,034,251	(5,581)
Exchange differences on translation of discontinued operations	149,948	(38,695)
Other comprehensive income from discontinued operations	149,948	(38,695)
Cash flow information		
Net cash inflow from operating activities	(1,216)	225,251
Net cash (outflow) from investing activities	-	(147,886)
Net cash inflow from financing activities	-	-
Effect of exchange rates on cash holdings in foreign currencies - discontinued operations	4,058	(38,695)
Net increase in cash generated by the subsidiary	2,842	38,670

At 30 June 2023 the transaction was subject to the satisfaction of conditions, including RAG completing an internal restructure to transfer specific Swedish licences from RAG to Ragnar Metals Sweden AB. The following assets were classified as held for sale in relation to the discontinued operation:

	Dec 2023	Jun 2023
Assets classified as held for sale		
Exploration and evaluation assets (held by Ragnar Metals Ltd)	-	1,075,088
Total assets of disposal group held for sale	-	1,075,088

NOTE 9 – CONTINGENT ASSET AND LIABILITIES

There are no contingent liabilities at 31 December 2023.

Refer note 8 with respect to the net smelter return royalty and the buyout term with respect to the sale of Ragnar Metals Sweden AB.

Directors' declaration

The Directors of the Company declare that

1. The condensed financial statements and notes, as set out on pages 18 to 23, are in accordance with the *Corporations Act 2001* and:
 - a. comply with Accounting Standard AASB 134: *Interim Financial Reporting*; and
 - b. give a true and fair view of the financial position as at 31 December 2023 and of the performance for the half-year ended on that date of the Company
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 pursuant to s303(5) of the *Corporations Act 2001* (Cth) and is signed for and on behalf of the directors by



STEVEN FORMICA

Non-executive Chairman

Dated this Tuesday, 12 March 2024

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF RAGNAR METALS LIMITED

Conclusion

We have reviewed the accompanying half-year financial report of Ragnar Metals Limited ("the Company") and Controlled Entities ("the Consolidated Entity") which comprises the condensed consolidated statement of financial position as at 31 December 2023, the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other selected explanatory notes, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Consolidated Entity does not comply with the *Corporations Act 2001* including:

- a) Giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2023 and of its performance for the half-year ended on that date; and
- b) Complying with Accounting Standard AASB 134: *Interim Financial Reporting* and *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 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* 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.

Responsibility 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 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 Company's financial position as at 31 December 2023 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.



HALL CHADWICK WA AUDIT PTY LTD



D M BELL CA
Director

Dated this 12th day of March 2024
Perth, Western Australia

For personal use only

For personal use only



RAGNAR

METALS LTD.